



INTI
International College Penang

FINAL
Examination Paper

(COVER PAGE)

Session : August 2018

Programme : Foundation in Business Information Technology (CFPI)

Course : **MGT1211 : Introduction to Business Studies**

Date of Examination : 12 December 2018 (Wednesday)

Time : 8:00AM – 10:00AM 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 :

Materials provided :

OMR sheet & Answer booklet

Examiner(s) : **Ms. Tan Kim Beoy**

Moderator : **Assoc. Prof. Dr. Intan Osman**

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

INTI INTERNATIONAL COLLEGE PENANG

FOUNDATION IN BUSINESS INFORMATION TECHNOLOGY (CFPI)
MGT1211: INTRODUCTION TO BUSINESS STUDIES

FINAL EXAMINATION: AUGUST 2018 SESSION

SECTION A (25 marks)

Answer ALL Multiple-Choice Questions.

(1) The Business System is the combination of various _____ resources in an organized manner to produce goods and services required.

- A) Human
- B) Economic
- C) Information
- D) Capital

(2) I) The partnership has unlimited liability.
II) Partnership may consist of 2 to 20 partners.
III) Partnership need not terminate the business if there is a death of any of partners.
IV) Partnership is difficult to form as compared to public limited company.

The correct statements are:

- (A) I, II
- (B) I, II, III
- (C) I, II, IV
- (D) All statements are correct

(3) The followings are the business objectives, **except**

- (A) Satisfying the legal obligations from the government.
- (B) Providing employment opportunities for the workers.
- (C) Fulfilling the owners' personal goals.
- (D) Fulfilling the financial objectives.

- (4) Profit are the difference between a business' _____ and its _____ .
- (A) Losses; Income
 - (B) Revenue; Income
 - (C) Losses; Expenses
 - (D) Revenue; Expenses
- (5) I) Excessive transportation costs
II) A shortage of qualified labour
III) Lost of Competitive advantage
IV) Inadequate supplies of raw materials.
- Poor choice of selecting location might detrimental to operations and may result in:
- (A) I, II
 - (B) II, III
 - (C) I, II, III
 - (D) I, II, III, IV
- (6) The first goal of business of any business is survival, in another word it is call:
- (A) Break Even Point
 - (B) Break Line Point
 - (C) Break Down Point
 - (D) Break Total Point
- (7) The followings are distribution channels, **except**:
- (A) Direct distribution
 - (B) Agent/broker
 - (C) Wholesaler
 - (D) Personal selling
- (8) Demographic segmentation considers the followings **except**:
- (A) Nature of job
 - (B) Income
 - (C) Family size
 - (D) Psychology

(9) Choose the **correct** statement.

- (A) External recruiting methods include Walk-in, Executive search firm and Referral.
- (B) From job specification, managers are able to produce the job analysis and job description.
- (C) Orientation is meant for the new and current employees.
- (D) Off-the-job training utilises the supervisor to coach the workers during working hours.

(10) Select the **correct** statement.

- I) When the employees strike, the management may prohibit the employees to enter the premises of the organisation.
- II) One of the objectives of union formation is to have a better bargaining power while representing its members.
- III) When employees refuse to work, the employer cannot engage outsiders to replace the employees to work.

- (A) I, III
- (B) II, III
- (C) I, II
- (D) I, II, III

(11) The followings are the importance of profits, **except**:

- (A) Profit is a return of investment to the shareholders.
- (B) Profit is a financial reward to the entrepreneurs and businessmen.
- (C) Business with profits is obliged to provide financial support to the charity organisations.
- (D) Profitable businesses are important sources of income to the government of a nation.

(12) The followings do not describe the characteristics of government sector, **except**:

- (A) All types of resources become scarce resources in the government sector.
- (B) Government sector aims high to provide good return of investment to the shareholders .
- (C) Government sector has certain profit oriented targets to achieve for the businesses.
- (D) Profit is an optional goal in government sector because social goals overwrite financial goals.

- (13) The followings are the advantages of setting up partnership, **except**:
- (A) Partners may not make secret profits and transfer their interest without the consent of the other partners.
 - (E) Partners in a partnership can contribute various skills in the business.
 - (C) The partnership is not obliged to publish the profit and loss account to the outsiders.
 - (D) There is an only minimum legal requirement to set up the business.
- (14) Identify the **similarity** between a private limited company and a public limited company.
- (A) Both companies have almost the same total maximum numbers of members.
 - (B) Both companies enjoy separate legal entity privilege.
 - (C) Both companies do not have perpetual continuity and limited liabilities.
 - (D) Both companies are registered under Registrar of Business.
- (15) The followings describe the differences between a sole proprietorship and a partnership, **except**:
- (A) A partnership is able to obtain better amount of capital as compared to a sole trader.
 - (B) A sole trader enjoys better freedom and flexibility as compared to a partnership.
 - (C) A partnership may continue with its business if one of its partners passed away; whilst a sole trader needs to dissolve its business.
 - (D) A sole trader does not need to adhere to the terms and conditions laid out in the partnership.
- (16) Identify which of the followings belongs to low-contact process in a service operation process.
- (A) Jerry enters the bank to deposit money into the cash deposit machine.
 - (B) Lina walks into the spa to obtain the services for full body massage and foot reflexology treatment.
 - (C) Sofia enrolls a full-time degree course and needs to attend classes 4 days a week in a college.
 - (D) Ken borrow the text books and magazines from the National Library.

- (17) The following factors **do not** describe the importance of choosing the most suitable retail business location, **except**:
- (A) It is not compulsory for the retail outlet to provide safe and convenient parking lots to the customers.
 - (B) The retail outlet can be located at any locations as long as the outlet sells good and cheap products.
 - (C) The retail outlet should choose a location that is high in traffic volume of potential customers.
 - (D) As long as the retail outlet has good renovation designs to attract its customers; other factors become less important.
- (18) Assuming that you are the newly appointed Marketing Director of Nike. You and your team would like to produce a short video clip advertisement by using the local people in Egypt. Which of the followings are the **most important** factor that determines your decision?
- (A) The political policies of the Egypt government.
 - (B) The local product standard practised by the domestic market.
 - (C) The fluctuation in currency exchange in order to avoid losses.
 - (D) The cultural preferences and the social norms of the local society.
- (19) The objective of Just-In-Time (JIT) system is to _____ and to _____.
- (A) Reduce Inventories; Increase Cost Wastage
 - (B) Reduce Inventories; Reduce Cost Wastage
 - (C) Increase Inventories; Increase Cost Wastage
 - (D) Increase Inventories; Reduce Cost Wastage
- (20) Job analysis needs the following information to develop job description (JD) and job specification (JS), **except**:
- (A) Duties and responsibilities of the job
 - (B) Behaviour and personalities of the job holder
 - (C) Qualification, skills and experience of the job holder
 - (D) Employment history of the job holder

- (21) The followings describe various methods of selection, **except**:
- (A) Recruitment
 - (B) Interview
 - (C) Application form
 - (D) Test
- (22) The Management Accounting consists of the following areas, **except**:
- (A) Budgetary planning and control
 - (B) Long term investment
 - (C) Investment evaluation
 - (D) Data processing and breakeven control
- (23) Identify the example for short-term expenditure.
- (A) Trade credit
 - (B) Factoring account
 - (C) Inventories
 - (D) Promissory note
- (24) All the followings are short-term source of fund, **except**:
- (A) Long term borrowing
 - (B) Commercial papers
 - (C) Line of credit
 - (D) Revolving Credit Agreement
- (25) Finance or corporate finance typically entails the following responsibilities, **except**:
- (A) Determining a firm's long-term investments
 - (B) Obtaining funds to pay for the investments
 - (C) Conducting the firm's everyday financial activities
 - (D) Manage the operation of machine and equipment

SECTION B (75 marks)

Instructions: This section consists of **FOUR (4)** questions. Answer any **THREE (3)** questions in the answer booklet provided. All questions carry equal marks.

Question 1

- (a) List **five (5)** concepts of business. (5 marks)
- (b) With relevant examples, discuss the **four (4)** importance of business to the individual, society and the nation. (20 marks)

Question 2

- (a) List and explain in detail the **four (4)** components of marketing mix. Provide an example for each component. (16 marks)
- (b) Elaborate on the **three (3)** types of segmentation in marketing. (9 marks)

Question 3

With suitable examples, describe **five (5)** external environment that affect an organisation.

(25 marks)

Question 4

- (a) Discuss any **five (5)** of the Human Resource Management Process. (15 marks)
- (b) Define compensation and explain any **three (3)** examples of compensation. (10 marks)

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