

SMARTWIZ

GRADE 12 BUSINESS STUDIES EXAM

MARKS: 100

TIME: 2 HOURS

SCHOOL _____

CLASS (eg. 4A) _____

SURNAME _____

NAME _____

MARKS	
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Instructions for Learners:

- Read all instructions carefully before you begin the exam.
- Write your full name and student number clearly on the answer sheet/book.
- Answer all questions unless otherwise instructed.
- Show all your work/calculations where necessary.
- Write neatly and clearly.
- Use only a blue or black pen. Do not use correction fluid or tape.
- Electronic devices (calculators, cell phones, etc.) are not allowed unless explicitly permitted.
- Raise your hand if you have any questions.
- Do not talk to other learners during the exam.
- Any form of dishonesty will result in immediate disqualification from the exam.

This exam consists of Eight pages, including the cover page.

SECTION A: BUSINESS ENVIRONMENTS (30 marks)

QUESTION 1: TYPES OF BUSINESS ENVIRONMENTS (15 marks)

1.1 Define the term **business environment**.

1.2 List and briefly explain THREE types of business environments.

1.3 How does the **economic environment** affect businesses? Provide TWO examples.

1.4 Discuss TWO ways in which technological changes can impact a business.

QUESTION 2: BUSINESS ETHICS AND SOCIAL RESPONSIBILITY (15 marks)

2.1 Explain what is meant by **business ethics**.

2.2 Why is ethical behaviour important in business? Give TWO reasons.

2.3 Describe THREE ways a business can demonstrate corporate social responsibility (CSR).

SECTION B: BUSINESS OPERATIONS (30 marks)

QUESTION 3: PRODUCTION AND QUALITY MANAGEMENT (15 marks)

3.1 Differentiate between **goods** and **services**.

3.2 Name and describe TWO types of production methods.

3.3 Explain why quality control is important in business. Provide TWO reasons.

QUESTION 4: BUSINESS FINANCE (15 marks)

4.1 Define the term **working capital**.

4.2 Why is managing working capital important for a business?

4.3 Name THREE sources of short-term finance and explain ONE of them.

SECTION C: BUSINESS VENTURES (40 marks)

QUESTION 5: ENTREPRENEURSHIP AND BUSINESS PLANS (20 marks)

5.1 Define an **entrepreneur**.

5.2 List and explain FOUR characteristics of successful entrepreneurs.

5.3 Why is a business plan important when starting a business? Give THREE reasons.

5.4 Outline the main sections typically found in a business plan.

QUESTION 6: MARKETING AND CUSTOMER RELATIONSHIPS (20 marks)

6.1 Define the term **marketing**.

6.2 Explain the difference between **product** and **price** in the marketing mix.

6.3 Describe THREE methods businesses use to build good customer relationships.

6.4 How can customer feedback help improve a business?

TOTAL: 100 MARKS

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SECTION A: BUSINESS ENVIRONMENTS (30 marks)

QUESTION 1: TYPES OF BUSINESS ENVIRONMENTS (15 marks)

1.1 Business environment:

- The external and internal factors that affect how a business operates. (2)

1.2 Three types of business environments:

- Economic environment: Factors like inflation, interest rates, and economic growth. (2)
- Technological environment: Advances in technology affecting business operations. (2)
- Socio-cultural environment: Society's attitudes, values, and demographics. (2)

1.3 Economic environment effects:

- Changes in interest rates can affect borrowing costs. (2)
- Inflation affects pricing and consumer spending. (2)

1.4 Technological changes impacts:

- Can improve efficiency and productivity. (2)
- May require investment in new skills and equipment. (2)

QUESTION 2: BUSINESS ETHICS AND SOCIAL RESPONSIBILITY (15 marks)

2.1 Business ethics:

- Moral principles guiding business behaviour and decisions. (2)

2.2 Importance of ethical behaviour:

- Builds trust with customers and stakeholders. (2)
- Helps avoid legal issues and bad publicity. (2)

2.3 Ways to demonstrate CSR:

- Supporting community projects and charities. (2)
 - Implementing environmentally friendly practices. (2)
 - Fair treatment of employees and customers. (2)
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SECTION B: BUSINESS OPERATIONS (30 marks)

QUESTION 3: PRODUCTION AND QUALITY MANAGEMENT (15 marks)

3.1 Goods vs Services:

- Goods are tangible products. (1)
- Services are intangible activities or benefits. (1)

3.2 Two production methods:

- Mass production: Large quantities of identical products. (2)
- Job production: Customised products made individually. (2)

3.3 Importance of quality control:

- Ensures products meet customer expectations. (2)
- Reduces waste and costs from defective products. (2)

QUESTION 4: BUSINESS FINANCE (15 marks)

4.1 Working capital:

- The money available for daily business operations. (2)

4.2 Importance of managing working capital:

- Ensures the business can pay its short-term debts. (2)

4.3 Three sources of short-term finance:

- Bank overdraft, trade credit, short-term loans. (3)
Explanation of one (example):
- Bank overdraft: Allows businesses to withdraw more money than they have temporarily. (2)

SECTION C: BUSINESS VENTURES (40 marks)

QUESTION 5: ENTREPRENEURSHIP AND BUSINESS PLANS (20 marks)

5.1 Entrepreneur:

- A person who starts and manages a business taking financial risks. (2)

5.2 Four characteristics:

- Risk-taking (2)
- Innovation (2)
- Determination and persistence (2)
- Good decision-making skills (2)

5.3 Importance of business plan:

- Provides a roadmap for business success. (2)
- Helps secure funding from investors or banks. (2)
- Identifies potential challenges and solutions. (2)

5.4 Main sections in a business plan:

- Executive summary (2)
- Market analysis (2)
- Marketing strategy (2)
- Financial plan (2)

QUESTION 6: MARKETING AND CUSTOMER RELATIONSHIPS (20 marks)

6.1 Marketing:

- The process of promoting, selling, and distributing a product or service. (2)

6.2 Product vs Price:

- Product: The good or service offered to satisfy customer needs. (2)
- Price: The amount customers pay to buy the product. (2)

6.3 Three methods to build customer relationships:

- Providing excellent customer service. (2)
- Loyalty programs and rewards. (2)
- Effective communication and feedback mechanisms. (2)

6.4 Customer feedback helps:

- Identify areas for improvement. (2)
- Develop better products and services. (2)

TOTAL: 100 MARK

MAP

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