KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P1

PREPARATORY EXAMINATION

SEPTEMBER 2025

MARKS: 150

TIME: 2 hours

This question 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 THREE 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.

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 questions 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 guide for mark and time allocation when answering each question. downloaded from Stanmorephysics.com

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	**1**	**20**	**30**
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	**2**	**20**	**30**
	3	**20**	**30**
	4	**20**	**30**
C: TWO essay-type questions CHOICE: Answer any ONE.	**5**	**40**	**30**
	6	**40**	**30**
TOTAL		**100**	**90 minutes**

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 1.1.10) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 The Act sets minimum requirements for the employment contract:

A Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
B Employment Equity Act, 1998 (Act 55 of 1998)
C Basic Conditions of Employment Act (BCEA),1997 (Act 75 of 1997)
D Labour Relations Act, 1995 (Act 66 of 1995)

1.1.2 Adams Suppliers sold unproductive assets to pay off debts. This is an example of … strategies.

A integration
B intensive
C diversification
D defensive

1.1.3 Employees at Dan Mines lack skills to use new equipment. This is classified as a/an … in SWOT analysis.

A weakness
B strength
C opportunity
D threat

1.1.4 The following statement describes the benefits of induction to businesses:

A Familiarise new employees with their supervisor.
B Improves skills through in-service training.
C Minimise the need for on-going training and development.
D Give employees information about office layout.

1.1.5 The model applied by businesses to improve the quality of goods.

A Quality assurance
B Quality management systems
C Quality control
D PDCA

(5 x 2) (10)

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1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next t the question number (1.2.1 to 1.2.5) in the ANSWER BOOK. downloaded from Stanmorephysics.com

human resources ; national credit act; unemployment insurance fund; quality control; four; general management ; consumer protection act; six; provident fund; quality assurance

1.2.1 In termination of employment, a minimum of ... week's notice must be given if the worker has been employed for a year or longer.

1.2.2 To comply with... businesses should ensure that they offer goods/ products that are standardised.

1.2.3 Bay Auditing Firm offers its employees fringe benefits such as ... above their salary package.

1.2.4 Businesses ensure that products are consistently manufactured to high standards through...

1.2.5 Management at Buhle Consultants always ensures that fair and equitable selection process is conducted. This describes the quality indicator for the ... function.

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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 (1.2.1 to 1.2.5) in the ANSWER BOOK, e.g.1.2.6 K.

COLUMN A		COLUMN B	
1.3.1	Human Resource Development Strategy	A	develops a core set of questions based on skills required
1.3.2	Overtime	B	workers cannot work more than two hours overtime per day/ten hours per week.
1.3.3	Conglomerate	C	addresses skills shortages in South African workforce
1.3.4	Interviewer	D	framework that businesses use to manage key processes to ensure that they meet the correct standards
1.3.5	Quality management	E	new products added are unrelated to existing products, but may appeal to existing customers
			downloaded from Stanmorephysics.com
		F	make better use of workplace-based skills development
		G	workers cannot work more than three hours overtime per day /ten hours per week
		H	asks clarity seeking questions about the job
		I	can be use for accountability within each of the business functions
		J	new product added is related to existing product but may appeal to new group of customers

(5 x 2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions from 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 FOUR pillars of BBBEE. (4)

2.2 Outline ways in which businesses can comply with Skills Development Act (SDA) ,1998 (Act 97 of 1998). (4)

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

QWABE ENGINEERS (QE)

Qwabe Engineers design and plan projects. QE ensures that employees are not unfairly dismissed. Employees are prevented from joining trade unions. QE supports establishment of workplace forum.

2.3.1 Quote TWO ways in which businesses can comply with Labour Relations Act (LRA),1995 (Act 66 of 1995). (2)

2.3.2 Discuss the impact of QE on the impact of Labour Relations Act (LRA),1995 (Act 66 of 1995). (4)

2.4 Explain how SETAs are funded. (4)

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

AKSHAY CONSTRUCTION (AC)

Akshay Construction constructs dams and roads. AC buys building material from Ngunezi Suppliers which is sometimes out of stock. AC is struggling to take loan due to increase in repo rate by Reserve Bank. The newly employed site manager lacks basic managerial skills.

2.5.1 Identify the business sector applicable in the above scenario. (2)

2.5.2 Quote any TWO challenges for AC from the scenario above. (2)

2.5 3 Classify the challenges according to business environments. (2)

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2.5.4 State the extent of control that AC has over EACH business environment named in QUESTION 2.5.3. (2)

Use the table below to answer QUESTIONS 2.5.2 to 2.5.4.

CHALLENGES 2.5.2	BUSINESS ENVIRONMENTS 2.5.3	EXTENT OF CONTROL 2.5.4
1.		
2.		

2.6 Discuss any TWO types of intensive strategies. (6)

2.7 Advise business on how they could apply the following forces of Porters Five Forces model to analyse their position in the market environment.

2.7.1 Power of buyers (4)

2.7.2 Power of competitors/Competitive rivalry (4)

[40]

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QUESTION 3: BUSINESS OPERATIONS

3.1 List any TWO salary determination methods . (2)

3.2 Outline placement procedure as a human resource activity. (4)

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

SMITH CONSULTANTS (SC)
Smith Consultants is looking for new marketing consultants to fill in vacancies. HR manager informed all applicants about the date and place of an interview. SC received CVs, IDs and proof of qualifications from the applicants. Unsuccessful applicants were informed about the outcome of their application.

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

3.3.2 Explain other steps in the selection procedure as a human resource activity. (6)

3.4 Discuss the purpose of the interview. (6)

3.5 Elaborate on the meaning of *quality performance.* (4)

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

PROMISE FACTORIES (PF)
Promise Factories is well-known for its unique furniture designs. PF can afford to purchase high quality raw material and equipment. They also ensure that employees attend workshops on regular basis.

Identify TWO total quality management (TQM) elements applicable to PF. Motivate your answer by quoting from the scenario. (6)

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

TQM ELEMENTS	MOTIVATIONS
1.	
2	

3.7 Explain the impact of TQM if poorly implemented by businesses. (4)

3.8 Suggest quality indicators for purchasing function. (6)

[40]

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 List any FOUR types of leave according to Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)

4.2 Outline challenges posed by legal factor as PESTLE component on businesses. (6)

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

ROOP SALON (RS)

Roop, owner of Roop Salon applied for a loan at Ezra Bank. The application was declined and reasons were not provided.

4.3.1 Identify the Act applicable in the scenario above. (2)

4.3.2 Discuss penalties for non-compliance with the Act identified in QUESTION 4.3.1. (4)

4.4 Advise businesses on steps in strategy evaluation (4)

BUSINESS OPERATIONS

4.5 List any TWO aspects to be included in the induction programme. (2)

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

CINDERELLA TOYS (CT)

Cinderella Toys has a vacancy for a new store manager. The vacancy was advertised in newspapers, intranet and internet. Fringe benefits were also included in the advertisement.

4.6.1 Name TWO sources of external recruitment from the scenario above. (2)

4.6.2 Discuss the advantages of fringe benefits to Cinderella Toys. (6)

4.7 Analyse the benefits of good quality management systems to businesses. (6)

4.8 Suggest ways in which TQM can reduce cost of quality. (4)

[40]

TOTAL SECTION B: 80

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SECTION C

Answer 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 (BUSINESS STRATEGIES)

Strategic management processes are conducted by businesses to ensure that growth plans are successfully implemented. There are benefits for implementing business strategies such as diversification and integration. Developing strategies enables the business to deal with challenges that emanate from Pestle components such as technological and environmental factors.

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

- Outline the strategic management process.
- Explain the advantages of diversification strategies.
- Describe THREE types of integration strategies.
- Recommend strategies that businesses can use to deal with challenges of the following Pestle factors.
    - Technological factors
    - Environmental factors

[40]

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)

Recruitment forms an integral part of any organisation, therefore it is important for businesses to follow the correct procedure when conducting this activity. Businesses should also conduct proper job analysis . Employment contracts should comply with legal requirements to avoid lawsuits. Reasons for termination of employment contracts should be valid.

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

- Outline the recruitment procedure as a human resource activity.
- Explain TWO components of the job analysis.
- Discuss the legal requirements of an employment contract.
- Advise businesses on the reasons for terminating of an employment contract. **[40]**

TOTAL SECTION C: 40

GRAND TOTAL: 150

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