





## **CURRICULUM GRADE 10 -12 DIRECTORATE**

## NCS (CAPS) SUPPORT

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## **BUSINESS STUDIES PAPER 1**

**GRADE 12** 

2021

## PAPER 1

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#### **BUSINESS ENVIRONMENTS**

#### **TOPIC 1 IMPACT OF LEGISLATION ON BUSINESSES**

## **Activity 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 (1.1.1–1.1.5) in the ANSWER BOOK, for example 1.1.6 B.
- 1.1.1 Affirmative action forms part of the...Act.
- This Act allows customers to be refunded for faulty products.

  A Credit Agreement Act

  B National Protection Act

  Consumer Protection Act

  e purpose of the Labor 1.1.2
- 1.1.3
  - Α promote the interest of trade unions.
  - promotes collective bargaining in the workplace. В
  - С promotes equal pay for work of equal value.
  - D protect employees from victimisation.
- 1.1.4 Mkhathini Construction complied with the... when he ensured that all his workers wear the protective clothing gear in the workplace.
  - Α **Employment Equity Act**
  - В **Broad Based Black Economic Empowerment**
  - С Compensation for Occupational Injuries and Diseases Act
  - D Labour Relations Act

- 1.1.5 According to the provisions of the BCEA, female employees are entitled to...maternity leave.
  - A. 4 months
  - B. 21 days
  - C. 3 months
  - D. 2 months

(5x2=10)

1.2 Read the following scenario below and answer the question that follow.

## ZITHEMBILE TRADING (ZT)

Zithembile Trading specialises in selling of air conditioners. ZT displays prices by disclosing all costs. They allow their customers to return faulty products. ZT does not use physical force or harass customers to buy their products.

1.2.1 Name the Act that is applicable to the scenario above.

(2)

1.2.2 Identify THREE consumer rights that ZT is complying with. Motivate your answer by quoting from the scenario above.

Use the table below as a guide to answer this question

CONSUMER RIGHTS	MOTIVATION	
1		
2		
3		

(9)

1.2.3 Explain the role of SETAs in supporting the Skills Development Act.

(8)

## **Activity 2**

- 2.1 Identify the pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) that Leerah Court has complied with in EACH statement below:
  - 2.1.1 Leerah Court uses Mabuya trading to supply cleaning material.
  - 2.1.2 They have donated computers to schools in rural areas.
  - 2.1.3 Training programme has been offered to all their employees.
  - 2.1.4 Leerah Court has promoted three black males as heads of various departments.
  - 2.1.5 They have invited the Kwazakhele community to buy shares in their company.

(5x2=10)

## **Activity 3**

- 3.1 Distinguish between and Black Economic Empowerment (BEE) amd Broad Based Black Economic Empowerment (BBBEE) (8)
- 3.2 Explain the following provisions of the Basic conditions of Employment Act:

3.2.1 Hours of work (4)

3.2.2 Over time (4)

3.2.3 Annual leave (4)

3.3 Advise businesses on penalties for non-compliant with the Employment Equity Act, 1998 (Act 55 of 1998)

#### **Activity 4**

4.1 Read the scenario below and answer the questions that follow.

## KAIZER CONSTRUCTION (KC)

Kaizer Construction specialises in building low-cost houses. KC does not ensure that accidents and illnesses that occur in the workplace are reported immediately.

- 4.1.1 Identify the Act that is applicable to Kaizer Construction
- (2)
- 4.1.2 Recommend ways in which KC can comply with the Act mentioned in QUESTION 4.1.1 (8)

#### **Activity 5**

The sound relationship between employers and employees is guided by the Labour Relations Act (LRA), 1995 (Act66 of 1995). Businesses should acknowledge employees' rights. The labour acts were introduced to redress the imbalances of the past in the workplace and businesses that do not comply with the Act may face penalties.

Write an essay on Labour Relation Act on the following aspects:

- Outline the rights of employers and employees according to the LRA.
- Discuss the purpose of the LRA.
- Evaluate the impact of this Act on businesses.
- Suggest ways in which businesses can comply with the Labour Relations Act.

#### **TOPIC 2 BUSINESS STRATEGIES**

## **Activity 1.1**

- 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 (1.1.1–1.1.4) in the ANSWER BOOK, for example 1.1.5 B.
- 1.1.1 The process whereby a business stops operating and sells all assets to pay off debts:
- A. Retrenchment
- B. Liquidity
- C. Divestiture
- D. Liquidation
- 1.1.2 An industrial analysis tool used to analyse the challenges of the macro environment:
- A. Porter's Five Forces model
- B. Pestle
- C. Scamper
- D. Balanced Scorecard
- 1.1.3 An action plan to achieve a specific goal:
- A. Monitoring
- B. Strategy
- C. Strategic management
- D. Strategic evaluation
- 1.1.4. Businesses add unrelated products to their existing products which may appeal to new group of customers. This is an example of a.......
- A. Conglomerate
- B. Horizontal
- C. Concentric
- D. Diagonal

4X2 (8)

1.2 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A-J) next to the question numbers (1.2.1 to 1.2.5) e.g.1.2.6 K.

COLUMN A	COLUMN B
1.2.1 Concentric Diversification	A. a growth strategy where businesses aim to introduce
	new products into existing markets/modifies an existing
1.2.2 Horizontal Diversification	product.
	B business adds a new product or service that is related
1.2.3 Conglomerate Diversification	to existing products and which will appeal to new customers.
	C business combines business with or take over its
1.2.4 Product Development	distributors
	D business combines business with or take over its
1.2.5 Market Development	suppliers.
	E business adds new products or services that are
	unrelated to existing products which may appeal to new
	groups of customers.
	F business disposes/sells some assets/divisions that are
	no longer profitable/ productive
	G business adds a new product or service that is unrelated
	to existing products and which will appeal to new customers
	H a growth strategy where businesses aim to sell its
	existing products in new markets.
	I business takes control of/ incorporates other businesses in
	the same industry/which produce/sell the same
	goods/services.
	J business adds new products or services that are
	unrelated/ different to existing products, but which may
	appeal to existing/current customers.

(5x2 (10)

#### **Activity 2**

#### (SWOT ANALYSIS)

2.1 Read the scenario below and answer the questions that follow.

## NDIZA CONSTRUCTION (NC)

Ndiza construction has been operating for 15 years in Richards Bay. NC has hired two qualified civil engineers. NC has been invited by Mhlathuze Municipality to tender for construction services. Khula Projects Pty Ltd, a prominent construction company in the area also tendered their application. NC is currently experiencing high staff turnover due to poor safety measures. Zululand Observer reported that drug addicts in the area steal construction equipment and material.

2.1.1 Compile a SWOT analysis for Ndiza Construction.

(4)

## **Activity 3**

#### (PORTERS FIVE FORCES)

- 3.1 Identify Porter's Five forces mode applicable to Gijima Group Ltd from the statements below.
  - 3.1.1 Sizwe Concrete Product is the only place where Gijima Group Ltd can buy bricks.
  - 3.1.2 They have few regular customers who always negotiate cheaper prices.
  - 3.1.3 They want to venture into mining coal which requires huge capital to cover high start-up costs.
  - 3.1.4 Their customers prefer buying reasonable priced jackets in winter to more expensive, coats.
  - 3.1.5 Siyazama Value Ltd attracts more customers than Gijima Group Ltd.

5x2 (10)

#### **Activity 4**

4.1 Read the scenario below and answer the questions that follow.

## **HAWK BUS SERVICES (HBS)**

Hawk Bus Services offers transport services to commuters between Gauteng and Kwa-Zulu Natal. HBS is struggling to maintain their market share due to high cost of implementing online transaction system. Commercial banks and other financial institutions also increased their interest rate making it expensive to borrow money.

4.1.1 Quote TWO challenges for HBS from the scenario above.

(2)

- 4.1.2 Identify the PESTLE factor that links to EACH challenge, as quoted in QUESTION 4.1.1. (4)
- 4.1.3 Recommend ways in which businesses could deal with PESTLE FACTORS identified in QUESTION 4.1.2. (4)

Use the table below as a GUIDE to answer QUESTION 4.1.1 to 4.1.3.

CHALLENGES 4.1.1	PESTLE FACTORS 4.1.2	RECOMMENDATIONS 4.1.3
1.		
2		

Max 10

## **Activity 5**

Businesses realise the importance of the strategic management process when devising suitable business strategies. They must also take into cognisance the benefits of intensive strategy. Some businesses maintain that effective implementation of Porter's Five Forces model is crucial for proper market environment analysis. Successful businesses constantly evaluate implemented strategies for further improvement.

Write an essay on business strategies in which you include the following aspects:

- Outline the strategic management process.
- Explain the advantages of intensive strategies.
- Discuss how businesses could apply Porter's Five Forces model to analyse their position in the market.
- Advise businesses on the steps they should consider when evaluating strategies.

## TOPIC 3 BUSINESS SECTORS AND THEIR ENVIRONMENTS

## **ACTIVITY 1**

	rious options are provided as possible answers to the following questions. Choose the answer and ite only the letter (A-D) next to the question numbers. In your Answer Book.
1.1.1	Jabavu Furniture specialises in the distribution of office furniture.  It operates in the sector.
	<ul><li>A. primary</li><li>B. secondary</li><li>C. tertiary</li><li>D. public</li></ul>
1.1.2	Mlandowethu Supermarket has control over challenges related to its vision and mission statement.  A. full
	B. no

- A. secondary
- B. primary

C. limited

D. little

- C. tertiary
- D. economic

(3x2) (6)

1.2 Choose a description from COLUMN B that matches a team in COLUMN A. Write only the letter next to the question numbers in the ANSWER BOOK

Column A	
Coldilli A	Column B
1.2.1. Micro environment	A. This sector renders services to other businesses/provides auxiliary services.
1.2.2. Primary sector	B. This environment exists immediately outside the business.
1.2.3. Macro environment	C. The amount of influence that a business has on the business environments.
1.2.4. Secondary sector	D. This environment exists outside the micro and the market environments.
1.2.5. Tertiary sector	E. This sector deals with extraction of raw materials and natural resources
	F. This environment is the business itself, it consists of all the elements inside the business.
	G. This sector processes raw materials into finished goods.

5x2 (10)

(3)

## **ACTIVITY 2**

2.1 Read the scenario below and answer the questions that follow:

## HARRISON MINES (HM)

Harrison Mines specialises in the extraction of platinum. The suppliers of mining equipment have increased their prices by more than 20%. The supervisor does not have a good working relationship with his employees. HM can no longer export their products due to an increase in the exchange rate.

Identify the business sector in which HM operates and motivate your answer by quoting from the 2.1.1 scenario. (3) Quote challenges of the THREE business environments from the scenario above. 2.1.2 (3)2.1.3 Classify EACH challenge according to the business environment. (6) 2.1.4 State the extent of control HM has over EACH environment.

Draw the table below in the answer book to present your answer.

CHALLENGE	BUSINESS ENVIRONMENT	EXTENT OF CONTROL
2.1.2	2.1.3	2.1.4
1.		
2.		
3.		

Max 12



# BUSINESS OPERATIONS TOPIC 4 HUMAN RESOURCE FUNCTION SECTION A

#### **ACTIVITY 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 numbers (1.1.1-1.1.4) in the ANSWER BOOK, FOR EXAMPLE 1.1.6 A
- 1.1.1 ...is the benefit that businesses are legally required to offer its employees
  - A. Pension
  - B. Income tax
  - C. UIF
  - D. Bonus
- 1.1.2 The role of interviewer before interview is to ...
  - A. explain purpose of the interview to panel and interviewee
  - B. determine time that should be allocated to each candidate
  - C. allocate same amount of time to each candidate
  - D. listen carefully to the question before responding
- 1.1.3 One of the benefits of induction to businesses is ...
  - A. to minimise the need for on-going training and development
  - B. to minimise conflict amongst current employees who may have applied for the post
  - C. meeting with senior management who will explain company's vision
  - to encourage employees who are not physically fit to resign
- 1.1.4 The selection process may not be effective and incompetent candidate can be chosen. This is a disadvantage of...
  - A. networking
  - B. external recruitment
  - C. recruitment agencies
  - D. internal recruitment

#### **SECTION B**

#### **ACTIVITY 2**

- 2.1 Identify the human resource's function concepts explained in EACH statement below:
  - 2.1.1 The tool used by Human resources to obtain and analyse information about business's workforce so they can place right person in the right job.
  - 2.1.2 The process used by businesses to identify vacancies and attract suitable persons for it.

2 X2 (4)

2.2 Outline the selection procedure as a human resource activity.

(8)

2.3 Read the job advertisement below and answer the questions that follow:

Job title:Senior Admin ClerkQualifications:National Diploma in Office Management and TechnologyExperience:At least 3 years' experience in office administrationKey performance areas:Compiling, maintaining and updating company records

2.3.1 Identify components of job analysis and give ONE examples of each component from the scenario.(6)

Use the table below as a GUIDE to ANSWER QUESTION 2.3.1

COMPONENTS OF JOB ANALYSIS	EXAMPLES
1	
2	

#### **ACTIVITY 3**

- 3.1 State FOUR sources of external recruitment (4)
- 3.2 Explain the role of interviewee during interview. (6)

#### **ACTIVITY 4**

- 4.1 Give any TWO aspects that should be included in an employment contract (2)
- 4.2 Explain the meaning of screening as part of selection process (4)

## **ACTIVITY 5**

- 5.1 Identify the human resource activity described in each statement below:
  - 5.1.1 The process of familiarizing new employees to their new work environment
  - 5.1.2 Assigning a specific job to selected employee

2x2 (4)

5.2 Read the scenario below and answer the questions that follow:

#### **RAINBOW FASHION (RF)**

Human resources manager of Rainbow Fashion conducted an induction for newly appointed employees. New employees were taken on tour of premises. They were also introduced to key employees.

5.2.1 Quote TWO aspects of induction from the scenario above

(2)

5.2.2 Discuss the purpose of induction as a human resource activity

(4)

## **ACTIVITY 6**

6.1 Read the scenario below and answer the questions that follow:

## **REGENT BOTTLING COMPANY (RBC)**

Regent Bottling Company pays its employees using different salary determination methods. General workers are paid according to bottles produced. Managers are paid according to number of hours worked.

6.1.1 Identify TWO salary determination methods used by RBC. Motivate your answer by quoting from the scenario. (6)

Use the following table as a GUIDE to answer the above question

	SALARY DETERMINATION	MOTIVATION	
	METHOD		
Workers			
Supervisors			

6.2 List any FOUR examples of fringe benefits

(4)

6.3 Discuss the impact of fringe benefits on businesses

(6)

#### **SECTION C**



#### **ESSAY TYPE QUESTION 7**

Businesses should implement proper recruitment procedure to ensure that best employees are selected. Human resources managers should prepare for an internal recruitment. Employment contract should be drawn and comply with requirements of BCEA. Employees should also be made aware of the reasons for terminating the employment contract

Keeping the above scenario in mind, write an essay on human resources referring to the following aspects

- Outline the recruitment procedure as a human resources activity
- Discuss the impact of internal recruitment on businesses
- Describe the legal requirements of employment contract
- Advise businesses on reasons of terminating an employment contract

#### TOPIC 5 QUALITY OF PERFORMANCE

**ACTIVITY 1** 

#### **SECTION A**

1.1 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK.

quality management systems; quality management; quality performance; quality assurance; quality control; quality; quality circle; total quality management; quality service; quality products

- 1.1.1 ... can be achieved when all departments work together towards the same quality standards.
- 1.1.2 ... ensures that required standards have been met at every stage of the production process.
- 1.1.3 ... it entails setting targets or measuring performance and taking corrective measures.
- 1.1.4 ... is the ability of goods and services to meet customer needs exceedingly
- 1.1.5 Junior Ltd chose the ... when they documented processes, procedures, and responsibilities for achieving quality policies and objectives.

(5X2) (10)

#### **SECTION B**

## **ACTIVITY 2**

2.1 Read the scenario below and answer the questions that follow.

#### ZAMA CHEESE MANUFACTURERS (ZCM)

Zama Cheese Manufacturers specialises in cheese production. ZCM have more resources to check on quality performance in each unit. To maintain their customer base, they conduct market research on customer needs.

2.1.1 Identify TWO elements of TQM (Total Quality Management), applicable to ZCM. Motivate your answer by quoting from the scenario above.

Use table below as a GUIDE to answer QUESTION 2.1.1

TQM ELEMENTS	MOTIVATIONS
1.	
2.	

(6)

- 2.1.2 Discuss how ZCM can apply the PDCA model to improve the quality of products.
- (8)

2.2 Advise businesses on ways TQM can reduce the cost of quality.

(8)

#### **SECTION C**

## **ACTIVITY 3 (QUALITY OF PERFORMANCE)**

Businesses benefit from implementing a good quality management system. A clear understanding of the roles of quality circles and the impact of TQM elements is also important for businesses. Poor implementation of TQM may decrease profitability.

- Outline the benefits/advantages of a good quality management system.
- Discuss the positive impact of the following TQM elements on large businesses:
  - Continuous to processes and systems
  - Monitoring and evaluation of quality processes
- Explain the role/importance of quality circles as part of continuous improvement to processes and systems.
- Advice businesses on the impact of TQM if poorly implemented.