2023 WASSCE BUSINESS MANAGEMENT 2

2 hours

PAPER 2

ESSAY

[70 marks]

Answer **four** *questions in all: Question* **1** *and any other* **three** *questions.*

1. *Read the case below carefully and answer the questions which follow:*

TUBMAN SHOPPING MALL

Jones Tubman is twenty-five years old, holds a Bachelor's degree in Business Administration. He specialised in Supply Chain Management. While pursuing his university education, Tubman worked on part-time basis for Best Deal Shopping Mall, a large supermarket located close to the university.

Upon completion of his programme, Tubman established Tubman Shopping Mall in Banjul in the Gambia. Tubman Shopping Mall experienced massive growth due to greater visibility, access to good road network and ample parking space for customers.

The management of Tubman Shopping Mall established a second branch in Bakau which was also successful. To drive its goal of becoming a leading shopping mall in West Africa, Tubman Shopping Mall established branches in Freetown and Takoradi in Sierra Leone and Ghana respectively.

These expansions resulted in the decentralisation of its operations which led to effective customer satisfaction in all branches. Like any other business operating in multiple countries, the management of Tubman Shopping Mall realized that they were confronted with various risks which if not properly insured against could lead to the collapse of the business.

The management negotiated with the agents of Nson Insurance International and bought insurance policies against burglary, fire and storm. In the course of the negotiations, the management of Tubman Shopping Mall failed to inform the agents of Nson Insurance International that the shopping mall was located in a flood-prone area. They thought that full disclosure of all material facts could result in the payment of higher premium.

The unfortunate situation happened when the goods and properties of Tubman Shopping Mall were washed away by floods in Sierra Leone. After the floods, Tubman Shopping Mall's management filed for the payment of claims to be indemnified but Nson Insurance international argued that Tubman Shopping Mall's management breached the agreement by non- disclosure of material facts. They also stated that Tubman Shopping Mall's management insured against storm but not floods.

(*a*) State **three** factors which contributed to the successful operations of *Tubman Shopping Mall.* [6 marks]

(*b*) Explain **three** benefits *Tubman Shopping Mall* would gain from decentralizing its operations. [9 marks]

(*c*) Explain **two** insurance principles which were violated by the management of *Tubman Shopping Mall* in negotiating for the insurance policies. [6 marks]

(*d*) State **two** roles of Jones Tubman as an entrepreneur. [4 marks]

2. (*a*) Define the term *business environment*. [3 marks]

(*b*) Explain **four** sources of power that could be used by a manager to effectively manage a firm. [12 marks]

3. (a) What is a *bill of exchange*? [3 marks]

(*b*) State **three** rights and **three** duties of an agent. [12 marks]

4. (*a*) Explain *stock exchange*. [3 marks]

(*b*) List and explain **four** types of insurance. [12 marks]

5. (*a*) Differentiate *income tax* from *corporate tax*. [5 marks]

(*b*) Explain **five** benefits a country would derive from economic integration. [10 marks]

6. (*a*) What is *product life cycle*? [3 marks]

(*b*) Outline **six** steps in new product development. [12 marks]

7. List and explain **five** roles of government in promoting small businesses. [15 marks]

8. (*a*) List **three** sources of business information. [3 marks]

(*b*) Mention **four** challenges of developing economies in relation to international trade. [12 marks]

END OF PAPER