DEC 2006 PA

THE INSTITUTE OF ADMINISTRATRIVE MANAGEMENT

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

PROFESSIONAL ADMINISTRATION

4th December 2006, Time: 09.30 - 12.30

| Time Allowed: 3 hours | Allocation of marks as shown on |
|---|---------------------------------|
| Section A, is compulsory and all 8 questions must be attempted. | the paper. |
| (40% OF TOTAL MARKS) | |
| Two questions from Section B must be attempted | |
| (60% OF TOTAL MARKS) | |

SECTION A: COMPULSORY

- 1. Briefly explain 'Compliance' in the context of the workplace.
- 2. Explain the term 'Code of Practice'.
- 3. List the **four** questions used in an Organisation and Methods (O & M) study.
- 4. Briefly describe 'Market Philosophy'.
- 5. Define the 'Kaizen' principle in Total Quality Management.
- 6. What is the importance of an effective 'Supply Chain'?
- 7. Identify four benefits computerisation has brought to administrative managers.
- 8. Describe the aim of E-government.

(40 marks in total, 5 marks allocated to each question)

SECTION B: TWO QUESTIONS MUST BE ATTEMPTED

| 1. | 'Job sharing is one method of flexible working' (a) Describe what is meant by job sharing | |
|----|---|------------|
| | | (10 marks) |
| | (b) Who would benefit from this type of flexible working, and why? | (20 marks) |
| 2. | As an Administrative Manager, discuss the advantages and disadvantages employing older workers. | of |
| 3. | 'Buying and selling on the Internet is steadily increasing'. | (30 marks) |
| 5. | | |
| | Discuss the impact this will have on organisations. | (30 marks) |
| 4. | 'Issues regarding our right to privacy and the use/misuse of IT in the workpla arising world-wide' | ce are |
| | As an Administrative Manager, what actions could you take to prevent the misuse of IT in the workplace? | personal |
| | | (30 marks) |

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

ADMINISTRATIVE SYSTEMS AND PROCESSES

5th December 2006, TIME: 14.00 - 17.00

| Time Allowed: 3 Hours | Allocation of marks as shown |
|---|------------------------------|
| Section A, COMPULSORY and ALL 8 QUESTIONS MUST BE ATTEMPTED | on the paper. |
| (40% of total marks) | |
| Section B, TWO QUESTIONS MUST BE ATTEMPTED (60% of total marks) | |
| | |

SECTION A: (COMPULSORY)

- 1. Outline the main difference between a natural system and a designed system.
- 2. Provide a brief description of the "bureaucratic structure".
- 3. Outline the difference between an open loop control system and a closed loop control system.
- 4. What would be the main characteristics of an organisation, which has a task culture?
- 5. Provide a brief explanation of a systems boundary.
- 6. What is the main purpose of planning within an organisation?
- 7. Briefly describe 3 different functions within a typical organisation.
- 8. Within most organisations there sometimes arises conflict between certain functions. What reasons may there be for conflict between the marketing and finance functions?

(40 marks) (5 marks each question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

| 1. | Outline the main benefits to an organisation of using the systems approach. | (30 marks) |
|----|--|------------------------|
| 2. | Describe the steps involved in developing a Mission Statement for a Not-for-Profit Organ | isation. (30 marks) |
| 3. | Provide an explanation of Business Process Re-engineering. | (30 marks) |
| 4. | Discuss the importance of procedures to the successful administration of an organisatio discussion, make reference to at least one work-place procedure with which you are fa | |

IAM: ASP Dec. 2006 TJ.MT.CE.02.10.06

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

PEOPLE IN ORGANISATIONS

6TH December 2006, Time: 14.00 – 17.00

| Time Allowed: 3 Hours | Allocation of marks as shown |
|---|------------------------------|
| Section A, COMPULSORY and ALL 8 QUESTIONS MUST BE ATTEMPTED | on the paper. |
| (40% of total marks) | |
| Section B, TWO QUESTIONS MUST BE ATTEMPTED (60% of total marks) | |
| | |

SECTION A: (COMPULSORY)

- 1. Identify and briefly explain the main features of **ONE** type of organisation culture, as presented by Charles Handy.
- 2. Explain the meaning and nature of Organisational Behaviour (OB).
- 3. Identify and briefly explain **FIVE** causes of stress at work.
- 4. Outline the importance of competence and capability for managers today.
- 5. List the features of a typical disciplinary procedure.
- 6. Identify the key objectives of Human Resource Management (HRM).
- 7. Identify and explain **TWO** aspects of flexibility at work.
- 8. Briefly distinguish between content and process theories of motivation.

(40 marks in total – 5 marks allocated for each question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

| 1. | Examine the nature of goals and objectives and consider their contribution to organisati effectiveness. | onal |
|----|---|------------------------|
| | | (30 marks) |
| 2. | You have been asked to make a presentation to a group of recently appointed manag management. | ers on time |
| | Describe the contents of the presentation you would deliver. | (30 marks) |
| 3. | (a) Evaluate the effectiveness of the interview as a selection method. | (15 marks) |
| | (b) Identify and justify TWO additional tools that could be used to enhance the selection | process. (15 marks) |
| 4. | 'The leader in today's organisation must inspire people' Discuss. | (30 marks) |

IAM: PIO Dec 2006.TJ.MT.CE.02.10.06

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

INFORMATION FOR DECISION-MAKING

7th December 2006, 09.30 - 12.30

| Time Allowed: 3 Hours | Allocation of marks as shown |
|---|------------------------------|
| Section A, COMPULSORY and ALL 8 QUESTIONS MUST BE ATTEMPTED | on the paper. |
| (40% of total marks) | |
| Section B, TWO QUESTIONS MUST BE ATTEMPTED (60% of total marks) | |
| | |

SECTION A: (COMPULSORY)

- 1. Give **TWO** examples of both :
 - (i) internal **and**
 - (ii) external types of information.
- 2. H.A. Simon, a leading writer on management decision-making, considers that decision making comprises four principal phases. Describe these four phases.
- 3. List the main rules for graph construction.
- 4. Explain how the mode can be identified from a histogram.
- 5. Construct a pie chart using the following information

| Products | Sales £K |
|-----------|----------|
| Product A | 50 |
| Product B | 70 |
| Product C | 100 |
| Product D | 80 |

6. Define and calculate the capital employed from the following:

| Fixed Assets | £32,000 | Debtors | £5,600 |
|---------------|---------|-----------|--------|
| Share Capital | £20,000 | Creditors | £5,800 |
| Reserves | £16,000 | Stock | £3,400 |
| Cash | £800 | | |

7. The costs to a company in producing 1,000 of Product X last month were as follows:

| | ft |
|-------------|--------|
| Materials | 30,000 |
| Labour | 15,000 |
| Overheads | 45,000 |
| Total costs | 90,000 |

Of the costs shown, materials used are 75% variable, labour is 65% variable and overheads are 30% variable. The remaining costs are fixed.

(a) Analyse the total cost of £90,000 into fixed costs and variable costs.

IAM: IFDM Dec 2006.TJ.MT.CE.06.11.06

(b) Explain why it is important to distinguish between fixed and variable costs.

8. Cost Budget for Production of 5,000 units

| Cost | <u>Cost Behaviour</u> | <u>Budget</u> | |
|---|--|---------------|----------------------------|
| | | £ | |
| Direct labour Direct Materials Production Overheads | Variable (£4 per unit) Variable (£3 per unit) Semi-variable (£10,000 fixed + £2 per unit) | | 20,000 15,000 20,000 |
| Admin Overhead | Fixed | | <u>12,000</u> |
| Total Budgeted Cost | | | <u>67,000</u> |

In a month actual production was 5,250 units and the actual costs were:

| Direct Labour | £20,100 |
|----------------------|---------|
| Direct Materials | £15,250 |
| Production Overheads | £22,400 |
| Admin Overheads | £12,000 |

Calculate the variances.

(40 marks in total – 5 marks allocated for each question)

SECTION B: (TWO QUESTIONS MUST BE ATTEMPTED)

1. 'The degree of uncertainty surrounding decisions is often closely associated with the levels of decision-making.' Discuss.

(30 marks)

- 2. (a) Explain the uses of the four different types of bar charts.
 - (b) Following a training programme the 30 participants were asked to comment on the quality of the tutors with the following results

| | Excellent | Very good | Good | Fair | Poor | Total |
|------------------|-----------|--------------|------|------|------|-------|
| Knowledgeable | 20 | 10 | - | - | - | 30 |
| Appropriate | - | 5 | 15 | 10 | - | 30 |
| pace | | | | | | |
| Created interest | 15 | 10 | 5 | - | - | 30 |
| Involved the | 2 | 8 | 12 | 6 | 4 | 30 |
| participants | | | | | | |

Present these results diagrammatically.

(c) Comment on the results.

(5 marks)

(20 marks)

| 3. | (a) | From the following inform | mation calculate | e | | |
|-----|---------|---------------------------|---------------------|-------------------------|-----------|------------|
| | | (i) Working Capital | | | | |
| | | (ii) Capital Employed | | | | (4 marks) |
| | | (iii) Cost of Salas | | | | (4 marks) |
| | | (iii) Cost of Sales | | | | (4 marks) |
| | | (iv) Gross Profit | | | | |
| | | (v) Net Profit | | | | (4 marks) |
| | | | | | | (4 marks) |
| | | | £ | | £ | |
| | | Sales Turnover | 200,000 | Current assets | 85,000 | |
| | | Opening stock | 15,000 | Creditors | 36,000 | |
| | | Closing stock | 30,000 | Bank overdraft | 5,000 | |
| | | Purchases | 75,000 | Expenses | 52,000 | |
| | | Fixed assets | 265,000 | | | |
| | (b) | Explain the purpose of c | an Income and E | Expenditure Account. | | |
| | | | | | | (10 marks) |
| | | | | | | |
| 'WI | nen emp | bloyed effectively, budge | etary control is of | areat assistance to man | agement'. | |

4. 'When employed effectively, budgetary control is of great assistance to management'. Discuss.

(30 marks)

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

CASE STUDY I

8th DECEMBER 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.

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 staffs 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 sometime, 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 deteriating 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 guite 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 ad hoc. 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

DIPLOMA IN ADMINISTRATIVE MANAGEMENT

CASE STUDY I

8th DECEMBER 2006, TIME: 09.30 - 12.30

| Time Allowed: | 3 hours | Allocation of marks as |
|----------------|--------------|------------------------|
| Answer all FOU | R QUESTIONS. | shown on the paper. |

1. Advise Yin on why a programme of leadership development for management staff in the regional offices is needed to improve the performance of Fairview Promotions.

(100 marks)

- 2. Explain how a programme of Continuing Professional Development (CPD) could enhance the knowledge and capabilities of professional staff within the company. (100 marks)
- 3. Describe how taking a planned approach to training activity within Fairview Promotions could benefit the organisation.

(100 marks)

4. Suggest ways in which the payment system could be changed to increase the motivation and commitment of regional staff employed by the company.

(100 marks)