



INTI International College Penang

FINAL
Examination Paper

(COVER PAGE)

Session : April 2018

Programme : Foundation in Business Information Technology (CFPI)

Course : **MGT1210 : Fundamentals of Business Management**

Date of Examination : 30 July 2018 (Monday)

Time : 11:00AM – 1:00PM Reading Time : Nil

Duration : 2 Hours

Special Instructions :

This paper consists of **TWO (2)** sections.

Section A: Answer **ALL** multiple choice questions in the OMR sheet provided.

Section B: Answer any **THREE (3)** questions in the answer booklet provided.

Materials permitted :

NIL

Materials provided :

OMR sheet & Answer booklet

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Moderator : **Dr. Daisy Kee Mui Hung**

This paper consists of 8 printed pages, including the cover page.

FOUNDATION IN BUSINESS INFORMATION TECHNOLOGY (CFPI)
MGT1210: FUNDAMENTALS OF BUSINESS MANAGEMENT
FINAL EXAMINATION: APRIL 2018 SESSION

Section A (25 marks)

Instructions: This section consists of **twenty five (25)** questions. Answer **ALL** questions in the OMR sheets provided.

1. The followings are the reasons managers need to plan officially, EXCEPT
 - A. To reduce uncertainty.
 - B. To avoid wastage of resources.
 - C. To provide direction for decision.
 - D. To plan resolving conflicts among staff.

2. Identify the characteristic of programmed decision making.
 - A. Programmed decision making allows the manager to anticipate the outcome of the decisions.
 - B. Programmed decision making involves a lot of uncertainties.
 - C. Programmed decision making has no rules or procedures as guidance.
 - D. Programmed decision making involves significant decisions.

3. Narrow span of control has
 - A. A wide structure.
 - B. Slow communication process.
 - C. Low administrative costs.
 - D. Fast decision making.

4. Identify the nature of Functional structure.
 - A. Functional structure groups people with same expertise in a same departments.
 - B. Functional structure encourages the people to see the organizational goals as a whole.
 - C. Functional structure is an expanded version of Matrix structure.
 - D. Functional structure promotes inter-department communication.

5. The function of controlling aims to achieve the following purposes, EXCEPT
- A. Controlling aims to ensure organisation activities executed as planned.
 - B. Controlling enables monitoring business activities processes.
 - C. Controlling facilitate in correcting deviations if any.
 - D. Controlling helps in assigning and allocating resources.
6. Which of the following is a non-programmed decision making?
- A. Linda wants to replenish the raw materials her bakery shop.
 - B. Christine enrolls the existing students in the subsequent semester.
 - C. Edward wants to set up an additional business outlet in Kuala Lumpur.
 - D. Frank issues cheques being monthly payment for his suppliers.
7. Mission statement is a formalised written document of an organisation consisting of the following contents, EXCEPT
- A. The existence of the organisation in the industry.
 - B. Percentage of profit target set by the organisation.
 - C. The purposes to be accomplished by the organisation.
 - D. The values and principles which served as an operational guide to the organisation.
8. If an organisation is practising centralisation, it means
- A. the subordinates have the authority to make decisions.
 - B. the manager is delegating the authority to his/her subordinates.
 - C. the organisation focuses the decision making in mostly top management.
 - D. the organisation is having a wider span of control.
9. Choose the **correct** statement from the following.
- A. Matrix structure aims to utilise the manpower without increasing extra costs for human resources.
 - B. Matrix structure promotes zero-conflict between the employees and the managers.
 - C. Matrix structure relies heavily on external contractors.
 - D. Matrix structure is the same as Network structure.

10. The following illustrated the scenario of control in the area of Finance, EXCEPT
- A. The manager controls the daily attendance of the employees who report to work.
 - B. The manager controls the possible expenses to be proposed in a monthly budget of a department.
 - C. The manager controls the resources used to produce output as compared to the total amount of sales.
 - D. The manager controls the funds to be allocated to run a promotional roadshow.
11. All the following are correct statement, EXCEPT
- A. Strategic plan is used to establish the overall goals of an organisation.
 - B. Strategic plan is able to predict the future of the external environment.
 - C. Strategic plan is done by the top management.
 - D. Strategic plan takes into consideration how the organisation needs to grow to compete with the competitors and meeting the customers' needs.
12. The advantages of group decision making as follows, EXCEPT
- A. better decision made as the group members have diversified experiences.
 - B. group decision is a better decision because the decision obtain from the majority
 - C. the group members tend to conform to the decision and unlikely to object
 - D. group decision is mostly justifiable.
13. Identify the disadvantage(s) of centralisation.
- I. The lower management is not given a chance for future development in their career.
 - II. The lower management is trained to assume more responsibilities in the future.
 - III. The lower management learn to delegate in centralisation.
- A. I only
 - B. II only
 - C. I and II
 - D. II and III

14. Choose the **correct** statement from the following.
- A. Network structure is more suitable for a dynamic business environment.
 - B. Network structure group employees with the same specialities together.
 - C. Network structure segregate the business unit according to different types of customers.
 - D. Network structure likely to increase administrative costs of an organisation.
15. Identify one the example of feedforward control.
- A. The pastry chef ensures the raw materials used to bake pastries are from quality sources obtained from trustworthy suppliers.
 - B. The pastry chef checks the temperature of the oven while he is baking.
 - C. The pastry chef distributes the pastries to be tasted by others in order to obtain feedback from them.
 - D. The pastry chef prolongs the baking time of the pastries to get a better finished product.
16. Identify factors that lead to effective planning.
- I. The plan contains up-to-date information.
 - II. The planner is capable.
 - III. The planner refers to the previous plans which yield good results in sales.
 - IV. The plan is created and controlled by the Planning Department.
- A. I & II
 - B. I & III
 - C. I, II & III
 - D. II, III & IV
17. Choose the **correct** statement from the following.
- A. Group decision making usually end up with unproductive solutions due to diversified views.
 - B. Group decision making lead to some minority dominating the decisions made.
 - C. Group decision promote time-saving factor.
 - D. Group decision making encourage each member to be accountable for the outcome of decision made.

18. Identify the **correct** statement from the following.
- I. The top management needs to be meticulous while practising decentralisation.
 - II. The lower management need not be trained before decentralisation takes place.
 - III. The lower management must be willing to take up more responsibilities in decentralisation.
 - IV. The top management must be able to delegate well in decentralisation.
- A. I & II
 - B. II & III
 - C. III & IV
 - D. I & IV
19. Which of the following is a correct statement about the organic structure?
- A. Organic structure has narrow span of control.
 - B. Organic structure has high administrative costs.
 - C. Organic structure facilitates faster communication.
 - D. Organic structure has centralised decision making.
20. The following are correct statements, EXCEPT
- A. Budget is a controlling device to the organisation.
 - B. Budget indicates which activities are important to be carried out by the organisation.
 - C. Budget is a type of standing plan.
 - D. Budget helps in determining how much resources to be allocated for the business activities.
21. Identify the criticism or disadvantage of formal planning.
- A. The Sales Manager demanded for the latest market information in order to construct a good planning.
 - B. The Department Managers disagreed with the Chief Executive Offer to set up a new Planning Department.
 - C. The Administrative Manager found his plan to be perfect and did not need any contingency plan.
 - D. The Operations Manager considered the controllable and uncontrollable variables while planning to optimise the production output.

22. What is an example of a limiting factor?
- A. Strategic plan
 - B. Functions of management
 - C. The essential managerial roles
 - D. Human resources
23. Identify one the factor that determine centralisation.
- A. The impact of the decision is insignificant.
 - B. Centralisation is suitable when the organisation is facing a dynamic environment.
 - C. Decentralisation is suitable when the top management aiming for perfect outcomes.
 - D. The decision made is significant.
24. Unity of direction
- A. helps to monitor the usage of resources.
 - B. facilitates in leading and resolving conflicts.
 - C. groups people with the same technical skills in one department.
 - D. states that one subordinate only reports one superior.
25. The following are the main characteristics of an effective control system, EXCEPT
- A. cost effective
 - B. flexible and acceptable
 - C. unity in objectives
 - D. accurate and timeliness

Section B (75 marks)

Instruction: Answer **THREE (3)** question in the answer booklet provided.

Question 1

(a) With suitable examples, discuss the **FOUR (4)** functions of management. (13 marks)

(b) List and discuss **FOUR (4)** types of power exist in an organisation. (12 marks)

Question 2

Explain and discuss in detail the Leadership Grid with appropriate diagram.

(25 marks)

Question 3

With suitable diagram, discuss the Maslow's Hierarchy of Needs. Your discussion must include the three premises stated by Maslow.

(25 marks)

Question 4

(b) What are **FIVE (5)** ways of active listening behaviours? (10 marks)

(c) Explain Tuckman's **FIVE (5)** stages of team development. (15 marks)