



Province of the  
**EASTERN CAPE**  
EDUCATION

Iphondo leMpuma Kapa: Isebe leMfundo  
Provinsie van die Oos Kaap: Departement van Onderwys  
Porafensie Ya Kapa Botjhabela: Lefapha la Thuto

# **NATIONAL SENIOR CERTIFICATE**

## **GRADE 12**

### **JUNE 2025**

## **BUSINESS STUDIES P1**

**MARKS: 150**

**TIME: 2 hours**



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This question paper consists of 10 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 particular note of what is required.

Note that ONLY the answers to the first TWO questions selected in SECTION B and the answer 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)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20</b>
<b>B: THREE direct/indirect-type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>70</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

7. Begin the answer to EACH question on a NEW page, for example 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, for example 1.1.6 D.

1.1.1 The Sector Education and Training Authority (SETA) was established to ...

- A train employees.
- B contribute 2% of their income to SARS.
- C provide accreditation for skills development facilitators.
- D eliminate discrimination in the workplace.

1.1.2 This Act protects employers from a financial burden should employees be involved in an accident at the workplace:

- A Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
- B Compensation for Occupational Injuries and Diseases Act (COIDA), 1997 (Act 61 of 1997)
- C Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003)
- D Labour Relations Act (LRA), 1995 (Act 66 of 1995)

1.1.3 Zama Traders have sold some of their assets to improve their cash flow. This business strategy is known as ...

- A divestiture.
- B retrenchment.
- C liquidation.
- D diversification.

1.1.4 The role of the interviewer before the interview is to ...

- A sign the employment contract.
- B know the job specification and job description.
- C be inquisitive and show interest.
- D develop a core set of questions.

1.1.5 Muzi Enterprise implements a change on a wider scale to improve processes and systems. This is referred to as ..., an element of PDCA.

- A plan
- B act
- C do
- D check

(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.

assurance; National Credit Regulator; administration; forward vertical; recruitment; debt counsellor; horizontal; screening; control; marketing
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- 1.2.1 The ... oversees compliance with the National Credit Act, 2005 (Act 34 of 2005).
- 1.2.2 Theta Mobile implemented the ... integration strategy when they bought Vusi Telecommunication.
- 1.2.3 Candidates' application forms are checked against the requirements of the job during the ... process.
- 1.2.4 The ... function ensures that accurate information is available to the management for decision-making.
- 1.2.5 Khwezi Ltd uses quality ... to inspect their final products to ensure that it complies with the required standard.

(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, for example 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Broad-Based Black Economic Empowerment	A businesses focus on selling their existing products to new markets
1.3.2 Market penetration	B is a non-compulsory benefit that offers short-term financial assistance to workers
1.3.3 SWOT analysis	C ability to lead to higher customer retention
1.3.4 Unemployment Insurance Fund	D benefited only a few previously disadvantaged people
1.3.5 Adequate financing and capacity	E identify the market environmental factors
	F businesses focus on selling existing products to existing markets at lower prices
	G is a compulsory benefit that offers short-term financial assistance to workers
	H benefited a broader base of previously disadvantaged people
	I ability to afford to purchase quality raw materials and equipment
	J identify the internal and external environmental factors

(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 State any FOUR provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)
- 2.2 Outline the strategic management process. (6)
- 2.3 Read the scenario below and answer the questions that follow.

**MUZI BAKERY (MB)**

Muzi Bakery sells flour-based oven baked products. MB employees went on a wild cat strike due to unpaid overtime. Muzi Bakery has to close early sometimes due to service delivery protests. Roast Bakery offers similar products at lower prices.

- 2.3.1 Quote THREE challenges for MB from the scenario above. (3)
- 2.3.2 Classify MB's challenges according to the THREE business environments.

Use the table below as a GUIDE to answer QUESTION 2.3.1 and 2.3.2

CHALLENGES (2.3.1)	BUSINESS ENVIRONMENTS (2.3.2)
1.	
2.	
3.	

- 2.4 Explain how the Sector Education and Training Authority (SETA) is funded. (4)
- 2.5 Discuss the rights of employers in terms of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (6)
- 2.6 Advise businesses on the steps they should consider when evaluating strategies. (4)

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

**SUN SOLARS (SS)**

Sun Solars install and maintain all solar household and industrial solar equipment. SS is unable to obtain the operating license due to high costs involved. Business contracts may limit business operations.

2.7.1 Name the PESTLE factor that poses a challenge to SS in the scenario above. (2)

2.7.2 Explain ways in which SS can deal with the challenges posed by the PESTLE factor identified in QUESTION 2.7.1. (4)

2.8 Suggest ways in which businesses could comply with the Compensation for Occupational Injuries and Diseases Amendment Act, 1997 (Act 61 of 1997). (4)  
**[40]**

**QUESTION 3: BUSINESS OPERATIONS**

3.1 Name FOUR sources of external recruitment. (4)

3.2 Outline the placement procedure as a human resource activity. (4)

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

**EASY LOANS (EL)**

Easy Loans is a registered micro lending business. EL advertised a vacancy for a financial manager. The applicant must have a BCom degree. Successful applicants must be able to prepare budgets. Offering a fully inclusive remuneration package of R849 702.

3.3.1 Quote TWO examples of job description from the scenario above. (2)

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

3.4 Explain the implication of Labour Relation Act, 1995 (Act 66 of 1995) on the human resource function. (4)

3.5 Outline the quality indicators of the public relation function. (4)

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

**MAVELA TECHNOLOGIES (MT)**

Mavela Technologies is a manufacturer of a variety of computer components. They use the services of quality circles to improve their quality of work. MT may not be able to make the necessary changes to satisfy the needs of customers. Mavela Technologies develop work systems that empower employees to find new ways of improving quality.

3.6.1 Quote TWO ways in which total quality management (TQM) can reduce cost of quality from the scenario above. (2)

3.6.2 Explain other ways in which TQM can reduce the cost of quality. (4)

3.7 Discuss the benefits of a good quality management system. (4)

3.8 Evaluate the impact of continuous skill development/education and training as an element of total quality management (TQM) on large businesses. (6)

**[40]**

**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

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

4.2 Outline the advantages of diversification strategies. (4)

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

**CANDICE SPA (CS)**

Candice Spa is a day body massage and nail treatment business. CS is highly profitable and attracts many new entrepreneurs to enter this market. Candice Spa have skilled employees and a strong customer base. Yoli's Spa has been opened across the street and offers services at lower prices than Candice Spa.

Identify TWO forces of Porter's Five Forces model applied by CS. Motivate your answer by quoting from the scenario above.



Use the table below as a GUIDE to answer QUESTION 4.3

PORTER'S FIVE FORCES	MOTIVATIONS
1.	
2.	

(6)

- 4.4 Discuss ways in which businesses could apply enterprise and supplier development (ESD) as a BBBEE pillar in the workplace. (6)

### BUSINESS OPERATIONS

- 4.5 State TWO salary determination methods that businesses could apply to remunerate their employees. (2)

- 4.6 Identify the elements of total quality management (TQM) applicable to Terah Spices.

- 4.6.1 Terah Spices has requested their quality circles to make suggestions on how to improve the quality of their products. (2)

- 4.6.2 The management of Terah Spices always requests their buyers to complete a questionnaire on the quality of their products and services. (2)

- 4.7 Explain the difference between *quality management* and *quality performance*. (4)

- 4.8 Discuss how the quality performance of the purchasing function can contribute to the success of a business. (6)

- 4.9 Advise businesses on the impact of total quality management (TQM) if poorly implemented. (4)

**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer ONE question in this section.

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

**QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)**

The introduction of Employment Equity was to address the injustices of apartheid. The Employment Equity Act, 1998 (Act 55 of 1998) creates an environment where all employees realise their full potential at work. Businesses are obliged to comply with the requirements of the Act or face penalties for non-compliance.

Write an essay on the Employment Equity Act in which you will include the following aspects:

- Outline the purpose of the Employment Equity Act.
- Explain the impact of this Act on businesses.
- Discuss the consequences/penalties they may face for not complying with the EEA.
- Suggest practical ways in which businesses can comply with this Act.

**[40]****QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES)**

Businesses set up terms and conditions with their employees as indicated in the employment contract. The human resource manager develops recruitment and induction programmes for the business. Employer and employees must be aware of the reasons for the termination of an employment contract.

Keeping the above statement in mind, write an essay on the following aspects:

- Outline the legal requirements of the employment contract.
- Explain the recruitment procedure as a human resource activity.
- Discuss the benefits of induction for businesses.
- Suggest the reasons for the termination of an employment contract.

**[40]**

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











