



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

SEPTEMBER 2020



BUSINESS STUDIES P1

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO of the 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 first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.

3. 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.
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)
A: Objective-type questions COMPULSORY	1	30	20
B: THREE direct/indirect type questions CHOICE: Answer any TWO.	2	40	35
	3	40	35
	4	40	35
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	30
TOTAL		150	120

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page, etc.
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 (1.1.1–1.1.5) in the ANSWER BOOK, for example 1.1.6 D.

1.1.1 This Act allows consumers access to debt counselling:

- A Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)
- B Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
- C Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- D National Credit Act (NCA), 2005 (Act 34 of 2005)

1.1.2 Andile Leather Bags gives a written warranty for durable products. This consumer right is referred to as the right to ...

- A fair/honest dealings.
- B fair value/good quality and safety.
- C fair/just reasonable terms and conditions.
- D accountability from suppliers.

1.1.3 This vertical integration strategy is used when a business combines with their supplier:

- A Forward
- B Backward
- C Horizontal
- D Concentric



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

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

1.1.5 The ... function ensures that all departments meet their deadlines.

- A marketing
- B purchasing
- C general management
- D production

(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 (1.2.1–1.2.5) in the ANSWER BOOK.

quality assurance; Consumer Protection; management control; tertiary; Compensation for Occupational Injuries and Diseases; job analysis; secondary; quality control; ownership; human resources function

- 1.2.1 Mandy's Courier Services operates in the ... sector as they specialise in rendering transport services to other businesses and individuals.
- 1.2.2 The ... Act compels businesses to contribute monthly towards the Compensation Fund.
- 1.2.3 Epic Traders has appointed black people in senior executive positions. Hereby they apply the ... pillar of the BBBEE Act.
- 1.2.4 The ... refers to the components of the job description and the job specification of a position.
- 1.2.5 Walter Clothing Manufacturer uses ... when inspection is carried out during and after the production process to ensure that the required standards have been met at every stage of the process.

(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 (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	BBBEE	A	an agreement between the employer and employee that is legally binding
1.3.2	National Skills Development Strategy	B	the process whereby a business compares the application documents against the requirements of the position
1.3.3	Recruitment	C	a policy that benefits only a few previously disadvantaged people in the economy
1.3.4	Employment contract	D	the ability to measure the specified standards of each department
1.3.5	Quality	E	provides access to training programmes
		F	an Act that is enforced and encourages a wider group of previously disadvantaged people to participate in the economy
		G	provides training material for facilitators
		H	an agreement between the employer, employee and trade union that is legally binding
		I	the ability of goods/services to meet the specific needs of customers
		J	the process whereby a business identifies a vacancy and attracts suitable candidates for the position

(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 defensive strategies. (2)
- 2.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (8)
- 2.3 Read the scenario below and answer the question that follows.

SUPER SHOE MANUFACTURERS (SSM)

Super Shoe Manufacturers is struggling to sell their shoes due to them being situated in a high crime area. The management of SSM devised a strategy that will assist them to respond to this challenge. Thereafter they put the strategy into action by using action plans.

Identify the TWO steps in developing a strategy used by SSM. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.3.

STEPS IN DEVELOPING A STRATEGY	MOTIVATION
1.	
2.	

(6)

- 2.4 Explain the positive impact of the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) (BBBEE) on businesses. (6)
- 2.5 Discuss the following provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997):
- 2.5.1 Hours of work/Working hours (4)
- 2.5.2 Overtime (4)

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

BLUE BERRY FARM (BBF)

The management of Blue Berry Farm does not employ young women to work on the farm. They also do not appoint people with disabilities.

2.6.1 Quote TWO ways in which Blue Berry Farm does not comply with the Employment Equity Act, (EEA) 1998 (Act 55 of 1998). (2)

2.6.2 Recommend practical ways in which BBF may comply with the EEA. (8)

[40]

QUESTION 3: BUSINESS OPERATIONS

3.1 Give any FOUR examples of employee benefits. (4)

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

KHAN DOORS (KD)

Khan Doors specialises in the manufacturing of wooden doors. Mandisa gets paid R600 for each door she completes. Suki, the cleaner, gets paid R40/hour for performing her duties.

Identify TWO types of salary determination methods used by Khan Traders that are applicable to Mandisa and Suki. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.2.

EMPLOYEE	TYPE OF SALARY DETERMINATION METHOD	MOTIVATION
1. Mandisa		
2. Suki		

(6)

3.3 Explain the link between salary determination and the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)

3.4 Discuss the advantages of external recruitment as a method of recruitment. (4)

3.5 Identify the total quality management (TQM) elements applied by Johan Traders in EACH case below.

3.5.1 The employees regularly attend training courses on service delivery. (2)

3.5.2 The management of Johan Traders always request their buyers to complete a questionnaire on the quality of their products and services. (2)

- 3.6 Elaborate on the meaning of *total quality management* (TQM). (4)
- 3.7 Discuss the advantages of a good quality management system. (6)
- 3.8 Suggest ways in which TQM can reduce the cost of quality. (8)
- [40]**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 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 4.1.

BUSINESS ENVIRONMENTS	EXTENT OF CONTROL
1.	
2.	
3.	

(6)

- 4.2 Outline the rights of employees according to the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (6)
- 4.3 Explain how businesses could apply the following forces from the Porter's Five Forces model to analyse their position in the market:
- 4.3.1 Bargaining power of suppliers/Power of suppliers (4)
- 4.3.2 Power of competitors/Competitive rivalry (4)

BUSINESS OPERATIONS

- 4.4 List any FOUR sources of internal recruitment. (4)
- 4.5 Discuss reasons for the termination of an employment contract. (6)
- 4.6 Read the scenario below and answer the questions that follow.

WILLIAMS MOTOR MANUFACTURERS (WMM)

The employees of Williams Motor Manufacturers meet regularly to investigate problems and suggest solutions to the management. They also monitor strategies to improve the smooth running of business operations.

- 4.6.1 Quote TWO roles of quality circles as part of continuous improvement of processes and systems to improve the quality of products at WMM. (2)
- 4.6.2 Advise WMM on how to apply the PDCA model to improve the quality of products. (8)

[40]

TOTAL SECTION B: 80

SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question chosen. The answer to the 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 (STRATEGIES)

The business environments pose many challenges to business operations; therefore, it is important for businesses to use strategies to overcome these challenges. Businesses can also use the PESTLE analysis to understand these challenges better and to find ways in which businesses can deal with them. The evaluation of these strategies forms a vital part of the strategic management process.

Write an essay on business strategies in which you include the following aspects:

- Describe the THREE types of intensive strategies that businesses may use to address challenges in the macro environment.
- Discuss the advantages of diversification strategies.
- Explain how the following PESTLE elements/factors may pose challenges to businesses:
 - Social
 - Technological
 - Legal
- Advise businesses on the steps they should consider when evaluating strategies.

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

Mega Consultants (MC) ensures that their selection process is well structured. The human resources manager has an important role to play in preparing for the interviewing of candidates. MC offers a comprehensive induction programme and also fringe benefits to new employees which impacts the business.

Write an essay on human resources in which you address the following aspects:

- Outline the selection procedure as a human resource activity.
- Explain the role of the interviewer before the interview.
- Discuss the advantages of induction for businesses.
- Evaluate the impact of fringe benefits on businesses.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150