

THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

PROFESSIONAL ADMINISTRATION

4th June 2007 TIME: 09.30 – 12.03

Time Allowed: 3 hours

Section A, is compulsory and all 8 questions must be attempted.

(40% OF TOTAL MARKS)

Two questions from Section B must be attempted

(60% OF TOTAL MARKS)

**Allocation of marks as
shown on the paper.**

SECTION A: (COMPULSORY)

1. Give **one** example of how Credit Card companies use the information they hold on their customers to protect those customers from fraud.
2. List **five** areas of legislation relevant to organisations.
3. Briefly describe three reasons why employees might resist change.
4. Describe **one** control system which can be used by Administrative Managers.
5. List **five** reasons why an organisation may outsource one or more of its functions.
6. Define Total Quality Management (TQM).
7. Explain the term non-verbal communication.
8. Outline the component parts of organisational communication.
(40 marks total – 5 marks allocated for each question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

1. Explain what Internal Benchmarking is and give an example of how it can be used.
(30 marks)
2. Describe **three** techniques an Administrative Manager can use to overcome resistance to change.
(30 marks)
3. Discuss the benefits of introducing Total Quality Management (TQM) into an organisation.
(30 marks)
4. Examine the effectiveness of **one** type of communication channel/media in disseminating information through the different levels of communication.
(30 marks)

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DIPLOMA IN ADMINISTRATIVE MANAGEMENT

ADMINISTRATIVE SYSTEMS AND PROCESSES

5th June 2007: TIME: 09.30 – 12.30

Time Allowed: 3 hours

Section A, is compulsory and all 8 questions must be attempted.

(40% OF TOTAL MARKS)

Two questions from Section B must be attempted

(60% OF TOTAL MARKS)

**Allocation of marks as
shown on the paper.**

SECTION A (COMPULSORY)

1. Provide a brief description of the role of the marketing manager of a typical organisation.
2. What are the main benefits to an organisation of having a Mission Statement?
3. Briefly outline the main features of an organisation with a Person Culture.
4. What are the main elements of a system? Briefly explain.
5. Outline the purpose of having a Service Level Agreement.
6. Provide a brief explanation of the Control Cycle.
7. What are procedures and why are they so crucial to an organisation?
8. Various levels of planning go on within an organisation. What kind of planning is involved at the Operational Level?

(40 marks total, 5 marks per question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

1. Explain the steps involved in developing a procurement and inventory management system.
(30 marks)
2. What is a Procedures Manual? How would you go about producing one?
(30 marks)
3. Choosing an organisation with which you are familiar, describe its approach to control.
(30 marks)
4. Explain how an organisation's external environment can affect its activities.
(30 marks)

(60 marks in total, 30 marks per question)

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DIPLOMA IN ADMINISTRATIVE MANAGEMENT

PEOPLE IN ORGANISATIONS

6th June 2007, TIME 09.30 -12.30

Time Allowed: 3 hours

**Allocation of marks as
shown on the paper.**

Section A, is compulsory and all 8 questions must be attempted.

(40% OF TOTAL MARKS)

Two questions from Section B must be attempted

(60% OF TOTAL MARKS)

SECTION A: (COMPULSORY)

1. Outline how organisations can value and manage diversity.
2. Identify and briefly describe **THREE** of the component parts of an organisation, as suggested by Mintzberg (1979).
3. Outline the stages in the process of Self-Development.
4. Describe how organisations might manage stress among employees.
5. Briefly describe the approach to be taken to conducting a selection interview.
6. Outline **FIVE** reasons why people resist change.
7. What are the benefits associated with performance appraisal to the organisation.
8. Outline the factors to be taken into account when selecting team members.
(40 marks in total – 5 marks allocated for each question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

1. Using an appropriate framework identify the culture of an organisation known to you and comment upon the impact of the culture on organisational performance.
(30 marks)
2. 'Successful management of people leading to improved work performance is founded upon appropriate managerial philosophies'.

Examine the philosophies that underpin effective management.
(30 marks)
3. "If the benefits to training are to be secured there must be a planned and systematic approach to training" (Mullins 2005).

Describe the features of such a planned systematic approach.
(30 marks)
4. 'Organisations need to balance intrinsic and extrinsic rewards to enhance the motivation of their people'. Discuss.
(30 marks)

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DIPLOMA IN ADMINISTRATIVE MANAGEMENT

INFORMATION FOR DECISION MAKING

7th June 2007 TIME: 09.30 – 12.30

Time Allowed: 3 Hours

Section A, COMPULSORY and ALL 8 QUESTIONS MUST BE ATTEMPTED

(40% of total marks)

Section B, TWO QUESTIONS MUST BE ATTEMPTED (60% of total marks)

Allocation of marks as shown on the paper.

SECTION A: (COMPULSORY)

1. Describe how an organisation can be 'data rich but information poor'.
2. 'Effective management is impossible without information'. Discuss.
3. Draw pie charts to represent the following

| | Sales Performance | |
|-------------|-------------------|---------|
| | Month 1 | Month 2 |
| Sales Staff | £Sales | £Sales |
| Browne | 10,000 | 12,000 |
| Black | 9,000 | 18,000 |
| Greene | 11,000 | 20,000 |

4. Calculate the values of the three measures of central tendency from the data below

230, 230, 215, 220, 220, 320, 160, 210, 210, 210

5. Define and calculate the working capital from the following:

| | |
|----------------|---------|
| Stock | £7,000 |
| Bank overdraft | £5,000 |
| Debtors | £18,000 |
| Creditors | £8,000 |
| Cash | £1,000 |

6. 'Accounting statements are produced to help the users to make decisions'. Explain the purpose of accounting statements.
7. Explain the difference between cost allocation and cost apportionment.

8. The following figures have been extracted from a three-month cash budget

| | Apr | May | June |
|----------|---------|-------|-------|
| Net Cash | | | |
| Flow | (1,950) | 1,400 | 1,462 |

- a) Given that the opening balance on 1st April is £1500, calculate the closing balance figures for the three months Apr – June.
- b) What advice would you offer the company?
(40 marks in total, 5 marks allocated per question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

1. 'The quality of management information is directly related to its timing'
Discuss
(30 marks)

2. (a) Construct a histogram from the following information

| Sales units | Frequency |
|-------------|-----------|
| 65 - 66 | 4 |
| 67 - 68 | 12 |
| 69 - 70 | 21 |
| 71 - 72 | 14 |
| 73 - 74 | 9 |

(20 marks)

- (b) From the histogram identify the modal class and the value of the mode.
(10 marks)

3. (a) Define each of the following terms
- (i) Working capital (3 marks)
 - (ii) Capital employed (3 marks)
 - (iii) Cost of sales (3 marks)
 - (iv) Retained profit (3 marks)

- (b) Prepare a Profit and Loss Account from the following information: -

| | |
|----------------|----------|
| Sales Turnover | £660,000 |
| Opening stock | £60,000 |
| Closing stock | £100,000 |
| Purchases | £460,000 |
| Expenses | £105,000 |
| Depreciation | £50,000 |
| Interest | £25,000 |
| Tax | £24,000 |
| Dividends | £12,000 |

(18 marks)

4. 'The only feasible type of budget for control purposes is a flexible budget.'
Discuss.
(30 marks)

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DIPLOMA IN ADMINISTRATIVE MANAGEMENT

CASE STUDY I

8th JUNE 2007, Time: 09.30 – 12.03

Scenario

Time Allowed: 3 hours

**Allocation of marks as
shown on the paper.**

Answer all FOUR QUESTIONS.

Graph paper is included in the centre of the examination script.

FAIRVIEW PROMOTIONS

Fairview Promotions is a medium sized company employing 80 professional and twelve support administrative staff. They operate from two regional offices, Melton and Prestbury, which are serviced from a centrally located head office with a further 20 staff providing human resources, marketing, financial and administrative support for the organisation as a whole.

Each regional office under a Director of Client Services provides focussed, professional advisory and operational services through a flat structure of regional teams, to client organisations seeking to promote their products in the marketplace. This is offered through teams of promotional consultants in the regional offices that are specifically configured under, and managed by designated team leaders, tailoring services matched to expertise that meets the needs of the client. Support is typically organised on a project team basis to meet the objectives set in the client contract specification. Head office staff are responsible for the sales and marketing of Fairview's services and translating orders into action, via the regional teams and their local administrative support staff.

Communication between head office and the regional offices, each some 50 miles from head office, can sometimes be a problem when more immediate, personal contact between staff is desirable. Telephone, fax and e-communication are all used, though video conferencing facilities have not been on the agenda to date. The two regional office directors are called to head office on a routine basis to report on progress and the workload of contracts which they have been allocated. For some time, they have both attempted to cover themselves for poor results by deflecting criticism of their office performance on each other, or citing sometimes late, incomplete and inaccurate information available to the regional offices.

However, there were more pressing things on Roman Drake's mind when he called the two regional directors to a special meeting. Roman, the Operations Director to whom the two regional directors reported, was extremely concerned about the disappointing order book, and increasing competition from aggressive marketing of similar services on offer from new entrants to the industry. He opened the meeting by saying that in his opinion, and in discussions with the marketing section at head office, Fairview regional offices seemed increasingly unable to take advantage of, and bring new thinking, to client problems. He felt this was a key reason for the company losing ground on its competitors. For some time, project contracts had been falling behind schedule, resulting in an increase in complaints and deteriorating relationships with clients.

Amanda Patel, Director of Client Services for Melton immediately challenged Roman. "It's all very well for you to make that statement as if it applies to both regional offices. You know that to improve performance, I've sometimes tried to send my staff on training courses when I'm able to. I tell them what they ought to know and where to get some training to meet their needs. But it all costs time and money. But even that's more than you do!" Milton Robson of Prestbury office felt he couldn't take this implicit criticism of how he handled his staff by remaining silent. "That's not fair Amanda, you're getting at the way I lead my office. We can't afford the luxury of training, quite apart from the cost and the effect it would have on already relatively poor results". Amanda responded "there's no real means or incentive for staff to share what they know or to encourage learning". To this Milton retorted, "But then you make little real effort to encourage your staff to work as teams beyond your regional office and think how they can contribute to Fairview. Even your team leaders don't always know what the other teams are up to, or keep their own staff fully informed and they tend to keep themselves to themselves".

Roman stepped in to try to smooth things over before the discussion got out of hand and lost focus. "Whatever you both say, the issue is clear. We've been losing out to our competitors for some time, as you know from our meetings together. However, from information available, it appears the last quarter has seen a particularly poor set of performance statistics from HR and marketing, showing a fall of 5% in service quality feedback and an order book down by 8%. This is quite apart from the way that for sometime now, we've been missing out on repeat business. To meet the business plan, we should be growing at 5% a year in what is an expanding market for promotional services. Instead, it's the other way round without any real sign of an improvement! You've both got to get your staff working hard to recover our reputation for quality, expertise and professionalism. Neither of you are really prepared to let your staff exercise real discretion and control their own activities when dealing with clients. And any training given is erratic and unplanned. Even your team leaders have to refer back to you for routine decisions they should really be taking themselves. We already pay market rates with annual fixed increases on incremental scales for all our staff, despite having an appraisal system based on an annual interview. Staff at the top of their scale with no apparent promotional opportunity are relatively well paid as it is. So this is what we'll do now. I'll call in Yin Chang from HR to see what ideas she has. After all, she heads up the HR section and is there to support us with advice and guidance on how to develop and reward our staff, quite apart from sorting out relational problems between them".

Roman picked up the phone and asked Yin to come into the meeting. While they waited for her to arrive, he couldn't help thinking about what could have got them into this mess. The issues appeared to be more fundamental than mere operational concerns. Yin was in charge of Human Resources. Didn't that mean something else from when the section was called the Personnel Office? Evidently, people issues were an important part of Fairview's problems. Not only were there short-term considerations in winning more contracts, but also longer-term strategies were needed for staff as a whole. In addition to writing policies, procedures, administering staff records and fire-fighting people problems, surely more modern thinking was needed to manage and develop Fairview's human resources?

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

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CASE STUDY I

8th JUNE 2007, Time: 09.30 – 12.03

QUESTIONS

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. Advise Fairview Promotions on how to build effective teams in the regional offices.
(100 marks)
2. Explain why it is important for the company to have an effective information system.
(100 marks)
3. Describe how the process of measuring performance can help the company control its activities.
(100 marks)
4. Suggest ways in which the motivation and performance of regional staff might be improved through job and work design.
(100 marks)