



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

**ENTREPRENEURSHIP AND BUSINESS MANAGEMENT
N5**

(Second Paper)

(4090315)

14 November 2019 (X-Paper)

09:30–12:00

OPEN-BOOK EXAMINATION

Calculators and FIVE reference works, including dictionaries, textbooks and student files containing lesson notes, may be used.

This question paper consists of 6 pages.

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
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ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N5
(Second Paper)
TIME: 2½ HOURS
MARKS: 150

NOTE: If you answer more than the required number of questions, only the required number will be marked. Clearly cross out ALL work you do NOT want to be marked.


INSTRUCTIONS AND INFORMATION

1. Answer ANY THREE questions.
 2. Read ALL the questions carefully.
 3. Number the answers according to the numbering system used in this question paper.
 4. Write your examination number at the top of ALL the ANSWER BOOKS provided.
 5. ALL the questions must be answered in the attached ANSWER BOOK.
 6. Marks will NOT be allocated for copying directly from the textbooks.
 7. Write neatly and legibly.
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SECTION B

Answer any THREE questions in this section.


QUESTION 2

2.1 Tom Black has just been employed as a manager by PTY Company. You are requested to design a salary package for Tom Black. Take note that he will be working on weekends, during holidays and overtime. Consider also alternative benefits applicable to the position. 

2.1.1 Calculate the NET SALARY payable to Tom Black for the month of August 2018 using the following information below:


Annual salary	R420 000
Weekend and overtime rate	R620 per hour
During the month he work for 35 hours as overtime	

Other benefits:

- a) Car allowance R5 000 per month
- b) Medical aid R3 500 per month
- c) House allowance R2 500 per month 
- d) Pension fund R4 500 per month)
- e) Meal allowance R1 250 per month (paid out)
- f) 3% commission on total monthly sales
- g) Total monthly sales R780 000
- h) Tax payable for the month 28% of gross salary (10)

2.1.2 Calculate the fringe benefits amount that was added, but not paid out to Tom Black. (4)

2.2 Mr Tom Black, on his first day on duty, told all the employees of his intention: "To strive towards an increase in quality and total productivity". To achieve this, he hopes to create an atmosphere that will promote and improve the level of motivation of the workforce (employees).


In bullet form, state FOUR management skills and give any two characteristics of each management style that Tom Black may use to assist him in motivating his employees.  (4 x 4) (16)

2.3 Teamwork is an important factor in achieving business objectives as it promotes interdependence, which combines workers' talent and ability to create something greater together.



How will Tom Black deal with the following individuals or employees within the group to promote teamwork and group dynamics?



2.3.1 The dominator/excessive talker 

2.3.2 The avoider/sidestepper

- 2.3.3 The degrader 
- 2.3.4 The withdrawn/shy person
- 2.3.5 The side conservationist
- (5 × 4) (20)
[50]

QUESTION 3

- 3.1 Blue Land College trained Jenny Blue as a data technician. She is in charge of IT department in college. Recently, she has developed the habit of not coming to work after month end. Her action is now negatively affecting both staff within her department and the entire College. Despite counselling and warnings, she has shown no improvement. This has prompted management to fire her. 
- Do you support the action of management to fire her? (Justify your answer in bullet form either in support or against the action of the management.)
- (4 × 2) (8)
- 3.2 Businesses within South Africa must make sure that they are aware of different types of government legislation that govern their workplace. Explain the following legislation to Mr Bash, who is planning to open a metal enterprise in Umfolozi in Kwazulu-Natal:
- 3.2.1 Machinery and Occupational Safety Act
- 3.2.2 Basic Conditions of Employment Act
- 3.2.3 Labour Relation Act 
- 3.2.4 Unemployment Insurance Fund
- (4 × 4) (16)
- 3.3





Most businesses today are confronted with “credit”. Credit is used by businesses as a customer service to gain a competitive advantage and customer loyalty through dependence.
- 3.3.1 Name and explain cost associated with granting credit to customers.  (5 × 3) (15)
- 3.3.2 Qualified employees can be recruited from either inside or outside the organisation or business. Name any TWO internal and THREE external sources of recruitment. (5)
- 3.3.3 Effective control management is important to the success of any business or organisation. State any THREE control methods that Mr Bash should adopt to ensure the smooth and proper running of his business.  (3 × 2) (6)
[50]

QUESTION 4

- 4.1

Economic transformation cannot take place unless all stakeholders – government, private sector and individuals within society – take full responsibility of the situation and stop blaming a particular group or sector within the country.



Discuss the above statement under the following headings:

- 4.1.1 Proactivity 
- 4.1.2 Begin with an end in mind
- 4.1.3 Determine your priorities
- 4.1.4 The win/win combination
- 4.1.5 Synergy (5 × 3) (15)
- 4.2 Group dynamics can be a very useful instrument in building and strengthening communication in the workplace, As Benjamin Franklin put it: "Time is money". There are certain roles that individuals within the groups play that support time management and promote productivity. 
- Identify the positive roles that some individuals may display within the group. (5 × 2) (10)
- 4.3 Habits are consistent and often unconscious patterns of behaviour that express our character and determine our effectiveness. Personal motivation consists of four important areas that one should aspire to. 
- 4.3.1 With reference to a practical example, explain how an entrepreneur can motivate him/herself. (4 × 4) (16)
- 4.3.2 Customers are an important asset to any business. Suggest four ways in which business may retain customer loyalty.  (4 × 2) (8)
- 4.3.3 Water and electricity are an example of fixed costs. True or false? (1)
- [50]**


QUESTION 5

5.1 Mary Juma is an N6 student in the Business and Management Department at Bamako TVET College. As part of her requirement for National Diploma Certificate, she volunteered to work part-time for a local NGO in Bloemfontein. The programme will afford her experience in and exposure to the business environment.

You are asked to assist Mary Juma in presenting the positive impact of the following direct environmental factors on the project to the management.

- 5.1.1 Customers 
- 5.1.2 Interest rate
- 5.1.3 Competitors
- 5.1.4 Government 
- 5.1.5 International environment
- (5 × 4) (20)

5.2 Molefe Jackson is the new owner of MJ Bookshop in Pretoria East. He obtained his qualification from the College of Excellence in Pretoria. His working experience includes: manager of Billy Business in Pretoria, Chief Executive Officer of TBC Corporation in Springs, and recently, a board member of one of the leading fishing industries in the Western Cape. He has been awarded a tender to supply teaching materials to all the schools in Pretoria East.

- 5.2.1 State how MJ Bookshop business can contribute socially to the welfare of his customers. (5 × 2) (10)
- 5.2.2 Motivation is a key to high productivity. Explain seven methods that MJ Bookshop can use to motivate its workers.  (7 × 2) (14)
- 5.2.3 Name any THREE factors that MJ Bookshop should take into account when selecting a new supplier for the business. (3 × 2) (6)
- [50]**

TOTAL SECTION B: 150
GRAND TOTAL: 200