

**West African Senior School Certificate Examination
for School Candidates**

SC 2021R

BUSINESS MANAGEMENT 2

2 hours

ESSAY

[70 marks]

INSTRUCTIONS TO CANDIDATES

1. *In the spaces provided above, write your name, full index number, normal signature and the date of examination.*
2. *This booklet contains **eight** questions. You are required to answer Question 1 (compulsory) and **three** other questions.*
3. *Write your **index number** and **question number** at the top of each page.*
4. *Write on both sides of the paper unless otherwise instructed on the question paper.*
5. *Begin **each** answer to a question on a fresh page. Leave two lines between answers where there are sub-sections to the same question.*
6. *On **no account** should you tear off any part of the booklet. It is an examination malpractice to do so. The answer booklet will be collected at the end of the examination.*
7. *Write in the space provided below the **question number** of question you have answered, in the order in which you have written them.*

For Examiner's Use ONLY	
Question No.	Mark
Total	

Answer **four** questions in all: Question 1 and any other **three** questions.
Credit will be given for clarity of expression and orderly presentation of relevant materials.

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

KHAMAL COMPANY LIMITED

Khamal Company Limited operates a number of consumer retail shops across the country. The third person to hold the position of Sales Manager in four years had resigned. This resignation prompted the Chief Executive Officer (CEO) to call a management meeting to discuss the problem of high turnover of sales managers hired from outside the company and come up with solutions.

In the past, applications were obtained from a private employment agency, responses to advertisements in newspapers and trade journals. The CEO felt that they had made some errors of judgement in hiring certain individuals. The academic qualifications of those hired from outside looked good on paper. However, after a few weeks on the job, their inability to get expected results showed up. The CEO was of the view that management should have looked within the company for suitable candidates to fill the vacancy. According to him, this could boost the morale of employees.

The Human Resource Manager was of the opinion that they had placed too much emphasis on the content of applicants' curriculum vitae at the time of hiring and not on proven record of performance in sales. For example, four out of the ten sales managers who were recently hired were found to be overly ambitious and aggressive. They stepped on people's toes in their drive to get ahead. Their poor human relations were upsetting to all personnel, especially their subordinates.

At the end of the meeting, the CEO asked the Human Resource Manager if the company could engage the services of a consultant to review the process of recruiting and selecting managers.

- (a) Identify **two** problems associated with hiring a sales manager from outside the company. [4 marks]
- (b) Explain **three** possible reasons for the failure of the company's recruitment process. [6 marks]
- (c) State **three** merits of internal recruitment as suggested by the Chief Executive Officer. [6 marks]
- (d) Suggest **three** actions which *Khamal Company Limited* can take to overcome its problems. [9 marks]
2. (a) What is *motivation*? [3 marks]
- (b) List and explain **four** of Maslow's Hierarchy of Needs. [12 marks]
3. Explain **five** conditions that must be met to make a contract legally binding. [15 marks]

4. (a) What is *performance appraisal*? [3 marks]
- (b) Explain **four** ways in which performance appraisal is important to an organization. [12 marks]
5. (a) Explain the term *production*? [3 marks]
- (b) List and explain the **three** types of production process. [12 marks]
6. State **two** responsibilities of a business towards **each** of the following stakeholders:
- (a) Customers; [3 marks]
- (b) Employees; [3 marks]
- (c) Government; [3 marks]
- (d) Investors; [3 marks]
- (e) Suppliers. [3 marks]
7. (a) What is *current account*? [3 marks]
- (b) State **three** functions of **each** of the following banks:
- (i) Central Bank;
- (ii) Commercial Bank. [12 marks]
8. (a) What is *globalization*? [3 marks]
- (b) List and explain **four** causes of globalization. [12 marks]

END OF PAPER