## South Tuen Mun Government Secondary School Half-yearly Examination 2018-2019

## S5 Business, Accounting and Financial Studies (Management Module)

### Question-Answer Book

(This Question-Answer Book consists of 16 pages)

Max	imum marks: 120 (To be converted to 200)		
Time	e allowed: 2 hrs		
Class	s: Name:		Class No
Ansv	wer <b>ALL</b> questions in this Question-Answer Book.		
Part	A Multiple Choice Questions:		(40 marks)
Writ	te your answer in the space provided on P.4.		
1.	Which of the following are principles of eff	ectiv	e management?
i)	Planning		
ii)	Division of work		
iii)	Authority		
A)	i and ii only	B)	i and iii only
C)	ii and iii only	D)	All of the above
2. B	usiness ethics		
i)	is a set of moral rules that governs busine	ss act	tivities
ii)	is a set of moral rules that a business mus	t follo	ow when making decisions
iii)	emphasises that a business should care for	the i	interests of all the stakeholders
A)	i and ii only	B)	i and iii only
C)	ii and iii only	D)	All of the above
3. W	Thich of the following is a way to enhance b	usine	ss ethics?
A)	Provide training and education about the i	mpor	tance of business ethics
B)	Emphasise business ethics during recruitn	-	
C)	Establish code of ethics for daily operatio		
D)	All of the above		
4. W	Thich of the following functions of managem	ent i	s to arrange different resources to
ac	chieve the organisational goals?		
A)	Planning	B)	Organizing
C)	Leading	D)	Controlling

9	is the process of guiding and motivat chieve a goal.	ing a gi	roup of people to work together to
A)	Leading	B)	Organizing
	•	ŕ	
C)	Planning	D)	Controlling
6.	Which of the following are the advantage represent the organization structure?	s of usi	ng an organizational chart to
i)	The enterprise will avoid the operation of	deviatin	g from the goal
ii)	The relationship between superiors and	subordi	nates will become clear.
iii)	Staff will have a better understanding of	f the au	thorities.
A)	i and ii only	B)	i and iii only
C)	ii and iii only	D)	All of the above
7	are suitable to work under participati	ve lead	ership.
A)	Workers who have ambitions in work	B)	Workers who are lazy
C)	Workers who have experience	D)	Workers who are responsible
	reamentively Mr. Chen avagested that the	ahaf ah	auld arasta sama finar dishas in
i)	respectively. Mr. Chan suggested that the order to raise the prices. On the other har restaurant selling dishes in mass producti	nd, Mrs.	
i) ii)	order to raise the prices. On the other har restaurant selling dishes in mass producti Unity of command	nd, Mrs.	
ii)	order to raise the prices. On the other har restaurant selling dishes in mass producti Unity of command Unity of direction	nd, Mrs.	
ii) iii)	order to raise the prices. On the other har restaurant selling dishes in mass producti Unity of command Unity of direction Authority and responsibility	on.	Chan wants to turn it to a popular
ii)	order to raise the prices. On the other har restaurant selling dishes in mass producti Unity of command Unity of direction	nd, Mrs.	
ii) iii) A) C)	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only	ad, Mrs. on. B) D)	Chan wants to turn it to a popular i and iii only
ii) iii) A) C)	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only	B) D)	Chan wants to turn it to a popular  i and iii only All of the above
<ul><li>ii)</li><li>iii)</li><li>A)</li><li>C)</li><li>9. U</li></ul>	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only Onder the principle of unity of direction,	B) D)	Chan wants to turn it to a popular  i and iii only All of the above
<ul><li>ii)</li><li>iii)</li><li>A)</li><li>C)</li><li>9. U</li><li>A)</li></ul>	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only order the principle of unity of direction, there should be one manager in each dep	B) D) coartmen	Chan wants to turn it to a popular  i and iii only All of the above  t only only
<ul><li>ii)</li><li>iii)</li><li>A)</li><li>C)</li><li>9. U</li><li>A)</li><li>B)</li></ul>	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only  Inder the principle of unity of direction,  there should be one manager in each dependent of the principle of unity of direction.	B) D)  Dartmen  mpany coach man	i and iii only All of the above  t only only nager only
<ul><li>ii)</li><li>iii)</li><li>A)</li><li>C)</li><li>9. U</li><li>A)</li><li>B)</li><li>C)</li><li>D)</li></ul>	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only  Under the principle of unity of direction,  there should be one manager in each dependence should be one business in each contact there should be one subordinate under each	B) D) partmen mpany coach man organisa	Chan wants to turn it to a popular  i and iii only All of the above  t only only nager only ation only
<ul><li>ii)</li><li>iii)</li><li>A)</li><li>C)</li><li>9. U</li><li>A)</li><li>B)</li><li>C)</li><li>D)</li></ul>	order to raise the prices. On the other har restaurant selling dishes in mass producti  Unity of command  Unity of direction  Authority and responsibility i and ii only ii and iii only  Under the principle of unity of direction,  there should be one manager in each department of the principle of unity of direction.  A business installed a video camera in its of the principle of unity of direction.	B) D) partmen mpany coach man organisa	Chan wants to turn it to a popular  i and iii only All of the above  t only only nager only ation only

i)	Motivate subordinates		
ii)	Compensate for the lack of knowledge of the supervisor		
iii)	Improve the abilities of subordina	ate	
A)	i and ii only	B)	i and iii only
C)	ii and iii only	D)	All of the above
12.	Mr. Chan is the shareholder of a bus	iness. Which	of the following is an area that he
	concerned the most?		
A)	Wage level of the employees		
B)	Bonus paid by the business		
C)	Long-term development of the bus	siness	
D)	Price and quality of the goods and	services	
13.	Which of the following items is sh	own in a trial	balance?
A)	Net current asset	B)	Opening Capital
C)	Closing inventory	D)	Net Profit
14.	Which of the following errors will	affect the ag	reement of trial balance?
A)	Sales to Ms. Yeung is wrongly rec	orded in Ms.	Leung's personal account.
B)	Returns inwards from Ms. Lee is r	not recorded.	
C)	Cash account is debited twice for	a cash sales.	
D)	Credit purchases from Ms. Ng is w	rongly record	led in the returns inwards account.
15.	The total amount of discounts allo	wed of \$1,670	0 is listed on the credit side of trial
	balance while the total amount of d	liscounts rece	ived of \$1,760 is listed on the debit
	side of trial balance. How would th	e total of tria	l balance be affected?
A)	The total of debit balance exceeds	total of the c	redit balance by \$90.
B)	The total of debit balance exceeds	total of the c	eredit balance by \$180
C)	The total of credit balance exceeds	s total of the	debit balance by \$90.
D)	The total of credit balance exceeds	s total of the	debit balance by \$180.
16.	Which of the following is a justifia	able reason fo	or changing the current accounting
	policy and method?		
A)	To raise the profit of the firm		
B)	To simplify the accounting proced		
C)	To make a more accurate calculati	on on the val	ue of the assets
D)	Adjust to owner's requirement		

11. Which of the following are the reasons of delegation?

17.	Which of the following	accounts can l	have credi	t balance	?	
i)	Carriage outwards	iii)	Drawings			
ii)	Bank	iv)	Accounts	payable		
A)	i and ii only		B)	i and iii	only	
C)	ii and iii only		D)	All of th	ne above	
18.	Which of the following	principles or o	concepts is	s the mos	st relevant to the	e
	measurement of revenues	s and expenses	s of a busi	ness?		
A)	Going concern		B)	Accrual	concept	
C)	Consistency principle		D)	Historic	al cost concept	
19.	Which of the following	information C	ANNOT b	e shown	on the financia	l statement?
i)	Staff morale	iii)	Working e	environme	ent	
ii)	Amount of capital					
A)	i and ii only		B)	i and iii	only	
C)	ii and iii only		D)	All of th	ne above	
20.	need(s) to use fin	ancial stateme	ents to kno	ow a firm	ability of maki	ng payment.
A)	The public		B)	Debtors		
C)	Customer		D)	Supplier	's	
Part	A Multiple	Choice Question	ons:		(40 marks)	
1)	2)	3)		4)	5)	
6)	7)	8)		9)	10)	
11)	12)	13)		14)	15)	

## END OF SECTION A

19)

20)

18)

17)

16)

1.	Using the Dual-factor theory, explain why enterprises have to provide employees			
	promotion opportunities.	(4 marks)		
2.	How does training improve the relationship between employers and employers	lovees?		
	r r r r r r r r r r r r r r r r r r r	(6 marks)		
		(*/		

3. i) What is apprenticeship program?	(2 marks)
ii) Describe two advantages of it.	(4 marks)
ii) Describe two advantages of it.	(+ marks)
iii) Dagawika tuua digadwantagaa afiit	(4 monto)
iii) Describe two disadvantages of it.	(4 marks)

4.	Mark is the HR manager of a property agency. Recently, the low morale of the managers at the company has troubled him. Due to the financial tsunami, the company has recently cut their salaries by 10%. Rumours are also swirling that these managers will be the first to be laid off.			
	At the same time, the company is recruiting management trainees. The managers believe that the management trainees are being trained to replace them. The low morale of these managers has adversely affected the company's operations.			
	At present, mark is thinking of enhancing internal communication at the property agency.  (Total: 20 marks)			
a)	Explain the low morale of the managers in terms of Malsow's Hierarchy of Need's Theory.			
	(6 marks)			

b)	Ma	Mark believes that Theory Y is more valid than Theory X in managing people.			
	i)	Explain what is meant by Theory Y.	(4 marks)		
	••		(2)		
	ii)	Suggest two methods that he can use to motivate the managers	(2 marks)		
_					

c)	Explain two factors that account for the importance of enhancing internal communication at the				
	property agency.	(4 marks)			
d)	Suggest an internal communication programme for Mark to enhance in	ternal communication at			
α,	the property agency. Give a reason to support your answers.	(4 marks)			

3.	helpers, five waiters and one cashier. All of them, except the cooks, are now basis. The cooks receive a monthly salary as their base salary.	
	As the minimum wage has been adjusted to \$34.5 per hour, Fat Kee's owner, Jabout whether he should raise employees' salaries. Their existing salaries are minimum wage level. However, John is worried that the employees will quit are not adjusted.	e above the
	In fact, the morale of Fat Kee's staff has remained low for months because  (1) working hours at the tea restaurant are notoriously long and irregular,  (2) the working environment is stressful, especially during peak hours.	
		(Total: 20 marks)
a)	Explain one advantage of a base salary with reference to this case.	(2 marks)
b)	Explain why a base salary will not motivate Fat Kee's staff.	(4 marks)
-		

c)	According to Herzberg's two-factor theory, explain if Fat Kee can retain its workers by simply			
	raising their salaries.	(6 marks)		

d)	Besides a merit pay, briefly describe four ways that Fat Kee can retain its workers	(8 marks)

#### 6. Discover the Stars of Tomorrow with Online Talent

Every year when the appraisal season comes, managers yell for help. This contributes to a 44% rise in revenue of Success Factors, a company which provides online talent management for 2,800 companies worldwide. Conducting appraisal online will become a trend.

The solution software of Success Factors is charged per person or per ordering item. To raise attractiveness, all interfaces are easy to operate. For example, the goal management software includes a vocabulary library, and clueless managers can simply finish the task with just a few clicks.

The company's Asia Pacific vice president of sales Murray Sargant points out,

"The criteria of goal-setting should be simple, measurable and consistent with business strategy. This will become the guidance of future performance assessment. Staffs will work towards this direction. If they are left behind, managers should provide assistance or training."

However, everyone has his own scale, *some managers are more lenient while some are more strict*, how can we ensure the rating is fair? Regional Sales Director Mak Ka-yiu explains that the officials can understand how mangers rate by comparing the scores distribution. The score of a group should be normally distributed. Moreover, managers should try to collect views from other sources to supplement their evaluation of subordinates' performance, e.g from subordinate's peers, or views from outside stakeholders and etc.

Management board can use the appraisal as a reference for promotion, but will it be a reason to lay off? Local customers, Mandarin Oriental Hotel points out, "The software helps management to make decision, but the main use is to help them start a dialogue with staffs when problems are found."

(Total: 20 marks)

a)	i)What is a performance appraisal?	(2 marks)

With reference to the article, briefly describe 3 functions of performance of the article of the	пес арргания.	(6 mark

b)	What is management by objectives (MBO)?	(2 marks)
c)	i) According to the article, describe two limitations of appraisal?	(6 marks)

) How can the management solve those problems you identified in part ci)?	(4 marks

# END OF QUESTION-ANSWER BOOK

## South Tuen Mun Government Secondary School Half-yearly Examination 2018-2019

### S5 Business, Accounting and Financial Studies (Management Module)

### Marking Scheme

#### **SECTION A**

### **Multiple Choice Questions:**

(40 marks)

1)	C	2)	В	3)	D	4)	В	5)	A
6)	C	7)	A	8)	A	9)	D	10)	В
11)	D	12)	C	13)	A	14)	С	15)	В
16)	С	17)	D	18)	В	19)	A	20)	D

#### **SECTION B**

### **Short Questions:**

( **20** marks )

		Marks
1.	Using the Dual-factor theory, the reasons why enterprises have to provide	
	employees promotion opportunities:	
	• Promotion opportunities are <u>motivators</u> .	4
	• According to the Dual-factor theory, enterprises can provide motivators to	
	make employees satisfy with their works.	
	• So that, the workers can be motivated and their working efficiency can be	
	improved.	
2.	Training can improve the relationship between employers and employees:	
	• Training is a process enhancing working abilities of employees. Employees	2
	can acquire new knowledge and skills during training, promoting their	
	personal development.	
	• Also, when their working performances are improved, they may enjoy a	
	higher remuneration and better promotion opportunities, boosting their	2
	morale.	
	• Finally, employees received training may be grateful to their employees in	
	providing personal development and promotion opportunities, so their	2
	relationship will become more harmonious.	
3.	i) Apprenticeship program is:	
	Apprenticeship program is a kind of on-the-job training, which enable	2
	employees to be trained by more experienced colleagues.	
	ii) Two advantages:	
	• The trainees can get the <u>feedback</u> of their working performance directly from	
	their trainers	4
	• The trainees can apply the skills and knowledge they learnt directly on works	
	iii) Two disadvantages:	
	• The effectiveness of training will be lower if the trainers are not committed to	
	train the trainee	4
	• It is less <u>systematic</u> as compared with classroom training	

		Marks
4a.	The morale of the managers has been damaged as their <u>lower-order needs</u> are	
	not satisfied. With the 10% salary cut, the managers' physiological needs are not	3
	satisfied since they have less in the way of financial resources to support	
	themselves.	
	• <u>Layoff rumours</u> and the company's recruitment of management trainees have	
	also made managers fear that they will lose their jobs (i.e., lack of job security),	3
	thus adversely affecting the satisfaction of their <u>safety and security needs</u> .	
4bi.	Theory Y assumes that employees are mainly motivated by <u>higher-order needs</u>	2
	(i.e., social, ego and self-actualisation needs).	
	• It proposes that most employees do <u>not just work for money</u> . They want to	
	derive <u>satisfaction</u> from their job (e.g., <b>recognition</b> , <b>achievement</b> ). They also	2
	have the ability to make decisions and take on challenging tasks.	
4bii.	On this basis, Mark should motivate the managers by	
	<ul> <li>inviting them to participate in making decisions</li> </ul>	2
	giving them challenging tasks	
	<ul> <li>promoting a harmonious relationship in the workplace</li> </ul>	
	(Any two of the above, 1 mark for each point)	
4c.	Two factors that account for the importance of enhancing internal communication at	
	the property agency are:	
	This might help put an end to the rumours at the property agency and promote	
	understanding between the management and employees. Such understanding	2
	can prevent industrial conflicts from occurring and help achieve harmonious	
	employee relations.	
	With internal communication, a company can <u>provide employees with</u>	
	work-related directions and concrete suggestions. This helps improve	2
	employees' performance and motivates them to work harder.	
4d.	Mark can hold a staff meeting at the company.	
	At the meeting, Mark may put an end to the rumours and communicate the	2
	company's strategy directly to employees.	
	This can help employees develop a sense of trust in the leadership of the	2
<u></u>	property agency.	
	Total:	20 Marks

		Marks
5a.	• In this case, the base salary guarantees an income source and provides the employees with stable financial support.	2
5b.	• The base salary is related to the time the <u>staff work</u> rather than their performance. They <u>cannot earn more by performing better</u> .	2
	<ul> <li>Also, once the base salary is <u>determined</u>, it <u>will remain unchanged</u> for a certain period of time.</li> </ul>	2
5c.	<ul> <li>According to Herzberg's Two factor's theory, 'long and irregular working hours' belong to hygiene factors and these will prevent staff from feeling dissatisfied.</li> <li>Therefore, Fat Kee's staff currently are not satisfied with the long and irregular</li> </ul>	2
	working hours and stressful working environment. Fat Kee must resolve these conditions first.	2
	• As such, simply raising salaries would not be able to retain workers as they are still not satisfied with their working environment.	2
5d.	The ways that Fat Kee retains workers:	
	<ul> <li>Give more annual leaves so that workers have more opportunity to rest</li> <li>Shorten working hours so that workers have an opportunity to rest</li> </ul>	2
	<ul> <li>Recruit new workers, either permanent or part-time, so that the workload of existing workers can be reduced</li> </ul>	2
	<ul> <li>Improve the working conditions: use advance equipment to enhance the work efficiency</li> </ul>	2
		2
	Total:	20 Marks

ii)  •  6b. Marwill peri	A performance appraisal is an activity to evaluate employees' performance in a stematic way.  Functions of performance appraisal includes:  Increase the productivity of the company: Employee can learn the boss' comments on their working performance, while the boss can understand employee's strengths and weaknesses. If the performance of employees does not meet the standard, the boss may start a dialogue with employee regarding the problems, and seek improvement collaboratively. This helps to improve efficiency of the company.  As a promotion basis: The company can obtain information from appraisal, which determines the employee's future development direction, e.g. transfer, promotion, demotion or dismissal.  Motivating tool: Employees know that the management board will use appraisal as the basis for pay-rise, bonus and promotion. Since it affects their income and career developments, they will strive to work hard.	2 2
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will peri	ll first set the working objectives with their subordinates, and then they will	2
6c. i) I		
•	Limitations of appraisal:	
	The accuracy of assessment may be affected by the personal factors of evaluators. For example, Some managers may tend to judge employees more favorably according to their own personal preferences (bias), e.g. younger, male etc.	3
•	If the standards of evaluation are unclear, different managers may use their own standards to evaluate their subordinates' performance. For example, some evaluators are too lenient while some are too harsh. Therefore, the results of assessment on the same workers may be very different under different evaluators.	3
ii)	Solutions to the problems in part i) are: <b>compare the scores distribution</b> to ensure the score of a group is normally distributed.	2
•	the <b>rating standard of evaluators</b> should be checked.  Set a clear performance standard guidelines for all managers to follow when conducting appraisal	2
	(Amy two mar 2 marks)	
	(Any two, max 2 marks)	20 Marks