

Section A

1. A marketing manager of an organisation performs the following main functions of management

- a) planning ✓
- b) administration ✓
- c) organising ✓
- d) leading ✓
- e) coordinating ✓
- f) control ✓

- 1 abc
- 2 bcde
- 3 cdef
- 4 acdf

2. There are five basic functions of administration, namely planning, organising, commanding, coordinating and control.

This is the conclusion drawn by _____ in developing the _____ approach to management.

- 1 FW Taylor; scientific
- 2 Henri Fayol; process
- 3 Max Weber; bureaucratic
- 4 McGregor; Theory X

3. _____ distinguished two alternative assumptions about people and their assumptions to work, which he called Theory X and Theory Y.

Theory X managers assume _____ while Theory Y managers assume _____.

- 1 Mayo: that people relish their work and approach their work as an opportunity to develop their talents; that workers must be constantly coaxed into putting effort into their jobs
- 2 Herzberg: intrinsic factors such as the work itself can motivate employees; hygiene factors such as a salary can motivate employees
- 3 McGregor: that workers must be constantly coaxed into putting effort into their jobs; that people relish their work and approach their work as an opportunity to develop their talents
- 4 Max Weber: a strictly defined organisational hierarchy will contribute to the productivity of workers; a flexible organisational hierarchy will contribute to the productivity of workers

TURN OVER

4. The _____ approach to management views the organisation as a group of interrelated parts with a single purpose: to remain in balance.

- 1 contingency
- 2 systems
- 3 total quality management
- 4 administrative

5. The _____ approach to management focuses on improving quality by helping organisations produce products and services better, faster and more cheaply.

- 1 total quality
- 2 contingency
- 3 Six Sigma
- 4 re-engineering

6. The _____ approach to management was developed by _____ and it involves a fundamental reappraisal of the way that organisations operate.

- 1 total quality management; Deming ✓
- 2 Six Sigma; Motorola ✓
- 3 re-engineering; Hammer & Champy
- 4 learning organisation; Peter Senge ✓

7. Janet receives a bonus every year. She wishes to invest her bonus and considers the following options every year: (i) buy shares of which the rate of return depends on market movements; or (ii) invest it in a money market fund that can realise a return of more or less 10 percent per year.

Janet's decision to invest her bonus in a money market fund is a _____ decision, taken under conditions of _____.

- 1 programmed; certainty
- 2 nonprogrammed; certainty
- 3 programmed; risk
- 4 nonprogrammed; uncertainty

TURN OVER

8. A decision-making technique that is based on the development of a large quantity of solutions to a specific problem or opportunity without the evaluation of the solutions, is _____.

- 1 the Nominal Group Technique
- 2 the Delphi technique
- 3 brainstorming
- 4 a real-time Delphi technique

9. Which one of the following is an example of a programmed decision?

- a) whether a customer is entitled to receive credit
- b) whether an employee is entitled to occasional leave
- c) the interest rate that a banking client should pay on a bond
- d) a change in the work-flow procedures of a production plant
- e) a shift in a marketing strategy by focusing on a new segment of the market

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

10. In the _____ model of decision making, the decision maker _____, whereas in the _____ model of decision making, the decision maker _____.

- 1 rational; follows a sequence of steps; bounded-rational; follows his/her instincts to select the best possible solution
- 2 bounded-rational; selects the most cost-effective solution; rational; selects the best possible solution
- 3 rational; selects a solution by using group decision-making techniques; bounded-rational; selects the best possible solution on his/her own
- 4 rational; selects the best possible solution; bounded-rational; selects the first option that meets the minimal criteria

11. Various quantitative tools exist that can be used by managers for decision making.

Which of the following tools are particularly useful when making a decision under conditions of certainty?

- a) Break-even analysis
- b) Queuing theory
- c) Linear programming
- d) Simulation
- e) Capital budgeting

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

Questions 12 to 14

Match the information system in column A with an example of the application thereof in column B.

COLUMN A Information system	COLUMN B Example
12. Transaction processing system	1. Coca-Cola implements an automatic inventory reorder system.
13. Process control system	2. Executives of SAB consider factors critical to accomplishing the organisation's strategic goals.
14. Office automation system	3. Vodacom launches a new product and needs estimates of the sales using internal and external data on customers, competitors, retailers and other relevant economic and demographic information.
	4. Pick 'n Pay records and processes data resulting from sales, purchases and inventory changes.
	5. Discovery uses teleconferencing to communicate with their centres across South Africa, the USA and the UK.

15. An organisation needs to link their employees, suppliers, customers and other key stakeholders electronically.

They need _____

- 1 the Internet
- 2 electronic commerce
- 3 the extranet
- 4 a business function information system

16. Kalahari.net sells books that can be delivered to customers around the globe.

This is an example of _____ e-commerce.

- 1 B2B (business-to-business)
- 2 B2C (business-to-consumer)
- 3 C2C (consumer-to-consumer)
- 4 C2B (consumer-to-business)

17. The development of an information system may be costly; therefore it is necessary to conduct an in-depth study of end-user information requirements.

During which stage of the information systems development life cycle would you conduct such an in-depth study?

- 1 Systems investigation
- 2 Systems analysis
- 3 Systems design
- 4 System implementation

18. To formulate organisational goals, the following planning premises should be taken into consideration:

- a the purpose of the organisation
- b the business environment
- c values and experience of management
- d mission of the organisation

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

[TURN OVER]

Questions 19 to 21

Choose the organising concept in column A that matches an appropriate definition thereof in column B.

COLUMN A Organising concept	COLUMN B Definition
19. Chain of command	1. The evaluation of how well individuals meet their responsibility.
20. Standardisation	2. Every employee should be linked with someone at a higher level, all the way to the top of the organisation.
21. Responsibility	3. Each employee should report to only one supervisor.
	4. Develop uniform practices that employees are to follow in doing their jobs.
	5. The obligation to achieve goals by performing required activities.

22. Decentralisation in modern organisations has the effect of empowering employees.

Which of the following are reasons to decentralise authority in an organisation?

- a) A complex environment with great uncertainty.
- b) Lower-level of managers are not well qualified to make sound decisions.
- c) The organisation is large and complex.
- d) The organisation is doing business in a predictable industry.
- e) The organisation is faced with a risky decision involving very high costs.

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

[TURN OVER]

23. In a _____, the organisation usually performs the core activities itself but subcontract some or many of its non-core operations to other organisations.

- 1 team approach
- 2 network structure
- 3 new venture unit
- 4 virtual network approach

24. Indicate the correct sequence of the steps involved in the delegation process.

- a) Decide on the tasks to be delegated.
- b) Delegate the assignment.
- c) Decide who should perform the tasks.
- d) Be prepared to step in, if necessary.
- e) Provide sufficient resources for carrying out the delegated task.
- f) Establish a feedback system.

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

TURN OVER

Questions 25 to 27

Match the leadership model or approach to leadership in column A with the management application in column B.

COLLUMN A Leadership model or approach	COLLUMN B Management application
25. Fiedler's theory	1 helps managers to decide which leadership style matches the maturity of subordinates
26. Hersey and Blanchard's model	2 helps managers to match their leadership style with the degree of freedom they want to give subordinates
27. Tannenbaum and Schmidt's model	3 helps managers to keep a good fit between their leadership style and the situation, by analysing the situation and changing the situation so that it is compatible with their leadership style
	4 can help a top manager to identify the leadership style of a middle manager
	5 helps managers to determine how and to what extent subordinates should participate in problem solving

28. On the leadership grid, a _____ manager demands performance with minimum consideration for people.

- 1 team
- 2 impoverished
- 3 autocratic
- 4 country-club

29. _____ leaders are distinguished by their special ability to bring about innovation and change and they have the ability to take an organisation through major strategic change.

- 1 Charismatic
- 2 Transformational
- 3 Dynamic
- 4 Transactional

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30. Political behaviour can take various forms in an organisation.

Which one of the following forms of political behaviour occurs when a manager offers or promises something to someone in exchange for that person's support?

- 1 persuasion
- 2 inducement
- 3 creation of an obligation
- 4 coercion

31. Indicate the independent elements of the motivation process:

- 1 motive → need → action → consequence → satisfaction
- 2 need → motive → behaviour → consequence → satisfaction/dissatisfaction
- 3 need → motive → behaviour → consequence → satisfaction
- 4 behaviour → motive → consequence → reward → satisfaction

32. Money plays an important role in motivation. The following statements describe the influence that money has on employees' performance according to various motivation theories.

Choose the incorrect statement:

- 1 According to Maslow's theory, lower-order needs can be satisfied by money.
- 2 Herzberg's motivators can be satisfied by a monthly paycheck.
- 3 The expectancy theory accepts that if employees perceive that good performance results in generous payment, money can serve as a motivator.
- 4 The reinforcement theory accepts that money can be used to reinforce positive job performance.

33. The following diagram illustrates the expectancy theory of motivation.

Fill in the missing elements.



- 1 (i) Expectancy; (ii) Valence; (iii) Performance
- 2 (i) Performance; (ii) Expectancy; (iii) Valence
- 3 (i) Valence; (ii) Performance; (iii) Expectancy
- 4 (i) Performance; (ii) Valence; (iii) Expectancy

Questions 34 to 37

Match the motivation theory in column A with the focus thereof in column B.

COLUMN A	COLUMN B
34. McClelland's achievement motivation theory	1. People will act according to their perceptions that their work efforts will lead to certain performances and outcomes and how much they value these outcomes.
35. Equity theory of motivation	2. Behaviour is a function of its consequences.
36. Expectancy theory of motivation	3. An individual must be able to perceive a relationship between the reward he or she received and his or her performance.
37. Reinforcement theory of motivation	4. People acquire certain types of need during a lifetime of interaction with the environment.

38. The financial manager of a large manufacturing firm communicates with the production foreman.

This is an example of _____ communication.

- 1 horizontal
- 2 downward
- 3 upward
- 4 lateral

Questions 39 to 41

Study the following barriers to effective communication to answer questions 39 to 41.

- a) Group size
- b) Information overload
- c) Media effectiveness
- d) Serial transmission
- e) Climate
- f) Sender-receiver similarity
- g) Credibility

39. Which of the barriers listed above are examples of interpersonal factors that can prevent effective communication?

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

40. Which of the barriers listed above are examples of structural factors that can prevent effective communication?

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

41. Which of the barriers listed above are examples of technological factors that can prevent effective communication?

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

42. Conflict should be managed in every organisation.

_____ is one technique to manage organisational conflict whereby each of the conflicting parties give up something of value.

- 1 Smoothing
- 2 Compromise
- 3 Avoidance
- 4 Problem-solving

43. Inventory control can be exercised by the following three control systems in an organisation:

- a) Economic order quantity
- b) Budgeting
- c) Materials requirements planning
- d) Ratio analysis
- e) Just-in-time system
- f) Financial statements

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

44. Financial budgets focus on _____, whereas operational budgets focus on _____.

- 1 revenue; cash
- 2 revenue; operational aspects
- 3 cash flow; revenue
- 4 diverse aspects not expressed in financial terms; revenue

45. Preliminary control, screening control and post-action control are the three forms of _____ control.
- 1 strategic
 - 2 operations
 - 3 quality
 - 4 human resources
46. Which one of the following is not a characteristic of an effective control system?
- A control system should _____.
- 1 be goal-orientated
 - 2 accommodate change
 - 3 be complex in order to assist in managers' sound judgement
 - 4 supply control data regularly
47. According to the social _____ view to corporate social responsibility, organisations should be accountable for the ecological, environmental, and social costs resulting from their actions.
- 1 obligation
 - 2 responsiveness
 - 3 reaction
 - 4 interaction

- Questions 48 to 50
- Match the approach to ethical decision making in column A with the example in column B.

	COLUMN A Ethical approach	COLUMN B Example
48.	Utilitarian approach	1 Individuals have the right to a clean environment.
49.	Human rights approach	2 Dishonest behaviour of an employee is reported to management by another employee of the organisation.
50.	Justice approach	3 An organisation needs to make decisions about providing medical aid schemes for all employees after retirement.
		4 Manage ethics by means of a code of ethics within the organisation.
		5 Equitable, fair and impartial tax laws.

Total for Section A

(50)

Section B

Read the following case study on Intel to answer questions 51 to 70.

Ask Andy Grove, chairman of Intel, about his toughest business challenge, and two situations via for the position. One is the time when Intel almost went under during the mid-1980s as a result of fierce competition from Japanese chipmakers. When Grove, together with Gordon Moore and Robert Noyce, started Intel in 1968, their goal was to produce memory chips. Initially, Intel owned 100% of the market because they invented these chips. During the early 1970s, competitors entered the market and by the time the 1980s came, the nature of the business changed: Japanese chip makers entered the market in a big way, offering better quality and beating the Intel's chip on price. Japanese producers kept gaining ground, and Intel was losing market share rapidly. In the middle of 1985 came a watershed moment: Intel changed direction and instead of focusing on beating rivals, they started focusing on a different line of business, namely microprocessors. Grove's leadership in turning away from memory chips towards an underserved market (microprocessors) helped Intel retain its lead in the

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The second challenge came a decade later, when the company was slammed by its customers and the media for a flaw in its Pentium microprocessors. Top management was aware of the flaw and after a thorough investigation, concluded that it was insignificant. The design error caused a rounding error in the division function once every nine billion times. This meant that an average spreadsheet user would run into the problem only once every 27 000 years of spreadsheet use. Intel admitted the flaw, changed direction and agreed to spend \$475 million to replace the flawed chips. The rules by which the company did business changed, ironically, because of the success of another initiative, the "Intel Inside" marketing campaign. A few years before the Pentium crisis, Intel embarked on an aggressive marketing campaign to build its brand. The "Intel Inside" slogan was plastered on billboards, appeared on TV commercials and, in China, even on bicycle reflectors. By the time the campaign ended, Intel had

become a world-famous brand with international name recognition. As a result, when the Pentium crisis hit, the customers who were concerned were not just engineers (who might have understood why a minor design flaw was not a big deal) but millions of non-technical users who did not care about intricate mathematical arguments. Intel was no longer an industrial company; it had evolved into a mass consumer products company. Intel has learned its lesson: It implemented several actions to win back the public's trust and confidence. Eventually it won a spot on *Fortune* magazine's list of most admired companies. Grove's experience shows that when faced with a challenge of such enormous magnitude, just being a truth teller is not enough; it is equally important to be a fast learner, recognizing how the rules of the game have changed and adapting to the new realities.

Another key factor that attributed to Grove's success is teamwork at the top. Asked how he, Moore and Noyce worked together at Intel, Grove points to Peter Drucker's 1954 book, *The Practice of Management*, in which Drucker argues that the activities that make up a chief executive's job are too varied to be performed by a single person but should be divided between three: a "thought man", a "man of action", and a "front man". This description, according to Grove, applied during the 1970s to Intel's co-founders, Moore, with his encyclopedic mind, was the "thought man", Noyce, a charming man who had enormous standing in the semiconductor industry, was Intel's public persona, and Grove, with his no-nonsense style was the "a man of action" who got things done.

Fifty years from now, how would Grove like people at Intel to remember him? "What I would like to be remembered for is helping build an organisation that sustains itself long afterward" he says slowly.

Source: Brevis, T. 2005. Lasting leadership: what you can learn from the top business leaders. *Management Today*, 21(4):18-22.

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51. The role Andy Grove, Gordon Moore and Robert Noyce played when they introduced microchips in 1968 is a _____ role; and more specifically the role of a(n) _____.

- 1 information; analyst
- 2 decision-making; entrepreneur
- 3 interpersonal; leader
- 4 decision-making; leader

52. Which one of the following statements does not describe the function of Andy Grove, Gordon Moore and Robert Noyce at Intel?

Andy Grove, Gordon Moore and Robert Noyce _____.

- 1 are responsible for determining Intel's vision, mission, goals and overall strategies
- 2 need to influence corporate culture
- 3 need to implement the policies, plans and strategies of Intel
- 4 plan for the long term and determine the organisational structure of Intel

Questions 53 to 55

Study the following variables to answer questions 53 to 55.

- a) During the early 1970s, Japanese chipmakers entered the market, offering better quality and price.
- b) In the middle of 1965, a market for microprocessors developed.
- c) In the 1990s, Intel had a flaw in its Pentium microprocessor.
- d) In the middle of 1985, technological innovation changed the basis on which Intel competed, thereby created significant opportunities for them.
- e) In the 1990s, Intel was no longer an industrial company; it had evolved into a mass consumer products company.
- f) To gain international name recognition, Intel needed to recognise the culture and cultural values of other countries.

53. Which of the listed variables originate from Intel's micro-environment?

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

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54. Which of the listed variables originate from Intel's market environment?
- 1 a b
 - 2 a c
 - 3 b c e
 - 4 d e
55. Which of the listed variables originate from Intel's macro-environment?
- 1 b c
 - 2 c d
 - 3 d e f
 - 4 d f
56. The environment in which Intel competes is constantly changing.
Identify the sequence of the steps that their management should take to prepare Intel for environmental changes?
- 1 redesign the organisational structure; scan the environment; and adapt existing strategies
 - 2 scan the environment; adapt strategies; and compete globally
 - 3 scan the environment; adapt existing strategies or develop new strategies; and redesign the organisational structure
 - 4 develop new products; determine new organisational structure; implement new policies and procedures
57. Intel's mission statement _____.
- 1 state what the company wants to be
 - 2 aligns the company with its dream in terms of its product, market and technology
 - 3 ensure that the company as a whole is aligned with the changing external environment
 - 4 is a projection of conditions expected to prevail in future

58. In order to translate their mission into long-term goals, Intel is using the Balanced Score Card (BSC).
The BSC includes the following measures:
- a) To succeed financially, how should we appear to our shareholders?
 - b) To achieve our vision, how should we appear to our customers?
 - c) To satisfy our shareholders and customers, what business processes must we excel at?
 - d) To achieve our vision, how will we sustain our ability to change and improve?
- 1 a b
 - 2 b c d
 - 3 c d
 - 4 a b c d
59. Which one of the following generic strategies did Japanese chip makers adopt when they entered the market?
- 1 innovation
 - 2 integration
 - 3 low-cost leadership
 - 4 differentiation
60. Under Andy Grove's leadership, Intel turned away from memory chips towards an underserved market for microprocessors.
This is an example of a(n) _____ strategy.
- 1 concentration growth
 - 2 focus
 - 3 diversification
 - 4 integration
61. When Intel grew from an industrial company to a mass consumer products company, they adopted a(n) _____ strategy.
- 1 forward vertical integration
 - 2 market development
 - 3 harvesting
 - 4 conglomerate diversification

62. Intel entered the market in 1968 with their memory chips.

According to the Boston Consulting Group Growth/Share Matrix, in 1968, Intel's memory chips could be classified as a _____.

- 1 star
- 2 question mark
- 3 cash cow
- 4 dog

63. During the 1980s, the environment changed dramatically for Intel.

Intel switched direction and started producing micro processors, which could in the 1980s be classified as a _____ on the Boston Consulting Group Growth/Share Matrix.

- 1 star
- 2 question mark
- 3 cash cow
- 4 dog

64. When Intel launched their "Intel Inside" campaign, a numerical plan for allocating resources to specific marketing activities was drawn up.

This is known as a _____, which is an example of a _____ plan.

- 1 programme; single-use
- 2 budget; standing
- 3 budget; single-use
- 4 rule; standing

Questions 65 to 67

Match the kind of organisational plan in column A with an example from Intel in column B.

COLUMN A	COLUMN B
Kind of organizational plan	Example
65. Strategic plan	1. Draw up a plan to allocate \$475 million to specific manufacturing activities in order to replace flawed chips.
66. Tactical plan	2. Change the line of business by focusing on microprocessors rather than memory chips.
67. Operational plan	3. Formulate a plan to segment the market, to decide which segment to target and how to position Intel in the industry.

68. Intel should formulate goals that society expects them to pursue.

This type of goals are called _____ goals.

- 1 operative
- 2 official
- 3 long-term
- 4 sustainability

69. To set goals on the individual level, Intel has decided to use a technique called management by objectives (or MBO).

Indicate the sequence of steps that Intel needs to follow in MBO.

- a) Set the hierarchy of plans and goals in the organisation.
- b) The subordinate formulate performance targets in predetermined areas of responsibility for a forthcoming period.
- c) The manager and subordinate discuss the outputs that the subordinate is responsible for.
- d) The superior meets with the subordinate to review the degree of goal attainment.
- e) The subordinate meets with his or her superior to discuss potential performance targets.
- f) Measure the subordinates' progress periodically and establish checkpoints for this purpose.

70. As part of their planning process, Intel needs to make assumptions about the external and the internal environment where their plans will be implemented.

During which phase of the planning process should Intel make these kind of assumptions?

- 1 Identify changes that necessitate planning
- 2 Draw up premises
- 3 Develop various courses of action
- 4 Formulate derivative plans

Total for Section B (20)
 Total for the paper (70)

IMPORTANT:

Did you remember to fill in the unique number for this paper on the mark-reading sheet?

PART 1 (GENERAL/ALGEMEEN) DEEL 1

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PART 2 (ANSWERS/ANTWOORDE) DEEL 2

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22	01 02 03 04 05	57	01 02 03 04 05	92	01 02 03 04 05	127	01 02 03 04 05
23	01 02 03 04 05	58	01 02 03 04 05	93	01 02 03 04 05	128	01 02 03 04 05
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32	01 02 03 04 05	67	01 02 03 04 05	102	01 02 03 04 05	137	01 02 03 04 05
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35	01 02 03 04 05	70	01 02 03 04 05	105	01 02 03 04 05	140	01 02 03 04 05

MNG201-6 (417319) May/June 2007
RMN201-X (41982)

BUSINESS MANAGEMENT (GENERAL) 201

Duration : 2 Hours

70 Marks

EXAMINERS :
FIRST : PROF T BREVIS
SECOND : MS MJ VRBA

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This paper consists of 20 pages plus instructions for the completion of a mark-reading sheet.

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INSTRUCTIONS:

This paper consists of 70 multiple-choice questions. Questions 1 to 50 are theoretical questions, whereas questions 51 to 70 are based on case studies. All questions are compulsory. Questions are not marked negatively.

Please check that you have filled in the following information on your mark-reading sheet:

- Your student number
- The module code (MNG201-6)
- The unique number of the paper (417319)

Please complete the attendance register on the back page, tear off and hand to the invigilator.

1. Managers at all levels of the organisation need three management skills, but they need it in different proportions from level to level.

Mid-level managers must have the ability to , *top-level managers* must have the ability to and *lower-level managers* must have the ability to .

- a perform jobs such as data entry in a computer
- b see things as a whole and the interrelationship of their parts
- c get employees to achieve organisational goals

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

2. The management process comprises four management functions, which managers perform in a specific sequence.

Select an example of each management function and list it in the correct sequence.

- a conduct a job interview to fill a vacant position
- b determine how many units must be produced during a shift
- c praise an employee for reaching his sales target
- d adjust the budget to reflect an increase in wages

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

3. Match each situation in column A with an appropriate management role in column B.

COLUMN A Situation	COLUMN B Management role
a discuss the organisation's offer on a wage increase with union representatives	e decisional
b read the <i>Business Day</i> first thing in the morning	f interpersonal
c develop new total quality management techniques	g informational
d have a mentoring session with an employee	

- 1 ae bf cg de
- 2 af bg ce df
- 3 ag be cf dg
- 4 af bg ce dg

Questions 4 to 7:

The following statements pertain to the evolution of management theory. Answer the questions that follow.

- a A famous series of studies, known as the Hawthorne studies, gave momentum to this perspective on management.
- b This researcher was a mechanical engineer and he studied the work of individual workers to discover exactly how they performed their tasks. According to this approach, certain disabilities can cripple an organisation.
- c This perspective on management comprises management science and operations research.
- d This approach views an organisation as a group of interrelated parts with a single purpose: to remain in balance.
- e This famous researcher based his model on legal authority, which stems from rules and other controls that govern an organisation in its pursuit to achieve goals.
- f The basic premise of this approach is that the application of management principles depends on a particular situation that a manager faces at a given time.
- g Hammer and Champy are experts in this approach that entails a significant reassessment of a particular organisation.
- h This approach to management grew out of the need to find guidelines for managing complex organisations such as factories.

4. Statement refers to the human relations movement, statement refers to the learning organisation and statement refers to the administrative approach to management.

- 1 a b e
- 2 b f i
- 3 a c i
- 4 d g h

5. The three management theories that comprise the classical approach to management are described in statements .

- 1 a c i
- 2 b f i
- 3 c d g x
- 4 i h e x

6. Statement describes the contingency approach to management and statement describes the qualitative approach to management.

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

7. Statement _____ refers to Max Weber's approach to management, while statement _____ refers to _____ Peter Senge's perspective

- 1 a b
- 2 b g
- 3 f c
- 4 f b

Questions 8 to 10:

Study the list below and answer the questions that follow.

- a "We make outdoor chairs by converting chemicals into a liquid, which we pour into chair moulds and leave to harden."
- b Before their strategic planning session, top managers read the Unisa Bureau of Market Research's report on total household expenditure.
- c A Swiss company agreed to compensate several thousand people who became ill because of exposure to asbestos dust in the Northern Cape.
- d The textile industry in South Africa is influenced by cheap labour in China
- e Vodacom and MTN were the only cellular communications companies in South Africa, then CellC joined them.
- f "We have good relations with the National Union of Mineworkers (NUM)"
- g strength
- h weakness
- i opportunity
- j thread
- k micro-market
- l market
- m macro-

8. Grootegeluk mine has good relations with NUM, which is a _____ in their _____ environment, while the cheap labour in China presents a _____ to the South African textile industry's _____ environment.

- 1 i j m
- 2 g k j m
- 3 i m h i
- 4 g l h k

9. Examples of variables in the micro environment of an organisation are _____ and _____, while _____ is an example of a variable that will be analysed in terms of Porter's model.

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

[TURN OVER]

10. Statements _____ and _____ refer to the macroenvironment of the organisation.

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

11. Examples of the market environment are described in statements _____ and _____

- 1 b d x
- 2 e f
- 3 d f
- 4 b e

12. The main difference between the behavioural approach to leadership and the contingency approach to leadership is that _____

- 1 one focuses on the characteristics of leaders, whilst the other one focuses on the situation
- 2 one focuses on what the leader does and the other one focuses on the fit between a leader's style and the situation
- 3 the one focuses on the task and the other on the relationship of the leader and follower
- 4 one focuses on initiating structure and the other on consideration

13. All managers have the right to insist that employees do their work and some leaders also have personal characteristics that make their subordinates want to follow them.

The two types of power referred to above are _____

- 1 legitimate and expert
- 2 reward and referent
- 3 legitimate and referent
- 4 referent and charismatic

14. Managers should provide the necessary direction and support to ensure that employees' goals are in line with those of the organisation. The researcher identified four leadership behaviours *directive*, *supportive*, *participative* and *achievement-oriented*, which managers can use in different situations.

The description above refers to _____ theory of leadership.

- 1 House's
- 2 Hersey and Blanchard's
- 3 Fiedler's
- 4 Blake and Mouton's

[TURN OVER]

15. The main difference between transactional and transformational leadership is that

- 1 transactional leaders are charismatic, transformational leader are not
- 2 transformational leaders reward people for their efforts, transactional leaders inspire people to perform beyond what is expected of them X
- 3 transactional leaders take organisations through periods of major change;
- 4 transformational leaders inspire subordinates with a vision X
transformational leaders function well in unstable environments, transactional leaders perform well in stable environments

16. Complete the following equation:

Motivation x _____ x _____ = Performance

- 1 ability; opportunity
- 2 opportunity; reward
- 3 reward; situation
- 4 ability; reward

17. Vuyo and Thami are both first line managers in a production department. It is important for Vuyo to perceive the relationship between the reward he receives and his performance. It is also important for Vuyo to be able to perceive his own input-output ratio and that of Thami whom he regards as his equal.

This is an example of the _____ theory of motivation, which can be categorised as a _____ theory.

- 1 expectancy; content
- 2 equity; process
- 3 reinforcement; process
- 4 equity; content

18. Cindy is working on a large programme for her organisation. As a manager she is responsible for a variety of projects, one of which must be completed in two weeks time. Cindy is working hard to meet this deadline as she does not want to be reprimanded.

Cindy's behaviour is characteristic of the _____ theory of motivation.

- 1 expectancy
- 2 equity
- 3 reinforcement
- 4 job characteristics

19. The motivation theory of Herzberg postulates that the factors responsible for job dissatisfaction are related to job _____.

- 1 content
- 2 context
- 3 satisfaction
- 4 design

20. Which of the following control systems are used for controlling physical resources?

- 1 the operational budget and financial analysis
- 2 quality control, inventory control and operational control
- 3 PERT, break-even analysis and linear programming
- 4 labour turnover and performance measurement

21. Productivity can be defined as the relationship between products and services and the resources needed to produce it. Productivity can be increased in five basic ways.

Which one of the following ways will *not* lead to an increase in productivity?

- 1 A greater output is made with fewer inputs. ✓
- 2 A greater output is made with more inputs, but the increase in output is greater than the increase in inputs. ✓
- 3 A greater output is made with more inputs, but the increase in inputs is greater than the increase in output. ✓
- 4 A greater output is made with the same inputs. ✓

22. The control process can be described in four steps.

Identify the correct sequence of steps in the process from the following:

- a Determine why the desired performance is different from the actual performance within a specified period.
- b This step involves the improvement of the actual performance, reviewing the strategy, or lowering performance standards.
- c Through planning and setting goals, the organisation's realistic aims in terms of profit, market share, productivity and personnel development can be determined.
- d Through the collection and reporting of raw data and the transformation thereof into information, an organisation can measure its actual performance within a given period of time.

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

23. At the _____ level of ethical decision making a medical doctor facing an ethical dilemma may refer to her profession's code of ethics for guidelines to make an ethical decision
- 1 organisational
 - 2 association
 - 3 societal
 - 4 international
24. Henry is a manager at a large production plant and he is faced with an ethical dilemma, on which he must make a decision. He has studied the effects that his decision will have on his subordinates and has taken a decision that will benefit the majority of his subordinates to the greatest extent.
- What approach to ethical decision making has Henry adopted?
- 1 utilitarian approach
 - 2 justice approach
 - 3 human rights approach
 - 4 moral rights approach
25. The _____ view holds that organisations owe society more than mere goods and services, and should at least be accountable for ecological, environmental and social costs resulting from their actions, while _____ refers to actions such as supporting or opposing public issues and responding to the present and future needs of society by trying to fulfill them.
- 1 social obligation; social responsiveness
 - 2 social reaction; social responsiveness
 - 3 social responsiveness; social reaction
 - 4 social obligation; social reaction
26. Which one of the following statements is incorrect?
- 1 Managers at all managerial levels are responsible for setting goals. ✓
 - 2 Problem solving can be defined as the process of taking corrective action that will solve the problem and that will realign the organisation with its goals. ✓
 - 3 Certain problems in an organisation cannot be solved. ✓
 - 4 Problem solving can be defined as the process of selecting an alternative course of action that will solve a problem. ✓
27. If the decision maker has some certainty, the outcome of each alternative is not known in advance, and probability can be assigned to each alternative outcome, the decision is taken under conditions of _____.
- 1 risk
 - 2 certainty
 - 3 uncertainty
 - 4 near certainty

28. Which of the following are advantages of group decision making?
- a values can be transmitted and aligned.
 - b morale and motivation of employees will improve.
 - c groups are more likely to satisfy than individuals. ✓
 - d better quality decisions will be made
 - e group decision making may lead to conformity and groupthink
- 1 ab
 - 2 abd
 - 3 cde
 - 4 de
29. The financial manager of a large organisation needs to evaluate alternative investments. The net present value of each alternative investment is calculated.
- This is an example of a decision taken under conditions of _____, using _____ to make the decision.
- 1 risk; a break-even analysis
 - 2 uncertainty; the simulation technique
 - 3 uncertainty; the capital budgeting
 - 4 certainty; linear programming
30. Internet access usually provides various capabilities to users.
- The capability that enables users to move files and data from one computer to the other, download magazines, books, documents, software and much more, are referred to as _____.
- 1 electronic mail
 - 2 file transfer protocol
 - 3 world wide web
 - 4 telnet
31. _____ software manages the operations of a computer.
- 1 Application
 - 2 Procedural
 - 3 System
 - 4 None of the above

Questions 32 to 33:

Match the classification of the information system in Column A with the examples thereof in Column B.

Column A Classification of the information system	Column B Example
32. Operations information system ✓	1. Information reporting, decision support and executive information systems.
33. Management information system	2. Expert, business function and process control systems
	3. The Internet, e-commerce
	4. Transaction processing, process control, office automation systems
	5. Decision support, executive information, transaction processing systems

34. "A Coke within arms' reach" is an example of the Coca-Cola company's _____

- 1 vision
- 2 mission
- 3 strategic goal
- 4 functional goal

35. Which of the following are components of an organisations' philosophy?

- 1 social responsibility
- 2 distinctive competency
- 3 the organisation's concern for financial soundness
- 4 all the above

36. Organisations normally possess a hierarchy of resources or capabilities.

Which one of the following refers to resources that are necessary, but can easily be outsourced?

- 1 strategic resources
- 2 base resources
- 3 peripheral resources
- 4 competitive resources

37. _____ is a growth strategy that involves acquiring a business because it presents the most promising investment opportunity available. Neither the new markets nor the new products have to be technologically related to the products currently being offered by an organisation.

- 1 Concentric diversification
- 2 Conglomerate diversification
- 3 Horizontal integration
- 4 Backward vertical integration

38. Fill in the missing words in the following table.

Type of plan	Focus	Time-frame	Specificity
Strategic	Entire organisation	Long-term	(iii)
Tactical	(i)	(ii)	(iv)

- 1 (i) individual; (ii) short-term; (iii) broad; (iv) specific
- 2 (i) functional areas; (ii) medium-term; (iii) directional, broad; (iv) more specific
- 3 (i) strategic business units; (ii) medium- and short term; (iii) specific; (iv) directional
- 4 (i) functional areas; (ii) medium-term; (iii) specific; (iv) broad

39. Which of the following are examples of single-use plans in an organisation?

- a programmes
 - b policies
 - c budget
 - d rules
 - e standard procedures
- 1 a c
 - 2 b d e
 - 3 c d e
 - 4 d e

40. Goals should meet certain requirements. _____ refers to the requirement that goals should indicate what they are related to, the time frame for accomplishing them, and the desired results, while _____ refers to the requirement that the attainment of one goal should not preclude the attainment of another.

- 1 Measurability, attainability
- 2 Specificity, attainability
- 3 Acceptability, flexibility
- 4 Specificity, congruency

41. Which one of the following indicates the process of Management by Objectives (MBO)?

- 1 job output → performance targets → discussion of goals → determination of checkpoints → evaluation and feedback
- 2 performance targets → discussion of goals → determination of checkpoints → evaluation and feedback → job output
- 3 determination of checkpoints → discussion of goals → performance targets → job output → evaluation and feedback
- 4 job output → discussion of goals → performance targets → determination of checkpoints → evaluation and feedback

Questions 42 to 44:

Match the organising principles in Column A with the description thereof in Column B.

Column A	Column B
42. Responsibility	1. The evaluation of how well individuals meet their responsibility X
43. Authority ✓	2. The right to make decisions, issue orders and use resources X
44. Accountability	3. The obligation to achieve goals by performing required activities
	4. The ability to influence the behaviour of others X
	5. The power to enforce compliance ✓

45. _____ gives management a way to delegate authority, push responsibility to lower levels and be more flexible and responsive in the competitive global environment.

- 1 The virtual network approach
- 2 Functional departmentalisation
- 3 Customer departmentalisation
- 4 The team approach

46. Which of the following statements are correct?

- a Management can delegate responsibility and accountability for a task. ✓
 - b Tasks of a repetitive nature can easily be delegated.
 - c Managers should delegate tasks, but should keep control over the necessary resources to perform the task.
 - d Quicker decision making takes place when delegation is applied properly. ✓
 - e Delegation is only effective if authority and accountability are clearly defined. ✓
- 1 ab
2 bde
3 abc
4 ce

47. Nike Inc., one of the major organisations in the athletic footwear and sports apparel industries, design technologically advanced athletic shoes, apparel and accessories. All Nike products are sold under the Nike name but are manufactured by other organisations.

This is an example of a _____.

- 1 product departmentalisation
- 2 team approach ✓
- 3 network organisation
- 4 new venture unit X

Questions 48 to 49:

Since its founding in 1929, Edgars Consolidated Stores Ltd (Edcon) has established itself as one of the leaders in South Africa's clothing, footwear and textile retail arena. Edcon is organised in three divisions, namely the department store division (encompassing Boardmans, CNA, Edgars, Prato, Red Square and Temptations); the discount store division (encompassing Jet, Jet Mart, Jet Shoes and Legit) and the financial services division. The company boasts nine retail brands with over 900 stores in South Africa, Botswana, Namibia, Swaziland, and Lesotho. Edcon has eight pillars on which they focus their attention: culture, company reputation, work environment, learning, compensation, community, employee care and leadership. Their culture is one of inclusiveness, built on the organisation's values of people, integrity, performance and professionalism.

48. When the marketing manager of Edcon's department store division liaises with the financial manager of the same division, _____ communication takes place.

- 1 lateral
- 2 horizontal
- 3 upward
- 4 informal

49. When the purchasing manager of the discount store division liaises with a Jet Mart store manager, _____ communication takes place.

- 1 lateral
- 2 horizontal
- 3 informal
- 4 upward

50. Which one of the following statements is incorrect regarding the direction and frequency of communication?

- 1 People generally prefer to communicate with individuals of higher status. X
- 2 People of higher status generally communicate more with one another than they do with people of lower status.
- 3 The wider the difference in status is, the greater is the likelihood that information will follow from people of lower to higher status than the other way around.
- 4 ✓ People with low status often attempt to gain the favour of those with higher status by displaying respect, offering praise and agreeing with their views.

Read the following Discovery case study to answer questions 51 to 65.

Discovery

Discovery comprises five companies operating in the international health and life insurance markets: ~~Discovery Health~~, ~~Discovery Vitality~~, ~~Discovery Life~~, ~~Destiny Health (US)~~ and ~~Prudential (UK)~~. The core purpose of the group is to make people healthier and to protect and enhance their lives. Its relative short history is characterised by continual innovation and a spirit of entrepreneurship. The organisation's various companies and products are all at different stages of their life cycles, which makes for an extremely dynamic and complex environment. Discovery serves more than 2 million people, most of who subscribe to more than one Discovery product.

Discovery's greatest plus is a business philosophy which believes that through an insightful understanding of socio-economic trends and innovative thinking, the group is able to provide ~~solutions that have a profound effect on clients and, in turn, offer excellent business opportunities.~~

Discovery faces a highly regulated business environment. High demands on innovation place pressure on the company's people and systems to keep up with constant change.

When **Discovery Health** was established in 1993 it identified two trends in the private healthcare market: ~~rising medical inflation and increasing consumerism.~~ The medical savings account was launched as an antidote to rising medical inflation, leveraging the trend towards consumerism by placing money used to pay for these expenses directly into the hands of the consumer.

In 1997, Discovery identified the rapid development of preventative screening and an increasing focus on wellness, in particular on longevity. **Discovery Vitality** was an innovative solution – a rewarding mechanism to engage clients in the management of their health and well-being.

In 2000, **Discovery Life** was set up as a unique pure-risk life insurance company offering flexible life insurance products separating out investment products, focusing on risk benefits only – which had never been done before. In the same year, **Destiny Health** was initiated as the first of its kind providing consumer-driven healthcare cover for 60 000 lives in the USA. In late 2004, **Prudential** was born and within a few months, gained the status as one of the top two providers of private healthcare in the UK.

Discovery's strategy is one that analyses social trends in order to identify opportunities to come up with something completely new, and make positive and significant impact on the people it serves. Discovery's culture is best described by a 'can do, will do' attitude. Discovery places considerable emphasis on attracting, motivating, rewarding, liberating and inspiring the best people. It is not a unionised environment. The company has a comprehensive set of employee relations policies that have been formulated through a consultative process. Their remuneration and reward system is based on achieving a balance between a flexible approach that recognises differences in individual performance, value and contribution and a consistent framework that ensures equitable levels of pay and defensible pay decisions.

Exceptional reward and recognition programmes are in place to motivate and encourage people to go the extra mile.

Discovery is in the process of concluding an empowerment transaction. However, the company is already empowered in terms of the financial services sector charter scorecard (FSSC). According to the FSSC, if a company owns more than 25% of another, the empowerment credentials of the parent company flow proportionately through to the subsidiary. Hence, by virtue of the recent FirstRand BEE deal, Discovery has considerable empowerment status. Furthermore, they have contributed millions to research into the issue of enabling more cost-effective private healthcare for the millions of individuals who, even though employed, cannot afford access to private healthcare.

Study the following list of variables and answer questions 51 to 53

51. Which of the variables listed above originate from Discovery's internal environment?
- Highly regulated business environment
 - Rising medical inflation
 - Increasing consumerism
 - Increasing focus of customers on wellness, in particular longevity
 - Changing social trends
 - Continual innovation and a spirit of entrepreneurship
 - Exceptional reward and recognition programmes
52. Which of the variables listed above originate from Discovery's market environment?
- ac
 - bc
 - de
 - cd
53. Which of the variables listed above originate from Discovery's macro-environment?
- ace
 - abe
 - bde
 - efg
54. "To make people healthier and to protect and enhance their lives" is an example of a
- mission
 - corporate strategy
 - vision
 - standards plan

55. Management at Discovery is using the information on socio-economic trends to provide unique solutions. They are fulfilling the role of _____.

- 1 problem solver
- 2 entrepreneur
- 3 analyst
- 4 leader

56. Management at Discovery need to have _____ skills in order to view the operations of the organisation and its five companies holistically.

- 1 interpersonal
- 2 decision making
- 3 conceptual
- 4 technical

57. Discovery Health was established in 1993, launching the medical savings account. In 1997, they identified the rapid development of preventative screening and an increasing focus on wellness. Discovery Vitality was an innovative solution – a rewarding mechanism to engage clients in the management of their health and well-being.

Launching Discovery Vitality is an example of a _____ strategy.

- 1 market development
- 2 product development
- 3 concentration growth
- 4 diversification

58. Discovery has a comprehensive set of employee relations policies that have been formulated through a consultative process.

This is an example of a _____.

- 1 standing plan
- 2 single use plan
- 3 corporate culture
- 4 corporate philosophy

59. At Discovery, achievement is attained by workers who are motivated and pursue the goals of the organisation with goodwill.

Based on the leadership grid, the ideal leadership style at Discovery will be _____.

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

60. Employees at Discovery resolve their own problems and they have the ability to work together as a group.

Based on the leadership cycle model developed by Hersey and Blanchard, the most appropriate leadership style is in quadrant _____, namely _____.

- 1 1: directing
- 2 2: coaching
- 3 3: supporting
- 4 4: delegating

Questions 61 to 63:

Discovery's remuneration system is based on achieving a balance between the following: (i) a flexible approach that recognises differences in individual performance, value and contribution and (ii) a consistent framework that ensures equitable levels of pay and defensive pay decisions. Exceptional reward and recognition programmes are in place to motivate and encourage people to go the extra mile.

61. According to _____ theory of motivation, a recognition programme is an example of a _____ factor, whilst an employee's salary is an example of a _____ factor.

- 1 Maslow's; hygiene; motivator
- 2 Herzberg's; hygiene; hygiene
- 3 Herzberg's; motivator; hygiene
- 4 McClelland; motivator; hygiene

62. According to _____ theory of motivation, an individual must be able to perceive a relationship between _____ and _____.

- 1 McClelland's achievement; the reward he or she receives; his or her performance
- 2 Herzberg's; his or her level of satisfaction; his or her pay and working conditions
- 3 Maslow's; his or her work efforts; certain performances and outcomes
- 4 the equity; the reward he or she receives; his or her performance

63. According to the _____ theory of motivation, behaviours followed by _____ will occur more frequently and that behaviours followed by _____

- 1 reinforcement; positive consequences; negative consequences
- 2 expectancy; positive consequences; negative consequences
- 3 equity; avoidance; punishment
- 4 reinforcement; extinction; positive reinforcement

64. Discovery's strategy should be implemented through _____
- functional tactics
 - training
 - reward system ✓
 - annual objectives ✓
 - policies
- abc
 - ade
 - bde
 - cde
65. Discovery's strategy should be institutionalised through _____
- policies ✓
 - structure ✓
 - leadership ✓
 - reward system ✓
 - resource allocation
- abcd
 - bcd
 - ce
 - de

Read the following Flight Centre Limited case study to answer questions 66 to 70.

Flight Centre Limited

Flight Centre Limited, an Australian-based company, established its South African operations in 1994. The company has opened branches in many of the country's major centres, its growth spurred by an innovative approach to selling value-for-money travel solutions. Their ability to offer discounted international and domestic flights, accommodation and holiday packages, together with its unique 'Price Beat Guarantee', has ensured it a significant share of the South African market. Flight Centre intends to entrench its favourable position by consolidating its travel brands in the wholesale, leisure and corporate markets.

Flight Centre's culture is one of empowering its people, providing them with the tools to become successful. To handle the challenges of the travel industry, employees need to be passionate and dynamic self-starters who have a knack for instilling confidence and trust in their customers.

The company has a unique structure: each operation is made up of business teams of no more than seven people. These teams form families, which unite to form a village. In essence, a village comprises all families in one area. The spirit of friendly 'competition' exists between teams and villages.

A career development programme provides each employee with a detailed needs analysis, based on the position they ultimately hope to achieve and the tools they need to get there.

Training and especially leadership training are priorities. Flight Centre does not recognise agreements with any trade unions. They rather prefer an open door policy and staff members usually resolve their own disagreements. The impressive earning potential of Flight Centre contributes to the company's reputation as an excellent employer. Rewards and recognition is firm embedded in their culture.

Flight Centre does not have a dedicated corporate social investment policy in place at present. However, the company is excited about the upcoming launch of a new programme which will grant employees time off work in order to support a charity of their choice.

Flight Centre's ultimate goal is to dominate all aspects of the South African travel market – wholesale, leisure and corporate. This will be done not only through business and organic growth, but also through growing Flight Centre's people. Specific future goals include taking advantage of technological advances and establishing an even greater presence. They reveal that 10 to 15 new stores will open within the next year, along with up to three new corporate travel outlets.

66. When Flight Centre established its operations in South Africa in 1994, they implemented a _____ strategy.
- product development
 - market development
 - concentration growth
 - innovation

67. Part of Flight Centre's success is a detailed job design of employees.

Job design can be defined as _____.

- the narrowing down of activities to simple repetitive routines
- the process of making a job less specialised
- developing the conceptual skills of employees
- the process of combining the tasks that each employee is responsible for

68. Flight Centre does not recognise agreements with trade unions.

Trade unions are an example of a variable originating from an organisation's _____ environment.

- micro-
- macro-
- market-
- social

69. Flight Centre's employees need to instill trust in their customers in order to communicate effectively.

Trust can be classified as a(n) _____ factor causing a barrier to effective communication.

- 1 interpersonal
- 2 intra-personal
- 3 structural
- 4 technological

70. Flight Centre grants employees time off work in order to support a charity of their choice.

This is an example of _____.

- 1 corporate governance
- 2 social obligation
- 3 social responsiveness
- 4 social reaction

UNISA 2007

PART 1: GENERAL ALGEMEEN DEEL

ENTER/INSKRIFTEKLEWINGS-NO. (STUDENT NUMBER) **1**

PAPER NUMBER (VRAEGSTEL-NOMMER) **2**

STUDENT NUMBER (STUDENTENOMMER) **3**

UNIQUE PAPER NO. (UNIE VRAESTEL NR.) **4**

UNIQUE STUDENT NO. (UNIE STUDENTENOMMER) **5**

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Vir gebruik deur eksamenopsiener

- IMPORTANT**
1. USE ONLY AN HB PENCIL TO COMPLETE THIS SHEET.
 2. MARK LIKE THIS:
 3. CHECK THAT YOUR INITIALS AND SURNAME HAS BEEN FILLED IN CORRECTLY.
 4. ENTER YOUR STUDENT NUMBER FROM LEFT TO RIGHT.
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 7. CHECK THAT ONLY ONE ANSWER PER QUESTION HAS BEEN MARKED.
 8. DO NOT FOLD.
- BELANGRIK**
1. GEBRUIK SLEGS 'N HB-VOLTOOD OM AHSODIE BLAD TE VOLTOOI.
 2. MERK AS VOLG:
 3. KONTROLEER DAT U VOORLETTERS EN VAN NAG INGEVUL IS.
 4. VUL U STUDENTENOMMER VAN LINKS NA REGS IN.
 5. KONTROLEER DAT U DIE KORREKTE STUDENTENOMMER VERSTREK P.
 6. KONTROLEER DAT DIE UNIEKE NOMMER REG INGEVUL IS.
 7. MAAK SEKER DAT NET EEN ALTERNATIEF PER VRAAG GEMERK IS.
 8. MOENIE UOU NIE.

PART 2: ANSWERS/ANSWORSDEEL

1	111 121 131 141 151	36	111 121 131 141 151	71	111 121 131 141 151	106	111 121 131 141 151
2	111 121 131 141 151	37	111 121 131 141 151	72	111 121 131 141 151	107	111 121 131 141 151
3	111 121 131 141 151	38	111 121 131 141 151	73	111 121 131 141 151	108	111 121 131 141 151
4	111 121 131 141 151	39	111 121 131 141 151	74	111 121 131 141 151	109	111 121 131 141 151
5	111 121 131 141 151	40	111 121 131 141 151	75	111 121 131 141 151	110	111 121 131 141 151
6	111 121 131 141 151	41	111 121 131 141 151	76	111 121 131 141 151	111	111 121 131 141 151
7	111 121 131 141 151	42	111 121 131 141 151	77	111 121 131 141 151	112	111 121 131 141 151
8	111 121 131 141 151	43	111 121 131 141 151	78	111 121 131 141 151	113	111 121 131 141 151
9	111 121 131 141 151	44	111 121 131 141 151	79	111 121 131 141 151	114	111 121 131 141 151
10	111 121 131 141 151	45	111 121 131 141 151	80	111 121 131 141 151	115	111 121 131 141 151
11	111 121 131 141 151	46	111 121 131 141 151	81	111 121 131 141 151	116	111 121 131 141 151
12	111 121 131 141 151	47	111 121 131 141 151	82	111 121 131 141 151	117	111 121 131 141 151
13	111 121 131 141 151	48	111 121 131 141 151	83	111 121 131 141 151	118	111 121 131 141 151
14	111 121 131 141 151	49	111 121 131 141 151	84	111 121 131 141 151	119	111 121 131 141 151
15	111 121 131 141 151	50	111 121 131 141 151	85	111 121 131 141 151	120	111 121 131 141 151
16	111 121 131 141 151	51	111 121 131 141 151	86	111 121 131 141 151	121	111 121 131 141 151
17	111 121 131 141 151	52	111 121 131 141 151	87	111 121 131 141 151	122	111 121 131 141 151
18	111 121 131 141 151	53	111 121 131 141 151	88	111 121 131 141 151	123	111 121 131 141 151
19	111 121 131 141 151	54	111 121 131 141 151	89	111 121 131 141 151	124	111 121 131 141 151
20	111 121 131 141 151	55	111 121 131 141 151	90	111 121 131 141 151	125	111 121 131 141 151
21	111 121 131 141 151	56	111 121 131 141 151	91	111 121 131 141 151	126	111 121 131 141 151
22	111 121 131 141 151	57	111 121 131 141 151	92	111 121 131 141 151	127	111 121 131 141 151
23	111 121 131 141 151	58	111 121 131 141 151	93	111 121 131 141 151	128	111 121 131 141 151
24	111 121 131 141 151	59	111 121 131 141 151	94	111 121 131 141 151	129	111 121 131 141 151
25	111 121 131 141 151	60	111 121 131 141 151	95	111 121 131 141 151	130	111 121 131 141 151
26	111 121 131 141 151	61	111 121 131 141 151	96	111 121 131 141 151	131	111 121 131 141 151
27	111 121 131 141 151	62	111 121 131 141 151	97	111 121 131 141 151	132	111 121 131 141 151
28	111 121 131 141 151	63	111 121 131 141 151	98	111 121 131 141 151	133	111 121 131 141 151
29	111 121 131 141 151	64	111 121 131 141 151	99	111 121 131 141 151	134	111 121 131 141 151
30	111 121 131 141 151	65	111 121 131 141 151	100	111 121 131 141 151	135	111 121 131 141 151
31	111 121 131 141 151	66	111 121 131 141 151	101	111 121 131 141 151	136	111 121 131 141 151
32	111 121 131 141 151	67	111 121 131 141 151	102	111 121 131 141 151	137	111 121 131 141 151
33	111 121 131 141 151	68	111 121 131 141 151	103	111 121 131 141 151	138	111 121 131 141 151
34	111 121 131 141 151	69	111 121 131 141 151	104	111 121 131 141 151	139	111 121 131 141 151
35	111 121 131 141 151	70	111 121 131 141 151	105	111 121 131 141 151	140	111 121 131 141 151

- 1 The management process _____
- 1 occurs at given intervals to check if the organisation is on track
 - 2 comprises a logical sequence of actions by managers
 - 3 comprises ten management roles performed by managers
 - 4 takes place on one hierarchical level only at any given time
- 2 Identify the wrong statement:
- 1 The management process is a sub-system of the organisation.
 - 2 A manager's work is to manage the transformation from inputs to outputs.
 - 3 Productivity is the measurement of efficiency in an organisation.
 - 4 "Interpersonal" denotes both a management skill and a management role.

Questions 3 to 5

Lower-level, middle-level and top-level managers perform the same functions, but the focus of their activities is different. Consider the following list of managerial activities:

- a focus on creating and maintaining a competitive advantage for the organisation
- b planning focuses on functional areas
- c planning is narrowly focused with short time horizons
- d perform the four management functions
- e create a vision of the future for the organisation
- f use standing plans
- g use information that is specific and quantitative when planning
- h set tactical goals
- i focus on the entire organisation
- j implement strategic plans

3. Statements _____ describe the work of lower-level managers.
- 1 a d e i
 - 2 b d h j
 - 3 c d f g
 - 4 d e f g
4. Statements _____ describe the work of middle-level managers.
- 1 a d e i
 - 2 b d h j
 - 3 c d e f
 - 4 d e f g

5. Statements _____ describe the work of top-level managers.
- 1 a d e i
 - 2 b d h j
 - 3 c d e f
 - 4 d e f g
6. A manager taking guests on a tour of a new plant after they attended the opening ceremony is performing the role of _____.
- 1 leader
 - 2 negotiator
 - 3 figurehead
 - 4 spokesperson
7. A first-line manager on a construction site should possess more _____ skills and less _____ skills than the top manager of the construction company.
- 1 interpersonal, technical
 - 2 interpersonal, conceptual
 - 3 conceptual, technical
 - 4 technical, conceptual

Questions 8 to 9

Match the names of management researchers in column A with a concept in column B.

Column A	Column B
8. H Fayol	1 organisation structure
9. M Weber	2 organisation culture
	3 efficiency of workers
	4 management functions
	5 mathematical models

Questions 10 to 12

Match each concept in column A with a statement in column B.

Column A	Column B
10. Total quality management	1 relates to the environment of organisations
11. The contingency approach	2 is driven by competitors, consumer needs and consumer expectations
12. The systems approach	3 there is only one best way of performing any task
	4 people approach their work as an opportunity to develop their skills
	5 the application of management principles depends on the situation

Questions 13 to 15

Sasol is an integrated South African oil and gas company with substantial chemical interests; they support these operations by mining coal and converting it into synthetic fuels and chemicals through their world-renowned technology.

Consider the following weaknesses and threats identified by Sasol in their Annual Review and summarised financial information for 2006 and answer the questions that follow.

- a Changes in environmental laws can result in higher costs.
- b Impact of long-term exposure to harmful materials on the health of employees.
- c Reduced availability of skills and competence from the labour market to construct and maintain plants.
- d Insufficient awareness and experience, or poor attitudes of employees on safety and health issues.
- e Climate changes that can result in the introduction of carbon taxes.
- f Natural disasters and epidemics or pandemics.
- g A major shipping or transport incident such as a fire, explosion or gas pipeline rupture involving one of Sasol's logistics service providers.

13. Which of the statements above refer to weaknesses in Sasol's management environment?

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

14. Which of the statements above refer to variables in the task environment of Sasol?

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

15. Which of the statements above refer to the macroenvironment of Sasol?

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

16. Organisations prepare for environmental change by _____.

- 1 information management
- 2 strategic responses
- 3 structural changes
- 4 all of the above

17. Which one of the following is not a characteristic of the management environment?

- 1 Complexity
- 2 Instability
- 3 Independence
- 4 Unpredictable

18. Which of the following forces are responsible for competition in a particular industry, according to Michael Porter's model?

- 1 Environmental instability and change
- 2 Influence of the macro environmental variables
- 3 Complexity and unpredictable environment
- 4 Bargaining power of suppliers and consumers

19. Identify the wrong statement.

The organisation is an **open system** because _____

- 1 it is dependent on the environment in which it operates
- 2 the environment is dependent on the system
- 3 it is self-supporting and exists independently
- 4 there is interaction between the system and the environment

20. Which one of the following statements is wrong?

- 1 Managers at all levels are responsible for setting goals.
- 2 Problem solving is the process of taking corrective action that will solve the problem and that will realign the organisation with its goals.
- 3 Decision making is the process of selecting an alternative course of action that will solve a problem.
- 4 Problem solving is the process of selecting an alternative course of action that will solve a problem.

21. If the decision maker has some certainty, the outcome of each alternative is not known in advance, and probability can be assigned to each alternative outcome, the **decision is taken under conditions of** _____

- 1 risk
- 2 certainty
- 3 uncertainty
- 4 near certainty

22. Which of the following are advantages of group decision making?

- a Beliefs and values can be transmitted and aligned.
- b Morale and motivation of employees will improve.
- c Groups are more likely to be satisfied (sacrifice) than individuals.
- d Better quality decisions will be made.
- e Group decision making may lead to conformity and groupthink.

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

23. The financial manager of a large organisation needs to evaluate alternative investments. The net present value of each alternative investment is calculated.

The above is an example of a decision taken under **conditions of** _____ using the _____ **technique** to make the decision.

- 1 risk; break-even analysis
- 2 uncertainty; simulation
- 3 certainty; capital budgeting
- 4 certainty; linear programming

24. An **information system strategy** is regarded as one of the organisation's _____ strategies.

- 1 corporate
- 2 business unit
- 3 functional
- 4 divisional

25. Identify the supporting IT application for the sales function of an organisation.

- 1 Failure analysis
- 2 Record keeping and financial planning
- 3 Office systems and personnel
- 4 Order entry and commission calculation

26. _____ enables computer users to perform functions such as moving files and data from one computer to the other and downloading magazines, books, documents and software.

- 1 Electronic mail
- 2 File transfer protocol
- 3 The world wide web
- 4 Telnet

27. Kalahari.net sells books that can be delivered within 24 hours.

This is an example of _____ **e-commerce**.

- 1 B2C
- 2 B2B
- 3 C2C
- 4 C2B

28. "A Coke within arms' reach" is an example of a _____.
- 1 vision
 - 2 mission
 - 3 strategic goal
 - 4 functional goal
29. Which one of the following is a component of an organisation's philosophy?
- 1 Social responsibility
 - 2 Distinctive competencies
 - 3 The organisation's concern for financial soundness
 - 4 All the above
30. Which one of the following organisational resources can be outsourced effectively?
- 1 Strategic
 - 2 Base
 - 3 Peripheral
 - 4 Competitive
31. Which of the following are examples of standing plans in an organisation?
- a Programmes
 - b Policies
 - c Budget
 - d Rules
 - e Standard procedures
- 1 a b d
 - 2 b d e
 - 3 c d e
 - 4 d e
32. Planning, the primary management function, is necessary for _____.
- a structuring the organisation
 - b determining what kind of people to employ
 - c determining how to lead employees
 - d furnishing standards of control
- 1 a b c d
 - 2 b c d
 - 3 c d
 - 4 a d

33. Which one of the following is not a benefit of management by objectives (MBO)?
- 1 Less administrative work for managers
 - 2 Increased clarity of the required outputs
 - 3 Improved communication
 - 4 Improved employee morale
- Questions 34 to 40
- Read the following adjusted excerpt from *Reurnert Limited Annual Report 2006* and answer the questions that follow.
- Who we are
- In 1948, Reurnert & Lenz listed in the engineering sector of the Johannesburg Securities Exchange (JSE). In 1980, Barlow Rand acquired the company, but in 1993, unbundled it.
- Reurnert underwent major restructuring in the late 1990s when various non-core or unprofitable businesses were disposed of.
- Today, the companies in the Reurnert Group focus on electronics and electrical engineering. Reurnert owes and manages CBI-electric, Nashua, Nashua Mobile and RC&C Holdings, the exclusive distributor of Panasonic products in Southern Africa.
- Reurnert Limited has vested their telecommunication interests in a 40% stake in Siemens Telecommunications. A planned transaction with listed PSG Group will give Reurnert a 49.9% share in Quince Capital, a financial services company complementary to Reurnert's core business.
- Reurnert Limited manages businesses in the electronics and electronic engineering sectors, supplying products, systems and solutions to local and international markets. Each of these businesses remains capable of meeting the group's objectives for sustainable growth and earnings.
- At Reurnert's, business units are responsible for medium-term decisions. The Reurnert executive team streamlines long-term strategic plans and investment decisions, whilst Reurnert's Board approves capital expenditure.
34. In 1980 and 1993, Barlow Rand has followed _____ and _____ strategies relating to Reurnert Limited.
- 1 external growth; decline
 - 2 internal growth; divestiture
 - 3 market development; turnaround
 - 4 acquisition; corporate combination

35. During a major restructuring in the late 1990s, Reurnett followed a _____ strategy.

- 1 concentration growth
- 2 harvesting
- 3 turnaround
- 4 divestiture

36. Today, the companies comprising the Reurnett group focus on electronics and electrical engineering.

This represents a _____ strategy.

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

37. Reurnett Limited is planning a transaction with the listed company PSG Group to obtain a 49.9% share in Quince Capital, a financial services company complementary to Reurnett's core business.

This is an example of a _____ strategy.

- 1 strategic alliance
- 2 joint venture
- 3 merger
- 4 acquisition

38. Consider the following list of statements from the Reurnett Limited annual report:

- a "manages businesses in the electronics and electronic engineering sectors"
- b "products, systems and solutions"
- c "meeting the group's objectives for sustainable growth and earnings"
- d "local and international markets"

Statements _____ reflect the core components of a mission statement

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

39. Identify the wrong statement:

At Reurnett's _____

- 1 decision-making authority is centralised
- 2 top management comprises the executive team and the Board
- 3 first-line managers execute operational decisions
- 4 business units do intermediate planning

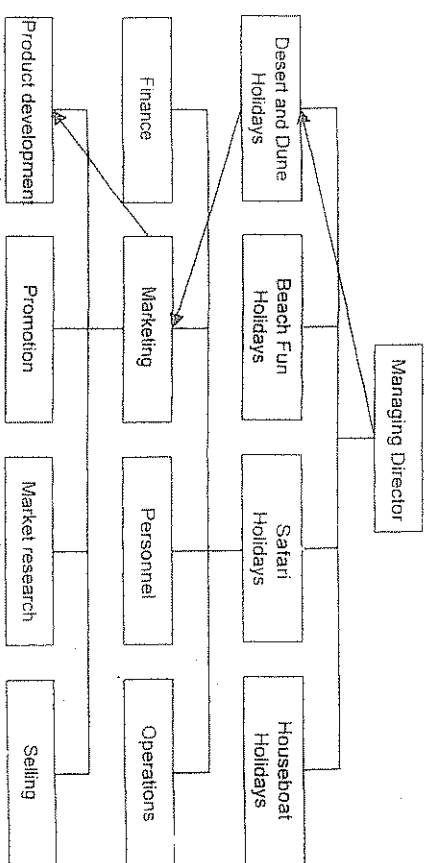
40. Business units at Reurnett Limited are responsible for _____ plans, which deal primarily with action and people to implement _____ plans.

- 1 operational, tactical
- 2 strategic, operational
- 3 tactical, strategic
- 4 long-term, intermediate

Questions 41 to 45

Consider the following organisation chart.

The organisation chart of Afro Sun Holidays



41. Afro Sun is primarily organised according to _____ departmentalisation.

- 1 functional
- 2 product
- 3 location
- 4 customer

42. When the marketing manager (Desert & Dune) delegates work to the product development manager (Desert & Dune), she also delegates _____ and _____ but not _____.
- 1 responsibility; autonomy; authority
 - 2 authority; responsibility; resources
 - 3 accountability; authority; responsibility
 - 4 responsibility; authority; accountability
43. Which one of the following statements is an example of the span of control principle of organisation?
- 1 The marketing manager (Desert & Dune) delegates work to the product development manager.
 - 2 Afro Sun has three levels of management.
 - 3 Each manager reports to only one manager.
 - 4 The managers of Desert & Dune, Beach Fun, Safari and Houseboat Holidays report to the managing director.
44. The downward arrows on the organisation chart indicate the _____ at Afro Sun.
- 1 division of work
 - 2 scalar principle
 - 3 span of control
 - 4 unity of command
45. The managers of Desert & Dune, Beach Fun, Safari and Houseboat Holidays have _____ authority and _____ power.
- 1 line, expert
 - 2 staff, legitimate
 - 3 line, legitimate
 - 4 staff, referent
46. Identify the correct statement.
- 1 Organisations need managers more than leaders.
 - 2 Leading is one of four management functions.
 - 3 All managers are leaders and all leaders are managers.
 - 4 Managers and leaders do not have the same sources of power.
47. Which one of the following is a component of leadership and a principle of organising?
- 1 Unity of command
 - 2 Span of control
 - 3 Chain of command
 - 4 Responsibility

48. Identify the wrong statement.
- 1 Leadership is about bridging the gap between formulating plans and reaching goals.
 - 2 The behavioural approach to leadership focuses on how leaders should behave in a specific situation.
 - 3 According to Fiedler's theory of leadership, a leader's effectiveness is determined by how well his or her style fits the situation.
 - 4 Robert House developed the path-goal theory.
49. The main characteristic of transactional leaders is that they _____.
- 1 have an exceptional impact on their organisations
 - 2 are distinguished by their special ability to bring about innovation and change
 - 3 clarify the role of subordinates, initiate structures and provide appropriate rewards
 - 4 are concerned with consensus-building, are open and inclusive and encourage participation by others.

Questions 50 to 53

EVA COSMETICS

"Desire for recognition is a powerful motivator", says Eva Johnston, founder and retired chief executive officer of Eva Cosmetics. "Our vision is to help women find out how great they really are."

Making full use of equal measures of enthusiasm and rewards, the company realises that recognition is as important to the beauty consultants as compensation. At their annual seminar in Johannesburg, achievers are "crowned", consultants receive big prizes and a big fuss is made of the winners - all to the delight of the participants. For this group, nothing matters more than performance, and the achievers enjoy applause not only from peers, but also from Eva Johnston, who "crowns" the four top performers.

Eva Cosmetics rejects rigid hierarchy because they realise that it tends to demotivate workers. The Golden Rule is the basis of their management philosophy - management by sharing and caring. Current leadership of the company continues to build on Eva Johnston's vision. As the current chief executive officer said in his speech at the 2007 seminar, "loving what you do is a more powerful motivator than money".