



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	Johannesburg Business School
<b>DEPARTMENT</b>	Business Management
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<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Supplementary Final Summative Assessment 6 January 2020

<b>ASSESSMENT DATE</b>	6 January 2020	<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>	18
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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****[50 MARKS]****QUESTION 1**

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 2**

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

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

**QUESTION 3**

The different types of control can be associated with the various stages in the transformation process. Select the correct answer.

- A Post-control is applied during the transformation process.
- B Post-control is applied during the output process.
- C Pre-control is applied during the transformation process.
- D Concurrent control is applied during the input process.

**QUESTION 4**

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 5**

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 retail
- D service

**QUESTION 6**

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

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

**QUESTION 7**

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

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

**QUESTION 8**

Match the terms listed in Column A (labelled with Roman numerals) with the descriptions listed in Column B (labelled with Greek letters).

Column A		Column B	
i)	Pre-control	$\alpha$ )	When building a motor vehicle, inspection points are included (for example, to determine whether the engine runs properly).
ii)	Concurrent control	$\beta$ )	Financial statements are compiled at the end of the financial year.
iii)	Post-control	$\gamma$ )	Staff are trained properly before the process begins.

Select the correct combination:

- A (i) –  $\gamma$ ; (ii) –  $\alpha$ ; (iii) –  $\beta$
- B (i) –  $\gamma$ ; (ii) –  $\beta$ ; (iii) –  $\alpha$
- C (i) –  $\alpha$ ; (ii) –  $\beta$ ; (iii) –  $\gamma$
- D (i) –  $\beta$ ; (ii) –  $\gamma$ ; (iii) –  $\alpha$

**QUESTION 9**

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

- A six sigma
- B financial analyses
- C the balanced scorecard
- D counselling

**QUESTION 10**

Which type of input factor must be considered during the pre-control of appropriate funding for day-to-day costs?

- A People
- B Capital
- C Technology
- D Information

**QUESTION 11**

\_\_\_\_\_ is a strategic instrument that can be seen as a comprehensive management system that balances traditional financial measures with measures of aspects such as customer service, an organisation's capacity for learning and growth, as well as internal business processes.

- A Six Sigma
- B The balanced scorecard
- C Benchmarking
- D Continuous improvement

**QUESTION 12**

Fresh produce sold at a Woolworths has a minimum standard of acceptable freshness and quality, as stated by the calculated sell-by date, but these fruits and vegetables should also be stored at the right cooling temperature. This example represents \_\_\_\_\_ considering the sell-by date and \_\_\_\_\_ considering the right cooling temperature for fruits and vegetables.

- A pre-control and post-control
- B concurrent control and post-control
- C concurrent control and retailer control
- D pre-control and concurrent control

**QUESTION 13**

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 14**

'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 15**

\_\_\_\_\_ are groups of 6 to 12 volunteer employees who meet regularly to discuss and resolve problems affecting the quality of their work.

- A Six Sigma
- B Quality control
- C Continuous improvement
- D Benchmarking

**QUESTION 16**

\_\_\_\_\_ is a comprehensive management system that balances traditional financial measures with measures of aspects such as customer service, an organisation's capacity for learning and growth, as well as internal business processes.

- A Six Sigma
- B EVA
- C TQM
- D None of the above

**QUESTION 17**

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

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

**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 tasks
- 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 has been 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**

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 32**

Plans will only work if all the requirements are available at/in the \_\_\_\_\_.

- A right product mix
- B correct operational structure
- C right time and place
- D correct project structure

**QUESTION 33**

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 34**

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 35**

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 36**

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 37**

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 38**

When top management decides what the goals are, this is known as the \_\_\_\_\_ approach.

- A management-by-objectives
- B top-down
- C top-middle
- D management-by-walking-around

**QUESTION 39**

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 40**

If Nokia were to take over Sony Ericsson, this would be an example of a \_\_\_\_\_ strategy.

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

**QUESTION 41**

When Pick n Pay says: "With our hearts we create a great place to be", this refers to its \_\_\_\_\_.

- A strategic objectives
- B tactical plan
- C mission statement
- D operational plan

**QUESTION 42**

Which one of the following is not one of the steps in the planning process?

- A Developing plans
- B Setting goals
- C Leading the employees
- D Implementing plans

**QUESTION 43**

The ultimate aim of managing a profit-seeking business is \_\_\_\_\_.

- A to provide the highest possible satisfaction of economic needs
- B to integrate the management functions within a business organisation
- C to attain new sources of capital funding for the business
- D to determine how a business organisation can achieve the highest possible output with the least possible input

**QUESTION 44**

An organisation's stakeholders can be grouped as follows:

- A General public-related stakeholders and opinion-related stakeholders
- B Business-related stakeholders (such as investors) and general public-related stakeholders (such as government and NGOs)
- C Primary and secondary stakeholders
- D Business-related stakeholders (such as owners and investors) only

**QUESTION 45**

Which of the following are examples of natural resources?

- (i) Agricultural land
- (ii) Minerals
- (iii) Forest
- (iv) Knowledge

Choose the correct combination:

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

**QUESTION 46**

Which of the following production factors can be classified as capital?

- (i) An open coal mine pit
- (ii) A factory
- (iii) A delivery truck
- (iv) An office building

Choose the correct combination:

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

**QUESTION 47**

How many of the following statements are correct?

- (i) To ensure the highest possible satisfaction from scarce resources is known as the economic principle.
- (ii) The economic principle refers to a situation where the organisation must at least cover the cost of capital.
- (iii) Business organisations that apply the economic principle try to achieve the highest possible income.
- (iv) The economic system followed by a country is not subject to the economic principle.

Choose the correct answer:

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

**QUESTION 48**

As an economic system, a free-market economy is characterised by how many of the following attributes?

- (i) Private ownership of production factors
- (ii) Free competition
- (iii) Independent workers
- (iv) Minimum government intervention

Choose the correct answer:

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

**QUESTION 49**

As an economic system, a command economy is characterised by which of the following attributes?

- (i) Basic industries are owned by the state.
- (ii) There is competition.
- (iii) The management environment is the state.
- (iv) Government decides which goods and services will be delivered.

Choose the correct answer:

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

**QUESTION 50**

As an economic system, socialism is characterised by which of the following attributes?

- (i) Basic industries are owned by the state.
- (ii) The profit motive is not recognised.
- (iii) The state stabilises economic fluctuations.
- (iv) Individuals may own private property.

Choose the correct answer:

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



**SECTION B****[50 MARKS]****Read the case study and answer the questions that follow:****Mr Mpofu and Mrs Smith's Design Furniture**

Mr Mpofu and Mrs Smith studied together in arts and design at university and got to know each other well.

During group tasks, they seemed to work well together and often thought the same. They could also hold their own individually. They shared a passion for beautifully designed furniture and decided to open their own business after they had completed their studies. They both subsequently did a short diploma course on business management.

Their HR business model was based on the assumption that artists wanted to work on their own, without interference from others – this would give credit to the artistic individuality of typical artists. They advertised for artists to join their company. Five designers joined them, two white employees (a fifty-year-old male and a thirty-year-old female), whilst the other three designers were black males all in their twenties.

Initially, the projects were rather small, and the designers were allowed to organise their own time. However, the company then won a huge contract with a big hotel group and was tasked with designing furniture for all the hotels in the group – 15 hotels in total. Each had to have its own theme, reflecting the unique setting of the hotel.

However, they still had to create a certain feel that would be associated with the specific group of hotels.

Mr Mpofu and Mrs Smith decided things now had to change. It was decided that Mrs Smith would take greater control and would be responsible for the management of these employees. However, as soon as she told the designers what she wanted from them, and gave them a time frame, output tapered off, and the designers seemed to be unhappy, questioning her every move.

Mrs Smith became more and more agitated, and as a result, decided that she would have to give them more direction by specifying exactly how and what they should do, and by when it should be done. Matters got worse.

Mr Mpofu, in a discussion with her, mentioned to her that it may be because of the cultural differences between racial groups in South Africa; as well as the diversity in other issues such as gender and age. Driving home that evening, she was wondering what to do to rectify the situation.

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

**QUESTION 1****[25 MARKS]**

- 1.1 Do you agree with Mr Mpofu on what the problem could be? Assist Mrs Smith in identifying possible reasons for the unhappiness amongst their employees. Discuss these. (3)
- 1.2 Advise Mrs Smith on how to rectify the problem. In your answer, also indicate the leadership style you would have applied if you were Mrs Smith. Substantiate your answer. (5)
- 1.3 Name seven types of powers that are classified as personal and positional powers. (7)
- 1.4 Identify eight characteristics of a leader as suggested by the leadership trait theory. (8)
- 1.5 What is the difference between leadership and management? (2)

**QUESTION 2****[25 MARKS]**

- 2.1 What is the difference between responsibility and accountability in an organisation? (4)
- 2.2 Name five factors that influence the span of control within an organisation. (5)
- 2.3 Illustrate with the aid of a diagram the difference between divisionalisation according to business function and divisionalisation according to geographical location. (11)
- 2.4 Identify five characteristics of planning. (5)

**END OF PAPER**