



UNIVERSITY OF JOHANNESBURG
FACULTY OF EDUCATION
AEGROTAT AND SUPPLEMENTARY EXAMINATION

PROGRAMME: B Ed
MODULE: Economics and Management Sciences for Teachers 2A
CODE: EMT2A20
TIME: 2 Hours
MARKS: 100
EXAMINER: Dr M Bounds
MODERATOR: Mr. M Kara
(This paper consists of 7 pages)

INSTRUCTIONS:

1. Answer all Questions.
2. Use the special sheet in question paper to answer Question 3.
3. **Submit the question paper and your answer sheet.**

SECTION A

[MARKS: 20]

QUESTION 1

In the organisation stakeholders are seen as _____ .

- A people with an ownership position in the business
- B government regulators who must regulate the business
- C people whose interests are affected by organisational behaviour
- D people not affected by organizational behaviour

QUESTION 2

The production system when a job is done specifically for a customer according to her/his specifications for example the printing of magazines for his/her business, is _____ .

- A mass production
- B jobbing
- C project systems
- D job-lot production

QUESTION 3

The problem with forecasting a service is found in the fact that a service _____.

- (i) is intangible
- (ii) has a variable demand
- (iii) is demanded and consumed simultaneously
- (iv) has implicit benefits

Choose the correct answer:

- A (i), (ii) and (iii)
- B (ii), (iii) and (iv)
- C (i), (ii) and (iv)
- D (i), (ii), (iii) and (iv)

QUESTION 4

_____ is the function in which resource inputs are transformed into product outputs.

- A Production
- B Transformation
- C Operations
- D Technology

QUESTION 5

The production of gasoline and electricity exemplify ____ process operations.

- A continuous
- B repetitive
- C batch
- D project

QUESTION 6

Making 20 chairs, then producing 20 tables exemplifies ____ process operations.

- A continuous
- B batch
- C job-lot production
- D project

QUESTION 7

A capital intensive repetitive or continuous process uses a ____ layout.

- A product
- B process
- C cellular
- D fixed-position

QUESTION 8

Which of the following is a consequence of purchasing poor quality material?

- A high costs to replace
- B interrupt the manufacturing process
- C alters the perception that customers have of the business and its products
- D all of the above

QUESTION 9

In the airline industry One Time airlines creates value for its customers by

- A offering a unique product
- B offering a low price
- C quickly responding to customers needs
- D flying with one engine

QUESTION 10

Quality costs the organisation in a number of different ways, including the costs associated with _____.

- (i) the training of staff before the start of any production process
- (ii) the employment costs of quality controllers
- (iii) implementing procedures to limit the likelihood of any lapses in quality
- (iv) inspections carried out during the production process

Choose the correct answer:

- A (ii) and (iv)
- B (ii), (iii) and (iv)
- C (i), (iii) and (iv)
- D (i), (ii), (iii) and (iv)

SECTION B:

[MARKS: 30]

Read the following case study and answer the questions that follow.

Managing at the Manchester Hotel

Polo Radebe, the General Manager of The Manchester, a five star luxury hotel in Sandton, has just started her monthly departmental management meeting. She looks at the six senior managers sitting at the conference table in her office: Chris Smit, the head of *Finance*, Popo Molefe, the head of *Marketing*, Sophia Bauer, the head of *Human Resources*, Thabiso Tlelai, the head of *Customer Services*, Raymond

Ndlovu, the head of *Food and Beverage* and Sophia Ross, the head of *Housekeeping*.

- *Finance* is responsible for financial management of the hotel.
- *Marketing* concentrates on making customers aware of the exceptional five star service offered by The Manchester.
- *Human Resources* focus on the important task of recruiting, appointing and training of staff.
- *Customer Services* is mainly responsible for Reception (also called "Front Desk"). Guests register at Reception on arrival. They also pay their hotel accounts at Reception when they "check out" at the end of their stay.
- *Food and Beverage* is tasked with buying and preparing food, as well as serving meals to guests.
- *Housekeeping* is responsible for preparing and cleaning guests' rooms.

The two main discussion points at this month's departmental management meeting:

- 1) *Improving the quality of fruit and vegetables* (also called fresh produce): Despite the careful selection of farmers, frequent on-site meetings with these farmers and quality inspection of each delivery of fruit and vegetables, the quality of fresh produce received is not satisfactory.
- 2) *Customer complaints*: Numerous complaints have been received from guests who are dissatisfied about waiting in long queues to settle their hotel accounts when they "check out".

QUESTION 1

[Marks: 20]

- 1.1 Describe FOUR factors of production as well as an example of each of the factors of production involved from the case study. (12)
- 1.2 Explain the terms “demand and supply” by referring to the case study. (8)

QUESTION 2

[Marks: 10]

Explain the total quality approach (TQM) by management. In your discussion refer to ISO 9000.

SECTION C

QUESTION 3

[Marks: 50]

The following information was extracted from the books of A Apple, a sole trader, as at 29 February 2014:

| | |
|-----------------------------------|-----------|
| | R |
| Land and buildings at cost | 3 375 000 |
| Plant and machinery at cost | 1 200 000 |
| Office equipment at cost | 93 750 |
| Depreciation: Plant and machinery | 727 500 |
| Office equipment | 46 875 |
| Sales | 8 437 500 |
| Purchase | 4 312 500 |
| Stock at 1 March 2013 | 750 000 |
| Wages | 1 050 000 |
| Rent received | 100 000 |
| Electricity and water | 75 000 |
| Repairs to machinery | 33 750 |
| Discounts received | 22 500 |
| Telephone | 28 125 |
| Advertising | 153 750 |
| Interest on loan | 67 500 |
| Trade payables | 731 250 |
| Trade receivables | 240 000 |
| Bank | 215 625 |
| Drawings | 600 000 |
| Long term loan | 562 500 |
| Capital | 2 812 500 |

Additional information:

1. Stock on hand 29 February 2014 R843 750.
2. A debtor who owned R2 500 was insolvent and his debt must be written off.

YOU ARE REQUIRED TO :

- Prepare Apple's Statement of comprehensive income for the year ended 29 February 2012
- Prepare Apple's Statement of changes in equity

QUESTION 3: ANSWER SHEET

[illegible]

[illegible]

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