

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
DECEMBER 2011 SESSION

PB 301: BUSINESS MANAGEMENT

DATE : 2 MAY 2012(WEDNESDAY)
DURATION : 2 HOURS (11.15 AM - 1.15 PM)

This paper consists of **TEN (10)** pages including the front page.

Section A: Objective (25 questions – answer all)

Section B: Essay (4 questions – answer 3 only)

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INSTRUCTED BY THE CHIEF INVIGILATOR

(CLO stated at the end of each question is referred to the learning outcome of the topic assessed. The CLO stated is only for lecturer's reference. Student can ignore the CLO stated)

SECTION A

OBJECTIVES (25 marks)

Instruction: This section consists of 25 (TWENTY FIVE) objective questions.
Answer ALL.

1. Which of the following statement is **NOT TRUE** regarding the specific characteristics of management?
- A. Management concentrates on achieving organizational goals.
 - B. Management is a process or activity that is conducted continuously.
 - C. Management just involved process and career aspects only.
 - D. Management tries to achieve organizational goals with effective and efficient cooperation of organizational resources.

2. "This year we are targeting to achieve a profit of RM50 million and to triple our sales volume".

Based on the above statement, which of the following is the most suitable definition that describes planning?

- A. Management effort to ensure that the organization is moving towards achieving its goals based on developed plans
 - B. The effort to coordinate activities conducted by two or more individuals in an organization
 - C. Process of training employees on how to perform their duties in an organization
 - D. Process of forming organizational goals and objectives based on logical plan
3. Choose the founders of the Pre-classical Approach
- i. Robert Owen
 - ii. Abraham Maslow
 - iii. Henry R. Towne
 - iv. Max Weber
- A. i and ii
 - B. i and iii
 - C. i, ii and iv
 - D. ii, iii and iv

4. Which of the following shows the characteristics of a bureaucratic structure?
- A. Decentralization, career development, equity, personal priority and initiatives.
 - B. Specializations of workforce, career enhancement, clear management hierarchy, not personal in nature and involve rules and procedures.
 - C. Clear management system, unity of command, clear direction, initiate high commitment and clear authority.
 - D. Perform specific task, have policy and procedures, centralization, formal system and high social position.
5. According to Robert L. Katz, managers are required to have three types of skills to perform their duties effectively. The skills consist of:
- A. Technical, Operational and Statistical skills
 - B. Conceptual, Interpersonal and Technical skills
 - C. Conceptual, Human and Decisional skills
 - D. Motivational, Communication and Conceptual skills
6. "In their media statement, the Toyota had recalled 373,000 Avalon Sedans and 39,000 Lexus LX470 SUVs in the USA due to defective steering parts".
- In disseminating the information, specific roles of managers for the above statement is as a _____
- A. Public Relation Officer
 - B. Disturbance Handler
 - C. Entrepreneur
 - D. Leader
7. Management gurus have stated several definitions of planning. Which of the following individuals does not contribute to the definition of planning?
- A. Certo
 - B. Stoner, Freeman & Gilbert
 - C. Dessler
 - D. Lawrence B.Mohr

8. Every organizational activity must have a proper planning process to ensure that activities are implemented successfully. Rearrange the following process based on correct sequence
- i. Identifying assistance and resistance
 - ii. Re-evaluating goals
 - iii. Setting goals
 - iv. Developing a new set of plans and actions
 - v. Define the current situation
- A. I, II, III, IV and V
 - B. I, II, V, IV and III
 - C. III, V, I, IV and II
 - D. III, V, IV, II and I
9. Which of this Management's historical figure advocates simplifying jobs and having each worker perform fewer but more routine tasks?
- A. Mary Parker Follett
 - B. F. W. Taylor
 - C. Max Weber
 - D. Robert Owen
10. Hawthorne Study concludes that...
- A. Human can be classified into two set either Theory Y or Theory X.
 - B. Brightness of lighting and other equipments give positive impact towards staff productivity.
 - C. Humans are complex, attention and group influences give an impact toward staff productivity
 - D. Every human needs and wants based on Maslow Hierarchy
11. Managers can improve decision making techniques using the following **EXCEPT**
- A. obtain related information
 - B. determine the priority of problems
 - C. anticipated mistake that management occur
 - D. act in an organized and careful manners

12. Which of the following is a way to improve group decision making
- i. Brainstorming
 - ii. Nominal group
 - iii. Delphi technique
 - iv. Electronic meeting
- A. I,II & III
 - B. II,III & IV
 - C. I,II & IV
 - D. I,II,III & IV
13. Job description has the following **FOUR** (4) main elements, **EXCEPT**
- A. Information about the job identity
 - B. Job specification
 - C. Job summary
 - D. Employees' qualification and work
14. Which of the following is **NOT** an advantage of internal hiring?
- A. Management knows the employees who will fill the vacant position
 - B. Organization will not be able to develop as new ideas will not be introduced
 - C. Communication process will be made easier
 - D. Save the cost, time and energy
15. The following are the types of planning, **EXCEPT**
- A. Long term planning
 - B. Strategic planning
 - C. Tactical planning
 - D. Method planning
16. The following methods can encourage creativity, **EXCEPT**
- A. Brainstorming
 - B. Nominal group
 - C. Dynamic group
 - D. Synectics (Gordon's Technique)

17. Team Management or Democratic Style is located in management grid
- A. 1,9
 - B. 9,1
 - C. 9,9
 - D. 1,1
18. _____ is the need for companionship or the need for personal belongingness.
- A. Safety Need
 - B. Physiological Need
 - C. Social Need
 - D. Self – esteem Need
19. When Asraf became CEO, he eliminated restrictive company policies and unnecessary disciplinary codes. These elements are known as _____
- A. Hygiene Factor
 - B. Motivation Factor
 - C. Satisfaction Factor
 - D. Demotivated Factor
20. Non-verbal communication refers to communication that uses
- A. dialogue
 - B. talking
 - C. chatting
 - D. words
21. Disturbances and barriers are unavoidable in the communication process. This may cause failure in the delivery of messages or the misinterpretation of messages by the receiver. Managers should try to overcome these barriers in order to ensure that the communication process in an organization is running smoothly.
- Choose a suitable matching method to overcome individual barriers in the communication process.

Communication barriers	method
A. Emotional and perception	Sender should be wise in selecting the appropriate communication channel for message to be delivered.
B. Unsuitable communication channel	The sender or receiver should develop their active listening skills and the feeling of empathy.
C. Semantic factors	The sender and receiver must always try to develop an understanding to overcome language and symbols problems.
D. Inconsistency between verbal and non-verbal communication	Managers should practice trustworthiness and create an open working environment.

22. Mr. Smith is a first-line manager in Company Q and his responsibility is to control operational department. Following are the several characteristics applied in an effective control system, **EXCEPT**
- Provide accurate message
 - It must be in economical and realistic in term of cost
 - The system can be accepted by employees
 - Control must be conducted whenever it is required only
23. _____ is a statement that lists the skills, ability, knowledge and work experience required to perform a job.
- Job description
 - Job specification
 - Job rotation
 - Job scope
24. Ikhwan sends his accountants to a computer service company to be trained in UBS programming software. This type of training is called _____
- On-job training
 - Off-job training
 - Vestibule training
 - Institutional training

25. The effectiveness of a decision making process can be evaluated based on two criteria known as quality objectives and _____.
- A. acceptance by those who made the decision
 - B. high commitment by top-level management
 - C. good relationship between top-level management and its subordinate
 - D. organization goals had been achieved

SECTION B**STRUCTURES / ESSAY (75 marks)**

Instruction: This section consists of 4 (FOUR) structured questions. Answer 3 (THREE) questions only.

QUESTION 1

Strong and Smith stated that the combination of well planned objective, a strong organization, effective instructions and motivation will not bring success to an organization if a suitable control system is not practiced by the organization. The right level of control also needed to bring success and motivate employees' morale.

- (a) Discuss the importance of control in organization
(12 marks)
- (b) Explain FIVE (5) problems in Rigid and Flexible Control System
(13 marks)

QUESTION 2

- (a) Define 'leadership'.
(3 marks)
- (b) Draw a diagram of Maslow's Hierarchy of Needs.
(3 marks)
- (c). Maslow's Hierarchy of Needs theory is one of the motivational theory which is a popular reference used by most managers. Explain the theory by providing suitable examples.
(13 marks)
- (d). Effective communication is important to keep a good relationship flows between the manager and employees. Explain TWO (2) barriers of effective communication.
(6 marks)

QUESTION 3

“The tourism industry in Malaysia is having a rapid growth and Chenta Sayang Resort is facing shortage of staff to cope with the tourists’ arrival. As a Human Resources Manager, Rashid is planning to hire new employees to cope with the current situation”.

Based on the situation above;

- (a). Explain **FOUR (4)** basic steps in human resource planning. (9 marks)
- (b). Discuss **FOUR (4)** techniques on how Rashid can retain his employees. (16 marks)

QUESTION 4

As a director of the company, he / she must try to avoid biasness in evaluating his / her subordinates.

- (a). Discuss **FOUR(4)** potentials errors or biasness that are often associated with performance evaluation system. (12 marks)
- (b). Explain **TWO(2)** types of training by providing suitable examples. (13 marks)