



# **basic education**

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Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

## **SENIOR CERTIFICATE EXAMINATIONS**

**BUSINESS STUDIES**

**2017**

**MARKS: 300**

**TIME: 3 hours**

**This question paper consists of 15 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers all main topics.

SECTION A: COMPULSORY

SECTION B: Consists of FIVE questions

Answer any THREE of the five questions in this section.

SECTION C: Consists of FOUR questions

Answer any TWO of the four questions in 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. No marks will be awarded for answers that are numbered incorrectly.
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.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>40</b>	<b>30</b>
<b>B: FIVE direct/indirect-type questions CHOICE (Answer any THREE.)</b>	<b>2</b>	<b>60</b>	<b>30</b>
	<b>3</b>	<b>60</b>	<b>30</b>
	<b>4</b>	<b>60</b>	<b>30</b>
	<b>5</b>	<b>60</b>	<b>30</b>
	<b>6</b>	<b>60</b>	<b>30</b>
<b>C: FOUR essay-type questions CHOICE (Answer any TWO.)</b>	<b>7</b>	<b>40</b>	<b>30</b>
	<b>8</b>	<b>40</b>	<b>30</b>
	<b>9</b>	<b>40</b>	<b>30</b>
	<b>10</b>	<b>40</b>	<b>30</b>
<b>TOTAL</b>		<b>300</b>	<b>180</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. You may use a non-programmable calculator.
9. Write neatly and legibly.

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

- 1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.10), choose the answer and make a cross (X) over the letter (A–D) of your choice in the ANSWER BOOK.

**EXAMPLE:**

1.1.11  A  B  C  D

- 1.1.1 The Sector Education and Training Authorities (SETAs) were established to ...
- A provide job opportunities.
  - B teach learners at schools.
  - C conduct training.
  - D approve workplace skills plans.
- 1.1.2 Hombi Ltd has sold some of their assets to improve their cash flow. This business strategy is known as ...
- A liquidation.
  - B retrenchment.
  - C divestiture.
  - D diversification.
- 1.1.3 This Act makes it possible for consumers to access debt counselling:
- A National Credit Act, 2005 (Act 34 of 2005)
  - B Consumer Protection Act, 2008 (Act 68 of 2008)
  - C Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
  - D Labour Relations Act, 1995 (Act 66 of 1995)
- 1.1.4 The insured will receive a lump sum upon reaching a specific age. This refers to the insurance principle of ...
- A indemnification.
  - B insurability.
  - C security.
  - D good faith.
- 1.1.5 Information in the form of a/an ... is an example of a non-verbal presentation.
- A data projector
  - B written report
  - C video conferencing
  - D oral report

- 1.1.6 This team dynamic theory focuses on FOUR pairs of attitudes and functions:
- A Belbin
  - B Jungian
  - C Margerison-McCann
  - D MTR-I approach
- 1.1.7 Businesses use their ... programmes to improve the living conditions of the communities within which they operate.
- A social governance
  - B social investments
  - C corporate social responsibility
  - D corporate governance
- 1.1.8 The procedure where all CVs received are evaluated against pre-determined criteria:
- A Training
  - B Selection
  - C Placement
  - D Recruitment
- 1.1.9 Sasha's Hair Studio can offer better quality services, because she ...
- A employs many talented hairdressers.
  - B can afford only the best available hair equipment.
  - C has unlimited access to investors.
  - D can communicate directly with customers to determine their satisfaction levels.
- 1.1.10 ONE of the roles of the health and safety representative:
- A Identify potential dangers in the workplace
  - B Report product defects
  - C Make a monetary contribution to the central fund
  - D Charge workers who do not comply with safety measures

(10 x 2) (20)

- 1.2 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK. Each word should only be used ONCE.

fringe; dispute; Consumer Protection; shareholders; grievance; Compensation for Occupational Injuries and Diseases; dividend; partners; rent; compulsory
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- 1.2.1 The ... Act creates a framework for healthy employment practices and safety regulations.
- 1.2.2 Investors who own part of a company are called ...
- 1.2.3 An employee can lodge a ... when he/she disagrees with the resolution taken by senior management.
- 1.2.4 Income earned from investing in property is known as ...
- 1.2.5 Additional contributions made by the employer to the medical aid scheme of an employee, is an example of ... benefits offered by the business. (5 x 2) (10)

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

COLUMN A		COLUMN B	
1.3.1	Bonus shares	A	remuneration based on the number of items produced
1.3.2	Strategy	B	ignoring the dress code of the business
1.3.3	Professional business conduct	C	issued by a company as compensation for start-up services provided
1.3.4	Piecemeal	D	employees may have access to health care in the workplace
1.3.5	Social rights	E	an action plan to achieve a pre-determined goal
		F	issued by a company to compensate for loss of dividends
		G	process to implement an action plan
		H	adhering to business policies at all times
		I	remuneration based on an agreed hourly rate
		J	employees may observe religious holidays

(5 x 2) (10)

**TOTAL SECTION A: 40**

**SECTION B**

Answer ANY THREE questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, for example QUESTION 2 on a NEW page, QUESTION 3 on a NEW page, et cetera.

**QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 Name any FIVE aspects of the PESTLE analysis model. (5)
- 2.2 Identify a business strategy represented by EACH statement below:
- 2.2.1 Peter Bakery sold all its assets to pay creditors and closed down the business.
- 2.2.2 NTI Ltd has opened new branches in Nigeria and Chicago to increase their market share.
- 2.2.3 The owner of Excellency Book Shop decided to also sell coffee and cake in her shop.
- 2.2.4 Fresh Juices Unlimited bought Potgieter's grape farm.
- 2.2.5 Snow White Stores reduced the price of the new All White washing powder to encourage bulk buying. (10)
- 2.3 Outline any FOUR steps in evaluating a strategy. (8)
- 2.4 Name the THREE business environments and state the extent to which a business may control each environment. (9)
- 2.5 Read the scenario below and answer the questions that follow.

**MEGAN AFRICAN CUISINE (MAC)**

Megan owns a restaurant, Megan African Cuisine, which sells traditional food at reasonable prices. The municipality has invited MAC to open a traditional food stall at the cultural market on weekends. This market attracts many tourists and local customers.

MAC uses an old cash register that does not always accurately record all cash transactions. Suppliers have also increased their prices due to inflation. MAC is losing customers to Nozizwe Buy & Braai which sells pap and meat at very low prices. Megan does not have a good marketing strategy to retain her customers.

- 2.5.1 Compile a SWOT analysis for MAC. (8)
- 2.5.2 Recommend ways in which MAC can deal with EACH weakness identified in QUESTION 2.5.1. (4)

- 2.6 Explain how businesses can promote the following consumer rights:
- 2.6.1 Right to choose (4)
  - 2.6.2 Right to information (4)
- 2.7 Discuss the impact of the Employment Equity Act (EEA), 1998 (Act 55 of 1998) on businesses. (8)
- [60]**

### QUESTION 3: BUSINESS VENTURES

- 3.1 Give FIVE examples of long-term insurance. (5)
- 3.2 Classify EACH statement below under *compulsory* or *non-compulsory insurance*:
- 3.2.1 Sam claimed from the Road Accident Fund for losing his arm in a car accident.
  - 3.2.2 Yugo Manufactures insured their workers against injuries and diseases that may occur in the workplace.
  - 3.2.3 Floyd's Tiling insured their building against theft and fire.
  - 3.2.4 James claimed from the Unemployment Insurance Fund during the time that he was unemployed.
  - 3.2.5 Lisa insured her life against any event that may render her incapable to work. (10)
- 3.3 Read the scenario below and answer the questions that follow.
- John inherited R350 000 from his mother. He wants to invest this amount in a safe and low-risk investment option with a guaranteed return where no charges, fees or commission are payable.
- 3.3.1 Identify the type of investment that will suit John's requirements. Motivate your answer. (3)
  - 3.3.2 Explain the advantages of the type of investment identified in QUESTION 3.3.1. (6)



- 3.4 Identify the leadership styles that are applicable to the following situations:
- 3.4.1 Georgina uses her personality to inspire employees to do more than what is normally expected.
- 3.4.2 The CEO of Trevor Shuttle Services requested experienced employees to share their ideas when important decisions need to be made.
- 3.4.3 The employees of Sizwe Marketing Ltd may choose their own work methods as long as they do not violate the company's policies. (6)
- 3.5 Analyse the impact of an autocratic leadership style on business. (8)
- 3.6 Read the scenario below and answer the questions that follow.
- Marie and Tsolo each invested R10 000 at the same bank which offered both of them 10% interest per year. The bank applied different methods to calculate their respective interest amounts. Marie received R2 000 and Tsolo R2 100 after two years.
- 3.6.1 Identify the methods used by the bank to calculate Marie and Tsolo's interest. Motivate your answer. (6)
- 3.6.2 Explain the differences between the methods used to calculate the interest identified in QUESTION 3.6.1. (8)
- 3.7 Advise Mishaak Spares Ltd on how the factors below can contribute to the success and/or failure of their business:
- 3.7.1 Management (4)
- 3.7.2 Capital (4)
- [60]**

**QUESTION 4: BUSINESS ROLES**

- 4.1 Outline any THREE economic rights of employees. (3)
- 4.2 Name FOUR unethical issues that may pose challenges to businesses. (4)
- 4.3 Explain how businesses can contribute time and effort in improving the well-being of the following stakeholders:
- 4.3.1 Employees (4)
- 4.3.2 Community (4)
- 4.4 Distinguish between *decision-making* and *problem-solving*. (4)
- 4.5 Discuss the advantages of the Delphi technique to solve business problems. (8)
- 4.6 Read the scenario below and answer the questions that follow.

**SAFARI TOURS (ST)**

Safari Tours employs workers from different cultural backgrounds and race. Some workers are intolerant towards each other which contributes to lower productivity. The management of ST has announced that all employees are expected to speak English during meetings even though some struggle to speak the language.

Themba, one of the employees, is unhappy about this decision and subsequently stayed away from work without following the correct grievance procedure.

- 4.6.1 Identify THREE diversity issues in the scenario above. (3)
- 4.6.2 Advise the management of ST on how they should deal with EACH diversity issue identified in QUESTION 4.6.1. (6)
- 4.6.3 Explain the correct grievance procedure that Themba should follow. (8)
- 4.7 Recommend ways in which a business can create an environment that stimulates creative thinking. (8)
- 4.8 Suggest TWO strategies that businesses may use to manage EACH of the following socio-economic issues:
- 4.8.1 HIV/Aids (4)
- 4.8.2 Unemployment (4)

**[60]**

**QUESTION 5: BUSINESS OPERATIONS**

5.1 Read the scenario below and answer the questions that follow.

<b>JONES TRADERS (JT)</b>
<p>Jones Traders has advertised a vacancy for a senior administrative secretary on their notice board. The successful candidate must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• Good interpersonal relations</li> <li>• Coordinate in-service training for staff</li> <li>• Excellent computer skills</li> <li>• Compile reports and give feedback timeously</li> </ul>

5.1.1 Quote TWO examples EACH of job description and job specification from the scenario above. Tabulate your answer as follows:

JOB DESCRIPTION	JOB SPECIFICATION

(4)

5.1.2 Identify the type of recruitment that JT used when they advertised the vacant post. Motivate your answer.

(3)

5.1.3 Give TWO other sources of the type of recruitment identified in QUESTION 5.1.2.

(2)

5.1.4 Explain the procedure that JT should follow to place the new employee.

(6)

5.2 Advise Jane, the human resources manager, on her role as the interviewer when preparing for an interview.

(8)

5.3 Read the scenario below and answer the questions that follow.

<b>EASY TRADERS (ET)</b>
<p>Emma is an employee at Easy Traders. She often reported late for work and sometimes took business products without permission. Emma refused to correct her negative behaviour despite the fact that management addressed these issues with her. The management of ET decided to terminate Emma's employment contract.</p>

5.3.1 Quote THREE reasons from the scenario why Emma's employment contract was terminated by management.

(3)

5.3.2 Give any other reasons for the termination of an employment contract.

(6)

- 5.4 Outline any THREE quality indicators of the marketing function. (6)
- 5.5 Explain the difference between *quality control* and *quality assurance*. (4)
- 5.6 Elaborate on the meaning of *quality circles*. (4)
- 5.7 Identify the business function that is responsible for improving the quality of performance in EACH statement below:
- 5.7.1 Gerald Ltd is not able to attract and retain skilled employees.
- 5.7.2 The customers of Pro Manufactures have returned faulty products due to factory defects.
- 5.7.3 The records of Thabo Consultants are not accurate as they use an outdated information technology system (ITS). (6)
- 5.8 Discuss the positive impact of monitoring and evaluation of quality processes as a TQM element on large businesses. (8)
- [60]**

## QUESTION 6: MISCELLANEOUS TOPICS

### BUSINESS ENVIRONMENTS

- 6.1 Identify the Act applicable to EACH statement below:
- 6.1.1 The employees of Duncan Forestry are allowed to join a trade union of their choice.
- 6.1.2 Victor Enterprise has registered their employees for learnership programmes.
- 6.1.3 Carlo Communication Ltd has contributed to the development of local black suppliers. (6)
- 6.2 Discuss the following Porter's Five Forces:
- 6.2.1 Power of buyers (4)
- 6.2.2 Competitive rivalry/Power of competitors (4)

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- 6.3 Explain the differences between *partnerships* and *private companies*. (8)
- 6.4 Read the scenario below and answer the questions that follow.

**VENTER (PTY) LTD**

Venter (Pty) Ltd have been successfully operating as a private company, but now want to convert to a public company so that they can be listed. This will allow them to invite the public to buy shares.

- 6.4.1 Name the institution that is responsible for the listing of public companies. (2)
- 6.4.2 Outline any THREE functions of the institution identified in QUESTION 6.4.1. (6)

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- 6.5 Name any FOUR problem-solving steps. (4)
- 6.6 Explain the advantages of corporate social investments (CSI) for businesses. (6)
- 6.7 Suggest ONE strategy to deal with EACH of the following difficult personalities:
- 6.7.1 Complainer (2)
- 6.7.2 Aggressive person (2)
- 6.7.3 Quiet person (2)

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- 6.8 Read the scenario below and answer the questions that follow.

**TOMMY'S INDUCTION PROGRAMME**

Tommy has developed an induction programme for newly appointed employees. They are usually taken on a tour of the premises and introduced to senior management and colleagues.

- 6.8.1 Quote TWO aspects from the scenario that Tommy included in his induction programme. (2)
- 6.8.2 Advise Tommy on any other THREE aspects that should be included in an induction programme. (6)
- 6.9 Discuss the benefits of a good quality management system. (6)

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

**SECTION C**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, for example QUESTION 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

**QUESTION 7: BUSINESS ENVIRONMENTS (LEGISLATION)**

The Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) was established to enforce the basic conditions of employment. Businesses who do not comply with this Act will be penalised.

As an expert on the implementation of the BCEA in the workplace, write an essay on the following:

- Explain the purpose of the Basic Conditions of Employment Act (BCEA).
- Discuss any FOUR provisions of this Act.
- Outline the penalties that businesses may face for non-compliance to this Act.
- Evaluate the positive impact of this Act on businesses.

**[40]****QUESTION 8: BUSINESS VENTURES (PRESENTATION)****WISE FINANCIAL SERVICES (WFS)**

Wiseman, a financial advisor, wants to present his business plan to various investors using a PowerPoint slide show, an overhead projector and hand-outs to enhance the quality of his presentation. He is not sure whether his presentation will be effective as he has never done one before. He also lacks confidence in answering questions posed by the audience.

Provide Wiseman with detailed information on the following:

- Outline the aspects that Wiseman should consider when designing a multimedia presentation.
- Discuss the advantages of PowerPoint slides, an overhead projector and hand-outs as types of visual aids.
- Explain the factors that he should keep in mind during his presentation.
- Elaborate on the aspects that he should consider when responding to questions in a professional and non-aggressive manner.

**[40]**

**QUESTION 9: BUSINESS ROLES (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)**

Teamwork plays an important role in achieving business goals and objectives. Businesses spend large amounts of money and time on team building exercises and projects. Teams may consist of people from diverse backgrounds which may sometimes cause conflict.

As a team performance analyst, provide detailed information on the following:

- Explain any THREE criteria for successful team performance.
- Discuss the different stages of team development.
- Describe the causes of conflict that may arise in the workplace.
- Advise businesses on the steps to be applied when resolving conflict in a team.

**[40]****QUESTION 10: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)**

Large and small businesses realise that total quality management (TQM) is crucial in winning customers' loyalty and to remain sustainable. All business functions play an important role in striving towards quality of performance in their respective departments.

Write an essay on quality of performance and include the following:

- Describe the term *total quality management (TQM)*.
- Discuss the impact of the following elements of TQM on large businesses:
  - Continuous improvement to processes and systems
  - Total client/customer satisfaction
  - Continuous skills development
- Explain how the quality of performance in the financial and public relations functions can contribute to the success of a business.
- Analyse the negative impact of TQM if poorly implemented by businesses.

**[40]**

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