



# basic education

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

## **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES**

**FEBRUARY/MARCH 2013**

**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 and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

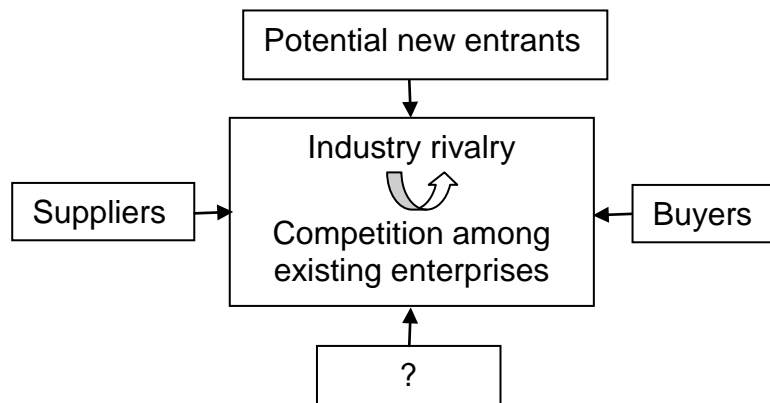
<b>SECTION</b>	<b>QUESTION</b>	<b>MARKS</b>	<b>TIME</b>
<b>A: Objective type questions COMPULSORY</b>	<b>1</b>	<b>40</b>	<b>30 min.</b>
<b>B: THREE direct/indirect type questions COMPULSORY</b>	<b>2</b>	<b>60</b>	<b>30 min.</b>
	<b>3</b>	<b>60</b>	<b>30 min.</b>
	<b>4</b>	<b>60</b>	<b>30 min.</b>
<b>C: FOUR essay type questions CHOICE (Answer any TWO.)</b>	<b>5</b>	<b>40</b>	<b>30 min.</b>
	<b>6</b>	<b>40</b>	<b>30 min.</b>
	<b>7</b>	<b>40</b>	<b>30 min.</b>
	<b>8</b>	<b>40</b>	<b>30 min.</b>
<b>TOTAL</b>		<b>300</b>	<b>180 min.</b>

7. Begin the answer to **EACH** question on a **NEW** page, for example **QUESTION 1 – new page, QUESTION 2 – new page, et cetera.**
8. Non-programmable calculators may be used.
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–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 The cafeteria at the University of the West Coast strives to provide high-quality refreshments at affordable prices to students. This is an example of a/an ...
- A objective.
  - B business plan.
  - C mission statement.
  - D strategy.
- 1.1.2 Mr Foster is a fruit and vegetable farmer from Limpopo. He recently bought two greengrocers in Gauteng, which he used to supply with fruit and vegetables. Which strategy has Mr Forster implemented?
- A Horizontal integration
  - B Forward vertical integration
  - C Market penetration
  - D Backward vertical integration
- 1.1.3 Freedom of expression, association and security is referred to as ...
- A human development.
  - B human principles.
  - C human justice.
  - D human rights.
- 1.1.4 Rudolph and Werner are partners. They made a capital contribution of R90 000 and R30 000 respectively. They agreed to share profits and losses according to their capital contribution. The profit and loss ratio would be ...
- A 1 : 3
  - B 3 : 1
  - C 50 : 50
  - D 90 : 100

- 1.1.5 Which element has been left out in the diagram of Porter's Five Forces below?



- A The government  
B The market  
C Intermediaries  
D Substitutes
- 1.1.6 This problem-solving technique promotes creative thinking by encouraging idea generation through non-personal discussion:
- A Full chair  
B Delphi  
C Brainstorming  
D Force-field analysis
- 1.1.7 Disputes between an employer and employee are resolved by making suggestions towards a possible solution for both parties:
- A Mediation  
B Arbitration  
C Workplace forum  
D Common law action
- 1.1.8 Who is usually responsible for the recruitment process when a new marketing assistant is required in a business?
- A Shareholders  
B Managing director  
C Marketing manager  
D Human resources manager
- 1.1.9 To which ONE of the following does the induction process refer?
- A Orientating existing workers in new technology  
B Training new employees  
C Conducting an exit interview  
D Applying for a learnership programme

- 1.1.10 These forms of ownership do NOT have separate legal personalities and the owners are liable for the debts of the business:
- A Close corporation and partnership
  - B Sole proprietorship and private company
  - C Partnership and sole proprietorship
  - D Public company and close corporation
- (10 x 2) (20)

1.2 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.

- 1.2.1 (Porter's Five Forces/The King Code) was introduced to promote good corporate governance because of the prevalence of corruption and unethical business practices.
- 1.2.2 When a business enterprise supports (the triple bottom line/human rights) they will consider the social, environmental and economic impact in its region.
- 1.2.3 Shareholders receive (interest/dividends) from an investment in public companies.
- 1.2.4 The (Labour Relations Act, 1995 (Act 66 of 1995)/Employment Equity Act, 1998 (Act 55 of 1998)) allows employers to prevent employees from entering the business premises during strike action.
- 1.2.5 A person who occasionally works on a Sunday should be paid (double the normal wage/one and a half times the normal wage).
- (5 x 2) (10)

1.3 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–H) next to the question number (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 J.

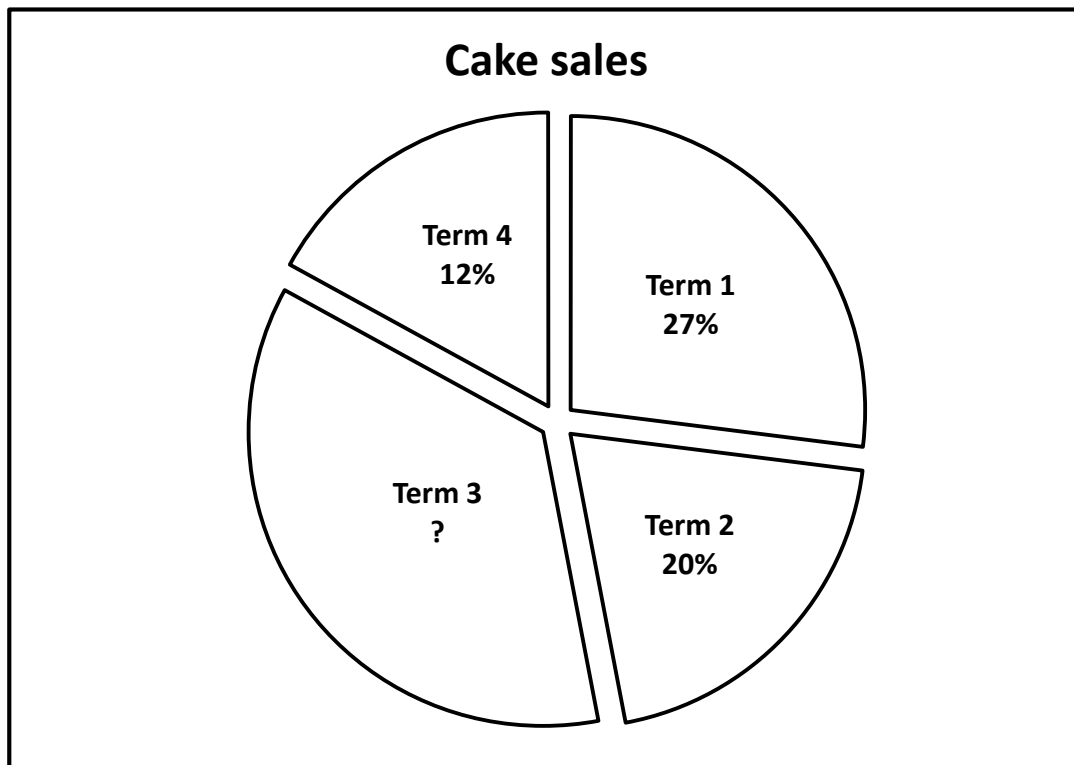
COLUMN A	COLUMN B
1.3.1 A plan to achieve a goal	A objective
1.3.2 An informal savings scheme based on members' trust	B leader
1.3.3 Motivates employees to increase productivity without restrictions from rules and regulations of a business enterprise	C Green Peace
1.3.4 A formal procedure conducted between the shortlisted candidate and the employer for a vacant post	D strategy
1.3.5 An organisation fighting for environmental issues	E stokvel
	F manager
	G interview
	H induction

(5 x 2) (10)

**TOTAL SECTION A: 40**

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

- 2.1 State FOUR functions of the Johannesburg Securities Exchange (JSE) and explain why some companies are NOT listed on the JSE. (10)
- 2.2 The graph below represents the sales volume of cakes at Stanger Manor School during the four school terms for 2011.



- 2.2.1 Identify the type of graph illustrated above. (2)
- 2.2.2 Which school term recorded the highest percentage (%) sales? Justify your answer by showing all workings in your ANSWER BOOK. (6)
- 2.2.3 Recommend TWO practical strategies that Stanger Manor School can use to improve their poor sales performance in Term 4. (4)

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

### LIGHTHOUSE

Anton has been the owner of a lighting factory in the Western Cape for the past 10 years. He manufactures and distributes his products to large lighting retail shops. In his factory shop he sells lamps and other lighting accessories. Lately, his sales declined because another lighting shop has opened in the area.

The following are some of the challenges and strengths of his business enterprise: low worker morale, high absenteeism, highly skilled workers, poor team spirit and the use of modern machinery.

He predicts that he will make a large profit, but fears unforeseen expenditure may reduce such profits. Possible reasons for this include, among others, competitors that may sell imported products at lower prices and trade unions demanding higher salaries. He has decided to diversify by manufacturing and selling electrical appliances.

Anton has a vision of registering this business as a franchise.

2.3.1 Develop a SWOT analysis from the scenario above. (16)

2.3.2 Besides defensive strategies, formulate THREE other practical strategies to overcome the challenges identified in the above scenario. (6)

2.3.3 Evaluate TWO defensive strategies that can be used in Anton's factory. (8)

2.4 Briefly explain how the following factors can contribute to the success and failure of a sole proprietorship/sole trader:

2.4.1 Management (4)

2.4.2 Capital (4)

**[60]**

**QUESTION 3**

3.1 Study the job advertisement below and answer the questions that follow.

**HJ RECRUITMENT**

A progressive and leading optometry group has an exciting position for a Senior Optometrist.

**Requirements:**

- Minimum 5 years practical experience
- Dynamic, enthusiastic and energetic
- Passionate about patient satisfaction
- Strong communication skills
- Management experience
- Strong work ethic

Salary package: Basic salary of R660 000 per annum

In order to apply for the above vacancy, please e-mail your CV to HJ RECRUITMENT [admin@hjrecruitment.co.za](mailto:admin@hjrecruitment.co.za) or contact Marlene at 001 466 5660 or 099 337 4888

- 3.1.1 State the job title. (1)
- 3.1.2 Calculate the gross monthly salary. (2)
- 3.1.3 Explain why this advertisement does NOT comply with the government initiative of inclusivity. (4)
- 3.1.4 Identify ONE important aspect that is omitted from the advertisement. (2)
- 3.1.5 The successful senior optometrist must sign a contract before commencement of work. Explain why a contract is important and state any FOUR clauses that must appear in an employment contract. (10)
- 3.1.6 Assess THREE important aspects that you will consider when applying for the position of senior optometrist. (9)



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

**CELL C'S CAMPAIGN MISLEADING**

The Advertising Standards Authority (ASA) has found that mobile operator/service provider Cell C's 4G campaign is misleading and dishonest.

'The complainants, in essence, reported that the respondent's "4G" logo is dishonest and misleading as consumers could mistake it to be a reference to the 4G standard of network.' The ASA said in its ruling that: 'Consumers have become accustomed to seeing the term "3G" in connection with broadband-capable devices in South Africa, which always denotes speed and connectivity capability.'

Cell C has been driving its connectivity as 'speed cover 4G' in several cities, including Port Elizabeth, Bloemfontein, East London and Cape Town.

[Adapted from *Marketing Media South Africa*, Newsletter, 11 October 2010]

- 3.2.1 Describe what is meant by *unethical advertising*. (2)
- 3.2.2 Use information from the case study above to explain why Cell C's advertisement is unethical. (4)
- 3.3 Describe the following issues that challenge the ethical and professional conduct in the business environment and make recommendations on how a business can deal with such problems:
- 3.3.1 Taxation (8)
- 3.3.2 Unauthorised use of workplace funds and resources (8)
- 3.4 Explain family responsibility leave according to the Basic Conditions of Employment Act, 1997 (Act 75 of 1997). (6)
- 3.5 Evaluate the Delphi technique as a method used to solve problems in the workplace. (4)

**[60]**

**QUESTION 4**

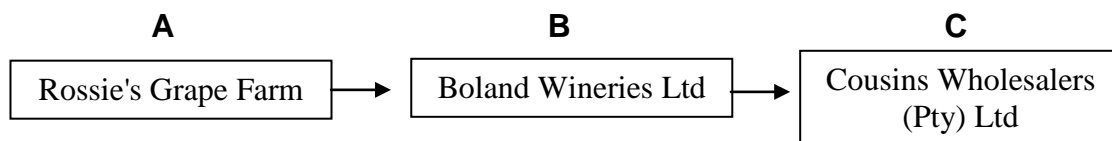
4.1 Read the scenario below and answer the questions that follow.

**AN ENTREPRENEUR WITH A VISION**

It's all up to you. You can become an adventurous entrepreneur, a corporate giant or just a savings investor. It is possible to have good results in bad economic times. Adapting to challenging environments in the business world is vital for any person and in any business. Hard work, perseverance and honesty are needed from an entrepreneur. You must be optimistic, a goal-setter, able to interact effectively with people, inquisitive, enjoy new challenges and act on your instinct.

- 4.1.1 Describe what is meant by *an entrepreneur with a vision*. (2)
- 4.1.2 Besides 'an entrepreneur with a vision', list any FOUR characteristics of a good entrepreneur from the scenario above. (8)
- 4.1.3 Explain the importance of entrepreneurs in overcoming socio-economic problems in South Africa. (4)

4.2 Study the illustration below and answer the questions that follow.



- 4.2.1 Name the business sector in **A** and **C**. (4)
- 4.2.2 Identify the form of ownership in **B** and **C**. (4)
- 4.3 Describe FOUR positive effects of corporate social responsibility programmes for businesses in your area. (8)
- 4.4 Discuss FOUR causes of conflict which may arise when two or more employees work together. (12)
- 4.5 South Africa is known as a country where workers have a right to strike.
- 4.5.1 Give THREE possible reasons why workers strike. (6)
- 4.5.2 Explain the consequences of strike action in a business enterprise. (4)
- 4.6 Analyse the role of workplace forums in the workplace. (8)

**[60]****TOTAL SECTION B: 180**

**SECTION C**

Answer any TWO questions from this section.

**NOTE:** Write down the QUESTION NUMBER only. The answer to EACH question must begin on a NEW page, for example QUESTION 5 on a new page, QUESTION 6 on a new page, et cetera.

**QUESTION 5**

South Africa is in need of educated, qualified and experienced people with the right skills to assist in growing the economy of the country.

Consider the following facts:

- (a) South Africa has 1 engineer for every 3 200 people, compared to 1 to every 130 in China, 1 to 250 in Europe and 1 to 450 in Australia.
- (b) The government's list of scarce and critical skills shows that there is a shortage of 400 000 teachers in all subjects.
- (c) There is a need for 30 000 registered nurses and 10 000 pharmacy assistants.

[Source: [www.skillsportal.co.za](http://www.skillsportal.co.za), Comment by Des Squire, 1 February 2012]

Bearing the above scenario in mind, evaluate the Skills Development Act (SDA) 1998, (Act 97 of 1998), by referring to its purpose, funding and utilisation of the Skills Levy. You are also required to explain the role of SETAs in skills development.

[40]

**QUESTION 6**

The protection of assets is a vital step for any enterprise. For most business persons insurance is the best way of shifting certain risks and thus affording themselves protection.

Explain the importance of insurance to business enterprises and illustrate, using examples, the difference between *insurable* and *non-insurable* risks. Also evaluate the key provisions of any TWO compulsory insurances.

[40]

**QUESTION 7**

The rapidly changing and challenging world requires collaboration and teamwork amongst workers and managers in the workplace. Teamwork acts as a valuable resource in the workplace.

Evaluate the above statement by referring to FOUR types of teams as well as the characteristics of successful teams. Motivate, by using situations, where teamwork or individual work should be used in the workplace.

[40]

**QUESTION 8**

Quality of performance needs to be monitored in all business functions in order for management to detect underperformance. Decisions must be taken to remedy the underperformance so that the business achieves its objectives.

Describe the nature and analyse how the quality of performance can contribute to the profitability of a business within the following business functions: public relations, administration and financial. Also evaluate the role of risk management in business enterprises.

**[40]**

**TOTAL SECTION C: 80**  
**GRAND TOTAL: 300**