

**UNIVERSITY OF SWAZILAND
FACULTY OF AGRICULTURE
DEPARTMENT AGRICULTURAL ECONOMICS AND MANAGEMENT**

SUPPLEMENTARY EXAMINATION 2016

TITLE OF PAPER : PRINCIPLES OF MANAGEMENT

COURSE : AEM104

DEGREE AND YEAR :BSC (AGRIC. ECON. &AGBMGT.) 1

TIME ALLOWED :TWO (3) HOURS

INSTRUCTIONS: 1. THIS PAPER CONSISTS OF SECTION (A) AND (B)

2. SECTION (A) IS COMPULSORY

3. ANSWER ANY TWO (2) QUESTIONS FROM SECTION B

4. THE TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS

FIVE (5)

**NOTE; MARKS WILL BE AWARDED FOR GOOD
COMMUNICATION IN ENGLISH AND FOR ORDERLY
PRESENTATION**

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL INVIGILATOR HAS
GRANTED PERMISSION**

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SECTION A (COMPULSORY)**READ THE FOLLOWING CASE AND ANSWER THE QUESTIONS BELOW****SANTAM : DOING BUSINESS FOR NEARLY A 100 YEARS**

On 1 May 1918 Santam opened its doors in Burg Street, Cape Town. Today this company is known as a leading South African short term insurer with assets totalling more than E17 billion, a world class contact centre infrastructure, a thriving intermediary network and more than 650 000 policy holders.

This company ascribes its ability to adapt to financial and non- financial change for almost a century to the fact that they understand what it takes to do business sustainably.

Santam's board of directors also affirmed their commitment to the highest principles of effective corporate governance and publically declared that they strive for the highest standards of integrity and ethics in all the company's undertakings.

'Santam has a responsibility to conduct its affairs with prudence and to safeguard the interest of all its stakeholders.

The company's commitment to good governance and to ensure best practice in company conduct are formalised in its charters and policies.

Employee conduct is furthermore governed by Santam's code of ethics. This code prescribes that all employees must comply strictly with all relevant legal requirements and company regulations that apply to their area of work. Stakeholder engagement is also a strategic priority for this company

Santam believes that insurance is something that should add value, not questions or uncertainty. It should provide peace of mind, not parameters or excuses. Considering this company's conduct, it could be said that this company earned its share of more than 22% of the short term insurance market

QUESTION 1

- a) "Santam's board of directors also affirmed their commitment to the highest principles of effective corporate governance..." Explain what is meant by principles of corporate governance.
(20 MARKS)
- b) Discuss other methods Santam can use to encourage ethical behaviour in the organisation.
(20 MARKS)

SECTION B (ANSWER ANY THREE QUESTIONS)**QUESTION 2**

Briefly explain the following management terms, giving examples. (20 MARKS)

QUESTION 3

- a) Enumerate on the key concepts of the Systems Approach. (12 MARKS)
- b) Describe the human resources process, giving example. (8 MARKS)

QUESTIONS 4

Explain what organizing is and then describe the organizing process. (20 MARKS)

QUESTION 5

Explain why controls are important to the organization and then discuss the different types of controls, giving examples. (20 MARKS)