



# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**



**BUSINESS STUDIES P1**

**EXEMPLAR 2020**

**MARKS: 150**

**TIME: 2 hours**

**This question paper consists of 11 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

- 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 two questions in this section.
- Read the instructions for each question carefully and take note of what is required.  
 Note that ONLY the first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.
- Number the answers carefully 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 guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	1	30	30
<b>B: THREE direct/indirect-type questions CHOICE: Answer any TWO.</b>	2	40	30
	3	40	30
	4	40	30
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	5	40	30
	6	40	30
<b>TOTAL</b>		<b>150</b>	<b>120</b>

- Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
- 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 numbers (1.1.1 to 1.1.10) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 This Act regulates the implementation of affirmative action when businesses appoint new workers:

- A Consumer Protection Act, 2008 (Act 68 of 2008)
- B Employment Equity Act, 1998 (Act 55 of 1998)
- C Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- D Labour Relations Act, 1995 (Act 66 of 1995)

1.1.2 Teddy Car Manufacturers implemented the ... integration strategy when they bought Wheel & Tyre Suppliers.

- A horizontal
- B intensive
- C forward
- D backward



1.1.3. ABC Paints operate in the ... sector as they specialise in the manufacturing of paint.

- A secondary
- B primary
- C tertiary
- D economic

1.1.4 The process of matching a new employee's skills and abilities with the requirements of a job is known as ...

- A training.
- B selection.
- C placement.
- D recruitment.

1.1.5 Businesses use quality ... to direct key processes so that the correct quality standards are met.

- A control
- B management systems
- C assurance
- D performance

(5 x 2) (10)

1.2 Complete the following statements by using the words 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.

management by facts; business plan; recruitment; administration; divestiture; marketing; strategy; liquidation; selection; continuous improvement to processes and systems

1.2.1 Denise Enterprises used ... as part of a defensive strategy when they stopped operating and sold all their assets to pay off debts.

1.2.2 The plan of action used by businesses to deal with their long-term challenges is known as a ...

1.2.3 A job advertisement is placed in the appropriate media during the ... process.

1.2.4 The ... function is responsible for making reliable information available to management on time.

1.2.5 The TQM element of ... includes the application of the PDCA model. (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 number (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Learnerships	A	process of monitoring business activities and measuring performance
1.3.2	Public relations function	B	measures the quality of the final product
1.3.3	National Skills Development Strategy	C	provides training material for facilitators
1.3.4	Total quality management	D	conduct research about employees' needs
1.3.5	Strategy evaluation	E	lead to a formal qualification linked to a specific trade
		F	improves access to training programmes
		G	process of developing and implementing the strategy
		H	requires learners to have a matric certificate as a minimum requirement for entry
		I	aims at ensuring that customers' needs are satisfied beyond their expectations
		J	releases regular, positive press statements about the business

(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 TWO types of diversification strategies. (2)
- 2.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (8)
- 2.3 Identify the leave provision stipulated in the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) that Quick Shoe Manufacturers complied with in EACH statement below:
- 2.3.1 Ruth, the secretary, was allowed to stay home for four consecutive months after her baby was born.
- 2.3.2 Ashley, the supervisor, is entitled to take up to 21 days leave per year.
- 2.3.3 John, the financial clerk, was given permission to take three to five days off work to attend to his sick mother. (6)
- 2.4 Explain how businesses could apply the following forces of the Porter's Five Forces Model to analyse their position in the market environment:
- 2.4.1 Bargaining power of buyers/Power of buyers (4)
- 2.4.2 Competitive rivalry/Power of competitors (4)

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

**MARTHA & JANE FURNITURE (MJF)**

Martha & Jane Furniture specialises in selling office furniture. The profitability of the business has decreased due to the high inflation rate. MJF had to pay a heavy fine because they did not renew their trading license in time.

- 2.5.1 Quote TWO challenges from the scenario above that MJF have to deal with. (2)
- 2.5.2 Classify EACH challenge identified in QUESTION 2.5.1 according to the relevant PESTLE factor. (4)
- 2.5.3 Recommend ONE way in which MJF can deal with EACH challenge, as identified in QUESTION 2.5.1.

Use the table below as a GUIDE to answer QUESTION 2.5.

CHALLENGE (2.5.1)	PESTLE FACTOR (2.5.2)	RECOMMENDATION (2.5.3)
1.		
2.		

(4)

- 2.6 Suggest THREE practical ways in which businesses can comply with the National Credit Act (NCA), 2005 (Act 34 of 2005). (6)
- [40]**

**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 State FOUR aspects that should be included in an employment contract. (4)
- 3.2 Outline the purpose of induction as a human resources activity. (6)
- 3.3 Discuss TWO salary determination methods that employers may use to determine the wages of their employees. (6)

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

**ELZETTE TRADERS (ET)**

Elzette invited five suitable candidates to attend an interview. Candidates were allocated the same amount of time. Elzette recorded all the candidates' responses. All candidates showed confidence. Some candidates asked clarity-seeking questions.

Quote from the scenario above the role of the interviewer and interviewees/candidates during the interview.

Use the table below as a GUIDE to answer QUESTION 3.4.

ROLE	QUOTES
Interviewer/Elzette	1. 2.
Interviewees/Candidates	1. 2.

(4)

3.5 Explain the impact of TQM if it is poorly implemented by businesses.

(6)

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

**EXCLUSIVE CLOTHING ENTERPRISE (ECE)**

Zinhle is the owner of Exclusive Clothing Enterprise. She was requested to share ideas on how she maintains the high quality standards of her products. She indicated that her employees are trained on a regular basis. Time and resources are also used efficiently.

3.6.1 Quote TWO benefits of a good quality management system from the scenario above.

(2)

3.6.2 Explain to Zinhle other benefits of a good quality management system.

(6)

3.7 Suggest ways in which TQM can reduce the cost of quality.

(6)

**[40]**



**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

- 4.1 Identify the consumer right that is implemented by Carlio Ltd in EACH statement below:
  - 4.1.1 The salesperson allows customers to shop around for the best price.
  - 4.1.2 Management does not share personal information of their employees with clients.
  - 4.1.3 Customers are charged the same price for the same goods/services in different areas. (6)
- 4.2 Name THREE types of business environments and state the extent of control businesses have over EACH of these environments.

Use the table below as a GUIDE to answer QUESTION 4.2.

BUSINESS ENVIRONMENTS	EXTENT OF CONTROL
1.	
2.	
3.	

(6)

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

Businesses are compelled to ensure that employees work in a safe environment and that workplace injuries are reported.

- 4.3.1 Identify the Act that is applicable to the scenario above. (2)
- 4.3.2 Advise businesses on actions that could be regarded as discriminatory, with reference to the Act identified in QUESTION 4.3.1. (6)

**BUSINESS OPERATIONS**

- 4.4 Name TWO sources of internal recruitment. (2)
- 4.5 Explain the selection procedure as a human resource activity. (8)

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

**PURPLE ENTERPRISES (PE)**

Purple Enterprises is a large retail business that provides a variety of products. They prepare their own accounting records to ensure accurate tax payments. PE responded quickly when one of their clients was not happy with their service. PE wants to use the quality circles to improve their processes and systems.

- 4.6.1 Identify TWO business functions that are applicable to PE. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.6.1

BUSINESS FUNCTIONS	MOTIVATION
1.	
2.	

(6)

- 4.6.2 Advise PE on the importance of quality circles as part of continuous improvement of processes and systems for a business.

(4)

[40]



**TOTAL SECTION B: 80**

**SECTION C**

Answer ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer of the CHOSEN 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 (LEGISLATION)**

The Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) (amended in 2013) was introduced to overcome the challenges of Black Economic Empowerment (BEE). Businesses are now compelled to comply with this Act.

You specialise in guiding businesses on the implementation of BBBEE. Write an essay on the following aspects:

- Distinguish between *BEE* and *BBBEE*.
- Evaluate the impact of BBBEE on businesses.
- Discuss the implications of the following BBBEE pillars on businesses:
  - Management control
  - Ownership
  - Enterprise and supplier development
- Advise businesses on penalties they could face for non-compliance with the BBBEE.

**[40]****QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)**

Businesses implement quality assurance in order to produce quality products. Some managers believe that this can be achieved by focusing on quality management and quality performance. Others argue that the purchasing function and the production function play an important role in implementing total quality management (TQM).

Write an in-depth analysis of the quality of performance by referring to the following aspects:

- Elaborate on the meaning of *quality assurance*.
- Distinguish between *quality management* and *quality performance*.
- Discuss the impact of the following elements of TQM on large businesses:
  - Total client/customer satisfaction
  - Adequate financing and capacity
- Suggest quality indicators for the purchasing function and the production function that businesses could use to remain competitive.

**[40]**

<b>TOTAL SECTION C:</b>	<b>40</b>
<b>GRAND TOTAL:</b>	<b>150</b>