MARKS: 300
TIME: 3 hours
BUSINESS STUDIES
1072E

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 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.

<table>
<thead>
<tr>
<th>SECTION</th>
<th>QUESTION</th>
<th>MARKS</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>A:</td>
<td>Objective type questions COMPULSORY</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B:</td>
<td>THREE direct/indirect type questions COMPULSORY</td>
<td>2</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>60</td>
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<tr>
<td></td>
<td></td>
<td>4</td>
<td>60</td>
</tr>
<tr>
<td>C:</td>
<td>FOUR essay type questions CHOICE (Answer any TWO.)</td>
<td>5</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>40</td>
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<td></td>
<td></td>
<td>7</td>
<td>40</td>
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<td></td>
<td></td>
<td>8</td>
<td>40</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>300</td>
</tr>
</tbody>
</table>

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 Wholesalers in the tertiary sector usually have ... control over challenges in the macro-environment.

A little  
B some  
C no  
D complete

1.1.2 A group of representatives made up of employees selected in an organisation that employs more than 100 workers and which encourages joint problem-solving between employer and employee:

A Shop stewards  
B Workplace forum  
C Staff meeting  
D Congregation

1.1.3 The BBBEE Act targets several pillars for growth and development and ... is identified as one of the pillars.

A ownership  
B capital  
C quality of performance  
D insurance

1.1.4 An example of unprofessional and unethical behaviour is ...

A selling second-hand goods as new.  
B employing unskilled workers.  
C increasing prices in line with competitors.  
D finding a substitute for the competitor’s product.

1.1.5 Which ONE of the following is an expense for the business?

A Rent income  
B Interest on a fixed deposit  
C Interest on a loan  
D Debentures
1.1.6 An induction programme has to do with ONE of the following:

A Training an employee to operate an existing machine
B Welcoming new employees to the company and preparing them for their new responsibilities and roles
C Manpower planning
D BBBEE

1.1.7 Sipho has recently received an amount of R2 000 as a dividend from an investment with MTN. This investment was in the form of …

A a fixed deposit.
B bonds.
C shares.
D fixed property.

1.1.8 When an employer and employees cannot agree on demands for an increase in salary and better working conditions, they can refer these matters to the …

A welfare court.
B lock-out clause.
C workplace forum.
D CCMA.

1.1.9 This legislation ensures that qualified people from designated groups have equal opportunities in the workplace:

A Affirmative action
B Unemployment Insurance Act
C Industry Charter
D COIDA

1.1.10 Employees enjoy tax rebates when contributing towards this fund:

A Unemployment insurance
B Lottery
C Motor Vehicle Accident Fund.
D Retirement Annuity Fund.  

(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 A (SWOT analysis/job analysis) is a tool for auditing a business and its environment.

1.2.2 The (shareholders/board of directors) are responsible for the management of public companies.

1.2.3 The (code of ethics/instruction manual) is a written document stating the principles and values which the business/organisation upholds.

1.2.4 The (Labour Relations Act/Skills Development Act) makes provision for different SETAs to train the labour force.

1.2.5 A worker is not allowed to work overtime for more than (13 hours/10 hours) a week. \(5\times 2\) \(10\)

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

<table>
<thead>
<tr>
<th>COLUMN A</th>
<th>COLUMN B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3.1 Go-slow strike</td>
<td>A helps to achieve the vision of the company</td>
</tr>
<tr>
<td>1.3.2 Job description</td>
<td>B MXit</td>
</tr>
<tr>
<td>1.3.3 Iron-safe clause</td>
<td>C standards and behaviour for a particular occupation</td>
</tr>
<tr>
<td>1.3.4 Professionalism</td>
<td>D workers work at a slower pace than normal so that they deliberately do not meet the production quota</td>
</tr>
<tr>
<td>1.3.5 Mission</td>
<td>E stipulates that the books or stock records of the business should be kept in a fire-proof safe</td>
</tr>
<tr>
<td></td>
<td>F describes the actual job requirements</td>
</tr>
<tr>
<td></td>
<td>G organised stay-away from work by workers whereby they are prepared to forfeit their income</td>
</tr>
</tbody>
</table>

\(5\times 2\) \(10\)

**TOTAL SECTION A:** 40
SECTION B (COMPULSORY)

QUESTION 2

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

JJ TAXIS

John and Jim started a taxi service running from Soweto to the Johannesburg city centre. They borrowed money from a bank to buy four new taxis and named their business JJ Taxis. Many government departments made use of their services.

Their turnover for the past year was lower than for the previous five years. The Governor of the Reserve Bank announced an increase of 1% in the prime interest rate. Green Light Taxi Service, a new competitor, has just launched its business and many government departments cancelled their bookings with JJ Taxis.

2.1.1 Name the sector in which JJ Taxis operates. (2)

2.1.2 Identify any TWO challenges from the case study. Name the environment that EACH challenge belongs to and also the extent to which JJ Taxis can control these environments.

QUESTION 2.1.2 must be answered according to the headings given in the table below.

<table>
<thead>
<tr>
<th>CHALLENGES</th>
<th>ENVIRONMENT</th>
<th>EXTENT OF CONTROL</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(6)

2.2 Explain FOUR ways in which the employer/manager can help to reduce the stress levels of employees in the workplace. (12)

2.3 Study the advertisement below and answer the questions that follow.

TAX ADVISER: LIMPOPO

Career enrichment and job fulfilment for qualified tax professionals. The company does not discriminate on the basis of gender, race or religion and supports inclusivity.

The position includes the following areas of responsibility:
• Managing and developing a team of tax advisers
• Investment/Financial planning

The following requirements must be met by the candidates:
• BCom degree
• Certificate in financial planning
• Suitable management experience of at least one year in the financial services industry

Remuneration will depend on the level of experience and ability of the candidate and is market-related.
2.3.1 State THREE factors that the tax advisor will consider when applying for the job. (6)

2.3.2 Does this vacancy comply with the Employment Equity Act? Motivate your answer. (6)

2.3.3 Briefly outline the procedure that the human resource manager must follow before the tax advisor is employed. (14)

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

**DANCER SENT HOME**

Johannesburg: A member of South Africa’s hit show *African Footprint* has been excluded from the cast after he disclosed the HIV positive status of another cast member.

This information was passed on to management without his consent.

[Adapted from *The Mercury*, 18 January 2008]

2.4.1 Describe why it was unethical for the cast member to reveal the HIV status of the other dancer. (6)

2.4.2 Analyse the impact of HIV/AIDS on South African businesses. (8)

QUESTION 3

3.1 Give any THREE reasons why a partnership could be regarded as a good form of ownership. (6)

3.2 State any FIVE entrepreneurial qualities that a successful business is measured against. (10)

3.3 Name FOUR characteristics of a team that successfully achieves its goals. (8)

3.4 Describe any FOUR aspects that may lead to conflict in a workplace. (12)

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

**INVESTMENT, THE BEST CHOICE EVER**

Zinhle Ngcobo from Bisho won R500 000 in the National Lottery on 1 December 2008.

In January 2009 she bought 30 000 shares at R10 each from Sasol Ltd. In December 2010 she sold all her shares at R15 each.

The remaining R200 000 was invested at a commercial bank as a fixed deposit for two years at 15% simple interest per year, with effect from 1 January 2009.
3.5.1 Analyse Zinhle's investments in terms of the risk factor. (4)

3.5.2 Which investment earned a higher return over the two-year period? Substantiate your answer.

**NOTE:** Show ALL workings. (16)

3.5.3 Recommend any TWO forms of investment to Zinhle besides the two mentioned in the scenario. (4) [60]

**QUESTION 4**

4.1 List any FIVE steps which a business organisation should follow in order to solve problems which might arise in the workplace. (10)

4.2 The following strategies are used by different businesses to overcome specific challenges. Identify the type of strategy used for each of the following scenarios:

4.2.1 A business enterprise sells two delivery vehicles to pay its creditors. (2)

4.2.2 New Look furniture factory buys a farm with tree plantations. (2)

4.2.3 A South African business that has been selling designer clothing in South Africa only, is now selling their products in France. (2)

4.2.4 A cellphone shop starts to sell microwave ovens. (2)

4.2.5 An existing communication company charges lower rates per call than other companies. (2)

4.3 State any FOUR functions of trade unions. (8)

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

Mr and Mrs Pillay recently got married and are planning to buy a house in Verulam, using a loan from the bank.

Would you advise Mr and Mrs Pillay to take out a specific insurance for their mortgage bond? Give reasons for your advice. (8)

4.5 Discuss how the pricing of goods in the rural areas and sexual harassment could challenge ethical and professional behaviour. Also recommend how these forms of unethical behaviour can be addressed by business organisations. (12)
4.6 Study the graph below and answer the questions that follow.

SALES OF JACKETS IN THOUSANDS OF RANDS

JUNE  JULY  AUG.  SEPT.

4.6.1 Identify the type of graph presented above. (2)

4.6.2 Which month represents the highest sales? Give TWO possible reasons for your answer. (6)

4.6.3 Name TWO strategies which you could use to improve the sales performance for September. (4) [60]

TOTAL SECTION B: 180
SECTION C

Answer ANY TWO questions.

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

The National Credit Act was put into place to improve the way we, as consumers, have been using credit. With improvement comes change and one of the important changes is that we need to recognise the importance of determining whether WE CAN AFFORD CREDIT.

[Adapted from the Financial Health magazine 2009]

Discuss the purpose, advantages and disadvantages of the National Credit Act, 2005 (Act 34 of 2005) (NCA) to both business (service provider) and consumers (clients).

Explain the National Credit Act, 2005 (Act 34 of 2005) (NCA) in terms of consumer rights and indicate what can be done when a customer's application for credit is declined.

QUESTION 6

NORTH-WEST UNIVERSITY (NWU) BECOMES MORE SOCIALLY RESPONSIBLE

North-West University – one of the leading universities in South Africa – is joining the green brigade in a bid to reduce its carbon footprints and become environmentally friendly.

The university has undertaken the following:

- All papers are recycled after it has been used.
- Some of the waste from the hostels is recycled.
- Electricity consumption, waste, et cetera are monitored so that the university can be more environmentally friendly.
- New buildings with low electricity consumption are erected.
- Workers from different cultural backgrounds are employed.
- Discrimination is eliminated by protecting the rights of all its employees.

Use the above scenario to describe the nature of human rights, inclusivity and environmental issues.

Also evaluate the extent to which North-West University (NWU) addresses each of them.
QUESTION 7

Good management and good leadership will influence businesses and organisations to become more successful and to be able to achieve their goals and objectives favourably.

Analyse the above statement and then evaluate autocratic (boss-centred), laissez-faire (free-reign) and charismatic leadership/management styles.

Use examples to explain how these styles could be successfully applied in the workplace. [40]

QUESTION 8

MAPONYA ENTERPRISE

- Has been manufacturing a variety of sweets for the local and overseas markets during the past five years.
- A progressive company which believes that managers of all business functions must work together; not in isolation.
- According to the action plan a seminar is due to take place in early 2012.
- This seminar should highlight the latest information and developments in management.

Assume you are a director of Maponya Enterprise. Analyse and discuss how the quality of performance within the following business functions is the key to successful business:

- Production
- Marketing
- Purchasing
- General management

Use practical examples to support your answer. [40]

TOTAL SECTION C:  80
GRAND TOTAL:  300