WEST AFRICAN SENIOR SCHOOL CERTIFICATE EXAMINATION

BUSINESS MANAGEMENT

PAPER 2 — ESSAY

2020

Time Allowed: 2 hours **Answer four questions only**

All questions carry equal marks. Credit will be given for clarity of expression and orderly presentation of material.

CASE STUDY

Read the following case carefully and answer the questions that follow.

TUNDE AND SONS COMPANY LIMITED

Tunde and Sons Company Limited produces a wide range of metallic and non-metallic fasteners for both industrial and domestic use. The product range of the company includes bolts, nuts, rivets, nails, clamps and staple pins. The quality of the company's products was described as "first class" by users. This reputation was what convinced the National Standards Authority to certify the company's products. The workers of the company were well-motivated. They earned the highest salary in the industry and were provided with well-furnished accommodation. These resulted in the high level of efficiency they exhibited. Another good point about the company was that, it exported some of its products to the European Union, where its cost advantage has secured it a foothold in the German market. It did not come as a surprise to industry watchers when Baumann Abu, a reputable engineering company in Germany, decided to acquire 51% of the business as a means of expanding its operations. The new status of Tunde and Sons Company Limited as a subsidiary of the German giant meant that its systems of operations required a total overhaul. A new management team was set up to introduce new production technology and put in place new management systems. With further changes in the offing, the workers began to wonder how they would fit into the new scheme. Management allayed their fears by announcing a comprehensive package of training so that morale of the workers would remain at its peak, even as the new operations of the company unfolded. The Director of Human Resources gave hints about the need for a fresh look at the methods of training that would be offered to the workers, based on their job descriptions.

1.

(a) List two (2) means of motivation that the management of Tunde and Sons Company Limited used in keeping the efficiency of the workers high.

(b) What four (4) items would the Director of Human Resources include in the description of jobs at the company?

(c) Explain three (3) reasons for which on-the-job training should be an option for retraining the workers of the company.

(d) Baumann Abu operates a decentralized structure. Mention two (2) advantages of this type of organizational structure.

2.

(a) Explain the following management terms:

(i) Administration; (ii) Line manager; (iii) Staff manager.

(b) Explain the three (3) informational roles of managers.

3.

(a) State three (3) importance of planning to an organization.

(b) Explain three (3) reasons why managers do not delegate in an organisation.

4.

(a) What is an agency?

(b) Explain the following ways of creating an agency by:

(i) express agreement; (ii) implication.

(c) State three (3) duties of an agent to his principal.

5.

(a) What is risk as used in insurance?

(b) List four (4) types of business risks caused by nature.

(c) Explain the following types of insurance:

(i) freight policy; (ii) fidelity guarantee;

(iii) consequential loss; (iv) whole life policy.

6.

(a) Explain three (3) types of bank accounts that could be opened by a customer.

(b) Explain the following tools as used in monetary control:

(i) Open market operation; (ii) Bank rate; (iii) Cash ratio.

7.

(a) List five (5) activities involved in the recruitment process.

(b) State five (5) reasons for conducting performance appraisal.

8.

(a) Explain the following channels of communication:

(i) vertical communication; (ii) Horizontal communication.

(b) List and explain three (3) factors that could lead to ineffective decoding of message.