

Certificate in Accounting and Finance Stage Examinations

The Institute of Chartered Accountants of Pakistan 3 March 2015 3 hours – 100 marks Additional reading time – 15 minutes

Business Management and Behavioural Studies

Q.1	(a)	An important part of functions of managers involve decision-making activities according to their status in the organisation hierarchy and their levels of authorities and responsibilities. Briefly describe the various roles which are performed by managers in their decision-making capacities in business organisations.	(08)
	(b)	Explain briefly the main features of a Matrix organisation structure.	(05)
Q.2	has a	Textile Mills Limited (ATML) is engaged in the business of weaving of cloth. ATML shown good performance and achieved high rates of returns on investment during the eding five years.	
	-	ain in the context of Peter Drucker's management theory, the factors which may have ributed towards the good performances of ATML.	(08)
Q.3	(a)	Overseas Construction Group (OCG) is in the process of establishing a workgroup to implement a major motorway project in a Central Asian country. Explain briefly the considerations which the management of OCG should keep in perspective in the formation of the workgroup.	(05)
	(b)	Douglas McGregor has presented two different approaches, viz. Theory X and Theory Y, about managing workers in organisational environments.	
		State the salient features of Theory X and Theory Y which must be kept in perspective by managers for achievement of optimal performance levels from workers.	(06)
Q.4	(a)	Define the term motivation.	(02)
	(b)	Although Maslow's Theory of 'Hierarchy of Needs' has wide acceptance among psychologists who study human motivations, the theory has certain limitations which should be kept in perspective while considering the motivational factors in business environments.	
		Briefly describe limitations of Maslow's Theory of Hierarchy of Needs.	(07)

Q.5 (a) Match the devices with their possible uses.

	Devices	Uses
(i)	Monitor	Grading of MCQs
(ii)	Barcodes	Operating ATM machines
(iii)	Optical mark reading	Recording of crime scene by police
(iv)	Magnetic ink character recognition (MICR)	Visual output from computer for text and graphics
(v)	Digital cameras	Secure processing of cheques and deposit slips
(vi)	Touch pads	Efficient inventory management

(03)

(04)

(b) What is meant by 'Decision Support Systems' (DSS)? Identify the characteristics of a typical DSS.

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- 0.6 (a) Assume that you have been appointed by Earnest Corporation Limited (ECL) to lead a three member team for conducting negotiations in a financial dispute with a firm of consultants representing the government organisation. The negotiations are expected to be highly contentious with representatives of both the parties defending strongly their respective client's position. The outcome of the negotiations would have far-reaching implications for the future business prospects of ECL.
 - Briefly describe the negotiating skills that members of your team should possess. (04) (i)
 - (ii) Briefly explain the steps which the team should take before the conduct of negotiations and the approach it should adopt during negotiations.
 - (b) Zen Courier Co (ZCC) is a mid-sized courier company and in the past was reconciled with its market-follower status as three companies dominated the business. Recently, ZCC has negotiated an agreement with Global Couriers, a leading international courier company. Global Couriers would make equity investment in ZCC and also provide technical expertise to ZCC to enable it to be an important player in the courier business in the country. This significant expansion in the scale and scope of ZCC's business would require major changes in the organisational structure and involve redundancy of several employees, besides induction of new employees with relevant skills.

Explain briefly the factors which ZCC would need to consider for successful change implementation.

(06)

(04)

O.7 Jupiter Industries Limited (JIL) is currently experiencing intense conflict between the Marketing Department and Procurement Department. The Marketing Department has not been able to achieve its revenue targets and blames the Procurement Department for its inability to understand the highly competitive business environment. The Marketing Department claims that customers are not willing to pay target prices due to poor quality of the products. The Procurement Department is of the opinion that it must procure raw materials from the most competitive sources. The CEO of JIL is most concerned about the situation as it is adversely affecting the overall performance of the company.

You are required to advise the CEO about the steps that should be taken to resolve the conflict. (07)

- Q.8 (a) What is meant by the term 'Attitude'? (02)
 - (b) Identify and explain briefly the different components of Attitude. (06)
- 0.9 State the salient features of the following:
 - (a) Job satisfaction
 - Self-efficacy (b)
 - (c) Power distance dimension as suggested by Hofstede.
- Q.10 (a) Briefly define Batch Processing and Real Time Processing. State two advantages of each of these types of data processing. (04)
 - (b) What do you understand by the term computer network? Specify any two important advantages of a computer network. (03)
- Q.11 According to Johnson and Scholes, corporate entities have 'cultural webs' which are unique to their particular working styles. Employees at various tiers of the organisational hierarchy imbibe the prevailing organisational culture which comprises of a set of beliefs, values and norms for day-to-day working and achievement of long-term goals.

Identify and explain briefly any five inter-related elements which are unique and can be readily observed in the cultural web of a typical large corporate entity. (10)

(THE END)

(06)