



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

SEPTEMBER 2014

BUSINESS STUDIES

MARKS: 300

TIME: 3 hours



This question paper consists of 12 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

 SECTION A: COMPULSORY
 SECTION B: Consists of FIVE questions.
 Answer any THREE questions of the five questions in 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 carefully according to the numbering system used in this question paper.
- Except where other instructions are given, answers must be written in FULL SENTENCES.
- Use the table below as guide to mark and time allocation when answering each question.

SECTION		QUESTION	MARKS	TIME
A	Multiple-choice questions	1	40	30 minutes
	Choose the correct word			
	Matching items			
	COMPULSORY			
B	Answer any THREE of the five questions.	2	60	30 minutes
		3	60	30 minutes
		4	60	30 minutes
		5	60	30 minutes
		6	60	30 minutes
C	Essay questions Answer any TWO of the four questions.	7	40	30 minutes
		8	40	30 minutes
		9	40	30 minutes
		10	40	30 minutes
	TOTAL		300	180 minutes

SECTION A (COMPULSORY)**QUESTION 1**

1.1 FOUR possible options are provide as answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (1.1.1–1.1.10) in the ANSWERBOOK, for example 1.1.11 E.

- 1.1.1 The actual performance of a manager is compared to his/her expected performance in order to increase his/her salary. The process is known as ...
- A placement.
 - B recruitment.
 - C performance appraisal.
 - D human.
- 1.1.2 An example of unprofessional and unethical behaviour is ...
- A employing unskilled workers.
 - B increasing prices due to competition.
 - C waste and abusing work time by doing personal things.
 - D attending to employees' work related problems in the plant.
- 1.1.3 Mahlomo buys 3 000 shares at R4 each. The return he receives from Telkom is in the form of ...
- A profit.
 - B preference shares.
 - C interest.
 - D dividends.
- 1.1.4 ... is the payment to the insurance company for any events to happen.
- A Rebate
 - B Tax
 - C Premium
 - D Compensation
- 1.1.5 A chief director is presenting his speech to the board of directors, without using any aids. This is an example of ... communication.
- A electronic
 - B non-verbal
 - C visual
 - D verbal

- 1.1.6 This act protects service providers against no-paying consumers.
- A Consumer Protection Act
 - B National Credit Act
 - C Broad-based Black Economic Empowerment Act
 - D Skills Development Act
- 1.1.7 ... is used to resolve a dispute between an employer and employee and move them towards a possible solution.
- A Arbitration
 - B Mediation
 - C Common Law
 - D Conciliation
- 1.1.8 Which ONE is not the clause or recommendation of the King's Code of Best Practice?
- A Improvement of corporate governance
 - B External audit
 - C Audit committees
 - D Risk Management
- 1.1.9 Businesses must ... to meet the challenge of changing technology.
- A produce more goods
 - B allow enough overtime
 - C in-service training of personnel on regular basis
 - D employ more workers
- 1.1.10 These forms of ownership do NOT have separate legal entity.
- A Sole proprietorship and public company
 - B Close corporation and partnership
 - C Sole proprietorship and partnership
 - D Private company and close corporation
- (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 (Corporate Social Responsibility/Corporate Citizenship) means that a company's business model should be socially responsible and environmentally sustainable.

1.2.2 The (partners/members) are responsible for the management of the corporation.

1.2.3 (Force Field analysis/SWOT analysis) is a decision-making technique which examines all the forces for, and against a particular decision.

1.2.4 The objective of the (Labour Relations Act No. 66 of 1995/Basic Conditions of Employment Act No. 75 of 1997) is to ensure that employees are fairly treated in the workplace and to protect workers from being exploited by employers.

1.2.5 A worker is entitled to (3 months/4 months) of maternity leave.

(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, e.g. 1.3.6 H.

COLUMN A	COLUMN B
1.3.1 Internal recruitment	A serves as a barometer of economic conditions
1.3.2 Indemnification	B describes the duties and responsibilities of an employee of a specific job
1.3.3 Johannesburg Securities Exchange	C the insurer covers the insured for events that might happen
1.3.4 Job description	D the process of identifying suitable employees for promotion within the business
1.3.5 Corporate Social Investment	E the knowledge, skills and experience a person have to be able to carry out the tasks
	F business sponsoring a community development project
	G the amount that an investor receives as a result of an investment made

(5 x 2) (10)

TOTAL SECTION A: 40

SECTION B

Answer any THREE questions from the five questions in SECTION B. The answers to EACH question must be on a NEW page.

QUESTION 2: BUSINESS ENVIRONMENT

- 2.1 2.1.1 Give any THREE stages involved in the developing of a strategy. (3 x 2) (6)

- 2.1.2 Prof. Michael E Porter developed the Porter's Five Forces Model. Name the FIVE forces that Porter used to analyse the market environment. (5 x 2) (10)

- 2.2 "There is no white person who is impoverished because of the introduction and effects of B-BBEE."

[Trade and Industry Minister, Rob Davis – *Sunday Times* – 20/10/2013]

- 2.2.1 What do the letters 'B-BBEE' stand for? (2)

- 2.2.2 List any THREE pillars of B-BBEE. (6)

- 2.2.3 Justify the introduction of the B-BBEE Act by referring to any TWO examples. (6)

- 2.3

KAYO SHOES MANUFACTURER

Mathomo is a farm established near at Berlin, specialising in cattle breeding. The farmer sells the skins of slaughtered cattle to Kayo Shoes Manufacturer. Kayo Shoes Manufacturer is a factory near King William's Town in the Eastern Cape Province. Kayo Shoes recently opened a shoe shop which is situated in King William's Town. The shoe shop is very popular for its comfortable informal and formal shoes that it sells.

Smith (PTY) Ltd, another company manufactures a wide range of leather and rubber products for use at Kayo Shoes Manufacturers and other textile manufacturers across the country.

- 2.3.1 Identify the sectors which the various business enterprises mentioned in the above scenario belong to. (9)
- Motivate your answer. (9)

- 2.3.2 Discuss the extent to which Kayo Shoes can control the micro business environment of the three sectors identified in QUESTION 2.3.1. (9)

- 2.4 *Never Give Up*, a non-governmental organisation introduced corporate social responsibility programmes in the area.

Describe FOUR benefits to *Never Give Up* for its support of community projects. (4 x 2) (8)

- 2.5 State any TWO key principles identified in the King Code by Judge Mervyn King. (2 x 2) (4)

[60]

QUESTION 3: BUSINESS VENTURES

- 3.1 "Leadership style refers to the way a leader behaves, when performing leadership tasks. It is the result of the beliefs, personality and experience of the leader."
- 3.1.1 Give any FIVE differences between leadership and management roles in table form. (10)
- 3.1.2 Should managers use only one leadership style? Motivate your answer. (4)
- 3.2 Paul invest R30 000 at a financial institution for 3 years. The financial institution quoted an interest rate of 3%, compounded yearly.
- 3.2.1 Using the compound interest method, calculate the return earned by Paul over a period of 3 years. (Show all your calculations.) (8)
- 3.2.2 Tabulate the difference between *compound interest* and *simple interest*. (8)
- 3.3 Discuss the impact of the following factors to the success and failure of a company:
- 3.3.1 Capital (4)
- 3.3.2 Taxation (4)
- 3.3.3 Legislation (4)
- 3.4 P. Paul a new financial manager has to conduct a non-verbal presentation. Assist Paul by listing THREE ways to present information. Also state THREE ways in which to handle the feedback process. (12)
- 3.5 List THREE ways that could be used to invest in shares as a form of investment. (6)
- [60]**

QUESTION 4: BUSINESS ROLES

- 4.1 Compare the Delphi technique to Force Field analysis technique in table form, and give examples of business problems that are best suited to each of these techniques. (8 x 2) (16)
- 4.2 Discuss how the unauthorised use of funds and the price differences in rural areas could challenge ethical and professional behaviour, and also recommend how these forms of unethical behaviour can be addressed by businesses. (12)
- 4.3 Describe the steps to be taken by the manager to solve a problem in a business undertaking. (12)
- 4.4 Describe any FOUR characteristics of a successful team. (4 x 2) (8)
- 4.5

B. Pillay is working under pressure, due to the workload given to him by his immediate supervisor which is not part of his job description. B. Pillay immediately lodged a grievance with the company.
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Explain the FOUR main steps that a company must follow when dealing with a grievance. (4 x 3) (12)

[60]

QUESTION 5: BUSINESS OPERATIONS

5.1 Discuss the main purposes of the following acts:

5.1.1 The Labour Relations Act (Act 66 of 1995) (8)

5.1.2 The National Credit Act, 2005 (Act 34 of 2005) (8)

5.2 5.2.1 Explain why an employment contract is important and state any FOUR clauses that must appear in an employment contract. (10)

5.2.2 Describe any TWO ways of ending an employment contract. (4)

5.3 Discuss risk management and explain how the quality of its performance can influence the success of the business. (10)

5.4 "James Small owns a small retail shop in East London. He wants to employ an office assistant who will contact suppliers, keep documents and files in order, and liaise with the public. Applicants must have experience with Microsoft Office suite and must be able to communicate clearly. The minimum qualification is a Grade 12 certificate."

5.4.1 Assist Mr Small to complete a job analysis for the position under the following subheadings:

(a) Duties (2)

(b) Personal qualities (2)

5.4.2 List any FIVE steps that Mr Small must follow when doing the selection process of the appropriate candidate. (10)

5.5 "It is the employer's responsibility to register with the Compensation Commissioner when they start their business."

List any TWO beneficiaries that can receive benefits according to the Compensation for Occupational Injuries and Diseases (Act no. 61 of 1997). (4)

5.6 Define the term "*Pay as you Earn*". (2)

[60]

QUESTION 6: MISCELLANEOUS TOPICS

- 6.1 6.1.1 Contrast THREE benefits and THREE advantages of social responsibility for a business. (12)
- 6.1.2 Define the term, *corporate social investment*. (4)
- 6.2 "The Labour Relations (Act 66 of 1995) applies to all business and makes provision for the CCMA to deal with disputes that cannot be solved in the workplace."
- 6.2.1 Write the abbreviation CCMA in full. (2)
- 6.2.2 State FOUR ways to resolve labour disputes. (8)
- 6.2.3 Differentiate between *mediation* and *arbitration*. (4)
- 6.3 Briefly outline the procedures that the human resource manager must follow before a person is employed. (14)
- 6.4 "The JSE is a stock market and shares are the main commodity traded by the JSE."
- 6.4.1 List FOUR functions of the JSE. (4 x 2) (8)
- 6.4.2 Tabulate the differences between preference shares and ordinary shares. (4 x 2) (8)
- [60]**

TOTAL SECTION B: 180

SECTION C

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

NOTE: Start each question on a new page and write the exact number of the question e.g. QUESTION 11.

QUESTION 7

Skill training is of the utmost importance to promote economic growth in South Africa.

Is this statement true? Discuss the truth of this statement by evaluating the Skills Development Act (SDA) 1998, (Act 97 of 1998), by referring to its purpose, funding and the aims of the National Skills Development Strategy.

[40]**QUESTION 8**

In South Africa, many business people are highly successfully in their business ventures. Good management and leadership had a direct influence on these businesses and organisations.

Briefly distinguish between management and leadership, and then discuss THREE different management and leadership styles that can bring outstanding success to a business. Use examples to explain how these styles could be successfully applied in the workplace.

[40]**QUESTION 9**

James and John are project managers at a huge textile company. They have a team of designers working in the company and quality controllers. It sometimes feels to them as if everyone in the team wants to do their own thing, and because of the conflict in the team, they get no-where. Deadlines have to be met, but it seems impossible because some people are just being difficult.

You are a professional mediator. Discuss the causes as well as the types of conflict, and then evaluate the role played by management, workplace forums and trade unions in minimising conflict in the workplace.

[40]

QUESTION 10

Yellow Supermarket has certain business and management functions which are performed by the managers of the various departments within the organisation. At the annual general meeting, Mr M. Zonke, as general manager, remarked that the quality of performance within these business functions can contribute to the success of the organisation.

Analyse and discuss how the quality of performance within the following business functions can contribute to a successful business:

- Marketing
- Public relations
- General management
- Human resource

Use practical examples to support your answer.

[40]

TOTAL SECTION C: 80
GRAND TOTAL: 300

