

**THE INSTITUTE OF CHARTERED  
ACCOUNTANTS (GHANA)**



**MAY 2012 EXAMINATIONS  
(PROFESSIONAL)**

**PART 1**

**BUSINESS MANAGEMENT**

**(Paper 1.2)**

**Attempt ANY five (5) Questions**

**TIME ALLOWED:**

**Reading & Planning - 15 Minutes**

**Workings - 3 Hours**

## QUESTION 1

- (a) Distinguish between power and authority. *(4 marks)*
- (b) Explain **four (4)** factors which will influence a manager in his decision to delegate an assignment to a subordinate. *(16 marks)*

## QUESTION 2

- (a) Define motivation. *(3 marks)*
- (b) Identify and explain **four (4)** of the Hygiene factors in Herzberg's two-factor theory of motivation. *(12 marks)*
- (c) Explain **two (2)** implications of the theory for managers. *(5 marks)*
- (Total: 20 marks)**

## QUESTION 3

- (a) Define the marketing concept. *(4 marks)*
- (b) Explain **two (2)** implications of the marketing concept for managers. *(4 marks)*
- (c) Distinguish between marketing management and marketing research. *(6 marks)*
- (d) Explain **three (3)** factors which will compel an organisation to step up its marketing efforts. *(6 marks)*
- (Total: 20 marks)**

#### QUESTION 4

(a) Describe the process of recruitment. *(10 marks)*

(b) Distinguish between training and development. *(10 marks)*

**(Total: 20 marks)**

#### QUESTION 5

(a) Define and explain quality control. *(4 marks)*

(b) Identify and explain **four (4)** ways in which informal groups can benefit a business organisation. *(16 marks)*

**(Total: 20 marks)**

#### QUESTION 6

(a) What is the meaning of inventory stock control to an organisation? *(2 marks)*

(b) Explain **four (4)** reasons why, an organisation has to control its inventory stocks? *(8 marks)*

(c) Describe the term social marketing. *(2 marks)*

(d) What are **four (4)** reasons why an organisation should engage in marketing activities? *(8 marks)*

**(Total: 20 marks)**

#### QUESTION 7

Explain the following:

- i. Planning
- ii. Policies
- iii. Programme
- iv. Procedures
- v. Rules

**(20 marks)**