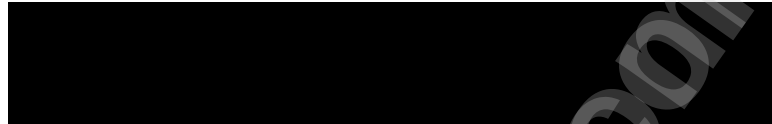




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Province of the
EASTERN CAPE
EDUCATION



GRADE 12

SEPTEMBER 2012

BUSINESS STUDIES

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.

SECTION A COMPULSORY

SECTION B Consists of THREE COMPULSORY questions.

SECTION C Consists of FOUR questions. Answer any TWO of the four questions.

2. Read the instructions for each question carefully and take particular note of what is required.
3. Number the answers carefully according to the numbering system used in this question paper.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and the nature of each question to determine the length of an answer.
6. Use the table below as a guide for marks and time allocation when answering each question:

QUESTION	SECTION	MARKS	TIME
1	SECTION A: Multiple choice questions, Words in brackets, Matching Items. (Compulsory)	40	30 minutes
2	SECTION B: Three questions (Compulsory)	60	30 minutes
3		60	30 minutes
4		60	30 minutes
5	SECTION C: Essay questions: Answer any TWO of the four questions.	40	30 minutes
6		40	30 minutes
7		40	30 minutes
8		40	30 minutes
	TOTAL	300	180 minutes

SECTION A: COMPULSORY**QUESTION 1**

1.1 Four possible options are provided as 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 1.1.12 B.

- 1.1.1 This is an elected organisation consisting of employees in a particular workplace:
- A Placement
 - B Workplace forum
 - C Collective bargaining
 - D Selection
- (2)
- 1.1.2 In addition to the health and fitness business, virgin active started a food, golfing and education businesses, a casino bid and so on. This is an example of a ... strategy.
- A Product development
 - B Horizontal integration
 - C Conglomerate diversification
 - D Concentric diversification
- (2)
- 1.1.3 This is the process of ensuring that products or services are made to consistently high standards:
- A Quality
 - B Quality control
 - C Quality assurance
 - D Quality cycle
- (2)
- 1.1.4 ... leaders do what managers do. They clarify the role of subordinates, initiate structures and provide appropriate rewards.
- A Charismatic
 - B Transformational
 - C Autocratic
 - D Transactional
- (2)

- 1.1.5 Which of the following is intensive growth strategy? Choose the right combination.
1. Market penetration
 2. Market development
 3. Horizontal integration
 4. Product development
- A 1, 2, 3
B 2, 3, 4
C 1, 2, 4
D 1, 3, 4 (2)
- 1.1.6 This refers to the process of introducing the new employee to the enterprise, the work unit where he/she will be working, work to be done, etc.
- A Induction
B Employee contract
C Selection
D Remuneration (2)
- 1.1.7 This form of ownership stipulates a minimum of seven members:
- A Close corporation
B Partnership
C Private Company
D Public Company (2)
- 1.1.8 Disciplinary rules and procedures form part of the ... contract.
- A insurance
B leasing
C hire purchases
D employment (2)
- 1.1.9 An improvement in productivity is associated with the ... environment of the organisation.
- A economic
B technological
C social
D political (2)
- 1.1.10 This is a problem solving technique that promotes creative thinking and creative problem solving by encouraging idea generation through non-critical discussion, its advantage is that group members can build on one's ideas.
- A Delphi technique
B Force-field analysis
C Brainstorming
D Empty chair (2)

- 1.2 Choose the correct word/s from those given in brackets. Write only the words next to the question number (1.2.1 – 1.2.5) in the answer book.
- 1.2.1 (Job description/Job specification) indicates qualifications, experience, responsibilities and physical effort and skill that are necessary to do the job. (2)
- 1.2.2 (Rehabilitation/Dismissal) can be used to advance the well-being of an employee who abuses drugs. (2)
- 1.2.3 (Grievance/Reconciliation) is conflict of interest between the employer and the employee. (2)
- 1.2.4 The employment contract comes into existence as soon as the employee (signs the application form/signs the contract). (2)
- 1.2.5 (Training/Retrenchment) is also called “dismissal on operational requirements”. (2)
- 1.3 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter next to the question number in the answer book, for example 1.3.6 F

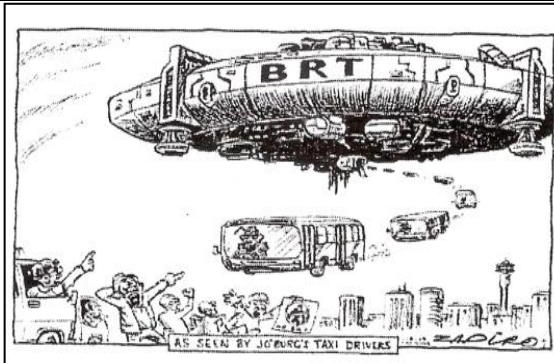
	COLUMN A		COLUMN B
1.3.1	Compensation is paid only if a special event takes place.	A	Lockout
1.3.2	Remuneration based on the performance of the employees.	B	Creative thinking
1.3.3	Ideas that are original and used to solve business's challenges.	C	Lower level management
1.3.4	This final action is available to the employer when the employee refuses to perform work.	D	Indemnity
1.3.5	The management level that is responsible for operational decisions.	E	Commission
		F	Middle level management
		G	Growth shares
		H	Theft

(5x2) (10)

TOTAL SECTION A: 40

SECTION B: COMPULSORY**QUESTION 2**

Read the case study below and answer the questions that follow:



After a long period of negotiation, on the 1st of September 2009, there was a strike initiated by taxi-owners in all major cities. The strike voiced the opinion of taxi owners against the BRT (bus rapid transit) systems for public transport. The BRT system is used by several other countries. It is a system whereby bus lanes are designated to improve traffic flow as well as road safety.

South African National Taxi Council (Santaco) secretary-general Philip Taaibosch said that a working group set up in June 2009 between the taxi industry and the government to negotiate issues, including BRT, was being used as a fig-leaf to conceal the fact that key decisions were being made by the city without proper consultation.

- 2.1 You are one of the managers at a SUPERSPAR in Johannesburg, tasked with strategic planning. Use the macro environment factors supplied in the table below as part of a PESTLE analysis to suggest challenges caused by the Political and Economic environment for SUPERSPAR as a result of the taxi strike. Suggest an appropriate strategy for the challenges and motivate your choice of strategy.

Answer this question according to the table provided, under the following headings.

PESTLE FACTOR	Challenges from the external environment related to the strike	Appropriate strategy to overcome the challenge	Motivation for the choice of strategy
	4	4	4
Political			
Economic			

(12)

- 2.2 SUPERSPAR needs to have appropriate strategies to deal with influences from the market environment. Porter's Five Forces Model is often a valuable technique to use when dealing with these challenges.

- Identify TWO challenges that SUPERSPAR could face in the market environment and discuss an appropriate strategy to deal with each challenge. Use the table below as a guide in answering this question.

Element from Porter's FIVE model:	Challenges in the market environment 4	Strategy to deal with the challenges 4
The level of rivalry in the market		
The power of buyers		

(8)

- 2.3 SUPERSPAR is committed to addressing the inequities of the past while ensuring sustainable competitiveness. Employment equity is regarded as both strategic and business imperative and therefore aims to maximize the potential of a diverse workforce.

- 2.3.1 In order to achieve employment equity, SPAR must follow the provisions of the Employment Equity Act. Briefly outline THREE provisions of this act.

(6)

- 2.3.2 Outline THREE positive purposes of Black Economic Empowerment (BEE) Act.

(6)

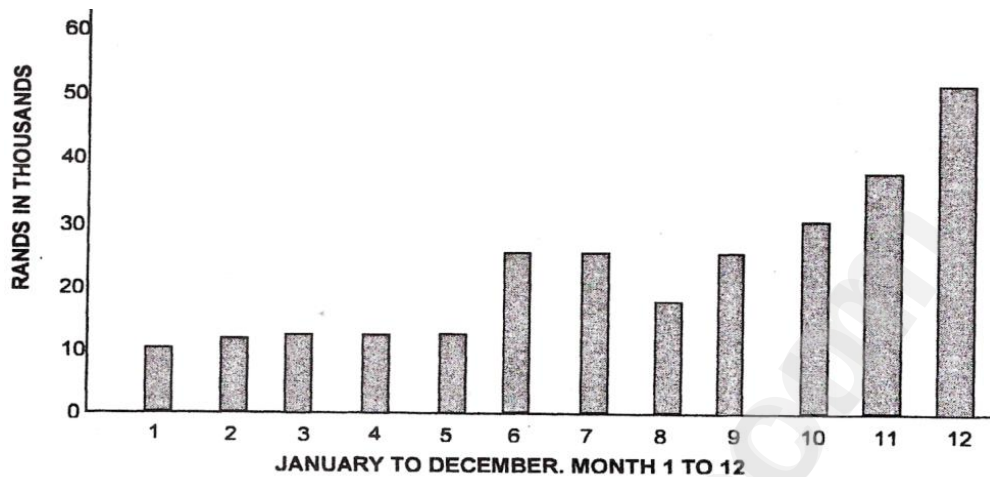
- 2.4 List THREE benefits that SPAR will derive from being involved in dynamic corporate social responsibility programmes.

(4)

- 2.5 The National Credit Act, 2005 (Act 34 of 2005) protects the credit provider. Do you agree with the above statement? Motivate your answer.

(3)

- 2.6 The following graph illustrates the monthly sales figures of duvets of SUPERSPAR from January to December 2011.



- 2.6.1 Identify the type of graph depicted above. (2)
- 2.6.2 Describe the sales trend in the graph. What in your opinion has influenced the trend? Justify your answer. (6)
- 2.7 Read the following case study and answer the questions that follow:

YOU NEED 90% GUTS AND 10% CAPITAL

If you have passion, you are almost there, even if you do not have money. Thandi had passion for the consumer sovereignty principle. That is what prompted her to go out on her own though she had no money. If you do something you like you do it with enthusiasm and energy. You need to have passion and dedication for what you want. That's what makes Thandi to be a successful entrepreneur.

- 2.7.1 Analyse any THREE qualities of Thandi as a successful entrepreneur. Use examples from the case study to support your answer. (9)
- 2.7.2 Briefly explain profitability and customer base as key success factors in a business. (4)

[60]

QUESTION 3

- 3.1 Discuss the impact of the following issues on the success and the failure of a partnership and a company:
- 3.1.1 Taxation (8)
- 3.1.2 Management (8)
- 3.2 Differentiate between *management* and *leadership*. (8)
- 3.3 Differentiate between *Autocratic* and *Democratic leadership styles*. (8)
- 3.4 Discrimination in the workplace is one of human rights issues that have a negative impact on the relationship between employers and employees.
- 3.4.1 Do you agree with this statement? Motivate your answer. (3)
- 3.4.2 Suggest what the business can do to avoid discrimination in the workplace. (4)
- 3.5 Discuss the functions of workplace forums. (6)
- 3.6 Discuss any THREE ways which a manager can implement to improve the well-being of employees in the workplace. (9)
- 3.7 Many businesses rely on teamwork because it produces the desired results. Outline THREE characteristics of successful teams. (6)
- [60]**

QUESTION 4

- 4.1 On the South Coast, Michael Frey's Fresh Meat supplies Shoprite and Checkers with meat. Study the following Job advertisement from the South Coast Herald to answer the questions below:

ADMIN CLERK

We have a vacant post for an admin clerk. Only candidates with at least 2 years admin experience and traceable references need apply.

1. Above average numerical skills
2. Above average computer skills (Microsoft Word, Excel and E-mails)
3. Ability to work under pressure
4. Accuracy is extremely important
5. Ability to work independently

Salary earned will be *cost to company*. Experience will be considered.

Please fax a 2 page CV to Malvin at Michael Frey's Fresh Meat on 086 611 6724.

Applications close on 01 April 2011. If you have not heard from us by the 15th April 2011, Please consider your application unsuccessful.

[Adapted from South Coast Herald, March 25th, 2011]

- 4.1.1 Explain the advantage of the salary structure "Cost to company" for the successful applicant. (2)
- 4.1.2 Suggest THREE benefits that could have been included if a "Basic plus benefits" salary structure was offered. (6)
- 4.1.3 Michael Frey's Fresh Meat can make use of internal or external recruiting when filling the vacancy. Explain what is meant by this statement. (4)
- 4.1.4 List TWO disadvantages of internal recruitment. (4)
- 4.2 Name FOUR functions of Johannesburg Securities Exchange. (8)

4.3 Read the article below and answer the questions that follow.

**THE LONG AND WINDING ROAD OF DISMISSAL AND LITIGATION IN
REVIEWS**

In a recent case of Shoprite Checkers (Pty) Ltd vs. CCMA and others (2009) 3 All SA 466 SCA the facts were as follows-

The employer, Shoprite Checkers (hereafter the appellant] appealed against a judgment of the Labour Appeal Court, in terms of which it [the LAC] reinstated an employee.

The employee concerned, Mr Jan Maake, was dismissed by the appellant...

... Mr Maake's union, the Retail and Allied Workers Union, referred the matter, on his behalf, to the Commission for Conciliation, Mediation and Arbitration (the CCMA), initially for conciliation and later for arbitration.

4.3.1 Briefly explain the following terms which are used in the article:

- | | | |
|-----|--------------|-----|
| (a) | Conciliation | (4) |
| (b) | Mediation | (4) |
| (c) | Arbitration | (4) |

4.4 Explain the steps that must be followed when dealing with grievance procedure. (12)

4.5 Discuss the purpose of Labour Relations Act. (12)
[60]

TOTAL SECTION B: 180

SECTION C:

Answer any TWO questions only.

QUESTION 5

Shortage of skills has been identified as a challenge in the business environment. Government has introduced the Skills Development Act to Address Skills Shortage.

Discuss the Skills Development Act, 1998 (Act 97 of 1998) in detail by referring to the purpose, role of SETAs and the implications of the Act for business enterprises. Do you think that the skills development Act meets with its objectives? Motivate your answer.

[40]**QUESTION 6**

You are the Financial Consultant of Saints Financial Solutions. You have been approached by a new client, Yudhav, who has won R20 million in the Lotto and wants to invest his winnings wisely.

Explain to Yudhav the different factors he needs to consider when making informed investment decisions. Inform him of the different forms of investment opportunities and elaborate on the risk factors.

[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 and professional behaviour and comment on its application in the business enterprise.

[40]**QUESTION 8**

Trade unions were primarily established to address the challenges faced by employees in the workplace. They play an important role in influencing the labour market and industrial relations policies.

Outline the roles and functions of trade unions in improving the working conditions of employees. Analyse their role in promoting good labour practice and in uplifting the standards of living for workers in South Africa.

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