



Province of the  
**EASTERN CAPE**  
EDUCATION

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**SEPTEMBER 2021**

**BUSINESS STUDIES P1**

**MARKS: 150**

**TIME: 2 hours**



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This question paper consists of 10 pages.

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## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- This question paper consists of THREE sections and covers TWO main topics.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

- Read the instructions for each question carefully and take particular note of what is required.

Note that ONLY the first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.

- Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	1	30	30
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	2	40	30
	3	40	30
	4	40	30
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	5	40	30
	6	40	30
<b>TOTAL</b>		<b>150</b>	<b>120 minutes</b>

- Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
- You may use a non-programmable calculator.
- 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 numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, for example 1.1.6 D.

1.1.1 This Act makes provision for the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA):

- A Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
- B Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- C Employment Equity Act (EEA), 1998 (Act 55 of 1998)
- D National Credit Act (NCA), 2005 (Act 34 of 2005)

1.1.2 Deep Mines operates in the ... sector as they specialise in the extraction of gold.

- A secondary
- B tertiary
- C economic
- D primary

1.1.3 Ntando Braai offers a unique service and have a greater power in the market. This refers to ... as an element of Porter's Five Forces model.

- A competitive rivalry
- B power of suppliers
- C threat of substitute
- D market strategy

1.1.4 Okuhle followed the ... procedure when they invited five shortlisted candidates to attend an interview.

- A recruitment
- B employment
- C selection
- D placement

1.1.5 The ... function ensures that relevant information is available to management for decision-making.

- A administration
- B public relations
- C general management
- D production

(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

forward; management; National Credit Regulator; horizontal; forty-five; applicant; performance; debt counsellor; forty; interviewer

- 1.2.1 The ... oversees compliance with the National Credit Act, 2005 (Act 34 of 2005).
- 1.2.2 Workers may not work more than ... hours in a week.
- 1.2.3 Buhle Butchery applied ... integration when they took over Thomas Butchery to reduce the threat of competition.
- 1.2.4 During the interview it is the role of the ... to ask clarity seeking questions.
- 1.2.5 Businesses make use of quality ... to ensure that the quality of goods and services is consistent.

(5 x 2) (10)

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

COLUMN A		COLUMN B	
1.3.1	SWOT analysis	A	provides guidelines on how businesses should improve their processes and systems
1.3.2	Liquidation	B	termination of an employment contract due to restructuring
1.3.3	Dismissal	C	identifying only challenges of the external environment
1.3.4	PDCA cycle	D	inspecting the product after the production process
1.3.5	Quality assurance	E	provides guidelines on how the production function should improve the quality of products
		F	the process whereby a business stops operating and sells all assets to pay off debts
		G	inspecting the product during and after the production process
		H	termination of an employment contract due to misconduct
		I	the process whereby a business sells some assets that are no longer profitable
		J	identifying challenges of the internal and external environments

(5 x 2) (10)

**TOTAL SECTION A: 30**

**SECTION B**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a new page, QUESTION 3 on a NEW page.

**QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 Name THREE types of diversification strategies. (3)
- 2.2 Outline the purpose of the Employment Equity Act (EEA), 1998 (Act 55 of 1998). (6)
- 2.3 Read the scenario below and answer the question that follows.

<b>PAUL FURNITURES (PF)</b>
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<p>Paul Furnitures is losing some of their customers as the business does not have online transaction facilities. They are experiencing a decline in sales due to the high unemployment rate. The packaging material that PF uses is not recyclable.</p>
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- 2.3.1 Identify THREE factors of the PESTLE analysis that pose challenges to PF. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.3.1.

PESTLE FACTORS	MOTIVATIONS
1.	
2.	
3.	

- (9)
- 2.4 Explain how SETA's are funded. (4)
- 2.5 Read the scenario below and answer the questions that follow.

<b>MANGO TRADERS (MT)</b>
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<p>Mango Traders specialises in the manufacturing of a variety of summer clothes. MT discloses the price of their products on sale.</p>
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- 2.5.1 Identify the Act that MT is complying with in the scenario above. (2)
- 2.5.2 Explain the advantages of the Act identified in QUESTION 2.5.1 for MT as a business. (4)
- 2.6 Discuss any TWO types of intensive strategies. (6)
- 2.7 Advise businesses on steps they should consider when evaluating a strategy. (6)

**[40]**

**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 Name any TWO sources of external recruitment. (2)
- 3.2 Outline the placement procedure as a human resource activity. (4)
- 3.3 Read the scenario below and answer the questions that follow.

**NKOSI TRANSPORTING (NT)**

Sonika recently started working at NT as a driver. She was requested to carefully read her employment contract, which included her hours of work, probation period and termination of contract.

- 3.3.1 Quote any TWO aspects of the employment contract from the scenario above. (2)
- 3.3.2 Explain the legal requirements of the employment contract. (6)
- 3.4 Evaluate the impact of fringe benefits on businesses. (6)
- 3.5 Read the scenario below and answer the questions that follow.

**NEDLO COLDRINKS LIMITED (NSL)**

Nedlo Coldrinks Limited specialises in the manufacturing of a variety of soft drinks. Jane, the purchasing manager, places orders timeously and follow-up to ensure goods are delivered on time. She also monitors and reports on minimum stock levels to avoid running out of stock.

- 3.5.1 Quote TWO quality indicators of the purchasing function from the scenario above. (2)
- 3.5.2 Describe other quality indicators of the purchasing function. (4)
- 3.6 Explain the benefits of a good quality management system. (4)
- 3.7 Discuss the impact of total quality management (TQM) if it is poorly implemented by businesses. (4)
- 3.8 Advise businesses on the advantages of monitoring and evaluation of quality processes on large businesses as a total quality management (TQM) element. (6)

**[40]**

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS**

- 4.1 State any TWO provisions as stipulated in the Basic Conditions of Employment (BCEA), 1997 (Act 75 of 1997). (2)
- 4.2 Read the scenario below and answer the questions that follow.

**ZANELE COMPUTERS (ZC)**

Zanele Computers offers a variety of computer software services. ZC is operating in a high crime area which has a negative impact on their profitability. ZC is also losing their clients to Monja Computers who offer their services at reasonable prices.

Use the table below as a GUIDE to answer QUESTION 4.2.1 to 4.2.3.

<b>CHALLENGES 4.2.1</b>	<b>BUSINESS ENVIRONMENTS 4.2.2</b>	<b>EXTENT OF CONTROL 4.2.3</b>
1.		
2.		

- 4.2.1 Quote TWO challenges for ZC from the scenario above. (2)
- 4.2.2 Classify ZC's challenges according to any TWO of the THREE business environments. (2)
- 4.2.3 State the extent of control ZC has over EACH business environment named in QUESTION 4.2.2. (2)
- 4.3 Explain how businesses could apply the following forces of Porter's Five Forces model to analyse their position in the market:
- 4.3.1 Threat/Barriers of new entrants to the market (4)
- 4.3.2 Bargaining power of buyer/Power of buyers (4)
- 4.4 Suggest ways in which businesses can comply with the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (4)



**BUSINESS OPERATIONS**

- 4.5 Name any TWO aspects that should be included in an induction programme. (2)
- 4.6 Identify the salary determination methods used by Roshan Bags in EACH statement below:
  - 4.6.1 John, the cleaner, gets paid a thousand rand for the number of hours he spends on a task.
  - 4.6.2 Amla gets paid sixteen rands for each bag she makes. (4)
- 4.7 Explain the benefits of induction for businesses. (4)
- 4.8 Read the scenario below and answer the question that follows.

**FUMA FOOTWEAR LIMITED (FFL)**

Fuma Footwear Limited is a large business that specialises in the manufacturing of quality sneakers. FFL makes use of the services of quality circles to stay ahead of their competitors. They can also afford market researchers to gather information about their target market.

- 4.8.1 Identify TWO total quality management (TQM) elements applied by FFL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.8.1.

TQM ELEMENTS	MOTIVATIONS
1.	
2.	

(6)

- 4.9 Suggest TWO ways in which total quality management (TQM) can reduce the cost of quality. (4)

**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question chosen. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page or QUESTION 6 on a NEW page.

**QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)**

The government initiated the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) (amended in 2013) to overcome the shortcomings of Black Economic Empowerment (BEE). The BBBEE pillars have various implications for businesses as they need to apply these pillars in the workplace. Businesses may face penalties for non-compliance with the BBBEE Act.

Write an essay on the BBBEE Act in which you include the following aspects:

- Differentiate between *BEE* and the *BBBEE Act*.
- Explain the implications of the following BBBEE pillars for businesses:
  - Ownership
  - Skills development
- Discuss the impact of BBBEE on businesses.
- Advise businesses on penalties that they may face for non-compliance with this Act.

[40]

**QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**

Businesses compile a job analysis of vacant positions before they consider using the internal and external recruitment methods. Businesses must prepare interview questions for shortlisted candidates. They must also ensure that the human resources manager knows the implications of the Skills Development Act in his/her department.

Write an essay on the human resource function in which you include the following aspects:

- Outline the differences between *job description* and *job specifications* as components of a job analysis.
- Explain the impact of internal recruitment on businesses.
- Discuss the role of the interviewer while preparing for an interview.
- Advise the human resources manager on the implications of the Skills Development Act to his/her department.

[40]

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**











