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

## **SENIOR CERTIFICATE EXAMINATIONS**

**BUSINESS STUDIES**

**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.

1. 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.
2. Read the instructions for each question carefully and take particular note of what is required.
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 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 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>

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 number (1.1.1–1.1.10) in the ANSWER BOOK, for example 1.1.11 B.

1.1.1 This Act makes provision for the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA):

- A Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- B Employment Equity Act, 1998 (Act 55 of 1998)
- C Labour Relations Act, 1995 (Act 66 of 1995)
- 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 TRIX Coal Mine
- B Toekoms Vineyards Farm
- C Trust Furniture Manufacturers
- D ABSA Bank

1.1.3 Zizamele Incorporated is an example of a ...

- A private company.
- B state-owned company.
- C personal-liability company.
- D sole trader.

1.1.4 The portion of an insurance claim that the insured must pay when a claim is lodged:

- A Excess
- B Premium
- C Book value
- D Interest

1.1.5 An industrial analysis tool used to analyse the challenges of the macro environment:

- A Porter's Five Forces model
- B PESTLE
- C SCAMPER
- D Balanced Scorecard

- 1.1.6 Telkom Ltd is not only concerned about their financial position, but also about their social and environmental successes. Therefore they report on their ... performance.
- A profitability
  - B social
  - C Porter's Five Forces
  - D triple bottom line
- 1.1.7 Joe believes in doing things differently to remain competitive. He applies ... thinking to generate new ideas.
- A conventional
  - B routine
  - C creative
  - D inductive
- 1.1.8 A small group of voluntary workers who meet regularly to discuss quality-related matters at the workplace:
- A Total quality management
  - B Quality circle
  - C Shop stewards
  - D Quality control group
- 1.1.9 Inspection of the final product to ensure that it complies with the required standard:
- A Quality gap
  - B Quality management
  - C Quality assurance
  - D Quality control
- 1.1.10 Effective feedback involves ...
- A answering questions after a presentation.
  - B handing out flyers.
  - C dealing with difficult employees.
  - D applying visual aids in a verbal presentation.
- (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; providing transport; seventeen; social; debenture holders; ten; shareholders; equity; retrenchment; environmental

- 1.2.1 Businesses may advance the well-being of their employees by ...
- 1.2.2 A company pays interest to their ..., irrespective of whether they made enough profit or not.
- 1.2.3 According to the provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) an employee is not allowed to work overtime for more than ... hours per week.
- 1.2.4 Mr Ntuli is listed as one of the directors of Bosman Limited, even though he is employed as a driver.
- 1.2.5 A business that changes to cleaner production techniques is promoting ... protection. (5 x 2)

(10)

1.3 Choose a description from COLUMN B that matches the 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	Cession	A payment to creditors for services rendered
1.3.2	Total quality management	B assist to allocate tasks according to roles of individual members
1.3.3	Placement	C the insured amount covers life
1.3.4	Team dynamics theories	D transferring employees to other departments
1.3.5	Indemnity	E transferring the rights in an insurance policy to another party
		F matches the position and the competencies of the employee
		G aims at minimising defects
		H helps to identify the best leader
		I measures the quality of the final product
		J the insured amount covers only loss or damage to property

(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 Identify the business environment represented by EACH of the following statements and state the extent to which a business may control each of these environments.

Tabulate your answer as follows:

BUSINESS ENVIRONMENT	EXTENT OF CONTROL

2.1.1 The employees of Jan's Chicken Farm are absent regularly. (3)

2.1.2 The suppliers of Ella Bakery do not deliver stock on time. (3)

2.1.3 The buildings of Valley Catering Services have been destroyed by heavy storms. (3)

2.2 Explain the difference between the *National Skills Development Strategy* and the *Human Resources Development Strategy*. (8)

2.3 Describe the *strategic management process*. (8)

2.4 Pots-n-Pans Kitchens want to open a business in a popular shopping mall. Advise them on how to apply Porter's Five Forces model when analysing their new market environment. (10)

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

THULANE TRADERS (TT)
Thulane Traders employs 50 workers who are responsible for producing its products. All employees are expected to produce quality products, although only young employees are given the opportunity to learn new skills. Female employees are excluded from attending training.

2.5.1 Name the Act that makes provision for employees to improve their work performance. (1)

2.5.2 Quote actions in the scenario above that may be regarded as discriminatory by this particular Act. (2)

2.5.3 Justify the positive impact of this Act on Thulane Traders. (6)

- 2.6 Discuss the implications of the following BBBEE pillars on businesses:
- 2.6.1 Ownership (4)
  - 2.6.2 Management (4)
- 2.7 Evaluate the impact of the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997) on employers and employees. (8)
- [60]**



**QUESTION 3: BUSINESS VENTURES**

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

**FANCY CLOTHING (FC)**

Patrick is the manager of Fancy Clothing. He rewards his employees for producing high quality products and punishes them if targets are not met.

- 3.1.1 Identify the leadership style used by Patrick. (2)
- 3.1.2 Evaluate the impact of Patrick's leadership style on his business, as described in the scenario above. (8)
- 3.2 Distinguish between *management* and *leadership*. (8)
- 3.3 Describe TWO types of preference shares. (6)
- 3.4 Explain how the following factors may contribute to the success or failure of a partnership:
- 3.4.1 Management (4)
- 3.4.2 Taxation (4)
- 3.5 Read the scenario below and answer the questions that follow.

Sarie bought a business property worth R1 000 000, but she insured it for R800 000. Flooding destroyed a part of the property and damages were estimated at R400 000.

- 3.5.1 Identify the insurance clause that applies to Sarie's situation in the scenario above. (1)
- 3.5.2 Calculate the amount that the insurer will pay Sarie. (5)
- 3.5.3 Give TWO possible reasons why Sarie insured her business property. (4)
- 3.6 The marketing manager of Broad Way Bank has been invited to make a PowerPoint presentation on their new marketing strategies.
- 3.6.1 State FOUR advantages of a PowerPoint presentation. (8)
- 3.6.2 Advise the marketing manager on the factors to consider during the actual presentation. (10)

**[60]**

**QUESTION 4: BUSINESS ROLES**

- 4.1 List SIX diversity issues in the workplace. (6)
- 4.2 State the problem-solving technique represented in EACH of the following statements:
- 4.2.1 Carl gives his employees the opportunity to suggest ideas randomly which are then written on a flip chart.
- 4.2.2 The management of Tony's Consulting have listed the advantages and disadvantages of changing their business structure.
- 4.2.3 The employees of Shoba Fashion Design have been requested to generate quietly as many ideas as possible and then to share them with other employees.
- 4.2.4 Themba Brick & Tile requested their employees to explore different ways to modify their products.
- 4.2.5 The director of Jimmy Financial Services pretends to be sitting with someone when he makes his own decisions. (10)
- 4.3 Read the scenario below and answer the questions that follow.
- TREVOR TYRES LTD (TT)**

Trevor Tyres Ltd employ workers from diverse backgrounds. Some workers find it difficult to tolerate others' beliefs and values. Many workers fight over the use of the business's limited resources and some ignore business rules.

Management refuses to address the workers' concerns, despite a formal complaint being lodged by some workers.
- 4.3.1 Quote FOUR causes of conflict in the scenario above. (4)
- 4.3.2 Recommend ways in which Trevor Tyres Ltd can address EACH of the causes of conflict referred to in QUESTION 4.3.1. (8)
- 4.4 Discuss FOUR stages of team development. (12)

- 4.5 Explain the implication of the following human rights for businesses:
- 4.5.1 Privacy
  - 4.5.2 Equity
  - 4.5.3 Freedom of speech and expression
  - 4.5.4 Safety, security and protection of life (8)
- 4.6 Distinguish between *decision making* and *problem solving*. (4)
- 4.7 The management of Craig Stores feels that the business is wasting time and money by investing in communities. Advise them on the benefits of corporate social investment for businesses. (8)
- [60]**

**QUESTION 5: BUSINESS OPERATIONS**

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

**WILBUR CLOTHING DESIGNERS (WCD)**

Wilbur Clothing Designers specialise in men's wear, but want to introduce ladies' wear too. The business is looking for a fashion designer who specialises in ladies' wear. They have advertised the vacant position in the local newspapers and on the Internet.

- 5.1.1 Identify the type of recruitment used by Wilbur Clothing Designers and motivate your answer. (3)
- 5.1.2 Analyse the impact of the type of recruitment described in the scenario above. (8)
- 5.1.3 Name another type of recruitment that Wilbur Clothing Designers could use to find a suitable candidate. (1)
- 5.2 Interviewing is one of the steps used in the process of appointing new employees.
- 5.2.1 Describe the purpose of an interview. (4)
- 5.2.2 Explain the role of the interviewee/applicant during an interview. (6)
- 5.3 Explain the difference between *job description* and *job specification*. (4)
- 5.4 Businesses offer fringe benefits to attract and retain employees.
- 5.4.1 List FOUR examples of fringe benefits. (4)
- 5.4.2 Evaluate the impact of fringe benefits on businesses. (6)
- 5.5 Outline the quality indicators of the marketing function. (8)
- 5.6 Discuss the benefits of implementing a good quality management system in a business. (8)
- 5.7 Elaborate on the advantages of total client satisfaction for large businesses. (8)

**[60]**

**QUESTION 6: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS**

- 6.1 Identify the business strategy applicable to EACH statement below:
- 6.1.1 Hart Leather Ltd has taken over Smart Shoe Manufacturing (Pty) Ltd.
  - 6.1.2 Tralfaga Coal Mine have sold some of their unproductive assets.
  - 6.1.3 Gail Retailers are selling new products at lower prices.
  - 6.1.4 Speedy Motor Spares added fishing equipment to their product line. (8)
- 6.2 The Basic Conditions of Employment Act, 1997 (Act 75 of 1997) aims to improve the working conditions of workers in South Africa. Discuss TWO types of leave provided for in this Act. (6)

**BUSINESS VENTURES**

- 6.3 Identify the type of insurance applicable to EACH statement below:
- 6.3.1 Zaire will receive compensation for losing her job due to the company's restructuring.
  - 6.3.2 Levy will be compensated for serious injuries he sustained in a taxi accident on his way to work. (4)
- 6.4 Jack wants to insure his business against various risks. Give TWO examples EACH of *insurable risks* and *non-insurable risks*. (4)
- 6.5 Tabulate the differences between *private companies* and *public companies*. (8)

**BUSINESS ROLES**

- 6.6 Explain the characteristics of successful teams. (6)
- 6.7 Suggest ways in which businesses may deal with difficult people/personalities. (8)

**BUSINESS OPERATIONS**

- 6.8 Distinguish between the *piece-meal salary determination method* and the *time-related salary determination method*. (4)
- 6.9 Identify the business function represented by the quality performance in EACH of the scenarios below:
- 6.9.1 Susan is responsible for promoting the image of the business.
- 6.9.2 Don ensures that the business's expenditures are kept at a minimum.
- 6.9.3 Décor (Pty) Ltd uses an expensive filing system to keep the business documents organised. (6)
- 6.10 Advise businesses on how to apply the PDCA model/cycle as part of continuous improvement of systems and processes to improve the quality of their products. (6)
- [60]**
- TOTAL SECTION B: 180**

**SECTION C**

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 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

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

The introduction of the Consumer Protection Act (CPA), 2008 (Act 68 of 2008) forced businesses to change the way they had been conducting business. This Act impacts on how businesses should treat consumers. Now businesses are seeking legal advice on the impact of this Act on their operations.

Give an in-depth analysis of the Consumer Protection Act by deliberating on the following aspects:

- Outline the purpose of the CPA.
- Discuss FOUR consumer rights, as specified in the CPA.
- Evaluate the impact of the CPA on businesses.
- Suggest practical ways in which a business could comply with this Act.

**[40]****QUESTION 8: BUSINESS VENTURES (INVESTMENTS)**

Tom is a first-year commerce student who inherited a large sum of money recently. He wants to invest this money to start his own business in three years' time. Tom is considering investing in ordinary shares on the Johannesburg Security Exchange Ltd (JSE) and RSA Retail Savings Bonds/Government Retail Bonds.

Advise Tom on the following investment aspects:

- Discuss the factors to be considered when making investment decisions.
- Explain the functions of the Johannesburg Security Exchange Ltd (JSE).
- Distinguish between *compound interest* and *simple interest*.
- Evaluate the impact of RSA Retail Savings Bonds/Government Retail Bonds on investors.

**[40]**

**QUESTION 9: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)**

Businesses are under increasing pressure to be professional, responsible and ethical in their operations. This implies that businesses must find ways to focus on profits and to adhere to professional, responsible and ethical business practices.

Write detailed notes and refer to the following aspects:

- Outline FIVE ways in which professional, responsible and ethical business practice should be conducted.
- Distinguish between *professional behaviour* and *ethical behaviour*.
- Describe how the *pricing of goods in rural areas*, *sexual harassment* and *unauthorised use of funds* pose a challenge in a business.
- Recommend ways in which businesses may address EACH of the above-mentioned unethical business practices.

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

Joe is the human resource manager of Spring Water Ltd. He is responsible for the selection and induction of new employees. Spring Water Ltd has to appoint a new bookkeeper within the confines of the Employment Equity Act (EEA), 1998 (Act 55 of 1998).

As a human resources consultant/specialist, address the following aspects:

- Discuss the selection process that Joe must follow when appointing the new bookkeeper.
- Elaborate on the legal requirements of the employment contract.
- Suggest aspects that should be included in an induction programme.
- Advise Joe on how to comply with the Employment Equity Act when new appointments are made.

**[40]**

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