



**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**SEPTEMBER 2023**

**BUSINESS STUDIES P1**

**MARKS: 150**

**TIME: 2 hours**

**Font size 18**

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This question paper consists of 16 pages.

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## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. 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.

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

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

3. 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.
4. Except where other instructions are given, answers must be written 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.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	1	30	20
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	2	40	70
	3	40	
	4	40	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	5	40	30
	6	40	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

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

1.1.1 This Act provides for the right of employees to join a trade union of their choice:

- A Basic Conditions of Employment (BCEA), 1997 (Act 75 of 1997)
- B Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- C Employment Equity Act (EEA), 1998 (Act 55 of 1998)
- D Consumer Protection Act (CPA), 2008 (Act 68 of 2008)

1.1.2 Andile Garden Services could easily acquire a trading licence. This refers to the ... as a force of the Porter's Five Forces model.

- A barrier of new entrants to the market
- B threat of substitution
- C power of competitors
- D power of buyers

1.1.3 Peak Textiles operates in the ... sector as they specialise in the manufacturing of clothing.

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

1.1.4 This benefit is by law compulsory for employees to contribute 1% of their basic salary:

- A Unemployment Insurance Fund
- B Funeral benefits
- C Housing allowance
- D Clothing allowance

1.1.5 Ockert Manufacturers applied quality ... when they measured the total output of each department against specified standards.

- A control
- B assurance
- C performance
- D management

(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.

interview; quality; BEE; micro; BBEE Act;  
induction programme; do; market; total  
quality management; act as needed

- 1.2.1 Global Trading complied with ... when they provided ... previously ... disadvantage employees with learning programmes.
- 1.2.2 Crisp Clothing has full control over the ... environment.
- 1.2.3 The purpose of an ... is to evaluate the personal characteristics of the applicant.
- 1.2.4 Mega Bakeries implements change on a large scale after seeing that the change was successful. This is known as the ... step in the PDCA model.
- 1.2.5 Viwe Manufacturer uses ... to continuously improve on processes and systems in order to satisfy customers' needs beyond their expectations. (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.

<b>COLUMN A</b>		<b>COLUMN B</b>	
1.3.1	Privacy and confidentiality	A	written agreement specifying the use of property for a certain period
1.3.2	Divestiture	B	uses pricing techniques to ensure a competitive advantage
1.3.3	Employment contract	C	consumers have the right to be protected in lay-bye agreements
1.3.4	Piecemeal	D	selling all assets with the aim of closing down the business
1.3.5	Marketing function	E	employees are paid for the number of items produced in a month
		F	consumers have the right to stop unwanted direct marketing

	G	written agreement specifying terms and conditions to perform duties
	H	used to buy raw material in bulk at lower prices
	I	selling some assets that are no longer profitable
	J	employees are paid for the number of hours worked

(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 any TWO types of diversification strategies. (2)
- 2.2 Outline the advantages of intensive strategies. (6)
- 2.3 Read the scenario below and answer the questions that follow.

#### **YUKI MANUFACTURERS (YM)**

Yuki Manufacturers specialises in the manufacturing of yoghurt and want to expand their activities. YM combined with Dairy Farm, their supplier of milk. They need to evaluate if this strategy has been successful.

- 2.3.1 Identify the type of integration strategy used by YM in the scenario above. (2)
- 2.3.2 Describe the steps in strategy evaluation. (6)

- 2.4 Explain the purpose of Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (6)
- 2.5 Read the scenario below and answer the questions that follow.

**NICO ENTERPRISE (NE)**

Nico Enterprise is a large retail business that provides a variety of products. The management prepared an employment equity plan in consultation with employees. They also implemented affirmative action measures promoting diversity in the workplace.

- 2.5.1 Quote TWO ways in which NE complied with the Employment Equity Act, 1998 (Act 55 of 1998) from the scenario above. (2)
- 2.5.2 Evaluate the impact of the Employment Equity Act, 1998 (Act 55 of 1998) on businesses. (6)
- 2.6 Explain the penalties that businesses may face for non-compliance with the National Credit Act (NCA), 2005 (Act 34 of 2005). (6)
- 2.7 Advise businesses on how they could apply *power of the suppliers* as one of the forces of the Porter's Five Forces model to analyse their position in the market environment. (4)

**[40]**

**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 Name any THREE sources of external recruitment. (3)
- 3.2 Outline the placement procedure as a human resources activity. (4)
- 3.3 Read the scenario below and answer the questions that follow.

**HOPE LOGISTICS (HL)**

Hope Logistics advertised a vacancy for a manager on their business noticeboard. HL indicates that the successful candidate will receive fringe benefits.

- 3.3.1 Identify the method of recruitment used by HL. Motivate your answer by quoting from the scenario above. (3)
- 3.3.2 Explain the advantages of fringe benefits for businesses. (4)
- 3.4 Discuss the role of the interviewer before the interview. (6)
- 3.5 Outline the quality indicators of the production function. (4)

- 3.6 Read the scenario below and answer the questions that follow.

**RICHARDS SHOES (RS)**

Richards Shoes is a large shoe manufacturer that are struggling to implement total quality management (TQM) successfully. The reputation of RS is suffering because of poor quality products. RS is also experiencing a high staff turnover because of poor skills development.

- 3.6.1 Quote TWO ways in which the poor implementation of TQM has impacted on RS from the scenario above. (2)
- 3.6.2 Explain the other impact of TQM if poorly implemented by businesses. (4)
- 3.7 Differentiate between *quality control* and *quality assurance*. (4)
- 3.8 Evaluate the impact of continuous skills development as a total quality management (TQM) element on large businesses. (6)

**[40]**

## QUESTION 4: MISCELLANEOUS TOPICS

### BUSINESS ENVIRONMENTS

- 4.1 State any FOUR provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)
- 4.2 Outline the strategic management process. (6)
- 4.3 Identify the PESTLE elements that pose a challenge to Secure Manufacturer in EACH statement below:
- 4.3.1 The packaging material Secure Manufacturer uses cannot be recycled.
- 4.3.2 They are struggling to make the monthly payment on their loan due to the high interest rate.
- 4.3.3 Employees are unable to operate modern machinery that has been purchased. (3 x 2) (6)
- 4.4 Advise businesses on the implications of *management control* as one of the pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) for businesses. (4)

## BUSINESS OPERATIONS

- 4.5 State any FOUR aspects that should be included in an induction programme. (4)
- 4.6 Outline the link between salary determination and the Basic Conditions of Employment Act. (6)
- 4.7 Read the scenario below and answer the questions that follow.

### JUMPING GYMS (JG)

Jumping Gyms specialises in on-line gym workouts. They use modern technology efficiently. The administration department also make reliable information available to management on time.

- 4.7.1 Quote TWO quality indicators of the administration function from the scenario above. (2)
- 4.7.2 Explain other quality indicators of the administration function. (4)
- 4.8 Recommend ways in which total quality management (TQM) can reduce the cost of quality. (4)

**[40]**

**TOTAL SECTION B: 80**

## SECTION C

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. 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 establishment of Sector Education and Training Authorities (SETAs) ensure the effective implementation of the Skills Development Act (SDA), 1998 (Act 97 of 1998). SDA was developed in response to the demands for redress and equity. Businesses are required to comply with this Act.

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

- Outline the role of SETAs in supporting the Skills Development Act
- Explain the purpose of the Skill Development Act
- Discuss the impact of the SDA on businesses
- Suggest ways in which businesses could comply with the SDA

**[40]**

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

The job description and job specification must first be drafted by the human resources manager before a thorough selection process can guarantee the best candidate is selected. Businesses will reap benefits of inducting the newly appointed employee and ensuring that the employment contract comply with the legal requirements of employment.

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

- Outline the differences between *job description* and *job specification*
- Explain the selection procedure
- Discuss the benefits of induction for businesses
- Advise businesses on the legal requirements of the employment contract

**[40]**

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