KWAZULU-NATAL PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P1

PREPARATORY EXAMINATION

SEPTEMBER 2022

MARKS: 150

TIME: 2hours

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.
   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 question 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.

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, e.g. 1.1.6 D.

1.1.1 The ... Act requires businesses to display prices which are fully inclusive and disclose all costs.

A National Credit Act, 2005 (Act 34 of 2005)
B Employment Equity Act, 1998 (Act 55 of 1998)
C Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
D Consumer Protection Act ,2008 (Act 68 of 2008)

1.1.2 Sibahle Boutique implemented the ... intensive strategy when they opened new branches in Durban and Pretoria.

A market development
B product development
C product modification
D market penetration

1.1.3 Mageba Mines operate in the ... sector as they specialise in the extraction of gold from nature.

A secondary
B tertiary
C primary
D economic

1.1.4 The role of the interviewee during the interview is to ...

A explain how he/she has dealt with past mistakes.
B know job description and job specification.
C ask same candidates different questions.
D introduce the panel members.

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1.1.5 The ... function is responsible for using different pricing techniques to ensure a competitive advantage.

A public relations
B marketing
C production
D general management

(5 x 2) (10)

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.

description; internship ; suppliers ; administration; Labour Relations; competitors; Compensation for Occupational Injuries and Diseases Act ; public relations; specification; learnerships

1.2.1 The ... Act protects employees on the job if both parties follow all safety regulations.

1.2.2 Nel Trading offers training courses with learning material as well as practical work experience. This is known as ...

1.2.3 Neerish Manufacturer produces food spices unique from other manufactures. This is known as power of ... as one of the Porter's Five Forces model.

1.2.4 The job ... describes the minimum acceptable personal skills and qualifications needed for the job.

1.2.5 The ... function makes reliable information available to management on time.

(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 to 1.3.5) in the ANSWER BOOK, e.g.1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Right to fair and honest dealings	A	can be obtained if all departments work together towards same quality standards
1.3.2	Dismissal	B	business adds new adds new products that are unrelated to existing products which may appeal to new groups of customers
1.3.3	Horizontal diversification	C	suppliers must allow customers to shop around for best prices
1.3.4	SWOT analysis	D	can be used for accountability within each business function
1.3.5	Quality performance	E	termination of an employment contract due to restructuring
		F	industrial analysis tool used by businesses to analyse the market environment
		G	business adds new products that are unrelated to existing products but appeals to existing consumers
		H	supplier may not use physical force or harass customers
		I	industrial analysis the tool used by businesses to analyse the micro environment
		J	termination of employment due to misconduct

(5 × 2) (10)

TOTAL SECTION A:(30)

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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 TWO types of defensive strategies. (2)

2.2 Outline the strategic management process. (6)

2.3 Identify the pillar of Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) that Stoan Enterprise has complied with in EACH statement below:

2.3.1 Stoan Enterprises donated a block of new classrooms to Mfundo Farm School. (2)

2.3.2 Ms Ngubo, a sales consultant, has been promoted to a senior position. (2)

2.4 Explain TWO types of integration strategies. (6)

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

SMART BANK (SB)

Sindy went to Smart Bank and applied for a loan. SB offered Sindy a pre-agreement statement before concluding any credit transaction. They ensure that the services they provide are standardised and of the same quality. Sindy received information in plain and understandable language.

2.5.1 Quote TWO rights of consumers according to National Credit Act from the scenario above. (2)

2.5.2 Explain other rights of consumers according to National Credit Act, 2005 (Act 34 of 2005). (4)

2.6 Discuss the advantages of the diversification strategies. (6)

2.7 Explain the penalties for non-compliance with the Consumer Protection Act, 2008 (Act 68 of 2008). (4)

2.8 Advise businesses on the steps in strategy evaluation. (6)
(40)

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QUESTION 3: BUSINESS OPERATIONS

3.1 State any TWO aspects that should be included in an induction programme. (2)

3.2 Outline screening as part of the selection procedure. (6)

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

MORRIS TRANSPORT SERVICES (MTS)
Morris Transport Services has a vacancy for a truck driver. The vacancy was advertised on the staff notice board to attract suitable candidates.

3.3.1 Name the recruitment method used by MTS in the scenario above. (2)

3.3.2 Discuss the impact of the recruitment method named in QUESTION 3.3.1 on businesses. (6)

3.4 Advise businesses on the legal requirements of an employment contract. (4)

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

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

DIAMOND DISTRIBUTORS LIMITED(DDL)
Diamond Distributors Limited is known for selling quality products to a wide range of consumers. The management of DDL conducts monthly survey requesting customers feedback on quality of their products. They also ensure that their employees attend workshops on regular basis to increase productivity.

Identify TWO total quality management (TQM) elements, applied by DDL. Motivate your answer by quoting from the scenario above.

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

TQM ELEMENTS	MOTIVATIONS
1.	
2.	

(6)

3.7 Explain the impact of TQM if it is poorly implemented by businesses. (6)

3.8 Advise businesses on the quality indicators of the financial function. (4)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Name THREE types of business environments and state the extent of control businesses have over EACH environment.

Use the table below as a GUIDE to answer QUESTION 4.1

BUSINESS ENVIRONMENTS	EXTENT OF CONTROL
1.	
2.	
3.	

(6)

4.2 Read the scenario below and answer the questions that follow:

ZAKHELE TRADING (ZT)

Zakhele Trading sells a wide variety of products in different outlets. Management ensures that employees are paid doubled for working on public holidays. They also allow them to join any trade union of their choice. The employees of ZT are not allowed to work for more than 45 hours per week.

4.2.1 Quote TWO ways in which ZT complied with Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) from the scenario above. (2)

4.2.2 Advise the management of ZT on other ways in which they can comply with the BCEA. (6)

4.3 Discuss the impact of the Labour Relations Act, 1995 (Act 66 of 1995) on businesses. (6)

BUSINESS OPERATIONS

4.4 Give any FOUR examples of fringe benefits. (4)

4.5 Explain the TWO salary determination methods. (6)

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

AUTO MANUFACTURERS (AM)

Auto Manufacturers produces quality cars and parts. Auto manufacturers share responsibility for quality output amongst management and workers. AM schedules activities to eliminate duplication of tasks. They are also working together with the purchasing function.

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4.6.1 Quote TWO ways in which AM reduces the cost of quality from the scenario above. (2)

4.6.2 Explain how the purchasing function can contribute to the success of a business (4)

4.7 Advise businesses on the role of quality circles in improving their processes and systems. (4)

[40]

TOTAL SECTION B: 80

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SECTION C

Answer ANY ONE question from 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 Sector Education and Training Authorities (SETA) were established to ensure the effective implementation of the Skills Development Act (SDA), 1998 (Act 97 of 1998). Businesses must comply with this Act to avoid penalties for noncompliance.

Write an essay on Skills Development Act in which you include the following aspects:

- Outline the role of SETAs in supporting the Skills Development Act.
- Explain the purpose of Skills Development Act.
- Discuss the impact of Skills Development Act on businesses.
- Suggest ways in which businesses can comply with the SDA.

[40]

QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

A good quality management system benefits many businesses by effectively implementing quality control and quality assurance. Large businesses implement (TQM) elements, particularly adequate financing, and capacity. Some businesses argue that the general management and the production function are critical to achieving business objectives.

Write an essay on quality of performance in which you include the following aspects:

- Outline the benefits of good quality management system.
- Explain the differences between *quality control* and *quality assurance.*
- Discuss the impact of adequate financing and capacity on large businesses.
- Advise businesses on the quality indicators of the following business functions:
    - General management function
    - Production function

[40]

TOTAL SECTION C 40

GRAND TOTAL 150

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