MNG2016 (494969) May/June 2009
RMN201X (470458)

GENERAL MANAGEMENT (BUSINESS MANAGEMENT (GENERAL) 201)

Duration   2 Hours   70   Marks

EXAMINERS :
FIRST   PROF T BREVIS
SECOND   MS MJ VRBA

This paper consists of 22 pages (including this page) and instructions for the completion of a mark-reading sheet

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INSTRUCTIONS:

This paper comprises 70 multiple-choice questions, worth one mark each, which you have to answer on the mark-reading sheet

Please make sure that you have filled in the following information on your mark reading sheet

- Your student number
- The module code (MNG2016)
- The unique number of the paper (494969 for MNG2016 or 470458 for RMN201X)

Answer the following 70 multiple-choice questions on the mark-reading sheet.

1   Identify the **wrong** statement

    1   Managers are usually classified into two categories, namely according to their level in the organisation and by the functional area of management for which they are responsible

    2   Organising involves determining the vision and mission of an organisation and finding the resources for reaching the vision and mission

    3   Leading the organisation means making use of influence and power to motivate employees to achieve organisational goals.

    4   The management process are encountered at all levels and in all departments of an organisation

2   As far as the **decision-making role** of a manager is concerned, four groups of activities can be distinguished, namely

    a   figurehead
    b   analyser
    c   entrepreneur
    d   problem solver
    e   allocator of resources
    f   negotiator

    1   a b c d
    2   b d e f
    3   c d e f
    4   a c d e

3   _____ **skills** involve the manager's thinking and planning abilities

    1   Interpersonal
    2   Technical
    3   Conceptual
    4   Analysing

4   The _____ **function** includes that group of activities concerned with the development of new products and improving old products

    1   operations management
    2   research and development
    3   public relations
    4   marketing

5   **Middle-level of management** primarily performs the following functions

    a   planning
    b   organising
    c   leading
    d   control
    e   coordination

    1   a b c e
    2   a b c d
    3   b c
    4   c d

6   Which of the following can be regarded as the **classical approaches** to management?

    a   Total Quantity Management
    b   Systems theory
    c   Scientific management school
    d   Process approach
    e   Bureaucratic approach

    1   a c d
    2   b d e
    3   c d e
    4   d e

7   _____ is a high-performance system for implementing business strategy

    1   Re-engineering
    2   Six Sigma
    3   The learning organisation
    4   Quantitative Management System

8   Identify the **wrong** statement as far as the **systems approach** to management is concerned

    1   The organisation can be viewed as a group of interrelated parts with a single purpose to remain in balance
    2   Managers need to deal with the individual parts of the organisation separately
    3   A system is an interrelated set of elements functioning as a whole
    4   The approach developed in the 1950s

9   The ____ **approach to management** states that there is no single best way to manage an organisation

    1   scientific
    2   process
    3   contingency
    4   re-engineering

10   The **quantitative management theory** comprises the following

    a   management science
    b   operations research
    c   decision sciences

    1   a b
    2   a b c
    3   b
    4   b c

11   Which of the following is **not** a characteristic of the management environment?

    1   The rate of environmental change differs between organisations in various sectors of the economy
    2   Uncertainty in the environment is a function of the amount of information available on environmental variables as well as of the confidence that management has in the information
    3   Organisations in more complex environments have the advantage that they require less critical information for decision making.
    4   Revolutionary environments are unpredictable and are characterised by continuous change

12   In its assessment of competition, management should bear in mind that the **nature and intensity of competition** in a particular market environment are determined by the following forces

    a   the possibility of new entrants
    b   the bargaining power of clients and customers
    c   the availability of accurate information on competition
    d   the bargaining power of suppliers
    e   the availability of substitute products or services
    f   the forming of alliances with competing industries
    g   the number of existing competitors

    1   a b c d
    2   a b d e g
    3   b d e f g
    4   c d f g

13   "A Coke within arm's reach" is an example of a _____ of the Coca-Cola Company

    1   vision
    2   mission
    3   strategy
    4   policy

14   The **Balanced Scorecard** developed by Kaplan and Norton, can be used for the following purposes

    a   to set goals for individuals in the organisation
    b   to translate the mission statement into measurable, long-term goals
    c   to select a grand strategy for the organisation by identifying its relative competitive position and the market growth rate
    d   to plan projects involving numerous activities and their interrelationships
    e   to ensure that standards for finance, customer satisfaction, internal processes and learning and innovation are set that can be used in the control process

    1   a b c
    2   a b e
    3   b c
    4   c d e

Questions 15 to 16

Various **crises** may be sources of uncertainty and high risk for organisations   Match the **category of crises** in Column A with an **example** thereof in Column B

COLUMN A CRISES	COLUMN B EXAMPLE
15. Economic crises	1 Industrial accidents
16 Information crises	2 Workplace violence
	3 Hostile takeover
	4 Cyber attacks
	5 Rumour mongering

17   Managers should optimise when they are making _____, _____ **decisions**, while they should _____ when they are making _____, _____ **decisions**

    1   non-programmed, high-risk, satisfice, programmed, low-risk
    2   non-programmed, low-risk, satisfice, programmed, high-risk
    3   programmed, low-risk, satisfice, non-programmed, high-risk
    4   non-programmed, high-risk, satisfice, nonprogrammed, low-risk

18   Managers can make use of _____ and _____ **decision-making tools** in conditions of certainty

    1   probability analysis, linear programming
    2   break-even analysis, decision tree
    3   simulation, pay-off matrix
    4   queuing theory, linear programming

[TURN OVER]

19   The **Kepner-Fourie method** for decision making combines the _____, _____ approach to decision making with _____

    1   subjective, qualitative, linear programming
    2   objective, quantitative, some subjectivity
    3   cost, benefit, group decision support systems
    4   objective, brainstorming, the nominal group technique

20   For each organisational function, various IT applications exist that can be used to support the particular function   The service function of an organisation can be supported by the following **IT applications**

    a   call centres
    b   personnel records
    c   factory automation
    d   order entry
    e   failure analysis
    f   commission calculation

    1   a c d
    2   a e
    3   b e
    4   d f

21   Information-reporting systems, decision support systems and executive information systems can be classified as _____

    1   operations information systems
    2   management information systems
    3   electronic commerce systems
    4   process control systems

22   The _____ is a wide area **network** that links an organisation's employees, suppliers, customers and other key stakeholders electronically

    1   internet
    2   extranet
    3   intranet
    4   information-reporting system

23 Which of the following three steps form part of the **systems analysis phase** of the information systems development cycle?

  a Develop a logical data-flow diagram to depict the system, its procedures and the flow of information

  b A study of the information requirements of an organisation and its end-users

  c Understand the current system that is to be improved or replaced and to determine the importance and scope of the problem at hand

  d Monitor, evaluate and modify a system once it is up and running

  e Determine the system requirements for a new or improved information system

  1   a c e
  2   b c d
  3   b c e
  4   c d e

24 Web-based auctions where consumers can buy and sell directly between one another, is an example of _____ **e-commerce**

  1   business-to-consumer
  2   business-to-business
  3   consumer-to-business
  4   consumer-to-consumer

25 A flat rganisation exists when there are _____ levels with _____ **spans of control**, whereas a _____ organisation exists when there are _____ levels with _____ **spans of control**

  1   many, narrow, tall, few, wide
  2   few; wide flat, many, narrow
  3   many, wide, flat, few, narrow
  4   few; wide, tall, many, narrow

26 In _____ **interdependence**, the output of one unit becomes the input for the next unit

  1   sequential
  2   pooled
  3   reciprocal
  4   none of the above

27 Which of the following are advantages of **decentralisation?**

  a Improved decision making
  b Fosters a competitive climate
  c Improved control
  d Less intensive training is required
  e Reduced workload for top managers

  1   a b c
  2   a b e
  3   b e
  4   c d e

28 **Matrix departmentalisation** combines _____ and _____ departmental structures

    1   location, customer
    2   product; network
    3   team, divisional
    4   functional, product

29 Identify the **wrong** statement as far as organising is concerned

    1   The organisation structure is responsible for creating a mechanism to coordinate the activities in the entire organisation
    2   Structure follows strategy
    3   Delegation is the process of assigning responsibility and accountability for attaining goals
    4   The organisational chart is a graphic representation of the way that an organisation is put together

30 The **control system** informs management of the following

    1   activities are proceeding according to plan
    2   activities do not proceed according to plan
    3   the situation has changed
    4   1, 2 and 3

31 To exercise **inventory control** in the organisation, the following techniques can be used

    a   quality control
    b   economic order quantity
    c   material requirements planning
    d   budget
    e   just-in-time system

    1   a b c
    2   b c d
    3   b c e
    4   c d e

32 **Strategic control** in an organisation is a close study of the organisation's

    a   total effectiveness
    b   labour turnover
    c   total quality management
    d   productivity
    e   management effectiveness

    1   a b c
    2   a d e
    3   b d e
    4   c d e

33   _____ **control** focuses on how inputs are productively transformed into outputs

     1   Preliminary
     2   Screening
     3   Post action
     4   Strategic

34   _____ **budgets** focus on diverse aspects of the organisation not expressed in financial terms, for example _____

     1   Operational, contract budgets
     2   Non-financial, capital budgets
     3   Non-financial, time projections of projects
     4   Operational, balance budgets

35.   A sales representative talks to the production manager of an organisation to ensure that enough inventories is carried to satisfy the needs of customers

     This is an example of _____ **communication**

     1   horizontal
     2   upward
     3   downward
     4   lateral

36   Which of the following are examples of **structural factors** that are communication barriers in the way of effective communication between a sender and receiver

     a   climate
     b   group size
     c   non-verbal cues
     d   spatial constraints
     e   status

     1   a b c
     2   b c d
     3   b d e
     4   c d e

37   _____ can be defined is a specific's organisation's gateway to internet-based information

     1   Electronic mail
     2   A database
     3   A business portal
     4   Wireless communication

38   **Electronic mail** has become popular with managers for the following reasons

        a   e-mail is relatively inexpensive
        b   e-mail increases productivity by eliminating the need for paper-handling steps
        c   employees who might never confront co-workers face-to-face are less hesitant
              to explode at others via e-mail
        d   information can be sent, returned and recalled in moments

        1   a b c
        2   a b d
        3   b c d
        4   c d

39   _____ is a technique whereby **organisational conflict** can be managed whereby
      conflicting parties meet face-to-face for identifying the reason for the conflict and
      resolving it through open discussion

        1   Formulating a shared goal
        2   Problem solving
        3   Resource expanding
        4   Smoothing

40   Which one of the following statements is **wrong** regarding **negotiation?**

        1   Negotiation is an exchange of information through communication, with the
              purpose of reaching an agreement between conflicting parties who have certain
              things in common and disagree with others
        2   Negotiation is considered as an event and not a process
        3   Negotiation should be directed at reaching some form of agreement
        4   The negotiation process should be flexible.

Read the following case study on Vodacom to answer questions 41 to 70

VODACOM

Vodacom is South Africa's leading cell phone network operator with 23 million customers
and a 58% market share The company's shareholders are Telkom (50%) and the Vodafone
Group (50%) The company also builds and operates GSM cell phone networks in
Tanzania, the Democratic Republic of Congo, Lesotho and Mozambique

The introduction of the Electronic Communications Act has enabled Vodacom to widen its
scope far beyond telecommunications to make cell phones essential lifestyle tools beyond
just voice communications It has the potential to democratise the internet and e-mail in
Africa on the same scale that telephone access has been made available Vodacom's global
alliance with Vodafone live! has put mobile television, Internet access, e-mail and
entertainment on cell phones

Vodacom's culture is shaped by a winning spirit, a passion for the job and an unwavering
belief in the Vodacom team Vodacom is a company that demands the best from the people
who work for it and special effort and dedication are accepted as the norm The group's
progressive human resources policies are designed to nurture this human capital Potential

restrictions on the company are the regulatory environment in which Vodacom operates, as well as legislation such as the Registration of Information Act

Vodacom was born in the new South Africa and started commercial operations in 1994 after it was awarded one of two GSM licences The company has become an important agent of change, not only in this country, but also in Africa Today the group has built networks in Lesotho, the Democratic Republic of Congo, Tanzania and Mozambique, putting cell phones in the hands of well over 30 million people by the end of March 2007 Millions more have gained meaningful access to telephones through thousands of Vodacom phone shops in these countries

Due to the huge demand worldwide for ICT skills in what is still a relatively young industry, it is one of the Vodacom Group's HR priorities to meet this challenge, especially as the company prepares to enter the new spheres opened by the Electronic Communications Act. 'In many cases, we are sailing in unchartered waters We are already in the fortunate position that we can cherrypick the best ICT talent in South Africa but, at the same time, we need to nurture and develop this growing pool of important skills,' says Lungi Ndlovu, chief HR officer, Vodacom Group

At the same time, Vodacom is striving to address the challenges of transformation Bernard Nkomo, managing executive Reward and Benefits, says Vodacom believes transformation is a business imperative 'Empowerment, and by extension gender empowerment, is a top priority for Vodacom, with management aware of the need to ensure that women and PDIs are recognised and fill strategic positions within the company, and not just support roles,' says Nkomo The nature of these challenges means that retention is a key issue at Vodacom 'Our workforce is young, which means that they are mobile They're eager to find the next big opportunity,' Ndlovu observes Vodacom has therefore devised a retention programme that hinges on providing staff stretching assignments and encouraging learning and growth – factors which are just as important as an impressive salary when it comes to holding onto top talent. For example, employees are able to spend time with Vodacom's equipment suppliers, such as Motorola and Siemens, learning about the latest technologies and devices This has the additional benefit of giving talented staff international exposure, which in turn will benefit Vodacom Nkomo says rewards and benefits are constantly reviewed This includes addressing issues that affect work/life balance, implementing incentive programmes as well as highlevel recognition, such as the Yebo Excellence Award, the Employee of the Month Award, On-thespot Awards, the MD Roll of Honour and the prestigious CEO Award

The company has a comprehensive skills development framework in place, with training programmes targeting various occupational levels within the organisation Depth of management and longterm succession planning is underpinned by initiatives such as the Vodacom Executive Programme and Conversations in Leadership Vodacom has partnered leading institutions such as Unisa and GIBS to create these programmes

Vodacom strives to be an employer of choice It participates in annual remuneration surveys and benchmark salaries above the fiftieth percentile It is essential that employees share the company's values, which are summarised in The Vodacom Way, a powerful statement of Vodacom's ethical intents of being a fair company with a winning attitude

It is Vodacom's belief that government alone cannot address the vast need for social development A panAfrican company like Vodacom is well placed to join hands with governments to help create stable, peaceful and socio-economically healthy communities The Vodacom Foundation was established in 1999 to achieve this objective and its cumulative CSI investment to date totals more than R260 million in various social development areas, especially in disadvantaged communities These activities focus on education, health, safety and security Ndlovu says discretionary expenses are controlled by regional offices, rather than being centralised, as they are most aware of the particular issues and challenges facing their regions 'Our budget for CSI activities was increased to R75 million for the current financial year,' she adds Beneficiaries to date include charities such as the South African Reserve Police Service Association, WWFSA, and Open Bursary Scheme

Vodacom is following the worldwide trend of cellular networks entering the fixedline market It has established a new company called Vodacom Converged Solutions, which will build infrastructure to create additional capacity for the huge demand for data, especially in the corporate market. 'We believe this is the way forward for Vodacom in South Africa and that this area of business has the potential to grow bigger than Vodacom is today,' Ndlovu says Vodacom has already reduced the cost of data by 96% compared to 2005 rates and this development will drive costs down further

Founding CEO Alan KnottCraig has led the Vodacom Group since 1993 He is recognised as a strong leader and visionary who has been a driving force in the democratisation of telephones in South Africa The company has a multifaceted approach to recruitment Its preference is to promote from within, but it also makes use of headhunters to find the best talent Bursary schemes are a useful tool in creating a pool of young talent for the future

Source http //www vodacom co za/about/careers jp

41   Vodacom currently has a market share of 58% 'Vodacom wants to increase its market share by 2% in the following 5 years '

      This is an example of a _____ *of Vodacom*

      1   vision
      2   mission
      3   long-term goal
      4   standing plan

42   Vodacom was born in the new South Africa and extended its operations to Tanzania, the Democratic Republic of the Congo, Lesotho and Mozambique

      This is an example of a _____ **strategy** *followed by Vodacom*

      1   diversification
      2   market development
      3   concentration growth
      4   harvesting

43. Vodacom has put mobile television, Internet access, e-mail and entertainment on cell phones

This is an example of a _____ **strategy** *followed by Vodacom*

1   concentration growth
2   horizontal integration
3   product development
4   conglomerate diversification

Questions 44 to 46

Study the following variables

a   The Electronic Communications Act has enabled Vodacom to widen its scope far beyond telecommunications to make cell phones essential lifestyle tools beyond just voice communications

b   Vodacom's progressive human resources policies are designed to nurture its human capital

c   The regulatory environment in which Vodacom operates and legislation such as the Registration of Information Act are possible restrictions on the company

d.   Vodacom is affected by a huge demand for ICT skills

e   Vodacom has a comprehensive skills development framework in place, with training programmes targeting various occupational levels within the organisation

f   Innovations by rivals such as MTN and Cell C influences Vodacom's success in the cell phone industry

44   Which of the variables listed above originates from Vodacom's **micro-environment?**

1   d f
2   b e
3   a c
4   b c

45   Which of the variables listed above originates from Vodacom's **market environment?**

1   b e
2   d f
3   a c
4   d e

46   Which of the variables listed above originates from Vodacom's **macro-environment?**

      1   b c
      2   d f
      3   a c
      4   d a c

Questions 47 to 48

'Empowerment, and by extension gender empowerment, is a top priority for Vodacom, with management aware of the need to ensure that woman and previously disadvantaged individuals (PDIs) are recognised and fill strategic positions within the company, and not just support roles '

47   According to **Maslow's hierarchy of needs**, this is an example of _____, _____ needs of woman and PDIs, satisfied by _____ rewards

      1   lower-order, esteem, intrinsic
      2   lower-order, self-actualisation, extrinsic
      3   higher-order, esteem, intrinsic
      4   higher-order, social, extrinsic

48   According to **Herzberg's two-factor theory of motivation**, recognition is a _____, which relates to _____

      1   higiene factor, job context
      2   higiene factor, job content
      3   motivator, job content
      4   motivator, job context

49   Vodacom participates in annual remuneration surveys and benchmark salaries above the fiftieth percentile   They believe an individual must be able to perceive a relationship between (1) the reward he or she receives, and (2) his or her performance

      This is the basis of the _____ **theory of motivation**, *which can be classified as a* _____ *theory of motivation*

      1   two-factor, content
      2   equity, process
      3   expectancy; process
      4   reinforcement, content

Questions 50 to 52

Match the **element of the expectancy theory** in Column A with an **example** from Vodacom in Column B

COLUMN A ELEMENT OF EXPECTANCY THEORY		COLUMN B EXAMPLE FROM VODACOM
50 Expectancy	1	'If I sell more cell phones, I will receive recognition, such as the Employee of the Month Award '
51 Instrumentality	2.	'f I work overtime, I will sell more cell phones '
52 Valence	3	'I want to get recognition from my employer and are working towards the CEO Award '

53   'The Vodacom Way' is a powerful statement of the company's ethical intents

   Ethics can be defined as _____

   1   actions that should be taken to protect and enhance society's interests
   2   the system by reference to which organisations are managed and controlled and from which the organisation's values emerge
   3   the code of moral principles and values that directs the behaviour of an individual or a group in terms of what is right or wrong
   4   a commitment by senior management to adhere to behaviour that is universally recognised and accepted to be correct and proper

Questions 54 to 55

'Corporate Governance is a high-level function at Vodacom to ensure that the spirit of the company's intentions is carried out '

54   **Corporate governance** can be defined as _____

   1   the system by reference to which organisations are managed and controlled and from which the organisation's values and ethics emerge
   2   the ease with which an outsider is able to make meaningful analysis of a company's actions, its economic fundamentals and the non-financial aspects pertinent to the business
   3   a commitment by supervisory management to adhere to behaviour that is universally recognised and accepted to be correct and proper
   4   the extent to which mechanisms has been put in place to minimise potential conflict of interests that may exist

55   **Corporate governance** is a topic of utmost importance to the stakeholders of a
      company

      *Which of the following are examples of Vodacom's **primary stakeholders?***

      a   Shareholders
      b   Employees
      c   Local community
      d   Suppliers
      e   The country as a whole
      f   Customers
      g   The international environment

      1   a b c d
      2   a b d f
      3   b d e f
      4   d e

56   The Vodacom Foundation's donation of more than R260 million in various social
      development areas, is an example of **social** _____

      1   obligation
      2   justice
      3   responsiveness
      4   investment

57   Vodacom's decision to build infrastructure to create additional capacity for the huge
      demand for data, especially in the corporate market, is an example of a _____
      strategy

      1   conglomerate diversification
      2   horizontal integration
      3   concentration growth
      4   concentric diversification

Questions 58 to 59

Founding CEO Alan KnottCraig has led the Vodacom Group since 1993 and is recognised as a strong leader   Study the following activities that Mr KnottCraig needs to perform

a   Establish goals and formulate strategies and plans to reach goals for Vodacom
b   Develop a structure for Vodacom
c   Motivate employees and teams to follow Vodacom's vision
d   Steer people in the right direction through motivation
e   Compare the plan and the outcome of the project to build infrastructure to create capacity for the huge demand for data, and take corrective action

58   Which of the activities listed above should Mr KnottCraig perform as a **leader**?

1   a b e
2   c d
3   c d e
4   d e

59   Which of the activities listed above should Mr KnottCraig perform as a **manager**?

1   a b c
2   a b e
3   c d e
4   d e

60   At Vodacom, achievement is attained by workers who are motivated and pursue the goals of the organisation with good will

*According to the **leadership grid**, the leadership style adopted by Vodacom's leaders is _____ management*

1   country-club
2   middle-of-the road
3   team
4   autocratic

61   Successful leaders at Vodacom analyse the maturity of their subordinates, determine
the degree of training or support necessary and adapt their leadership style as their
subordinates developed

*The **leadership approach** adopted by these leaders is _____.*

1   Fiedler's contingency theory of leadership
2   Hersey and Blanchard's leadership cycle model
3   The Path-goal model
4   Vroom's model

62   The following figure illustrates the differences between **strategic** and **tactical plans**
of Vodacom   Fill in the missing spaces

TYPE OF PLAN	FOCUS	TIME FRAME	SPECIFICITY
Strategic	(i) _____	Long-term	(iv) _____
Tactical	(ii) _____	(iii) _____	More specific

1   (i) Entire organisation (ii) Small sections (iii) Short-term   (iv) Broad
2   (i) Strategic business units (ii) Functional areas (iii) Short-term (iv) Broad
3   (i) Entire organisation (ii) Functional areas (iii) Medium term (iv) Directional
4   (i) Product lines (ii) Strategic Business Units (iii) Short-term (iv) Vague

Questions 63 to 65

Match the kind of **organisational plan** in Column A with an **example** from Vodacom in Column B

COLUMN A KIND OF ORGANISATIONAL PLAN		COLUMN B EXAMPLE
63 Programme	1	Employees are allow to work from home as long as it is approved by line managers
64 Rule	2	Vodacom is a fair company with a winning attitude
65 Policy	3	The Vodacom Foundation has invested R260 million in various social development programs
	4	Vodacom Converged Solutions will build and complete infrastructure to create additional capacity for the huge demand for data by the end of 2010
	5	Vodacom's shareholders are Telkom and the Vodafone Group

66 When Alan KnottGraig act as spokesperson for Vodacom, he is fulfilling a _____ **role**

    1   interpersonal
    2   decision-making
    3   information
    4   public relations

67 Alan KnottGraig needs more _____ **skills** and less _____ and _____ **skills** to manage Vodacom successfully

    1   conceptual, interpersonal, technical
    2   interpersonal, decision making, technical
    3   technical; conceptual, interpersonal
    4   conceptual, decision making, technical

68 Vodacom can use _____ to set generic standards for management competence at first-line, middle and top managerial levels

    1   Management By Objectives
    2   the systems approach to management
    3   the National Qualifications Framework
    4   the Management Charter Initiative

69 Various retail stores are selling Vodacom products to their customers

A retail store is an example of a(n) _____ pertaining to Vodacom's _____
environment

1   intermediary, macro-
2   stakeholder, micro-
3   intermediary, market
4   supplier; micro-

70 Sales figures for the Vodacom Group for 2009 are an example of _____

1   information
2   management information
3   information technology
4   data

ROUGH WORK