



ICM

MARCH 2016

BUSINESS MANAGEMENT & ADMINISTRATION

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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1.
 - a) Briefly describe the main functions within an organisation, as identified by Henri Fayol. [10]
 - b) Evaluate which of these functions are associated with business management, rather than business administration. [10]
 2. With the aid of suitable example organisations and diagrams, explain how the THREE main types of authority are applied in the organisations you have chosen. [5 each + 5 for diagrams]
 3.
 - a) Explain the main differences between a sole trader and a limited liability partnership. [10]
 - b) Describe the most appropriate sources of finance available to a general partnership and a private limited company, when setting up in business. [5 each]
 4.
 - a) Briefly define the following:
 - i CAD
 - ii CAM
 - iii CIM[3 each]
 - b) With the aid of suitable examples, explain under what circumstances and for which type of product a company would adopt one or all of these techniques. [11]
 5. Evaluate the FIVE main elements in the sequence of dispatch activities when transporting and distributing goods for sale. [4 each]
 6.
 - a) Describe the main difficulties experienced by small and medium-sized businesses when funding research and development. [8]
 - b) Evaluate the sources of help available for small and medium-sized businesses, both for the funding of research and development of products and services and the practical development required. [12]
 7. With the aid of a break-even chart, explain the considerations taken into account when deciding on the pricing policy for a product or service of your choice. [12 + 8 for chart]
 8.
 - a) Define the term **delegation**. [8]
 - b) With the aid of suitable examples, evaluate the main factors which influence good delegation. [12]