ZIMBABWE SCHOOL EXAMINATIONS COUNCIL

General Certificate of Education Advanced Level

BUSINESS STUDIES 6025/1

PAPER 1

NOVEMBER 2023 SESSION 3 hours

Additional materials:
Answer paper

TIME 3 hours

INSTRUCTIONS TO CANDIDATES

Write your name, Centre number and candidate number in the spaces provided on the answer paper/answer booklet.

Answer **all** questions.

Write your answers on the separate answer paper provided.

If you use more than one sheet of paper, fasten the sheets together.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets [ ] at the end of each question or part question.

You are advised to spend not more than 2 hours on Section A.

The businesses described in this paper are entirely fictitious.

You are reminded of the need for good English and clear presentation in your answers.

Calculators may be used.

This question paper consists of 3 printed pages and 1 blank page.

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Section A [70 Marks]

Answer **all** questions.

1	(a)	State any **two** causes of business failure.	[2]
	(b)	A large manufacturing firm intends to raise more capital for expansion. Justify the suitability of debentures as a source of finance.	[4]
2	(a)	List any **three** factors of production.	[3]
	(b)	Evaluate the benefits of Just-In-Time (JIT).	[4]
3	(a)	Define *market size*.	[2]
	(b)	Evaluate the significance of using direct selling to a shoe manufacturing firm.	[4]
	(c)	Analyse the usefulness of a wide product portfolio on the success of a firm.	[5]
4	(a)	What is meant by a *decision tree*?	[2]
	(b)	Discuss the significance of using stock control charts to a business producing steel products.	[5]
5	(a)	Name any **two** functions of management.	[2]
	(b)	Explain the term *self-actualisation*, according to Maslow.	[2]
6	(a)	State any **two** components of working capital.	[2]
	(b)	Discuss the usefulness of a statement of financial position when applying for a bank loan.	[4]
7		Explain any **two** methods of measuring business size.	[4]
8	(a)	Explain the role of management in facilitating effective communication.	[4]
	(b)	How useful is Information and Communication Technology (ICT) to a bank?	[5]
9		Evaluate the benefits of performance appraisal to a business.	[4]
10		Explain the advantages of work measurement to a firm.	[4]

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11 The data below was collected by a shoe manufacturer during a market research.

Shoe size	3	4	5	6	7	8
Frequency	7	5	7	10	3	4

Using the figures from the table, find

(a) the mean, [3]

(b) the modal figure. [1]

12 Explain any **two** factors influencing the choice of finance. [4]

Section B [30 marks]

Read the following case study and answer **all** the questions that follow.

MADONDO FOOD PLAZA

Madondo's restaurant business is proving to be a great success. His strategy of charging very low prices and locating in poor areas of the city is starting to bring rewards.

Starting out with a small branch, he has taken advantage of government's low interest loans. He has now expanded the level of production and employs more than fifty workers. Madondo manages all aspects of business on his own.

Due to the successful marketing strategy, sales and profits have increased resulting in rapid expansion of the business. This growth has increased his responsibility and he has decided to incorporate his three sons. Tendai, a graduate in Accounting will head the Finance Department. Kudzai who holds a Higher National Diploma in Marketing will be the Marketing Manager and Juma with vast experience in the production department will head the Operations department.

13 (a) (i) Define the term *small firms*. [3]

(ii) Name the original organisational structure of Madondo Food Plaza. [1]

(b) Outline the possible problems associated with rapid business expansion. [2]

(c) Explain the benefits of value addition to Madondo Food Plaza. [4]

14 Evaluate the usefulness of the new organisational structure to Madondo Food Plaza. [10]

15 Discuss ways in which the government may assist small firms like Madondo Food Plaza. [10]

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