

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.Com. DEGREE EXAMINATION – HONOURS

FIRST SEMESTER – NOVEMBER 2019

UBH 1503 – BUSINESS MANAGEMENT AND ENVIRONMENT

Date: 31-10-2019

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

Part-A

Answer ALL the questions (20 x 1 = 20)

1. The public sector is normally concerned with:

- A making profit from the sale of goods
- B providing services to specific groups funded from charitable donations
- C the provision of basic government services
- D raising funds by subscriptions from members to provide common services

2. Consider the following list of different organisations:

- (i) Government departments
- (ii) Partnerships
- (iii) Charities
- (iv) Companies

Which of these organisations would normally be classified as BOTH a not for profit organisation AND a private sector organisation?

- A (i) and (iii) only
- B (iii) only
- C (i) only
- D (ii) and (iii) only

3. Which of the following statements regarding the entrepreneurial structure is correct?

- A It usually allows for defined career paths for employees
- B It often enjoys strong goal congruence throughout the organisation
- C It can normally cope with significant diversification and growth

4. H Co makes a variety of unrelated products, including bicycles, furniture and electronics. It is aware that each of these products requires very different strategies and functions. H wishes to use a structure that will allow for each product to be managed separately, but wishes to minimise its overall administrative costs.

Which of the following organisational structures would be most appropriate for H Co to adopt?

- A Divisional
- B Entrepreneurial
- C Functional
- D Matrix

5. Offshoring refers to the transfer of existing staff members to other countries with lower wage rates.

Is this statement TRUE or FALSE?

A True B False

6. Stark Limited is a company that currently manufactures metal tubing. It has recently decided to open a series of new manufacturing plants within country H which it believes will help it to break into the European market. Which level of strategy planning would this decision relate to?

- A Functional
- B Strategic
- C Tactical
- D Operational

7. Printers are available to buy very cheaply. However the cartridges required to operate them are expensive. What kind of pricing strategy are the printer manufacturers using?

- A Price penetration
- B Price skimming
- C Captive product pricing
- D 'Going rate' pricing

8. Promotion is about encouraging customers to buy the organisation's products or services by moving them through four stages:

- (i) Action
- (ii) Awareness
- (iii) Desire
- (iv) Interest

What is the correct order for these four stages?

A (ii), (iv), (iii), (i) B (i), (iv), (iii), (ii) C (iv), (ii), (iii), (i) D (ii), (iii), (iv), (i)

9. John begins a new job at a company. He discovers that, unlike his previous job, all staff members dress casually. According to Schein, which level of culture is John observing?

- A Artefacts
- B Espoused values
- C Informal rules
- D Basic assumptions

10. According to Handy's theory, in the person culture which of the following would be correct?

- A Contribution made by each employee is recognised and appreciated
- B Status symbols are there to remind staff of their place
- C People believe that if they meet their job requirement, they will slowly progress to the senior management
- D Rules are put in place and must be strictly followed by all

11. 'The is the network of relationships that exist within an organisation and arises through common interests and friendships between members of staff.'
- Which word fits the gap in the above definition?
- grapevine/scalar chain/ informal organisation
12. . Spreadsheet packages are primarily used to analyse and sort data.
- Is this statement TRUE or FALSE?**
- A True
- B False
13. A is a large company whose shares are owned by a large number of individual investors, who do not wish to engage with company's decision making despite having full rights to do so. When using Mendelow's matrix this stakeholder group would be classed as:
- A minimal effort
- B keep informed
- C keep satisfied
- D Key Players
14. Supra-national sources of legal authority include
- A United Nations resolutions
- B US legislation
- C UK Government legislation
- D UK High Court decisions
15. E Co manufactures a single product. Which of the following would indicate that the product will have a low price elasticity of demand?
- A Customers spend a high proportion of their incomes on the product
- B Customers don't see the product as being a necessity
- C Customers tend to buy the product by habit
- D Customers have a number of substitute products that they can choose from
16. High industry fixed costs would NOT be expected to be an issue within which one of Porter's five forces?
- A Competitive rivalry
- B Threat of substitutes
- C Barriers to entry
- D Power of customers
17. A profession must have an ethical code to which it requires compliance.
- Is this statement TRUE or FALSE?
- A True
- B False
18. Which of the following is a value that organisations try to encourage within their corporate culture in order to encourage staff to act ethically?
- A Empowerment
- B Integrity
- C Satisfaction
- D Objectivity

19. Which of the following is NOT one of the “capitals” used in integrated reporting?

- A Intellectual capital
- B Environmental capital
- C Natural capital
- D Human capital

20. It is considered to be best practice for the internal auditors of a large company to report directly to:

- A the board of directors
- B the external auditors
- C the shareholders
- D the audit committee

PART-B

Answer any FOUR questions

(4 x 5 = 20)

21. Explain Divisional structure. What are the merits and demerits.

22. What are the role and functions of the main departments in a business organisation?

23. Explain Handy’s cultural types.

24. Explain the impact on organisational structure.

25. What are the approaches to ethics?

26. What are the key differences between internal auditing and external auditing?

27. Discuss the role of the IFRS Foundation and IASB.

PART - C

Answer any THREE questions

(3 x 20 = 60)

28. What are the medium and long-term effects of social and demographic trends on business outcomes on the economy.

29. Explain the relationship between accounting and other business functions.

30. a) Discuss the role of IT in improving personal effectiveness.

b) Explain Porter’s Five forces model

31. Discuss the Payroll system and cash system in an organisation.

32. Write a note on:

a) Money Laundering b) Types of Capital
