



**ST BENEDICT'S COLLEGE**

Date: 22/09/2021

Time: 3 hours

Examiner: Ms L. French

Total: 300 marks

Moderators: Mr A. Hlekani and Mr Govender

Name: _____

Surname: _____

Grade 12/Key: _____

PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY

1. THE QUESTION PAPER CONSISTS OF 38 PAGES. Please check that your question paper is complete.
2. Read the questions carefully.
3. All questions are **COMPULSORY**.
4. Answer ALL the questions on the question paper and in the spaces provided. Hand it in at the end of the examination. Remember to write your name on the question paper and in the space provided.
5. Demonstrate insight, where applicable, when answering the questions.
6. You are advised to pay particular attention to the use of language as well as the **allocation of marks**.
7. It is in your own interest to write legibly and present your work neatly.
8. Do not **write** in pencil, it will not be marked.
9. If you run out of space for a question, two extra blank pages (pages 37-38) have been included at the end of Section B. Should you use this extra space please clearly indicate the question number.

1

2

	MARK ALLOCATION	TIME MANAGEMENT	MARKS ACHIEVED
SECTION A			
Question 1	40	30 Min	
Question 2	40		
Question 3	20		
SECTION B			
Question 4	50	30 Min	
Question 5	50	30 Min	
Question 6	50	30 Min	
SECTION C			
Question 7	50	60 Min	
TOTAL			/300

3

SECTION B
QUESTION 1

1.1 "The advertisement should hit the target market" means that the _____ be reached.

- A. richest possible population.
- B. the greatest number of consumers possible.
- C. customers with financial capability, need and/or desire your product.
- D. largest possible population with needs and/or desire.

(2)

1.2 The Rand is trading at R12, 98 to the \$US. This is an example of _____ environment.

- A. macro
- B. market
- C. micro
- D. secondary

(2)

1.3 Pick and Pay is in competition with Spar, this is an example of the _____ environment.

- A. macro
- B. market
- C. micro
- D. secondary

(2)

1.1	1.2	1.3

4

1.4 The deliberate copying or reproduction of another person's product without permission, is known as _____.

- A. trademark
- B. patents
- C. gambling
- D. piracy

(2)

1.5 If most tasks in a manufacturing business are automated, the business is referred to as _____ intensive business.

- A. labour
- B. capital
- C. material
- D. time

(2)

1.6 The following is a suitable name for a public company.

- A. Local Goods Inc.
- B. Local Goods SOE.
- C. Local Goods plc.
- D. Local Goods Ltd.

(2)

1.4	1.5	1.6

5

1.7 Identify the correct definition of a public company.

- A. A public company is owned by the Government.
- B. The Department of Public Enterprises represents the major shareholding.
- C. A public company, focuses on serving a public purpose or cause, and not to make a profit.
- D. A public company is registered to offer stock and shares, to the general public.

(2)

1.8 Which of the statements below is **false** with regards to the Board of Directors.

- A. Directors must act with skill and care, when formulating guidelines and procedures.
- B. They must act in good faith and honesty, in terms of what they believe would be in the best interest of the stakeholders.
- C. Ensure Integrated reporting and disclosure of relevant information.
- D. Ensure high risk and implementation of the risk management processes.

(2)

1.9 A form of industrial action that attempts to enforce specific terms of employment upon a group of employees during a dispute, is called _____.

- A. go-slow
- B. Lock out
- C. work-to-rule
- D. wild cat

(2)

1.7	1.8	1.9

6

1.10 Skills shortages among the general South African public is a challenge that emanates from the _____.

- A. micro environment
- B. market environment
- C. macro environment
- D. informal environment

(2)

1.11 In which of the following political factors will be evaluated by a manager of a retail store, to make informed business decisions.

- (i) The local political situation of a country, in which the retail store operates.
- (ii) The political situation of other countries, in which the business may operate.
- (iii) World politics in general.
- (iv) International political relationship between countries, in which your retail store operates.

Choose the correct combination.

- A. (ii); (iii) and (iv)
- B. (i); (ii) and (iv)
- C. (iii) and
- D. All of the above

(3)

1.10	1.11

7

1.12 During a project, the employees are identified and assigned to the project team and employees will not move out of their department. This is an example of a

- A. communication
- B. organogram
- C. business culture
- D. strategy

(2)

1.13 P2E2STLE is a tool used to analyse the following factors.

- (i). Political; Legal; Economical; Ethical; Social Media; Strategic.
- (ii) Legal; Social; Economic; Ethical.
- (iii) Physical; Political; Technological; Employment Equity; Ecological.
- (iv) Physical; Political; Technological and Environmental.

Choose the correct combination.

- A. (i); (ii); (iii) and (iv)
- B. (i); (ii) and (iii)
- C. (iii) and (iv)
- D. All of the above

(3)

1.12	1.13

8

1.14 The business will have _____ control over the market environment.

- A. no control
- B. full control
- C. no control, but influence.
- D. All of the above

(2)

1.15 Porter's "6 Forces Model", investigates the following in the market environment.

- (i) Threat of new entrants; Availability of substitute products; The power of the supplier; The power of the buyer; The power of the complementary goods; Level rivalry in the market.
- (ii) Threat of new entrants; Availability of substitute products; The power of the supplier; Power of the global market; The power of the complementary goods.
- (iii) Threat of new entrants; Availability of substitute products; The power of the supplier; Power of the market; The power of the business culture.
- (iv) Threat of CSR projects; Availability of substitute products; Threat of new entrant; The power of the supplier; Power of the buyer; The power of the business culture.

Choose the correct answer.

- A. (i), (ii) and (iv).
- B. (ii) and (iv).
- C. (ii)
- D. (i)

(3)

1.14	1.15

9

1.16 Various tools are used to determine how the business should react to eliminate any threats and _____.

- A. determine strategies to implement to overcome possible challenges.
- B. capitalize on strength to achieve competitive advantage.
- C. identify possible weaknesses of a business.
- D. None of the above.

(2)

1.17 Term used to describe the measuring of the performance of a company's products, services, or processes against those of another business considered the best in the industry, is called _____.

- A. benchmarking
- B. processing
- C. planning
- D. organizing

(2)

1.18 Social challenges that a business might face are:

A.	HIV/AIDS	Interest rate	Crime
B.	Interest rate	Covid 19	Inflation
C.	Poverty	Public Relations	Gambling
D.	Unemployment	Poverty	Covid 19

(3)

1.16	1.17	1.18

(40)

10

QUESTION 2

Select the term in the brackets that will make each of the following statements correct. Circle the correct answer.

2.1 If liabilities exceed assets, the business is (insolvent/liquid) and can no longer continue with business operations. (2)

2.2 The (production/purchasing) function, is responsible for buying all the raw material, machinery, equipment and services for the business. (2)

2.3 The (public relations/marketing) function, is responsible for creating and managing a good relationship between the business and its stakeholders. (2)

2.4 (Human Resources function/Financial function) has changed to Human Capital function. (2)

2.5 (Fixed deposit/Money market account) are long term investments and money can only be withdrawn when the maturity date is achieved. (2)

2.6 (Credit/social-economic issues) stimulate the economy, which means more jobs are created and this will improve the economic welfare of the country. (2)

2.7 (Own/Borrowed) capital, is money provided by the owners of the business and could come from savings, or from the sale of assets. (2)

2.8 (Customer/Consumers) purchase goods for final consumption. (2)

2.9 (Inflation/Interest) rate refers to the general increase in prices of goods and services, as well as the decrease in the value of the Rand. (2)

2.10 One of the companies objectives, is to increase their investor loyalty, through the increase of (liabilities/dividend), received by shareholders. (2)

11

Complete the following statements by using the word(s) in the list below. Write the answer in the space provided.

Limitation clause	Growth Investment Strategy
Philanthropy	Interdependence
Strategy	Mission
Globalization	Just administrative action
Demographics	Exchange rate
Vision	Labour disputes

2.11 Affirmative Action is seen as fair discrimination due to the _____.

(2)

2.12 The strengthening of communication, connectivity and interdependence of markets throughout the world is _____.

(2)

2.13 Investor expects a long term capital growth, rather than a monthly income.

(2)

2.14 The unavoidable interrelatedness of each of the business environments, which cannot survive without each other is _____.

(2)

12

2.15 Different aspects of the population, for instance, ethnicity, age and gender.

(2)

2.16 To give citizens the right to challenge the government regarding the way in which they are treated if they feel it is unfair.

(2)

2.17 The business sells more products overseas if the Rand gets weaker because it becomes cheaper for other countries to buy our products.

(2)

2.18 Disruption of the economy because workers become unproductive until an agreement can be reached.

(2)

2.19 A plan of action implemented to improve the overall performance of business.

(2)

2.20 A _____ is a dream that an entrepreneur wants to achieve in the future.

(2)

(40)

13

QUESTION 3

The following statements are all false, change the underlined word/s to make the statement true.

3.1 Employees are entitled to 75 consecutive days' annual leave, every annual leave cycle.

(2)

3.2 The organizational leadership is the way management interacts with its staff and how staff interact with each other.

(2)

3.3 The leader is responsible for the allocation of resources and ensuring that these resources are used effectively.

(2)

3.4 The Labour Relations Act 66 of 1995 aimed at ensuring that employees are treated in a fair manner in the workplace and through this promotes economic development.

(2)

3.5 No employer may require a worker to work more than 55 hours a week.

(2)

3.6 It is important to do an article analysis to identify factors that may impact on the business and then adjust existing plans, or develop new plans to deal with these events or factors.

(2)

14

3.7 Employment Equity Act 55 of 1998 aims to increase employment opportunities for Previously Disadvantaged people.

(2)

3.8 During maternity leave, an employee is entitled to at least nine months' maternity leave.

(2)

3.9 Example of Brand Stretching is when Pick and Pay will use the Pick and Pay's "NO NAME" brand, to add new washing powder to their product range.

(2)

3.10 Competitive advertising is when false needs are created, for example advertising liquor, to rehabilitated alcoholics.

(2)



Source: <http://organiclifesa.blogspot.com/2007/>

(20)

100 MARKS

15

SECTION B: Use the mark allocation as a guide to the length of your answer.

QUESTION 4

4.1 Professionalism, Ethics and Corporate Social Responsibility



We procure quality products at the best available prices. By operating a lean and efficient business, supported by a strong and talented team, we are able to provide our customers with a tailored range of high-quality food, grocery and general merchandise products at competitive prices.

[Source: <https://www.picknpayinvestor.co.za/financials/annual-reports/2018/about-us.php#sel=>]

4.1.1 Describe the term "Corporate Social Responsibility".

(6)

16

4.1.2 Explain by giving **examples of** how triple bottom line measures could be used to ensure that Pick and Pay participates in Corporate Social Responsibility programs in all three areas.

Example: Environment – Recycling of all containers used in transportation of goods.

People (Social)	Planet (Environmental)	Profit (Economic)
(4)	(4)	(4)

4.1.3 What could be the arguments for Corporate Social Responsibility, provided by the management of Pick and Pay Ltd.?

(6)

4.1.4 What responsibility does Pick and Pay have towards the shareholder?

17

(2)

4.2 For Pick and Pay Ltd. to be listed on the JSE/FTSE Responsible Investment Index, they need to show that the business focuses on good corporate governance and that they use Triple Bottom Line principles, in their reporting.

4.2.1 What are the benefits for all stakeholders as well as Pick and Pay, to be listed on the JSE/FTSE Responsible Investment Index?

[illegible]

(10)

4.3 Indicate what ethical and/or unethical behaviour the following examples refer to:

18

4.3.1

The commission found that between 1994 and 2006, Tiger, Premier, Pioneer and various independent bakeries increased bread prices "by similar amounts at or about the same time" and between 1999 and 2001 agreed to close certain bakeries.

The commission also found that Tiger, Premier, Pioneer and various independent millers, fixed regional and national prices of flour and maize.

(Source: <https://www.iol.co.za/news/south-africa/the-great-bread-scandal-378568>; date accessed 06/07/2021)

10

(2)

4.3.2

The manager at a retail franchise, is a member of the retail stores employee selection team. The retail manager failed to disclose that he/she is related to a job candidate (floor manager), whom the retail team was considering for a position.

--

(2)

4.3.3

The financial officer of a retail franchise overcharged each customer, or transaction for years by a small "fee". At times it involves double billing the same amount twice. This is seen as a white collar crime.

(2)

4.3.4

19

In response to the possible negative aspects of gifts, many organisations adopt a “no gift” policy. Some companies that offer public services go as far as to issue press statements, to remind the public that it is against company policy for their staff to accept gifts.

(Source: <https://www.corruptionwatch.org.za/corporate-gifts-acceptable-practice-vs-corruption/>; date accessed 06/07/2021)

(2)

4.3.5

Used by law enforcement agencies, when a person passes on relevant and reliable information concerning wrongdoing, such as fraud and corruption to a person / organisation they trust.

(Source: <https://www.gov.za/anti-corruption>; date accessed 06/07/2021)

(2)

4.3.6 Differentiate between bribery and corruption:

(4)

[50]

QUESTION 5

20

5.1 Business environments

Pick and Pay will face a number of different challenges while implementing new technology in the different franchises. Assist Pick and Pay by completing the diagram.

5.1.1 Discuss **TWO** challenges that Pick and Pay could face while implementing new technology.

(4)

5.1.3 Name the business environment in which technology is a component.

(2)

5.1.2 Identify a strategy to solve each of the challenges identified in question 5.1.1.

(4)

21

5.2 Marketing

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

Which economic factors most affect the demand for consumer goods?

Prices, affected by the rate of inflation, naturally impact consumer spending on goods significantly. Higher inflation rates erode the purchasing power, making it less likely that consumers have excess income to spend after covering basic expenses such as food and housing. Higher price tags on consumer goods also deter spending.

Increase in interest rates can also substantially impact the level of spending on consumer goods. Many higher-end consumer goods, such as automobiles or jewelry, are often purchased by consumers on credit.

(Source: <https://www.investopedia.com/ask/answers/042815/which-economic-factors-most-affect-demand-consumer-goods.asp>, date accessed 09/07/2021)

5.2.1 Name two economic challenges, faced by consumers mentioned in the above case study.

(2)

5.2.2 Due to the challenges in question 5.2.1, consumers' disposable income decreases and purchasing will become more conservative. Name and discuss three **examples** of promotional strategies that a retail store can use, to encourage consumer spending.

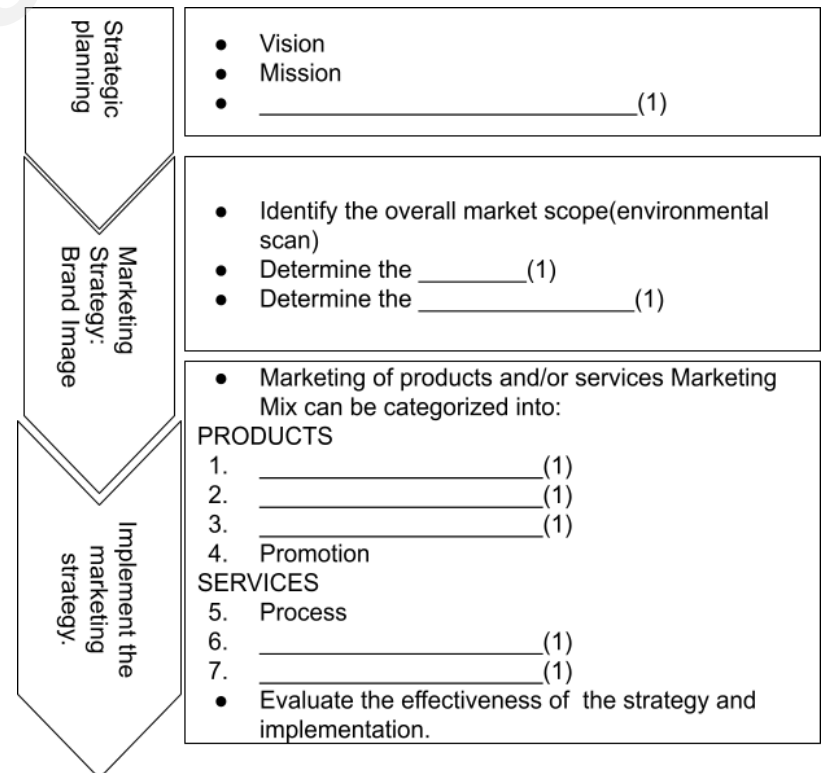
22

(6)

5.2.3 What is the **purpose** of connecting and engaging directly with the target audience, by the retail franchises marketing department?

(2)

5.2.4 A well planned and well implemented marketing strategy creates and supports a strong and positive brand identity in the market. With this in mind, complete the below diagram depicting the formulation of a Marketing Strategy.



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5.2.5 Give a practical example of a retail franchise focusing on **Process** as their competitive advantage.

(2)

5.2.6 Why were three additional P's of marketing added to the marketing mix?

(6)

5.2.7 Give an example of a product that is available at a retail store, and can be classified as "convenience good(s)".

--

(2)

24

5.3 Conflict management at Pick and Pay (Pty) Ltd.

5.3.1 Describe in detail three possible reasons for conflict amongst co-workers, by using practical examples in a retail store.

(6)

5.3.2 Justify the importance of "Functional conflict", to team dynamics.

(6)

[50]

QUESTION 6

6.1 Investments: Read the statement and then answer the questions that follow.

Yet today, the rand has strengthened to its best level against the dollar for almost two years, at around R13.50/\$. Some investment professionals suggest it could touch R11/\$, while foreign investors are showing an appetite for South African bonds and commodities.

(Source: shares <https://www.dailymaverick.co.za/article/2021-06-07-stronger-rand-offshore-opportunity/>; date accessed 12/09/2021)

6.1.1 Taking the above statement into consideration, discuss the risk associated with investing in an offshore market.

[illegible]

(10)

6.1.2 What are bonds normally referred to?

--

(2)

6.1.3 Discuss bonds as an investment option, by referring to the elements of risk, return and time frame.

[illegible]

(6)

6.2 Insurance

6.2.1 Name an investment one takes out as non compulsory insurance, to prevent a financial burden, if you get physically ill.

(2)

6.2.2 Name a compulsory insurance that will assist people injured in a motor vehicle accident and will pay for rehabilitation and medical claims.

--

(2)

6.2.3 Differentiate between insurance and assurance.

27

(4)

6.2.4 List the requirements for an insurance contract to be deemed valid.

(3)

6.3 Overall organisational performance.

6.1.3 Complete the diagram below by indicating the relevant growth strategy and give an example of each, from the retail industry.

Existing	(1)	(1)
MARKET	(2)	(2)
	(1)	(1)
New	(2)	(2)
	Existing	PRODUCT New

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6.4 Human Capital Management



(Source: <https://sprigghr.com/blog/hr-professionals/top-10-most-inspiring-hr-quotes-for-hr-professionals/>; date accessed 2021/07/13)

6.4.1 Do you agree with the quote above? Explain your answer.

(4)

6.4.2 Staff retention is important in a retail store. Discuss reasons why employees might feel that it would be better for them to find a position in another business.

29

(5)

[50]

150 MARKS

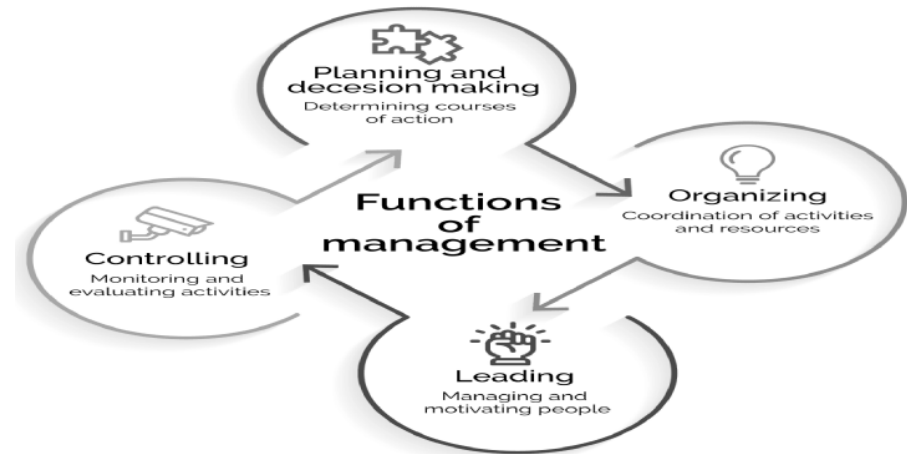
30

SECTION C
QUESTION 7
SOURCE A



(Source: https://www.boredpanda.com/office-cartoons-differences-boss-vs-leade_; date accessed 26/11/2021)

SOURCE B



(Source: <https://www.iedunote.com/function-of-management-process>; date accessed 26/11/2020)

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- ☐ Management tasks
- ☐ Management competencies
- ☐ The importance of an entrepreneurial mind set
- ☐ Triple Bottom Line Reporting

50 MARKS

Total: 300