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# basic education

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

## **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES**

**FEBRUARY/MARCH 2012**

**MARKS: 300**

**TIME: 3 hours**

**This question paper consists of 12 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers all learning outcomes.

SECTION A: COMPULSORY

SECTION B: Consists of THREE COMPULSORY questions

SECTION C: Consists of FOUR questions

Answer any TWO of the four questions from 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.
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 min.</b>
<b>B: THREE direct/indirect type questions COMPULSORY</b>	<b>2</b>	<b>60</b>	<b>30 min.</b>
	<b>3</b>	<b>60</b>	<b>30 min.</b>
	<b>4</b>	<b>60</b>	<b>30 min.</b>
<b>C: FOUR essay type questions CHOICE (Answer any TWO.)</b>	<b>5</b>	<b>40</b>	<b>30 min.</b>
	<b>6</b>	<b>40</b>	<b>30 min.</b>
	<b>7</b>	<b>40</b>	<b>30 min.</b>
	<b>8</b>	<b>40</b>	<b>30 min.</b>
<b>TOTAL</b>		<b>300</b>	<b>180 min.</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 Market penetration occurs when producers ...
- A buy products at the same price as competitors.
  - B market the new product in the same areas.
  - C sell products at a low price to attract buyers.
  - D market the existing product in new areas.
- 1.1.2 A business with a turnover of R10 million and a staff complement in excess of 50 employees, must submit the following document to the Department of Labour once every two years:
- A Code of conduct
  - B Marketing strategy
  - C Diversity plan
  - D Equity plan
- 1.1.3 This legislation ensures that qualified people from designated groups have equal opportunities in the workplace:
- A COIDA
  - B Unemployment Insurance Act
  - C Affirmative action
  - D SETA
- 1.1.4 The dumping of toxic waste into rivers, lakes, dams and the sea is a good example of a/an ... issue.
- A dumping
  - B inclusivity
  - C political
  - D environmental
- 1.1.5 This Act protects consumers from receiving credit which they are unable to repay:
- A National Credit Act
  - B Consumer Protection Act
  - C Broad-Based Black Economic Empowerment Act
  - D Preferential Procurement Act

1.1.6 Which ONE of the following is an advantage for a business to use work teams?

- A All team members must agree upon different issues.
- B It encourages individualism.
- C Greater output through collaboration is attained.
- D Technology is a requirement to succeed.

1.1.7 A creative technique used to collect and analyse different ideas from a number of people on a specific topic:

- A Assessment
- B Brainstorming
- C Management
- D Diversification

1.1.8 This function creates a favourable image of the business:

- A Public relations
- B Human resources
- C Risk management
- D General management

1.1.9 The process of finding and appointing new employees:

- A Employment
- B Recruitment and selection
- C Retrenchment
- D Problem-solving

1.1.10 Beauty Look Clothing Factory, which has a market value of R500 000, was recently damaged by fire. The cost of repairs for damages to the building amounted to R100 000. Beauty Look Clothing Factory was insured for R300 000 – HOC (home owners' cover).

The amount for repairs that will be paid out by the insurer will be ...

- A R300 000.
- B R60 000.
- C R100 000.
- D R500 000.

(10 x 2) (20)

- 1.2 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.
- 1.2.1 A (Balanced Scorecard (BSC)/SWOT analysis) is an instrument used to assess companies' compliance with BBBEE.
- 1.2.2 In a (non-verbal/verbal) presentation only written material is used.
- 1.2.3 The insured pays a monthly or yearly (premium/excess) to the insurer for the continued existence of his/her policy.
- 1.2.4 The last step in conflict resolution after mediation has deadlocked is referred to as (arbitration/conciliation).
- 1.2.5 (Staff development/Induction) programmes aim to provide existing employees with basic knowledge and skills. (5 x 2) (10)
- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–H) next to the question number (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 H.

COLUMN A	COLUMN B
1.3.1 Quality control	A type of decisions made by middle management
1.3.2 Tactical decision	B plan of action to achieve a goal
1.3.3 South African Revenue Services	C an institution responsible for setting quality standards
1.3.4 Bonus shares	D issued to founders of the company to compensate for loss of dividends
1.3.5 Strategy	E measures to identify, eliminate and prevent deviations from set standards with regard to the production of a product or service
	F enable shareholders to be compensated for any future dividends
	G an institution responsible for collecting tax
	H type of decisions made by top management

(5 x 2) (10)

**TOTAL SECTION A: 40**

**SECTION B (COMPULSORY)****QUESTION 2**

- 2.1 Name the business environment to which the acronym PESTLE is applicable. (2)
- 2.2 State THREE purposes of SETAs. (6)
- 2.3 Simmer & Jack is a mining company situated in Stilfontein. Describe how Simmer & Jack can engage in corporate social investment programmes to improve on the long-term challenges given below, which are facing both the local community and the company. Use examples to motivate your answer.
- 2.3.1 Education (4)
- 2.3.2 Crime (4)
- 2.3.3 Housing (4)
- 2.4 Study the information on share trading shown below and answer the questions that follow.

<b>CHEMICALS</b>								
<b>Name</b>	<b>Close</b>	<b>High</b>	<b>Low</b>	<b>DM</b>	<b>YM%</b>	<b>DY</b>	<b>PE</b>	<b>DV</b>
AECI	8 627	8 699	8 365	142	1,7	2,38	14,95	14 000
AFROX	1 920	1 920	1 810	97	5,3	1,41	34,59	150 000
DELTA	760	760	760	-10	-1,3	0,00	5,41	1 000
FREE WORLD	1 180	1 200	1 160	-11	-0,9	0,59	15,95	13 000
OMNIA	7 400	7 400	7 358	50	0,7	0,00	11,93	33 000

[Source: *Business Day*, Thursday 28 April 2011]

<b>KEYS</b>			
Close:	Market close	High:	Day's high
Low:	Day's low	DM:	Daily move
YM%:	Last 12 months' percentage move	DY:	Dividend yield
PE:	Price-earnings ratio	DV:	Day's volume

- 2.4.1 Name the institution that publishes this type of information. (2)
- 2.4.2 List FOUR functions of the institution mentioned in QUESTION 2.4.1. (8)
- 2.4.3 Briefly explain the share activities of Free World during the day's trading. (6)
- 2.4.4 Describe how the information given in the table above can assist you in deciding which shares to buy. (2)

2.4.5 Name THREE ways that could be used to invest in shares as a form of investment. (6)

2.4.6 In which company would you buy shares? Motivate your answer. (4)

2.5 Read the case study below and answer the questions that follow.

### **AN ENTREPRENEUR WITH A VISION**

Being able to manage your workload and your time is a vital skill. Train your staff to manage their time and they will perform better and feel less stressed.

Though barely in his thirties, Jojo Tsheola has attained entrepreneurial success. His passion for tourism, youthful zest for life and unfailing belief in himself led him to start his own company, Tsheola Dinare Tours and Transport, in 2007. He has not looked back.

The company offers customised travel packages for corporate travel, luxury coaches, shuttle services and a private VIP travel service. An impressive client list includes leading corporations and prestigious foreign companies. Tsheola describes himself as a 'self-driven, results-orientated person with a positive outlook and a clear business focus on profitability'. He is a natural planner, who critically assesses his own performance to achieve excellence.

[Source: *Succeed*, May 2011]

2.5.1 Identify the business sector to which Tsheola Dinare Tours and Transport belongs. (2)

2.5.2 Jojo Tsheola is running a successful business. Give any FIVE examples from the case study above to support this statement. (10)  
**[60]**



**QUESTION 3**

- 3.1 State FOUR purposes of induction programmes in the workplace. (8)
- 3.2 Define *unethical advertising* and give TWO examples to illustrate its meaning. (6)
- 3.3 Read the case study below and answer the questions that follow.

**CHAUKE BRICK AND SAND SUPPLIERS**

Peter Khumalo works for Chauke Brick and Sand Suppliers; a business that manufactures bricks and supplies sand to clients in and around Hazyview.

Employees work 11 hours a day, from Monday to Saturday, including public holidays. The general manager rarely sees or talks to the employees or listens to their grievances. Employees of the company are not allowed to join trade unions. When employees lodge complaints with supervisors, they are threatened with dismissal. The morale of employees is low and they show signs of stress. The workplace is very dusty and employees do not use face masks.

- 3.3.1 Identify the causes of the stress of employees at Chauke Brick and Sand Suppliers. (10)
- 3.3.2 Explain FIVE ways in which the management of Chauke Brick and Sand Suppliers can reduce the stress levels of their employees. (15)
- 3.4 Read the extract below, taken from the payslip of one of the employees of DOWNING RAYNARDS Ltd.

INCOME		DEDUCTION	
Gross salary	R48 000	Income tax	R3 800
		UIF	R35
		Pension fund	R1 354
		Medical aid fund	R1 800
		Membership fee: Trade union	R65

- 3.4.1 Calculate the NET SALARY that this worker earns. (3)
- 3.4.2 Differentiate between the concepts *gross salary* and *net salary*. (4)
- 3.4.3 Name TWO deductions on the above payslip which are NOT compulsory, according to the Basic Conditions of Employment Act. (4)
- 3.5 Explain how the quality of performance of the production function can impact on a large business organisation. (10)

**[60]**

**QUESTION 4**

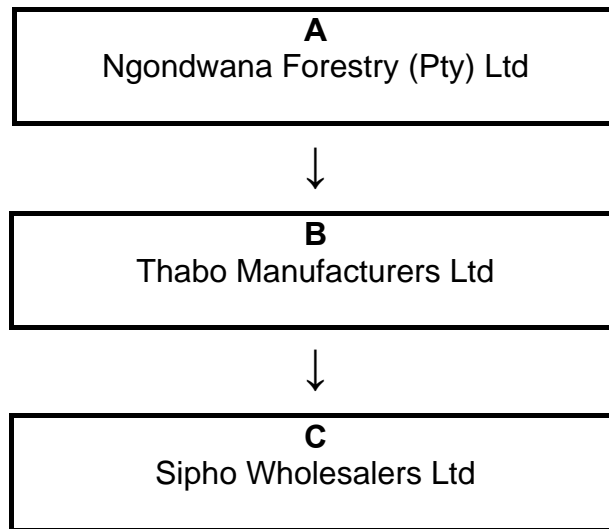
- 4.1 State FOUR factors that must be considered when choosing a career path. (8)
- 4.2 In 1994, Judge Mervyn King tabled a report recommending key principles according to which businesses in South Africa should operate.  
State any FOUR key principles identified in the King Code. (8)
- 4.3 One of your co-workers has to conduct a non-verbal presentation and is very worried about the process. Help him by listing THREE ways to present information, and also state THREE ways in which to handle the feedback process. (12)
- 4.4 Should a business consider teamwork in the workplace? Motivate your answer. (8)
- 4.5 Read the scenario below and answer the questions that follow.

**MANAGERS MAKE A DIFFERENCE**

Robbie started as an inexperienced worker in a well-organised accounting firm in Nelspruit. The way in which his manager approached him changed his life for the better. The manager discussed Robbie's vision and adjusted his goals in such a way that Robbie felt part of the team. He was motivated to register for a course in Accounting. He not only gave Robbie some responsibilities and showed him some challenges in his career path, but he also directed him in developing new skills.

- 4.5.1 Identify and discuss any ONE leadership style of Robbie's manager. (4)
- 4.5.2 Should managers use only one leadership style? Motivate your answer. (4)
- 4.5.3 Do you think Robbie's manager is a leader or a manager? Motivate your answer by referring to examples from the scenario. (4)

4.6 Study the diagram below and then answer the question.



Identify the business sectors for **A** and **B** and the form of ownership for **C** in the diagram above. Motivate your answer.

(12)  
[60]

**TOTAL SECTION B: 180**

**SECTION C**

Answer ANY TWO questions.

**NOTE:** Write down the QUESTION NUMBER only. The answer to EACH QUESTION must begin on a NEW PAGE, for example QUESTION 5 on a NEW page, QUESTION 6 on a NEW page, et cetera.

**QUESTION 5****WORK EASY FURNITURE FACTORY**

Work Easy Furniture Factory is situated in East London in the Eastern Cape and is owned by Phakamani.

This factory specialises in the manufacturing and selling of quality office equipment such as chairs and desks. Phakamani has a degree in Marketing and has vast experience in the manufacturing of all kinds of furniture.

She wants to diversify by manufacturing and selling printers in local and overseas markets.

Work Easy Furniture factory is experiencing the following:

- High absenteeism of employees
- Poor team spirit
- High turnover of worker employment
- Lack of motivation of workers
- Loss of highly skilled workers to competitors
- High transport costs to send manufactured goods to the customers in Gauteng
- Competitors selling similar furniture at cheaper prices
- Competitors keeping up to date with technology by buying modern machinery

Phakamani wants to register her factory as a franchise operation.

Identify the strengths and challenges facing Phakamani and formulate strategies to overcome each challenge. Determine how these strategies will be evaluated and also recommend whether she should diversify into the manufacturing and selling of printers.

**Your answer must be according to the following headings:**

1. Introduction
2. Strengths
- 3.

CHALLENGE	STRATEGY

4. Evaluation
5. Recommendation
6. Conclusion

**NOTE:** The strategies must be linked to the challenges.

**[40]**

**QUESTION 6**

Zanele and her three friends are running a successful informal hairdressing salon at KwaMashu. They have formalised their growing business operation by forming a partnership.

Discuss in detail how the following factors will impact on the success or failure of their partnership as a form of ownership, namely management, capital, legalisation and taxation. Do you think a close corporation is a more suitable form of ownership for Zanele and her friends? Motivate your answer.

**[40]****QUESTION 7**

Conflict can be either positive or negative. Either way, if not properly addressed, it can lead to a crisis.

Discuss the causes, as well as the types of conflict, and then evaluate the roles played by management, workplace forums and trade unions in minimising conflict in the workplace. Briefly explain whether you agree with the above statement.

**[40]****QUESTION 8**

The Labour Relations Act, 1995 (Act 66 of 1995) and the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) were put in place to ensure a better South Africa for all the people in the country.

Discuss the nature and purpose of each Act and explain how it is implemented. Also evaluate the impact of these Acts on both employers and employees.

**[40]**

<b>TOTAL SECTION C:</b>	<b>80</b>
<b>GRAND TOTAL:</b>	<b>300</b>