ZIMBABWE SCHOOL EXAMINATIONS COUNCIL

General Certificate of Education Advanced Level

BUSINESS STUDIES 6025/2

PAPER 2

NOVEMBER 2022 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 in Section A and any **three** from Section B.

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 45 minutes 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 4 printed pages.

Copyright: Zimbabwe School Examinations Council, N2022.

Section A: Data response [25 marks]

1 Read the passage below and answer **all** the questions that follow.

CT Ltd

CT Limited is a cosmetic manufacturing company in Zimbabwe which commenced operations in March 2016. The company's head office is in Bulawayo and its branches are in Mutare and Harare. It manufactures a variety of products which ranges from perfumes, lotions, hair products to different soaps. In the year 2020, CT board of directors appointed a new managing director, Tapson, with the objective of increasing profits in an unstable economic environment.

In order to achieve the objective set, Tapson proposed the following three strategies:

1. opening new manufacturing branches in Botswana,
2. reviewing its product portfolio,
3. decentralising control.

Below is an extract of financial information for CT Limited.

Current Income Statement

	$
Sales	500 000
Cost of sales	200 000
Gross Profit	300 000
General Expenses	120 000
Net Profit	180 000

If the mentioned strategies are implemented, sales are expected to increase by 40% and expenses are to decrease by $ 20 000. The Director intends to raise additional capital to finance the implementation of the proposed strategies.

(a) Define the following terms as they are used in the passage:

(i) decentralising control, [3]

(ii) product portfolio.. [3]

(b) Calculate the following after implementing the strategies;

(i) Gross Profit, [2]

(ii) Net Profit. [2]

(c) Comment on the possible causes of changes in profit. [5]

(d) Discuss the factors that can be considered by CT Ltd when choosing the source of finance. [10]

Section B: Essays [75 marks]

2 (a) Explain the benefits of industrialisation to stakeholders. [10]

(b) Discuss the role played by Information and Communication Technology to businesses in the service industry. [15]

3 (a) Describe the characteristics of business objectives. [10]

(b) Assess the role of informal leadership to an organisation of your choice. [15]

4 Evaluate the contribution of Network Analysis to a construction company. [25]

5 (a) Explain the dispute resolution methods that can be employed to improve industrial relations in an organisation. [10]

(b) Discuss the criteria that can be used to assess the level of employee motivation in an organisation of your choice. [15]

6 (a) Explain the communication process model. [10]

(b) Evaluate the methods that can be used to present market research data. [15]

7 (a) Explain the benefits of Management By Objectives (MBO) to a business. [10]

(b) Evaluate the methods that a manufacturing firm can use to improve productivity. [15]

8 (a) Explain the contribution of job evaluation to a business of your choice. [10]

(b) Discuss the benefits of stock control charts in the effective management of stock. [15]

9 (a) Distinguish between money markets and capital markets. [10]

(b) Discuss the factors which influence labour productivity to a farming business. [15]

10 (a) Explain the relevance of a cash flow statement to internal stakeholders of a business. [10]

(b) Discuss the criteria that can be used to assess the effectiveness of a promotional campaign. [15]