



# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES**

**NOVEMBER 2016**

**MARKS: 300**

**TIME: 3 hours**

**This question paper consists of 15 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

- This question paper consists of THREE sections and covers all main topics.  
  
SECTION A: COMPULSORY  
SECTION B: Consists of FIVE questions  
Answer any THREE of the five questions in this section.  
SECTION C: Consists of FOUR questions  
Answer any TWO of the four questions in this section.
- Read the instructions for each question carefully and take particular note of what is required.
- 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.
- Except where other instructions are given, answers must be in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>40</b>	<b>30 minutes</b>
<b>B: FIVE direct/indirect-type questions CHOICE (Answer any THREE.)</b>	<b>2</b>	<b>60</b>	<b>30 minutes</b>
	<b>3</b>	<b>60</b>	<b>30 minutes</b>
	<b>4</b>	<b>60</b>	<b>30 minutes</b>
	<b>5</b>	<b>60</b>	<b>30 minutes</b>
	<b>6</b>	<b>60</b>	<b>30 minutes</b>
<b>C: FOUR essay-type questions CHOICE (Answer any TWO.)</b>	<b>7</b>	<b>40</b>	<b>30 minutes</b>
	<b>8</b>	<b>40</b>	<b>30 minutes</b>
	<b>9</b>	<b>40</b>	<b>30 minutes</b>
	<b>10</b>	<b>40</b>	<b>30 minutes</b>
<b>TOTAL</b>		<b>300</b>	<b>180 minutes</b>

- Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
- You may use a non-programmable calculator.
- Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.10), choose the answer and make a cross (X) over the letter (A–D) of your choice in the ANSWER BOOK.

EXAMPLE:

1.1.11  A  B  C  D

- 1.1.1 This Act gives consumers access to debt counsellors:
- A Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
  - B Employment Equity Act, 1998 (Act 55 of 1998)
  - C Consumer Protection Act, 2008 (Act 68 of 2008)
  - D National Credit Act, 2005 (Act 34 of 2005)
- 1.1.2 Which ONE of the following businesses may be classified under the tertiary sector?
- A AMC Transport
  - B Toekoms Vineyards
  - C West Furniture Manufacturers
  - D Bluerock Coal Mine
- 1.1.3 An industrial analysis tool used to analyse the challenges in the macro-environment:
- A Porter's Five Forces
  - B PESTLE
  - C SCAMPER
  - D Balanced Scorecard
- 1.1.4 The ... clause is applied to determine the amount that the insurer will pay out, especially when goods are underinsured.
- A excess
  - B reinstatement
  - C average
  - D subrogation
- 1.1.5 The current and past directors of a ... company are jointly and severally responsible for the debts of the company.
- A personal liability
  - B state-owned
  - C public
  - D private

- 1.1.6 This aspect should be considered when designing a multimedia presentation:
- A Information should include past and present facts.
  - B Choose relevant images.
  - C Cover a large amount of information.
  - D Maintain eye contact with the audience.
- 1.1.7 Telkom Ltd's concern is not only about their financial position, but also about their social and environmental successes. Therefore they report on their ... performances.
- A profitability
  - B social
  - C operational
  - D triple bottom line
- 1.1.8 Team dynamic theories help businesses to ...
- A allocate tasks to team members with similar personalities.
  - B establish good relationships with teams.
  - C promote total satisfaction.
  - D allocate tasks according to the roles of team members.
- 1.1.9 Quality circles usually form part of the TQM element of ...
- A continuous improvement of processes and systems.
  - B top management involvement.
  - C teamwork.
  - D monitoring and evaluation of quality processes.
- 1.1.10 Effective feedback involves ...
- A answering questions after a presentation.
  - B handing out flyers.
  - C the inability to deal with difficult audience members.
  - D including visual aids in verbal presentations.
- (10 x 2) (20)

- 1.2 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.

fronting; retrenched; preference; induction programme; SAQA; nepotism; ordinary; dismissed; interview; CCMA
--

- 1.2.1 The ... is a formal procedure conducted between the shortlisted candidates and the employer to fill a vacant post.
- 1.2.2 Dividends payable to ... shareholders accumulate if the company did not make enough profit during a particular financial year.
- 1.2.3 An employee who has been treated unfairly can refer his/her dispute to the ... for resolution.
- 1.2.4 Mr Ngcobo's name appears on the list of directors of Hubar Ltd even though he is employed as a driver. This practice is referred to as ...
- 1.2.5 Sammy was ... after he was found guilty of fraud. (5 x 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 (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	CSI	A	lead to a formal qualification
1.3.2	Unethical business practice	B	measures taken by a business to protect the environment
1.3.3	Learnerships	C	discloses information about a product's ingredients that may be harmful to consumers
1.3.4	Grievance	D	a disagreement between two people
1.3.5	Public relations function	E	overemphasises product information that has not been tested
		F	an employee complaint relating to poor working conditions
		G	agreement between the employer and employee
		H	identifies, plans and manages development projects for the community
		I	conduct research about consumer needs
		J	releases regular, positive press statements about the business

(5 x 2) (10)

**TOTAL SECTION A: 40**

**SECTION B**

Answer ANY THREE 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, et cetera.

**QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 Name FOUR provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997). (4)
- 2.2 Outline the role of SETAs in supporting the Skills Development Act, 1998 (Act 97 of 1998). (8)
- 2.3 Identify the consumer right applicable to EACH of the following policy statements of Zonke Stores:
- 2.3.1 Customers will be refunded for faulty products.
- 2.3.2 Customers are given the option to stop unwanted direct marketing.
- 2.3.3 Zonke Stores will not publish false statements about their products and services.
- 2.3.4 Zonke Stores will honour credit vouchers and prepaid services.
- 2.3.5 Customers will receive written notices of amended clauses in their contracts that may limit their rights. (5 x 2) (10)
- 2.4 Explain the difference between the *National Skills Development Strategy* and the *Human Resources Development Strategy*. (8)

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

**TEDDY BRICKWORKS (TBW)**

Teddy Brickworks specialise in the manufacturing of bricks. One of their suppliers is Sand & Stone, which is sometimes out of stock. TBW's employees are regularly absent from work. The business recently obtained a loan from Cash Bank at a high interest rate.

2.5.1 Name the business sector in which TBW operate. Motivate your answer. (3)

2.5.2 Classify TBW's challenges according to the THREE business environments. State the extent of control TBW have over each environment. Draw the table below in the ANSWER BOOK to present your answer.

CHALLENGE	BUSINESS ENVIRONMENT	EXTENT OF CONTROL

(9)

2.6 Suggest practical ways in which businesses may comply with the Employment Equity Act, 1998 (Act 55 of 1998). (6)

2.7 Recommend ways in which businesses may apply the following pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003):

2.7.1 Enterprise development (4)

2.7.2 Management (4)

2.7.3 Preferential procurement (4)

**[60]**



**QUESTION 3: BUSINESS VENTURES**

- 3.1 Define the term *insurance* and give TWO examples of insurable risks. (4)
- 3.2 Name FOUR factors that should be considered when making investment decisions. (4)
- 3.3 Outline THREE advantages of ordinary shares. (6)
- 3.4 Read the scenario below and answer the questions that follow.

**ANDRIES AND TSHIDI'S INVESTMENT OPTIONS**

Andries and Tshidi each have R3 000 to invest. Andries invests in a savings account at a bank where he will receive 10% p.a. interest, paid out every 6 months. Tshidi invests in a flexi-deposit account at a bank for two years at 10% p.a. interest, compounded annually.

- 3.4.1 Calculate the interest amount Andries will receive after 2 years. (3)
- 3.4.2 Calculate the interest amount Tshidi will receive after 2 years. (4)
- 3.4.3 Identify the better investment option and motivate the answer. (3)
- 3.5 Read the scenario below and answer the questions that follow.

**HOPE'S PRESENTATION**

Hope, a financial manager, has to present her financial report at the next management meeting. She intends to use electronic slides and will provide printed copies of the financial report.

- 3.5.1 Identify TWO visual aids in the scenario above. (2)
- 3.5.2 Choose ONE of the visual aids identified in QUESTION 3.5.1 and explain why it is effective. (8)
- 3.5.3 Suggest factors that Hope should consider when presenting her report. (10)
- 3.6 Discuss the role of personal attitude in successful leadership. (8)
- 3.7 Explain how the following factors can contribute to the success or failure of a partnership:
- 3.7.1 Management (4)
- 3.7.2 Taxation (4)

**[60]**

**QUESTION 4: BUSINESS ROLES**

- 4.1 State FOUR causes of conflict in the workplace. (4)
- 4.2 Read the scenario below and answer the questions that follow.

**ELSABE PRINTERS (EP)**

Elsabe Printers employ more males than females. Their building does not have facilities for people who use wheelchairs. English is the only medium of communication allowed in the workplace, despite the fact that some employees do not understand or speak it.

- 4.2.1 Identify TWO diversity issues referred to in the scenario above and motivate your answer. (6)
- 4.2.2 Recommend TWO ways in which EP should deal with each of the diversity issues identified in QUESTION 4.2.1. (8)
- 4.3 Explain how businesses may promote cultural rights in the workplace. (6)
- 4.4 Discuss the role of health and safety representatives in ensuring a healthy and safe working environment. (6)
- 4.5 Read the scenario below and answer the questions that follow.

**MAHABIR CASH & CARRY (MCC)**

MCC provide subsidised housing and accommodation for their employees. They encourage employees to stay fit and healthy by involving them in stress-reduction activities.

- 4.5.1 Quote TWO ways in which MCC contribute to the well-being of their employees. (2)
- 4.5.2 Advise MCC on THREE other ways to contribute to the well-being of their employees. (6)
- 4.6 Identify the stage of team development applicable in EACH of the following statements:
- 4.6.1 Team members question each other's ideas and opinions.
- 4.6.2 The team has direction without interference from the leader.
- 4.6.3 Team members are comfortable and learn more about each other. (3 x 2) (6)
- 4.7 Discuss the negative impact of corporate social investment (CSI) on communities. (6)
- 4.8 Recommend strategies that businesses may introduce to deal with employees who abuse work time. (10)

**[60]**

**QUESTION 5: BUSINESS OPERATIONS**

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

**MARGARET GUEST HOUSE (MGH)**

Margaret Guest House has advertised a post for a receptionist in the local newspaper. The advertisement included the following aspects regarding the position:

- The receptionist is responsible for making bookings and arranging transport for guests.
- He/She manages the system for the safekeeping of the guests' valuables.
- Applicants must have a diploma in administration management.
- Speaking, reading and writing skills in English are a requirement.
- Three years' experience in the hospitality industry will be an advantage.

5.1.1 State TWO job analysis components that MGH used to compile the advertisement. Quote TWO examples of EACH component from the scenario above. Draw the table below in the ANSWER BOOK to present your answer.

COMPONENTS	EXAMPLES
A.	1. 2.
B.	1. 2.

(8)

5.1.2 Name the type of recruitment that MGH used to find suitable candidates for the vacant post. Motivate your answer.

(3)

5.1.3 MGH has invited shortlisted applicants to an interview. Explain the role of the interviewee/applicant during the interview.

(8)

5.2 Explain *screening* as part of the selection procedure.

(4)

5.3 Discuss the benefits of a good quality management system.

(8)

5.4 Distinguish between *quality control* and *quality assurance*.

(4)

5.5 Suggest quality indicators for EACH of the following business functions:

5.5.1 General management

(4)

5.5.2 Purchasing function

(4)

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

**COMFI LEATHER (CL)**

Comfi Leather produces and sells leather products. The marketing department conducted customer surveys to analyse the needs of customers who use CL travelling and school bags. Customers were requested to comment on the quality of CL's bags and after-sales service.

- 5.6.1 Name the TQM element that is applicable to the scenario above. Motivate your answer. (3)
- 5.6.2 Evaluate the impact of the TQM element identified in QUESTION 5.6.1, on CL as a large business. (6)
- 5.6.3 Explain how CL could use the PDCA-model/cycle to continuously improve their processes and systems. (8)
- [60]**

**QUESTION 6: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

6.1 Read the statement below and answer the questions that follow.

Businesses are compelled to ensure that employees work in a safe environment and that workplace injuries are reported.

- 6.1.1 Identify the Act that is applicable to the scenario above. (2)
- 6.1.2 Outline THREE actions that could be regarded as discriminatory, with reference to the Act identified in QUESTION 6.1.1. (6)
- 6.2 Describe the strategic management process. (8)

**BUSINESS VENTURES**

- 6.3 Name THREE types of compulsory insurance. (3)
- 6.4 Identify EACH type of investment described below:
- 6.4.1 Interest is guaranteed and paid out or re-invested twice a year.
- 6.4.2 A combination of different shares and securities are selected and managed by a fund manager as a balanced portfolio. (2 x 2) (4)
- 6.5 Tabulate the differences between a *private* and a *public company*. (8)

**BUSINESS ROLES**

- 6.6 Recommend ONE strategy that could be used when handling the following difficult personalities:
- 6.6.1 Aggressive (2)
  - 6.6.2 Complainer (2)
- 6.7 Explain the characteristics of successful teams. (4)
- 6.8 Suggest ways in which professional, responsible, ethical and effective business practices should be conducted. (6)

**BUSINESS OPERATIONS**

- 6.9 Identify the business function that is responsible for the activities in EACH of the following scenarios:
- 6.9.1 Sam ensures that business documents are kept in a safe place.
  - 6.9.2 Smart Cell runs brand awareness campaigns in the community in which it operates.
  - 6.9.3 The management of Tshepi Butchery ensures that equipment and machines are regularly maintained. (3 x 2) (6)
- 6.10 Advise businesses on how Total Quality Management (TQM) can reduce the cost of quality. (9)

**[60]****TOTAL SECTION B: 180**

**SECTION C**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, for example QUESTION 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

**QUESTION 7: BUSINESS ENVIRONMENTS (STRATEGIES)**

The market and macro-environments pose many challenges to business operations that may have a negative impact on business success. It is important that these challenges are identified and strategies are formulated to deal with them.

Bearing the above scenario in mind, write detailed notes on the following aspects:

- Explain how businesses may use Porter's Five Forces Model to analyse the market environment.
- Describe THREE types of defensive strategies that businesses may use to address challenges in the macro-environment.
- Discuss the effectiveness of intensive strategies in addressing business challenges.
- Suggest steps that businesses may use to evaluate a strategy.

**[40]****QUESTION 8: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)**

Successful businesses believe that leadership and management form an integral part of their success. Others argue that management plays a more important role than leadership in the success of businesses.

Support the above arguments by referring to the following aspects in your answer:

- Give TWO differences between *leadership* and *management*.
- Discuss the situational and transformational leadership theories.
- Evaluate the impact of autocratic and transactional leadership styles on businesses and suggest situations in which each leadership style can be applied.

**[40]**

**QUESTION 9: BUSINESS ROLES (CREATIVE THINKING)****MOJO PAINTS**

The management of Mojo Paints wants to improve the quality of their paints because of various complaints from their customers. They have requested employees to generate new, creative ideas on how to improve their products to satisfy customers' needs.

Refer to the scenario above and write an essay in which you include the following aspects:

- Distinguish between *decision making* and *problem solving*.
- Explain how Mojo Paints may apply the Delphi and nominal-group techniques to solve their business problem.
- Discuss the advantages of creative thinking.
- Recommend practical ways in which Mojo Paints may create an environment that stimulates creative thinking.

**[40]****QUESTION 10: BUSINESS OPERATIONS (HUMAN RESOURCES)****SIPHO TRADERS**

The management of Siphon Traders recently appointed Kobie as their marketing manager. The business is supposed to orientate and place Kobie accordingly. Kobie expects Siphon Traders to develop his managerial skills.

As a human resources consultant, give a detailed report on the following human resources activities:

- Explain the purpose of induction and state FIVE aspects that should be included in an induction programme.
- Advise Siphon Traders on the placement procedure they should follow.
- Discuss the implications of the Skills Development Act (SDA), 1998 (Act 97 of 1998) on the human resources function.
- Recommend SIX aspects that must be included in Kobie's employment contract.

**[40]**

**TOTAL SECTION C: 80**  
**GRAND TOTAL: 300**