

EXAMINATION

BUSINESS MANAGEMENT 1B 2008

TIME ALLOWANCE: 2 Hours

MARKS: 120

TOTAL PAGES: 3

INSTRUCTIONS:

1. Please adhere to all instructions in the examination booklet.
2. This is a closed book examination.
3. Answer all questions in sections A, B and C.
4. Independent work is required.
5. Ensure that your name is on all pieces of paper or books you will be handing in.
6. Hand all the pages of this examination script in.



SECTION A**[14 Marks]**

1. Define the concept “analytical skills” that business managers require. (3)
2. List eight (8) characteristics of an entrepreneur. (4)
3. List the core components of a mission statement. (3)
4. List the (4) four factors of production. (2)
5. Provide a definition of “e-procurement”. (2)

SECTION B**[68 Marks]**

1. Describe the 3 (three) sectors in industry providing an example of each to support your answer. (15)
2. “Managerial incompetence is one of the main contributors to the failure of business.” Provide 4 (four) reasons why management is important in ensuring business success. (8)
3. Why is it necessary for businesses to develop global perspectives? Support your explanation with an example. (6)
4. What questions should an entrepreneur ask when evaluating a business idea? (6)
5. The external environment is divided into the market or task environment and the macro or general environment. Draw a diagram that shows the components of the 2 (two) environments. (8)
6. Explain “buffering” as an internal strategy to reduce uncertainty. Include (2) two examples to demonstrate your understanding of the concept. (7)
7. Outline the important aspects of transformational leadership. (18)

SECTION C**[38 Marks]**

1. Discuss the important considerations in choosing a legal form of business in South Africa. Your essay must include the following.

- The four (4) main legal forms of business in South Africa. (4)
- An explanation of the seven (7) important considerations when selecting a legal form of business. (21)
- An example of a business, identifying the legal form, and justifying why you think the owner(s) have selected that legal form in preference to the other legal forms. (13)

[TOTAL MARKS: 120]