

THE PUBLIC ACCOUNTANTS EXAMINATIONS BOARD

A Committee of the Council of ICPAU

CPA(U) EXAMINATIONS

LEVEL ONE

BUSINESS MANAGEMENT AND COMPUTING – PAPER 4

THURSDAY, 11 DECEMBER 2008

INSTRUCTIONS TO CANDIDATES

1. Time allowed: **2 hours 30 minutes**
2. Attempt **all** questions in Section **A**, any **two** questions from Section **B** and any **two** questions from Section **C**.
3. Section **A** has **one** compulsory case study question carrying 20 marks.
4. Section **B** has **three** questions and only **two** are to be attempted. Each question carries 15 marks.
5. Section **C** has **three** questions and only **two** are to be attempted. Each question carries 15 marks.
6. Please, read further instructions on the answer book.

SECTION A: BUSINESS MANAGEMENT

Question 1

MEATEX LIMITED

Meatex Ltd was established in 2006 to produce high quality beef products for Ugandans. It is located in Kampala because of the availability of a large market and the well developed physical and economic infrastructure. Meatex Ltd employs over 300 workers who are engaged in the purchase and slaughter of animals as well as the processing of meat into products such as sausages, frakfutters, nyama bite and minced meat.

Before its establishment, an environmental impact assessment report was done to ascertain Meatex Ltd's compliance. A business plan involving a market study was also done to ascertain its viability. This, it was planned was to position itself appropriately to survive stiff competition. Management held a series of meetings during which strategies to attract suppliers and customers were laid down. They included prompt payment of suppliers, motivation of staff, use of high-tech machinery and production of high quality products. These strategies enabled Meatex Ltd to be the market leaders in the supply of meat products.

Meatex Ltd enjoys a tax holiday spanning 5 years. This has enabled it survive inflationary tendencies. It also recruited professionals who are trained regularly and are doing a commendable job. Its customer care strategy, quality products and professional team have won Meatex Ltd a good reputation from Hoteliers and the general public.

Required:

- (a) Identify and explain the variables that make up Meatex Ltd's business environment?
(10 marks)
- (b) Explain the stakeholders of Meatex Ltd.
(10 marks)

SECTION B: BUSINESS MANAGEMENT

Question 2

- (a) Why should managers consider delegation as an important function in an organization?
(5 marks)
 - (b) Explain the barriers to delegation in an organization.
(10 marks)
- (Total 15 marks)

Question 3

Controlling is an important function of management.

- (a) Define the term "control".
(3 marks)
 - (b) Explain the steps in the control process.
(12 marks)
- (Total 15 marks)**

Question 4

Today's managers as leaders need power to perform their leadership roles;

- (a) What is leadership?
(3 marks)
 - (b) Identify and explain the sources of power to a manager or a leader.
(12 marks)
- (Total 15 marks)**

SECTION C: BUSINESS COMPUTING

Question 5

The internet is increasingly gaining popularity in the business world today.

- (a) What are the major components that you would require to enable your company to have access to the internet?
(5 marks)
 - (b) Describe the benefits of using the internet.
(5 marks)
 - (c) What are the shortcomings of using the internet in business?
(5 marks)
- (Total 15 marks)**

Question 6

Describe, in some detail, the stages of the classical Systems Development Life Cycle (SDLC).

(15 marks)

Question 7

Computer software is increasingly used in business solutions though under attack by computer viruses.

- (a) What factors should a company consider when selecting computer software?

(6 marks)

- (b) (i) What do you understand by a computer virus? Give examples.

(3 marks)

- (ii) What security measures should be put in place to prevent computer virus attacks?

(6 marks)

(Total 15 marks)