



**COLLEGE OF HUMAN RESOURCE MANAGEMENT**  
**DIPLOMA IN HUMAN RESOURCE MANAGEMENT**  
**END OF SEMESTER EXAMS**

---

**SUBJECT: COMMUNICATION**

**SUBJECT CODE: 2908/104**

**CLASS: DHRM 2014B**

**LECTURER: BELDINA MUSEE**

**DATE: 19<sup>th</sup> MAY 2014**

**TIME: 2 ½ HOURS**

*Instructions:*

*Answer All Questions*

1. a) Outline three benefits of effective communication in an organization (3 Marks)  
b) Outline three challenges of using audio-visual aids (3 Marks)  
c) Highlight three challenges of horizontal communication in an organization (3 Marks)  
d) Outline three advantages of using a questionnaire to collect information for report writing (3 Marks)
2. a) Highlight three ways through which an individual would demonstrate etiquette when making a phone call to an organization (3 Marks)  
b) Outline three reasons why an interviewee should prepare for an interview (3 Marks)  
c) State four roles of members in a meeting (6 Marks)
3. Explain four reasons why an organization may use Facebook as a medium of communication (8 Marks)
4. You work as an Assistant Office Manager in a Printing firm. The firm has been experiencing frequent breakdown of machines. The management has asked you to investigate the matter and write a report making your recommendations. Assume that you have completed the investigations and write the report (16 Marks)
5. Lami Company Limited has advertised the position of Human Resource Officer. Assuming that you meet the requirements, write a letter applying for the position (16 Marks)
6. a) You are one of the students graduating at Mwanaisha Technical College. You have been asked to give a speech during the graduation ceremony on “The Benefits of Being Self-employed.” In about 250 words, write the speech. (14 Marks)

- b) The company you work for will have its operations disrupted due to a go-slow by unionisable employees. Write a notice to be placed in the local press informing customers about the situation (6 Marks)

7. **Read the passage below and then answer the questions that follow it.**

Early in the year 2011, the Finance minister announced that a new competition law would be effective from July 2011 and that the Competition Authority would replace the Monopolies and Prices Commission. Other countries have similar outfits. For example, the USA has the Federal Trade Commission established in 1914, the UK has the Office for Fair Trading established in 1973 and South Africa has the Compensation Commission of 1998. These authorities are empowered to investigate, control and evaluate restrictive business practices, abuse of dominant positions and mergers. This is in order to achieve equity and efficiency in their economies.

Economists have always welcomed competition as the hallmark of the market system where the market determines what is to be produced. Their main argument is that competition forces firms to be innovative and brings new and better products and services to the market. Without competition there are no **incentives** to improve. In Kenya, we have witnessed several innovations since competition got into the telecommunications industry. Competition forces firms to shed off inefficient operations, capital and even labour. The resulting firms are more efficient and focused, leading to expansion and greater national benefits like new and better quality jobs. That is how multinational corporations have developed.

Uncontrolled competition often leads to unfair trade practices such as firms undercutting each other and collusion. Such practices are more pronounced if the key economic players are monopolies. They can use their muscle to kill new entrants to maintain their monopoly and inefficiencies. But without a law, it becomes hard to deal with such practices. In the worst case, big firms collude to curve up the market and **keep off** the rivals, a practice witnessed in the beer industry in East Africa. Without the law, big firms also suppress small firms that may grow and one day threaten their grip on the market.

Good competition laws often make it easier for new firms to enter the market, leading to increased supply of goods and services and subsequent fall in prices. The money customers save from a fall in prices can be put into other uses, including leisure. The biggest gain for

customers might not be the extra money, but in having a choice. Choice is what **spices up** life. There is overwhelming evidence that firms with monopolistic tendencies rarely innovate because profits are assured. Without competition, firms will never produce at their best and at the lowest cost. This is costly to the economy in the long run. How else do you explain that oranges from Egypt or sugar from Brazil can be cheaper than locally produced sugar or oranges?

The benefits of competition are very many in the long term. The US Sherman Act of 1890 dealt a blow to monopolies that characterized the economy then. In 1911, The Act was used to break up the Standard Oil Company which controlled about 90 per cent of the US market. The same Act was used to break up the original American Telephone and Telegraph (AT&T) in 1984. Observers believe this break-up and the resulting competition led to innovations that finally saw the cellular phone become part of our lives.

Lack of competition benefits only a tiny minority who benefit even more if they have a closer relationship with politicians who have a say in new laws. The implementation of the new laws should not be expected to be smooth. Completion often means loss of business for a few but greater benefits for the majority who are the consumers. The new laws should also go beyond the traditional goods and focus on services too. If the new laws are well implemented, they will serve as an economic stimulus leading to a more **vibrant** economy where consumers will have more choices, higher quality goods and services and, in the long run, higher standards of living.

The competition Authority should have **teeth to bite** and not just check the monopolistic tendencies and unfair trade practices. It must be innovative and bring in new laws and regulations which ensure that firms compete, innovate and grow.

**Adapted from: “The Standard”, Tuesday, 8<sup>th</sup> March, 2011.**

- a) In about 150 words and according to the passage, explain the benefits of implementing the competition law. (12 Marks)
- b) Give the meaning of the following words and phrases as used in the passage:
- i) Dominant
  - ii) Incentives
  - iii) Keep off
  - iv) Spices up
  - v) Vibrant
  - vi) Teeth to bite
- (6 Marks)