

**NATIONAL UNIVERSITY OF LESOTHO  
INSTITUTE OF EXTRA-MURAL STUDIES  
DEPARTMENT OF BUSINESS AND MANAGEMENT DEVELOPMENT  
BACHELOR OF ARTS IN BUSINESS AND ENTREPRENEURSHIP  
BBE1302-INTRODUCTION TO BUSINESS**

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**JANUARY 2023**

**TIME: 3 HOURS**

**MARKS: 100**

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**INSTRUCTIONS:** Answer **any FOUR** questions

### **QUESTION ONE**

- a) Compare and contrast private limited companies with public limited companies (10)
- b) Why would a new business owner prefer to organize her business as a sole proprietorship against going into a partnership with friends or family? (10)
- c) Palesa has owned a fast food outlet in her community for the last 10 years. The outlet sells fish and chips and has been useful in helping her educate her children and create jobs for her 2 shop assistants. Why would you regard Palesa organization as a business? (5)

**[25 marks]**

### **QUESTION TWO**

- a) Maluti Mountain brewery is a brewing company with pride in production of different beverages. Advise Maluti Mountain Management on usage of Porter 5 forces for success of the business.

**[25 Marks]**

### **QUESTION THREE**

- a) Charlie Waffles is a retired military who recently heard about Free rain ( Laissez Faire) Style of Leadership, and he is keen on applying this style on his Piggery business. Using advantages and disadvantages of Free rain ( Laissez Faire) Style of Leadership, advise Charlie waffles on how to implement this style of leadership on his piggery business (15)
- b) Tangiers is a non-profit making organization aimed on curbing stigma against gays & lesbians in Lesotho, through provision of psychosocial support as well as admission of whistle blowing platforms for all affected individuals. Argue how the Four Management activities assist in the success of service provided by Tangiers. (10)

**[25 Marks]**

### **QUESTION FOUR**

- a) Afri Sam is a South African Cement production company producing more than 6000 bags of cement per week and generates profit of over 10 million P/A. However, Bra-Somizi being a visionary Chief Executive Officer is interested in expanding the

company to all provinces in South Africa. Use SWOT analysis to advise Bra Somizi of potential impacts of his/her vision. (15)

- b) Mabel Simmons argues that social responsibility has two dimensions being legality and responsibility. However, Philanthropy as a form of social responsibility is often seen as a way businesses market their brand and products. Explain why Philanthropy can be viewed as a marketing strategy. (10)

**[25 Marks]**

### **QUESTION FIVE**

- a) First World countries have often adopted capitalism economic system, as most businesses are privately owned with minimal government ownership or interference, they have complete freedom of trade and No or little government control. Advise the government of Lesotho on the best Economic system to adopt and show clearly how it would be relevant for business entities to thrive in. (15)

- b) Motofa Motopelle argues that Organizational Structure in Management should not be uniform but rather determined by how small or large the entity is and the type of industry it operates. Prosperity Production Pty Ltd is a small enterprise that specializes in productions of backpacks. The company has employed 5 employees in sewing department, 2 in Marketing, 1 in Accounting and 1 head of operations. Advise Prosperity Production Pty Ltd on the type of organizational structure suitable for the management entity to adopt. (10)

**[25 Marks]**

### **QUESTION SIX**

- a) Bo Mmampe Enterprise is a well-known enterprise in Lesotho for using clothing off cuts from clothing industrial area and forming mattress covers, pillow cases and many more. A student from NUL IEMs is confused of whether this business is a

manufacturing business, a processing business, an intermediary, a service or a producer company. Advise the confused NUL IEMs student on the type of business Bo Mmampe Enterprises fall. (15)

- b) John Maluleka is employed as a part of senior management in a company that specializes in production of medical equipment. Explain 5 skills John Maluleka is expected to possess as a competent Manager. (10)

**[25 Marks]**