

## FEDERAL PUBLIC SERVICE COMMISSION

COMPETITIVE EXAMINATION FOR RECRUITMENT TO POSTS  
IN PBS-17, UNDER THE FEDERAL GOVERNMENT, 2002BUSINESS ADMINISTRATION**TIME ALLOWED: THREE HOURS****MAXIMUM MARKS: 100**

**NOTE:** Attempt **FIVE** questions in all, including **QUESTION NO. 7** which is **COMPULSORY**. Select at least **ONE** question each of the **PARTS I, II AND III**. All questions carry **EQUAL** marks.

**PART-I (MANAGEMENT)**

- Q.1. What is organizational culture? Discuss the sources of organization culture.
- Q.2. The ability to manage conflict is undoubtedly one of the most important skills a manager needs.  
Discuss what kinds of conflicts arise in the organizations and how managers can develop effective conflict resolution skills.

**PART-II (PRINCIPLES OF MARKETING)**

- Q.3. Discuss the evolution of 'marketing concept'. Compare 'marketing concept' with 'selling concept'.
- Q.4. Describe the process of formulation of marketing strategy.

**PART-III (FINANCIAL MANAGEMENT)**

- Q.5. Explain the following concepts/terms with examples:

Cash conversion cycle (CCC)  
Book value per share  
Modified internal rate of return (MIRR)  
Yield to maturity (YTM)  
Business Risk Vs. Financial Risk

- Q.6. The following data apply to A.L. Kaiser & Company (millions of dollars)

Cash and marketable securities \$100.00  
Fixed assets \$283.50  
Sales \$1000.00  
Net income \$50.00  
Quick ratio 2.0 X  
Current ratio 3.0 X  
Average collection period 40 days  
Return on equity 12%

Kaiser has no preferred stock – only common stock equity, current liabilities and long term debt.

**Required:**

Find Kaiser's

- (1) account receivable (A/R),
- (2) Current liabilities,
- (3) Current assets,
- (4) total assets,
- (5) return on assets (ROA),
- (6) common stock equity, and
- (7) long term debt

BUSINESS ADMINISTRATIONCOMPULSORY QUESTION

Q.7. Write only the correct answer in the Answer Books. Do not reproduce the question.

- 1) Which of the following statements is true?
  - (a) Decisions in public organizations emphasize political priorities, while decisions in business organizations are rational and apolitical.
  - (b) Public decision makers, in contrast to their business counterparts, are constrained by administrative procedure that limit managerial authority and autonomy.
  - (c) It is hard to get high performance out of government employees because, compared to their business counterparts, they are more security oriented, and less motivated.
  - (d) None of the above is true.
- 2) Who has written the famous book, 'Principles of Scientific Management'?
  - (a) Elton Mayo
  - (b) Henry Fayol
  - (c) Fredrick Taylor
  - (d) Max Weber
  - (e) None of the above
- 3) Which of the following cannot be considered as an important dimension on which nation's culture differ?
  - (a) Individualism Vs. collectivism
  - (b) Power distance
  - (c) Uncertainty avoidance
  - (d) economic development
- 4) Market penetration pricing strategy can be pursued in price sensitive market.
  - (a) True
  - (b) False
- 5) A product can have a combination of physical product and service.
  - (a) True
  - (b) False
- 6) Vertical marketing system is integration of manufacturing and marketing activities.
  - (a) True
  - (b) False
- 7) Distribution of free product samples is part of publicity.
  - (a) True
  - (b) False
- 8) Which of the following is not part of Marketing Mix.
  - (a) Advertising
  - (b) Personnel Selling
  - (c) Publicity
  - (d) Sales Promotion
  - (e) None of the above is part of Marketing Mix
- 9) Which of the following is not part of product attributes?
  - (a) Quality
  - (b) Positioning
  - (c) Brand
  - (d) Packaging
  - (e) None of the above is a product attribute
- 10) Under monopolistic competition, the market consists of a few sellers who are highly sensitive to each other's pricing and marketing strategies.
  - (a) True
  - (b) False
- 11) Which of the following statements is not part of theory 'X' assumptions?
  - (a) Decisions are made in participative manner
  - (b) Employees inherently dislike work
  - (c) Employees must be coerced to achieve goals
  - (d) Employees tend to avoid responsibilities
  - (e) None of the above is theory 'X' assumption