Western Cape Government
Education
FOR YOU

# BUSINESS STUDIES
# GRADE 12

## TRIAL EXAMINATION
## PAPER 1
## 29 AUGUST 2024

## 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 TWO main topics.

   | | |
   |---|---|
   | SECTION A: | COMPULSORY |
   | SECTION B: | Consists of THREE questions.<br>Answer any TWO of the THREE questions in this section. |
   | SECTION C: | Consists of TWO questions.<br>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 answers to the FIRST question selected 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 guide for mark and time allocation when answering each question.

| SECTION | QUESTION | MARKS | TIME |
|---|---|---|---|
| **A: Objective-type questions COMPULSORY** | **1** | **30** | **20 minutes** |
| **B: THREE direct/indirect-type questions CHOICE: Answer any TWO.** | **2** | **40** | **70 minutes** |
| | **3** | **40** | |
| | **4** | **40** | |
| **C: TWO essay-type questions CHOICE: Answer any ONE.** | **5** | **40** | **30 minutes** |
| | **6** | **40** | |
| **TOTAL** | | **150** | **120 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 number (1.1.1-1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 Moonrise Industries complies with the … by ensuring that employment contracts meet the minimum required standards.

A Skills Development Act (SDA), 1998 (Act 97 of 1998)
B Labour Relations Act (LRA), 1995 (Act 66 of 1995)
C Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)
D Employment Equity Act (EEA), 1998 (Act 55 of 1998)

1.1.2 Businesses implement … integration by taking over competitors that operate on the same production level.

A horizontal
B forward vertical
C concentric
D backward vertical

1.1.3 Fluctuations in foreign currency and high inflation rates form part of … challenges of PESTLE analysis.

A political
B environmental
C technological
D economic

1.1.4 The job specification of an available post includes …

A knowledge, qualifications and duties.
B knowledge, skills and experience.
C responsibilities, duties and experience.
D responsibilities, job title and duties.

1.1.5 The quality indicators of the … function of Qama Inventions include providing regular positive press releases to all stakeholders and implementing sustainable corporate social investment programmes.

A public relations
B marketing
C administration
D purchasing

(5 × 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 to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

| selection; Consumer Protection Act; threats; management; compulsory; weaknesses; performance; fringe; National Credit Act; recruitment |
|---|

1.2.1 The … protects lenders and borrowers from negligent lending practices.

1.2.2 Environmental degradation and loadshedding are regarded as … when compiling a SWOT analysis.

1.2.3 Hlompho Textiles is obligated to make provision for the unemployment insurance fund (UIF) as a … benefit.

1.2.4 Screening forms part of the … procedure as a human resources activity.

1.2.5 Goldstein Enterprises applies quality … by measuring each department against specified standards.

(5 × 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 number (1.3.1 to 1.3.5) in the ANSWER BOOK. E.g. 1.3.6 K.

| COLUMN A | | COLUMN B | |
|---|---|---|---|
| 1.3.1 | Black Economic Empowerment | A | includes office notice boards, management referrals and the intranet |
| 1.3.2 | Liquidation | B | impacts positively on businesses as employees gain access to learnerships |
| 1.3.3 | Micro environment | C | selling some assets to repay the debt of the business |
| 1.3.4 | Internal recruitment | D | government legislation with which business must comply |
| 1.3.5 | Total customer satisfaction | E | businesses have limited control over challenges originating from this environment |
| | | F | selling all business assets to repay the debt of the business |
| | | G | impacts positively on businesses as they gain access to global markets |
| | | H | government policy that may not always be enforced |
| | | I | includes printed media, electronic media and the internet |
| | | J | businesses have full control over challenges originating from this environment |

(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 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 the THREE types of business sectors. (3)

2.2 Outline the advantages of diversification strategies. (6)

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

| OKAVANGO HOTELS (OH) |
|---|
| Okavango Hotels has applied a Porter's Five Forces model to analyse their position in the market environment. OH has assessed how clients who make bulk bookings can negotiate for lower prices. They also determined whether their hotel services can be easily replaced with cheaper alternatives. |

Identify TWO forces of Porter's Five Forces model that are applicable to OH. Motivate your answer by quoting from the scenario above.

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

| PORTER'S FIVE FORCES MODEL | MOTIVATIONS |
|---|---|
| 1. | |
| 2. | |

(6)

2.4 Explain the strategic management process. (6)

2.5 Recommend ways in which businesses can deal with the challenges posed by social factors of the PESTLE analysis. (4)

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

**ROSEDALE HEALTHCARE (RH)**

Rosedale Healthcare strives to implement the pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) in the workplace. Management control, ownership, entrepreneurial development and skills development are embedded in the business operations of RH. RH is also aware of the actions regarded as non-compliance according to the BBBEE.

2.6.1 Name THREE pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) in the scenario above. (3)

2.6.2 Describe the actions regarded as non-compliance according to the BBBEE. (4)

2.7 Discuss *parental leave* as a provision of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)

2.8 Advise businesses on the purpose of the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (4)

**[40]**

## QUESTION 3: BUSINESS OPERATIONS

3.1 State the TWO salary determination methods. (2)

3.2 Outline the reasons for the termination of employment contracts. (6)

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

| LUTHO COMPUTING (LC) |
|---|
| Lutho Computing has provided new employees with a tour of the physical work environment. LC has also conducted training on policies and procedures with new candidates. |

3.3.1 Identify the human resources activity implemented by LC in the scenario above. (2)

3.3.2 Explain other benefits of this human resources activity (based on your answer in QUESTION 3.3.1) for LC. (4)

3.4 Evaluate the impact of external recruitment on businesses. (6)

3.5 Name any TWO components of the PDCA model. (2)

3.6 Elaborate on the meaning of *quality assurance*. (4)

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

| RIETFONTEIN MANUFACTURING (RM) |
|---|
| Rietfontein Manufacturing can afford to purchase high quality raw materials and equipment. RM modifies their interventions to improve the efficient use of resources. They are also researching the impact of total quality management (TQM) if poorly implemented by businesses. |

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

Use the table below as a GUIDE to answer QUESTION 3.7.1.

| TQM ELEMENTS | MOTIVATIONS |
|---|---|
| 1. | |
| 2. | |

(6)

3.7.2 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 continuous improvement to processes and systems. (4)

**[40]**

## QUESTION 4: MISCELLANEOUS TOPICS
## BUSINESS ENVIRONMENTS

4.1 Name any FOUR consumer rights as stipulated in the Consumer Protection Act (CPA), 2008 (Act 68 of 2008). (4)

4.2 Outline the difference between *market development* and *product development* as types of intensive strategies. (4)

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

**AZILE ARCHITECTURE (AA)**

Azile Architecture is in the process of evaluating their business strategy. AA compared the expected performance with the actual performance. The management of AA have implemented business strategies aimed at improving employee performance. AA also drew up a table of the advantages and disadvantages of their implemented strategy.

4.3.1 Quote TWO steps in strategy evaluation applied by AA. (2)

4.3.2 Explain other steps in strategy evaluation that could be applied by AA. (4)

4.4 Advise businesses on the impact of the Skills Development Act (SDA), 1998 (Act 97 of 1998). (6)

## BUSINESS OPERATIONS

4.5 List any TWO aspects of an employment contract. (2)

4.6 Outline the placement procedure as a human resources activity. (4)

4.7 Describe the role of the interviewer during the interview. (4)

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

**SALMAAN LOGISTICS (SL)**

Salmaan Logistics effectively communicates the vision, mission and values of the business with all stakeholders. SL therefore successfully derives the benefits of a good quality management system.

4.8.1 Identify the business function that contributes to the success of SL in the scenario above. (2)

4.8.2 Discuss the benefits of a good quality management system. (4)

4.9 Recommend 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 purpose of the Employment Equity Act (EEA), 1998 (Act 55 of 1998) must be understood by businesses as it directly impacts on their operations. Businesses should be aware of the consequences for non-compliance and also make all the necessary efforts to comply with the EEA.

Write an essay on the Employment Equity Act (EEA) in which you include the following aspects:

- Outline the purpose of the Employment Equity Act.
- Explain the impact of the EEA on businesses.
- Discuss the consequences for non-compliance with the EEA.
- Suggest ways in which businesses can comply with the EEA.

**[40]**

### QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)

The recruitment procedure is a human resources activity that must be completed to fill vacant posts. Interviews provide deeper insight into understanding the character of new recruits. Businesses are required to be knowledgeable about the impact of fringe benefits on their activities. They also need to understand the implication of the Labour Relations Act (LRA), 1995 (Act 66 of 1995) on the human resources function.

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

- Outline the recruitment procedure as a human resources activity.
- Explain the purpose of an interview.
- Discuss the impact of fringe benefits on businesses.
- Advise businesses on the implication of the LRA on the human resources function.

**[40]**

**TOTAL SECTION C [40]**

**GRAND TOTAL [150]**

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