



# **EXAMINATIONS COUNCIL OF ESWATINI**

Junior Certificate Examination

**Business Studies (521)  
Examination Report for 2024**

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**Paper 521/01**

**GENERAL COMMENTS**

The paper consists of four questions of which (a) and (b) of each question is general knowledge and understanding, (c) requires knowledge and application, then part (d) and (e) requires knowledge, analysis and application.

Candidates were expected to answer all questions. This cohort was comparable to previous years as the examination revealed both extremes, candidates who performed very well and candidates that performed poorly. Question 4 (e) was the most challenging question in which most candidates failed to get a good mark. The candidates' performance in the paper has shown a great improvement in terms of understanding in answering questions and displaying good content of subject matter in essay questions.

Overall, the examination was fair. The examiners had observed that most candidates failed to score high marks as the majority of them lacked the required skills when answering the questions. It is recommended that teachers are test learners on essay questions and show the skills when marking the scripts for learners to perform well.

## COMMENTS ON SPECIFIC QUESTIONS

### QUESTION 1

- (a) Candidates were to identify four examples of variable costs in the Beekeeping business. Most candidates did not do well in the question they were stating fixed assets of the Beekeeping business instead of variable costs.

***Expected Answers:***

Wages, electricity, telephone bill, water bill. cost of raw material and any available example of variable cost from our textbook.

- (b) The question was done well by most candidates where they explained the meaning of fixed costs.

***Expected Answer:***

Costs that do not change (1k) with the level of output (1k) example: salary (1k), rent, depreciation and any relevant example.

- (c) Candidates were able to state and explain the reasons why Mr. Motsa conducted market research, but they failed to apply this to the case, which means they lacked application skills.

***Expected Answer:***

- Reduced risk (1k) the success of the honey business (1app) is almost guaranteed.
- Know your competitors
- Identify potential buyers

- (d) This question required candidates to explain two causes of a shift in demand curve in the Beekeeping business. The question was generally performed well by most centres although some candidates were writing about the causes of a shift in the supply curve.

***Expected Answer:***

- Changes in disposable income (1k) an increase in income will allow more consumers to be able to buy more honeycombs (1app) which will cause the demand curve to shift to the right (1ann)
- Advertising
- Expectation
- Changes of population
- Tastes and preferences

- (e) This question was poorly done by most centres as they confused questionnaires with interviews and others even gave advantages of conducting research. The question had asked candidates if they think using questionnaires benefited Mr. Motsa when conducting market research.

**Expected Answer:** (1k), 1app, 4an, 2ev)

Advantages of Questionnaires	Disadvantages of Questionnaires
Detailed information obtained	Response may not accurate
Less biased	Time consuming
Cover a wide area	Costly
Easier to analyse	Low discriminate

## QUESTION 2

- (a) Candidates were to identify four electronic methods of communication. The question was fairly done by most centres, but others were using abbreviations which is not accepted.

**Expected Answers:**

Electronic mail, short message service, fax, video conferencing, teleconferencing, radios and televisions.

- (b) Candidates were asked to explain the meaning of the term internet. The question was fairly done by most candidates as they failed to give the three features of internet.

**Expected Answers:**

A worldwide system (1k) of interconnected computer networks (1k) that links digital devices on a global scale (1k).

- (c) Most candidates answered the question correctly and only a few were unable to identify the relevant stakeholders for the business. Candidates were to explain the interest of two stakeholders in Namile's business.

**Expected Answers:**

- Government (1k) collect tax from the profit made through selling the handbags (1app).
- Customers (1k) expect quality tote bags (1app) at affordable prices.
- Competitors
- Community
- Banks

**Incorrect responses:** Workers, Managers, Trade Unions

- (d) Most candidates lost marks in this question as they failed to explain two advantages to the business of using direct debits. Others confused direct debits with debit cards and others would explain other means of payment.

**Expected Answers:**

- Suitable for varying amount (1k) – Namile is able to pay for internet bill (1app) without travelling to the bank (1an).
- Payment is guaranteed (1k) this is because an arrangement for the payment telephone bill (1app) is made prior (1an).
- Payment is initiated by creditor.

- (e) This question proved to be challenging to most candidates as they were not able to explain if they think using social media networks benefits the business. Most candidates were not specific to electronic means of communication, they were using other methods of communication like oral and written communication. Even those who were able to state the electronic method were not able to analyse and apply to the business involved. They ended up getting one mark for knowledge and losing the other marks.

**Expected Answers:**

Advantages	Disadvantages
➤ Messages are transferred faster	➤ Data charges
➤ Immediate feedback	➤ Easy to ignore message
➤ Relatively cheaper	➤ Expensive gadget
➤ Proof of communication	➤ High risk of fraud
➤ Promote impulse buying	

**QUESTION 3**

- (a) Most candidates performed well in this question where they were to identify four examples of co-operatives in Eswatini. Only a few candidates created their own names without savings and credit co-operatives and thus losing marks.

**Expected Answer:**

Bunye Betfu Savings and Credit Co-operatives, SNAT Savings and Credit Co-operatives, Green Pasture Savings and Credit Co-operatives

- (b) Candidates were to identify the distribution channel used by the co-operative business. The question was generally answered by most centres, however, others failed to write the agent instead they wrote a retailer.

**Expected Answer:**

Producer —————> Agent —————> Consumer

- (c) Most candidates in this question explained direct and indirect production while others were explaining capital intensive and labour intensive as factors of production. The question required candidates to explain two methods of production in the farming business.

**Expected Answer:**

Labour intensive – means applying more human effort than machines (1k) like the using of watering cans and the weeding of the farm using hoes (1app).

Capital intensive – means applying more machines than human efforts (1k) like using tractors and irrigation system in the production (1app).

- (d) A question well answered by most candidates. Only a few centres were not able to explain the marketing mix. The question required candidates to explain two elements of the marketing mix used by the co-operative business.

**Expected Answer:**

- Place (1k) where the business selling carrots (1app) is located (1an)
- Promotion (1k) when the business makes customers aware of the availability of cabbages (1app) (1an).
- Product
- Price

- (e) Candidates were to present an essay on whether it was a good decision for the women of Sibuyeni to form a co-operative. The question was poorly done by most candidates as they were confusing a co-operative with public limited companies and private limited companies, analysing advantages and disadvantages of such.

**Expected Answer:**

Advantages	Disadvantages
➤ Commitment amongst members	➤ Delay in decision making
➤ Members make the rules	➤ Lack of expertise
➤ Members own and control	➤ Not all members are committed
➤ Shared ideas and skill	➤ Perceived as a low-status entity

**QUESTION 4**

- (a) A very popular question well done by most candidates. Most candidates were able to identify four non-monetary rewards.

**Expected Answer:**

company car, accommodation, paid school fees, medical scheme

- (b) Most candidates performed very well even in this question where they were asked to explain the meaning of a sole trade business. Only a few failed to give out the three features of being a sole trader and thus losing marks.

**Expected Answer:**

Business owned by one person (1k) all profit belongs to that person (1k) has unlimited liability (1k).

- (c) The question required candidates to explain two qualities of a good manager. Fairly done question by most centres though some candidates are still confusing qualities of a good manager with characteristics of a good manager.

**Expected Answer:**

- Good communication (1k) ability to interact well with subordinates (1app)
- Self confidence
- Determination
- Initiative

- (d) Candidates were to explain two factors that can be used by the plumbing business to create job satisfaction for its workers. This question was fairly done by most candidates, although some candidates were able to state the factors and failed to analyse and apply to the case. This shows that the analysis skill is still lacking in most candidates.

**Expected Answer:**

- Job security (1k) the business owner can communicate to workers that they will not lose their jobs (1an) if they deliver the service correctly (1app).
- Promotion
- Job enrichment
- Reasonable wages

- (e) This question proved to be very challenging for most candidates. The question asked candidates if they think the manager of the plumbing business should use McGregor's theory X and Y when motivating its employees. Most learners were not able to compare theory X with theory Y, instead they were assuming that X and Y was one thing. Others would just list the points in theory X and Y not comparing them.

**Expected Answer:**

Theory X	Theory Y
➤ Are lazy	➤ Are keen to work
➤ Need to be pushed	➤ Work on their own
➤ Avoid responsibility	➤ Seek responsibility



**Paper 521/02**

**General comments**

This is a case study-based paper. Candidates are expected to read and understand the case study before attempting to answer the questions. The case study has themes and questions are derived from those themes or topics. Candidates who read and understand the case study can easily answer all the questions. The 2024 paper examined four assessment objectives, in a well-balanced manner. These assessment objectives are knowledge and understanding, application, analysis, and evaluation. The candidates were expected to demonstrate an understanding of all four objectives and be able to answer questions addressing each one of them.

The general performance of this paper was better compared with the 2023 paper. A significant performance improvement has been observed in the past 2 years. It was noted that in the 2024 performance, there was some improvement in the manner the candidates approached the questions which resulted in them getting better marks. However, candidates in the various centres could still do better than this. Educators are encouraged to prepare candidates well on addressing the four assessment objectives. It is believed that with proper guidance and nurturing, the candidates can perform well in the coming years thus improving the results. It is also worth noting that candidates demonstrated an improvement in application skills as some could easily apply almost throughout the paper, though others still could not apply, even once. Centres are encouraged to develop strategies to improve the performance in the paper as poor performance affects the overall performance in the subject. This is because this paper carries a 50% weight of the candidate's final mark. Candidates must also be encouraged to revise before taking the exam. Such could help them avoid losing the knowledge marks, as such demonstrates poor preparation.

Most candidates were ill-prepared for **Question 1d** [advantages and disadvantages of leasing to the customer], and **Question 1d** [advantages and disadvantages of paying temporal workers' wages through e-wallet, to the business]. On the other hand, **Questions 1 a & c** [aims of a business and stages of production and examples], and **Questions 3 a** [characteristics of money] proved to be quite easy and accessible for most candidates, as they managed to scoop good marks in these questions. Some candidates demonstrated a poor understanding of the command words which made them lose valuable marks, for instance, **part b of the questions** where candidates would either state the point only or explain without applying hence losing marks. Most candidates continued to lose application marks in **part c of the questions**, where they were stating and explaining without applying to the case. The candidates merely stated the advantages/functions/types without explanations or applying to the case, and **part d**, where they would fail to explain stated points. Candidates who could not understand the command words could not answer most questions correctly, thus losing good marks. Centres are encouraged to ensure that candidates are taught the meaning and requirements of each command word so that candidates do not

lose marks unnecessarily. Some candidates demonstrated a strong understanding of the evaluation questions and scored good marks, while others lacked an understanding of what the evaluation command words entailed. Centres are encouraged to give candidates enough practice on all command words, to improve the performance of candidates. Candidates should understand the requirements of each command word not just the evaluation command words.

**Question 1 (b)**, failed to achieve differentiation as candidates lost marks as they could not differentiate between mixed economy and the two other economic systems (planned and market). Moreover, on the same **Question 1 but (d)**, the candidates could not answer the evaluation question on leasing but gave responses on hire purchases. They also could not differentiate the stakeholders. They argued for the business instead of the customer, in the process losing marks. In **Question 2 (c)**, candidates failed to give external sources of finance but instead, gave internal sources of finance and external sources of finance that are only applicable to limited companies. In **Question 3 (d)**, e-wallet was confused with Mobile Money, probably because the candidates are more exposed to Mobile Money than e-wallet. This shows that there is a need for teachers to expose the learners to all the contemporary banking methods by assigning them tasks that would make them generate information on these methods on their own. Again in **Question 4 (b)**, candidates lost marks as they misinterpreted the question as one requiring them to explain an advantage of a partnership, yet it was on the piece rate system.

In the last 2 years, candidates have shown improvements in their application and evaluation skills. The 2024 cohort displayed a noticeable improvement in the ability to apply, especially in the evaluation questions. Candidates are encouraged to apply in all the questions to ensure that application marks are not lost. In the 2024 exam, there was a decline in the number of candidates leaving blank spaces and this is commended. An improvement was also observed in the way in which candidates approached the evaluation questions. There were very few candidates who were listing points or numbering them. Educators are applauded for this great improvement. However, some candidates failed to use contrasting words when answering the evaluation questions, with some listing or numbering points and some taking stands in the introduction and failing to take a stand in the conclusion. These errors should be avoided.

## Comments on Specific Questions

### Question 1

This question was based on the chapters on Business Activity, Basic Economic Problem, Production, and Financing Business Activity chapters. The candidate's performance in the question was good. Most candidates scored at least more than half the marks in each part question except for part (d).

(a) In this question, candidates were asked to identify **three** aims of a business such as SD & Sons Construction. The question was generally well attempted. Most candidates were able to correctly identify the aims, such as to make profits and growth.

(b) Candidates were asked to explain **one** feature of a mixed economy, such as country A. The candidates had a tough time explaining the features, as some could not even identify a correct feature. Some of the wrong answers given included: profit motive; no profit motive, and government intervention.

**Expected responses** were: resources are owned by both private individuals and government, freedom of choice and government intervention, price mechanism and prices set by the government, aim is to make profit and also social responsibility among others.

were resources are owned by both private individuals and government **[1k]** as productive resources can be belong to private individuals and firms and the government may also own businesses and property **[1k] [1app]**.

**Please note that a candidate was supposed to explain two aspects in a point to score marks.**

(c) The question asked candidates to “explain three stages of production that SD & Sons Construction is engaged in”, and give an example in each stage. The question was well attempted by the candidates, who scored good marks. This was generally one of the questions where most candidates scored above 5, out of 9 marks. However, some candidates who lost marks gave stages or wrong examples. The wrong stages or examples given were mainly the factors of production.

An **expected answer** would be; ‘**Primary production [1k]** involved the extraction of raw materials from nature so that it is used as raw materials in the production of products **[1an]**, for example, collecting river sand **[1app]**’.

(d) This was an evaluation question. Candidates were expected to analyse the advantages and disadvantages of leasing. Most candidates performed poorly in this question. Some did not even understand what leasing is. Some failed to understand that the question wanted effects of leasing on the customer and went on to give effects to the business. A few candidates answered the question correctly though some could not fully analyse the points. Several candidates analysed hire purchases and lost marks. It was observed that some candidates still take stands at the beginning of the essay and not as they conclude the essay. Candidates should be taught that stands should be taken in conclusion.

### Model answer

When a customer leases a property, the lessee gets to use the property without buying it thus avoiding taking out large volumes of cash flow [2an, 1 app]. Secondly, the customer gets to enjoy living in an upmarket apartment [1app] that he/she would not have afforded if there was no leasing option thus a certain standard of living is maintained [1an]. On the contrary, lease payments may be costly for the customer, which could restrict him or her from saving enough to build his or her own house [1app, 2an].

In conclusion, the customer shouldn't lease the property but should rather apply for a bank loan and build or buy the property. In this way, the customer gets to own the property which is much better than leasing [2ev].

### Key for marking part (d) questions

1 advantage explained and 1 stated = 3 marks [2 + 1]

1 disadvantage explained = 2 marks [2]

3 applications in 3 different points = 3 marks

2 evaluation = 2 marks

[5an, 3app, 2ev = 10 marks]

**Please note: a candidate is expected to analyse 2 advantages and 1 disadvantage OR 1 advantage and 2 disadvantages. All points must have application.**

**If points are stated, allow 3 marks for knowledge in 3 points of which at least 1 should be an advantage and 1 a disadvantage.**

### Question 2

This question was related to the Nature and Functions of Organizations and Financing Business Activity. Candidate's attempts to the question were quite varying, with some performing well and some performing not so well. Hence the performance was quite mixed.

(a) The question required candidates to "state **three** contents of the partnership agreement drawn by SD & Sons Construction". Some candidates answered the question quite well while others were confusing concepts. Some of the wrong answers were "profits shared equally instead of profit and loss sharing ratio, separating name and address of partnership i.e giving it as two separate points".

**Expected answers:** amount of capital invested by each partner, rights of each partner, percentage of interest on capital, salary to be paid.

(b) In this question, candidates were asked to explain **one** feature of a partnership business such as SD & Sons Construction. Candidates generally performed well in this question and scooped 3 marks though some a few were giving advantages of a partnership, instead of the features.

**Expected answer:** formed by 2 to 20 partners [1k], this type of business must have a minimum of 2 partners and a maximum of 20, who all raise capital to start the construction business [1app, 1k].

- (c) Candidates were required to “explain **three** sources of finance that SD & Sons Construction could source for the tender”. This question proved to be quite challenging, they seemed unable to even recall some of the sources. Most candidates lost a lot of marks on this question. Some candidates wrote internal sources of finance indicating that they had an idea of the answers required but were not sure. There were also those candidates who did not understand the type of business concerned and therefore, wrote sources of finance for a limited company, such as sale of shares, venture capital, and debentures.

**Expected answer:** Loan [1k] the partnership [1app] business could source for a loan from financial institutions. The business can get the amount it needs, as long as it has a good credit record. However, it should be paid back with interest [1an].

- (d) The question asked the candidates whether they thought operating SD & Sons Construction as a partnership was the best decision or not. This was a clear evaluation question where the candidates were expected to express judgment. Such questions require candidates to argue, that is present positive and negative analysis in the form of an argument. Many candidates answered the question well and obtained good marks. Some candidates were confusing partners for shareholders. Candidates must use the correct terms. Other areas where the candidates were confusing issues were with regards to limited and unlimited liabilities; quick decision making and sound decision making. Candidates should be clear on what applies where. Once the candidate completes arguing, a stand must be taken and supported by a new point.

**Model Answer**

In a partnership business, the partners can share responsibilities [k]. This means that these partners can help each other run the building firm [1app]. This makes each partner not to be exhausted by running the business. Each partner supervises a task that he can supervise best [2an]. Moreover, it is easy to start up such a business, as not a lot of legal formalities are required when starting this secondary sector business [1app] thus it is cheaper and easier to start [1an]. However, limited capital could be raised [k]. The capital raised might not be enough to meet the needs of the business. This is the case with this partnership business as it is unable to finance a tender [1app] that it has just won [2an].

In conclusion, the partnership business is ideal because responsibilities are shared. This allows the partners to help each other run the building firm. Each partner supervises a task that he can do best [2ev].

### Question 3

The theme of this question was on Barter Trade, money, banking, and Means of Payment. Most candidates performed fairly well in this question and scored fairly good marks.

- (a) This question required candidates to “identify **three** characteristics of money”. The question was generally well answered as candidates could easily give the characteristics of money. However, few candidates gave functions of money.

**Expected answers:** scarcity, homogeneity, acceptability.

- (b) Generally, this question was more accessible by candidates. Candidates were expected to “explain **one** disadvantage of barter trade”. Most candidates could correctly identify and explain the disadvantages and very few explained the advantages of barter trade. A few candidates could not apply.

**Expected answer:** the double coincidence of wants [**1k**] have to find someone who has exactly what you want and want exactly what you have, for example, have river sand that you want and want timber that you have [**1app**, **1k**].

- (c) Candidates performed well in this question, especially in identifying the functions of ABS Bank. Several candidates could not explain the functions; some identified the same function twice for instance; accept deposits and cash deposits. Few candidates wrote functions of the central bank and sources of finance.

**Expected answer;** accepts deposits [**1k**] the commercial bank [**1app**] collects money from the partnership business [**app**] keeps it in safe custody and gives back the money to SD & Sons Construction on demand [**1an**].

- (d) This question required candidates to evaluate the benefits and disadvantages of paying the wages of temporary workers through e-wallet. Candidates did not perform so well in this question. The performance varied from very good to poor for some candidates. Candidates seemed to have an understanding of what e-wallet is but they failed to take into consideration the stakeholder in question, as such some of the responses were quite wrong. The question required candidates to evaluate the benefits and disadvantages of e-wallet to the business and **not** to the workers. Such confusion led to the candidates losing marks. Therefore, candidates must be able to identify the stakeholder the question is asking about before attempting it. Confusing stakeholders leads to a loss of marks.

#### **Model answer**

Using e-wallet allows the business to send wages to the construction employees [**1app**] even if they do not have bank accounts or debit cards [**app**] to receive their wages. The workers can easily access their wages through ATMs without using debit cards [**2an**]. Secondly, time is saved as the employees do not need to rush to the bank before it closes to withdraw their wages, the workers can easily visit the nearest ATM [**1app**] and access the wages or ask a friend to withdraw the wages on his or her behalf [**1an**]. On the contrary, the construction firm [**1app**] could face challenges of inactive cell

numbers when sending the wages, if the workers do not understand the importance of providing a valid and active cell number. This could waste time for the business **[2an]**.

In conclusion, SD & Sons Construction should continue using the e-wallet service compared to withdrawing cash to pay wages, as this activity is costly and unsafe **[2ev]**.

#### QUESTION 4

This question was on Trade Unions, Motivation, and Business Management. Candidates did not perform well in this question as they lost valuable marks. The candidates seemed ill-prepared for this question even when the skill tested was just knowledge and understanding. The problem of failure to correctly identify the stakeholder in question continued even in this question.

- (a) Most candidates did not perform well in this question. This question required the candidates to “state **three** examples of trade unions in Eswatini”. A majority of the candidates could recall 1 or no examples. Some recalled correct examples but gave the acronyms instead of the full name of the union, for example, SNAT, and SNAJ. These acronyms led to a loss of marks for the candidates. Few candidates presented wrong answers for instance writing acronyms of parastatals, e.g. SEC, SRA, SWAGAA, SODOV, and many others. Though these were wrong, it was also noted that candidates were still using the old names of organisations when these names have changed.

The **expected answers** include; the Swaziland National Association of Teachers (SNAT), Swaziland Democratic Nurses Union (SWADNU), Swaziland National Association of Journalists (SNAJ), Building and Construction Workers Union (BCAWU), Swaziland Manufacturing and Allied Workers Union (SMAWU).

**No marks for acronyms.**

- (b) Candidates were required to “explain **one** advantage to the partnership of using the piece rate system”. Most candidates were unable to explain the advantages. Most candidates could not even identify them. The candidates were ill-prepared for the question. A majority of candidates explained the advantages of a partnership, instead of those for the piece rate.

An **expected answer**; increased efficiency **[1k]** the bricks producer **[1app]** will produce quality bricks as the workers will use their skills well and be rewarded **[1k]**.

- (c) In this question candidates were to “explain **three** tasks of the block yard foreman (manager). Candidates lost valuable marks in this question as they interpreted it differently. Instead of explaining the tasks/functions of managers, they were explaining the qualities of a good manager. Some candidates correctly identified the tasks of a manager but used the function identified to explain it. For example, in planning, the manager plans what should be done in the business. In this instance, candidates left the examiner not knowing what planning is, as ‘plan’ was used to explain planning. Secondly, the answer is more of a knowledge answer, than an analysis answer, as it fails to explain either how or why. As a result, candidates lost a lot of marks on this question.

An **example of a correct answer** is planning **[1k]** he should be able to decide what needs to be done in the future. This involves setting targets on the number of blocks **[1app]** that the business must produce at a given period **[1an]**.

- (d) Candidates performed well in his question, very few did not do well. The question required candidates to evaluate the advantages and disadvantages of using the autocratic leadership style in SD & Sons Construction. Most candidates could evaluate the advantages and disadvantages of the autocratic leadership style. A few candidates evaluated the democratic or laissez-faire leadership style. The laissez-faire leadership style could only be used when compared to the autocratic style and not on its own. Some candidates failed to use information from the Appendix for application purposes and thus lost an application mark. Most candidates demonstrated a good understanding of the leadership style and the effect it could have on the operations of SD & Sons Construction.

### Model Answer

The use of the autocratic leadership style by the current foreman is suitable for routine jobs **[k]** such as the block yard one. It suits best the brick-making department as the workers repeat tasks every day and there is no need for decision-making on their part. In this case, when using autocratic leadership, 5000 blocks are made as compared to 2000 blocks made under laissez-faire, which means 3000 more bricks **[1app, 2an]**. Secondly, it leads to quick decision-making **[k]** as the block yard workers **[1app]** are not involved in decision-making. This eliminates any delays in the implementation of decisions. On the contrary, laissez-faire leads to low levels of output **[k]**. If the brickmakers **[1app]** are not committed and responsible, it could result in low productivity thus affecting the revenue of the firm **[2an]**.

In conclusion, I recommend the use of autocratic leadership by the current foreman as it is suitable for low-skilled workers. It will work best for the workers making blocks and bricks as they lack experience, motivation, and skills. The foreman just tells them what to do and how to do it thus maintaining high output **[2ev]**.

**[5 an, 3 app, 2 ev = 10 marks]**

### Application words bank

Construction workers/firm	Trucks/cars	Cement
Building workers	Graders	Sand
Engineers	Heavy plant machinery	Roads
Brick/block makers	Construction site	Houses
Foreman	Surveyors	Commercial bank
Drivers	Partners	