

THE PUBLIC ACCOUNTANTS EXAMINATIONS BOARD

A Committee of the Council of ICPAU

ATC(U) EXAMINATIONS

LEVEL THREE

BUSINESS MANAGEMENT– PAPER 11

SATURDAY, 7 JUNE 2014

INSTRUCTIONS TO CANDIDATES:

1. Time allowed: **3 hours 15 minutes**.
The first 15 minutes of this examination have been designated for reading time. You may not start to write your answer during this time.
2. Section **A** has **one** compulsory case study question carrying 30 marks.
3. Section **B** has **five** questions and only **three** are to be attempted. Each question carries 20 marks.
4. Section **C** has **two** questions and only **one** is to be attempted. Each question carries 10 marks.
5. Write your answer to each question on a fresh page in your answer booklet.
6. Please, read further instructions on the answer booklet, before attempting any question.

SECTION A

*This section has **one** compulsory question to be attempted.*

Question 1

BOMA ENTERPRISES LTD

Joe Mukasa has been working for 15 years in the human resource department at Boma Enterprises Ltd. He started his career as an administrative officer but has grown through the ranks to become the human resource manager. Over time, he has observed that different staff are motivated by different things. But above all, he has realized that workers require the right attitude. With the right attitude, workers will produce better quality work and they will exercise the creativity and initiative in the attainment of organisational goals. Therefore, Joe Mukasa believes that the level motivation of determines the degree of commitment.

Joe Mukasa has, for that matter, developed a habit of walking around the organisation, talking to the workers and encouraging them. This has endeared him to every employee and motivated the staff to be high achievers. He talks to subordinates freely as if he is one of them. Everybody trusts him and he has helped many seek for opportunities for growth in the organisation. Because of this, employees search for new ways of learning and continuous improvement of their skills and attitudes.

However, Jakisa one of the longest serving employees, has proved very difficult to motivate. He lives an expensive lifestyle and is always asking for loans, salary advances and borrows money from money lenders. When he has no money, he is stressed and his concentration is limited. He hardly takes home any pay at the end of the month. He distracts other staff from their work because he is always complaining and seeking sympathy. He does not listen to advice and thinks he is marginalised.

Joe Mukasa has tried many times to assist Jakisa. He has arranged several counseling sessions for him with the hope that he will change his character in vain. All his efforts are aimed at helping Jakisa increase his relevance in the organisation like the rest of staff. He feels that in today's world, everyone wants to be noticed and recognized for their work. Yet for Jakisa, he is known for devising means on how to earn an extra coin, complaints and self pity. He puts in little effort, if any, in making himself more relevant to the organisation.

Required:

- (a) What is the meaning of the term “motivation”?
(2 marks)
- (b) Explain how Joe Mukasa has motivated the employees at Boma Enterprises Ltd?
(10 marks)
- (c) Advise Jakisa on how to increase his relevance as an employee of Boma Enterprises Ltd.
(8 marks)
- (d) “With the right attitude, workers will produce better quality work and they will exercise the creativity and initiative in the attainment of organisational goals.”
Discuss the techniques that can be employed by Boma Enterprises Ltd and other the organisations to cultivate a right attitude among the employees.
(10 marks)
(Total 30 marks)

SECTION B

*Attempt three of the **five** questions in this section*

Question 2

- (a) Describe the different forms of training in an organisation.
(8 marks)
- (b) Using examples, explain the importance of staff training in an organisation.
(12 marks)
(Total 20 marks)

Question 3

- (a) Explain the meaning of delegation.
(2 marks)
- (b) Why is delegation important in modern business management?
(8 marks)
- (c) Explain the reasons why leaders do not like to delegate to their subordinates?
(10 marks)
(Total 20 marks)

Question 4

- (a) Explain why proper planning is necessary for effective management of a business enterprise?

(10 marks)

- (b) What are the limitations of planning in a business organization?

(10 marks)

(Total 20 marks)

Question 5

- (a) What is the purpose of control in an organisation?

(10 marks)

- (b) Using examples, explain the basic elements of control in an organisation.

(10 marks)

(Total 20 marks)

Question 6

- (a) Distinguish between autocratic leadership and democratic leadership.

(6 marks)

- (b) Explain the different personal characteristics of leaders.

(14 marks)

(Total 20 marks)

SECTION C

*Attempt **one** of the **two** questions in this section*

Question 7

Explain the reasons for carrying out sales promotions in organisations.

(10 marks)

Question 8

Write short notes on any **one** of the following:

- (a) Benefits of audit.
- (b) Stakeholder analysis.
- (c) Importance of evaluation.

(10 marks)