

THE PUBLIC ACCOUNTANTS EXAMINATIONS BOARD

A Committee of the Council of ICPAU

ATC(U) EXAMINATIONS

LEVEL THREE

BUSINESS MANAGEMENT– PAPER 11

TUESDAY, 17 JUNE 2003

INSTRUCTIONS TO CANDIDATES:

1. Time allowed: **3 hours**.
2. Attempt all questions in Section **A**, any three questions from Section **B** and one question in Section **C**.
3. Section **A** has one compulsory case study question carrying 30 marks.
4. Section **B** has five questions and only three are to be attempted. Each question carries 20 marks.
5. Section **C** has two questions and only one is to be attempted. Each question carries 10 marks.
6. Please, read further instructions on the answer book.

SECTION A

Question 1

Jike Jika Enterprises, the sellers of Yoghurt have been in business for the past 12 years. Their customer base has widened rapidly in the past 8 years due to the personal efforts of their charismatic General Manager Ms. Joojo.

Lately, however, Ms. Joojo has left the company for further studies and a new General Manager, Mr. Siko, has been hired. For the time that Mr. Siko has managed the company life is not the same as before. The workers seem to be worried that Mr. Siko does not listen to them. He does not interact with them like Ms. Joojo did. Although he holds regular meetings the way his predecessor did, he does not allow staff contribution. “He is Mr. Know it All”, comments one of the staff members.

Mr. Siko himself feels that his managers and staff listen carefully but their actions make him wonder whether they heard him at all. He observes that they keep quiet all the time, do not follow his policies strictly as instructed and look less motivated than when he joined the company.

With time, he increasingly hears reports from the grapevine that many employees and even some junior managers feel that they do not understand him. They complain that he stays in his office all the time and does not interact with them. He does not like this but feels that these staff members are merely doing their jobs without showing any real imagination or drive. His biggest concern, however, is that two of his managers have quit and have taken positions with a competitor.

Mr. Siko is worried by the circumstances and is seeking for consultation. He comes to you as a student of ATC(U) who has studied Business Management for consultation. “My dear friend, I have heard you talk about problems, barriers and techniques of communication. What do I do with my staff? I wonder if you have learned anything that will help me communicate better with my staff.”

Required:

- (a) What advice would you give to Mr. Siko?
(8 marks)
 - (b) What is the importance of communication in an organisation?
(12 marks)
 - (c) Briefly discuss the barriers to communication in an organisation.
(10 marks)
- (Total 30 marks)**

SECTION B

Question 2

- (a) What is delegation?

(4 marks)

- (b) Why is delegation an important management tool in an organisation?

(16 marks)

(Total 20 marks)

Question 3

“Change management is an important factor in an organisation’s life span.”

Required:

- (a) Distinguish between internal and external factors that trigger change in organisations and briefly explain each of these factors.

(14 marks)

- (b) Why do people resist change in organisations?

(6 marks)

(Total 20 marks)

Question 4

- (a) What is the importance of training employees in the organisation?

(10 marks)

- (b) Briefly explain the methods an organisation can use to train its human resource personnel at the work place.

(10 marks)

(Total 20 marks)

Question 5

- (a) Define the term collective bargaining?

(4 marks)

- (b) Why is collective bargaining necessary in an organisation?

(16 marks)

(Total 20 marks)

Question 6

- (a) What do you understand by the term decision-making?

(4 marks)

- (b) Briefly explain the decision making process.

(16 marks)

(Total 20 marks)

SECTION C

Question 7

- (a) Define the term “job analysis”. **(2 marks)**
 - (b) What methods can a manager use to carry out meaningful job analysis? **(8 marks)**
- (Total 10 marks)**

Question 8

Write short notes on one of the following:

- (a) Marketing Audit. **(10 marks)**
- (b) Contingency Approach to Leadership. **(10 marks)**
- (c) Management Appraisal. **(10 marks)**