GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PREPARATORY EXAMINATION

2022

10721

BUSINESS STUDIES

PAPER 1

TIME: 2 hours

MARKS: 150

10 pages

Business Studies P1

10721E

X05

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.

3. Number your 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 in full sentences.

5. Use the mark allocation and the nature of each question to determine the length and detail 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: **Compulsory Objective-type questions**	1	30	20
B: **THREE direct/indirect-type questions** **CHOICE:** **Answer any TWO**	2 3 4	40 40 40	35 35 35
C: **TWO essay-type questions** **CHOICE:** **Answer any ONE**	5 6	40 40	30 30
		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.

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 aim of this Act is to protect consumers against reckless lending by businesses.

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

1.1.2 Trendy Swimwear which specialises in manufacturing sportswear, implemented the ... integration strategy when they bought Sports Inc. clothing store.

A backward
B forward
C horizontal
D vertical

1.1.3 Which of the following businesses can be classified under the primary sector?

A Groenewald Attorneys
B Shop and Pay Supermarket
C Siddiq Handbag Manufacturers
D Thuthuka Gold Mine

1.1.4 This combines the job description and job specification as it relates to employees within an organisation:

A Job analysis
B Recruitment
C Selection
D Induction

1.1.5 The ability of CC Enterprise's products to maximise the efficiency of services and the ability to provide an effective outcome without too many delays:

A Quality control
B Quality management
C Quality
D Quality assurance

(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 your ANSWER BOOK.

National Credit Act; placement; control; induction programme; Human Resources Development Strategy; Consumer Protection Act; National Skills Development Strategy; selection; assurance; employment contract

1.2.1 The … aims at achieving faster economic growth and reduced levels of poverty.

1.2.2 The … forces businesses to disclose more information about their products and processes.

1.2.3 The HR activity that was used by ABC Builders to assign a specific job to the selected candidate is known as ...

1.2.4 Quality … means ensuring that every process is aimed to get the product 'right the first time' and prevent mistakes from happening.

1.2.5 Information on the products of a business must be included in the ...

(5 x 2) (10)

1.3 Choose the 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.

COLUMN A		COLUMN B	
1.3.1	Retrenchment	A	creates a framework of acceptable employment practices
1.3.2	Administration function	B	adding new unrelated products to existing products which may appeal to new groups of customers
1.3.3	Right to privacy and confidentiality	C	customers can complain via customer help desks
1.3.4	Horizontal diversification	D	employees no longer have work because of redundancy
1.3.5	Compensation for Occupational Injuries and Diseases Act	E	keep financial records up to date to ensure accurate tax payments
		F	adding new unrelated products to the existing product lines that may appeal to existing customers
		G	to make reliable information available to management on time
		H	customers can object to unwanted promotional e-mails and telesales
		I	offers comprehensive protection to employees who are injured in the course of performing their duties
		J	dismissal of an employee for valid reasons

(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, for example, QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 List any FIVE components of the PESTLE analysis. (5)

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

ZAINUB CLOTHING MANUFACTURERS (ZCM)

Zainub Clothing Manufacturers specialises in the manufacturing of fashion clothes. ZCM buys raw material from Mercy's Textiles who is always out of stock. Employees of ZCM are absent from work on a regular basis. ZCM obtained a loan from Quick Loan Bank at a high interest rate to finance the business.

Use the table below as a GUIDE to answer this question.

CHALLENGE 2.2.1	BUSINESS ENVIRONMENT 2.2.2	EXTENT OF CONTROL 2.2.3

2.2.1 Quote THREE challenges for ZCM from the scenario above. (3)

2.2.2 Classify ZCM's challenges according to the THREE business environments. (3)

2.2.3 State the extent of control that ZCM has over EACH environment identified in QUESTION 2.2.2. (3)

2.3 Explain the purpose of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (4)

2.4 Discuss TWO types of defensive strategies. (6)

2.5 Describe the strategic management process. (4)

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

INDALO CONSTRUCTION (IC)

Indalo Construction is responsible for the development of skills of people in South Africa to improve productivity. They draw up skills development plans for their specific economic sectors. Indalo Construction also promotes and establishes learnerships.

2.6.1 Quote TWO roles of SETAs from the scenario above. (2)

2.6.2 Discuss other roles of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (4)

2.7 Advise businesses on ways in which businesses can comply with the Skills Development Act. (6)

[40]

QUESTION 3: BUSINESS OPERATIONS

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

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

FATIMA FABRICS (FF)

Fatima Fabrics specialises in the sale of silk material dresses. FF pays Josef per unit of material produced. Peter, the manager, receives a monthly salary.

Identify the type of salary determination method used for Josef and Peter. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.2 above.

	SALARY DETERMINATION METHOD	MOTIVATION
JOSEF		
PETER		

(6)

3.3 Explain the link between salary determination and the Basic Conditions of Employment Act. (4)

3.4 Discuss the Unemployment Insurance Fund (UIF) as a benefit required by law. (6)

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

MPO MANUFACTURERS (MM)

Mpo Manufacturers produces medical prosthetics. MM implements Total Quality Management (TQM) to produce these complex units. MM recently started to make use of quality circles to discuss ways of improving the quality of workmanship. They also implement pro-active maintenance programs to eliminate breakdowns.

3.5.1 From the scenario above, quote TWO ways in which TQM can reduce the cost of quality for MM. (2)

3.5.2 Explain other ways in which TQM can reduce the cost of quality. (4)

3.6 Differentiate between *quality management* and *quality performance*. (4)

3.7 Describe the role of quality circles as part of continuous improvement to processes and systems. (4)

3.8 Advise businesses on the impact of total client satisfaction as a TQM element on large businesses. (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

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

4.2 Identify the provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) applicable to EACH of the following policy statements of Melusi Traders.

4.2.1 The employees of Melusi Traders take 60 minutes for lunch after five continuous hours of work. (2)

4.2.2 Betty was retrenched due to restructuring in the business and was offered a severance package for her services. (2)

4.2.3 Sydney volunteered to work on a holiday and was remunerated with double the normal rate of pay. (2)

4.3 Explain the steps that businesses should follow when evaluating a strategy. (4)

4.4 Describe the advantages of diversification strategies. (6)

BUSINESS OPERATIONS

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

BIG DEAL LTD (BD)

The HR manager of Big Deal Ltd is in the process of identifying vacancies in the business and attracting suitable candidates for them. He aims to find candidates who have the necessary experience and qualifications from outside the business.

4.5.1 Identify the human resource activity performed in the scenario above. (2)

4.5.2 Discuss the impact of external recruitment on businesses. (4)

4.6 Explain the benefits of induction for businesses. (4)

4.7 Discuss the advantages of a good quality management system. (4)

4.8 Suggest ways in which the purchasing function can contribute to the success of a business. (6)

[40]

TOTAL SECTION B: 80

SECTION C

Answer any ONE question in this section.

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

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

The Employment Equity Act (EEA), 1998 (Act 55 of 1998) was introduced to promote equity in the workplace. Businesses are obliged to comply with the requirements of the Act or face penalties for non-compliance.

As an expert on recent legislation, write an essay on the following EEA aspects:

- Outline the purpose of the Employment Equity Act.
- Explain the impact of this Act on businesses.
- Discuss the penalties that businesses may face for not complying with the EEA.
- Suggest practical ways in which businesses can comply with this Act. **[40]**

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION AND QUALITY OF PERFORMANCE)

The Human Resources Function must apply the selection procedure to assist businesses to appoint the best candidates. The correct processes like inviting candidates for interviews must be applied. Businesses apply Total Quality Management (TQM) to stay competitive and avoid the negative impact if TQM is poorly implemented.

Write an essay on the human resources activities and TQM in which you address the following aspects:

- Outline the selection procedure.
- Explain the role of the interviewee during the interview.
- Discuss the impact of the following TQM elements on large businesses:
  - Continuous skills development
  - Monitoring and evaluation of quality processes
- Advise businesses on the impact of TQM if poorly implemented. **[40]**

TOTAL SECTION C: 40

TOTAL: 150

END