



EXAMINATIONS COUNCIL OF SWAZILAND

Junior Certificate Examination

CANDIDATE
NAME

CENTRE
NUMBER

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NUMBER

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BUSINESS STUDIES

521/01

Paper 1

October/November 2018

1 hour 30 minutes

READ THESE INSTRUCTIONS FIRST

1. Write your Centre number, candidate number and name on the spaces provided.
2. Answer all questions.
3. Write your answers using a dark blue or black pen.
4. Marks are given in [] at the end of each question or part question.
5. Special attention must be paid to legibility and neatness.
6. Name(s) of businesses/persons used in this paper are fictitious.
7. You may use a calculator.

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

This document consists of **11** printed pages and **1** blank page.

Question 1

Make Dlamini runs a small business, selling fruits and vegetable next to BAC High School gate. Most of the fruits are regarded as a basic need.

(a) (i) Explain the meaning of the term 'basic needs'?

.....
.....[2]

(ii) Explain **three** market segments (groups) targeted by Make Dlamini by locating next to the school gate.

Target group 1.....

Explanation

.....
.....

Target group 2

Explanation

.....
.....

Target group 3

Explanation

.....
.....[6]

BAC High School has a number of suppliers of different products.

(b) (i) State **four** products that are commonly supplied to a school.

Market 1

Market 2

Market 3

Market 4[4]

(ii) Explain **two** methods that Make Dlamini can use to collect primary data if she were to conduct market research.

Method 1

Explanation

.....

.....

Method 2

Explanation

.....

.....[4]

(iii) Explain **two** advantages to Make Dlamini of the product oriented approach.

Advantage 1

Explanation

.....

.....

Advantage 2

Explanation.....

.....

.....[4]

[Total Marks: 20]

Question 2

A big production confectionary company specialises in making bread and cakes.

(a) (i) Define the term “production”.

.....
.....[2]

(ii) State **two** disadvantages of specialisation.

Disadvantage 1
Disadvantage 2[2]

(iii) Explain **two** differences between direct production and indirect production.

Difference 1.....
.....
.....
Difference 2.....
.....
.....[4]

After working for the confectionary company for many years, Thandi decided to start her own business making birthday and wedding cakes. The business is located in Luve town. When starting the business Thandi invested her savings and employed three assistants.

(b) (i) Explain the factor of production that Luve represents.

Factor
Explanation
.....
.....[3]

(ii) Explain the other **three** factors of production involved in Thandi's cake business. Give an example of each, relevant to Thandi's business.

Factor 1

Explanation

.....

.....

Example

Factor 2

Explanation

.....

.....

Example

Factor 3

Explanation

.....

.....

Example[9]

[Total Marks: 20]

Question 3

(a) Explain the following terms used in business.

(i) Foreign exchange

.....
.....
.....[2]

(ii) Scarcity

.....
.....
.....[2]

(iii) Legal Tender

.....
.....
.....[2]

(iv) Equilibrium Price

.....
.....
.....[2]

(v) Debentures

.....
.....
.....[2]

Business communication technology is very essential for the survival of any business.

(b) (i) Match the device to the correct definition using an arrow. The first one has been completed as an example.

DEVICE	EXPLANATION
Computer	Makes an indicator where to input information.
Keyboard	Allows user in the business to produce a hard copy of documents that are kept in soft copy.
Monitor	Where business information is processed into soft copy
mouse	Allows user in the business to input information in order to store it in soft copy.
CPU	Allows the user in the business to see what they are inputting
printer	An electric machine that the business use to store, organise and retrieve stored information when required.

[4]

(ii) Explain **three** importance of communication technology to a business.

Importance 1

Explanation

.....

.....

Importance 2

Explanation

.....

Importance 3

Explanation

.....

.....[6]

[Total Marks: 20]

Question 4

Piwe wants to start a business. She has been advised to draw up a business plan.

(a) (i) Explain what is meant by “business plan”.

.....
.....[2]

(ii) Explain the content of each of the following components of a business plan.

Executive summary

.....
.....
.....

Personnel planning

.....
.....
.....

Marketing and distribution

.....
.....
.....[6]

Piwe is also expected to prepare a budget for the business.

(b) (i) Define the term “budget”.

.....
.....[2]

(ii) Explain **two** advantages of preparing a budget for Phiwe's business.

Advantage 1

Explanation

.....

Advantage 2

Explanation

.....[4]

(iii) At the end of the first year of trading, Phiwe's bussines had the following information:

Fixed costs E 60 000

Variable costs E 40 000

Output 30 000 units.

Calculate the following costs:

Total Costs

.....

.....[2]

Average Fixed Costs

.....

.....[2]

Average Variable Costs

.....

.....[2]

[Total Marks : 20]

Question 5

XYZ (Pty Ltd.) workers has always engaged management on health and safety issues in the workplace. However, one of the workers' concerns was that they work with dangerous chemicals and management has not addressed this concern, as such, the workers have resolved to involve their trade union in the matter.

(a) (i) State **two** duties of a shop steward.

.....
.....[2]

(ii) Explain **two** reasons why XYZ (Pty Ltd.) workers may have joined a trade union.

Reason 1
Explanation
.....
.....[2]

Reason 2
Explanation
.....
.....[2]

(iii) Explain **two** differences between conflict management and conflict resolution.

Difference 1.....
.....
.....
.....
Difference 2.....
.....
.....
.....[4]

Some leaders believe that workers must be told what to do and workers' input is not needed.

(c) (i) Explain the type of leadership style described by the above Statement

Leadership style.....
Explanation.....
.....[2]

(ii) Explain **two** disadvantages of using the leadership style identified in **(c)(i)**.

Disadvantage 1.....
Explanation.....
.....
.....
Disadvantage 2.....
Explanation.....
.....
.....[4]

(iii) Explain **two** ways in which a business can benefit from having motivated employees.

Way 1.....
Explanation.....
.....
.....
Way 2.....
Explanation.....
.....
.....[4]

[Total Marks: 20]

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