



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATION

BUSINESS STUDIES

2015

MARKS: 300

TIME: 3 hours

This question paper consists of 14 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- 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 from this section.

SECTION C: Consists of FOUR questions

Answer any TWO of the four questions from this section.

- Read the instructions for each question carefully and take particular note of what is required.
- 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.
- Except where other instructions are given, answers must be in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
A: Objective type questions COMPULSORY	1	40	30 minutes
B: FIVE direct/indirect type questions (CHOICE: Answer any THREE.)	2	60	30 minutes
	3	60	30 minutes
	4	60	30 minutes
	5	60	30 minutes
	6	60	30 minutes
C: FOUR essay-type questions (CHOICE: Answer any TWO.)	7	40	30 minutes
	8	40	30 minutes
	9	40	30 minutes
	10	40	30 minutes
TOTAL		300	180 minutes

- Begin the answers to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
- You may use a non-programmable calculator.
- 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 dispute between an employer and employee(s) over demands for better working conditions can be referred to the ...
- A welfare court.
 - B CCMA.
 - C ombudsman.
 - D workplace forum.
- 1.1.2 Which ONE of the following items will most likely be reflected on the payslip of an employee?
- A Municipal rates on private property
 - B Electricity expenses
 - C Bank charges
 - D Housing allowance
- 1.1.3 Diversity in business means ...
- A businesses should include people from different religions and cultures.
 - B only previously disadvantaged individuals should be employed.
 - C employ young people only.
 - D include only English-speaking people.
- 1.1.4 One of the steps in the process of developing strategies for selling new products, includes ...
- A setting administrative objectives.
 - B implementing marketing strategies.
 - C reducing sales staff.
 - D ignoring on-going marketing problems.
- 1.1.5 During the production of glass containers quality ... is conducted at every stage to ensure that the pre-determined standards are met.
- A circle
 - B insurance
 - C assurance
 - D council

- 1.1.6 In the ... team-dynamics theory a team management wheel identifies eight roles that team members prefer to play in a team.
- A Jungian
 - B Margerison-McCann
 - C group-consensus
 - D Belbin role
- 1.1.7 In the resolution of ... management needs to listen and consider all views before deciding on the best action to take.
- A quality
 - B teamwork
 - C conflict
 - D strategies
- 1.1.8 Effective feedback involves ...
- A answering questions after a presentation.
 - B handing out flyers.
 - C dealing with difficult employees.
 - D applying visual aids in verbal presentations.
- 1.1.9 A private company and a close corporation have the following advantage:
- A The minimum number of members is four
 - B Both businesses are managed by one director
 - C The liability of the shareholders/members is limited to the amount of their investment
 - D The continuity of both businesses is limited
- 1.1.10 This source of funding represents a long-term loan to a business enterprise:
- A RSA Retail Savings Bonds
 - B Bank overdraft
 - C Supplier's credit
 - D Debentures
- (10 x 2) (20)

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

lockouts; staff development; excess; economic; strikes;
discrimination; human; placement; inclusivity; premium

- 1.2.1 ... refers to the portion of an insurance claim which is the responsibility of the insured when a claim is lodged.
- 1.2.2 ... rights include freedom of expression and association.
- 1.2.3 ... programmes aim to improve the skills of existing employees.
- 1.2.4 ... prevent employees from entering the workplace after negotiations in the bargaining council have failed.
- 1.2.5 ... means valuing each person regardless of status, culture or disability. (5 x 2) (10)

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

COLUMN A		COLUMN B	
1.3.1	A legal document that informs a candidate that he/she has been accepted for a position	A	CSIR
		B	dismissal letter
1.3.2	An organisation that provides information to service providers about the ability of consumers to repay their debt	C	income tax
		D	profits
1.3.3	Earned when owning shares in a company	E	dividends
1.3.4	The organisation that usually tests products for compliance with national standards	F	credit bureau
1.3.5	A compulsory deduction from an employee's salary	G	SABS
		H	appointment letter

(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 answers 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 ENVIRONMENT

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

NANA'S LADIES HAIR SALON

Nana owns an informal hair salon that operates at a local taxi rank. She is an excellent hairdresser. Men also approach her to do their hair.

Nana's employees are not trained to do men's hair and her salon is not equipped to provide such services. She does not have sufficient capital to buy the necessary equipment.

Nana is worried about the increase in violence at the taxi rank which may scare clients away from her business. As an informal business, she has to pay the full retail price for shampoo and equipment that she buys from Jumbo Wholesalers.

2.1.1 Name the business sector in which Nana's Ladies Hair Salon is operating. (1)

2.1.2 Identify ONE challenge for Nana's business from EACH business environment and classify it accordingly. Use the table below to present your answer.

CHALLENGE	BUSINESS ENVIRONMENT

(9)

2.1.3 Indicate the degree/extent of control which Nana's salon may normally have over each of the business environments identified in QUESTION 2.1.2 above. (3)

2.2 2.2.1 Identify the business environment in which the Porter's Five Forces model may be applied. (1)

2.2.2 List the FIVE forces of Porter's model. (5)

2.3 Explain the advantages of the National Credit Act, 2005 (Act 34 of 2005) for businesses. (10)

2.4 Discuss THREE consumer rights as identified in the Consumer Protection Act, 2008 (Act 68 of 2008). (9)

- 2.5 Describe TWO types of diversification strategies. (6)
- 2.6 Read the scenario below and answer the questions that follow.

M&U OUTFITTERS LTD

M&U Outfitters Ltd manufactures school jerseys and tracksuits. M&U employees work 6 days a week from 09:00 to 18:00 non-stop with only one 15-minute break per day. Workers who take sick leave are not paid, even if they produce a medical certificate.

- 2.6.1 Analyse the above scenario based on the provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) and make recommendations for improvements to M&U Outfitters Ltd's non-compliance to the BCEA. (12)
- 2.6.2 Outline any TWO provisions of the BCEA which are not mentioned in the above scenario. (4)

[60]

QUESTION 3: BUSINESS VENTURES

- 3.1 3.1.1 Name the institution that makes it possible for investors to buy and sell shares in South Africa. (1)
- 3.1.2 Describe the functions of the institution referred to in QUESTION 3.1.1 above. (6)
- 3.2 Recommend any TWO ways to invest in the institution referred to in QUESTION 3.1.1 above. (4)
- 3.3 Read the scenario below and answer the questions that follow.

DAWN EVENTS NPC

Four old friends retired recently. They combined some of their pension pay-outs to form Dawn Events NPC, which organises special events and activities for people older than 60 years.

- 3.3.1 Identify the form of ownership in the above scenario. (1)
- 3.3.2 Name the founding document that Dawn Events NPC must use to register in terms of the Companies Act, 2008 (Act 71 of 2008). (1)
- 3.3.3 Explain how the following factors will influence the success or failure (or both) of Dawn Events NPC:
- (a) Taxation (2)
- (b) Capacity (2)
- (c) Management (2)

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

INSURANCE CLAIM

Sanjay bought his house 4 years ago for R600 000. Recently his house was valued at R1 000 000 and the household contents at R500 000. He insured his house, including the contents, for R1 200 000.

Sanjay regards it as unnecessary to pay the higher premiums. The policy states that in the case of a claim the insured must pay an excess of 5% or R3 000 (whichever is higher).

3.4.1 Quote the market value of Sanjay's property. (1)

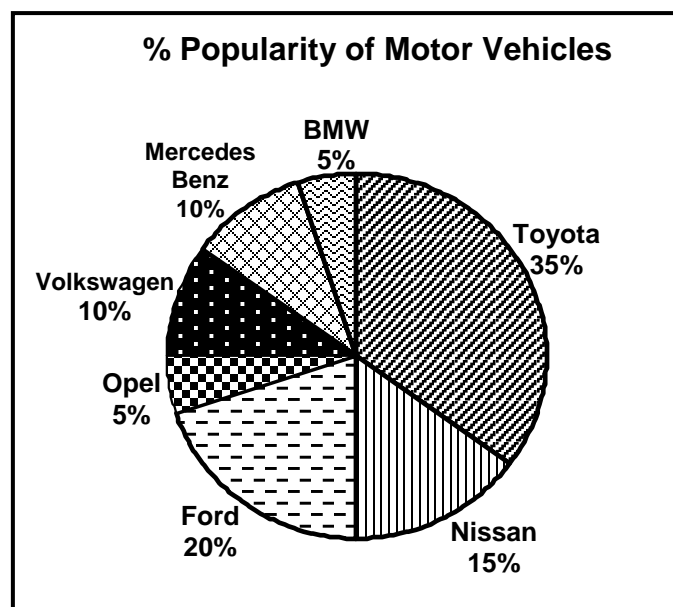
3.4.2 Is Sanjay's property and household contents over-insured or under-insured? Motivate your answer. (3)

3.4.3 Based on the insured amount, name the clause that will apply if Sanjay makes an insurance claim. (1)

3.4.4 Discuss any TWO principles of insurance. (6)

3.5 Recommend TWO aspects to consider when preparing a successful presentation. (4)

3.6 Study the graph below and answer the questions that follow.



3.6.1 Identify the type of graph used in the presentation above. (1)

3.6.2 Indicate the most popular motor vehicle according to this graph. Give ONE reason for your answer. (3)

3.6.3 Evaluate the effectiveness of using graphs when presenting information. (6)

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

INVESTMENT OPPORTUNITIES AND RETURNS

Two family members, Bobo and Sam, received R400 000 and R200 000 respectively from their deceased grandfather's estate in January 2011.

Bobo immediately invested his R400 000 in fixed property in Umhlanga, a coastal town near Durban in KwaZulu-Natal. In September 2013 the local government approved the construction of a new shopping mall which resulted in a sharp increase in the demand for residential property in the area. In December 2013 Bobo received an offer of R500 000 and sold his property.

Sam invested his R200 000 in 20 000 Gold Reef shares at R10 each in January 2011. In December 2013 Sam sold all his shares at R20 each.

- 3.7.1 Determine which family member's investment earned the highest rate of return. Show calculations to substantiate your answer. (10)
- 3.7.2 Analyse each family member's investment in terms of the risk factor for the investment period. (6)
- [60]**

QUESTION 4: BUSINESS ROLES

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

Directors of companies should provide all related financial information to shareholders at the Annual General Meeting (AGM).

- 4.1.1 Identify the principle of good corporate governance referred to in the scenario above, as specified in the King Code. (1)
- 4.1.2 Outline any THREE other King Code principles for good corporate governance. (3)

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

AHA CONSULTING CC

Jane has been working for AHA Consulting CC for the past three years and is a reliable, experienced and qualified employee.

The business has advertised a senior management position. Vusi, the human resources manager, has promised to appoint Jane in return for sexual favours and sometimes uses business resources for his personal gain.

- 4.2.1 Quote TWO situations from the scenario that could be considered to be unethical business practices. (2)
- 4.2.2 Recommend ways in which the TWO situations identified in QUESTION 4.2.1 could be addressed. (8)
- 4.2.3 Describe any other TWO issues that could be regarded as unethical and unprofessional business practices. (6)

- 4.3 Tabulate the differences between *ethics* and *professionalism* in a business enterprise. (8)
- 4.4 Discuss ways in which professional, ethical and effective business practices should be conducted in a challenging business environment. (10)
- 4.5 Recommend ways in which a business can create an environment that promotes creative thinking. (8)
- 4.6 Distinguish between the *nominal-group* and the *Delphi problem-solving techniques*. (8)
- 4.7 Discuss the link between *triple bottom line* and the *social responsibility* of a business. (6)
- [60]**

QUESTION 5: BUSINESS OPERATIONS

- 5.1 Hullets Timber Pty (Ltd) has a vacancy for a financial accountant. Describe the recruitment procedure that the human resources manager should follow to fill this vacancy. (9)
- 5.2 Read the scenario below and answer the questions that follow.

ZAMA CLOTHING

Zama Clothing has a vacancy for a fashion designer. They have advertised this position using the staff notice board, internal e-mails/memorandums and circulars. Supervisors in various departments have been requested to nominate suitable candidates from the current staff.

- 5.2.1 Identify the type of recruitment that Zama Clothing applied in the scenario. Motivate your answer. (3)
- 5.2.2 Evaluate the type of recruitment referred to in QUESTION 5.2.1 above. (8)
- 5.3 You are requested to be chairperson during an interview. Discuss your role before conducting the interview. (8)

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

Shireez, who operates a glass-fitting business, wants to employ three new workers. She is not sure how to draw up legal employment contracts for these workers.

- 5.4.1 Define the term *employment contract*. (2)
- 5.4.2 Outline aspects that should be included in an employment contract to Shireez. (10)
- 5.4.3 Suggest any TWO possible reasons for terminating an employment contract to Shireez. (4)
- 5.5 Explain the advantages of implementing a good quality management system in a business. (8)
- 5.6 Analyse the impact of total quality management (TQM) on large businesses with reference to continuous skills development. (8)
- [60]**

QUESTION 6: MISCELLANEOUS TOPICS

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

JAMES FRUIT & VEGGIES ENTERPRISE LTD

James Fruit & Veggies Enterprise Ltd is a large fruit and vegetable retailer, located in a middle-class residential area where most people can afford quality products. They provide free deliveries within a radius of 10 km. James Fruit & Veggies Enterprise Ltd do not have large storage facilities due to a lack of sufficient capital. Some employees are not experienced in handling fruit and vegetables.

The supply of out-of-season fruit and vegetables is slow and some competitors import fruit and vegetables from other countries at lower prices.

The human resources manager is forced to comply with the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) in terms of minimum wages paid to workers regardless of their performance.

There has been a growing demand for fresh fruit juice from health-conscious customers. As the salaries of customers increase, they will be able to afford higher prices and may demand more expensive fruit and vegetables.

- 6.1.1 Compile a SWOT analysis based on the scenario for James Fruit & Veggies Enterprise Ltd. (8)
- 6.1.2 Recommend TWO strategies that James Fruit & Veggies Enterprise Ltd can use to overcome their weaknesses, as identified in the SWOT analysis in QUESTION 6.1.1. (4)

- 6.2 Suggest ways in which businesses can address the following socio-economic issues through corporate social investment (CSI) programmes:
- 6.2.1 HIV/Aids (4)
 - 6.2.2 Unemployment (4)
- 6.3 You want to invest R3 000 in RSA Retail Savings Bonds instead of unit trusts.
- 6.3.1 Distinguish between *RSA Retail Savings Bonds* and *unit trusts*. (4)
 - 6.3.2 Explain the advantages of investing in RSA Retail Savings Bonds. (8)
- 6.4 Discuss the role of personal attitude in successful leadership. (8)
- 6.5 Identify the stages of team development illustrated in the following scenarios:
- 6.5.1 Team members have differences of opinion, but resolve them quickly in order to achieve their goals. (1)
 - 6.5.2 Team members are not working together as they are competing for the team leader's position. (1)
- 6.6 Discuss the following as criteria which can be used to assess successful team performance:
- 6.6.1 Interpersonal attitudes and behaviour (6)
 - 6.6.2 Shared values (6)
- 6.7 Evaluate the impact of fringe benefits in the workplace. (6)
- [60]**
- TOTAL SECTION B: 180**

SECTION C

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, for example QUESTION 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

QUESTION 7: BUSINESS ENVIRONMENTS (LEGISLATION)

The Skills Development Act, 1988 (Act 97 of 1988) (SDA) prescribes different ways of vocational learning by promoting learnerships, skills programmes and through the Sector Education and Training Authorities (SETAs). SETAs aim at implementing the National Skills Development Strategy and Human Resources Development Strategy.

As a labour law expert, you are required to compile a report on skills development. The following aspects should be included in your report:

- Explain the purposes of the SDA
- Evaluate the impact of this Act on businesses and employees
- Outline the role of SETAs
- Describe the National Skills Development Strategy and Human Resources Development Strategy
- Recommend TWO ways in which businesses can comply with this Act

[40]**QUESTION 8: BUSINESS VENTURES (LEADERSHIP STYLES/THEORIES)****LEADERS vs. MANAGERS**

According to a recent study it is quite 'dangerous' to differentiate between leaders and managers, as the one is not inferior or subordinate to the other.

Entrepreneurs in small businesses, as well as those in large companies, can be effective managers and successful leaders.

Management is studied in many tertiary courses and leadership can also be acquired through studying or training.

With the above scenario in mind, address the following issues:

- Compare *leadership* with *management*
- Evaluate the autocratic, democratic and laissez-faire leadership styles
- Explain the situational and transformational management and leadership theories
- Describe a situation in which these two theories may be applied in the workplace

[40]

QUESTION 9: BUSINESS ROLES (CSR)

Ben Potgieter owns Phola B&B, a bed and breakfast guest house in a local township. He is not only interested in running a business, but also wants to be involved in the upliftment of the community in which he operates.

Advise Ben Potgieter on how he can fulfil his corporate social responsibility (CSR) dreams by addressing the following:

- Explain the nature of CSR
- Discuss the benefits of CSR for businesses
- Describe possible challenges of CSR for the community
- Recommend ways in which Ben can contribute time and effort to advance the well-being of the community from a business point of view

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

Rainbow Construction specialises in building houses and constructing roads. Their management is concerned about the quality of performance in certain areas of the business.

You are an expert in the management of total quality and performance in the workplace. Write a report to the management of Rainbow Construction and discuss how the quality of performance within the following business functions can contribute to the success of their business:

- Production
- Marketing
- Purchasing
- General management

Analyse how continuous improvement to processes and systems may improve the quality of Rainbow Construction's houses and roads.

[40]

TOTAL SECTION C: 80
GRAND TOTAL: 300