



# basic education

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

## **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES P1**

**NOVEMBER 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.

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 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 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<br/>COMPULSORY</b>                                  | 1        | 30         | 30                 |
| <b>B: THREE direct/indirect-type<br/>questions<br/>CHOICE:<br/>Answer any TWO.</b> | 2        | 40         | 30                 |
|  | 3        | 40         | 30                 |
|  | 4        | 40         | 30                 |
| <b>C: TWO essay-type questions<br/>CHOICE:<br/>Answer any ONE.</b>                 | 5        | 40         | 30                 |
|  | 6        | 40         | 30                 |
| <b>TOTAL</b>   |          | <b>150</b> | <b>120 minutes</b> |

7. Begin the answer to EACH question on a NEW page, e.g. 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, e.g. 1.1.6 D.

1.1.1 This Act compels businesses to display the prices of all goods and services:

- A Consumer Protection Act, 2008 (Act 68 of 2008)
- B National Credit Act (NCA), 2005 (Act 34 of 2005)
- C Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997)
- D Skills Development Act, 1998 (Act 97 of 1998)

1.1.2 Smooth Milkshakes implemented the ... diversification strategy when they added fruit shakes to their existing menu.

- A vertical
- B horizontal
- C concentric
- D conglomerate

1.1.3 Zuko Transport operates in the ... sector as they specialise in delivery services.

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

1.1.4 Angela Construction facilitates the training of its employees on a regular basis. This is an example of ... as a TQM element.

- A continuous skills development
- B adequate financing and capacity
- C monitoring and evaluation of quality processes
- D continuous improvement to processes and systems

1.1.5 This function is responsible for the release of positive press statements in order to boost the image of the business:

- A Purchasing
- B Public relations
- C Marketing
- D General management

(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) 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.

|   |
|---|
| director general; administration; unemployment insurance fund;<br>PESTLE; National Credit Act; SWOT; SETAs;<br>housing allowance; purchasing; National Credit Regulator |
|---|

- 1.2.1 The role of ... is to draw up skills development plans for their specific economic sector.
- 1.2.2 Businesses that offer goods on credit are required to register with the ...
- 1.2.3 Parkview Consultants compiled a ... analysis to investigate the reasons for poor management in the business.
- 1.2.4 Odwa is entitled to ... as a compulsory benefit.
- 1.2.5 The production manager works closely with the ... manager in order to buy the correct quality of raw materials. (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, e.g. 1.3.6 K.

| COLUMN A |                          | COLUMN B |  |
|----------|--------------------------|----------|--|
| 1.3.1    | Market penetration       | A        | the human resource manager must allow employees to join trade unions of their choice       |
| 1.3.2    | Learnership              |          |  |
| 1.3.3    | Employment Equity Act    | B        | identify the vacancy before interviews are conducted                                       |
| 1.3.4    | Interviewer              | C        | businesses aim to sell its existing products to new markets                                |
| 1.3.5    | Total Quality Management | D        | the training opportunity that requires employees to only attend external practical courses |
|          |                          | E        | businesses focus on selling existing products to existing markets at lower prices          |
|          |                          | F        | aims at satisfying the needs of consumers beyond their expectations                        |
|          |                          | G        | the training opportunity that can lead to a recognised occupational qualification          |
|          |                          | H        | the human resource manager must implement affirmative action when making appointments      |
|          |                          | I        | develop a core set of questions based on skills required                                   |
|          |                          | J        | requires management to focus only on continuous improvement to business processes          |

(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 integration strategies. (2)
- 2.2 Outline the steps in strategy evaluation. (6)
- 2.3 Read the scenario below and answer the questions that follow.

**GERALD TRADING ENTERPRISE (GTE)**

GTE could not export their products to other countries during the forced lockdown period. Some of their essential employees requested to work from home due to the negative impact of the COVID-19 pandemic. Sally Manufacturers delayed the distribution of personal protective equipment to GTE.

Use the table below as a GUIDE to answer QUESTIONS 2.3.1 to 2.3.3.

| <b>CHALLENGES<br/>2.3.1</b> | <b>BUSINESS ENVIRONMENTS<br/>2.3.2</b> | <b>EXTENT OF CONTROL<br/>2.3.3</b> |
|-----------------------------|--|------------------------------------|
| 1.                          |  |                                    |
| 2.                          |  |                                    |
| 3.                          |  |                                    |

- 2.3.1 Quote THREE challenges for GTE from the scenario above. (3)
- 2.3.2 Classify GTE's challenges according to the THREE business environments. (3)
- 2.3.3 State the extent of control GTE has over EACH business environment named in QUESTION 2.3.2. (3)
- 2.4 Explain the implications of the following Broad-Based Black Economic Empowerment Act (BBBEE) pillars for businesses:
  - 2.4.1 Management control (4)
  - 2.4.2 Skills development (4)

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

**CINDY BOTTLE SUPPLIERS (CBS)**

Martha, an employee at Cindy Bottle Suppliers, was unfairly dismissed for late coming due to road closures because of a service delivery protest. She referred the matter to the Commission for Conciliation, Mediation and Arbitration (CCMA) as she was not happy with her dismissal.

2.5.1 Identify the Act that is applicable to CBS. Motivate your answer by quoting from the scenario above. (3)

2.5.2 Explain other actions that could be regarded as discriminatory according to the Act identified in QUESTION 2.5.1. (4)

2.6 Recommend ways in which businesses could deal with challenges that are posed by the following PESTLE factors:

2.6.1 Technological (4)

2.6.2 Environmental (4)

**[40]**

**QUESTION 3: BUSINESS OPERATIONS**

3.1 Name any TWO aspects that should be included in an employment contract. (2)

3.2 Elaborate on the difference between *piecemeal* and *time-related* salary determination methods. (4)

3.3 Explain the reasons for the termination of an employment contract. (6)

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

**IKUSASA TRADING LTD (ITL)**

Ikusasa Trading Ltd recently advertised the position for a financial manager on their notice board in order to find a suitable candidate.

3.4.1 Name the recruitment method used by ITL in the scenario above. (2)

3.4.2 Discuss the impact of the recruitment method stated in QUESTION 3.4.1 on businesses. (6)

3.5 Outline TWO benefits of a good quality management system. (4)

3.6 Explain the quality indicators of the financial function. (4)

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

**EXCEL CARPET MANUFACTURERS (ECM)**

Excel Carpet Manufacturers check the quality of their carpets during and after the production process. The chief executive officer (CEO) of ECM uses different techniques to improve the quality of their product.

Identify TWO quality concepts that are applicable to ECM. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.7

| QUALITY CONCEPTS | MOTIVATIONS |
|------------------|-------------|
| 1.               |             |
| 2.               |             |

(6)

3.8 Evaluate the impact of total client/customer satisfaction on large businesses as a total quality management (TQM) element.

(6)  
**[40]**



**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS**

- 4.1 State any FOUR consumer rights as stipulated in the National Credit Act (NCA), 2005 (Act 34 of 2005). (4)
- 4.2 Identify the force of Porter's Five Forces model that applies to Louisa's Hair Salon in EACH statement below:
- 4.2.1 Lwazi opened a new hair salon across the street offering services at lower prices than Louisa's Hair Salon.
- 4.2.2 Louisa's Hair Salon is highly profitable and attracts many new entrepreneurs to enter this market. (4)
- 4.3. Explain TWO types of defensive strategies. (6)
- 4.4 Read the scenario below and answer the questions that follow.

**MAJEED CONSTRUCTION (MC)**

Majeed Construction ensures that accidents and illnesses that occur in the workplace are reported immediately.

- 4.4.1 Identify the Act that is applicable to the scenario above. (2)
- 4.4.2 Advise the management of MC on any other TWO ways in which they can comply with the Act identified in QUESTION 4.4.1. (4)

**BUSINESS OPERATIONS**

- 4.5 You have appointed a new employee who needs to be inducted.
- 4.5.1 State TWO aspects that should be included in an induction programme. (2)
- 4.5.2 Outline the benefits of induction for businesses. (4)
- 4.6 Explain the placement procedure as a human resource activity. (4)

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

**PETER SHOES LIMITED (PSL)**

The management of Peter Shoes Limited continuously improves on their processes and systems. Management always requests quality circles to investigate problems that relate to poor-quality products. Quality circles also increase productivity through regular reviewing of quality processes.

4.7.1 Quote TWO roles of quality circles as part of the continuous improvement to processes and systems in the scenario above. (2)

4.7.2 Explain other roles of quality circles as part of the continuous improvement to processes and systems. (4)

4.8 Suggest ways in which total quality management (TQM) can reduce the cost of quality. (4)  
**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH 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 Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) was introduced to redress the imbalances of the past. The provisions of the BCEA protect employees and provide guidelines to employers on how they should comply with this Act. Businesses may face penalties for non-compliance with the BCEA.

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

- Outline the purpose of the BCEA.
- Explain the following provisions of this Act:
  - Annual leave
  - Hours of work/Work hours
  - Child and forced labour
- Discuss the impact of the BCEA on businesses.
- Advise businesses on penalties that they may face for non-compliance with this Act.

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

Delta Manufacturers has a vacancy for a sales executive. The human resources manager implemented the selection procedure after compiling a job analysis. Prospective candidates were invited for an interview. Fringe benefits were offered to the successful candidate.

Write an essay on the activities of the human resource function in which you include the following aspects:

- Outline the selection procedure as a human resource activity.
- Explain the TWO components of job analysis.
- Discuss the role of the interviewee during the interview.
- Evaluate the impact of fringe benefits on Delta Manufacturers as a business.

**[40]**

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

