



FEDERAL PUBLIC SERVICE COMMISSION
COMPETITIVE EXAMINATION FOR
RECRUITMENT TO POSTS IN BPS-17 UNDER
THE FEDERAL GOVERNMENT, 2010
BUSINESS ADMINISTRATION

Roll Number

TIME ALLOWED:	(PART-I) 30 MINUTES	MAXIMUM MARKS:20
	(PART-II) 2 HOURS & 30 MINUTES	MAXIMUM MARKS:80

- NOTE:** (i) First attempt PART-I (MCQ) on separate Answer Sheet which shall be taken back after 30 minutes.
(ii) Overwriting/cutting of the options/answers will not be given credit.

PART – I (MCQ)
(COMPULSORY)

- Q.1. Select the best option/answer and fill in the appropriate box on the Answer Sheet. (20)**
- (i) You wish to borrow \$8,000 to be repaid in 24 monthly installments at an annual interest of 8%. What is your monthly payment?
(a) \$262.82 (b) \$361.82 (c) \$150.50
(d) \$325.00 (e) None of these
- (ii) If you invest \$600 every six months at 8 percent compounded semi annually, how much would you accumulate at the end of 10 years?
(a) \$15,883.20 (b) \$16,926.82 (c) \$17,866.85
(d) \$18,233.45 (e) None of these
- (iii) A commercial bank will loan you \$12,250 for three years to buy a car. The loan must be repaid in 36 equal monthly payments. The annual interest rate on the loan is 12% of the unpaid balance. How large are the monthly payments?
(a) \$425.00 (b) \$350.67 (c) \$375.09
(d) \$406.88 (e) None of these
- (iv) What is the future value of a \$500 investment, with a stated interest rate of 6% compounded monthly for 7 years (round to the nearest dollar)?
(a) \$700 (b) \$730 (c) \$760
(d) \$790 (e) None of these
- (v) You are considering investing in a preferred stock that has a dividend of \$3.25 per share. The market price of this stock is \$48.625. What is the rate of return you would expect to make on this perpetuity?
(a) 6.68% (b) 6.24% (c) 6.05%
(d) 6.28% (e) None of these
- (vi) Which is not a disadvantage of traditional file processing system?
(a) Program-data dependence (b) Reduced data redundancy (c) Limited data sharing
(d) Lengthy development time (e) None of these
- (vii) An enterprise data model is a (n) _____ model.
(a) numerical (b) mathematical (c) narrative
(d) graphical (e) None of these
- (viii) Which is NOT a component of a relational database?
(a) Entity (b) Table (c) Attribute
(d) Hierarchy (e) None of these
- (ix) Database applications can be divided into five categories. Which is not a database application category?
(a) Personal (b) Department (c) Enterprise
(d) Relational (e) None of these
- (x) A database that supports organization-wide operations and decision making is a (n) _____ database.
(a) department (b) enterprise (c) workgroup
(d) extranet (e) None of these
- (xi) As small companies begin to achieve success, they tend to adopt some of the tools used in professionally run marketing programs. This is a sign that the firm is in the _____ stage of marketing practice.
(a) entrepreneurial marketing (b) formulated marketing (c) intrapreneurial marketing
(d) effective marketing (e) None of these

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- (xii) The concept of a _____ is used to describe a cluster of complementary products that are closely related in the minds of consumers but are spread across a diverse set of industries.
(a) Metamarket (b) Metamediary (c) Marketplace
(d) Marketspace (e) None of these
- (xiii) Marketers can increase the value of a customer offering by:
(a) raising benefits and reducing costs
(b) raising benefits by more than the raise in costs
(c) lowering benefits by less than the reduction in costs
(d) all of the above can increase customer value
- (xiv) When a firm sees its competitors as all companies that compete for the same consumer dollars, they are concerned with the _____ level of competition?
(a) brand (b) industry (c) form
(d) generic (e) None of these
- (xv) The number of channel levels from raw material to final product which a company will participate defines the firm's _____ scope.
(a) industry (b) geographical (c) vertical
(d) competence (e) None of these
- (xvi) Which of the following best describes the organizational members who integrate and coordinate the work of others?
(a) Managers (b) Operatives (c) Subordinates
(d) Customers (e) All of these
- (xvii) _____ represent the lowest level of management.
(a) Team leaders (b) First-line managers (c) Operatives
(d) Labourers (e) None of these
- xviii) Which of the following roles is more important for lower-level managers than for either middle or top-level managers?
(a) Negotiator (b) Leader (c) Coordinator
(d) Entrepreneur (e) None of these
- (xix) Which of the following skills involve working well with other people?
(a) Technical (b) Human (c) Computer
(d) Empirical (e) None of these
- (xx) The phrase most associated with scientific management is _____.
(a) management relations (b) one best way (c) supply and demand
(d) quality control (e) None of these

PART – II

NOTE:	<ul style="list-style-type: none">(i) PART-II is to be attempted on the separate Answer Book.(ii) Attempt ONLY FOUR questions from PART-II. All questions carry EQUAL marks, selecting at least ONE question from each Section.(iii) Extra attempt of any question or any part of the attempted question will not be considered.
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SECTION-I: MANAGEMENT

- Q.2.** What do you understand by Mckinsey's 7's frame work for Management analysis, and how it is different from operational management approach? **(20)**
- Q.3.** How do you differentiate between strategy, policy and procedure? Discuss the various steps in planning process. **(10+10)**

SECTION-II: PRINCIPLES OF MARKETING

- Q.4.** What is product line and product mixed? What kinds of marketing strategy and procedures are required for new product development? **(20)**
- Q.5.** Differentiate between marketing and selling? Describe how the actions of a shoe manufacturer engaged in "marketing" might be different from a shoe manufacturer engaged in "selling"? **(10+10)**

SECTION-III: FINANCIAL MANAGEMENT

- Q.6.** Discuss the major functions of the "financial manager". Explain why judging the efficiency of any financial decision required the existence of a financial goal? **(20)**
- Q.7.** Explain types of long-term debt instruments and also discuss the advantages and disadvantages of issuing/buying the three types of long-term securities from the perspective of both the issuer and investor. **(10+10)**
