THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

STRATEGIC ISSUES IN ADMINISTRATION

5th June 2006, Time: 09.30 – 12.30

Time Allowed: 3 hours to answer FOUR questions. This paper is divided into four sections. ONE question must be attempted from each section. **Graph paper is included in the centre of the exam script.**	**Allocation of marks as shown on the paper.**

SECTION 1: THE ORGANISATIONAL ENVIRONMENT

1. Discuss how understanding the principles of 'delegation' and 'empowerment' could enable you, as an administrative manager, to improve the effectiveness of your staff and your organisation.

    (100 marks)

2. Examine the contribution that SWOT analysis can make to understanding the competitive position of your organisation and to planning future strategy. Give examples of situations in which you might use it in your own administrative role.

    (100 marks)

SECTION 2: INTRODUCTION TO STRATEGIC THINKING

3. You represent the administrative perspective on your organisation's Strategic Planning Group. Given the uncertainty attached to any decisions about the future, discuss how you could evaluate alternative future outcomes before making strategic decisions.

    (100 marks)

4. Examine what it means for an administrative manager to act as a 'strategist'. Illustrate your answer with examples of strategic decisions you have made or witnessed in your workplace.

    (100 marks)

SECTION 3: THE CUSTOMER-FOCUSED ORGANISATION

5. Discuss how application of the marketing mix could improve the service that administration offers within your organisation.

    (100 marks)

6. You have been asked to audit the effectiveness of the administration function of an organisation you are familiar with. Draft a proposal, discussing which techniques you would use and why.

    (100 marks)

SECTION 4: MANAGING CHANGE AND CULTURE

7. Discuss ways in which you, as an administrative manager, could ensure that staff accept the need for more flexible approaches to work. Use evidence from your own experience where possible.

(100 marks)

8. Assess the contribution Kaizen or continual improvement can make to managing more radical administrative changes and, in particular, to reducing employee resistance.

(100 marks)

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

ADMINISTRATIVE MANAGEMENT OF RESOURCES

5th June 2006, Time: 14.00 – 17.00

Time Allowed: 3 hours to answer FOUR questions. This paper is divided into four sections. ONE question must be attempted from each section. **Graph paper is included in the centre of the exam script.**	**Allocation of marks as shown on the paper.**

SECTION A: MANAGING PROJECTS

1 a. Describe the use of Gantt charts in managing projects.

(20 marks)

b. Draw a network diagram to represent the following project details

Activity	Preceding Activity	Duration (Weeks)
A	-	4
B	-	3
C	A	5
D	A, B	2
E	C, D	7
F	E	4
G	F	6

(50 marks)

c. Determine and comment on the critical path.

(30 marks)

2. 'The successful events manager must be able to identify and manage a diverse range of stakeholder expectations.' Discuss.

(100 marks)

SECTION B: MANAGING FINANCIAL RESOURCES

3.   'Ratio analysis is a much used tool for appraising financial performance'

        Evaluate this statement using key financial ratios to illustrate your answer.

(100 marks)

4.   XYZ Ltd has to make a decision about whether to purchase Machine A or Machine B.
        Machine A costs £21,000 and Machine B costs £25,000. The cash flows from each are
        expected to be:

	Machine A	Machine B
	£	£
Year 1	4,000	8,000
Year 2	6,000	6,000
Year 3	6,000	5,000
Year 4	7,000	6,000
Year 5	6,000	3,000

        Machine B has a residual value in Year 5 of £5,000

        (a)   Calculate the payback period of each machine

(20 marks)

        (b)   Calculate the Internal rate of Return (IRR) for each machine

(60 marks)

        (c)   Advise the company on which machine to purchase.

(20 marks)

DISCOUNT FACTORS

Number of Years	4%	6%	8%	10%	12%
1	0.962	0.943	0.926	0.909	0.893
2	0.925	0.890	0.857	0.826	0.797
3	0.889	0.840	0.794	0.751	0.712
4	0.855	0.792	0.735	0.683	0.636
5	0.822	0.747	0.681	0.621	0.567

SECTION C: MANAGING EXPENDITURE

5   (a) Explain how the concept of contribution is fundamental to marginal costing.

(20 marks)

    (b) Sporty Ltd manufactures shirts which are bought mainly for sporting activities.

The company wishes to realise a profit of £80,000 this year. The shirts sell for £20 each and the associated costs per shirts are:

	£
Direct labour	5
Direct materials	6

In addition the fixed costs for the company are £360,000. Sporty Ltd have the capacity to produce 60,000 shirts per annum.

(i)   Calculate how many shirts need to be sold to realise this required profit.

(10 marks)

(ii)   Draw a break even chart and indicate on the chart the margin of safety

(40 marks)

(c) What are the main assumptions of breakeven analysis?

(30 marks)

6.   'The objective of inventory control is to maintain stock levels so that combined costs are kept to a minimum.'

Discuss this statement

(100 marks)

SECTION D: MANAGING FACILITIES

7.   Facilities management is the integration of multidisciplinary activities within the built environment and the management of their impact upon people and the workplace. Discuss this statement.

(100 marks)

8.   'The main aim of space management is to minimise costs.'

Evaluate this statement.

(100 marks)

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

HUMAN RESOURCE MANAGEMENT & PRACTICE

6th June 2006, Time: 09.30 – 12.30

Time Allowed: 3 hours to answer FOUR questions. This paper is divided into four sections. ONE question must be attempted from each section. **Graph paper is included in the centre of the exam script.**	**Allocation of marks as shown on the paper.**

SECTION 1: HRM IN CONTEXT AND PRACTICE

1. According to Beer et al (2004) the use of the Harvard Model of HRM in organisations leads to the achievement of '4 C's'. Examine how the '4 C's' can promote organisational effectiveness and competitive advantage.

    (100 marks)

2. Assess the role of Human Resource Planning in resourcing the organisation.

    (100 marks)

SECTION 2: LEADING AND MOTIVATING TEAMS AND INDIVIDUALS
.
3. Critically evaluate the characteristics of strategic leaders and discuss how such characteristics can facilitate organisations gaining and sustaining competitive advantage.

    (100 marks)

4. Explore the leader's influence on motivation, using relevant theories of motivation to support your answer.

    (100 marks)

SECTION 3: LEARNING AND DEVELOPMENT

5. Evaluate how activities such as lifelong learning and continuous professional development can lead to enhanced employability and motivation.

    (100 marks)

6. Explore the benefits and constraints of becoming a learning organisation

    (100 marks)

SECTION 4: PERFROMANCE AND REWARD

7. 'In an attempt to manage individual performance more effectively, performance appraisal has, in many cases, been superseded by performance management systems'. Discuss.

    (100 marks)

8. Explore the extent to which accountability and empowerment are techniques that may be used by organisations to enrich jobs and empower employees.

    (100 marks)

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

ADMINISTRATIVE SYSTEMS IN THE ORGANISATION

6th June 2006, Time: 14.00 -17.00

Time Allowed: 3 hours to answer FOUR questions. This paper is divided into four sections. ONE question must be attempted from each section. **Graph paper is included in the centre of the exam script.**	**Allocation of marks as shown on the paper.**

SECTION A: PROBLEM SOLVING AND ANALYSIS

1. (a) Discuss the differences between decision taking under risk conditions and decision taking in uncertainty.

    (70 marks)

    (b) Provide a brief strategy for managing both of these situations.

    (30 marks)

2. Evaluate the methods available for gathering information from staff and management to assist the introduction of a new computer based information system.

    (100 marks)

SECTION B: DESIGNING EFFECTIVE SYSTEMS

3. Provide a briefing paper for staff of a large chemical company to outline the main features of a Total Quality Management programme and the implications for the staff.

    (100 marks)

4. 'The European Foundation for Quality Management model (EFQA) is the best quality model yet devised for focus on customer satisfaction.'
    Discuss

    (100 marks)

SECTION C: PERFORMANCE IMPROVEMENT AND MONITORING

5. Provide an outline description of an organisation known to you. Evaluate the potential benefits of the application of the balanced scorecard principles to that organisation, suggesting any variations to the basic model that might be appropriate.

    (100 marks)

6. Provide a guidance document for senior managers, detailing the principles and benefits of undertaking a benchmarking exercise. The document should include information on the selection of benchmarking partners and the interactions between partners.

    (100 marks)

SECTION D: SYSTEMS APPROACHES AND MODELS

7. Analyse the processes defined by Checkland's Soft Systems Methodology and evaluate their potential use within an organisation known to you.

    (100 marks)

8. (a) For an organisation known to you, demonstrate the information flows between at least three sub-systems.

    (30 marks)

    (b) Evaluate the effectiveness of these information flows in meeting the objectives of the whole organisation, making any improvement recommendations arising from your evaluation.

    (70 marks)

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

CASE STUDY 2

8th JUNE 2006, TIME: 09.30 – 12.30

SCENARIO

Time Allowed: 3 hours **Answer all FOUR QUESTIONS.** **Graph paper is included in the centre of the examination script.**	**Allocation of marks as shown on the paper.**

HOLMBROOKE UNIVERSITY

Holmbrooke University is an example of a relatively new university of 21,000 staff and students having an immediate catchment area of the industrial city of Holmbrooke. Established in the early 1980s, university teaching is delivered from three separate campuses. The largest, operates from older buildings in the city's redeveloped docklands area. The other two campuses are on opposite sides of the city, roughly equidistant from the docklands campus and linked for purposes of inter-site travel by university transport.

Administration of university operations is provided through the Administrative Information Support Department (AISD). This services the four faculties of Arts and Social Sciences, Business Management, Engineering, and Information Communication, which together incorporate 18 separate schools and departments. Growth over the last five years has been particularly noticeable with 5% year on year being achieved in student enrolments for the faculties of Business Management and Information Communication. Particularly noticeable within these figures have been the increasing applications for courses in general management and media studies. In contrast, applications for places in areas of mechanical and electrical engineering have declined by 3% per annum over the same period. Whilst this parallels the contraction of medium and heavy engineering on which the city had originally prospered, it has been more than compensated for by the demand for business/information related courses, supporting the growth in service industries.

Mark Caulder, Director of AISD is conscious of the ongoing need for his department to deliver improvements in administrative systems to all service users – staff, students, alumni and business users to meet their particular needs and minimise time-consuming administrative tasks involving paper-work. By doing so, he anticipates staff, both academic and non-academic, having more time to provide customer services and run their units more efficiently, thus helping the university to achieve its strategic goals.

At the same time, the University Vice Chancellor and her team of Directors are conscious not only of immediate competition from other universities and colleges within the potential catchment area, but of the importance of offering more flexible approaches to learning – both open and distant, to meet the needs not only of a changing labour market, but a more diverse customer base. These issues had begun to be addressed in the three year strategic plan for the university that is now in its final year. Mark's department is now expected to develop and deliver the new strategic plan for administrative and information support. It requires major improvements to administrative processes for faculty, professional and administrative staff, students and business users. This will be achieved through web-based systems and by automating paper-based and time consuming administrative systems, to bring about faster and more efficient flows of information.

To get things underway in the first instance, Mark called a meeting with Frankie Sims, Diane Cooper, John Dean and Stewart Pulse (see Appendix One for organisation chart) as a first step in the process of preparing a strategic plan for administration. Aware of the need to consult with service users and to involve AISD systems and support staff, they began to review the areas that would further the achievement of the university's strategic plan in which Mark was

also involved.   Essentially, this required their department to satisfy the university's administrative requirements, meet the needs of the student body and provide administrative support for academic research. Mark started by reviewing the existing systems. "We all know that our existing systems aren't yet sufficiently technologically advanced to provide a basis for accessing information over the web instead of completing paper based forms. We need to eliminate paper-based transactions and replace them with web-based functionality. So let's review the areas involved and some strategic initiatives to consider."

Frankie Sims opened by describing the present situation. "Our current financial business and administration systems such as payroll, purchasing, invoices, expense claims, student records and personnel administration whilst making use of information technology for processing data and information retrieval, involve too many paper-work based manual processes for input, checking and authorisation. Service users need Portal access through internet/intra net for messages and information and a single transaction type database to provide for the integration and dissemination of information. Systems controls should allow for both central and distributed access."

 Diane Cooper added, "Our administrative systems must be cost-effective, reliable, and available to meet different patterns of use, audit traceable, secure and capable of disaster recovery."

Mark summed up the strategic implications for university administration. "At present we get by and no more. Now let's get down to some specific areas of strategic administrative initiatives on which to base our consultation. Our systems, methods and procedures must ensure the security and privacy of information, linked to single sign-on and authentication. Portal navigation should ensure a unified access for our users. The creation of paperless forms should be less labour intensive and more convenient. Demand for electronic transmission of messages and information is expanding. Digital scanning, storage and transmission of documents should be routine. Business users are looking for e-commerce solutions to electronic funds transfer".

"Current web-based administrative information systems, both financial and non-financial, supported through this department already provide a considerable amount of data that is turned into information to assist decision-making. This form of information provision will need to be expanded. We also need to increase the range of information systems that allow for service users to change details of non-transactional data, and so reduce the burden of work on administrative staff through the extension of self-service. All this needs to be coupled to efficient and reliable computer hardware and network communication facilities, adequate availability of human resources in the form of operations and systems staff, and support from internal procedures".

Stewart Pulse commented, "This would make a significant demand on our existing resources, given the immediate need to maintain systems in the coming session".   John Dear went further, "With staff due back from the summer vacation and the new intake of students expected shortly, we'll be pretty much committed to checking out existing systems and inducting new users into their operation".

Mark replied, "Yes I'm aware of this, and also that the provisional ICT project budget over the next three years to enhance our systems currently stands at £3.5 million. It doesn't allow much in the way of recruiting more staff, and I'm aware of our commitment to existing systems. We need to follow the principles of project management to ensure we achieve our objectives"
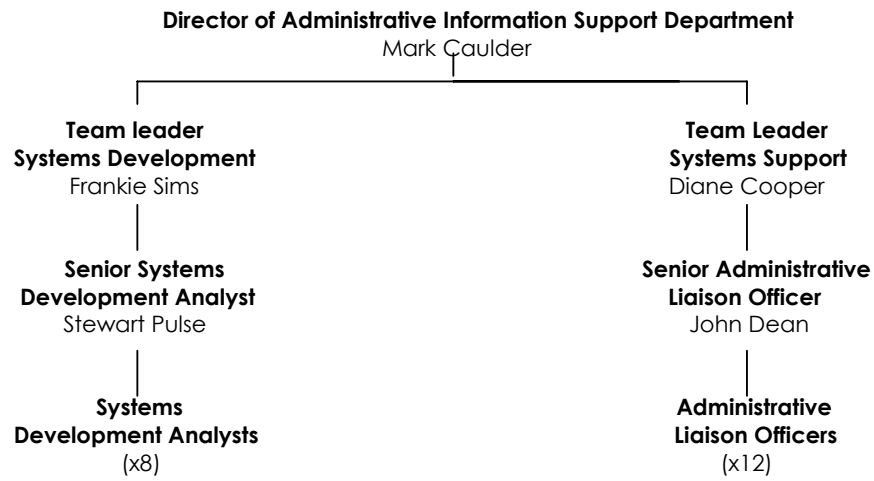
NOTES
In dealing with this case you are requested to: -

    (a)   Make clear any assumptions you feel necessary
    (b)   Make clear any local circumstances if appropriate to your case

SUPPLEMENTARY INFORMATION

Appendix One

Director of Administrative Information Support Department
Mark Caulder

Team leader	**Team Leader**
Systems Development	**Systems Support**
Frankie Sims	Diane Cooper

Senior Systems	**Senior Administrative**
Development Analyst	**Liaison Officer**
Stewart Pulse	John Dean

Systems	**Administrative**
Development Analysts	**Liaison Officers**
(x8)	(x12)

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

INTERNATIONAL ADVANCED DIPLOMA IN ADMINISTRATIVE MANAGEMENT

CASE STUDY 2

8th JUNE 2006, TIME: 09.30 – 12.30

Time Allowed: 3 hours
Answer all FOUR QUESTIONS.
Graph paper is included in the centre of the examination script.

Allocation of marks as
shown on the paper.

1. Undertake strategic analysis to explain, why improvements to administrative and information support systems are necessary if the university is to meet its strategic objectives.

    (100 marks)

2. Prepare a briefing paper for Mark on how to project manage new systems design and development, to achieve strategic administrative initiatives.

    (100 marks)

3. Evaluate how strategic initiatives for administrative systems can assist the university to position itself to take advantage of new opportunities. Present your findings in a report format.

    (100 marks)

4. Discuss ways in which the security, privacy and disaster recovery of information can be built into the new administrative systems design.

    (100 marks)