

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 ENVIRONMENT & LEGISLATION (25 MARKS)

QUESTION 1 (25 marks)

1.1 Define **macro environment** in the context of business. (2)

1.2 Identify **THREE** macro environment elements that may affect a retail business. (3)

1.3 Explain how **political instability** could affect a business's daily operations. (4)

1.4 Below is a diagram showing elements of the macro environment:



Visual: Elements of the Macro Environment

- Political
 - Economic
 - Technological
 - Legal
 - Environmental
 - Social
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1.5 Using the visual above, choose **TWO** elements and explain how each can pose a challenge to a business. (6)

1.6 What is the role of the **National Credit Act (NCA)** in protecting consumers? (4)

1.7 Recommend **TWO** ways a business can adapt to changes in the legal environment. (6)

◆ SECTION B: HUMAN RESOURCES AND LEADERSHIP (25 MARKS)

QUESTION 2 (25 marks)

2.1 Define the term **recruitment**. (2)

2.2 Explain the difference between **internal** and **external** recruitment. (4)

2.3 Give TWO advantages of using internal recruitment. (4)

2.4 Identify THREE leadership styles and provide one example of each in a business setting. (6)

2.5 Discuss TWO ways businesses can improve employee motivation. (5)

2.6 Suggest TWO reasons why effective leadership is important in the workplace. (4)

◆ **SECTION C: GENERAL BUSINESS OPERATIONS (25 MARKS)**

QUESTION 3 (25 marks)

3.1 Define the term **total quality management (TQM)**. (3)

3.2 Name THREE pillars of TQM. (3)

3.3 Explain how TQM can contribute to a business's success. (6)

3.4 Differentiate between **quality assurance** and **quality control**. (4)

3.5 A local factory is experiencing high levels of defective products and customer complaints. Recommend THREE steps management should take to address the problem. (9)

◆ SECTION D: ESSAY (25 MARKS)

QUESTION 4 (COMPULSORY ESSAY – 25 marks)

Write an **essay** on the following topic:

“Evaluate the impact of Corporate Social Responsibility (CSR) on businesses and communities. In your answer, include benefits, challenges, and examples to support your views.”

Use the following structure:

- **Introduction** (Definition/Overview)
- **Body** (Discuss positive impacts on the business and society, as well as any challenges)
- **Conclusion** (Summarise key points or give a personal opinion)

 *Your essay should be at least 1 full page.*

✓ **TOTAL: 100 MARKS**

MEMO

◆ SECTION A: BUSINESS ENVIRONMENT & LEGISLATION (25 MARKS)

QUESTION 1

1.1 Macro environment:

- The external and uncontrollable factors that affect a business, such as economic, political, and social conditions. (2)

1.2 Three macro environment elements:

- Economic, political, social, technological, environmental, legal (Any $3 \times 1 = 3$)

1.3 Political instability:

- Leads to uncertainty and reduced investor confidence.
- Can disrupt supply chains, increase operational risk, and affect employee morale. (Any valid 4-point explanation) (4)

1.5 TWO elements with challenges:

- Economic: Inflation can increase costs of raw materials. (3)
- Technological: Rapid changes can make existing systems obsolete. (3)

1.6 Role of the NCA:

- Promotes responsible credit lending and protects consumers from unfair credit practices.
- Ensures transparency and prevents exploitation by lenders. (4)

1.7 Two ways to adapt to legal changes:

- Provide legal compliance training to employees. (3)
- Regularly review and update company policies. (3)

◆ SECTION B: HUMAN RESOURCES AND LEADERSHIP (25 MARKS)

QUESTION 2

2.1 Recruitment:

- The process of finding and hiring the best-qualified candidate for a job. (2)

2.2 Difference between internal and external recruitment:

- Internal: Filling vacancies from within the organisation.
- External: Hiring new candidates from outside the business. ($2 + 2 = 4$)

2.3 Advantages of internal recruitment:

- Saves time and costs.
- Candidate is familiar with company culture. ($2 \times 2 = 4$)

2.4 Leadership styles:

- Autocratic: Manager makes all decisions (e.g., factory supervisor giving direct orders).
- Democratic: Involves team input (e.g., team brainstorming meetings).
- Laissez-faire: Little supervision (e.g., creative industries allowing freedom). ($3 \times 2 = 6$)

2.5 Improving employee motivation:

- Offer performance bonuses or incentives.
- Provide growth and development opportunities. ($2 + 3 = 5$)

2.6 Importance of effective leadership:

- Helps achieve business goals through teamwork.
- Ensures smooth operations during change or crisis. ($2 \times 2 = 4$)

◆ SECTION C: GENERAL BUSINESS OPERATIONS (25 MARKS)

QUESTION 3

3.1 Total Quality Management (TQM):

- A continuous improvement approach to ensure long-term customer satisfaction through quality in all areas of business. (3)

3.2 Three pillars of TQM:

- Continuous improvement
- Customer focus
- Total employee involvement (3)

3.3 How TQM contributes to success:

- Enhances customer satisfaction.
- Reduces costs through fewer defects.
- Improves employee engagement and efficiency. (Any 3 points well explained = 6)

3.4 Difference between quality assurance and quality control:

- QA is proactive, focuses on processes to prevent defects. (2)
- QC is reactive, focuses on identifying and correcting defects. (2)

3.5 Three steps to address product defects:

- Conduct a root cause analysis.
- Train staff on quality procedures.
- Introduce quality checks at key production stages. (Any $3 \times 3 = 9$)

◆ SECTION D: ESSAY (25 MARKS)

QUESTION 4: ESSAY ON CSR

Marking Guidelines:

Criteria	Marks
Introduction (definition of CSR)	3
Benefits to business	5
Benefits to community	5
Challenges of CSR	5
Use of examples	3
Conclusion	2
Logical structure, insight	2

Total: 25 Marks

Sample Content (Condensed):

- **Introduction:**
CSR is when a business voluntarily contributes to the welfare of society and the environment while pursuing profit.
- **Benefits to business:**
Improves brand image, builds customer loyalty, attracts investors, increases employee morale.
- **Benefits to community:**
Job creation, support for education, healthcare, infrastructure.
- **Challenges:**
Expensive to implement, hard to measure impact, not always aligned with core business goals.
- **Examples:**
Woolworths' "Good Business Journey," Pick n Pay's school feeding schemes.

- **Conclusion:**
CSR is not just a social obligation but also a strategic tool for long-term business sustainability.
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✅ **TOTAL: 100 MARKS**

