



**UNIVERSITY OF ZAMBIA
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS**

BACHELOR OF BUSINESS ADMINISTRATION

2018/2019 ACADEMIC YEAR

BBA 1110: PRINCIPLES OF BUSINESS ADMINISTRATION

FINAL EXAMINATIONS

November 28, 2019

TIME ALLOWED: THREE (3) HOURS

INSTRUCTIONS:

1. There are three sections in this examination. Section A, B and C.
2. Section A and B are Compulsory.
3. Answer Any One (1) Questions from Section C

Note: All answers must be written in the answer booklet provided

DO NOT TURN OVER UNTIL INSTRUCTED

SECTION A (COMPULSORY)

Question One (Select the correct Answer)

1. According to Frederick Taylor, who was to blame for the inefficiency in organisations?
 - (a) The unions
 - (b) The managers.
 - (c) The organisation as a whole.
 - (d) The workers

2. Line organization is also known as _____ organization.
 - (a) Scalar
 - (b) Chain
 - (c) Matrix
 - (d) Project

3. An advantage of the matrix structure is said to be –
 - (a) Because product lines can be identified as cost centres, it facilitates financial control
 - (b) Top management has more time to devote to long term strategic issues
 - (c) It is easily understood by the people involved
 - (d) Improved lateral communications.

4. *Organizational structure is made up of key elements. Which of the following is not one of these elements?*
 - (a) Centralisation
 - (b) Coordination
 - (c) Decentralisation
 - (d) Span of control

5. To decode a message is to
 - (a) Translate ideas into code.
 - (b) Reject a message.
 - (c) Evaluate a message.
 - (d) Interpret a message

6. Maslow and Herzberg are two examples of _____ theories of motivation.
 - (a) Process
 - (b) Content
 - (c) Expectancy
 - (d) Equity

7. According to Herzberg, which of the following may be regarded as hygiene/maintenance factors?

- (a) Sense of achievement.
 - (b) Recognition.
 - (c) Personal growth and advancement.
 - (d) None of the above
8. Grapevine is another term used to describe
- (a) Formal organization
 - (b) Informal organization
 - (c) Product organization
 - (d) Project organization
9. The four P's of the marketing mix are
- (a) Personnel, priorities, placement, and profits.
 - (b) Promotion, product, personnel, and place.
 - (c) Product, place, politics and economy.
 - (d) Product, promotion, price and place.
10. Which of the following is an internal source of investment funding?
- (a) Issuing of bonds
 - (b) Sale of stocks
 - (c) Undistributed profits
 - (d) All of the above

(20 Marks)

Question Two

Business organisations are able to raise finance from a wide range of sources. The sources of financing can be classified into internal and external; short term, medium and long term sources of financing.

- a) Why might a new business find it difficult to raise external finance? (5 Marks)
- b) Explain trade credit and why is it a source of finance? (5 Marks)
- c) State two drawbacks to long-term loan finance. (5 Marks)
- d) Why might a firm decide to lease new equipment rather than to purchase it outright (5 Marks)
- e) Why might the owners of a private limited company be reluctant to apply for public limited company status for the business, despite the prospect of additional finance (5 Marks)

(30 Marks)

SECTION B (COMPULSORY)

Question Three

- (a) Describe Transformational Leadership (5 Marks)
- (b) Explain the most appropriate style of leadership that you would adopt in the following circumstances:
- I. A large warehouse employing 300 staff (5 marks)
 - II. A small IT company (5 marks)
 - III. A dental practice (5 marks)
 - IV. An academic department of a university (5 marks)

(25 Marks)

SECTION C (CHOOSE ONLY ONE QUESTION FROM THIS SECTION)

Question Four

With the aid of a diagram, describe the main elements of a matrix type of organisation and evaluate the circumstances when this type of organisation structure is most appropriate

(25 Marks)

Question Five

Explain the role of scientific management in the modern era

(25 Marks)

END OF EXAMINATION