FINAL
Examination Paper

(COVER PAGE)

Session : April 2014

Programme : Foundation In Business Information Technology (CFPI)

Course : MGT1211: INTRODUCTION TO BUSINESS STUDIES

Date of Examination : 26th July 2014

Time : 8.00am – 10.00am  Reading Time: Nil

Duration : 2 Hours

Special Instructions :

This paper consists of THREE (3) section, Section A, Section B, and Section C

Answer ALL TEN (10) multiple choice questions in Section A. Answer ALL TWO (2) short-answer question in Section B, and answer THREE (3) out of FOUR (4) essay questions in Section C

IMPORTANT NOTE : THIS PAPER SHOULD NOT BE TAKEN OUT OF THE EXAMINATION HALL

Materials permitted : Nil

Materials provided : OMR SHEET

Examiner (s) : Ms. Alicia White

Moderator : Dr. Rajendran Muthuveloo

This paper consists of 5 printed pages, including the cover page.
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FOUNDATION IN BUSINESS INFORMATION TECHNOLOGY PROGRAMME (CFPI)
MGT1211: INTRODUCTION TO BUSINESS STUDIES
FINAL EXAMINATION: APRIL 2014 SESSION

Instructions: This paper consists of THREE (3) sections.

SECTION A: Multiple choice questions. There are TEN (10) questions in this section. Answer ALL questions in the OMR sheet. (20 marks).

1. Recruitment and selection must be effective to ensure it:
   
   A Offsets high labour turnover.
   B Delivers the highest calibre of individuals at optimum cost.
   C To have a surplus in case of sickness and absence.
   D Encourages new blood into the organization.
   E Increases productivity.

2. The solution to many so-called 'people problems' is often associated with improving the effectiveness of the recruitment process by:

   A Having a robust HR department to carry out the process.
   B Outsourcing the HR department.
   C Careful selection of the right people for the job
   D Devolving to line managers.
   E Having wider span of control.

3. The science and engineering sectors reflect significant under representation of which group of employees?

   A Highly skilled operators.
   B Young people.
   C Over 50s.
   D Women.
   E Men.

4. The concept of stagnation in the context of recruitment means:

   A Lack of appropriate selection criteria.
   B HR staffs having very limited experience outside the HR function.
   C Over-reliance on the internal labour market to fill new positions.
   D Lack of integration of R&S into the wider H function.
   E Over-reliance on the external labour market to fill new positions.
5. The employment contract provides a set of rights, responsibilities and obligations that structure the behaviour of whom?

A  Both parties.
B  The employee.
C  The employer.
D  Trade unions.
E  Labour unions.

6. Who would benefit if a local collective agreement on pay and conditions is in place?

A  Only those employees who are members of the trade union.
B  All employees regardless of union membership.
C  All employees in that industry nationwide.
D  All employees regardless of union membership who are in the grade of work covered by the agreement.
E  No one benefits from having a collective agreement.

7. In marketing, the term product:

A  refers only to tangible items that can be seen, tasted, or touched.
B  is a broad concept that refers to anything that can be offered for use and consumption, in exchange for money or some other form of value.
C  is limited in meaning to goods, services, and ideas only.
D  never refers to such things as package design, brand name, or warranty.
E  refers to intangible items that can be seen, tasted or touched.

8. Which of the following gives added value to products in an attempt to augment their products with values and associations that are recognized by and are meaningful to their customers?

A  Promotion.
B  Brand.
C  Product.
D  Price.
E  Place.

9. Which of the following refers to costs, which do not vary according to the number of units of product made or service sold?

A  Fixed costs.
B  Moving assets.
C  Working capital.
D  Fixed capital.
E  Variable costs.
10. The two dominant approaches to pricing new propositions are:

A negotiated pricing and discount pricing method.
B transfer pricing and relationship pricing method.
C the market skimming pricing and the market penetration pricing method.
D value-in-use pricing and transfer pricing method.
E competitor-based pricing and value-based pricing.

SECTION B: Short answer questions

There are TWO (2) questions in this section. Answer ALL questions in the Answer Booklet.

**Question 1 (10 marks)**

(a) Define the term sole trader. (2 marks)

(b) Explain one disadvantage of being a sole trader. (3 marks)

(c) Outline two ways in which a manufacturer might control the quality of its products. (5 marks)

**Question 2 (10 marks)**

(a) Briefly distinguish between internal and external sources of finance. (4 marks)

(b) Define ‘span of control’. (2 marks)

(c) Briefly explain why some people might prefer to work for a business with wide spans of control. (4 marks)

SECTION C: Essay (60 marks)

There are FOUR (4) questions in this section. Choose any THREE (3) questions and answer in the answer booklet.

**Question 1 (20 marks)**

(a) Why might an understanding of the product life cycle be important for business finance managers? (8 marks)

(b) Discuss how and why promotional activity might change at different stages of a product’s life cycle. (12 marks)
Question 2 (20 marks)
(a) Explain how the objectives of a business may change as it grows. (8 marks)
(b) Discuss the importance to a growing business of human resource planning. (12 marks)

Question 3 (20 marks)
(a) Analyze how a soft drinks manufacturer might segment the market for its products. (8 marks)
(b) Discuss the most suitable methods of market research for a new product being developed by a soft drinks manufacturer. (12 marks)

Question 4 (20 marks)
(a) Examine the different sources of finance that a car manufacturer (public limited company) might use in order to fund investment in new technology. (8 marks)
(b) Discuss the problems that the car manufacturer might experience in introducing new technology into one of its factories. (12 marks)

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MGT1211 (F) / Apr 2014