

THE PAPUA NEW GUINEA UNIVERSITY OF TECHNOLOGY

ENTRY EXAMINATION 2020

DEPARTMENT OF BUSINESS STUDIES

BA 001 BUSINESS STUDIES PAPER

FOR CANDIDATES APPLYING FOR BUSINESS STUDIES

.....NOVEMBER 2020

TIME:

VENUE: LOCATION:.....

TIME ALLOWED: 2 HOURS

DIRECTIONS TO STUDENTS

1. Print and sign your name
2. All answers must be written in this booklet
3. The Examination is comprised of three parts and are shown below

PART A: You MUST Answer all Questions.	Marks 20
PART B: You MUST Answer all Questions.	Marks 60
PART C: Essay You need to answer only one Question	Marks 20
Total Marks:	<u>100</u>
4. Make sure that you read each question carefully. The number of marks for each question is given with each question.
5. Should you wish to make any changes to your answers, make sure the new answers are legible, easy to read and understand.
6. Notes, textbooks and mobiles are not allowed in the exam hall.

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Surname:..... First Name:.....

Signature:.....

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BA 001 BUSINESS STUDIES

PART A MULTIPLE CHOICE (ONE MARK EACH)

Instructions: Circle the correct answer and if you make a mistake put a cross and circle the new choice.

- Q1. In accounting Assets are the economic resources of the entity, and they include:
- a) such things as cash on hand and in the bank, including loans and borrowings
 - b) such items as cash, accounts receivable (amounts owed to a firm by its customers), inventories, land, buildings, equipment, and even intangible assets like patents and other legal rights and claims.
 - c) such thing as buildings and equipment that the entity owns.
 - d) all the employees, office equipment, machinery and buildings.
- Q2. Under which menu in the ribbon area of the MS Office PowerPoint application will you find the option to change the background of a slide in a PowerPoint Document?
- a) home
 - b) insert
 - c) design
 - d) view
- Q3. Microeconomics primarily models:
- a) the overall economy.
 - b) the behavior of firms but not households.
 - c) the behavior of households but not firms.
 - d) the behavior of both firms and households and how they interact in the marketplace
- Q4. An organization that regularly affects and is affected by various and constantly changing forces can be described as a(n) _____.
- a) natural force
 - b) sociocultural force
 - c) open system
 - d) closed system
- Q5. In Accounting, liabilities can best be described as;
- a) legal obligations that is outstanding in loans from banks and owners contributions in shares.
 - b) amounts owed to others relating to loans, extensions of credit, and other obligations arising in the course of business.
 - c) the owner's contribution towards the start of business only.
 - d) the debtor's outstanding payments not yet received.

Q6. The most common type of operating system used by many people is the _____

- a) Linux
- b) Windows
- c) Novell
- d) Unix

Q7. Which is not a factor of production:

- a) a bank loan
- b) labor
- c) capital
- d) land

Q8. The most important leadership traits are:

- a) developing a social understanding
- b) good wages
- c) emotionally mature and capable of handling extreme situation.
- d) customization of products

Q9. A "Balance Sheet" is a key financial statement and is also known as;

- a) record of all profit and loss transactions Profit & Loss.
- b) record of all cash and assets owned by the entity.
- c) the statement of financial position, which contains a summary of all assets, liabilities and owner's equity of an entity.
- d) income and expenses statement, expressing a summarized form of revenue and expenditure that gives us the net income, which is the profit.

Q10. Which of the following can be used to remove text from a document?

- a) the Backspace key
- b) cut text (Ctrl+X)
- c) copy text (Ctrl+C)
- d) only a and b

Q11. Aggregate supply is the total amount of:

- a) labor supplied by all households
- b) products produced by a given industry
- c) goods and services produced in an economy
- d) produced by the government

Q12. An importance of time management is

- (a) helps us to focus on goals
- (b) resource to be managed to gain maximum satisfaction
- (c) unit of measurement
- (d) all of the above

Q13. Bookkeeping is best described as:

- a) a process where financial information is analyzed, interpreted and reported to the interested users of this information.
- b) planning and recording a system of accounting.
- c) accurate and detail recording of all transactions that take place in an entity.
- d) reporting of financial information to external users.

Q14. Which of these is a web browser?

- a) Linux
- b) Chrome
- c) Network
- d) Microsoft Office

Q15. A market is in equilibrium:

- a) provided there is no surplus of the product
- b) at all prices above that shown by the intersection of the supply and demand curves
- c) if the amount that producer wants to sell is equal to the amount that consumers want to buy
- d) whenever the demand curve is down-sloping and the supply curve is up-sloping

Q16. People resist changes for various reasons and a method that can be used by managers to overcome them is:

- a) suppression
- b) provide more information
- c) promote self interest
- d) demotion

Q17. Which of the following is correct about firms in an oligopoly situation?

- a) each firm has complete control over its own selling price.
- b) all firms independently charge monopoly prices.
- c) no one firm controls price, but each has an influence on the price
- d) there is no competition in oligopoly industries

Q18. People all over the world are using the internet to;

- a) communicate with each other
- b) shop for goods and services
- c) access all sorts of information
- d) all of the above

- Q19. The circular flow of goods and incomes shows the relationship between
- goods and services.
 - income and money.
 - firms and households
 - wages and salaries
- Q20. All of the following would be considered a separation from a firm except a(n)
- demotion.
 - layoff.
 - retirement.
 - firing

Part B Short Answers (60 marks)

Instructions: Attempt all questions on the answer sheet provided

- Q1. Explain what the term “debits and credits” mean?
- Q2. When we talk about Technology in general, we use short forms, initials or acronyms to represent various terms or words. What do the highlighted/bolded acronyms below stand for? (6 marks)
- Example: **HTML** is a front end markup language for the web.*
- Answer: **HTML** stands form Hyper Text Markup Language.*
- This school uses a **LAN** to access emails.
 - We all use the **MS** Office Word to write our reports.

Q3. Questions A to D refer to the following information.

Formula: $\% \Delta Q_d \div \% \Delta P$

The following table shows the quantity of a product demanded at two different prices: The price increases from K30.00 to K40.00.

	Price	Quantity Demanded
Price 1	30	200
Price 2	40	150

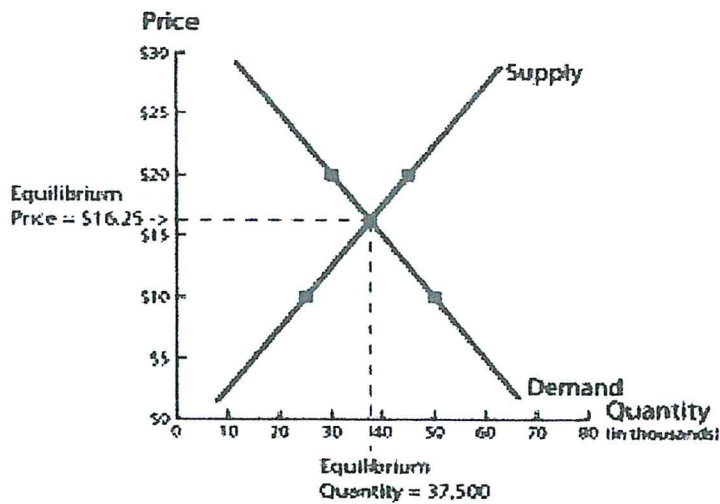
- Calculate the price elasticity of demanded when price increases from K30 to K40. (2 marks)
- What is the price elasticity of demand? (2 Marks)
- Explain the answer above (Question A) in terms of the responsiveness of the demand to changes in price. (2 Marks)

- Q4. Discuss the three basic approaches to identifying training needs of an organization
- Q5. Explain what you understand by the term account for double entry?
- Q6. Select the correct answer from the given list to complete the sentences or statements. Write the correct answer beside the question letter.

network, printer, internet, Bluetooth, query, data, memory, worksheet, excel , keyboard

- a) A _____ is the connection of two or more computers linked together.
- b) A technology that allows for multiple devices to connect, interact and sync with each is called _____.
- c) An object of a database is a _____.
- d) The _____ of a computer may be used to store data and programs.
- e) The area in which the data and information is entered and displayed in MS Excel is called the _____.
- f) A _____ is an example of an output device of a computer.
- Q7. Discuss the importance of cash planning
- Q8. Explain what is accounts receivable and two reasons for it appearing?
- Q9. Explain how the Open Market Operation as one of the Central Bank's Monetary Policy tools will be used to reduce the money supply in PNG
- Q10. The graph below indicates a market scenario. Carefully study the graph, the supply and demand and then answer the questions that follow .

The movement of price and its impacts on supply and demand.



Carefully explain

- If price decreases from \$16.25 to \$10 what will happen to demand? (2 marks)
- If price increases from \$16.25 to \$20 what will happen to supply? (2 mark)
- At the price of \$10 is there surplus or shortage? (2 mark)

Part C: Essay: Select a topic from the list below and write an essay on it (300 to 500 words) (20 marks)

- The need for keeping proper financial records
- The effective management of organizational conflicts

QUESTION NUMBER:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

QUESTION NUMBER:

