

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



**MAY 2008 EXAMINATIONS
(PROFESSIONAL)**

PART 1

**BUSINESS MANAGEMENT
(Paper 1.2)**

Attempt ANY Five (5) Questions

TIME ALLOWED: 3 HOURS

QUESTION 1

(a) Discuss **four (4)** possible causes of poor motivation in an organisation. *(12 marks)*

(b) Explain **four (4)** common effects of poor motivation in an organisation. *(8 marks)*

(Total: 20 marks)

QUESTION 2

(a) Explain the matrix organization structure. *(4 marks)*

(b) Identify and explain **four (4)** disadvantages of the matrix structure. *(16 marks)*

(Total: 20 marks)

QUESTION 3

(a) What is leadership? *(5 marks)*

(b) Explain the main sources of a leader's power. *(15 marks)*

(Total: 20 marks)

QUESTION 4

- (a) What do you understand by ‘performance appraisal?’ *(4 marks)*
- (b) Identify and explain **four (4)** benefits of performance appraisal for a business organization. *(16 marks)*
- (Total: 20 marks)**

QUESTION 5

- (a) Distinguish between strategic and operational planning. *(4 marks)*
- (b) Explain the importance of the following in the planning process:
- i. Objectives
 - ii. Information
 - iii. Resources
 - iv. Managerial Competencies
- (16 marks)*
- (Total: 20 marks)**

QUESTION 6

- (a) Define the term ‘group’ *(2 marks)*
- (b) Distinguish between formal and informal groups. *(6 marks)*
- (c) State and describe **four (4)** important benefits of groups. *(12 marks)*
- (Total: 20 marks)**

QUESTION 7

- (a) Distinguish between formal and informal communication. *(5 marks)*
- (b) Explain **five (5)** factors you would consider in choosing an appropriate method of communication. *(15 marks)*

(Total: 20 marks)