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# education

Department:  
Education  
**REPUBLIC OF SOUTH AFRICA**

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES**

**NOVEMBER 2009**

**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 of an answer.
6. Start EACH question on a NEW page.
7. Use the table below as a guide for marks and time allocation when answering each question.

QUESTION	SECTION	MARKS	TIME
1	<b>A: Multiple-choice questions, matching items, words in brackets. COMPULSORY</b>	40	30 min.
2	<b>B: THREE direct questions COMPULSORY</b>	60	30 min.
3		60	30 min.
4		60	30 min.
5	<b>C: Essay questions Answer any TWO of the four questions</b>	40	30 min.
6		40	30 min.
7		40	30 min.
8		40	30 min.
	<b>TOTAL</b>	<b>300</b>	<b>180 min.</b>

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

1.1 Four 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 When a dairy farmer sets up his own milk shop, it is called ... integration.

- A horizontal
- B backward
- C forward
- D vertical

1.1.2 Which ONE of the following laws in South Africa promotes inclusivity?

- A Skills Development Act, 1998 (Act 97 of 1998)
- B South African Qualifications Authority Act, 1995 (Act 58 of 1995)
- C Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- D Employment Equity Act, 1998 (Act 55 of 1998)

1.1.3 Successful businesses manage money in such a way as to guarantee a sound return on investment. This approach refers to ...

- A sustainability.
- B electronic banking.
- C profitability.
- D customer base.

1.1.4 One of the main purposes of the Skills Development Act, 1998 (Act 97 of 1998) is to ...

- A improve productivity.
- B discourage unfair discrimination.
- C promote equal opportunity.
- D promote payment of equal salaries to employees.

1.1.5 This form of ownership can trade its shares on the Johannesburg Securities Exchange:

- A Private company
- B Public company
- C Partnership
- D Close corporation

1.1.6 Business ventures are required by law to charge customers for plastic packaging. This is one of the ways in which the business addresses ... issues.

- A human rights
- B gender equity
- C disability
- D environmental

1.1.7 This risk of a business venture cannot be insured:

- A Improvements in technology
- B Burglary
- C Hail damage to company vehicles
- D Losses resulting from the death of a business partner

1.1.8 The ability to influence others based on personal charm and inspiration is known as the ... leadership style.

- A free-reign
- B autocratic
- C charismatic
- D super

1.1.9 ... deal(s) with the evaluation of employees in the workplace with a view to an increase in their wages and salaries.

- A Staff development programmes
- B Counselling
- C Performance appraisal
- D Team-building exercises

1.1.10 This business function is directly involved in the sale of manufactured products in a company:

- A Marketing
- B Production
- C Human resources
- D Finances

(10 x 2) (20)

- 1.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A – H) next to the question number (1.2.1 – 1.2.5) in the ANSWER BOOK, for example 1.2.6 H.

COLUMN A		COLUMN B
1.2.1	Employees receive continuous education and training in their field of work	A conflict B quality assurance
1.2.2	Ideas that are original and useful to solve business challenges	C lockout D lower management
1.2.3	Disagreement on attitudes, opinions and beliefs	E staff development F creative thinking
1.2.4	The management level that is responsible for operational decisions	G middle management H workplace forum
1.2.5	This final action is available to the employer whereby he/she refuses his/her employees to perform work	

(5 x 2) (10)

- 1.3 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.3.1 – 1.3.5) in the ANSWER BOOK.

- 1.3.1 The private company consists of a maximum of (twenty/fifty) shareholders.
- 1.3.2 The partnership pays tax on its profits in the name(s) of the (partners/partnership).
- 1.3.3 An employee who has been unfairly dismissed can seek legal assistance from the (SAQA/CCMA).
- 1.3.4 To improve the quality of performance of the financial function of a business enterprise, an internal audit of the (macro-/micro-) environment is necessary.
- 1.3.5 The (job description/career path) outlines the duties and responsibilities of an employee.

(5 x 2) (10)

**TOTAL SECTION A: 40**

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

- 2.1 The following questions are based on BBBEE.
- 2.1.1 Write down the full term for the abbreviation *BBBEE*. (2)
- 2.1.2 Justify the introduction of the BBBEE Act by explaining any TWO examples. (6)
- 2.1.3 Suggest TWO ways in which the BBBEE Act can be applied to a company that has a large sugar plantation. (4)
- 2.2 Describe the term *Corporate Social Responsibility* (CSR). (4)
- 2.3 Identify any THREE socio-economic issues that may pose challenges to businesses and explain how they could address them. (12)
- 2.4 Identify the business sector of each business operation below and explain the reason for your answer.
- 2.4.1 Diamond mining in Namibia (4)
- 2.4.2 Commercial banks offering different types of investment opportunities (4)
- 2.5 Read the following scenario and answer the questions that follow:
- Dudu Khoza has been appointed as a sales manager at a supermarket in Soweto.

Her employment contract stipulates, amongst others, the following:

  - 10 working days annual leave
  - Resignation when Dudu falls pregnant
  - 8 hours of work per day
- Dudu has approached you as a labour consultant to advise her on her basic rights in terms of the employment contract.
- Write a critical evaluation of the above stipulations with regard to their compliance with the requirements of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997). (12)
- 2.6 State SIX functions/roles of trade unions. (12)
- [60]**

**QUESTION 3**

3.1 Read the following case study and answer the questions that follow:

**The Story of Tom's Fashion Design Business**

Mazwe Tom completed Grade 12 but remained unemployed. He always dreamed of a career in fashion design but could not afford to further his studies. As an innovative self-starter, this young man joined the classes offered by a community-based project that trained people to sew.

Using his skills from the sewing classes combined with his own initiative and self-motivation, a viable business idea was created.

He was put in contact with Donne Nicols of Cyril Ramaphosa's Shakunda Foundation. They immediately gave him machines for domestic and industrial sewing, as well as for over-locking.

He started making clothes according to orders from members of his local community. Word quickly spread about his unique designs. Tom marketed the business by means of flyers and the clothes his customers were wearing.

The most significant challenges that Tom faced were cash-flow management and poor client payment. Though modest in size and equipment, the business has grown. In the first year he was able to support himself and set aside some profit for capital.

When questioned about his success factors, Tom points to the uniqueness of the clothes he designs. 'I get my inspiration from all over – from watching how famous people dress. My designs are 100% original. I take in what I see, change it and put the Tom's Fashion Design stamp on it,' he says. Looking to the future, he says his sights are set on becoming a top South African designer. And if his story proves anything, it's that it pays to dream.

[Adapted from: *Entrepreneur*, February 2008]

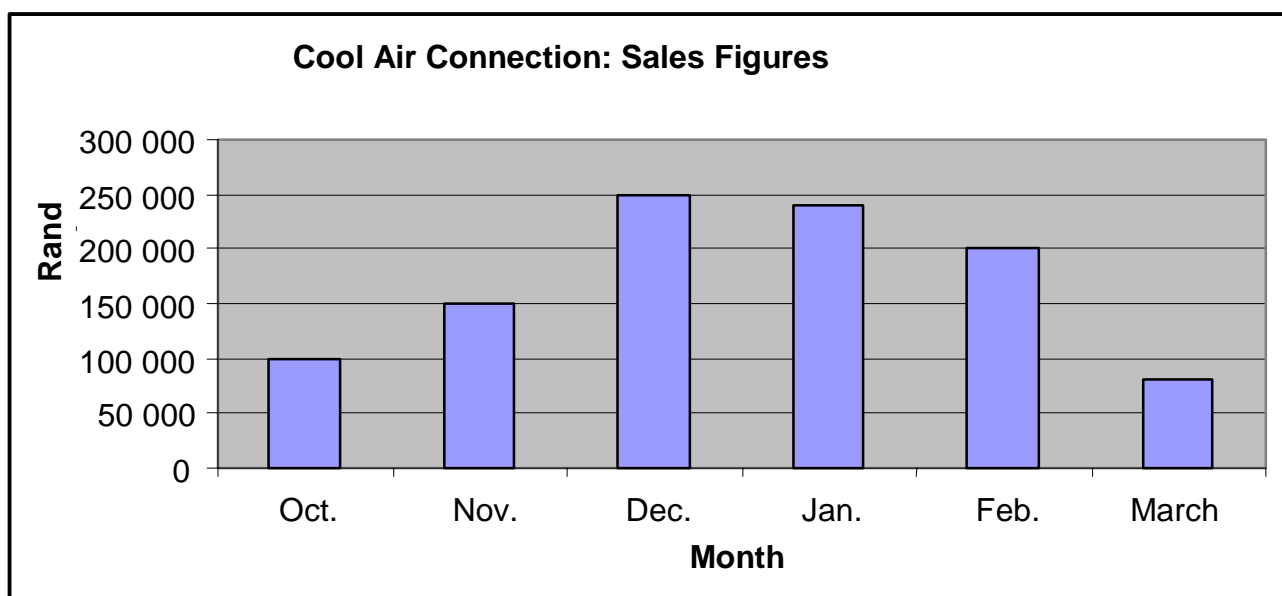
- 3.1.1 Analyse any **THREE** qualities of Mazwe Tom as a successful entrepreneur. Use examples from the case study to support your answer. (12)
- 3.1.2 Identify any **TWO** key success factors of Mazwe Tom's business enterprise. (4)
- 3.1.3 Mazwe Tom states that the most significant challenges to his business are cash-flow management and poor client payment. Advise Mazwe on ways to overcome these challenges. (8)



- 3.2 Study the following scenario regarding insurance and answer the questions that follow:

Karen Jones owns a retail outlet at the Century City Shopping Centre in Cape Town. She sells imported ladies' garments. The business is insured against fire for R800 000. The market value of her business enterprise is R1 000 000 (one million rand). Fire caused damage to her business, which was assessed at R300 000.

- 3.2.1 Calculate the compensation that Karen Jones will receive from the insurance company. (5)
- 3.2.2 Give a reason for using the calculation method in QUESTION 3.2.1 above. (2)
- 3.3 Zamisa Zulu bought 100 000 ordinary shares at R2 per share from a public company listed on the Johannesburg Securities Exchange. At the end of the financial year, he received his first dividend cheque of R40 000 from the company.
- 3.3.1 Calculate the percentage return on investment received by Zamisa Zulu. (5)
- 3.3.2 Will Zamisa Zulu be happy with his return on the investment? Motivate your answer. (4)
- 3.4 The following graph illustrates the monthly sales figures of air conditioners for Cool Air Connection from October 2008 to March 2009.



- 3.4.1 Identify the type of graph that Cool Air Connection uses to present their business-related information. (2)

- 3.4.2 You are required to provide feedback at a meeting to the management of Cool Air Connection regarding their sales performance.  
Explain how you would analyse the information from the graph to provide feedback. (6)

- 3.5 Refer to the television advertisement below and answer the questions that follow.



- 3.5.1 Explain the term *unethical advertising*. (2)
- 3.5.2 What would you regard as unethical in this television advertisement? Substantiate your answer. (4)
- 3.6 Will the 2010 Soccer World Cup in South Africa benefit South African businesses? Substantiate your answer. (6)  
**[60]**

#### QUESTION 4

- 4.1 Describe FIVE characteristics of a successful team in the workplace. (10)
- 4.2 Explain in detail how the quality of performance in General Management, as a business function, can contribute towards success or failure within the enterprise. (10)
- 4.3 The recent Labour Relations Act, 1995 (Act 66 of 1995) makes provision for the establishment of workplace forums. Give FOUR reasons why you think it was introduced. (8)
- 4.4 Discuss any FOUR ways in which a manager/leader can help to reduce employee stress in a business enterprise. (12)

- 4.5 Read the following case study and answer the questions that follow:

**EXACTRA MINING COMPANY**

Exactra Mining Company, in Ermelo, is mining asbestos, which is a highly toxic substance. They want to open a second mine in Badplaas.

The area is next to a breeding ground for different types of birds and fresh-water fish. It is also a popular tourist attraction, which is frequently visited by environmentalists and international tourists.

Most residents are unskilled and unemployed. There are very few shops and no recreation facilities for the community.

The mine will create employment for the local people by building a school and a clinic.

The environmental groups are opposed to the mining operation at Badplaas. They believe that the waste products from the mine will pollute the wetlands and members of the local community may suffer from asbestosis, a disease contracted from asbestos mining.

- 4.5.1 Apply the force-field problem-solving technique to address the above problem. (10)
- 4.5.2 Recommend whether the mining operation should commence or not. Give ONE reason for your answer. (4)
- 4.6 Explain the National Credit Act, 2005 (Act 34 of 2005) (NCA) in terms of its benefits to consumers. (6)
- [60]**

**TOTAL SECTION B: 180**

**SECTION C**

Answer any TWO of the four questions in this section.

**QUESTION 5****GOOD LUCK GLASS RECYCLING**

Consol Glass advertised on radio that the company wanted to increase its recycling volumes.

Cato and Dominic, two school friends, decided to take this opportunity and launched their business, GOOD LUCK GLASS RECYCLING, in KwaZulu-Natal. Cato studied Business Studies up to Grade 12 level and he is currently doing a course in Business Management at Unisa. Dominic is responsible for the daily operation of the business.

They approached their former school, Umlazi High School, with a recycling proposal. The business will supply a container at no cost. Once the container is full, they will collect it from the school and in turn give the school a cash incentive. The project was launched in March 2008, and by the end of the year, they had 23 schools involved in the project.

GOOD LUCK GLASS RECYCLING have three permanent staff members and one casual employee.

The following are some of the challenges of their business operation:

- Three of their delivery vehicles are not in a good running condition.
- Convincing banks to finance the business operation.
- Changing learner attitudes towards glass recycling.
- Getting to grips with the tender processes to secure tenders.

Cato and Dominic have a vision of establishing five buy-back centres in KwaZulu-Natal. They want to sell recycled bottles to several other manufacturers. They also receive waste glass from various glass manufacturers in the province.

Develop a detailed SWOT analysis for GOOD LUCK GLASS RECYCLING.  
Formulate strategies to overcome their challenges and state how the strategies could be evaluated.

**[40]****QUESTION 6**

Legislation in South Africa makes provision for THREE types of compulsory insurance which provide security and indemnity for claimants.

Give a detailed explanation of the key provisions of any TWO compulsory insurances. Distinguish between compulsory and non-compulsory insurance and explain why only certain types of insurance should be made compulsory.

**[40]**

**QUESTION 7**

Enterprises agree that ethical and professional behaviour are important aspects of the business environment.

Describe the principles of ethical and professional behaviour. Evaluate the issues that pose challenges to the business environment in terms of ethical/professional behaviour and comment on its application in the business enterprise.

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

Anthony Chanderman is a professional labour consultant based in Cape Town. He has been requested by Sun International to do a presentation to newly appointed Human Resources Managers on the processes and procedures relating to Human Resources Management.

Discuss the various human resources steps that Chanderman needs to follow in his presentation to the Human Resources Managers of Sun International. Indicate the significance of each human resources step in your answer.

Suggest whether Human Resources Managers should follow the various steps at all times. Substantiate your answer.

**[40]****TOTAL SECTION C: 80****GRAND TOTAL: 300**