

UNIVERSITY OF FORT HARE

DEPARTMENT OF BUSINESS MANAGEMENT
SUPPLEMENTARY EXAMINATION

Introduction Specialised Business Management
BEC 121 & BEC 121 E

JANUARY 2019

Internal Examiners: Ms Mari Ford
Dr Tendai Chimucheka

MARKS: 75
DURATION: 2 hours

(Final mark will be given as a percentage)

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1. Answer THREE questions:
Question 1 in SECTION A, which is compulsory.
Any TWO questions from Section B
 2. Number the questions correctly.
 3. Write your student number and name on your answer books.
 4. Write legibly.
 5. Enter the numbers of the questions answered on the front cover of your answer books.
 6. Indicate the number of answer books handed in on the front cover of each book.
 7. Enter your student number on the multiple choice answer sheet provided with this paper and place the answer sheet inside the front cover of your answer book.

PLEASE NOTE: THIS PAPER CONSISTS OF 10 PAGES.

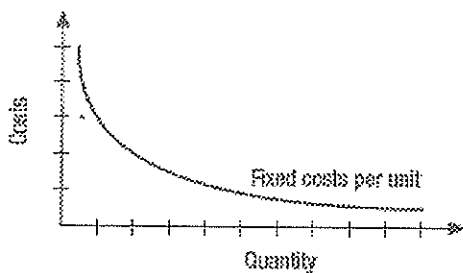
SECTION A: (ALL TWENTY FIVE Questions are Compulsory)

QUESTION 1 MULTIPLE CHOICE QUESTIONS

1. Which of the following is the least likely decision to be made by Operations Managers?
 - a. Deciding which market areas to manufacture products for
 - b. Selecting the location and layout of a facility
 - c. How to use quality techniques to reduce waste
 - d. How much capacity is required to balance demand
 - e. Designing and improving the jobs of the workforce

2. Herzberg claimed that:
 - a. Hygiene factors, if met, lead to a state of satisfaction and that motivating factors, if met, lead to a state of no dissatisfaction
 - b. Supervision, salary, and company policy are examples of motivating factors
 - c. When employees are frustrated in meeting higher order needs, the next lower order needs re-emerge to influence the employees' behaviour to see satisfaction of that lower order need
 - d. Hygiene factors, if met, lead at best to a state of no dissatisfaction and that motivating factors, if met, lead to a state of satisfaction
 - e. Needs can be classified as higher order and lower order needs

3. What cost is being represented by the figure below?



- a. Total costs
- b. Fixed costs per unit
- c. Variable costs per unit
- d. Total fixed costs
- e. Total variable costs

4. SA Bottling generated sales revenue of R33 billion, accounting for 56.3% of the total value of production by the beverage manufacturing industry in South Africa. These sales revenue figures can be found on which financial statement?
 - a. Statement of Financial Position
 - b. Statement of Financial Performance
 - c. Funds-flow statement
 - d. Liquidity statement
 - e. Solvency statement

5. From an operations management perspective, which performance objectives do PEP stores focus most on?
 - a. Speed
 - b. Quality
 - c. Flexibility
 - d. Design
 - e. Cost

6. Which of the following is not a function of the CCMA?
 - a. To issue guidelines on matters relating to all government legislation
 - b. To help managers and employees to settle disputes
 - c. To accredit councils or agencies to resolve disputes
 - d. To make binding judgements with regard to dispute between managers and employees
 - e. To act as a mediator in disputes in the workplace

7. Which of the following is not true about the factoring of debtor accounts?
 - a. liquidity ratios improve
 - b. more cash will be available for other purposes
 - c. the cost of debtor administration is transferred to the factor
 - d. the turnover of current assets is increased and less capital is required to finance debtors
 - e. it increases the value of receivables

8. Which of the following are regulated by the Labour Relations Act 66 of 1995?
- i. Collective bargaining
 - ii. Annual leave
 - iii. Employment and remuneration particulars
 - iv. Worker participation
 - v. Freedom of association
 - vi. Dispute resolution
 - vii. Termination of employment
- a. i, iii, iv, v, vi
 - b. i, iv, v, vi
 - c. i, iii, iv, v, vii
 - d. i, iii, iv, v, vi, vii
 - e. all of the above
9. Which of the following are strategies that human resource managers can use to motivate their employees and improve organisational effectiveness?
- i. Giving annual leave
 - ii. Job design
 - iii. Employee involvement
 - iv. Paying salaries on time
 - v. Management by objectives
 - vi. Resolving disputes effectively
 - vii. Training and education
 - viii. Employee recognition
- a. All of the above
 - b. i, ii, iii, iv, v
 - c. ii, iii, iv, v, vii
 - d. ii, iii, v, vii
 - e. ii, iii, v, vii, viii
10. In terms of quality requirements, the engineers and designers working on Toyota vehicles would consider _____ considerations, such as job performance and reliability, to be the most important factors, and thus they would want the highest quality materials.
- a. commercial
 - b. technical
 - c. descriptive
 - d. explanatory
 - e. personal

11. Insanity Sports (PTY) LTD wishes to evaluate their liquidity and has provided you with the following information.

- Current assets = R500 000
- Current liabilities = R200 000
- Total Inventory value = R50 000

Using the information provided, what would the acid-test ratio results be for Insanity Sports (PTY) LTD?

- a. 2,75:1
- b. 5,50:2
- c. 0,44:1
- d. 0,36:1
- e. 2,25:1

12. Which of the following could be described as on-the-job training methods?

- a. Job rotation, job design, employee participation programmes, job shadowing, coaching, apprenticeships
- b. Job rotation, job enrichment, lectures, seminars, job shadowing, coaching
- c. Coaching, mentoring, job instruction training, job shadowing, job rotation
- d. Mentoring, role playing, apprenticeships, coaching, job rotation, job instruction training
- e. Job enrichment, seminars, apprenticeships, mentoring, shadowing

13. The total market in a country can be subdivided into all of the following, except _____.

- a. Consumer market
- b. Industrial market
- c. Resale market
- d. International market
- e. Government market

14. After conducting research on the prices and availability of materials or services, the next step in the purchasing and supply cycle would be to _____.

- a. pay for the order
- b. handle any discrepancies
- c. issue the order and conclude the contract
- d. close the order
- e. search the prices

15. Which of the following can be classified as specialty products:-

- i. Boutique clothing
- ii. Porsche 911
- iii. Lunch Bar
- iv. Axe deodorant
- v. Samsung fridge

- a. i, ii
- b. i, iv, v
- c. i, v
- d. i, ii, v
- e. ii, v

16. Purchasing and supply management have certain aids at their disposal to facilitate executing the management functions of planning, organizing and control. Which one of the following options lists all of these aids?

- a. Benchmarks; purchasing and supply budgets; purchasing and supply policy
- b. Purchasing and supply strategy; materials budget; administrative budget
- c. Purchasing and supply policy; purchasing and supply budgets; financial statements
- d. Benchmarks; purchasing and supply strategy; purchasing and supply budgets
- e. Financial statements; economic ratios and suppliers

17. The individual factors that influence consumer purchasing decisions include:-

- a. Lifestyle, family, attitude, perception
- b. Motivation, attitude, perception, lifestyle
- c. Culture, religion, attitudes, beliefs
- d. Motivation, learning ability, personality, culture
- e. Attitude, perception, age, lifestyle

18. Which is the best definition of market-penetration pricing?

- a. The initial price of a new product is lower than the market
- b. The initial price of a new product is higher than the market
- c. The initial price of a new product is the same as the market
- d. The final price at which the product is offered to customers
- e. The exchange value of a product or service

19. The purchasing manager of a toy company decides that when there are only 20 Snow White Barbie dolls in stock, he will order 50 new Barbie dolls. Which inventory control system does this refer to?
- Cyclical ordering system
 - Just-in-time (JIT) system
 - Materials requirements planning system
 - Fixed order quantity system
 - Efficient consumer response (ECR) system
20. Arrange the steps in the consumer decision making process in the right order:-
- gather information on how to solve the problem
 - awareness of a need
 - evaluation of the possible solutions
 - post purchase behaviour
 - decision on a course of action
- i, ii, iii, iv, v
 - ii, iii, i, v, iv
 - ii, i, iii, v, iv
 - iii, v, i, ii, iv
 - ii, i, v, iv, iii
21. High-variety operations do not include:
- Processing of credit card transactions
 - A designer boutique
 - University lectures
 - Mass production of birthday cakes
 - A tax consultancy advice service
22. Which business intelligence system surveys large amounts of data in search of coherent patterns and/or orderly relationships between variables?
- OLAP
 - SAP
 - Data mining
 - Management dashboards
 - EIS

23. Disneyland is one of the largest and best known theme parks in the world. In terms of the four Vs (volume, variety, variation, visibility) how would you describe it?

- a. High volume, low variety, high variation, low visibility.
- b. High volume, high variety, high variation, high visibility.
- c. High volume, low variety, high variation, high visibility.
- d. High volume, high variety, low variation, high visibility.
- e. High volume, high variety, low variation, low visibility

24. If an organisation engages in "bidding", what form of price determination is being used?

- a. Published price lists in trade journals
- b. The use of competitor's pricing
- c. The use of tenders and quotations
- d. Pricing based on historical data
- e. Standard market prices

25. Vroom's expectancy theory discusses the following:-

- a. Expectancy, instrumentality and valence
- b. Expectancy, procedural and interactional justice
- c. Expectancy, self-efficacy and goal-setting
- d. Expectancy, enrichment and affiliation
- e. Expectancy, achievement and power

TOTAL FOR SECTION A: 25 MARKS

SECTION B

Answer any TWO of the following four questions

QUESTION 2

- A. Inventory should be managed and controlled so that optimal inventory levels can be maintained. Discuss with examples, any three inventory control systems [15]
- B. Explain FIVE of the main operations performance objectives that all operations managers should aim to achieve. (10)

QUESTION 3

- A. Discuss the different stages of the product life cycle. Provide examples to illustrate your discussion at each different stage. (15)
- B. Discuss the phases that can be identified in the Human Resource Planning process. (10)

QUESTION 4

- A. Making use of diagrams, discuss the conservative, matching and aggressive approaches to short-term financing [15]
- B. The hierarchical level of the purchasing and supply function is primarily determined by the importance of the purchasing and supply function to the business. Describe five factors that determine the importance of the purchasing and supply function. (10)

QUESTION 5

A. A comprehensive strategic management process entails the development of a strategic direction and objectives followed by an external environmental and internal analysis. The senior management of an organisation should then be in a favourable position to select an optimal strategy. Porter offers three basic generic strategies that firms can pursue. Identify and explain these strategies, ensuring you provide practical examples of each.

(10)

B. Deni has been working for UFH for three years. She has recently applied for a more senior position and is confident that she will be successful, because UFH adopts an internal recruitment strategy. Compare and contrast internal versus external recruitment strategies – discussing the advantages and disadvantages of each type of strategy.

(15)

TOTAL FOR SECTION B: 50 MARKS

END OF EXAM PAPER