Province of the
EASTERN CAPE
EDUCATION

Iphondo leMpuma Kapa: Isebe leMfundo
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Porafensie Ya Kapa Botjahabela: Lefapha la Thuto

NATIONAL SENIOR CERTIFICATE

GRADE 12

JUNE 2026

BUSINESS STUDIES P1

MARKS: **150**

TIME: **2 hours**

This question paper consists of 11 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 particular 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 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 (minutes)
A: Objective-type questions COMPULSORY	**1**	**30**	**20**
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	**2**	**40**	**70**
	3	**40**	
	4	**40**	
C: TWO essay-type questions CHOICE: Answer any ONE.	**5**	**40**	**30**
	6	**40**	
TOTAL		**150**	**120**

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – NEW page, QUESTION 2 – NEW page, et cetera.

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 D

1.1.1 The … makes provision for the establishment of the CCMA and bargaining councils.

A National Credit Act, 2005 (Act 34 of 2005)
B Consumer Protection Act, 2008 (Act 68 of 2008)
C Employment Equity Act, 1998 (Act 55 of 1998)
D Labour Relations Act, 1995 (Act 66 of 1995)

1.1.2 Businesses should display prices which are fully inclusive, disclosing all costs. This is the right to … according to the Consumer Protection Act.

A disclosure and information
B fair and honest dealings
C choose
D accountability by suppliers

1.1.3 Sihle Cosmetics is severely affected by the increase in fuel prices. This is an example of a/an … in a SWOT analysis.

A strength
B weakness
C opportunity
D threat

1.1.4 Cuma (Pty) Ltd used the … recruitment method when they advertised a vacancy on the intranet.

A agencies
B online
C internal
D external

1.1.5 Thabo manufacturers implement monitoring and evaluating quality processes as a total quality management (TQM) element when they …

A have the ability to afford skilled employees.
B have to prevent product defects and minimises wastage.
C be able to gain access to the global market.
D afford to use the services of the quality circles.

(5 x 2) (10)

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1.2 Complete the following statements by using the words 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.

recruitment; specification; performance; R50 000; tertiary; selection; management; R500 000; primary; description

1.2.1 Only companies with a staff pay roll of … per annum can claim the Skill Development levy.

1.2.2 Tau Quarry's operate in the … sector as they specialise in the extraction of sand and stone.

1.2.3 Inviting shortlisted candidates for an interview. This is an example of the … procedure.

1.2.4 The job … outlines the minimum acceptable qualifications and skills needed for the job.

1.2.5 Quality … aims to ensure that the quality of goods is consistent.

(5 x 2) (10)

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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 (1.3.1 to1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Black Economic Empowerment (BEE)	A	employees are paid for the number of items produced in a month
1.3.2	National Skill Development strategy	B	businesses implement the change on a small scale
1.3.3	Concentric diversification	C	focuses on five pillars
1.3.4	Piece-meal	D	increases employee participation in lifelong learning
1.3.5	Do	E	focused only on three pillars
		F	adds a new product/service that is related to existing products and appeals to new customers
		G	increase access to programme that train people
		H	businesses implement the change on a wider scale
		I	employees are paid for the number of hours worked
		J	adds new products/services that are unrelated to existing products and appeals to new groups of customers

(5 x 2) (10)

TOTAL SECTION A: 30

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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, etc.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Name any FOUR types of leaves as provision of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)

2.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (6)

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

GLOBAL ELECTRICITY (GE)

Global Electricity generates electricity to local communities. GE employees are regularly absent from work. The management of GE must obtain a licence from the National Energy Regulator.

Quote TWO challenges for GE's business and classify EACH challenge according to the business environment.

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

CHALLENGE	BUSINESS ENVIRONMENT
1.	
2.	

(4)

2.4 Explain any TWO types of defensive strategies. (6)

2.5 Discuss the purpose of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003). (4)

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

FUNDA STATIONERS (FS)

Funda stationers specialise in selling school and office stationery.
FS uses outdated machinery, and employees are not skilled at operating modern cash registers resulting in huge losses.

2.6.1 Name the PESTLE factor applicable to FS in the scenario above. (2)

2.6.2 Recommend ways in which FS can deal with the challenges posed by the PESTLE factor named in QUESTION 2.6.1. (4)

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2.7 Discuss the impact of the National Credit Act on businesses. (6)

2.8 Suggest ways in which businesses could comply with the Employment Equity Act (EEA), 1998 (Act 55 of 1998). (4)

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QUESTION 3: BUSINESS OPERATIONS

3.1 State FOUR aspects that should be included in an employment contract. (4)

3.2 Outline the placement procedure as an activity of the human resources function. (4)

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

PERMANENT AGENCIES (PA)

Permanent Agencies is specialising in recruiting suitable candidates for various jobs. PA verify the CV's of every candidate. Be inquisitive and show interest in the business. Permanent Agencies set the interview date, and interviews take place on the same date.

3.3.1 Quote TWO roles of the interviewer (PA) before the interview from the scenario above. (2)

3.3.2 Explain the purpose of an interview as a human resources activity (6)

3.4 Recommend to businesses on the reasons for the termination of an employment contract. (4)

3.5 Outline the difference between *quality control* and *quality assurance*. (4)

3.6 Explain how the quality of performance of the general management can contribute to the success of a business. (6)

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

SIZWE MINING (SM)

The decline in productivity of Sizwe Mining due to stoppages caused by loadshedding. SM fears that investors might withdraw investment if there is a decline in profits. The management of SM are optimistic that they will make drastic changes in their services to satisfy their customers.

3.7.1 Quote TWO ways in which the poor implementation of TQM has impacted on the operation of SM from the scenario above. (2)

3.7.2 Advise the management on the impact of TQM if it is poorly implemented by SM, other than your answer provided in QUESTION 3.7.1. (4)

3.8 Discuss the impact of total client/customer satisfaction as a total quality management (TQM) element on large businesses. (4)

[40]

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 State any TWO consumer rights as stipulated in the National Credit Act (NCA), 2005 (Act 34 of 2005). (2)

4.2 Outline the advantages of intensive strategies. (6)

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

SIHLE BAKERY (SB)
Sihle bakery is supplying freshy baked bread to customers. SB ensures that black females are part of decision-making process. The business promotes diversity. Sihle Bakery donate bread to local NGO's.

Identify the BBBEE pillars that SB implemented in the scenario above. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.3.

PILLARS	MOTIVATIONS
1.	
2.	

(6)

4.4 Explain the purpose of the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (6)

BUSINESS OPERATIONS

4.5 Give TWO examples of fringe benefits. (2)

4.6 Outline the benefits of induction. (4)

4.7 Identify the business functions applicable to Super Enterprise (SE) below.

4.7.1 Super Enterprise is compliant with recent legislation.

4.7.2 SE offer their employees performance incentives to enhance productivity. (2 x 2) (4)

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4.8 Discuss the impact of continuous skills development/education and training as a total quality management (TQM) element on large businesses. (4)

4.9 Advise businesses on the role of quality circles as part of continuous improvement to processes and systems. (6)

[40]

TOTAL SECTION B: 80

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SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question chosen. The answer to the question must start on a NEW page, e.g. QUESTION 5 on NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS (BUSINESS STRATEGIES)

Businesses need to develop suitable strategic management processes in order to improve their internal operations. Integration strategies could be implemented in response to findings from applying Porter's Five Forces model. Businesses need to evaluate their strategies.

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

- Outline the strategic management process.
- Explain THREE types of integration strategies.
- Discuss how businesses could apply the following forces of Porter's Five Forces model to analyse their position in the market environment:
  - Bargaining power of suppliers
  - Power of competitors/Competitive rivalry
- Advise businesses on the steps in strategy evaluation. **[40]**

QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

Businesses need to manage the ongoing supplier relationship to ensure stock is always available. A good quality management system enables a business to enjoy numerous benefits. A sound knowledge of continuous improvement to processes and systems, as a total quality management (TQM) element, can reduce the cost of quality.

Keeping the above statement in mind, write an essay on the following aspects:

- Outline the quality indicators of the purchasing function.
- Explain the benefits of a good quality management system.
- Evaluate the impact of continuous improvement to processes and systems as a TQM element on large businesses.
- Suggest ways in which total quality management (TQM) can reduce the cost of quality. **[40]**

TOTAL SECTION C: 40
GRAND TOTAL: 150

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