UNIVERSITY OF SWAZILAND

FACULTY OF COMMERCE

DEPARMENT OF BUSINESS ADMINISTRATION

FINAL EXAMINATION PAPER, FULL TIME & IDE STUDENTS

MAY 2017

TITLE OF PAPER : PRINCIPLES OF MANAGEMENT

COURSE CODE : BUS 134 FULL TIME (B.COM & B.Ed.).

BA114 IDE (B.COM).

TIME ALLOCATED : THREE [3] HOURS

TOTAL MARKS : 100 MARKS

INSTRUCTIONS

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS 6.
2. THE PAPER CONSISTS OF SECTION A AND SECTION B.
3. ANSWER ALL QUESTIONS IN SECTION A WHICH IS COMPULSORY. ANSWER ANY THREE [3] QUESTIONS IN SECTION B.
4. THE MARKS ALLOCATED FOR A QUESTION OR PART OF A QUESTION ARE INDICATED AT THE END OF EACH QUESTION OR PART OF THE QUESTION.
5. CREDIT WILL BE AWARDED FOR ANSWERS CLEARLY EXPLAINED WITH THE USE OF ILLUSTRATIONS AND PRACTICAL EXAMPLES.

THIS PAPER MUST NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A : CASE STUDY. READ AND UNDERSTAND THE CASE BEFORE YOU ATTEMPT TO ANSWER THE CASE STUDY QUESTIONS.

Post University Life and Decision Making

Life after university can sometimes be rosy yet at other times it can be rough and causing you nightmares. A graduate from a local University has just been offered a job in one of the large corporations in the capital city. He was looking forward to go and stay in one of his father's properties in the city but was shocked when his father said to him;

> **"There *is nothing for free after college life my young man, its either you pay or you find your own means, but I have a solution to your accommodation problem"***

Because the father loved his son as much as he liked his money he made him the following proposal. He wanted to sell one of his three properties and he also had a good relationship with the bank which managed his investments. Based on his good relationship with the bank he could organise a 20 years mortgage for the young graduate on condition the son would use the loan amount to purchase one of his father's properties. The three options that were made available with their associated states of nature are as follows:

1. Options.

The young graduate could either purchase an apartment building or an office building or a warehouse. In case he purchased the warehouse or office apartment he would lease them out and use part of the proceeds to pay for his own lodgings while the balance would go towards loan repayments. If he purchased the apartment he would stay in the apartment without rental payments but would be servicing his bank loan. At the same time the father was planning to build a condominium in Ezulwini.

2. States of nature

If the economy is performing well the young man will be expecting a payoff of E50, 000 from the apartment, E100, 000 from the office building and E30 000 from the warehouse. However, if he was not so lucky and the economic condition was poor the apartment building would yield E30, 000, the office building would be E40, 000 in the red and the warehouse would only manage to raise E10, 000. It is like the young man is faced with a risk or uncertainty situation, he is in a dilemma.

3. Decision Making and Cost of Perfect Information

The young man was hesitant to make a decision which was going to keep him committed for the next 20 years. Because the graduate was afraid of risk and uncertainty of his situation he approached his friend's father who was a property consultant to help him make a decision and the consultant demanded E15, 000 for his services.

--What a shock????----------------------------------

QUESTION 1. ANSWER ALL HE FOLLOWING CASE STUDY QUESTIONS

QUESTION1.1. Explain in detail the two decision making environments the young graduate was facing   (20 Marks)

QUESTION 1.2. What would you have advised your fellow graduate to do using the following decision criteria?

i.	Maxi-max criterion	(2)
ii.	Maxi-min criterion	(2)
iii.	Realism/Hurwicz criterion. Use an alpha value of 0.7	(3)
iv.	Mini-max-regret criterion	(4)
v.	Expected monetary value assuming the state of nature probabilities are the same	(4)

(15 Marks)

QUESTION 1.3. Would you have advised the graduate to pay the consultation fees of E15, 000 demanded by the property consultant? Please motivate your answer.   (5 Marks)

[TOTAL MARKS 40]

SECTION B: ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION.

QUESTION 2.1. Explain the management skills and planning strategies needed at

different management levels   (11 Marks)

QUESTION 2.2. What management roles did Henry Mintzberg advocate?   (9 Marks)

[TOTAL MARKS 20]

QUESTION 3.1. What is a problem? How can you tell that there is a problem in a

company?   (5 Marks)

QUESTION 3.2. Use the Fish bone/Ishikawa diagram to evaluate poor performance in

examinations at a higher learning institution of your choice   (15 Marks)

[TOTAL MARKS 20]

QUESTION 4. Use Maslow and Ludwig von Betarlanffy's ideas to explain and justify the

relevance of managerial eclecticism in business today   **[TOTAL MARKS 20]**

QUESTION 5.1. What is the importance of environmental analysis?   (5 Marks)

QUESTION 5.2. Using the UNISWA campus bookshop as an example, demonstrate the

use of the SWOT analysis as a model to carry out environmental analysis   (15 Marks)

[TOTAL MARKS 20]

QUESTION 6.1 List characteristics of mechanistic and organic structures?   (8 Marks)

QUESTION 6.2. Explain the different sources of leadership power   (12 Marks)

[TOTAL MARKS 20]

END OF EXAM: GOOD LUCK !!!!!!!