



# basic education

Department:  
Basic Education  
REPUBLIC OF SOUTH AFRICA

## NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES

NOVEMBER 2013

MARKS: 300

TIME: 3 hours

This question paper consists of 10 pages.

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

1. This question paper consists of **THREE** sections and covers all learning outcomes.

**SECTION A: COMPULSORY**

**SECTION B:** Consists of **THREE COMPULSORY** questions.

**SECTION C:** Consists of **FOUR** questions.

Answer any **TWO** of the four questions from this section.

2. Read the instructions for each question carefully and take particular note of what is required.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Except where other instructions are given, answers must be in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

<b>SECTION</b>	<b>QUESTION</b>	<b>MARKS</b>	<b>TIME</b>
<b>A: Objective type questions COMPULSORY</b>	<b>1</b>	<b>40</b>	<b>30 minutes</b>
<b>B: THREE direct/indirect type questions COMPULSORY</b>	<b>2</b>	<b>60</b>	<b>30 minutes</b>
	<b>3</b>	<b>60</b>	<b>30 minutes</b>
	<b>4</b>	<b>60</b>	<b>30 minutes</b>
<b>C: FOUR essay type questions CHOICE (Answer any TWO.)</b>	<b>5</b>	<b>40</b>	<b>30 minutes</b>
	<b>6</b>	<b>40</b>	<b>30 minutes</b>
	<b>7</b>	<b>40</b>	<b>30 minutes</b>
	<b>8</b>	<b>40</b>	<b>30 minutes</b>
<b>TOTAL</b>		<b>300</b>	<b>180 minutes</b>

7. Begin the answer to **EACH** question on a **NEW** page, for example **QUESTION 1 – new page, QUESTION 2 – new page, et cetera.**
8. Non-programmable calculators may be used.
9. Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1–1.1.10) in the ANSWER BOOK, for example 1.1.11 B.
- 1.1.1 A way recommended to confirm a candidate's information before an interview is conducted:
- A Reference check
  - B Psychometric test
  - C Employment contract
  - D Induction
- 1.1.2 Which ONE of the following businesses can be classified under the tertiary sector?
- A Sishen Iron Ore Mine
  - B Spier Wine Farm
  - C SA Furniture Manufacturers
  - D First National Bank
- 1.1.3 An insurance contract will only come into existence if there is ...
- A security.
  - B an insurable interest in the object to be insured.
  - C distribution of risk.
  - D payment of an excess.
- 1.1.4 The process whereby new employees' skills are matched to the positions in which they will be appointed:
- A Induction
  - B Recruitment
  - C Placement
  - D Selection
- 1.1.5 Vodacom has indicated that they will only sell cellphone batteries with a lead content that meets the telecommunication standards and demands of Green Peace. Vodacom demonstrates a willingness to ...
- A comply with international human rights.
  - B ignore an industrial code of practice.
  - C contribute to inclusivity.
  - D promote environmentally friendly products.

- 1.1.6 This ensures that designated groups have equal opportunities in the workplace:
- A Affirmative action
  - B Skills development
  - C Black Economic Empowerment
  - D SETAs
- 1.1.7 Which ONE of the following could be regarded as an unethical business practice?
- A Employment of unskilled workers
  - B Selling substitute products to avoid competition
  - C Promoting second-hand products as new products
  - D Increasing the price when the product is not always available
- 1.1.8 A business can have full control over ...
- A technology.
  - B customers.
  - C inflation.
  - D the vision.
- 1.1.9 Jet Shoes Ltd has a greater chance of success than Pat Shoe Store, because ...
- A Pat Shoe Store can make quick decisions.
  - B Jet Shoes Ltd can issue shares to raise more capital.
  - C Pat Shoe Store uses bank overdraft facilities in times of financial difficulty.
  - D Jet Shoes Ltd needs the consent of all shareholders to buy new buildings.
- 1.1.10 The purpose of this Act is to ensure that employees work in a more suitable and less dangerous environment:
- A Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
  - B Skills Development Act, 1998 (Act 97 of 1998)
  - C Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993)
  - D Occupational Health and Safety Act, 1993 (Act 85 of 1993)

(10 x 2) (20)

1.2 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.

1.2.1 (Insurance/Assurance) covers the loss from an event that will definitely occur.

1.2.2 (Succession planning/Retirement planning) identifies and trains employees for future leadership positions.

1.2.3 An increase in the price of fuel is an example of a (macro/market) environmental challenge for a business.

1.2.4 A/An (professional code of conduct/unethical code of conduct) contains codes for expected behaviour in specific occupations.

1.2.5 (Collective bargaining/Picketing) refers to negotiations between management and employee representatives. (5 x 2)

(10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–G) next to the question number (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 H.

COLUMN A	COLUMN B
1.3.1 Sustainability	A measures the compliance of businesses with BBBEE
1.3.2 Workplace forum	B differences in opinions, values and attitudes
1.3.3 Conflict	C formed in any business with more than 100 employees
1.3.4 Balanced scorecard	D ensures that some employees are given equal opportunities in the workplace
1.3.5 Piracy	E unauthorised copying
	F ability of a business to continue operating even in times of economic hardship
	G management tool that measures business performance

(5 x 2)

(10)

**TOTAL SECTION A: 40**

**SECTION B (COMPULSORY)****QUESTION 2**

- 2.1 Name FOUR of the forces that Michael Porter (Five Forces) used to analyse the market environment. (8)
- 2.2 List FOUR areas of focus for corporate social investment (CSI). (8)
- 2.3 State TWO methods that businesses can apply to reduce employees' stress levels. (4)
- 2.4 Identify a specific business strategy in each of the scenarios below:
- 2.4.1 The Virgin Group of companies owns, among others, Virgin Records (music industry), Virgin Atlantic (airline industry) and Virgin Active (leisure industry).
- 2.4.2 Foster D started its business in Saudi Arabia and has entered the South African cellphone market.
- 2.4.3 Toyota SA (a car manufacturing business) gained ownership of Raylite car batteries.
- 2.4.4 Grace Ltd sold all its assets in an attempt to pay creditors.
- 2.4.5 Sizwe Clothing Stores has taken over Easy Clothing Stores. (10)
- 2.5 Read the case study below and answer the questions that follow.

**THANDI'S BOUTIQUE**

Thandi is the owner of Thandi's Boutique, situated in Durban. She sells affordable suits for ladies and gentlemen as well as imported shoes and designer jackets. She has a degree in business management and her sales manager has a diploma in marketing. The demand for her products has increased so much that she has opened new branches in Cape Town and Johannesburg.

BS Boutique that sold designer clothing in Durban and Johannesburg has closed both their branches.

The municipalities in two of the cities have shortened trading time by one hour and increased their levies on rates. Regular increases in the fuel price have increased transportation cost between branches. The overall impact has been that there is a decrease in the profits of the boutique.

Thandi has employed Sam, a new cashier with no experience. Sam treats customers unprofessionally.

- 2.5.1 Compile a SWOT analysis for Thandi's Boutique. (16)
- 2.5.2 The Skills Development Act, 1998 (Act 97 of 1998) makes provision for Sam's skills to be improved. Explain challenges that Thandi may experience when implementing this Act. (6)
- 2.6 Justify any FOUR factors that should be considered when choosing a career. (8)  
**[60]**

**QUESTION 3**

- 3.1 Read the case study below and answer the questions that follow.

**WOOLWORTHS**

Max Sonnenburg, his son Richard and Fred Kossuth started Woolworths in Cape Town in 1931 when the economy was not favourable for establishing a new business. Their vision, passion and determination captured the public's imagination with a store policy that set Woolworths miles ahead of its competitors.

A few years later they opened three more stores and went public on the Johannesburg Securities Exchange (JSE).

[Source: [www.woolworthsholdings.co.za](http://www.woolworthsholdings.co.za)]

- 3.1.1 From the case study above, identify THREE characteristics of a successful entrepreneur. (6)
- 3.1.2 What is meant by *went public on the JSE*? (2)
- 3.1.3 Describe FOUR functions of the JSE. (8)
- 3.2 Discuss any FOUR human rights issues that businesses should promote in the workplace. (12)
- 3.3 Anele invested R5 000 for three years, at 10% interest per year, compounded annually, with Capital Bank. (Show ALL workings.)
- 3.3.1 Calculate the amount Anele will receive after three years. (6)
- 3.3.2 Calculate the amount of interest that Anele will earn. (4)
- 3.3.3 Suggest TWO other types of investment that Anele could have used. (4)
- 3.4 Discuss any FOUR ways in which businesses should conduct professional, responsible, ethical and effective business. (12)
- 3.5 Do you think personal attitude is important for the success of a leader in a business? Motivate your answer. (6)  
**[60]**

**QUESTION 4**

- 4.1 Factory workers at Shiny Textiles Ltd went on an illegal strike for two weeks, demanding higher salaries and better working conditions.
- 4.1.1 Distinguish between a *protected* and an *unprotected* strike. (4)
- 4.1.2 Discuss the steps in the grievance procedure that the workers should have followed. (10)
- 4.2 Employees can arrange with their employers to make deductions from their salaries.
- 4.2.1 Give TWO examples of voluntary deductions. (4)
- 4.2.2 Define the concept *compulsory deduction* and give ONE example. (4)
- 4.2.3 Do you think a business has an obligation to offer fringe benefits to their employees? Motivate your answer. (8)
- 4.3 Read the employment contract below and answer the questions that follow.
- EMPLOYMENT CONTRACT**

Name of Employee: Tshepo Mabe  
 Gender: Male Age: 30 years

**TERMS AND CONDITIONS OF THE CONTRACT**

  - Annual leave is based on employee performance.
  - Working hours: As per operational hours of the business.
- 4.3.1 Identify any FIVE aspects that should be included in an employment contract. (10)
- 4.3.2 Critically evaluate the terms and conditions of the contract in the scenario above. Make recommendations that are in line with the Basic Conditions of Employment Act, 1997 (Act 75 of 1997). (10)
- 4.4 Discuss sexual harassment as an unethical business challenge and propose ways in which businesses should address it. (10)

**[60]****TOTAL SECTION B: 180**



**SECTION C**

Answer ANY TWO questions.

**NOTE:** Write down the QUESTION NUMBER only. The answer to EACH QUESTION must begin on a NEW PAGE, for example QUESTION 5 on a NEW page, QUESTION 6 on a new page, etc.

**QUESTION 5**

The Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) was enacted to transform South African businesses to include participation of previously disadvantaged people in the economy.

Critically analyse the impact of any FIVE pillars of BBEE on businesses and comment on the role of government in promoting this Act.

**[40]****QUESTION 6**

John has to prepare and present his business plan to a group of stakeholders and potential investors in two days' time.

Advise John on his presentation of the business plan so that it is of high quality and extremely successful in meeting its objectives.

You must include the following aspects in your answer:

- How should John prepare for the presentation?
- Evaluate any FOUR methods that he can use to present the information.
- Propose ways to handle feedback in a professional manner.
- Recommend possible focus areas that will improve the quality of John's presentation.

**[40]****QUESTION 7**

Jorden Clothing Manufacturers (JCM) is experiencing low productivity. In order to be competitive, they must address this problem proactively and creatively, before it impacts negatively on their profitability.

As a consultant to Jorden Clothing Manufacturers, you strongly believe that the challenges facing JCM can be overcome. In a well-balanced report, justify how this can be done.

Include the following aspects in support of your answer:

- Explain the role of creative thinking in solving complex business problems.
- Name steps that JCM management can take to address the above challenges.
- Evaluate the Delphi and brainstorming techniques that Jorden Clothing Manufacturers can use to solve their problems.
- Identify possible barriers that could prevent JCM from solving these problems.

**[40]**

**QUESTION 8**

Zama (Pty) Ltd is a business that was established five years ago. The business has not been performing well in the following areas:

- The target market has not been reached.
- It is unable to manage debts.
- It has failed to attract and retain skilled employees.
- The image of the business is not promoted.
- Outdated methods of record-keeping are still being used.

Recommend THREE ways in which Zama (Pty) Ltd can improve the quality of performance in each of the challenges that appear in the scenario above. Also discuss how the quality of performance of the general management function will ensure the success of the business.

**[40]**

**TOTAL SECTION C: 80**  
**GRAND TOTAL: 300**