NAMIBIA UNIVERSITY OF SCIENCE AND TECHNOLOGY | HP-GSB HAROLD PUPKEWITZ Graduate School of Business

FACULTY OF COMMERCE; HUMAN SCIENCES AND EDUCATION

HAROLD PUPKEWITZ GRADUATE SCHOOL OF BUSINESS

QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 06DBPM	**LEVEL:** 6
COURSE CODE: IBM511C	**COURSE NAME**: INTRODUCTION TO BUSINESS MANAGEMENT
SESSION: NOVEMBER 2024	**PAPER:** PAPER 1
DURATION: 3 HOURS	**MARKS:** 100

SECOND OPPORTUNITY EXAMINATION – QUESTION PAPER	
EXAMINER(S)	**Ms. O. Kangandjo**
MODERATOR:	**Ms. J. Hambabi**

INSTRUCTIONS
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Examination paper
2. Examination script
3. Calculator

THIS QUESTION PAPER CONSISTS OF 8 PAGES (INCLUDING THIS FRONT PAGE)

SECTION A

Question 1 **[20 x 2 = 40 Marks]**

Indicate your answers next to each corresponding number in the examination booklet.
e.g. (1.1 c ; 1.2 d)

1.1 ABC Ltd. operates in a highly competitive market where customer preferences frequently change. The company needs to adapt quickly to maintain its market position. What type of environment does ABC Ltd. operate in?
a. Static Environment
b. Dynamic Environment
c. Homogeneous Environment
d. Stable Environment

1.2 James starts a business with a unique product that helps conserve water. He has invested his savings and is hoping to generate profits by filling a gap in the market. What role is James taking on?
a. Investor
b. Entrepreneur
c. Supervisor
d. Customer

1.3 Which factor is considered part of the macro environment?
a. Suppliers
b. Technological trends
c. Competitors
d. Customers

1.4 Which HR function involves finding and hiring the best candidates for a job?
a. Compensation
b. Recruitment
c. Training and Development
d. Performance Evaluation

1.5 Which of the following is a characteristic of a successful entrepreneur?
a. Avoiding risks at all costs
b. Relying on others for decisions
c. Innovation and willingness to take risks
d. Working only for large corporations

1.6 A company notices that due to recent changes in government regulations, they need to alter their packaging to comply with new environmental standards. Which part of the business environment is influencing the company's decision?
a. Micro Environment
b. Market Environment
c. Macro Environment
d. Internal Environment

1.7 Which HR practice involves encouraging and supporting employees to develop their skills and grow professionally?
a. Recruitment
b. Selection
c. Training and Development
d. Compensation and Benefits

1.8 Which of the following is a disadvantage of a partnership?
a. Limited liability
b. Sole control over decision-making
c. Shared profits
d. Double taxation

1.9 Which of the following is a factor in the external business environment?
a. Organizational culture
b. Employee morale
c. Government regulations
d. Production capacity

1.10 Which type of planning involves setting short-term objectives and deciding the specific actions to achieve them?
a. Strategic Planning
b. Contingency Planning
c. Tactical Planning
d. Visionary Planning

1.11 Mark is a leader who inspires his team by setting a vision and encouraging them to work towards it. He listens to their ideas and values their input in decision-making. What type of leader is Mark?
a. Laissez-faire
b. Transactional
c. Transformational
d. Autocratic

1.12 Which of the following is one of the Four Ps of Marketing?
a. Production
b. People
c. Price
d. Profit

1.13 XYZ Inc. regularly offers workshops and courses to help employees improve their skills and grow in their careers. Which HR activity is XYZ Inc. focusing on?
a. Recruitment
b. Employee Relations
c. Training and Development
d. Compensation and Benefits

1.14 Susan leads a team of creative designers. She gives them the freedom to work independently and trusts them to make their own decisions without much interference. Which leadership style does Susan demonstrate?

a. Autocratic
b. Transformational
c. Laissez-faire
d. Democratic

1.15 Sarah wants to start a business where she has full control and will be solely responsible for profits and losses. She wants a simple structure with minimal formalities. Which form of business ownership would be best for Sarah?

a. Corporation
b. Partnership
c. Franchise
d. Sole Proprietorship

1.16 Jane Supermarket buys toys from Boomerang toy manufacturers and sells them especially to people with toddlers. Jane Supermarket is part of which market?

a. Institutional markets
b. Government markets
c. Reseller markets
d. Industrial markets

1.17 The following are examples of staple products, except;

a. maize
b. bread
c. chocolate
d. milk

1.18 Which one of the following is an example of the functions of the human resource manager?

a. human resource planning
b. provide the advice of an advocate for marriage issues to employees
c. dealing with the costs of production processes
d. finding financial resources

1.19 Which of the following are sources of recruitment?

a. former employees
b. employment agencies
c. business or trade schools or colleges
d. a, b and c.

1.20 At the break-even point, profit made is

a. -0
b. N$60 000
c. All of the above
d. None of the above

Question 2 **[10 marks]**

Indicate whether the following statements are True or False in the examination booklet provided. e.g. 2.1 True

Which of the following statements are true or false?	
2.1	A franchise is a new business start-up of which the business concept is to be proven.
2.2	A business environment offers new opportunities and threats.
2.3	Electronic Solutions Ltd is a public owned company.
2.4	Delegation refers to the process of assigning responsibility and authority for achieving organisational goals.
2.5	Academic qualification requirements for a vacancy are classified under job specifications.
2.6	Reward power: the power to enforce compliance through fear, whether psychological, emotional or physical.
2.7	Businesses need leaders only not managers.
2.8	'Our goal is to increase our market share'. This goal is in line with the SMART framework.
2.9	Planning gives structure to the business. It forces management to have a short-term focus on implementing projects.
2.10	Internal recruitment brings new blood to the business.

SECTION B

Question 3 **[22 Marks]**

3.1 Leadership is an important management function that helps to direct an organisation's resources for improved efficiency and the achievement of goals. Discuss the components of leadership (10)

3.2 Selecting the right location is crucial for the success of a new business. List any five factors that influence the choice of a business location. (5)

3.3 Market research provide critical information about the business' market. Outline the five major steps to be followed in conducting marketing research. (5)

3.4 What are the advantages of external recruitment? (2)

Question 4 **[28 Marks]**

Study the financial statements below and answer the questions that follow.

Sunshine CC

Income statement for the year ended 31 December 2022

Sales			**N$ 180 000**
Less cost of goods sold			
Opening stock		N$25 000	
Add: Purchases		N$50 000	
		N$75 000	
Less closing stock		N$15 000	N$60 000
GROSS PROFIT			**N$120 000**
Less: Depreciation	N$1 000		
Expenses	N$9 000		
Net Profit			**N$110 000**

Sunshine CC

Balance sheet as at 31 December 2022

Fixed assets			
Equipment at cost	N$ 10 000		
Less Depreciation	N$ 8 000		N$2000
Current Assets			
Stock	N$15 000		
Debtors	N$25 000		
Bank	N$ 5 000		
	N$45 000		
Less: Current Liabilities			
Creditors	N$5000		N$40 000
			N$42 000
Financed by :			
Capital		N$ 38 000	
Add: Net Profit		N$110 000	
		N$148 000	
Less: Drawings	N$106 000		
		N$ 42 000	

Required

4.1 Calculate the following accounting ratios:

a) Gross profit margin (3)
b) Quick (or Acid test) ratio (3)
c) Working capital (current) ratio (3)
d) Net Profit margin (3)
e) Debt ratio (3)

4.2 Company HYZ wants to buy a machine that produces t-shirts. The selling price per t-shirt will be N$10. The cost of production will be as follows:

- Fixed costs of N$15,000 and a per unit cost of N$4.

(a) Calculate the break-even point in units. (5)

4.3 You have inherited N$ 2,000.00 from your grandparents will. You decide to invest your inheritance for four years. One of the local banks made an offer to invest your money for four years at a discount rate of 15 % compound trimesterly. What will your investment balance be in four years? (8)

END OF QUESTION PAPER