



**ΠΑΜΙΒΙΑ UNIVERSITY
OF SCIENCE AND TECHNOLOGY
CENTRE FOR ENTERPRISE DEVELOPMENT**

COMMERCIAL ADVANCEMENT TRAINING SCHEME

QUALIFICATION: Diploma In Business Process Management	
QUALIFICATION CODE: 06DBPM	LEVEL: 6
COURSE: Introduction to Business Management	COURSE CODE: BMI511C
DATE: November 2018	SESSION: 1
DURATION: 2 Hours	MARKS: 100

FIRST OPPORTUNITY EXAMINATION PAPER

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MODERATOR: Mr. B Zealand

INSTRUCTIONS

1. Answer **all questions** in the examination booklet provided.
2. Number your answers clearly
3. Please ensure that your writing is legible, neat and presentable.

PERMISSIBLE MATERIALS

1. Calculator.

THIS EXAMINATION PAPER CONSISTS OF (3) SECTIONS AND (5) PAGES (INCLUDING THIS FRONT PAGE)

SECTION A

QUESTION 1

[10 x 2 = 20 Marks]

Choose the correct option and indicate your choice (A-D) next to the appropriate number in the examination book provided. For example 1. B.

- 1.1 What marks the difference between economic systems?
- A. The way they manage the factors of production.
 - B. The way basic necessities are determined.
 - C. The way rules and regulations are legislated.
 - D. The way workers are relocated from different regions.
- 1.2 Corporate entrepreneurship is _____.
- A. entrepreneurship within an existing business
 - B. entrepreneurship limited to initiatives from lower management entrepreneurship based on business models on the Internet
 - C. entrepreneurship with a aim of creating a social responsibility programme
 - D. none of the above
- 1.3 Which of the following are not key players in Porter's five forces model of competitive strategy?
- A. Potential entrants
 - B. Governments
 - C. Buyers
 - D. Suppliers
- 1.4 A juristic person is _____.
- A. someone seeking justice for all in a third world country
 - B. an attorney
 - C. a form of business which exists independently from its members
 - D. a sole proprietorship
- 1.5 Woolworths, Mr Price, Ackermans, Pep, Big Daddy, Truworths and Foschini are all competitors of Edgars and thus part of the _____ environment.
- A. market
 - B. macro
 - C. physical
 - D. micro
- 1.6 The HIV/AIDS pandemic as experienced in sub-Saharan Africa is a variable in the _____ environment, which forms part of the _____ environment, over which managers in an organisation have _____ control.
- A. physical; market, indirect
 - B. social; market, direct
 - C. institutional-government; macro, no
 - D. social; macro, no

- 1.7 Which of the following are key skills required for effective and efficient management?
- a. conceptual skills
 - b. intellectual skills
 - c. interpersonal skills
 - d. technical skills
- A. a, b, d
 - B. a, b
 - C. a, c, d
 - D. b, c, d
- 1.8 Management is the process of utilising a business's resources to achieve specific objectives through the functions of _____, organising, leading and control.
- A. planning
 - B. communication
 - C. decision-making
 - D. motivation
- 1.9 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.
- 1.10 Shoprite Checkers, the supermarket chain, has set itself the objective of increasing market share from 20% to 80% within the next five years. The goal set by Shoprite Checkers is an example of a _____ that is formulated by _____ management.
- A. functional goal; middle
 - B. functional goal; top
 - C. long-term goal; middle
 - D. long-term goal; top
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SECTION B
Question 2

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

No.	Statement
2.1	Factoring of a debt is a means of financing by allowing the creditors, or banks to assist with the financial needs of the business through loans.
2.2	The authority delegated down the chain of command from the CEO to the General Manager of Operations is known as line authority.
2.3	Motivation is an extrinsic process and therefore managers can motivate their employees.
2.4	Our national airline Air Namibia, is known as a mass service.
2.5	Total quality control is concerned with improving products and services outside the business and thereby satisfying the customers' needs.
2.6	An organisation rewards an outstanding employee with an overseas trip with all expenses paid – this is a form of direct compensation.
2.7	The higher the management level, the more interpersonal skills are required.
2.8	A manager has referent power if her subordinates obey her simply because they like, respect and identify with her. This is a form of personal power.
2.9	The objective of sales promotion is usually short-term and could either be to boost sales or to introduce the product to the market.
2.10	Businesses that systematically scan the environment are guaranteed to succeed.

SECTION C
Question 3

Andrew runs a business that provides a 24-hour taxi service from Windhoek city centre to Hosea Kutako international airport. The business incurs fixed costs each month of N\$3,900.00 and variable costs are N\$270 per trip. Andrew charges N\$400 per trip.

- a) How many trips in a month would be needed for Andrew to break even? (4)
- b) How much is the total revenue for 120 trips a month? (2)
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Question 4

Mary's uncle promised her a graduation gift of N\$20 000 to be received upon graduation of her Bachelors Degree in Marketing. How much should Mary's uncle invest to yield the total amount of the promised gift to Mary after 3 years, compounded or discounted at the rate of 12% semi-annually? (8)

Question 5

The continued existence of humans depend on constant satisfaction of numerous need, both physical and psychological. Elaborate on this statement by drawing Abraham Maslow's hierarchy of needs and explain its importance in managing a business. (10)

Question 6

You have graduated and decided to open a Bakery with some of your classmates. As the operational manager, you are required to make a presentation to the other management cadres on how the bakery produces bread.

- a) Draw a basic transformation model illustrating the transformation process in your bakery. (5)
- b) Explain the process involved in your transformation model. (Hint: In your explanation outline the resources required) (7)

Question 7

As a human resources consultant, why would you advise an employer to recruit from inside the organisation? (6)

Question 8

You are interested in starting a cosmetics company which sells different ranges of cosmetics. How can you use demographic segmentation to segment the market for your products and to determine who your customers will be? (15)

Question 9

Discuss the characteristics of the business environment. (4)

Question 10

Businesses follow a price determination process when setting prices: first, a cost price is calculated, then a market price, followed by a target price after which a final price is agreed decided on. Once the final price has been set, certain adaptations have to be made. Discuss any three of these pricing strategies. (9)

End of Examination Paper

TOTAL MARKS 100