

CRAWFORD UNIVERSITY
FAITH CITY, IGBESA, OGUN STATE
COLLEGE OF BUSINESS AND SOCIAL SCIENCES
DEPARTMENT OF ADMINISTRATION AND MANAGEMENT
HARMATTAN SEMESTER EXAMINATION 2017/2018 SESSION
BUS 401: BUSINESS POLICY I Units: 3 Time Allowed: 2½hrs
Instruction: Answer Question Nos. 1 and 2, plus any two others.

- 1a. i. Write the mission statement of Crawford University. (2mks)
ii. Develop two (2) objectives from the mission statement above. (4mks).
iii. Mention any three major challenges that management of Crawford University may face in other to achieve the mission statement. (3mks).
b. With reference to Section 279 of Companies and Allied Acts 1990 (CAMA), examine from the business point of view, any five (5) responsibilities of the Board of Directors of a named company. (11mks).

Total = 20mks.

2a. Mention any four (4) important uses that computed financial ratios may serve for a business manager. (4mks).

b. The following balances were extracted from the final accounts of Wash-Well enterprises, a dealer in detergents:

- Building 12,000
- Furniture and Fittings 5,200
- Machines 6,000
- Stock 7,800
- Debtors 13,600
- Cash at bank 5,200
- Cash at hand 1,500
- Creditors 8,000
- Capital 48,500
- Total expenses 50,000
- Net profit 12,000
- Debenture 5,000
- Wages and Salaries 2,505
- Sales 80,000

Required:

Compute the following ratios.

- i. Current ratios
- ii. Stock ratios
- iii. Profit / Sales ratios
- iv. Return on Capital Employed (ROCE) (8mks).

c. Suppose, below are the industry index.

- Current ratios = 1:1
 - Stock ratios = 2:1
 - Profit / sales ratios = 10%
 - Return on Capital Employed = 0.2
- i. Point out the implication of results obtained from computed ratios when related to the industry index.
 - ii. Make recommendations to the management of Wash-Well enterprises. (8mks).

Total = 20mks.

3. Identify and discuss any four (4) sources, in your opinion, which may serve as basis for policy formulation. (10mks).

Total = 10mks.

4. Effective decision-making is hinged on certain pre-determined criteria. Discuss any five (5) criteria that may have relevance to management decisions in big organisations. (10mks).

Total = 10mks.

5. Examine any five (5) major characteristics of the Nigerian business environment. (10mks).

Total = 10mks.

6a. Distinguish between the concepts.

i. 'Strategy' and 'Tactics' (3mks).

ii. 'Additive Opportunities' and 'Breakthrough Opportunities' (3mks).

b. Briefly discuss four (4) types of risks associated with business opportunities which investment managers may need to consider. (4mks).

Total = 10mks.

CRAWFORD UNIVERSITY LIBRARY