

# basic education

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



**BUSINESS STUDIES P1** 

2023

**MARKS: 150** 

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TIME: 2 hours

This question paper consists of 10 pages.

Please turn over

# INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

SECTION A:	COMPULSORY
SECTION B:	Consists of THREE questions.
	Answer any TWO of the three questions in this section.
SECTION C:	Consists of TWO questions.
	Answer any ONE of the two questions in this section.

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

Note that ONLY the answers to the first TWO questions selected in SECTION B and the answers to the FIRST question selected in SECTION C will be marked.

- 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 written 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 TO S' M	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	NT T	30	20
B: THREE direct/indirect-type	2	40	
questions CHOICE:	3	40	70
Answer any TWO.	4	40	
C: TWO essay-type questions CHOICE:	5	40	30
Answer any ONE.	6	40	
TOTAL		150	120

- 7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 new page, QUESTION 2 new page.
- 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  $(A \Box D)$  next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.
  - 1.1.1 This Act promotes comprehensive safety regulations for employers and employees in the workplace:
    - A Skills Development Act (SDA), 1998 (Act 97 of 1998)
    - B Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
    - C Labour Relations Act (LRA), 1995 (Act 66 of 1995)
    - D Compensation for Occupational Injuries and Diseases Amendment Act, 1997 (Act 61 of 1997)
  - 1.1.2 Sue Stationery applied the ... diversification strategy when they added cleaning materials to their product range that could appeal to new customers.
    - A concentric
    - B horizontal
    - C conglomerate
    - D vertical
  - 1.1.3 The cashiers at Sunshine Supermarket lack the skill of how to operate the new cash registers. This is an example of a/an ... in a SWOT analysis.
    - A strength
    - B weakness C opportunity
    - D threat
    - Businesses may use ... as a source of internal recruitment to advertise available vacancies.
    - A word of mouth
    - B professional associations
    - C employment agencies
    - D networking
  - 1.1.5 KB Manufacturers have regular control checks and procedures in place to prevent product defects. This refers to ... as a total quality management element.
    - A adequate financing and capacity
    - B continuous skills development
    - C monitoring and evaluation of quality processes
    - D total client satisfaction

(5 x 2) (10)

1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

medical aid; tertiary; National Credit Regulator; economic; management; secondary; social; performance; Unemployment Insurance; National Credit Act

- 1.2.1 Express Bank must be registered with the ... in order for them to offer loans to clients.
- 1.2.2 Jenny Wholesalers operate in the ... sector as they specialise in distributing products.
- 1.2.3 A challenge of the PESTLE analysis that affects businesses' profitability due to high interest rates, is known as the ... factor.
- 1.2.4 The ... fund is a compulsory benefit that offers short-term financial assistance to workers who lose their jobs due to illness.
- 1.2.5 Shesha Constructions implements quality ... by using tools and techniques to improve the quality of their products. (5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g.1.3.6 K.

COLUMN A	COLUMN B	
1.3.1 Learnership	A ensures full involvement of all	
1.3.2 Market development	employees to satisfy customers' needs	
1.3.3 Recruitment	B provides regular press releases to	
1.3.4 Total quality management	the community	
1.3.5 Public relations function	C aims at introducing new products into existing markets	
	D eliminates unsuitable candidates for available vacancies	
	E theoretical and practical training opportunities leading to a	
	recognised qualification	
	F ensures that customers' needs are met according to standardised specifications	
	G gaims at selling existing products in	
SC	a new market	
Noths', M	H finds potential candidates for available vacancies	
The second secon	I practical training opportunities for ongoing professional development	
	J provides reliable data to management timeously	
	(5 x 2)	(10)
NNN NNN	TOTAL SECTION A:	30

(2)

(4)

(6)

(4)

(4)

(6) **[40]** 

# SECTION B

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, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

#### **QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 Name any TWO consumer rights as stipulated in the Consumer Protection Act (CPA), 2008 (Act 68 of 2008).
- 2.2 Outline the advantages of diversification strategies.
- 2.3 Read the scenario below and answer the questions that follow.

# RAINBOW FURNITURE MANUFACTURERS (RFM)

Rainbow Furniture Manufacturers took over Woody Furniture Manufacturers to reduce competition in the market. The management of RFM evaluate their strategies regularly.

- 2.3.1 Identify the type of integration strategy in the scenario above. (2)
- 2.3.2 Discuss the steps in strategy evaluation.
- 2.4 Explain how businesses could apply the following forces of Porter's Five Forces model to analyse their position in the market environment:
  - 2.4.1 Power of buyers

2.4.2 Threat of substitution/substitutes

- 2.5 Discuss ways in which businesses can comply with the Employment Equity Act (EEA), 1998 (Act 55 of 1998). (6)
- 2.6 Read the scenario below and answer the questions that follow.

# KATLEGO LOGISTICS (KL)

Katlego Logistics complies with the Labour Relations Act (LRA), 1995 (Act 66 of 1995) by observing the rights of employees in the workplace. Employees take part in legal strikes without any fear of victimisation. They are also locked out by KL to prevent damages to the property. The trade union representatives are given time off to attend to their respective duties.

- 2.6.1 Quote TWO rights of employees in terms of the Labour Relations Act from the scenario above. (2)
- 2.6.2 Explain other rights of employees in terms of the LRA. (4)
- 2.7 Advise businesses on the strategic management process.

# **QUESTION 3: BUSINESS OPERATIONS**

- 3.1Name the TWO components of job analysis.(2)
- 3.2 Outline the reasons for the termination of an employment contract. (6)
- 3.3 Read the scenario below and answer the questions that follow.

# **SEAVIEW PROPERTIES (SP)**

Seaview Properties offers attractive fringe benefit packages in order to reduce employee turnover. SP encourages employees to attend training programmes. Employees are also loyal and willing to go the extra mile.

- 3.3.1 Quote TWO advantages of fringe benefits that are applicable to SP from the scenario above. (2)
- 3.3.2 Explain other advantages of fringe benefits for businesses.
- 3.4 Advise businesses on the impact of external recruitment.
- 3.5 Outline the quality indicators of the production function. (4)
- 3.6 Explain the role of quality circles as part of continuous improvement to processes and systems. (4)
- 3.7 Read the scenario below and answer the questions that follow.

# KOBUS MOTOR SPARES (KMS)

Kobus Motor Spares is a large business that sells different car parts across the country. They perform checks during and after the production process. KMS also implements total client/customer satisfaction to keep ahead of the latest developments in the market.

- 3.7.1 Identify the quality concept implemented by KMS in the scenario above.
- 3.7.2 Discuss the impact of total client/customer satisfaction as a total quality management (TQM) element on large businesses. (6)
- 3.8 Advise businesses on the benefits of a good quality management system.

(4) **[40]** 

(2)

(4)

(6)

(4)

# **QUESTION 4: MISCELLANEOUS TOPICS**

#### **BUSINESS ENVIRONMENTS**

- 4.1 Name any FOUR provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).
- 4.2 Read the scenario below and answer the questions that follow.

#### ZALO ENTERPRISE (ZE)

Zalo Enterprise sells a variety of products to different customers. ZE always receives stock late from Smart Wholesalers. The management of ZE has difficulty in dealing with unproductive employees.

Use the table below as a GUIDE to answer QUESTIONS 4.2.1 to 4.2.3.

CHALLENGES		EXTENT OF CONTROL
4.2.1	4.2.2	4.2.3
1.		
2.		S. S.

- 4.2.1 Quote TWO challenges for ZE from the scenario above. (2)
- 4.2.2 Classify ZE's challenges according to the business environments. (2)
- 4.2.3 State the extent of control that ZE has over EACH business environment named in QUESTION 4.2.2. (2)
- 4.3 Discuss any TWO types of defensive strategies. (6)

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4.4 Advise businesses on the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (4)

(6)

# **BUSINESS OPERATIONS**

- 4.5 Outline the placement procedure as a human resources activity. (4)
- 4.6 Explain TWO salary determination methods.
- 4.7 Read the scenario below and answer the question that follows.

# VASHNI LIMITED (VL)

Vashni Limited uses aggressive advertising campaigns to increase their customer base. Jabu, the senior manager, draws up budgets to ensure accurate application of monetary resources.

Identify TWO business functions that are applicable to VL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.7.

		$\bigcirc$		
BUSINESS FUNCTIONS	MO	TIVATIONS		
1.		'Cx	5	
2.		X C		(6)
•				
Recommend ways in which total quali	ty management	(TQM) can redu	uce the	
cost of quality				(4)
	4 0	Y		[40]
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		TOTAL SECT	ION B:	80
5.0				
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A A A A A A A A A A A A A A A A A A A				

- Recommend ways in which total quality management (TQM) can reduce the 4.8 cost of quality.
- (4) [40]
- TOTAL SECTION B: 80

# SECTION C

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

#### QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

The Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) is one of the popular Acts that benefits both businesses and designated groups. Businesses should know the advantages of the Act on their operations to avoid penalties for non-compliance. They should also apply management control and ownership as part of the BBBEE pillars in the workplace.

Write an essay on the Broad-Based Black Economic Empowerment Act in which you include the following aspects:

- Outline the purpose of the Broad-Based Black Economic Empowerment Act.
- □ Explain the advantages of the BBBEE Act for businesses.
- Discuss penalties that businesses may face for non-compliance with the Act.
- Suggest ways in which businesses could apply the following pillars of BBBEE in the workplace:
  - Management control
  - Ownership

# QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)

Businesses follow the correct selection procedure to fill vacant posts in order to minimise fruitless expenditure. They also ensure that the interviewers understand their role before conducting interviews. The successful candidates and employers must know the legal requirements of an employment contract. Businesses must also ensure that newly appointed employees receive proper induction.

Write an essay on the human resources function in which you include the following aspects:

- □ Outline the selection procedure as a human resources activity.
- □ Explain the role of the interviewer before the interview.
- Discuss the legal requirements of an employment contract.
- Advise businesses on the purpose of induction.

[40]

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 150