



<b>FACULTY/COLLEGE</b>	College of Business and Economics
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<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Final Summative Assessment 11 November 2019

<b>ASSESSMENT DATE</b>	November 2019	<b>SESSION</b>	08:30
<b>ASSESSOR</b>	Mr T Mlilo		
<b>MODERATOR</b>	Dr N Chiliya		
<b>DURATION</b>	2 Hours	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	20
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#### INFORMATION/INSTRUCTIONS:

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- This is a closed-book assessment.
  - Question papers must be handed in together with your answer books.
  - Read the questions carefully and answer only what is asked.
  - Answer all the questions:
    - Answer **Section A** at the back of your answer book provided. Circle the correct answer.
    - Answer **Section B** in the answer book.
  - Number your answers clearly.
  - Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
  - Structure your answers by using appropriate headings and subheadings.
  - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
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**SECTION A****[60 MARKS]****QUESTION 1**

Which one of the following statements is correct?

- A Planning enables the different functional areas to work on their own.
- B Planning enables the organisation to achieve growth in the short term.
- C Planning can be viewed as a road map for the organisation.
- D Planning is mainly concerned with the classification of power.

**QUESTION 2**

Which one of the following statements about the planning process is correct?

- A The planning process consists of four steps.
- B The implementation of the plans is the second step of the planning process.
- C Reactive planning is the fourth step of the planning process.
- D The mission of the organisation is considered when the goals are set.

**QUESTION 3**

You are the MD of Computech, a large computer business, and you have to set organisational goals for the business. Which of the following are purposes of organisational goals that you must consider?

- (i) They serve as performance criteria.
- (ii) They motivate employees.
- (iii) They establish a command structure.
- (iv) They help managers decide where to allocate resources.

Choose the correct combination:

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

**QUESTION 4**

The \_\_\_\_\_ of the organisation refer/s to a definition of the organisation's basic scope and operations that distinguishes it from similar types of organisations.

- A management values
- B mission statement
- C management experiences
- D leading function

**QUESTION 5**

MTN aims to increase its market share by a further 34% in the next two years. This is an example of a/an \_\_\_\_\_ goal.

- A strategic
- B tactical
- C long-term
- D operational

**QUESTION 6**

Vodacom aims to increase its profit by 20% in the next five years. This is an example of a/an \_\_\_\_\_ goal.

- A strategic
- B tactical
- C short-term
- D operational

**QUESTION 7**

The management level that sets tactical goals is the \_\_\_\_\_ level management.

- A first
- B middle
- C top
- D lower

**QUESTION 8**

By which of the following factors are goals influenced?

- (i) The business environment
- (ii) Management's values
- (iii) Management's experience
- (iv) The incentives provided to employees

Choose the correct combination:

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

**QUESTION 9**

Vodacom and Vodaphone working together on one big project for the Internet and G3, is an example of a \_\_\_\_\_ strategy.

- A concentration
- B compensation
- C horizontal integration
- D joint venture

**QUESTION 10**

\_\_\_\_\_ plans define the actions and define the resource allocation needed to reach the functional objectives and to support long-term plans.

- A Strategic
- B Tactical
- C Operational
- D Short-term

**QUESTION 11**

Planning is but the starting point of the whole management process. Management must still perform \_\_\_\_\_ other tasks in order to complete the full circle and get results.

- A two
- B three
- C four
- D five

**QUESTION 12**

Which of the following are purposes of organisational goals?

- (i) They provide a sense of direction.
- (ii) They give a reason for decisions made.
- (iii) They define desired outcomes.
- (iv) They provide a source of motivation.

Choose the correct combination:

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

**QUESTION 13**

Which one of the following is not a criterion for setting effective goals?

- A Goals must be linked to rewards.
- B Goals must help to develop the organisational structure.
- C Goals should be set for a specific time period.
- D Goals should be specific and measurable.

**QUESTION 14**

Which of the following statements about the top-down approach are correct?

- (i) Top management decides what the goals are.
- (ii) Subordinates and top management determine the goals.
- (iii) A risk is that top management may not know what is going on at grassroots level.
- (iv) This approach is also known as 'management by objectives'.

Choose the correct combination:

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

**QUESTION 15**

Marketing strategies that address how the organisation will distribute and sell its goods and services refer to \_\_\_\_\_ plans.

- A operational
- B strategic
- C concentration
- D tactical

**QUESTION 16**

The final result/outcome that cannot be delegated to another person is \_\_\_\_\_.

- A power
- B chain command
- C accountability
- D authority

**QUESTION 17**

Where an employee is answerable to only one manager it is called \_\_\_\_\_.

- A chain of command
- B unity of command
- C power
- D accountability

**QUESTION 18**

Organising is a/an \_\_\_\_\_ function within the management process.

- A dependent
- B contingent
- C conditional
- D interdependent

**QUESTION 19**

Organising is a/an \_\_\_\_\_ that takes place when two or more people co-operate to reach a common goal.

- A process
- B plan
- C task
- D activity

**QUESTION 20**

The degree to which the decision-making power is concentrated at a single point in the organisation is called \_\_\_\_\_.

- A decentralisation
- B delegation
- C centralisation
- D accountability

**QUESTION 21**

Authority is the right to \_\_\_\_\_.

- A make decisions, issue orders and utilise resources
- B make decisions, plan and utilise resources
- C plan, co-operate and utilise resources
- D lead, issue orders and plan

**QUESTION 22**

\_\_\_\_\_ authorities authorises the right of staff specialists to issue orders to line employees in an established area of responsibility.

- A Line
- B Line and staff
- C Project
- D Functional

**QUESTION 23**

A team's organisational structure enables a business to be more \_\_\_\_\_ and receptive in the competitive global environment.

- A flexible
- B closed
- C structured
- D inflexible

**QUESTION 24**

A cross-functional team is a selected group of employees assigned \_\_\_\_\_.

- A from the same department who meet as a team to resolve common problems
- B to different functional departments who meet as a team to resolve common problems
- C from the same department who meet with top management
- D from the same department who meet socially

**QUESTION 25**

A business's environment determines its strategy, and this strategy determines the business's structure, therefore \_\_\_\_\_.

- A the business structure must stay the same
- B the business structure must be based on projects
- C the business structure must change with the environment
- D the business structure must be based on products

**QUESTION 26**

Only if \_\_\_\_\_ in the environment have/has been acknowledged, will it be possible to develop an effective organisational structure constantly.

- A planning
- B organising
- C controlling
- D changes

**QUESTION 27**

The \_\_\_\_\_ of control refers to the number of direct subordinates reporting to any manager.

- A chain
- B span
- C plan
- D authority

**QUESTION 28**

There are several ways to create a divisional structure. When the business has functional divisions that overlap with other divisions it is called a division structure based on \_\_\_\_\_.

- A products
- B projects
- C customer needs
- D geographical location

**QUESTION 29**

Once planning is completed, these plans must be put into action. To do this involves \_\_\_\_\_.

- A planning
- B organising
- C controlling
- D leading

**QUESTION 30**

During the first step of the organising process, managers must \_\_\_\_\_ about the availability of resources.

- A make decisions
- B control information
- C inform workers
- D gather information

**QUESTION 31**

Which one of the following steps can be seen as the starting point of the job design process?

- A Allocating staff
- B Classifying activities
- C Assigning authority
- D Assigning responsibility

**QUESTION 32**

The relationship between the different posts and divisions must be clearly set out in order to encourage \_\_\_\_\_, interaction and co-operation.

- A liaison
- B responsibility
- C accountability
- D delegation

**QUESTION 33**

Which one of the following refers to the interpersonal activities among employees outside their sections with one another?

- A Interaction
- B Co-operation
- C Scalar principle
- D Liaison

**QUESTION 34**

A manager's authority goes with the management levels of his or her job, while power refers to an individual's ability to \_\_\_\_\_.

- A make decisions
- B influence decisions
- C accept responsibility
- D accept accountability

**QUESTION 35**

The creating of self-managing units within a business, refers to \_\_\_\_\_.

- A divisionalisation
- B decentralisation
- C centralisation
- D specialisation

**QUESTION 36**

Fresh produce sold at Woolworths has a minimum standard of acceptable freshness and quality, as stated by the sell-by date. This example represents pre-control of \_\_\_\_\_.

- A technology
- B materials
- C information
- D capital

**QUESTION 37**

Which one of the following statements does not explain why control is necessary?

- A It brings a focus to standardised quality.
- B It minimises or even prevents crises.
- C It prevents theft, wastage, damage and malpractice.
- D It allows an unstructured source to conduct performance appraisals.

**QUESTION 38**

Which one of the following is the third step of the control process?

- A Develop performance standards.
- B Compare performance with standards.
- C Measure actual performance.
- D Reinforce or correct current performance.

**QUESTION 39**

When administrative personnel type a document, it is accepted that they should not exceed a maximum of two typing errors per page. This is an example of which one of the following performance standard categories?

- A quantity
- B time
- C behaviour
- D quality

**QUESTION 40**

Completing a project within two days is an example of which standard category?

- A cost
- B quality
- C time
- D behaviour

**QUESTION 41**

Controlling all activities relating to the selling process of tangible finished goods refers to the concurrent control over the \_\_\_\_\_ process.

- A production
- B planning
- C service
- D retail

**QUESTION 42**

'Good customer service', is an example of which standard category?

- A Cost
- B Time
- C Qualitative
- D Quantitative

**QUESTION 43**

'The systematic process through which managers regulate organisational activities in order to make them consistent' is a description of which management task?

- A Leadership
- B Motivation
- C Control
- D Planning

**QUESTION 44**

Which of the following is/are control technique(s) that managers in an organisation can use in order to plan and assess performance more effectively?

- (i) Management-by-objectives
- (ii) TQM
- (iii) Financial statements
- (iv) Ratio calculations

Choose the correct combination:

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

**QUESTION 45**

When deciding how much control is required in an organisation, which three factors should be considered?

- (i) innovation
- (ii) economic factors
- (iii) motivation
- (iv) behavioural factors

Choose the correct combination:

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

**QUESTION 46**

Typical examples of quality control include \_\_\_\_\_.

- A Six Sigma
- B financial analyses
- C the balanced scorecard
- D counselling

**QUESTION 47**

Standards that are expressed as a numerical value in terms of the number of errors that have occurred can be classified as \_\_\_\_\_ standards.

- A Six Sigma
- B the balanced scorecard
- C benchmarking
- D continuous improvement

**QUESTION 48**

Which one of the following is the second step of the control process?

- A Develop performance standards.
- B Compare performance with standards.
- C Measure actual performance.
- D Reinforce or correct current performance.

**QUESTION 49**

Controlling all activities relating to the manufacturing process of tangible goods refers to the concurrent control over the \_\_\_\_\_ process.

- A operations
- B planning
- C service
- D retail

**QUESTION 50**

'The systematic process through which managers regulate organisational activities in order to make them consistent' is a description of which management task?

- A Organising
- B Decision making
- C Controlling
- D Planning

**QUESTION 51**

Factors that create a motivational work environment include \_\_\_\_\_.

- A values, teamwork, leadership and ethics
- B teamwork, control, independence and inflexibility
- C leadership, management, attitudes and control
- D ethics, attitudes, values and collaboration

**QUESTION 52**

The task of leadership is, among other things, to:

- A organise, plan and control
- B control, organise and make decisions
- C bring about change, develop a vision and direction, motivate and inspire
- D plan, make decisions and see to the day-to-day running of the organisation

**QUESTION 53**

Which one of the following does not feature in the communication model?

- A Sender and receiver
- B Channel
- C Audience
- D Message

**QUESTION 54**

Which one of the activities below would create the best opportunities for good feedback?

- A An impromptu meeting that leads to discussion of how a person is doing at work
- B Calendared meeting where the manager reviews the staff member's progress since the last feedback meeting
- C Meeting arranged in time for both parties to prepare for the discussion
- D Meeting where both parties make their intentions clear and check their shared understanding

**QUESTION 55**

Which one of the following options should a manager consider when faced with a staff member who is not performing?

- A Have a confidential chat with a friend of the staff member to find out if there is anything the manager should know
- B Call the staff member in for a conversation that may touch on their home life and personal areas of concern
- C Send the staff member an email listing the problems and concerns, and asking the staff member to think about these before arranging a meeting with the manager
- D Allocate a second person to the task that the low-performing staff member is working on

**QUESTION 56**

How will an individual employee's motivation process influence the company?

- A Motivated individuals will not need incentives because they will be acting for a greater purpose.
- B Motivated individuals put their own needs before those of the company.
- C Motivated individuals focus solely on achieving company goals.
- D Motivated individuals set goals in line with the company's goals.

**QUESTION 57**

When creating a motivational work environment, managers should ensure that \_\_\_\_\_.

- A they have a legitimate source of positional power
- B they analyse the strengths and weaknesses of the business
- C they give regular performance feedback
- D they create clear business strategies

**QUESTION 58**

Identify the incorrect statement about informal leaders.

- A Informal leaders generally emerge because they are viewed by the group as filling its needs.
- B A group's informal leader may change as the group's needs change.
- C It is not unusual for a work team to have an informal leader in addition to the supervisor.
- D Informal leaders are generally appointed by the organisation.

**QUESTION 59**

Which approach to leadership involves cultivating employee acceptance of the group mission?

- A Democratic
- B Autocratic
- C Transformational
- D Transactional

**QUESTION 60**

Which one of the following is the most effective style of leadership?

- A Autocratic
- B Democratic
- C Republican
- D It depends on the situation

**SECTION B****[40 MARKS]****Read the case study and answer the questions that follow:****Green Cross**

Green Cross is a family-owned business that makes and sells shoes. The fundamental aim of the business is to provide comfortable quality shoes. The strength of the brand lies in the fact that the shoes are unique because they are orthopedically designed to ensure the bones and muscles of the feet are protected and supported. The company's range includes 4 000 stock items of which 65 per cent are made locally at its factory in Cape Town. The balance of stock and some leather and components are imported.

Green Cross currently has 25 retail outlets in major centres and will open three new stores this year. About 45 per cent of its manufacturing output is taken up by its retail arm and the balance is sold through pharmacies, independent shoe stores and bought directly by corporations for their employees.

The company is aware of the fact that price pressures are materialising in the market with imported lines from China, due to the Chinese currency's stability against the US dollar. In the local industry they are expecting price hikes of China to be between 5 and 15 per cent, but retailers will not accept such hikes so suppliers will skimp on the quality of the raw materials. According to Hatti Zeppel, a director of Green Cross Manufacturers, the company, which is in the middle-price range, will maintain its core quality, unlike competitors.

Their traditional target market has always been older women. However, in the last few years they have changed their strategy to include all age groups and to cater for both men and women. After the business repositioned itself, Green Cross manufacturing grew 33 per cent in the past year and the retail arm improved 21 per cent, with group turnover in excess of R300m. Green Cross employs 665 people nationally, with 101 new staff members employed last year.

Green Cross has now decided to widen their range to appeal to the younger customers and because the market in the black community has shown the biggest rise in sales, this will be their main focus in future.

*Source: Strydom, J. (2009). Principles of Business Management. Oxford Southern Africa, Cape Town.*

**QUESTION 1****[6 MARKS]**

- 1.1 What is the main mission of Green Cross? (2)
- 1.2 One of the reasons why planning is important is because it helps the organisation to look to the future and to discover new opportunities and anticipate and avoid future problems. What is your opinion regarding Green Cross's actions in this regard? (2)

- 1.3 Do you think planning has helped Green Cross to achieve long-term growth, maintain profitability and survive? (2)

**QUESTION 2****[10 MARKS]**

The human relations movement believes, for the most part unsubstantiated by research, that a satisfied worker will be productive. For the most part, one of the people associated with this movement is Abraham Maslow. Explain Maslow's hierarchy of needs and give relevant examples for each level of needs.

**QUESTION 3****[10 MARKS]**

Power can be described as an ability to influence the behaviour of other people in a positive or even negative manner. Individuals can easily abuse their power within a given situation. Identify and discuss five positional powers that you know.

**QUESTION 4****[14 MARKS]**

- 4.1 Early research studies focus on establishing a list of identifiable personal characteristics (traits) that can be utilised to describe an effective leader. These traits models are based on the assumption that all effective leaders will share similar personal, social and even physical characteristics. List eight traits and personal characteristics of effective leadership for managers that you know. (8)
- 4.2 What is the difference between Theory X and Theory Y? (6)

**END OF PAPER**