WASSCE BUSINESS MANAGEMENT 2014

PAPER TWO

CASE STUDY

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

JOE WRIGHT PACKAGING LIMITED

Joe Wright Packaging Limited was established in 2000 to produce cardboard boxes and paper wrappers. It had a successful start with Mr. Frank Owusu as its managing director. For eight years, the company's profits rose steadily. In line with its growth and expansion, the company added a sales department in 2009. Incentives in all forms were given to the sales staff to boost their morale, but these attracted sharp comments from employees in the other departments who never benefited from these incentive packages. Sales expenses were forty-two percent higher than those of its competitors, but sales volume was quite low. In 2010, the company operated at breakeven as prices had to be lowered to retain the company's market share. In 2011, Joe Wright Packaging Limited realized that it had entered a difficult period with a steady decline in profits. An analysis of the company's situation revealed both external and internal constraints. For instance, for the past six months, there had been a constant stockpile of boxes and wrappers with a limited promotional budget. It was also discovered that many new firms had entered the market using a penetration pricing strategy. Business failure now stares right in the face of the company. Mr. Frank Owusu, the managing director, has therefore arranged a meeting with the other managers to find solutions to the problems confronting the company.

1. (a) Name three other departments in Joe Wright Packaging Limited.

1. (b) In 2010, Joe Wright Packaging Limited operated at breakeven. What does it mean?

1. (c) Identify four problems of Joe Wright Packaging Limited.

1. (d) State two marketing strategies implemented by Joe Wright Packaging Limited.

1. (e) Suggest three solutions to the problems in Joe Wright Packaging Limited.

2. (a) List five items in the partnership deed.

2. (b) State five reasons for the existence of small businesses in West Africa.

3. (a) Distinguish between promotion and demotion of an employee.

3. (b) Give five reasons for dismissing an employee.

4. (a) Differentiate between formal and informal communication.

4. (b) List five elements in communication.

4. (c) Explain the three channels of communication.

5. (a) What is a channel of distribution?

5. (b) Illustrate two channels of distributing consumer goods.

5. (c) State four factors that will influence the choice of a channel of distribution.

6. Explain the following marketing terms:

6. (a) Market segmentation
6. (b) Product life cycle
6. (c) Corporate social responsibility (B&S)
6. (d) Target marketing
6. (e) Economies of scale

7. (b) Outline six qualities of a good leader in an organisation.

8. (a) What is counter trade?

8. (b) Give six benefits countries derive from international trade.