education

Department of
Education
FREE STATE PROVINCE

PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P1

SEPTEMBER 2024

MARKS: 150

TIME: 2 HOURS

This 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 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 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 the 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.

8. You may use a non-programmable calculator.

9. Write neatly and legibly

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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 B.

1.1.1 Hamba (PTY) Ltd has sold some of its assets to improve its cash flow. This business strategy is known as …

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

1.1.2 Ramons Supermarket is guilty of non-compliance if they do not display a summary of the … in their business.

A Employment Equity Act (EEA)
B Labour Relations Act (LRA)
C Consumer Protection Act (CPA)
D Skills Development Act (SDA)

1.1.3 The business has full control over the … environment.

A macro
B micro
C market
D consumer

1.1.4 The process of matching the requirements of a job with the qualifications of the selected candidate is known as …

A an interview.
B recruitment.
C reference checking.
D placing.

1.1.5 The … function makes reliable information available to management on time.

A production
B administration
C public relations
D financial (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.

double; quality management; SWOT; retirement; quality; Consumer Protection Act; National Credit Act; one and a half of; PESTLE; redundancy

1.2.1 Sipho receives … his normal rate of pay for working on public holidays.

1.2.2 The ability of goods/services to meet the specific needs of customers/clients is known as …

1.2.3 Ricky's Kitchen compiled a … analysis to identify challenges in their internal environment

1.2.4 The … offers applicants pre-agreement statements.

1.2.5 When a worker reaches the predetermined age of 65, the reason for terminating his/her employment contract will be …

(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.

COLOMN A	COLUMN B
1.3.1 Strategy	A when a business takes over its supplier
1.3.2 Piecemeal	B can be used for accountability within each of the business functions
1.3.3 National Skills Development Strategy	C remuneration based on the number of items produced
1.3.4 Backward integration	D an action plan to achieve a pre-determined goal
1.3.5 Quality management	E provides career guidance and training centres
	F process to implement an action plan
	G remuneration based on an agreed hourly rate
	H provides for a system of credits that learners receive when they complete learnerships
	I when a business takes over its competitor
	J can be obtained if all departments work together towards the same quality standards

(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 business sectors. (2)

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

CAMILLA MANUFACTURERS (CM)

The management of CM failed to report serious incidents to the Commissioner on time. They also bribe their employees not to report injuries sustained while on duty. CM also refuses to send workers on training.

2.2.1 Identify the Act that is applicable in the scenario above. (2)

2.2.2 Quote TWO actions that can be regarded as discriminatory according to the Act identified in QUESTION 2.2.1. (2)

2.2.3 Explain to the management of CM on penalties they could face for non-compliance with the Act identified in QUESTION 2.2.1. (6)

2.3 Describe how SETAs are funded. (4)

2.4 Advise businesses on the purpose of the Skills Development Act (SDA) Act 97 of 1998. (6)

2.5 Identify the business strategy presented in EACH statement below:

2.5.1 LTE Enterprise sold all its assets to pay creditors and closed down the business. (2)

2.5.2 Novels Outfitters has opened new branches in Lesotho to increase their market share. (2)

2.5.3 Fullers Bakery bought Botha's Grain Farm. (2)

2.6 Discuss the advantages of diversification strategies. (6)

2.7 Advise businesses on any TWO types of defensive strategies. (6)

[40]

QUESTION 3: BUSINESS OPERATIONS

3.1 Name any FOUR examples of employee fringe benefits. (4)

3.2 Identify whether the following is a role of the interviewer or the interviewee:

3.2.1 Book and prepare the venue before the interview (2)

3.2.2 Listen carefully to questions before responding (2)

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

THLOMPO'S FRESH PRODUCE (TFP)

Thlompo's Fresh Produce (TFP) believes in improving skills of employees through in-service training. TFP also compiles a shortlist of five candidates during the selection process. They then invite applicants who made the shortlist for an interview.

3.3.1 Quote TWO steps of the selection procedure from the scenario. (2)

3.3.2 Explain other steps of the selection procedure. (6)

3.4 Distinguish between *job description* and *job specification* as components of job analysis. (4)

3.5 List the FOUR steps of the PDCA model. (4)

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

HEAVENLY SWEETS (HS)

Heavenly Sweets is a business that specialises in confectionary sweets. They regularly send their workers on training courses to improve their skills.

Heavenly Sweets constantly improves the quality of their sweets to satisfy the needs of their clients.

Quote TWO statements from the scenario above and link EACH one to a specific element of total quality management.

Use the table below as a GUIDE to answer QUESTION 3.6.

STATEMENT FROM SCENARIO	TQM ELEMENT
(a)	
(b)	

(6)

3.7 Discuss the impact of total quality management (TQM) if poorly implemented by businesses. (4)

3.8 Advise businesses on the importance of quality circles as part of the continuous improvement of processes and systems. (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Name FOUR pillars of the Broad-Based Black Economic Empowerment Act (BBBEE) (Act 53 of 2003). (4)

4.2 Discuss the rights of employees in terms of the Labour Relations Act (LRA) 1995 (Act 66 of 1995). (6)

4.3 Explain the purpose of the Consumer Protection Act. (6)

4.4 Identify the challenges that technology as a PESTWO factor presents to businesses and recommend ways in which businesses can deal with the challenges.

Use the table below as a GUIDE to answer QUESTION 4.4.

CHALLENGES	RECOMMENDATIONS
(a)	
(b)	

(4)

BUSINESS OPERATIONS

4.5 State FOUR sources of internal recruitment. (4)

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

PRO-ACTIVE TECHNICIANS (PAT)

Pro-Active Technicians (PAT) is a small upcoming business. They do a thorough job to familiarise new employees with the organisational structure of the business. They also communicate information about the product to prospective employees.

4.6.1 Identify the human resource activity that applies to the scenario above. (2)

4.6.2 Explain the benefits of the activity identified in QUESTION 4.6.1 for the business. (4)

4.7 Discuss the impact of adequate financing and capacity as an element of total quality management (TQM) on large businesses. (6)

4.8 Advise businesses on how the quality of performance of the marketing function can contribute to the success and/or failure of a business. (4)

[40]

TOTAL SECTION B: 80

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SECTION C

Answer any ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. 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 (LEGISLATION)

The Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) give effect and regulate the right to fair labour practices as conferred in the Constitution. Employers should be well aware of the provisions contained in this Act. They should also act in such a way, that they comply with the Act.

Write an essay on the Basic Condition of Employment Act in which you include the following aspects:

- Outline the purpose of the Basic Conditions of Employment Act (BCEA).
- Explain the following provisions of the BCEA:
  - Sick Leave
  - Child Labour
- Discuss the impact of the BCEA on businesses.
- Suggest ways in which businesses can comply with the BCEA.

[40]

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCE MANAGEMENT)

The screening process can be defined as the process where applicants' documents are being checked. A written contract of employment would include the terms and conditions of employment. The role of the interviewer before an interview is imperative since the success of the interview depends on it. The EEA gives the human resource manager a guideline when choosing a suitable candidate.

Write an essay in which you include the following aspects:

- Outline the screening procedure.
- Explain the legal requirements of an employment contract.
- Discuss the role of the interviewer before an interview.
- Advise the Human Resource Manager on the implications of the Employment Equity Act (EEA), 1998 (Act 55 of 1998) on the human resource function.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150

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