basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

# NATIONAL SENIOR CERTIFICATE

## GRADE 12

## BUSINESS STUDIES P1

## NOVEMBER 2023

**MARKS: 150**

**TIME: 2 hours**

**This question paper consists of 9 pages.**

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## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

   SECTION A: COMPULSORY
   SECTION B: Consists of THREE questions.
   Answer any TWO of the three questions in this section.
   SECTION C: Consists of TWO questions.
   Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required.

   Note that ONLY the answers to the first TWO questions selected in SECTION B and the answers to the FIRST question selected in SECTION C will be marked.

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 written 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) |
|---|---|---|---|
| **A: Objective-type questions COMPULSORY** | **1** | **30** | **20** |
| | | | |
| **B: THREE direct/indirect-type questions CHOICE: Answer any TWO.** | **2** | **40** | **70** |
| | **3** | **40** | |
| | **4** | **40** | |
| | | | |
| **C: TWO essay-type questions CHOICE: Answer any ONE.** | **5** | **40** | **30** |
| | **6** | **40** | |
| | | | |
| **TOTAL** | | **150** | **120** |

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.

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. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 This Act outlines the minimum requirements for the employment contract:

A Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
B Employment Equity Act (EEA), 1998 (Act 55 of 1998)
C Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)
D Skills Development Act (SDA), 1998 (Act 97 of 1998)

1.1.2 The Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997) promotes …

A consultation in the workplace.
B safety in the workplace.
C employees' rights in the workplace.
D diversity in the workplace.

1.1.3 A social factor of the PESTLE analysis posing a challenge to Rashid Carpentry is that …

A customers are unable to afford their products due to low-income levels.
B costs involved in obtaining a trading licence are high.
C employees are unskilled to operate new equipment.
D measures to dispose of their waste are expensive.

1.1.4 Businesses are required to contribute to the … fund as a compulsory fringe benefit.

A pension
B medical aid
C provident
D unemployment insurance

1.1.5 Astra Limited implements continuous skills development as a total quality management (TQM) element when …

A applying procedures to reduce defects in machinery.
B using the human resources department to address training needs.
C sharing their strategies with competitors.
D offering trained employees better incentives. (5 x 2) (10)

1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

| selection; weakness; public relations; BBBEE Act; learnerships; BEE; internships; threat; production; recruitment |
|---|

1.2.1 Businesses provide … to employees through practical training opportunities that lead to a recognised qualification.

1.2.2 KB Transport is affected by an increase in the price of petrol. This is classified as a … in the SWOT analysis.

1.2.3 The … focused only on three pillars which excluded some previously disadvantaged people.

1.2.4 Reference checks are made during the … procedure to verify the content of applicants' CVs.

1.2.5 The … function is responsible for providing regular press releases to all stakeholders. (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 numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

| COLUMN A | | COLUMN B | |
|---|---|---|---|
| 1.3.1 | Consumer Protection Act (CPA), 2008 (Act 68 of 2008) | A | describes the duties that need to be performed for a certain post |
| 1.3.2 | Human resources development strategy | B | adding new products that are unrelated to existing products appealing to new customers |
| 1.3.3 | Conglomerate diversification | C | aims to get the product right the first time |
| 1.3.4 | Job specification | D | promotes customers' safety by protecting them from hazardous products |
| 1.3.5 | Quality assurance | E | improves the use of the National Skills Fund |
| | | F | adding new products that are related to existing products appealing to new customers |
| | | G | promotes branded products that are preferred by customers |
| | | H | improves the supply of skills which directly benefit the country |
| | | I | describes the acceptable qualifications for a certain post |
| | | J | aims to provide a framework for organisational processes |

(5 x 2) (10)

**TOTAL SECTION A: 30**

## SECTION B

Answer ANY TWO 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, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

### QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Name any FOUR consumer rights as stipulated in the Consumer Protection Act (CPA), 2008 (Act 68 of 2008). (4)

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

**BEST CANNING (BC)**

Best Canning manufactures a variety of canned foods. BC lost customers to Damian Canning because their products are of a high quality. The profitability of BC decreased due to poor management skills. Best Canning borrowed money from the bank at a high interest rate.

2.2.1 Quote THREE challenges for BC from the scenario above. (3)

2.2.2 Classify BC's challenges according to the THREE business environments. (3)

2.2.3 State the extent of control BC has over EACH business environment classified in QUESTION 2.2.2. (3)

Use the table below as a GUIDE to answer QUESTIONS 2.2.1 to 2.2.3.

| CHALLENGES (2.2.1) | BUSINESS ENVIRONMENTS (2.2.2) | EXTENT OF CONTROL (2.2.3) |
|---|---|---|
| 1. | | |
| 2. | | |
| 3. | | |

2.3 Explain the rights of employers in terms of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (4)

2.4 Discuss the purpose of the Employment Equity Act (EEA), 1998 (Act 55 of 1998). (6)

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

**BEYERS TOYS (BT)**

Beyers Toys is experiencing a decline in sales due to a decrease in the demand for their products. They sold some unproductive assets to pay off debts. BT also evaluated the effectiveness of their chosen strategy.

2.5.1 Identify the type of defensive strategy applied by BT. Motivate your answer by quoting from the scenario above. (3)

2.5.2 Advise businesses on the steps in strategy evaluation. (4)

2.6 Explain the implications of any TWO pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) on businesses. (6)

2.7 Recommend ways in which businesses can deal with the challenges that are posed by the economic factors of the PESTLE analysis. (4)
**[40]**

## QUESTION 3: BUSINESS OPERATIONS

3.1 State any FOUR aspects that should be included in an employment contract. (4)

3.2 Outline the difference between *piecemeal* and *time-related* salary determination methods. (4)

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

| **MZAMO TRADERS (MT)** |
|---|
| Mzamo Traders has a vacant position for a store manager. MT advertised the vacancy in local newspapers. They invited shortlisted candidates for an interview. |

3.3.1 Name the method of recruitment used by MT in the scenario above. (2)

3.3.2 Explain the role of the interviewee during the interview. (4)

3.4 Discuss the impact of fringe benefits on businesses. (6)

3.5 Elaborate on the meaning of *quality control*. (4)

3.6 Explain how quality of performance of the production function can contribute to the success of the business. (4)

3.7 Read the scenario below and answer the question that follows.

| **VILLE LIMITED (VL)** |
|---|
| Ville Limited manufactures electrical components for various businesses. VL can afford to purchase quality raw materials and equipment to avoid faulty products. They also promote a positive business image by fulfilling the needs of their buyers. |

Identify TWO total quality management (TQM) elements applied by VL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.7.

| TQM ELEMENTS | MOTIVATIONS |
|---|---|
| 1. | |
| 2. | |

(6)

3.8 Advise businesses on the role of quality circles as part of continuous improvement to processes and systems. (6)
**[40]**

## QUESTION 4: MISCELLANEOUS TOPICS

### BUSINESS ENVIRONMENTS

4.1 Name any TWO types of business sectors. (2)

4.2 Identify the leave provision as stipulated in the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) applicable to TD Accountants in EACH statement below.

4.2.1 Employees receive a maximum of five days leave in the event of the death of a close relative. (2)

4.2.2 Medical certificates must be submitted by employees when absent from work for more than two consecutive days due to illness. (2)

4.3 Explain how the Sector Education and Training Authorities (SETAs) are funded. (4)

4.4 Discuss any TWO types of integration strategies. (6)

4.5 Advise businesses on ways in which they can comply with the National Credit Act (NCA), 2005 (Act 34 of 2005). (4)

### BUSINESS OPERATIONS

4.6 Outline the purpose of induction. (6)

4.7 Explain the placement procedure as a human resources activity. (4)

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

**UNIQUE BOUTIQUE (UB)**

Unique Boutique is well known for their good quality management system. UB increases their productivity through proper time management. Management holds annual general meetings with all external stakeholders. They conduct regular training to improve the quality of employees' skills.

4.8.1 Quote TWO benefits of a good quality management system from the scenario above. (2)

4.8.2 Explain other benefits of a good quality management system. (4)

4.9 Suggest ways in which total quality management (TQM) can reduce the cost of quality. (4)

**[40]**

**TOTAL SECTION B: 80**

## SECTION C

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

### QUESTION 5: BUSINESS ENVIRONMENTS (BUSINESS STRATEGIES)

Successful businesses implement the strategic management process to improve internal operations. Porter's Five Forces model enables businesses to analyse their position in the market. Some businesses use intensive and diversification strategies to deal with challenges posed by the business environments.

Write an essay on business strategies in which you include the following aspects:

- Outline the *strategic management process*.
- Explain how businesses could apply the following forces of Porter's Five Forces model to analyse their position in the market environment:
  - Power of buyers
  - Power of competitors/Competitive rivalry
- Discuss THREE types of intensive strategies.
- Advise businesses on the advantages of diversification strategies. **[40]**

### QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

Quality management and quality performance play an important role in contributing to the success of businesses. The application of the PDCA model improves the quality of products. Poor implementation of total quality management (TQM) has a negative impact on business operations. Businesses should improve their marketing and administration functions.

Write an essay on quality of performance in which you include the following aspects:

- Outline the differences between *quality management* and *quality performance*.
- Explain how businesses can apply the PDCA model/steps to improve the quality of their products.
- Discuss the impact of total quality management (TQM) if poorly implemented by businesses.
- Advise businesses on the quality indicators of the following business functions:
  - Marketing function
  - Administration function **[40]**

**TOTAL SECTION C: 40**
**GRAND TOTAL: 150**

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