



**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**JUNE 2023**

**BUSINESS STUDIES P1  
(ENLARGEMENT)**

**MARKS: 150**

**TIME: 2 hours**

**FONT SIZE: 18 PT**

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This question paper consists of 17 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.

<b>SECTION</b>	<b>QUESTION</b>	<b>MARKS</b>	<b>TIME (minutes)</b>
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20</b>
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>70</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<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 number (1.1.1 to 1.1.5) in the ANSWER BOOK, for example 1.1.6 D.

1.1.1 This Act promotes diversity in the workplace by ensuring people of diverse backgrounds are appointed:

- 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 David Traders deals with challenges of the ... factor as a PESTLE element by borrowing money from Wealth Bank when interest rates are favourable.

- A economic
- B political
- C social
- D legal

1.1.3 Blow Mines operates in the ... sector as they specialise in the extraction of coal.

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

1.1.4 The process of matching an employee's skills and abilities with the requirements of a job:

- A Employment
- B Selection
- C Recruitment
- D Placement

1.1.5 The ... function is responsible for developing effective strategic plans.

- A general management
- B public relations
- C financial
- 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 number (1.2.1 to 1.2.5) in the ANSWER BOOK.

quality circles; dismissal; PESTLE; two; resignation; three; no; total quality management; SWOT; some
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- 1.2.1 Employees can work a maximum of ... hours overtime per day.
- 1.2.2 Lumo Lights has ... control over political change.
- 1.2.3 Andile Dealers compiled a ... analysis to identify challenges in their internal environment.
- 1.2.4 The termination of an employment contract due to misconduct is known as ...
- 1.2.5 Businesses use ... 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 number (1.3.1 to 1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Broad-Based Black Economic Empowerment Act	A can be used for accountability in each of the business functions
1.3.2 Concentric diversification	B implements change on a small scale to improve the quality of products
1.3.3 Job analysis	C benefited only a few previously disadvantaged people
1.3.4 Act as needed	D business adds a new product that is related to existing products
1.3.5 Quality performance	E the process of introducing new employees to the business aspects  F benefited a broader base of previously disadvantaged people

	<p>G implements change on a wider scale to improve the quality of products</p> <p>H description of the duties and the specific qualifications needed for the position</p> <p>I business adds a new product that is unrelated to existing products</p> <p>J can be obtained if all business functions work together</p>
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(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 FOUR pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003). (4)
- 2.2 Outline the rights of consumers in terms of the National Credit Act (NCA), 2005 (Act 34 of 2005). (6)

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

### **FRESH VEGS (FV)**

Fresh Veggies specialises in the selling of fruit and vegetables. Large scale flooding in the area had damaged their storeroom. The employees of FV requested huge salary increases. Monster Fruits also opened a new branch across the street from Fresh Veggies.

Use the table below as a GUIDE to answer QUESTION 2.3.1 and 2.3.2.

<b>CHALLENGES (2.3.1)</b>	<b>BUSINESS ENVIRONMENTS (2.3.2)</b>
1.	
2.	
3.	

- 2.3.1 Quote **THREE** challenges for FV from the scenario above. (3)
- 2.3.2 Classify FV's challenges according to the **THREE** business environments. (3)
- 2.4 Explain *right to disclosure and information* as one of the consumer rights in terms of the Consumer Protection Act (CPA), 2008 (Act 68 of 2008). (6)

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

**ROYAL MOTORS (RM)**

Royal Motors manufacture hybrid vehicles. Every accident in the factory that results in employee injuries, is reported by RM's management.

- 2.5.1 Identify the Act that RM is complying with in the scenario above. (2)
- 2.5.2 Explain the penalties that RM may face for non-compliance to the Act identified in QUESTION 2.5.1. (6)
- 2.6 Discuss how businesses could apply the *threat of substitution* as part of Porter's Five Forces model to analyse their position in the market environment. (4)
- 2.7 Evaluate the impact of the Basic Conditions of Employment (BCEA), 1997 (Act 75 of 1997) on businesses. (6)

**[40]**

### QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name THREE sources of external recruitment. (3)
- 3.2 Outline the selection procedure. (6)
- 3.3 Read the scenario below and answer the questions that follow.

#### **STAR HAIR SALON (SHS)**

Star Hair Salon offers various hair treatments to their clients. The employees at SHS are paid R200 for each treatment they do.

- 3.3.1 Identify the salary determination methods used by SHS to remunerate their employees. (2)
- 3.3.2 Explain ONE other salary determination methods that businesses could use to remunerate their employees. (3)
- 3.4 Discuss the benefits of induction for businesses. (6)
- 3.5 Outline the advantages of a good quality management system. (4)

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

### CHIPS TRADING (CT)

Chips Trading is a large retail business and uses an aggressive advertising campaign to increase their market share. CT places orders on time and follows up on a regular basis to ensure that their stock is delivered on time. Management maintains stock control systems to ensure the security of stock.

- 3.6.1 Quote TWO quality indicators of the purchasing function from the scenario above. (2)
- 3.6.2 Explain other quality indicators of the purchasing function. (4)
- 3.7 Differentiate between *quality control* and *quality assurance*. (4)
- 3.8 Advise large businesses on the advantages of total client/customer satisfaction as a total quality management (TQM) element. (6)

**[40]**

## QUESTION 4: MISCELLANEOUS TOPICS

### BUSINESS ENVIRONMENTS

- 4.1 State any TWO types of integration strategies. (2)
- 4.2 Briefly outline the role of SETAs in supporting the Skills Developments Act, 1998 (Act 97 of 1998). (4)
- 4.3 Read the scenario below and answer the questions that follow.

#### **SILVER DOORS (SD)**

Silver Doors specialises in the manufacturing of aluminium doors in the Eastern Cape. Recently they opened a new branch in the Free State.

- 4.3.1 Identify the type of intensive strategy used by Silver Doors in the scenario above. (2)
- 4.3.2 Explain the advantages of intensive strategies. (6)
- 4.4 Suggest ways in which businesses could comply with the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (6)

### BUSINESS OPERATIONS

- 4.5 State any FOUR examples of fringe benefits. (4)
- 4.6 Outline the advantages of internal recruitment for businesses. (6)

4.7 Read the scenario below and answer the question that follows.

**TILE LIMITED (TL)**

Tile Limited is a large business that specialises in the production of high quality ceramic tiles. TL conducts regular checks to avoid replacing machinery unnecessarily. They can afford to have systems in place to prevent defects in their tiles.

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

Use the table below as a GUIDE to answer QUESTION 4.7.1.

TQM ELEMENTS	MOTIVATIONS
1.	
2.	

(6)

4.8 Suggest 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.

**NOT** 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 (BUSINESS STRATEGIES)

Businesses use the strategic management process to address challenges posed by their environment. Many businesses implement different types of defensive strategies and others apply the PESTLE factors to identify challenges in the macro environment. Businesses need to understand how to evaluate their strategies.

Write an essay on business strategies in which you include the following aspects:

- Outline the strategic management process
- Discuss THREE types of defensive strategies
- Explain how the following PESTLE factors pose challenges to businesses:
  - Technological
  - Legal
- Advise businesses on the steps they should consider when evaluating strategies

**[40]**



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

The human resources manager ensures that the correct recruitment procedure be followed and plays an important role during the interview process. The successful candidate will be offered fringe benefits and businesses must understand the link between salary determination and the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).

Write an essay on the human resources activities in which you address the following aspects:

- Outline the recruitment procedure
- Explain the role of the interviewer during the interview
- Discuss the impact of fringe benefits on businesses
- Advise businesses on the link between salary determination and the Basic Conditions of the Employment Act

**[40]**

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