



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

BUSINESS STUDIES

FEBRUARY/MARCH 2009

MARKS: 300

TIME: 3 hours

This question paper consists of 11 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 in 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 written in full sentences.
5. Use the mark allocation and the nature of each question to determine the length of an answer.
6. **NOTE:** The answer to **EACH** question must begin on a **NEW** page, for example: **QUESTION 1** – new page, **QUESTION 2** – new page, et cetera.
7. Use the table below as a guide for marks and time allocation when answering each question.

QUESTION	SECTION	MARKS	TIME
1	A: Multiple-choice questions, True and False, Matching items COMPULSORY	40	30 minutes
2	B: THREE questions COMPULSORY	60	30 minutes
3		60	30 minutes
4		60	30 minutes
5	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 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 In order to meet the challenge of changing technology, businesses must ...

- A create more working days.
- B produce more products.
- C regularly train staff members.
- D employ more workers.

1.1.2 Income earned from investment in fixed property is called ...

- A rent.
- B annuity.
- C interest.
- D real estate.

1.1.3 Which ONE of the following methods is implemented by government to stimulate overall economic growth?

- A Implementing a new medical aid fund
- B Sponsoring an Aids orphanage
- C Increasing the interest rate
- D Introducing the Broad-Based Black Economic Empowerment Act

1.1.4 An external factor that regulates the way in which businesses handle ethical challenges:

- A Company mission statement
- B Government legislation
- C Safety and security legislation
- D Company procedures

1.1.5 Internal recruitment can be done by advertising ...

- A on staff notice boards.
- B in national newspapers.
- C on regional radio stations.
- D on the internet.

- 1.1.6 This form of ownership stipulates a maximum of ten members:
- A Close corporation
 - B Partnership
 - C Public company
 - D Private company
- 1.1.7 Learnerships in insurance is offered by the ...
- A South African Reserve Bank (SARB).
 - B Industrial Development Corporation (IDC).
 - C Sector Education and Training Authority (SETA).
 - D Manpower Commission.
- 1.1.8 Business data via the internet is called ... information.
- A written
 - B visual
 - C oral
 - D electronic
- 1.1.9 Which ONE of the following is a strategy that can be used by organisations to promote the well-being of their employees?
- A Demotion
 - B Inadequate equipment
 - C Smoking in the workplace
 - D Professional counselling
- 1.1.10 A problem-solving technique that does not require participants to be in the same place:
- A Delphi
 - B Creativity
 - C Empty chair
 - D Force-field
- (10 x 2) (20)

1.2 CHOOSE THE CORRECT TERM

Give ONE word/term for each of the following descriptions. Write only the word/term next to the question number (1.2.1 – 1.2.5) in the ANSWER BOOK, for example 1.2.6 Bill of Rights.

creativity; Broad-Based Black Economic Empowerment Act (BBBEE); affirmative action; inclusivity; performance appraisal; SABS; Bill of Rights; job application; Skills Development Act

- 1.2.1 Guarantees equal opportunities in the workplace
- 1.2.2 Evaluates the employee's strengths and weaknesses
- 1.2.3 Enables diversity in the workplace
- 1.2.4 Enhances solutions to complex problems
- 1.2.5 Promotes the quality of products and services (5 x 2) (10)

1.3 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.3.1 – 1.3.5) in the ANSWER BOOK.

- 1.3.1 An upward trend in share prices can happen as a result of an economic recovery in the financial market.
- 1.3.2 Conflict does not contribute to effective decision-making.
- 1.3.3 One objective of career management is to assist employees to improve their performance.
- 1.3.4 Quality assurance in business organisations should be done at regular intervals.
- 1.3.5 The South African Qualifications Authority (SAQA) is responsible for quality assurance of products in the manufacturing industry. (5 x 2) (10)

TOTAL SECTION A: 40

SECTION B (COMPULSORY)**QUESTION 2**

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

ALL OVER SHUTTLE SERVICES

In 2006 Peter and Jabu started the ALL OVER SHUTTLE SERVICES business in Soweto. They obtained a loan from African Bank.

During October 2008 the Governor of the South African Reserve Bank announced an increase in the interest rate by 1%. The price of petrol increased by 21 cents per litre in January 2008 because of an increase in the international price of crude oil.

ALL OVER SHUTTLE SERVICES had no choice but to increase their rate to R3 per kilometre. The Department of Education has informed ALL OVER SHUTTLE SERVICES that it was going to discontinue the use of its services.

The Department of Education stated that they are going to use Sweet Go Travellers which charges R2,50 per kilometre.

- 2.1.1 As the financial consultant of ALL OVER SHUTTLE SERVICES, identify THREE challenges that your business is facing and classify them according to the three business environments. (6)
- 2.1.2 Identify the business sector in which ALL OVER SHUTTLE SERVICES operates. Justify the extent to which it can control the three business environments in this sector. Use practical ways or strategies to support your answer. (14)
- 2.2 State THREE factors/points that you will consider when developing a strategy for any business of your choice so that challenges in the macro business environment can be overcome. (6)
- 2.3 Discuss the main purpose of the following Acts:
- 2.3.1 The Labour Relations Act (Act 66 of 1995) (8)
- 2.3.2 The Employment Equity Act (Act 55 of 1998) (8)

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

ETHICS IN ADVERTISING

Advertising is an attempt to send information to people to convince them to spend their money with a certain company. This concept is the foundation of the modern business world.

Advertising is big business. Millions of rands are spent on advertising each month. Many industries exist solely due to the large amount of money advertising brings in. Many media and non-media industries would be drastically affected if they could not sell advertising space on television, magazines and newspapers.

Buyers would also not be informed of their choices. Companies try all sorts of tactics to get our attention and money. Sometimes these attempts involve illegal, underhand or dirty tricks. An example of an illegal trick involves the old *bait and switch*. This tactic requires placing an advert for an item at an extremely low price. Upon reaching the store, the shoppers find that the item is 'no longer available'. In order to reduce their sorrow at missing the deal, they are directed to a similar item which closely matches what they came for, but which is not always a bargain.

[Adapted from: *Rubak.com* – Article – ;Ethics in Advertising;]

- 2.4.1 Explain the concept of *unethical advertising*. Use the information in the case study to illustrate your answer. (6)
- 2.4.2 Unethical advertising is one of the challenges of ethical and professional behaviour in the business environment. Identify THREE other issues that affect the ethical and professional behaviour of business practice. (6)
- 2.5 State any THREE objectives of the Skills Development Act (Act 97 of 1998). (6)
- [60]**

QUESTION 3

3.1 As the financial manager of ABC Gold Mining Company, you are requested by the executive director to do a presentation to shareholders at the annual general meeting on the financial performance of the company.

3.1.1 State THREE requirements that you will consider so that the presentation is good, clear and accurate. (6)

3.1.2 The sales department has provided you with the three representations of data regarding the sales of gold over the past five years. The questions that follow are based on these representations.

(a) Identify the type of graph for REPRESENTATIONS 2 and 3. (2)

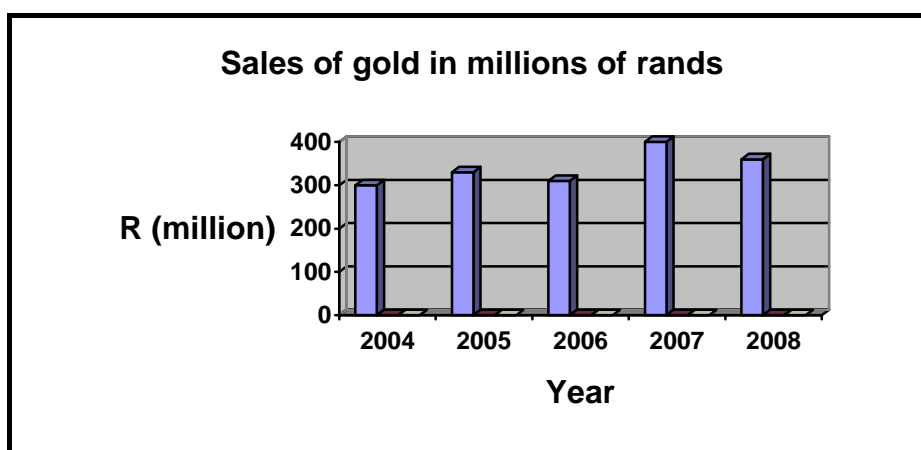
(b) Which representation would be most suitable for the presentation? Motivate your answer. (6)

(c) State ONE trend that you can observe from the representations below. (2)

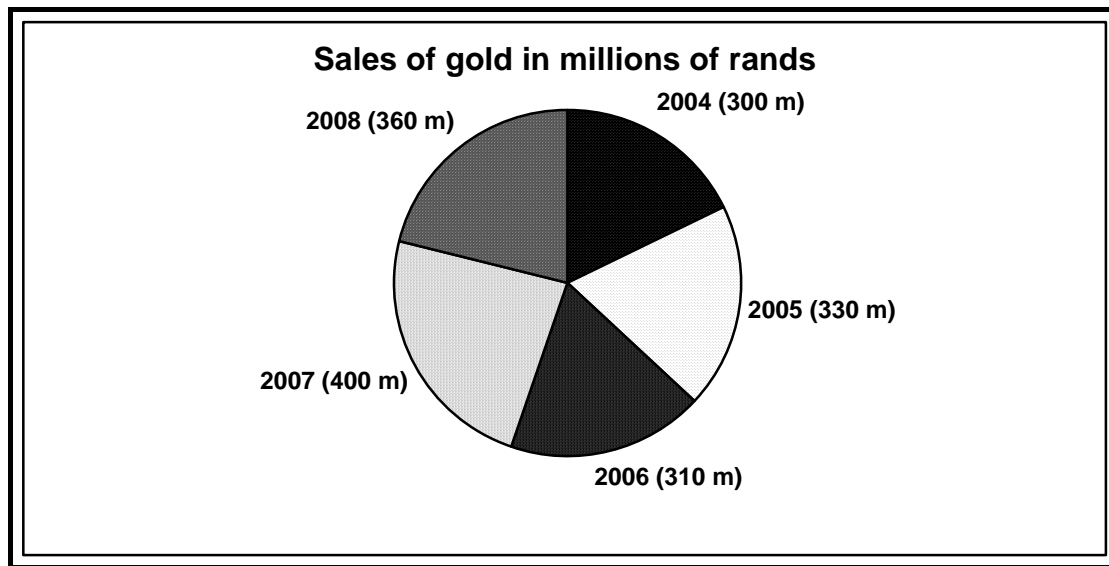
(d) Based on QUESTION 3.1.2(c) above, what recommendation can you make to the shareholders? (2)

YEAR	SALES OF GOLD (in R million)
2004	300
2005	330
2006	310
2007	400
2008	360

REPRESENTATION 1



REPRESENTATION 2

**REPRESENTATION 3**

- 3.1.3 Describe any FIVE entrepreneurial qualities that ABC Gold Mining Company can use to assess the success of their business venture. (10)
- 3.2 Discrimination in the workplace is one of the human rights issues that have a negative impact on the relationship between employers and employees.
- 3.2.1 Do you agree or disagree with this statement? Motivate your answer. (4)
- 3.2.2 Indicate how discrimination can be resolved in the workplace. (4)
- 3.3 Describe each of the following investment opportunities and evaluate whether you consider it to be a low, medium or high risk investment:
- 3.3.1 Shares (6)
- 3.3.2 Unit trusts (6)
- 3.4 Discuss the impact of the following factors on the success and failure of a close corporation and sole proprietor:
- 3.4.1 Capital
- 3.4.2 Legislation (12)
- [60]**

QUESTION 4

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

APPLICATION FOR A VACANCY

Thembi studied at a technikon. She has a diploma in Travel and Tourism but has been unsuccessful in securing a job.

Thembi saw an advertisement for a receptionist at Trust Lodge in the classified section of the newspaper and applied for the position. Thembi was the only applicant and was appointed to the post. Trust Lodge does not have an employment contract.

Thembi had no interest in the job as a receptionist of which the management of Trust Lodge were fully aware. Thembi spoke openly about her lack of interest in the job. She had to obtain some form of employment in order to earn an income to meet her financial obligations.

- 4.1.1 If you were the manager of Trust Lodge, would you employ Thembi? Motivate your answer. (6)
- 4.1.2 Suggest any FIVE clauses that Trust Lodge could include in its employment contract. (10)
- 4.1.3 Would the clauses listed in QUESTION 4.1.2 have helped in avoiding the crisis that Trust Lodge is currently experiencing? Explain your answer. (6)
- 4.1.4 List any FIVE aspects that Trust Lodge would include in their implementation of the induction and placement process for Thembi. (10)
- 4.1.5 Name the Act that regulates the employment contract between Trust Lodge and Thembi. (2)
- 4.2 Outline FIVE steps that a good manager will follow in order to resolve conflict in the workplace. (10)
- 4.3 Name and explain ONE management style that you consider to be most effective in ensuring maximum success in business presently. (4)
- 4.4 Differentiate between *management* and *leadership*. Explain whether a good manager is better than a good leader. (12)

[60]

TOTAL SECTION B: 180

SECTION C

Answer any TWO questions.

NOTE: Indicate the QUESTION NUMBER. The answer to EACH QUESTION must begin on a NEW PAGE, for example, QUESTION 6 on a new page, QUESTION 8 on a new page, et cetera.

QUESTION 5

Analyse the nature and process of corporate social investment (CSI). Illustrate how it works and discuss the benefits and problems of CSI for both business and communities. Use current examples to illustrate your answer.

[40]**QUESTION 6**

Just as your home and car needs insurance cover, your business also requires protection against theft, damage and liability. A major burglary or a fire can make an uninsured or under-insured business bankrupt. Minimising risks and losses is one of the pillars of business success especially for small businesses.

[Source: *Succeed*, December 2006 (adapted)]

Write a report indicating whether you agree or disagree with the above statement. Your report must clearly establish the reasons/significance for insurance, show a distinction between compulsory and non-compulsory insurance, as well as be able to illustrate each type using examples.

[40]**QUESTION 7**

Team dynamics in problem solving makes it easier to initiate and promote change and unity within the organisation. Teamwork helps the organisation to achieve its primary goals and objectives.

Briefly explain why it is necessary for people to work together and fully discuss the factors that can contribute towards the achievement of business objectives when using teamwork in the workplace.

[40]**QUESTION 8**

Trade unions were primarily established to address the challenges faced by employees in the workplace.

Outline the 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**