



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT OF MANAGEMENT**

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

<b>FIRST OPPORTUNITY QUESTION PAPER</b>			
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<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. All questions should be answered in the examination booklet provided</li></ol>

**PERMISSIBLE MATERIALS**

1. Calculators are allowed.

**THIS QUESTION PAPER CONSISTS OF 9 PAGES (Including this front page)**



**SECTION A**

**Question 1**

**[20 x 1 = 20 marks]**

Indicate your answers next to each corresponding number in your examination booklet provided. e.g (1.1 C; 1.2 C)

- 1.1 Human Resource Planning consist of which of the three steps, except:
- A. Job analysis and description
  - B. Change in organisation structure
  - C. Job specification
  - D. Human Resources Forecasting and Planning
- 1.2 Purchasing and supply planning at a tactical level includes.....,except:
- A. Supplier alliances
  - B. System integration
  - C. Pricing
  - D. Availability forecasting
- 1.3 \_\_\_\_\_ can be described in terms of technical and physical qualities?
- A. A core product
  - B. A formal product
  - C. A total product
  - D. A need-satisfying product
- 1.4 The performance objectives of an operation are related to the numerous customer/client needs. Which of the following is not one of these performance objectives?
- A. Higher quality and lower cost
  - B. Shorter lead time (quicker manufacturing or provision of services)
  - C. Low variability and adaptability (flexibility)
  - D. Lower variability with regard to specification (reliability)
- 1.5 When an organisation purchases an important strategic item, which of the following qualities will it regard as most important when deciding on a supplier?
- A. Price, quality and delivery
  - B. Financial stability, managerial and technical ability, and creativity
  - C. Location, cost and value
  - D. Technical ability and quality



- 1.6 Acquisition of Capital means.
- A. Asset structure
  - B. Maximise wealth
  - C. Capital Structure
  - D. All of the above
- 1.7 An effective and efficient operation can give a business four types of advantage. Select the one incorrect option.
- A. Reduce costs
  - B. Increase the fixed asset base
  - C. Increase revenue
  - D. Reduce capital investment
- 1.8 A business enterprise with share capital can be regarded as a \_\_\_\_\_ .
- A. Public company
  - B. Private company
  - C. Public or private company
  - D. None of the above
- 1.9 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
- 1.10 Operatives can best be described as:
- A. those who actually performs the service or produce the product
  - B. those who work anonymously behind the scenes
  - C. those who set the goals of the organisation
  - D. those who supervise others
- 1.11 The sequential steps in the planning process are:
- A. developing plans, goal-setting, feedback
  - B. goal-setting, mission statement, implementation
  - C. mission statement, developing plans, feedback
  - D. goal-setting, developing plans, implementation, reactive planning



- 1.12 Which one of the following statements about strategic goals is incorrect?
- A. Middle managers are responsible for formatting strategic goals that apply to the organisation as a whole over the medium term.
  - B. Strategic goals include a vision, a mission statement and long-term goals.
  - C. Long-term strategic goals are derived from the organizational mission statement.
  - D. Strategic goals should be clear, since tactical goals derive from them.
- 1.13 Organising means .....
- A. that direction is given to the organisation in the form of goals and plans
  - B. that management has to develop mechanisms in order to implement the strategy or plan
  - C. narrowing the gap between what was planned and the actual achievement of management, and ensuring all activities are carried out as they should be
  - D. influencing employees to work willingly toward the achievement or organizational objectives
- 1.14 According to Maslow's hierarchy of needs, if a person's esteem needs have been satisfied, then it is safe to assume that all of the following needs have also been satisfied except:
- A. belonging
  - B. self-actualisation
  - C. work-avoidant
  - D. safety and security
- 1.15 The marketing mix does not include:
- A. product
  - B. distribution
  - C. practicality
  - D. promotion
- 1.16 Which type of processing system would be least likely to produce goods for inventory rather than for a specific customer request?
- A. Assembly
  - B. Job
  - C. Batch
  - D. Continuous.





- 1.17 Performing the task right and considering the relationship between inputs and outputs is:
- A. efficiency
  - B. goal attainment
  - C. effectiveness
  - D. management characteristics
- 1.18 What is a viable business idea?
- A. An idea that can be transformed into a profitable business
  - B. An idea that is practical
  - C. An idea that is difficult to apply
  - D. An idea that is easy to apply
- 1.19 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.
- 1.20 The process of absorbing part of the task environment into an organisation is called:
- A. creating seamless boundaries
  - B. coalescing
  - C. smoothing
  - D. co-opting.



## Question 2

Indicate whether the following statements are True or False in the examination booklet provided. e.g. 2.1 True [1 x 10 = 10 marks]

No.	Statement
2.1	Corporate citizenship is about proactive efforts by companies to make a positive contribution to society.
2.2	The partners in a partnership have limited liability.
2.3	A example of semi-variable cost is sales commission.
2.4	Middle management needs more interpersonal skills than lower management.
2.5	Corporate entrepreneurship occurs when an entrepreneur starts his own business venture.
2.6	Benchmarking is the same as comparing.
2.7	Supply chain management is concerned with the choice of suppliers.
2.8	Close Corporation have a maximum of 10 shareholders.
2.9	Total quality control is concerned with improving products and services outside the business and thereby satisfying the customers' needs.
2.10	The use of a new idea to develop a better product, service, process or technique is known as creativity.



## SECTION B

### Question 3

[32 Marks]

- 3.1 To improve the chances of successfully achieving goals, managers should ensure that goals are not ambiguous. Discuss the criteria for effective goals? (10)
- 3.2 Different types of markets have their own criteria and characteristics as the total market in a country can be subdivided into various markets. Discuss the various market types. (8)
- 3.3 Discuss the components of the leading function. (10)
- 3.4 Most businesses' Corporate Social Responsibility programmes are driven by a combination of drivers. List the four driver that drives these programmes. (4)

### Question 4

[18 Marks]

(Show all your workings in order to get full marks)

- 4.1 If you deposit N\$20,000 in an account that pays an annual interest rate of 12% compounded monthly, what will your account balance be in 15 years? (8)
- 4.2 Oshimbingwe Ltd makes vacuum cleaners for a large retail stores. The company sells a vacuum cleaner to retail store for N\$650 and incurs the following costs of manufacture:
- Direct materials – N\$340 per vacuum cleaner
  - Direct labour – N\$160 per vacuum cleaner
  - Fixed costs are N\$27,000 per year.
  -

**Required:**

- (a) How many vacuum cleaners must Oshimbingwe Ltd sell to break even? (5)
- (b) If fixed cost increases by 10 percent what will be the new breakeven point. (5)



## 4.3

Study the following information of Shosholozza Traders and answers the questions that follow.

[20marks]

Balance Sheet (N\$ in Millions)				Income Statement (N\$ in Millions)	
Assets		Liabilities and Owners' Equity			
Current Assets		Current Liabilities		Sales	4400
Cash	400	Accounts Payable	400	Cost of Goods Sold	1100
Accounts Receivable	500	Notes Payable	300	Administrative Expenses	400
Inventory	700	<i>Total Current Liabilities</i>	700	Depreciation	246
<i>Total Current Assets</i>	1600	Long-Term Liabilities		<i>Operating profit</i>	2654
Fixed Assets		Long-Term Debt	100	Less interest paid	10
Property, Plant, and Equipment	1500	<i>Total Long-Term Liabilities</i>	100	<i>Profit before tax</i>	2644
Less Accumulated Depreciation	300	Owners' Equity		Taxes	884
<i>Net Fixed Assets</i>	1200	Common Stock (\$1 Par)	300	<i>Net profit after tax</i>	1760
<i>Total Assets</i>		Capital Surplus	300	Dividends	711
		Retained Earnings	1400	Retained profit (earnings)	1049
		<i>Total Owners' Equity</i>	2000	Other Information	
		<i>Total Liability and Owners' Equity</i>	2800	Number of Shares Outstanding (Millions)	300
				Price per Share	12.94





Calculate the following ratio's and provide an interpretation for each.

- (a) Current ratio (4)
- (b) Acid test ratio (4)
- (c) Debt ratio (4)
- (d) Gearing ratio (4)
- (e) Gross profit margin (4)



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