



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MANAGEMENT

QUALIFICATION: BACHELOR OF BUSINESS MANAGEMENT / VARIOUS	
QUALIFICATION CODE: 07BBMA	LEVEL: 5
COURSE CODE: BMI511S	COURSE NAME: INTRODUCTION TO BUSINESS MANAGEMENT
DATE: JULY 2022	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY QUESTION PAPER			
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INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Answer all the questions in the examination booklet provided.

PERMISSIBLE MATERIALS

1. Calculators are allowed.

THIS MEMORANDUM CONSISTS OF 9 PAGES (Including this front page)

SECTION A

Question 1

[20 marks]

Indicate your answers next to each corresponding number in the examination booklet.

e.g. (1.1 C ; 1.2 C)

1.1 Phillip makes wooden toy trains to sell at a local market. He uses wood blocks, glue and paints to create the toy trains. This transformation process is known as _____.

- A. production
- B. exchange
- C. co-operation
- D. directing

1.2 Which one of the following statements is NOT true regarding society's scarce resources?

- A. The supply of natural resources a country possesses cannot be increased.
- B. Human resources include the physical and mental talents and skills of people employed to create products and services.
- C. Capital products have a short working life and stocks can be built up quickly.
- D. Entrepreneurship refers to the collective capacity of those individuals who accept the risks involved in providing products and services.

1.3 Jonathan started at his new job more than a month ago. He feels, however, that his colleagues do not respect him and that he is not accepted and valued by the company. This refers to Jonathan's _____ needs that are not satisfied according to Maslow's hierarchy of needs.

- A. self-realisation
- B. security
- C. esteem
- D. social

1.4 A team at Google identified a new opportunity and developed a new corporate business within Google, and thus Gmail was born. Gmail was developed through internal processes and through the use of Google's resources. The Gmail team is an example of _____ within Google.

- A. corporate entrepreneurship
- B. franchising
- C. social intrapreneurship
- D. community engagement

1.5 An enterprise is considered a legal/juristic personality when the:

1. members are liable for the debts and obligations of the juristic person.
2. enterprise has its own rights, assets and obligations.
3. members enjoy limited liability as they stand to lose only the capital they have contributed.
4. enterprise's existence is not threatened by changes in its membership.

- A. 1,2,3
- B. 1,4
- C. 2,3,4
- D. 1,2,3,4

1.6 Ester is a manager at the Sweet and Candy Shop. She is in the process of allocating the different resources to the various sections of the shop, and she is defining the duties of the employees and the procedures they need to follow in order to ensure the shop meets its goals. Ester is in the _____ phase of the management process.

- A. planning
- B. organising
- C. leading
- D. control

- 1.7 Which one of the following statements is **NOT** true for a business with a legal personality?
- A. The business is dependent on its members.
 - B. The business is recognised as a legal subject alongside natural persons or individuals.
 - C. The business has its own rights, assets and obligations.
 - D. The business's existence is not affected by changes in its membership.
- 1.8 Fischer price, a producer of children's toys, has to comply with local and international standards to protect consumers from unsafe products. This is known as _____.
- A. business ethics
 - B. consumerism
 - C. sustainability
 - D. social responsibility
- 1.9 Kavango Trading sells international and national branded cosmetics to middle and upper income men and women. The international and national branded cosmetics sold by Kavango Trading are indicated in which one of the following components of the business plan?
- A. Human Resources plan
 - B. Marketing plan
 - C. Management plan
 - D. Operating plan
- 1.10 Which one of the following does not form part of specialisation-intensive jobs.
- A. High productivity
 - B. Need for high skilled workers
 - C. Limit on mental errors
 - D. Greater control
- 1.11 Increasing the number of task and associated responsibility would be regarded as:
- A. work teams
 - B. job enrichment
 - C. job rotation
 - D. job enlargement

- 1.12 Mike is the CEO of Safety Xpress, a company specialising in road safety equipment. As part of the top management team at Safety Xpress, Mike is focussing on increasing his _____ skills as this is the most important skill needed at top management.
- A. conceptual
 - B. technical
 - C. behavioural
 - D. interpersonal
- 1.13 Indicating what a goal relates to, the period to which the goal refers and the desired results of the goal all refer to which criteria for setting effective goals?
- A. Specific
 - B. Measurable
 - C. Attainable
 - D. Relevant
- 1.14 Which one of the follow is NOT a fundamental building block of organising?
- A. Establishing reporting and authority relationships.
 - B. Coordinating activities.
 - C. Establishing communication channels.
 - D. Designing jobs.
- 1.15 What type of power is based on the manager's ability to influence employees with something of value to them?
- A. Referent
 - B. Expert
 - C. Legitimate
 - D. Reward
- 1.16 Which type of teams take on the responsibilities from their former managers, including tasks such as planning, scheduling and control?
- A. Self-managed teams
 - B. Cross-functional teams
 - C. Problem-solving teams
 - D. Task-specific teams

- 1.17 Which one of the following is NOT a control point to consider when measuring the effectiveness of purchasing and supply activities?
- A. Timeliness
 - B. Price proficiency
 - C. Relationship performance with customers
 - D. Workload
- 1.18 Which one of the following is the correct sequence of the cash cycle in a business?
- A. Raw materials – cash– debtors – cash – finished products
 - B. Cash – debtors – raw materials – finished products – cash
 - C. Cash – raw materials – finished products – debtors – cash
 - D. Cash – raw materials – debtors - cash – finished products
- 1.19 Petrina wants to aim her marketing attempts at women. She knows that because there are now more and more women in the workplace, she can focus her marketing efforts at this market. Women are also more involved in the decision-making of companies. The changing role of women is _____ variable that forms part of the macro-environment.
- A. a demographic change
 - B. an economic
 - C. a consumer
 - D. a social
- 1.20 A business plan is a plan of action that sets out every imaginable aspect of the planned establishment of the enterprise. This plan should be able to answer the following questions:
- A. where does the entrepreneur aim to start the business?
 - B. how does the entrepreneur aim to start the business?
 - C. why does the entrepreneur believe that the business will be successful?
 - D. all of the above.

Question 2

Indicate whether the following statements are True or False in the examination booklet provided.

e.g. 2.1 True

[20 marks]

No.	Statement
2.1	In a free-market economy, business organisations may not exploit the consumer.
2.2	The first reason why studying management is that we all have a vested interest in improving our own chances of finding a quality and secure job.
2.3	Quantitative guidelines for defining SMME's include a simple organisational structure that is independent, privately owned and managed.
2.4	Accountability is the obligation to achieve organisational goals by performing required activities.
2.5	Intermediaries are bridging the gap between manufacturers and consumers.
2.6	Housing benefits are regarded as direct compensation.
2.7	A farmer who sells mushrooms at a farm stall to passing motorists is an example of a three-link distribution channel.
2.8	Total quality is concerned with improving products and services outside the business and thereby satisfying the customers' needs.
2.9	Price is a quality characteristic used in quality planning and control.
2.10	Operations management in the business can help the business to satisfy the needs of its clients more effectively.
2.11	The sequencing of task refers to the use of a detailed roster that indicates when a specific task should start and when it should be completed.
2.12	Supply chain management is concerned with the choice of suppliers.
2.13	Corporate social investment recognizes corporations as legal persons with certain rights and responsibilities.
2.14	Analytical skill centres on a manager's mental ability to coordinate all of the organisation's interest and activities.
2.15	A job specification describes the nature of the work and the performance expected from the employee.
2.16	Advertising is the last promotional tool.
2.17	Psychographic criteria could also be considered for market segmentation.
2.18	The task environment is within the control of the business itself.
2.19	When one of the partners in a partnership is declared insolvent, then the partnership can be dissolved.
2.20	The memorandum of association is the organisation's set of principles, rules and regulations.

SECTION B

Question 3

[35 Marks]

- 3.1 A second principle or building block of organizational structure is the formation of departments. Discuss any four forms of departmentalisation? (8)
- 3.2 Discuss the requirements for meaningful market segmentation. (8)
- 3.3 It is crucial for managers to establish where the organisation is heading. Explain the reasons why goals are important in this regard. (5)
- 3.4 Outline any five types of entrepreneurs. (5)
- 3.5 Every group in an organisation is different in terms of its structure or set of characteristics that shapes the behavior of both the groups and the individual group members. Discuss any three characteristics of groups. (6)
- 3.6 All product and services consist of three interdependent components. List these components. (3)

Question 4

[25 Marks]

(Show all your workings)

- 4.1 If you deposit N\$50,000 in an account that pays an annual interest rate of 10% compounded quarterly, what will your account balance be in 10 years? (8)

4.2 Walumbola Ltd manufactures dishwashing machines for a large retail stores. The company sells a dishwashing machine to these store for N\$25,000.00 and incurs the following manufacture costs:

- Insurance - N\$15,000.00
- Fuel - N\$3,000.00
- Raw Material - N\$14,000.00
- Salaries - N\$80 000
- Leases – N\$13,000.00
- Rent – N\$25,000.00
- Telephone – N\$7,000.00

(a) How many dishwashing machines must Walumbola Ltd sell to break even?

(5)

Study the following information of Waikato Dealers and answers the questions that follow.

4.3

Given below is the balance of EK investment Company for years 1 and 2 .The figures are in are quoted in thousands Namibian dollars. With the information provided, calculate.

a) The liquidity ratios for years 1 and 2 and interpret the results of year 2 only.

(6)

b) Explain the use of a Debt ratio and calculate the ratio for both years

(6)

Years	Year 1 (in N\$000's)	Year 2 (in N\$000's)
Cash	4	20
Accounts receivable	32	44
Inventory	40	55
Total current Account	76	119
Gross fixed Assets	245	280
Less:Accum.Depreciation	130	155
Net fixed assets	115	125
Accounts payable	30	40
Notes payable	22	30
Total liabilities	52	70
Long-term debt	45	40
Owners Equity	85	85
Retained Earnings	9	44
Total liabilities and owners	191	239

