

Tutorial Letter 201/1/2018

Business Management IIA

BSM2601

Semester 1

Department of Business Management

This tutorial letter contains feedback on Assignment 01 of
BSM2601 for the first semester.

BARCODE



TABLE OF CONTENTS

1	INTRODUCTION.....	3
2	COMMENTS ON ASSIGNMENT 01.....	3
3	CONCLUDING REMARKS.....	7

1 INTRODUCTION

Dear Student

The feedback constitutes a vital part of your learning experience, as it seeks to clarify all the questions posed in the assignments. In addition, feedback can assist you in preparing for the examination. Although the questions in Assignment 01 are an indication of the type of questions you can expect in the examination, please note that we do not **cut and paste** assignment questions in the examination. **Note** that all assignments contribute to your year mark. If you submit only one assignment, it will be to your disadvantage, because your average will be made up of the mark you received for the sole assignment which you submitted.

2 COMMENTS ON ASSIGNMENT 01

The table below gives model answers to the 30 multiple-choice questions posed in **Assignment 01**. It also provides you with references to the **prescribed book**. Tapping into the referenced section in your prescribed book, allows you to study more about the sub-matter, as questions in the exam can be asked differently from the way they are given here. Please carefully compare your answers to the model answers. It is advisable that you study the entire section as referred to on the table.

QUESTIONS	ANSWERS	CHAPTER AND PAGE NUMBER	COMMENTS
1	2	Chapter1p2-3	a, b, f
2	2	Chapter1p2	need to make profit
3	3	Chapter1 p7	
4	4	Chapter1p13	Different population groups have distinctive cultures and lifestyles and therefore different needs and preferences.
5	2	Chapter1p20	During a recession, consumers' disposable

			incomes are lower so they buy less.
6	2	Chapter1p22	
7	3	Chapter1p29	
8	4	Chapter1p13	
9	2	Chapter1p19	During prosperity phase of a trade cycle , an organisation has the opportunity to pay attention to new development and to increase sales and income.
10	4	Chapter1p17	exercise personal power is not a right that consumers have.
11	3	Chapter1p20	Financial manager makes decision that focus on maximizing shareholders' wealth.
12	4	Chapter3p87	Value added; a ratio analysis.
13	4	Chapter3p84	To be clear about objectives, to determine the standards to measure choices and to decide on the best course of action to take.
14	3	Chapter3p113	Ensuring the income of the organisation is enough to cover its costs.
15	3	Chapter3p87	Gross profit margin is how efficiently management is using its raw materials and labour to generate a profit.

16	2	Chapter3p87	Operating profit margin is how efficiently management is using its operations to generate a profit.
17	2	Chapter3p113	Owners' equity is the funds made available by ordinary shareholders as capital, reserves and undistributed profit.
18	4	Chapter3p113	Preference shareholders capital is when the shareholders have a priority claim on net profit after tax and on assets in the case of liquidation.
19	4	Chapter3p90	Current ratio is the extent to which an organisation can meet its current financial obligations.
20	3	Chapter3p89	Working capital is what is left over if the organisation pays off its short-term liabilities with its short-term assets.
21	4	Chapter3p114	
22	2	Chapter3p85	
23	1	Chapter3p104	
24	1	Chapter4p129	a, b, c and d
25	3	Chapter4p129	
26	1	Chapter4p143	decrease in corporate profitability is indicated

			incorrectly as part of cash conversion cycle.
27	4	Chapter3p95	
28	2	Chapter4p138	Loss of goodwill is not the cost of granting credit.
29	3	Chapter4p137	
30	1	Chapter4149	

TOTAL MARKS 30

3. CONCLUDING REMARKS

I trust that the above answers will assist you in evaluating the answers you submitted for Assignment 01. The feedback on Assignment 02 will be made available to you on myUnisa after the due date. Please feel free to contact me should you have any enquiries relating to this assignment. (For my contact details, see below.)

Kind regards

Mr SK Maelane

BSM2601 Primary Lecturer

The Department of Business Management

University of South Africa

Phone: 012 429 3850

E-mail: maelask@unisa.ac.za

©

Unisa 2018