

**CERTIFIED ACCOUNTING TECHNICIAN**

**LEVEL 1 EXAMINATION**

**L1.3: BUSINESS MANAGEMENT, ETHICS AND  
ENTREPRENEURSHIP**

**THURSDAY, 6 DECEMBER 2012**

---

---

**INSTRUCTIONS:**

1. **Time Allowed: 3 hours 15 minutes** (15 minutes reading and 3 hours writing).
2. This examination has **seven** questions and only **five** questions are to be attempted.
3. Marks allocated to each question are shown at the end of the question.

*Attempt any five questions.*

### **QUESTION ONE**

- (a) Explain the assumptions of theory X and theory Y as proposed by Douglas McGregor. **(12 marks)**
- (b) A business manager is in the process of improving the control process in his organisation. Discuss the **four** steps involved in the control process. **(8 marks)**
- (Total 20 marks)**

### **QUESTION TWO**

- (a) List the roles of human resource management within an organization. **(5 marks)**
- (b) Explain **five** challenges faced by human resource managers. **(10 marks)**
- (c) Suggest solutions of overcoming the above challenges. **(5marks)**
- (Total 20 marks)**

### **QUESTION THREE**

- (a) Define the term “conflict of interest”. **(3 marks)**
- (b) Explain **three** basic conflicts of interest that a director of a company is exposed to while rendering services to a company. **(9 marks)**
- (c) Describe **four** sources of business ideas. **(8 marks)**
- (Total 20 marks)**

### **QUESTION FOUR**

Write explanatory notes on the marketing concepts listed below:

- a) The production concept. **(4 marks)**
- b) The product concept. **(4 marks)**
- c) The selling concept. **(4 marks)**
- d) The marketing concept. **(4 marks)**
- e) The societal marketing concept. **(4 marks)**
- (Total 20 marks)**

### **QUESTION FIVE**

- (a) Clearly explain the following terms used in business management.
- (i) The mission. **(3 marks)**
- (ii) Values. **(3 marks)**
- (iii) Objectives. **(3 marks)**
- (iv) Vision **(3 marks)**

- (b) Discuss **four** limitations of franchising.

**(8 marks)**

**(Total: 20 marks)**

### **QUESTION SIX**

- (a) State and describe the **three** levels of management

**(6 marks)**

- (b) Analyse the **three** categories of Management skills

**(6 marks)**

- (c) Explain **three** characteristics of effective leaders.

**(6 marks)**

**(Total 20 marks)**

### **QUESTION SEVEN**

- (a) Explain, with examples, **five** barriers of communication.

**(10 marks)**

- (b) Suggest the ways to overcome the barriers in (a) above.

**(10 marks)**

**(Total 20 marks)**

---

---

**End of question paper**