



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

**BUSINESS STUDIES
FEBRUARY/MARCH 2010**

MARKS: 300

TIME: 3 hours

This question paper consists of 12 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 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.
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 of an answer.
6. Use the table below as a guide for marks and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
A: Multiple-choice questions, matching items COMPULSORY	1	40	30 min.
B: THREE direct questions COMPULSORY	2	60	30 min.
	3	60	30 min.
	4	60	30 min.
C: Essay questions Answer any TWO of the four questions.	5	40	30 min.
	6	40	30 min.
	7	40	30 min.
	8	40	30 min.
TOTAL		300	180 min.

7. Begin the answer to each question on a **NEW** page, for example: QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

SECTION A (COMPULSORY)**QUESTION 1**

1.1 Four 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 – 1.1.15) in the ANSWER BOOK, for example 1.1.16 B.

1.1.1 Freedom of expression, association and security is commonly known as basic ...

- A human justice.
- B human principles.
- C human rights.
- D right principles.

1.1.2 A business which employs more than 50 workers and has a turnover of R10 million, must submit this document to the Department of Labour once every two years:

- A Equity plan
- B Marketing strategy
- C Business plan
- D Code of conduct

1.1.3 A television set is marked at R17 999 in a furniture shop. This price refers to the ... value of the television set.

- A book
- B transfer
- C shelf
- D market

1.1.4 Which ONE of the following is NOT an example of industrial action?

- A Lock-out
- B Collective bargaining
- C Strikes
- D Go-slow strikes

1.1.5 This step matches the right person to the job description:

- A Recruitment
- B Interview
- C Selection
- D Psychometric test

- 1.1.6 Legislation makes provision for this compulsory deduction from an employee's salary:
- A Staff social club fee
 - B Income tax
 - C Trade union membership fees
 - D Insurance
- 1.1.7 Zapiro buys 1 000 shares at R5 each. The return he receives from this investment is in the form of ...
- A interest.
 - B dividends.
 - C premiums.
 - D unit trusts.
- 1.1.8 These forms of ownership do NOT have separate legal personalities and the owners are liable for the debts of the business:
- A Close corporation and partnership
 - B Sole proprietorship and private company
 - C Partnership and sole proprietorship
 - D Public company and close corporation
- 1.1.9 Market penetration occurs when retailers ...
- A market the existing product in new areas.
 - B market the existing product in remote rural areas.
 - C buy products at the same prices as competitors.
 - D sell products at lower prices to attract buyers.
- 1.1.10 The force-field technique is an example of ...
- A a community responsibility programme.
 - B an induction program.
 - C creative thinking to solve business problems.
 - D e-commerce.
- 1.1.11 Retrenchment of employees may be used as a business strategy. This is an example of a/an ... strategy.
- A integration
 - B intensive
 - C diversification
 - D defensive

- 1.1.12 A principal at a school who instructs educators without accepting input from them illustrates the ... management style.
- A participative
 - B autocratic
 - C free-reign
 - D charismatic
- 1.1.13 A business function that is responsible for the transformation of raw materials into finished goods:
- A Production
 - B Marketing
 - C Human resources
 - D Public relations
- 1.1.14 A potential employee is officially on the payroll of a business as soon as the person ...
- A signs the employment contract.
 - B is shortlisted.
 - C has been interviewed.
 - D passes the medical test.
- 1.1.15 This business enterprise can be listed on the Johannesburg Securities Exchange:
- A Kerushan and Saylin Plumbers CC
 - B Sparks Sports Ltd
 - C Robin and Sons
 - D Nozintombi (Pty) Ltd
- (15 x 2) (30)

1.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A – H) next to the question number (1.2.1 – 1.2.5) in the ANSWER BOOK, for example 1.2.6 J.

COLUMN A		COLUMN B	
1.2.1	Identifying suitable people for promotion within the company	A	arbitration
1.2.2	Provides financial security for the investor upon reaching pensionable age	B	prepares the founding statement
1.2.3	Negotiation between labour and management to reach an agreement on salary issues	C	corporate social investment
1.2.4	Close corporation	D	Unemployment Insurance Fund
1.2.5	Business sponsoring community development projects	E	prepares the memorandum of association
		F	internal recruitment
		G	retirement annuity
		H	collective bargaining

(5 x 2) (10)

TOTAL SECTION A: 40

SECTION B (COMPULSORY)**QUESTION 2**

2.1 Read the case study below and answer the questions that follow.

LABOUR MATTERS – DRUGS AND SUBSTANCE ABUSE

The management of Laduma Ltd was suspicious about the behaviour of certain factory workers whom they suspected of being under the influence of either drugs or alcohol.

During the past seven months, three employees who were allegedly using drugs on duty, were dismissed by management immediately. This was a concern, because it led to serious conflict between management and employees in the workplace, lower productivity and low morale amongst the workforce.

The three dismissed workers submitted written statements to the union claiming that they did not use drugs while on duty.

The company met with the union through the workplace forum and was requested to reinstate the three employees. Laduma Ltd had no policy in place, a formal disciplinary hearing was not held regarding their dismissal and there was no evidence provided by the company as reasons for their dismissal.

- 2.1.1 Name any TWO causes of conflict from the above case study. (4)
- 2.1.2 State FIVE steps that management should follow when resolving conflict in the workplace. (10)
- 2.1.3 Describe the functions of the workplace forum at Laduma Ltd. (10)
- 2.1.4 Outline ways that Laduma Ltd could use to avoid the conflict that arose between staff and management as a result of the dismissal. (10)
- 2.2 Differentiate between *laissez-faire management* and *democratic management*. Which style would you prefer? Motivate your answer. (10)
- 2.3 Basil invested R10 000 of his annual bonus in a fixed-deposit account at Standard Bank, earning an interest rate of 12% p.a.
- 2.3.1 Using the simple interest method, calculate the return earned by Basil over a period of 12 months. (4)
- 2.3.2 Give TWO reasons why Basil's investment in a fixed-deposit account is good. (4)

- 2.4 The National Credit Act, 2005 (Act 34 of 2005) protects both the credit provider and the consumer.

Do you agree with the statement? Motivate your answer.

(8)
[60]

QUESTION 3

- 3.1 Below is a list of recommended courses of action for companies which are performing poorly.

- (a) Review technology by researching new product development.
- (b) Explore the buying of assets, since pricing will be attractive in many instances.
- (c) Implement aggressive competitive strategies to gain market share.

Identify the business environment involved in each of the courses of action above. Write only the business environment next to the letter (a – c), for example (d) micro-environment.

(12)

- 3.2 Identify the type of integration strategy used in each of the examples given below.

3.2.1 A cellphone shop bought another cellphone shop within the town of Umhlanga.

(2)

3.2.2 A vegetable farmer buys a farm stall in the neighbouring village.

(2)

3.2.3 A vehicle assembly plant in Port Elizabeth has taken over the factory in King William's Town that supplies the body panels for the vehicles it assembles.

(2)

- 3.3 The following questions are based on Black Economic Empowerment:

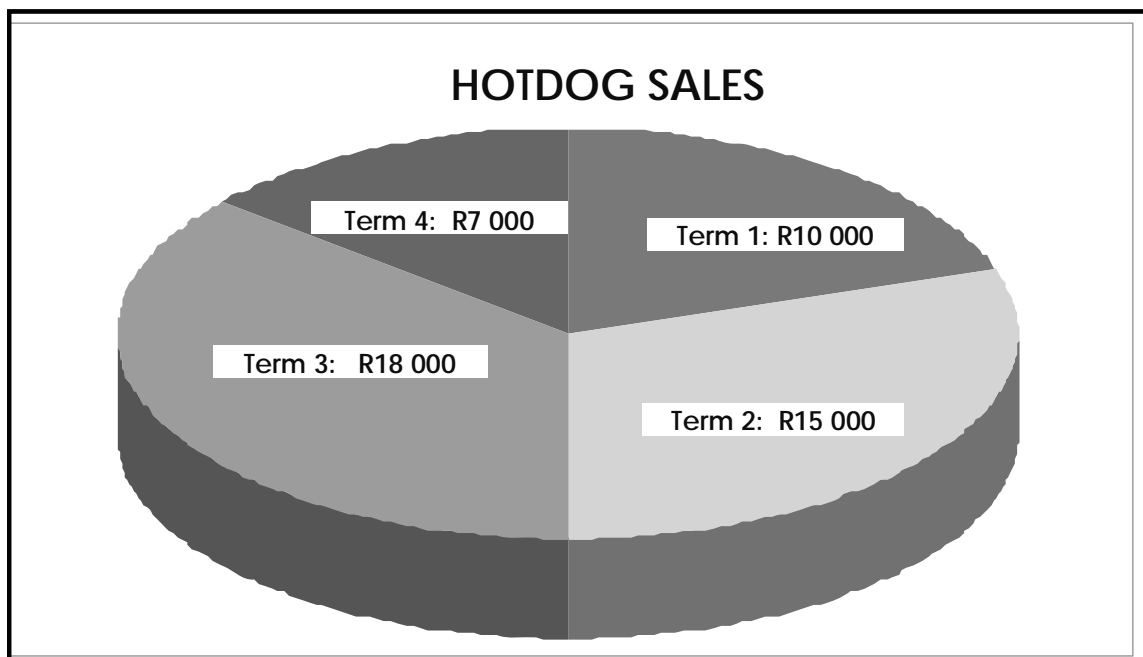
3.3.1 State THREE benefits of Broad-Based Black Economic Empowerment (BBBEE).

(6)

3.3.2 Is the implementation of the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) successful? Justify your answer.

(4)

- 3.4 Richards Bay Minerals is a mining company situated in Richards Bay. Explain how the company can improve the following challenges faced by the local community. Use examples to motivate your answer.
- 3.4.1 Poor education facilities (4)
- 3.4.2 High crime rate (4)
- 3.4.3 Limited housing infrastructure (4)
- 3.5 Economists describe the Johannesburg Securities Exchange as the 'heartbeat' of South Africa's economy.
- 3.5.1 List any FOUR functions of the Johannesburg Securities Exchange (JSE). (8)
- 3.5.2 Assume that you are given R200 per month as pocket money and you want to invest most of it in the JSE.
- Suggest TWO ways in which this investment can be done. (4)
- 3.6 The graph below represents the income from the sale of hotdogs at Diepkloof Secondary School during the four school terms of 2009.



- 3.6.1 Identify the type of graph shown above. (2)

- 3.6.2 (a) Which term recorded the lowest sales of hotdogs? (2)
- (b) Give ONE possible reason why the lowest sales were recorded during this term. (2)
- (c) Recommend ONE strategy that Diepkloof Secondary School could use to improve the poor sales performance of the term identified in QUESTION 3.6.2(a). (2)
- [60]**

QUESTION 4

- 4.1 Describe FOUR benefits of implementing good quality-control measures in a business enterprise. (8)
- 4.2 State any FIVE factors that must be taken into consideration when exploring a business career. (10)
- 4.3 Explain the FOUR main steps that companies must follow when dealing with grievance procedures. (12)
- 4.4 Discuss how a business venture should address human rights, inclusivity and environmental issues in the workplace. (12)
- 4.5 Describe the marketing function and explain how the quality of its performance can influence the success of a business venture. (10)
- 4.6 Many businesses rely on teamwork because it produces the desired results. Do you agree or disagree with this statement? Justify your response. (8)
- [60]**

TOTAL SECTION B: 180

SECTION C

Answer any TWO of the four questions in this section.

QUESTION 5**MANDLA'S SPORTS SHOP**

Mandla's Sports Shop is situated in Polokwane, one of the host cities for the 2010 Soccer World Cup. The shop specialises in the manufacturing and selling of sports clothing.

Mandla has a Bachelor's degree in Business Management and has vast experience in the field of sportswear business.

Because of increased competition, he wants to diversify by manufacturing and selling souvenirs and soccer balls for the 2010 Soccer World Cup.

The following are some of the challenges and strengths of his business operations: Low worker morale, high absenteeism, highly skilled workers, lack of motivation, poor team spirit, lack of communication between management and workers, modern machinery and high worker turnover.

Mandla predicts that he will make a large profit, but fears that wasteful expenditure may reduce such profits. Possible reasons for this include, amongst others, competitors that may sell imported products at lower prices, trade union demands and loss of skilled workers to competitors.

Mandla has a vision of registering this business as a franchise operation, which can be sold to other potential entrepreneurs.

You are required to prepare a detailed SWOT analysis for Mandla's Sports Shop. Formulate strategies to overcome the challenges and state how the strategies could be evaluated.

[40]**QUESTION 6**

There is no magic formula for entrepreneurship. Although there are many different and successful approaches to business success, it is the power of good entrepreneurial qualities that will finally determine the level of performance a particular business venture will attain.

Explain any FIVE entrepreneurial qualities of a successful business enterprise. Discuss how key success factors, such as sustainability, profitability and the customer base, can influence the overall performance of any business venture.

[40]

QUESTION 7

Employees are unable to deliver and achieve the objectives of a business if they feel that management is not supportive of their well-being.

Evaluate the above statement and discuss fully how you, as an employer, can contribute to advancing the well-being of employees. Use examples to illustrate your answer.

[40]**QUESTION 8**

In 1994 the new democratic government was elected. One of the main goals of the new government was to address unfair labour practices of the past.

Discuss the nature and purpose of the THREE legislations listed below. Justify the impact of these Acts on the successful performance of business operations.

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

Employment Equity Act, 1998 (Act 55 of 1998)

Skills Development Act, 1998 (Act 97 of 1998)

[40]**TOTAL SECTION C: 80****GRAND TOTAL: 300**