



EXAMINATIONS COUNCIL OF SWAZILAND JUNIOR CERTIFICATE EXAMINATION

CANDIDATE
NAME

CENTRE
NUMBER

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CANDIDATE
NUMBER

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**Business Studies
Paper 2**

**521/02
October/November 2014
1 hour 45 Minutes**

READ THESE INSTRUCTIONS FIRST

1. Write your Name, Centre Number and Candidate Number on the spaces provided.
2. Answer all questions.
3. Write your answers using a dark blue or black pen in the spaces provided.
4. Marks are given in brackets [] at the end of each question or part question.
5. Name(s) of businesses/persons used in this paper are fictitious.

For Examiner's use	
1.	
2.	
3.	
4.	
5.	
TOTAL	

This paper consists of **16** printed pages

THE FRUITS OF ENTREPRENEURSHIP

Phumelela has always had a vision of being a successful businessman. However, he experienced a lot of challenges while thinking of how to achieve his business dream. The challenges included lack of training on entrepreneurship and information on how to obtain finance for the business.

Phumelela consulted stakeholders and finally took a decision to start a farming business. He opted to concentrate on the production of potatoes at a place called Bhekinala. He employed quite a number of workers.

The demand for potatoes increased, to an extent that, it exceeded supply. The high demand led to Phumelela considering expansion, but he was in a dilemma whether to borrow from financial institutions or invite his cousin Mandlakapheli to form a partnership.

The idea of a partnership was soon dismissed by Phumelela after conducting research on the supply of fertilizers and seeds. The suppliers had agreed to supply him on credit.

Following this agreement, Phumelela's business began to grow rapidly. As the business expanded, so did the number of workers.

Eventually, the workers decided to form a trade union to address their grievances. One of the grievances was poor communication by managers. At times, the workers would also complain about lack of specialisation.

QUESTION 1

(a) The demand for potatoes in Phumelela’s business began to exceed supply.

(i) Define the term supply.

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..... [2]

(ii) Explain any **four** factors that can cause a shift in the supply curve.

Factor 1
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Explanation

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Factor 2

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Explanation

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Factor 3

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Explanation

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Factor 4

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Explanation

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[8]

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(b) During consultation, stakeholders advised Phumelela against using the product-oriented approach.

(i) Explain what is meant by product-oriented approach.

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[2]

(b) Phumelela's business had a number of stakeholders.

(i) Define the term stakeholder.

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..... [2]

(ii) Explain any **four** stakeholders and their interests in Phumelela's business.

Stakeholder 1

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Explanation

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Stakeholder 2

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Explanation

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Stakeholder 3

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Explanation

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Stakeholder 4

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Explanation

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..... [8]

[Total: 20]

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QUESTION 3

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(a) Phumelela is concerned about the rate at which his business is growing.

(i) State any **four** reasons for growth of businesses.

Reason 1

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Reason 2

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Reason 3

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Reason 4

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[4]

(ii) Explain **three** advantages of horizontal integration.

Advantage 1

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Explanation

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Advantage 2

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Explanation

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Advantage 3

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Explanation

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[6]

(b) Workers at Phumelela's business were not happy about the way instructions were communicated by management.

(i) Define effective communication.

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..... [2]

(ii) Explain any **four** barriers to effective communication.

Barrier 1

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Explanation

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Barrier 2

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Explanation

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Barrier 3

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Explanation

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Barrier 4

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Explanation

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[Total: 20]

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QUESTION 4

(a) Phumelela dismissed the idea of inviting Mandlakapheli to form a partnership.

(i) State any **four** contents of a partnership deed.

Content 1.....
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Content 2.....
.....
Content 3.....
.....
Content 4
..... [4]

(ii) Explain **three** disadvantages of a partnership business.

Disadvantage 1
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Explanation
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Disadvantage 2
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Explanation
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Disadvantage 3

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Explanation

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[6]

(b) Workers at Phumelela's business decided to form a trade union.

(i) Distinguish between conflict management and conflict resolution.

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[4]

(ii) Explain any **three** types of industrial action available for workers.

Type 1.....

Explanation.....

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Type 2.....

Explanation.....

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Type 3.....

Explanation.....

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..... [6]

[Total: 20]

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(b) Workers at Phumelela’s business complained about lack of specialisation.

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use

(i) Define the term specialisation.

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..... [2]

(ii) Do you think Phumelela’s business would benefit from specialisation?
Support your answer.

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..... [8]

[Total: 20]