

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 2023	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 C)

- 1.1 Increasing the number of task and associated responsibility would be regarded as:
- work teams
 - job enrichment
 - job rotation
 - job enlargement
- 1.2 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.
- conceptual
 - technical
 - behavioural
 - interpersonal
- 1.3 What type of power is based on the manager's ability to influence employees with something of value to them?
- Referent
 - Expert
 - Legitimate
 - Reward
- 1.4 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 demographic change
 - an economic

- c. a consumer
- d. a social

1.5 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.

1.6 Which one of the following systems cannot be classified as an economic system?

- a. a free market system
- b. a deliberate system
- c. the socialist system
- d. the communist system

1.7 The external environment:

- a. is difficult to separate from the organisation's internal environment.
- b. is that portion of the environment that is controlled by top management.
- c. is the organisation's hierarchical structure.
- d. lies outside of the formal boundaries of an organisation.

1.8 Which of the following will you consider a novelty for entrepreneurship

- a. The government can easily provide you capital
- b. Your chances of becoming rich has been paved
- c. All of the above
- d. Creating job for yourself and your country

1.9 The following are challenges of owning your own business, except;

- a. Demand for full responsibility
- b. Guaranteed income
- c. Hard work
- d. Sacrificing quality family life

1.10 Which of the following are not elements of Maslow's Hierachy of needs?

- a. Esteem needs
- b. Self actualisation needs

- c. Psychological needs
 - d. Social needs
- 1.11 The general environment includes all of the following elements except:
- a. legal-political
 - b. economic
 - c. regulatory bodies
 - d. technological.
- 1.12 Money deposit in a savings account without being withdrawn will earn
- a. Discount
 - b. Commission
 - c. Interest
 - d. A fee
- 1.13 Marketers use a set of promotion tools called the promotion mix. One of the main ones is;
- a. selling
 - b. invoicing
 - c. customer service
 - d. publicity
- 1.14 Justine is writing a business plan for “Beds for Africa”. She is busy with the marketing plan and she needs to know what the marketing plan sets out to achieve. Help her complete the following. The marketing plan _____
- a. Explains the history of the company and the legal organisation
 - b. Determines the key players in the business such as investors and the management team, while also stating their experience and competencies
 - c. Describes the facilities and the labour to be used, raw materials, and processing requirements
 - d. Identifies the customers and the competitors
- 1.15 Human resource planning involves the following:
- a. identifying the work done in the business at present
 - b. selecting a suitably qualified candidate
 - c. identifying the type of employees needed to do the work
 - d. all of the above
- 1.16 Which of the following managers depend most on interpersonal skills?
- a. first-line managers
 - b. Top managers

- c. Middle managers
 - d. all of the above
- 1.17 What form of business ownership has two or more owners who share in the operation of the firm and are financially responsible for its debts?
- a. companies
 - b. partnership
 - c. cooperative
 - d. conglomerate
- 1.18 The following are elements of a marketing mix, except
- a. Promotion
 - b. Premium
 - c. Price
 - d. Place
- 1.19 The acquisition of funds is known as _____
- a. financing
 - b. financial management
 - c. investment
 - d. discounting
- 1.20 Which of the following definition can be ascribed to a public company
- a. it must at least have 2 - 50 shareholders
 - b. an enterprise not allowed by law to publish financial statements
 - c. all of the above
 - d. none of the above

Question 2

Indicate whether the following statements are True or False in the examination booklet provided. **[20 marks]**

No.	Statement
2.1	In a free-market economy, business organisations may not exploit the consumer.
2.2	A financial lease is a short-term loan.
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	Human resources function contributes to organisational effectiveness by managing change.
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	Boois was caught in the rain and had no choice but to buy an umbrella. In this case an umbrella is an example of an impulse product.
2.10	The partners in a partnership have limited liability.
2.11	Middle management needs more interpersonal skills than lower management.
2.12	Corporate entrepreneurship occurs when an entrepreneur starts his own business venture.
2.13	Close Corporations have a maximum of 10 shareholders.
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	An example of semi-variable cost is salary plus sales commission.

SECTION B

Question 3

[13 Marks]

- 3.1 Market research provide critical information about the business' market. Outline the five major steps to be followed in conducting marketing research. (10)
- 3.2 Branding give a unique identity to the company's products and create emotional associations with consumers. In your opinion, do you think wholesalers and retailers benefit from branding? Motivate your answer. (3)

Question 4**[27 Marks]**

(This question requires that you show all your workings to get full marks)

- 4.1 Carwyn Coats Ltd manufacture waxed jackets in a small factory on the outskirts of Cardiff. Their sole customer is a major Namibian chain store, which purchases 1,000 jackets each month. The factory's capacity is 1,250 per month. The company charges the chain store N\$80 per jacket.

Fixed costs per month are:

rent	N\$4, 800
rates	N\$3, 600
salaries	N\$9 ,600
Total	N\$18, 000

The manufacture of each jacket costs

materials	N\$24.00
labour	N\$26.00
Total	N\$50.00

- (a) What is the break-even output in units? (5)
- (b) What is the break-even in monetary terms (dollars)? (5)
- 4.2 Calculate the solvency ratios from the following financial statement extracts. (10)

Sales	45 000	<u>Current Assets</u>	
Cost of sales	<u>5 000</u>	Inventories	125
Gross profit	40 000	Debtors	250
		Cash	225
		<u>Current Liabilities</u>	
Land and building	120 000	Trade Creditors	200
Long term loan	3 000		
Capital	50 000		
Net profit	30 000		

- 4.3 Your grandfather wants an amount of N\$80 000 to be paid to you (his grandchild) in the year 2039. How much should he put this year (2023) into a special trust earning 12% interest compounded annually? (7)

END OF QUESTION PAPER