

GENERAL CERTIFICATE OF EDUCATION BOARD  
Technical and Vocational Education Examination

JUNE 2022

ADVANCED LEVEL

Specialty Name and Acronym	Commercial Specialties - ACC(CG), MKT(ACC) & TIMS (FIG)
Centre No.	
Centre Name	
Candidate No.	
Candidate Name	

Mobile phones are **NOT** allowed in the examination room

**7025 BUSINESS MANAGEMENT 1: MULTIPLE CHOICE QUESTION PAPER**

**One and a half hours**

**INSTRUCTIONS TO CANDIDATES**

*Read the following instructions carefully before you start answering the questions in this paper. Make sure you have a soft HB pencil and an eraser for this examination.*

1. USE A SOFT HB PENCIL THROUGHOUT THE EXAMINATION.
2. DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO.

*Before the examination begins:*

3. Check that this question booklet is headed **Advanced Level – 7025 Business Management 1**
4. Insert the information required in the spaces above.
5. Insert the information required in the spaces provided on the answer sheet using your HB pencil:  
**Candidate Name, Exam Session, Subject Code, Centre Number and Candidate Number.** Take care that you do not crease or fold the answer sheet or make any marks on it other than those asked for in these instructions.
6. **Answer ALL questions**
7. Each question has FOUR suggested answers: **A, B, C** and **D**. Decide on which answer is correct. Find the number of the question on the Answer Sheet and draw a horizontal line across the letter to join the square brackets for the answer you have chosen.  
For example, if **C** is your correct answer, mark **C** as shown below:  
[A] [B] [C] [D]
8. Mark only one answer for each question. If you mark more than one answer, you will score a zero for that question. If you change your mind about an answer, erase the first mark carefully, then mark your new answer.
9. Avoid spending too much time on any one question. If you find a question difficult, move on to the next question. You can come back to this question later.
10. Do all rough work in this booklet, using, where necessary, the blank spaces in the question booklet.
11. Texts, notes and pre-prepared materials of any kind are also **NOT** allowed in the examination room.
12. **At the end of the examination, the invigilator shall collect the answer sheet first and then the question booklet after. DO NOT ATTEMPT TO LEAVE THE EXAMINATION HALL WITH IT.**
13. Calculators and formula booklets are allowed.

Turn Over

1. "Managers are responsible for the actions of their subordinates." This means that
- Managers are diplomats
  - Managers are responsible and accountable
  - Managers balance competing goals and set priorities
  - Managers are mediators
- 
2. Belongingness needs according to Maslow's hierarchy are also called
- Physiological needs
  - Safety needs
  - Esteem needs
  - Social needs
- 
3. A Communication channel which cuts across the vertical and horizontal channels is known as
- Diagonal Communication
  - Horizontal Communication
  - Upward Communication
  - Downward Communication
- 
4. An Integration of companies producing unrelated products is called a
- Takeover
  - Cartel
  - Conglomerate
  - Horizontal integration
- 
5. System flows can also be called
- Synergy
  - System boundary
  - System feedback
  - Input/output of a system
- 
6. Another name for SWOT analysis is
- Competitive Analysis
  - Environmental Analysis
  - Internal Analysis
  - Resource Analysis
- 
7. A leadership theory which states that leadership is not an inborn talent but a skill that can be taught is known as
- Trait theory
  - Contingency theory
  - Behavioural theory
  - Fiedler's theory
- 
8. Which financial statement shows what the firm owns?
- Income statement
  - Cash flow statement
  - Statement of retained earnings
  - Balance Sheet
- 
9. A method of the production carried out in large scale to ensure continuous supply
- Mass production
  - Batch production
  - Job production
  - Process production
- 
10. A method of trade restriction which serves as a source of income to the host government is
- Quotas
  - Tariffs
  - Subsidies
  - Exchange control
- 
11. For any employee to be moved from a lower level to a higher level management position; which of the following management skills of the employee should be improved?
- Human skills
  - Technical skills
  - Conceptual skills
  - Communication skills
- 
12. The process through which managers ensure that actual activities are in line with planned activities is called
- Control
  - Coordination
  - Planning
  - Organising
- 
13. In an organisation, objectives are usually communicated through
- Minutes of meetings
  - Written operating procedures
  - Procedure manual
  - Memorandum of association
- 
14. The present and potential buyers of a firm's products are called
- Customers
  - Market
  - Sales group
  - Targets
- 
15. Given an annual demand of 20,000 units, ordering cost per order of 1,000 FRs, and holding cost per unit of 10 FRs, then the EOQ is
- 2,000 units
  - 1,000 units
  - 1,200 units
  - 200 units

16. Planning that does not cover all the activities of the entire organisation but focuses on just one area is called?
- Corporate planning
  - Operational planning
  - Tactical planning
  - Strategic planning
- 
17. An organisation of workers which aims to protect and promote their interest in the work place mainly through collective bargaining is?
- Syndicate
  - Trade Union
  - Cartel
  - Association
- 
18. The support for external recruitment is influenced by the fact that candidates are
- aware of internal policies
  - a source of new ideas
  - unaware of internal policies
  - expensive to attract
- 
19. Which of the following is not a discounted cashflow technique of capital investment appraisal?
- Net Present Value
  - Profitability Index
  - Internal Rate of Return
  - Payback Period
- 
20. The rating of jobs to determine their position in a job hierarchy is
- Job Evaluation
  - Job Analysis
  - Job Simplification
  - Job Description
- 
21. The time period between placing an order and receipt of stock is known as
- Transportation time
  - Carrying time
  - Lead time
  - Ordering time
- 
22. If an enterprise in Cameroon imports from Nigeria and exports to the rest of the world; then it is
- An international business
  - A Global business
  - A multinational Corporation
  - A para public Corporation
- 
23. Fayol's principle of stability of tenure of personnel states that
- Each subordinate should have enough to grow and become a star on the job.
  - A high employee turnover is good for today's efficient organisations.
  - Each employee should have enough time to learn from his or her mistakes on the job.
  - Each employee should have enough tenure of service to continue to make mistakes on the job.
- 
24. A system of inspection where inspectors move around the production location to inspect and take corrective measures is known as
- Centralised inspection
  - Bureaucratic inspection
  - Production line inspection
  - Floor inspection
- 
25. When conflicting parties come together to constructively debate on solutions to end their conflicts, it is a
- Conflict resolution strategy
  - Conflict stimulation strategy
  - Conflict reduction strategy
  - Negotiation strategy
- 
26. A matrix organisation can be basically described as
- An organisation with line men performing line functions
  - An organisation with branches in different countries
  - An organisation with teamwork and dual authority
  - An organisation with specialist functions
- 
27. Which of the following best describes the notion of horizontal integration as a business growth strategy
- A restaurant merging with a coffee plantation
  - A sugarcane plantation merging with a sugar factory
  - A coffee plantation merging with a coffee factory
  - MTN Cameroon merging with Orange Cameroon.

28. An organisation culture where power is centralised and decisions are usually made at the top and passed down to lower levels of management is called?
- Task culture
  - Power culture
  - Person culture
  - Role culture
- 
29. Based on the information below, calculate the cost of goods sold  
 Opening stock: 50,000 FRS  
 Purchases: 175,000 FRS  
 Expenses: 16,000 FRS  
 Closing inventory: 75,000 FRS
- 150,000 FCFA
  - 300,000 FCFA
  - 225,000 FCFA
  - 145,000 FCFA
- 
30. The skills most suitable for lower level managers according to Robert Katz are
- Conceptual skills
  - Human skills
  - Decision making skills
  - Technical skills
- 
31. An example of a hygiene factor according to Frederick Herzberg is
- Achievement
  - Responsibility
  - Working Conditions
  - Advancement on the job
- 
32. Conflicts of interests are most likely to be found in which of the following type of business organisation?
- Partnerships
  - Sole proprietorships
  - Limited liability Companies
  - Cooperatives
- 
33. One of the weaknesses of the breakeven analysis is that
- It is not realistic
  - It depends too much on forecasts
  - It does not show fixed costs
  - It does not represent organisational interests.
- 
34. A stage of group formation during which rules and regulations governing the group are set by group members is known as
- Forming
  - Norming
  - Storming
  - Adjoining
- 
35. The amount received by debenture holders as returns on their investment is called
- Dividends
  - Profits
  - Earnings
  - Interests.
- 
36. A worker uses 6 hours to complete a task for which the time allowed is 8 hours at the wage rate of 1,500 FCFA per hour. Calculate the worker's bonus using the Halsey scheme.
- 1,500 FCFA
  - 10,500 FCFA
  - 12,000 FCFA
  - 13,500 FCFA
- 
37. Use the data below to calculate the working capital
- |                      |                 |
|----------------------|-----------------|
| Total Assets:        | 11,700,000 FCFA |
| Current Liabilities: | 600,000 FCFA    |
| Current ratio:       | 6 : 4           |
- 300,000 FCFA
  - 600,000 FCFA
  - 12,000 000 FCFA
  - 11,700,000 FCFA
- 
38. What is the NPV of a project with profitability index of 125% and an initial cost of 100,000,000 FCFA?
- 25,000,000 FCFA
  - 100,000,000 FCFA
  - 2,000,000 FCFA
  - 52,000,000 FCFA
- 
39. A type of risk to safeguard against dishonest individuals who will borrow and don't pay their debts
- Liquidity Risk
  - Operational Risk
  - Market Risk
  - Credit Risk
- 
40. Which of the following is an element of a business plan?
- Foreign Exchange
  - Quota
  - Sources of funding
  - Economic risk
- 
41. One way to reduce the need for coordination in an organisation is through
- Vertical Information
  - Creating Slack resources
  - Lateral Information
  - Organisation hierarchy
-

42. Which of the following is a type of damage in a breach of contract?
- A General damage
  - B Adhesion damage
  - C Aleatory damage
  - D Unilateral damage
- 
43. A system that provides information support for decision making in an organisation is known as
- A Management support system
  - B Management operation system
  - C Management information system
  - D Management intranet system
- 
44. At Ekolle PLC, the value of stock of goods at start of a year 2019 was 395,000 FCFA, purchases for the year amounted to 1,520,000 FCFA and the closing stock was 403,000 FCFA; therefore the cost of goods sold was
- A 1,528,000 FCFA
  - B 1,915,000 FCFA
  - C 1,520,000 FCFA
  - D 1,512,000 FCFA
- 
45. A company uses 900 units of material each year. If the ordering cost per order is 300 FCFA and holding cost per unit is 150 FCFA then the Economic order quantity is
- A 15 units
  - B 600 units
  - C 3,600 units
  - D 60 units
- 
46. The tendency for a system to run down and die or become extinct is known as
- A Flows
  - B Entropy
  - C Depreciation
  - D System boundary
- 
47. When a manager involves employees in decision making he is said to be
- A Free rein leader
  - B Benevolent leader
  - C Autocratic leader
  - D Participative leader
- 
48. A form in which all relevant facts about a Job is identified and recorded is known as a
- A Job Description Form
  - B Job Specification Form
  - C Job Analysis Form
  - D Job Restructuring Form
- 
49. A method of conflict resolution where conflicting parties reach a mutual agreement on how the conflict can be resolved is known as
- A Consensus
  - B Confrontation
  - C Smoothing
  - D Majority rule
- 
50. Who among the following is the main contributor to Scientific Management?
- A Henry Laurence Gantt
  - B The Gilbreths (Frank & Lillian)
  - C Frederick Winslow Taylor
  - D Charles Babbage
- 

**STOP**

**NOW GO BACK AND CHECK YOUR WORK**