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Department:
Education
REPUBLIC OF SOUTH AFRICA

BUSINESS STUDIES

GRADE 11

FINAL EXAMINATIONS - 2016

EXAMINER : R NAIDOO
MODERATOR : R GOVENDER

MARKS : 300
DURATION : 3 hrs

This question paper consists of **16** pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the question

1. This question paper consists of THREE sections :

   - SECTION A : **COMPULSORY**
   - SECTION B : **CONSISTS OF FIVE QUESTIONS**
     CHOOSE ANY THREE QUESTIONS FROM THIS SECTION
   - SECTION C : **CONSISTS OF FOUR QUESTIONS**
     CHOOSE ANY TWO QUESTIONS FROM THIS SECTION

2. Read the instructions carefully for each question and take particular note of what is required
3. Number the answers correctly according to the numbering system used in the question paper.
4. Except where the instructions are given, answers must be in full sentences.
5. Use the mark allocation and the nature of each question to determine the length of an answer.
6. **START EACH QUESTION ON A NEW PAGE.**
7. Use the table below as a guideline for marks and time allocation when answering each question and TICK the questions that you have chosen

SECTION	QUESTION	MARKS	TIME
A. **COMPULSORY**	ONE	40	24 min.
B. Five direct Questions. CHOOSE **ANY THREE** QUESTIONS	TWO	60	36 min.
	THREE	60	36 min.
	FOUR	60	36 min.
	FIVE	60	36 min.
	SIX	60	36 min.
C. ESSAY Questions CHOOSE **ANY TWO** QUESTIONS	SEVEN	40	24 min.
	EIGHT	40	24 min.
	NINE	40	24 min.
	TEN	40	24 min.
TOTAL		300	180 min. (3hrs)

SECTION A: COMPULSORY

QUESTION ONE : (40 marks)

1.1 **Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter next to the question number. E.G 1.1.11 B**

1.1.1 This business function is directly involved in communicating with the media through, for example, issuing press releases:

A The purchasing function
B The public relations function
C The general management function
D The human resources function

1.1.2 The best way to resolve conflict in the workplace is to ...

A Transfer the affected worker.
B Ignore the affected worker.
C Address the causes of conflict and solve them.
D Retrench the affected worker.

1.1.3 The success of a business is mainly informed by ....

A profitability.
B social projects.
C BBBEE scores.
D insolvency.

1.1.4 A government agency that develops quality standards for products manufactured in South Africa:

A SABC
B SABS
C SARB
D SAQA

1.1.5 Customers complete questionnaires after tasting the new fruit juice of IBI Beverage. This is known as _____ feedback.

A implicit
B written
C oral
D verbal

P.T.O/....1.1.6

1.1.6 Which ONE of the following is an advantage of corporate social responsibility for a business?

A Increases financial risks
B Good publicity to improve reputation
C Detailed reports must be drawn up
D Projects must be constantly monitored

1.1.7 A dispute between an employer and employee(s) over demands for better working conditions can be referred to the ...

A welfare court
B CCMA
C ombudsman
D workplace forum

1.1.8 A private company and a close corporation have the following advantage:

A The minimum number of members is four
B Both businesses are managed by one director
C The liability of the shareholder/members is limited to the amount of their investment
D The continuity of both businesses is limited.

1.1.9 One of the significant advantages of teamwork is that it...

A achieves greater output through synergy.
B is time consuming and costly
C Requires technology for success.
D encourages individualism.

1.1.10 Comparing the actual performance of a financial manager to his/her expected performance in order to increase his/her salary:

A Recruitment
B Performance appraisal
C Counselling
D Staff development

(10 x 2) = 20

P.T.O/....1.2

1.2 **Choose the correct word/s from those given in brackets. Write only the correct word(s) next to the question number.**

1.2.1 A remuneration package could include (**annual leave/regular meetings with the supervisor).**

1.2.2 (**Resignation/Retrenchment)** is when an employment contract is voluntarily terminated by the employee.

1.2.3 Social rights include the right to **(choose and practise a religion/fair wages and salaries)** in the workplace.

1.2.4 The **(founding statement/memorandum of incorporation)** specifies the main business activities of a public company.

1.2.5 **(Gross/Net)** pay is an amount received by an employee after deductions.

(5 x 2) = 10

1.3 **Match the terms in Column A with the correct description in Column B. Write only the correct letter next to the question number. E.g 1.3.6 J**

COLUMN A	COLUMN B
1.3.1 PORTER'S FIVE FORCES	A) A legal document that informs a candidate that he/she has been accepted for a position.
1.3.2 CREATIVE THINKING	B) Projects initiated to benefit the community.
1.3.3 APPOINTMENT LETTER	C) Analyses the market environment.
1.3.4 INCOME TAX	D) Analyses the micro environment
1.3.5 CSI	E) Leads to original ideas that are used to solve business challenges.
	F) A compulsory deduction from an employee's salary.
	G) Earned when owning shares in a company.

(5 x 2) = 10

TOTAL SECTION A : 40

P.T.O/....SECTION B

SECTION B

This section consists of **FIVE QUESTIONS**. Choose **ANY THREE QUESTIONS** from this section.
START EACH QUESTION ON A NEW PAGE.

QUESTION TWO : BUSINESS ENVIRONMENTS

2.1 **Read the case study below and answer the questions that follow:**

EASTERN STAR HOTEL

The Eastern Star Hotel in Port Elizabeth is situated close to a number of popular tourist attractions. They employ 20 full-time employees, and during peak season casual workers are employed to meet the demands of the hotel.
Recently the hotel experienced a decline in tourist bookings which resulted in the retrenchment of some full-time staff. Crime in the area is also increasing. Some guests have been robbed in their hotel rooms. Regular guests of the Hotel are now staying in other hotels and guest houses in the area, who offer tight security and other services like conference facilities.

2.1.1 Name the economic sector (primary; secondary; tertiary) in which Eastern Star Hotel is operating. (2)

2.1.2 Quote, from the case study, THREE(3) challenges that Eastern Star Hotel is experiencing and identify the business environment affected by these challenges. Use the table below to present your answer. (9)

CHALLENGE	BUSINESS ENVIRONMENT

2.1.3 Suggest THREE(3) ways in which the business can address the challenges identified in 2.1.2. (6)

2.2 **Complete the table below on Economic Sectors. Write only the correct word(s) next to the question number.**

SECTOR	DESCRIPTION	EXAMPLE OF INDUSTRY
2.2.1	Extract raw materials from nature	**2.2.2**
Secondary	**2.2.3**	**2.2.4**
2.2.5	**2.2.6**	Banking sector

(12)

P.T.O/....2.3

2.3 **Read the paragraph below and answer the questions based on it**

Many businesses, especially in the informal sector, as well as members of the public are guilty of copying books, music and movies or selling fake trademarks. Despite owners having a copyright on their intellectual property, people and institutions still infringe upon the rightful owners' property.

2.3.1 Quote, from the paragraph above, the FOUR(4) different forms of piracy. (4)

2.3.2 State one problem created for businesses who own the intellectual property. (2)

2.3.3 Two solutions to piracy are COPYRIGHTS and PATENTS.

2.3.3.1 Tabulate the difference between COPYRIGHTS and PATENTS (4)
2.3.3.2 Name one other solution to piracy (2)

2.4 **Fill in the blanks by using the words from the box below:** (10)

DEMOGRAPHICS	MERGER	NETWORKING
TAKEOVERS	ACQUISITION	PSYCHOGRAPHICS
LOBBYING	MICRO-LENDING	ALLIANCES

2.4.1 ____ is a group of individuals or organisations who voluntarily exchange information.
2.4.2 _____is when one company buys a division or a majority of shares of another company.
2.4.3 When two businesses dealing in the same service or product join forces to avoid competition that is referred to as _____.
2.4.4 _____ is the provision of financial services to low income clients.
2.4.5 _____ refers to the lifestyle choices, attitudes and values of potential customers.

2.5 Tabulate any THREE challenges found in the Micro; Market and Macro environment. Use the table below to present your answer. (9)

MICRO	MARKET	MACRO

TOTAL = 60

P.T.O/....QUESTION THREE

QUESTION THREE : BUSINESS VENTURES

3.1 **Refer to the Gantt Chart below and answer the questions that follow**

TASK	WK 1	WK 2	WK 3	WK 4	WK 5	PERSON RESPONSIBLE
Registration						Pat
Capital						Pat
Recruiting of staff						Rick
Purchasing of stock						Will
Training of staff						Rick

3.1.1 In which week is the expected date of completion for all activities? (1)

3.1.2 Who is responsible for the registration of this business? (1)

3.1.3 How long will the training of staff take? (2)

3.1.4 Is there a period when more than one activity is taking place? Are these activities called SEQUENTIAL or PARALLEL ACTIVITIES (2)

3.2 Start-up capital for a small business can come from three sources. Name the THREE(3) sources of capital. (3)

3.3 **Read the article below and answer the questions that follow**

ABOUT SCOOTERS PIZZA

As the fastest growing pizza delivery chain in the country, Scooters Pizza is one of South Africa's franchising success stories, growing from one store in KwaZulu-Natal in 2000 to a current 127 stores with the ultimate aim being around 200 stores nationwide.

"Our No. 1 priority is franchisee profitability." Scooters Pizza capitalises on the vast experience and knowledge that its management has to offer.

The franchisee is provided with, comprehensive site feasibility studies, state-of-the-art investment in equipment, advanced food technology and an overall marketing driven approach keeps Scooters Pizza 39 steps ahead of the rest. Its home delivery strategy is a world leader.

A total investment of R950 000 with approximately R440 000 in cash required and the ability to finance the balance. Accreditation with the IDC, FNB and Standard Bank. Royalties payable:
Management fee = 7% and Marketing fee = 5%.

3.3.1 How much capital investment is required to buy a Scooters Pizza Outlet? (1)

3.3.2 Name 4 services, from the case study, that Scooters Pizza will provide to the Franchisee. (4)

3.3.3 The franchisee has to pay royalties. Explain what are royalties? Identify from the case study the royalty fees. (4)

3.3.4 Tabulate TWO advantages and TWO disadvantages of Franchising (8)

P.T.O/....3.4

3.4 **Study the information on the sale of swimming costumes and answer the questions set on it**

MONTHS	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
SALES (R-millions)	25	20	25	30	35	35	40

3.4.1 Which month recorded the highest sales figures? Give a reason for your answer. (2)

3.4.2 Which month recorded the lowest sales figures? Give a reason for your answer. (2)

3.4.3 Use the above information to draw a BAR GRAPH showing the sales of swimming costumes. (10)

3.5 List FOUR(4) types of visual aids that can be used to enhance a presentation. (4)

3.6 State any THREE(3) important points to remember when responding to questions and feedback (6)

3.7 Tabulate FIVE(5) differences between a PRIVATE Company and a PUBLIC Company. (10)

TOTAL = 60

P.T.O/....QUESTION FOUR

QUESTION FOUR : BUSINESS ROLES

4.1 **Identify the problem-solving technique described in each of the following scenarios:** (6)

4.1.1 Sandy engaged in a role-play conversation with an imaginary person in the other chair to clarify the advantages and disadvantages of a proposed solution to a problem.
4.1.2 The management of Thandi's Bed and Breakfast has requested a group of experts to complete questionnaires.
4.1.3 All members first generate ideas on their own and then share their ideas with other group members. They then vote on the most suited idea/s.

4.2 **"Force field Analysis is a decision making technique that can be used in any business enterprise."**

4.2.1 Discuss the FIVE(5) steps to follow when using this technique. (10)

4.3 **Read the scenario and answer the questions that follow**

After all the interventions and meetings, everyone accepted Joseph as a team member. Everyone is focusing on the big game in the next two weeks. As time flies past, everyone is starting to stress about the game. The coach realised that he needs to teach the team on how to manage stress.

4.3.1 A team that is mostly successful is a team that works hard at meeting a goal. Discuss the following FOUR(4) essential elements of a successful team :

4.3.1.1 Purpose and goals
4.3.1.2 Interdependence
4.3.1.3 Commitment
4.3.1.4 Accountability (8)

4.3.2 Suggest FIVE(5) strategies that can be used by the team members to manage stress (10)

4.3.3 **"When people work together they can learn from one another and achieve more than they can as individuals."**
Discuss the FOUR(4) stages of TEAM DEVELOPMENT. (8)

P.T.O/...4.4

4.4 **Identify the unethical business practice illustrated in each scenario below and suggest ONE business strategy to address each scenario in order to promote ethical conduct.**
Copy the table below to present your answer. (6)

UNETHICAL BUSINESS PRACTICE	**STRATEGY**
4.4.1	
4.4.2	
4.4.3	

4.4.1 Fast motors have not declared all their income to avoid paying tax.
4.4.2 John, a manager, at Frisky's Restaurant requests sexual favours from a waitress in return for a promotion.
4.4.3 Employees are often on Facebook on the Internet during work time.

4.5 Discuss the SIX(6) steps to follow in the Grievance Procedure. (12)

TOTAL = 60

P.T.O/...QUESTION FIVE

QUESTION FIVE : BUSINESS OPERATIONS

5.1 Read the case study below and answer the question based on it

A local cupcake bakery is deciding whether to start making savoury snacks as part of the expansion of the business.
The company has already worked out the following:

- ✓ Selling price per unit R15
- ✓ Variable cost per unit R5
- ✓ Fixed cost per month R2 500

5.1.1 Copy and complete the table below :

UNITS	FIXED COSTS	VARIABLE COSTS	TOTAL COSTS	TOTAL REVENUE
0				
100				

(8)

5.1.2 How many toys would need to be sold to breakeven? (Show all calculations) (5)

5.2 Study the diagram below and answer the questions set on it

PRODUCTION TYPE A											
PRODUCTION TYPE B											

5.2.1 What type of production does Production type A represent? (2)

5.2.2 What type of production does Production type B represent? (2)

5.2.3 Tabulate THREE(3) advantages and THREE(3) disadvantages of using Production Type A. (6)

5.2.4 Which Production type would be better for a chocolate manufacturing business. Give a reason for your answer. (2)

5.3 Choose from the textbox below, the correct method of calculating the final price being applied (8)

COMPETITION-BASED	TARGET	DEMAND-BASED
COST-PLUS	MARKET-ANALYSIS	BREAK-EVEN ANALYSIS

5.3.1 Sandra's Sweet Shop always adds on 25% profit to all of its items.
5.3.2 A local car dealer has just launched a promotional deal on its new car. The dealer has made sure that its prices are lower than its competitors.
5.3.3 Research shows that consumers are willing to pay R13 for a tray of mushrooms.
5.3.4 Eskom controls the price of electricity because they are the only suppliers of this services.

P.T.O/....5.4

5.4 **Read the scenario below and answer the questions that follow**

Matata Motors requires the services of an experienced marketing manager to take over the management of the marketing department. They contacted Quest Personnel, a recruitment agency, to find a suitable candidate for the vacancy.

5.4.1 Identify the type of recruitment used by Matata Motors in the scenario above. Motivate your answer. (3)

5.4.2 **"Selection involves choosing the best candidate with the best abilities, skills and knowledge."**
State FIVE(5) steps in the Selection process. (10)

5.4.3 List any FIVE(5) aspects that should be included in an employment contract (10)

5.4.4 State FOUR(4) ways an employment contract can be terminated (4)

TOTAL = 60

P.T.O/.... QUESTION SIX

QUESTION SIX : MISCELLANEOUS

BUSINESS ENVIRONMENTS

6.1 List and explain the THREE(3) examples of ethical misconduct. (6)
6.2 Discuss the impact of **changes in income levels of consumers** on the business environment. (Two points) (4)

BUSINESS VENTURES

6.3 Explain the following entrepreneurial qualities :

6.3.1 Confidence (2)
6.3.2 Perserverance (2)
6.3.3 Recognise opportunities (2)

6.4 **Copy and complete the table below** (

	PARTNERSHIP	CLOSE CORPORATION
1. Number of owners		
2. Name ending		
3. Establishing documents		
4. Liability		
5. Continuity		

BUSINESS ROLES

6.5 **Read the case study and answer the questions based on it.**

BIG BUSINESS INVESTS IN THE COMMUNITY

PPC Cement does not believe in donating but in investing. If you invest, you will receive returns. They empower their beneficiaries in order to transform their lives. The organisation called "Time for change" is an inner city non-government organisation which gives shelter to women and children living on the streets.

A bakery donated by PPC gives hope to these vulnerable women and children. They bake bread and confectionary and sell it in the informal market to commuters at taxi ranks.
The project has been most rewarding because people who have been forgotten by society have been given a skill that empowers them.
Due to the increase in demand for their product, they opened another bakery. Three youngsters have been identified to enrol in a business management course to enable them to assist in the centre's day-to-day operations and management.

6.5.1 From the case study above, mention why PPC Cement "does not believe in donating but in investing (2)
6.5.2 Was PPC Cement successful with their strategy? Motivate your answer (2)
6.5.3 Give one reason how employment positively impacts on the socio-economic environment (2)
6.5.4 List TWO(2) benefits of social investment for companies. (4)

P.T.O/...6.6

6.6 **Read the statements and classify them into the different TEAM DYNAMIC THEORIES** (4)

6.6.1 Studies the roles people play in groups.
6.6.2 People should be categorised in psychological types, which show how they prefer to behave and interact.
6.6.3 Analyse the kind of contribution a person makes to a team.
6.6.4 Help managers assemble teams.

BUSINESS OPERATIONS

6.7 **Match each of the following description to the concepts given below** (10)

RECRUITMENT	SELECTION	PLACEMENT
CONTRACT OF EMPLOYMENT	LRA	INDUCTION
BCEA	EEA	UIF
COIDA		

6.7.1 Provides the terms and regulations of employment, including salary packages.
6.7.2 Refers to the relationship between employers, employees and the state.
6.7.3 This fund helps people who have lost their work.
6.7.4 Action of making a decision after interviewing a number of candidates.
6.7.5 The process of finding suitable employees to perform work.
6.7.6 Lays down the minimum conditions of employment and protects employees against unfair labour practice and exploitation of employees.
6.7.7 Requires businesses to appoint people from all race groups to reflect SA's demographics.
6.7.8 Introducing the candidate to the policies and procedures and work processes of the business.
6.7.9 Process of allocating a new employee to a vacant post.
6.7.10 Pays compensation to employees who suffer permanent or temporary disability due to work related injuries.

6.8 List and explain any FIVE(5) P's of the marketing mix (10)

TOTAL = 60

P.T.O/....SECTION C

SECTION C - ESSAY

Answer **ANY TWO QUESTIONS** from this section. Start each question on a **NEW PAGE**.

QUESTION SEVEN : BUSINESS ENVIRONMENTS

"Development in the field of industrial relations have influenced the way in which business functions. In SA the policies are clear and businesses are guided by the LRA."

Trade unions are one of the role players in the Labour Relations Act.

- ✓ Identify the roles of the Trade Unions
- ✓ Explain the functions of the Trade Unions
- ✓ Differentiate between the forms of Industrial Action (Strikes; go-slows and lockouts)
- ✓ Discuss the purpose of the Labour Relations Act (40)

QUESTION EIGHT : BUSINESS VENTURES

"It is not always necessary to start a business from scratch. It sometimes makes more sense to acquire a business that already exists in some form or another."

LEASING is one option.

- ✓ List the contractual obligations (what should appear in the lease agreement)
- ✓ Explain the advantages of Leasing
- ✓ Explain the disadvantages of Leasing (40)

QUESTION NINE : BUSINESS ROLES

"Change happens all the time and at many levels in an organisation. The nature of humans causes them to resist change."

The following aspects deal with Crisis and Change Management:

- ✓ Explain how to deal with business related crises
- ✓ Discuss 3 changes faced by business

(40)

QUESTION TEN : BUSINESS OPERATIONS

"Marketing is about decision-making and creative thinking. Marketing finds the best way to get the product or service to the consumer."

Product Policy

- ✓ List the steps in Product Design
- ✓ Explain product classification (Industrial and Consumer goods)
- ✓ Discuss the different types of Packaging
- ✓ List and explain the types of Branding Policies (40)

GRAND TOTAL = 300
ALL THE BEST!!!

GREENBURY SECONDARY SCHOOL
DEPARTMENT OF COMMERCE
H.O.D. MRS C MAHARAJ

300	KZN – DEPARTMENT OF EDUCATION GREENBURY SECONDARY SCHOOL FINAL EXAMINATION – 2016 BUSINESS STUDIES – GRADE 11 SPECIAL ANSWER SHEET	100

NAME : SUGGESTED ANSWERS
GR./DIV.

FOR EDUCATORS USE ONLY :

QUESTION	TICK THE QUESTION ANSWERED	MARKS	LEARNER'S MARK
ONE		40	
TWO		60	
THREE		60	
FOUR		60	
FIVE		60	
SIX		60	
SEVEN		40	
EIGHT		40	
NINE		40	
TEN		40	
MODERATOR			
CHECKER			

GREENBURY SECONDARY SCHOOL
DEPARTMENT OF COMMERCE
H.O.D. MRS C. MAHARAJ

SECTION A
QUESTION ONE

1.1

1.1.1	B	√√
1.1.2	C	√√
1.1.3	A	√√
1.1.4	B	√√
1.1.5	B	√√
1.1.6	B	√√
1.1.7	B	√√
1.1.8	C	√√
1.1.9	A	√√
1.1.10	B	√√

20

1.2

1.2.1	ANNUAL LEAVE	√√
1.2.2	RESIGNATION	√√
1.2.3	CHOOSE AND PRACTISE A RELIGION	√√
1.2.4	MEMORANDUM OF INCORPORATION	√√
1.2.5	NET	√√

10

1.3

1.3.1	C	√√
1.3.2	E	√√
1.3.3	A	√√
1.3.4	F	√√
1.3.5	B	√√

10

40

40

SECTION B

QUESTION TWO

2.1

2.1.1 Tertiary sector ✓✓ 2

2.1.2

CHALLENGE		BUSINESS ENVIRONMENT	
Decline in tourist bookings	✓	Micro	✓✓
Crime in the area	✓	Macro	✓✓
Competition	✓	Market	✓✓

9

2.1.3 STRATEGIES

- Increase security ✓✓
- Offer better facilities ✓✓
- Offer discounts and promotions ✓✓
- ACCEPT ANY OTHER RELEVANT STRATEGIES

6

2.2

2.2.1 Primary sector ✓✓
2.2.2 Mining/fishing/forestry/farming ✓✓
2.2.3 Converting raw materials into finished goods ✓✓
2.2.4 Manufacturing/energy generation/construction ✓✓
2.2.5 Tertiary sector ✓✓
2.2.6 Rendering a service/transportation/distribution of goods ✓✓

12

2.3

2.3.1

- Copying books ✓
- Music ✓
- Movies ✓
- Selling fake trademarks ✓

4

2.3.2

- Businesses lose out on their sales. ✓✓

2

2.3.3

2.3.3.1

COPYRIGHT	PATENT RIGHTS
• Exclusive legal right given to the creator to print, publish or perform ✓✓	• A licence giving the sole right to exclude others from making, using or selling an invention. ✓✓

4

2.3.3.2 Trademarks ✓✓

2

2.4

2.4.1 NETWORKING ✓✓
2.4.2 TAKEOVER ✓✓
2.4.3 MERGER ✓✓
2.4.4 MICRO-LENDING ✓✓
2.4.5 PSYCHOGRAPHICS ✓✓

10

2.5

MICRO	**MARKET**	**MACRO**
Difficult employees ✓	Competition ✓	Changes in income levels ✓
Lack of vision and mission ✓	Shortage of supply ✓	Political changes ✓
Lack of adequate management skills ✓	Changes in consumer tastes and habits ✓	Contemporary legislation ✓
Strikes and go-slows	Demographics and psychographics	Labour restrictions

9

TOTAL = 60

QUESTION THREE

3.1

3.1.1 Week 5 ✓ 1

3.1.2 Pat ✓ 1

3.1.3 3 weeks ✓✓ 2

3.1.4 Yes. ✓ Parallel activities. ✓ 2

3.2 **Sources of capital**

- Equity capital (own capital) ✓
- Debt (borrowed capital) ✓
- Grants (from govt.) ✓

3

3.3

3.3.1 R950 000 ✓ 1

3.3.2 **Services offered**

- Comprehensive site feasibility studies ✓
- State-of-the-art investment in equipment ✓
- Advanced food technology ✓
- Marketing driven approach ✓

4

3.3.3 **Royalties**

- A percentage of sales that is paid to the owner of the business idea or franchise. ✓✓
- Marketing fee = 5% ✓ and Management fee = 7% ✓

4

3.3.4

ADVANTAGES OF FRANCHISING	DISADVANTAGES OF FRANCHISING
• Franchisees and their staff receive training and continuous support ✓✓ • Banks will more readily grant financial assistance ✓✓ • Product is already well-known • Benefits from lower costs due to centralised buying.	• Franchisees have to pay royalties ✓✓ • Without assistance the start up costs may be a challenge ✓✓ • Too many outlets may flood the market • Restricts creativity

8

3.4

3.4.1 DECEMBER. ✓

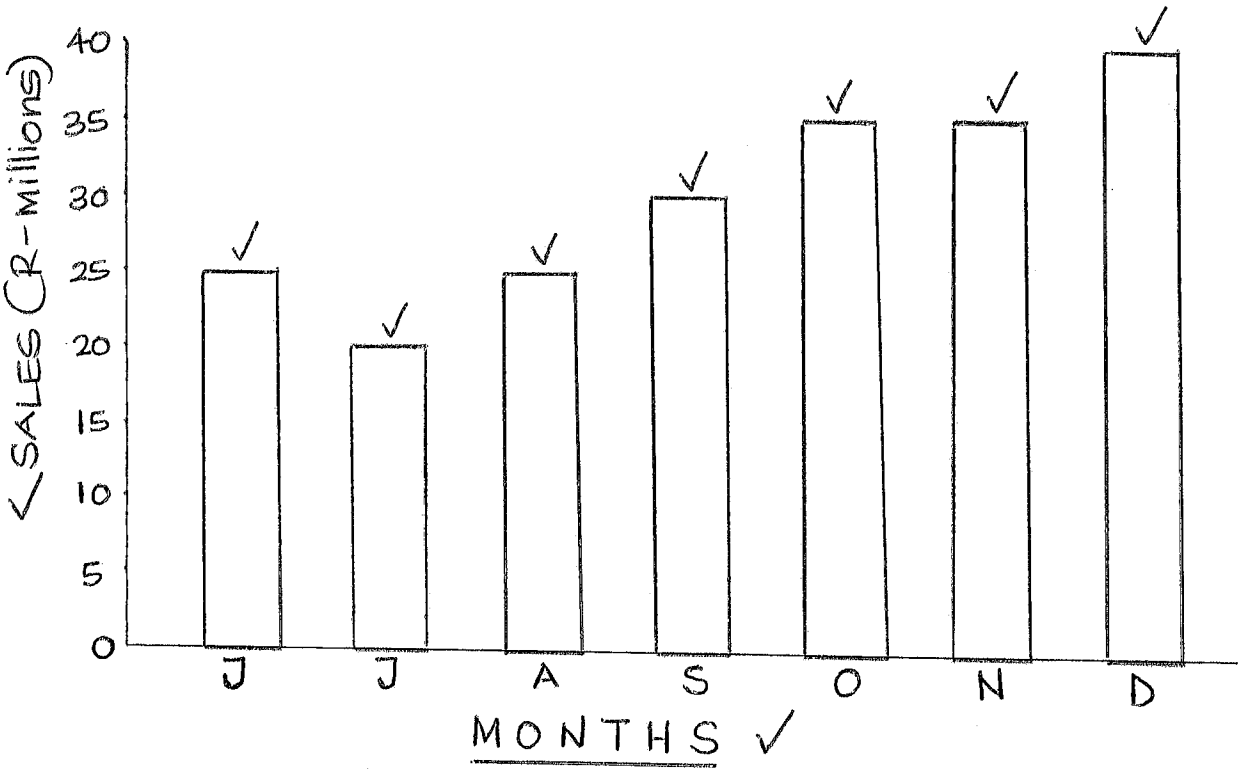
It is hot and many people are on holiday so they visit the beaches. ✓ 2

3.4.2 JULY. ✓

It is winter and too cold to go the pools and beaches. ✓ 2

3.4.3

BAR GRAPH SHOWING THE SALE OF SWIMMING COSTUMES



10

3.5 **Types of visual aids**

- Overhead projector ✓
- Data projector ✓
- Flip charts ✓
- Whiteboard ✓
- Video-conferencing

4

3.6 **Responding to questions and feedback**

- Allow for questions ✓✓
- Try to anticipate possible questions and prepare appropriate answers ✓✓
- Decide how many questions you will allow ✓✓
- Be assertive when answering questions
- Spread questions among audience

6

3.7

PRIVATE COMPANY	PUBLIC COMPANY
• 1 – 50/unlimited shareholders ✓ • Name ends with (PTY)LTD ✓ • Not listed on the JSE ✓ • Does not invite public to buy shares ✓ • Min. 1 director ✓ • Memorandum of incorporation • Financial statements need not be published	• 1/7 – unlimited shareholders ✓ • Name ends with LTD ✓ • Listed on the JSE ✓ • Issues a prospectus – invites public to buy shares ✓ • Min. 3 directors ✓ • Memorandum of incorporation and prospectus • Financial statements must be published

10

TOTAL = 60

QUESTION FOUR

4.1

4.1.1 Empty chair technique ✓✓

4.1.2 Delphi technique ✓✓

4.1.3 Nominal group technique ✓✓

6

4.2

4.2.1 **Force field analysis**

- List all the forces for and the forces against the proposed change. ✓✓
- Discuss the key restraining forces and determine their strengths ✓✓
- Discuss the key driving forces and determine their strengths ✓✓
- Allocate a score to each force ✓✓
- Choose the forces that has the highest score. ✓✓

5 x 2 = 10

4.3

4.3.1

4.3.1.1 **Purpose and goals**

- Teams must have a common purpose or goal to unite team members. ✓✓

4.3.1.2 **Interdependence**

- The team's performance will depend on the way in which all team members work together. ✓✓

4.3.1.3 **Commitment**

- Each team member depends on the other team members to complete their assignments. ✓✓

4.3.1.4 **Accountability**

- The team purpose, goals and plans must reflect and link back to the organisational vision, mission and strategic goals. ✓✓

8

4.3.2 **Ways to manage stress**

- Become aware of your stressors ✓✓
- Recognise what you can change ✓✓
- Reduce the intensity of your emotional reactions to stress ✓✓
- Learn to control your physical reactions to stress ✓✓
- Build your physical reserves ✓✓
- Maintain your emotional reserves.

5 x 2 = 10

4.3.3 **Stages of Team Development**

1. FORMING ✓
   - The initial stage when people are still getting to know each other. ✓
2. STORMING ✓
   - Team begins to face technical, interpersonal and social problems. Team members could easily end up fighting and arguing. ✓
3. NORMING ✓
   - Team starts working through issues and start to settle down. ✓
4. PERFORMING ✓
   - Things begin to fall into place, members help each other and goals are achieved. ✓
5. ADJOURNING
   - When the team breaks up.

4 x 2 = 8

4.4

UNETHICAL BUSINESS PRACTICE		STRATEGY	
4.4.1 Tax evasion	✓	Record all transactions/pay tax regularly	✓
4.4.2 Sexual harassment	✓	Report the matter	✓
4.4.3 Abuse of work time	✓	Make workers aware of job description	✓

6

4.5 **Grievance Procedure**

- An employee may verbally inform their immediate supervisor of a grievance who will investigate and try to resolve the issue quickly. ✓✓
- If the matter is unresolved, the worker may lodge a formal grievance with the manager. ✓✓
- Within a reasonable time period, the manager must arrange a meeting with the parties concerned. ✓✓
- The employee, a representative, the immediate supervisor and manager attend the grievance hearing. ✓✓
- If the matter is resolved, it is recorded. If unresolved, the matter is referred to the highest level of management. ✓✓
- If the matter is still unresolved at this stage, then the grievance procedure ends, as it is no longer in the hands of the business. It is handed over to CCMA. ✓✓

6X2 = 10

TOTAL = 60

QUESTION FIVE

5.1

5.1.1

UNITS	FIXED COSTS	VARIABLE COSTS	TOTAL COSTS	TOTAL REVENUE
0	R2 500 ✓	R0 ✓	R2 500 ✓	R0 ✓
100	R2 500 ✓	R500 ✓	R3 000 ✓	R1 500 ✓

8

5.1.2

$$\text{BREAKEVEN} = \frac{\text{Fixed costs}}{\text{SPu - Vcu}} \checkmark$$

$$= \frac{2\,500 \checkmark}{(15 - 5) \checkmark}$$

$$= \textbf{250 units} \checkmark\checkmark$$

5

5.2

5.2.1 Mass production/uninterrupted ✓✓ 2

5.2.2 Batch production/interrupted ✓✓ 2

5.2.3

ADVANTAGES OF MASS PRODUCTION	DISADVANTAGES OF MASS PRODUCTION
• Products are manufactured at a lower cost per unit ✓ • Division of labour possible ✓ • Handling of materials are restricted ✓ • Production control process is simple	• If a machine breaks down, the entire production is delayed ✓ • The speed at which products are manufactured is fixed ✓ • A large amount of capital is invested ✓ • If design changes, modifications can be very expensive

6

5.2.4 Production Type B - Batch production ✓
Chocolates have different varieties. ✓ 2

5.3

5.3.1 Cost-plus ✓✓
5.3.2 Competition-based ✓✓
5.3.3 Demand-based ✓✓
5.3.4 Market-analysis ✓✓

4X2 = 8

5.4

5.4.1 External recruitment. ✓
They used a recruitment agency to find a suitable candidate. ✓ 2

5.4.2 **Selection process**

- Obtain CV's and application forms/Sort the applications ✓✓
- Screen and shortlist applications ✓✓
- Contact short-listed candidates and arrange for an interview/Preliminary interviews ✓✓
- Conduct interviews/Main interviews ✓✓
- Check background information ✓✓
- Notify successful and unsuccessful candidates/Offer the job

5X2 = 10

5.4.3 **Aspects in an employment contract** √√

- Names and addresses of employer and employee/Details of employer and employee
- Job title √√
- Normal place of work √√
- Starting date √√
- Nature and hours of work √√
- Leave conditions
- Salary package/Remuneration
- Benefits and deductions
- Termination of contract

5X2 = 10

5.4.4 **Reasons for termination of contract**

- Dismissal √
- Redundancy (retrenchment) √
- Retirement √
- Resignation √

4

TOTAL = 60

QUESTION SIX

BUSINESS ENVIRONMENT

6.1

Sexual harassment ✓

- Is any unwanted, unwelcome attention of a sexual nature. Can lead to immediate dismissal. ✓

Mismanagement of funds ✓

- Fraudulent activities in which a person with authority acts against the best interest of the business and abuses his/her position to achieve personal gain. ✓

Corruption ✓

- Increasing problem that causing huge financial losses. ✓

6

6.2 **Changes in income levels**

- Impact on the spending patterns of consumers. In times of recession, consumers ability to spend decreases. ✓✓
- When interest rates and inflation decreases, consumers have more disposable income. ✓✓

4

BUSINESS VENTURES

6.3

6.3.1 **Confidence**

- Entrepreneurs believe in themselves and believe that they can achieve their goals. ✓✓
- They are positive and focus on things that could go right instead of focusing on things that could go wrong.

6.3.2 **PERSEVERANCE**

- Entrepreneurs face obstacles and need to persist. ✓✓
- Successful entrepreneurs have a positive attitude towards failure and believe that difficulties are merely opportunities.

6.3.3 **RECOGNISE OPPORTUNITIES**

- Entrepreneurs need to identify viable opportunities that are not always easy to spot. ✓✓
- An entrepreneur needs a good business sense to make it happen

6

6.4

	PARTNERSHIP	CLOSE CORPORATION
1. Number of owners	2-20/ 2- unlimited ✓	1 – 10 ✓
2. Name ending	No restriction ✓	Name ends with CC ✓
3. Establishing documents	Partnership agreement ✓	Founding statement ✓
4. Liability	Unlimited ✓	Limited ✓
5. Continuity	Lacks continuity ✓	Has continuity ✓

10

BUSINESS ROLES

6.5

6.5.1 If you invest, you will receive returns ✓
They empower their beneficiaries in order to transform their lives. ✓ 2

6.5.2 Yes. ✓
Due to the increase in demand, another bakery was opened. ✓ 2

6.5.3 Reduces crime. ✓✓
People are able to improve their standard of living 2

6.5.4 **Benefits of social investment**

- Upliftment programmes can alleviate poverty ✓✓
- Establishment of social network in communities ✓✓
- Gaining of the trust of investors
- Increasing of the appeal as an employer 4
- Promotion of the communities in which they are active

6.6

6.6.1 BELBIN RULE THEORY ✓
6.6.2 JUNGIAN THEORY ✓
6.6.3 MTR-I APPROACH ✓ 4
6.6.4 MARGERISON-McCANN PROFILES ✓

BUSINESS OPERATIONS

6.7

6.7.1 CONTRACT OF EMPLOYMENT ✓
6.7.2 LRA ✓
6.7.3 UIF ✓
6.7.4 SELECTION ✓
6.7.5 RECRUITMENT ✓
6.7.6 BCEA ✓
6.7.7 EEA ✓
6.7.8 INDUCTION ✓
6.7.9 PLACEMENT ✓ 10
6.7.10 COIDA ✓

6.8 **P's of the marketing mix**

Product ✓	what product will be produced ✓
Pricing ✓	what specific price will be chosen ✓
Place ✓	how the product will be distributed ✓
Promotion ✓	how the product will be brought to the attention of the customer ✓
People ✓	All the people involved in the production process ✓
Process	The activities involved in the production and sale of products
Physical evidence	Making sure that customers know what they are buying and following up.

10

TOTAL = 60

SECTION C

QUESTION SEVEN

INTRODUCTION

- Represents the best interests of the worker and will negotiate working conditions, wage increases and employment contracts through collective bargaining.
- The LRA was created to advance economic development, social justice and labour peace. √√

BODY

ROLES OF A TRADE UNION

- To influence labour relations √√
- To use collective bargaining to ensure fair labour practices √√
- Protect workers against inflation √√
- Influence government policy and protect workers from unemployment √√

FUNCTIONS OF A TRADE UNION

- To enter into collective bargaining agreements on behalf of employees √√
- To advise employers concerning their human resource policies and practices √√
- To formulate and represent workers' rights at statutory level. √√
- To promote a greater participation of workers in management decisions √√
- To organise strikes and other industrial action to strengthen the demand of workers √√
- To represent workers in disputes and grievances with their employers √√

4 FORMS OF INDUSTRIAL ACTION

- **Strike**
  Is a collective work stoppage taken by workers in order to compel an employer to resolve an industrial dispute. √√

- **Go-slow**
  Workers work slower than the norm or reduce production output. √√

- **Lockout**
  When an employer prevents workers from working. Puts pressure on unions to resolve an industrial dispute. √√

5. PURPOSE OF THE LABOUR RELATIONS ACT

- **Recognition** √
  Recognises trade unions and worker's rights as well as the right of workers to use industrial action for collective bargaining. √√

- **Regulation** √
  Regulates all parties in the employment relationship. Provides guidelines for employers. √

- **Resolution of labour disputes** √
  Provides simple procedures and services to resolve labour disputes. √√

CONCLUSION

- More recently they have become important players in the political environment where they enforce laws. √√

BREAKDOWN OF MARKS ALLOCATIONS

DETAILS	**MAXIMUM**	**TOTAL**
Introduction	2	32
Roles of Trade unions	8	
Functions of Trade unions	12	
Forms of Industrial Action	6	
Purpose of LRA	9	
Conclusion	2	
INSIGHT		
LAYOUT	2	8
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	
TOTAL		40

QUESTION EIGHT

INTRODUCTION

- Leasing is a method whereby a business pays for the use of an asset for a certain period of time, instead of buying.
- The lessor will make the asset available to the lessee. √√

BODY

1. CONTRACTUAL OBLIGATIONS
   - For the lessee to keep the asset in good order. √√
   - The lessee to pay charges on time √√
   - The lessee not to make alterations without the consent of the lessor. √√
   - The lessor has the obligation to maintain and keep the asset in good working order. √√

2. ADVANTAGES OF LEASING
   - The lessor is usually a specialist in the field. √√
   - Technicians are always on standby to offer advice and training. √√
   - Maintenance is carried out by qualified personnel on a regular basis. √√
   - The reputation of the company that leases the asset is at stake and it will ensure that the lessee receives the best after-sales service. √√
   - Leasing costs are tax deductible. √√

3. DISADVANTAGES OF LEASING
   - Not all assets become the property of the lessee. √√
   - Maintenance agreements are usually expensive and non-negotiable. √√
   - The agreement usually cannot be ended without a penalty even if the lease is not needed anymore. √√
   - Lessor has financial control over the asset. √√
   - Large amount of money is spent on an asset √√

CONCLUSION

- A business must be profitable and remain solvent and liquid. If the business plan shows that these three financial indicators are not achievable, then the entrepreneur will have to consider other options of acquiring a business. √√

BREAKDOWN OF MARKS ALLOCATIONS

DETAILS	MAXIMUM	TOTAL
Introduction	2	32
Contractual obligations	8	
Advantages of Leasing	10	
Disadvantages of leasing	10	
Conclusion	2	
INSIGHT		
LAYOUT	2	8
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	
TOTAL		40

QUESTION NINE

INTRODUCTION

- A crisis is an unforeseen event that can cause major changes in an organisation. ✓
- The way change management theories are implemented can ensure a successful change in the organisation. ✓

BODY

1. HOW TO DEAL WITH BUSINESS-RELATED CRISES

1.1 **EMERGENCY PLAN** ✓

- An emergency plan should be prepared in advance and must prepare the business for predictable crisis and unpredictable crisis. ✓

1.2 **IDENTIFY THE TYPE OF CRISIS** ✓

- Tight deadline crisis ✓ – when a project needs to be completed by a certain date. ✓
- Financial crisis ✓ – could be expected at any time. ✓
- Life-threatening event ✓ – completely unexpected ✓
- Destruction of property ✓ – earthquakes, floods ✓
- Business operations ✓ – halted perhaps because of power outages ✓
- Serious illness – a project leader falls seriously ill and no replacement

1.3 **RESPOND TO THE EVENT** ✓

- As soon as a crisis starts, people need to work with speed and efficiency. ✓

1.4 **EVALUATE THE DAMAGE OR SITUATION** ✓

- After the crisis is detected, it is important to estimate the damage. ✓

1.5 **FEEDBACK ON WHAT WORKED AND WHAT DID NOT WORK** ✓

- Management will evaluate how effective the emergency plan was throughout the crisis. ✓

2. CHANGES FACED BY BUSINESS

2.1 **UNEMPLOYMENT AND RETRENCHMENT** ✓

- Many businesses who had to downsize and implement retrenchment policies have put plans in place to redeploy retrenchment employees in order to remain economically active. ✓✓

2.2 **GLOBALISATION** ✓

- As a result of technologically advanced communications and transport, businesses now not only compete locally but with the rest of the world. ✓✓

2.3 **AFFIRMATIVE ACTION** ✓

- Is a policy whereby the Employment Equity Act seeks to provide a formal structure to transform workplaces to be in line with demographics of South Africa's population groups and previously disadvantaged groups. ✓✓

CONCLUSION

- Change contributes to the effectiveness of the individual as well as the business. Once we learn how to manage the change we accept it and enjoy the benefits. √√

BREAKDOWN OF MARKS ALLOCATIONS

DETAILS	**MAXIMUM**	**TOTAL**
Introduction	2	32
How to deal with crisis	19	
Changes faced by business	9	
Conclusion	2	
INSIGHT		
LAYOUT	2	8
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	
TOTAL		40

QUESTION TEN

INTRODUCTION

- The product is the main component of the marketing mix. ✓
- The marketing dept must know everything there is to know about the product. ✓

BODY

1. STEPS IN PRODUCT DESIGN
   - Design and development in product ideas, which begin with the identification of an unsatisfied need. ✓
   - Selecting and sifting of product ideas to find the best solution ✓
   - Design and testing of the product concept ✓
   - Analysis the profitability of the product concept ✓
   - Consumer responses must be tested. ✓

2. PRODUCT CLASSIFICATION

2.1 **Industrial goods** (

- Used in the manufacturing process to produce other goods. ✓

2.2 **Consumer goods**

- Convenience goods ✓ - usually low-priced items purchased by consumers without much thought ✓
- Shopping goods ✓ - are more expensive than convenience goods. Prepared to spend more ✓ time and energy and want value for money. ✓
- Speciality goods - goods that have brand identification. ✓

3. TYPES OF PACKAGING

3.1 **Speciality packaging** ✓

- Product is given an image of "must have. ✓✓

3.2 **Re-usable packaging** ✓

- The container can be used for something else once the content is finished. ✓✓ (

3.3 **Kaleidoscopic packaging** ✓

- Where the container or wrapper are continuously changing. ✓✓

3.4 **Multiple packaging** ✓

- Various products are packaged in one container. ✓✓

4. BRANDING POLICIES

4.1 **Private label brands** ✓

- Are produced and solely owned by the retailer. ✓

4.2 **Manufacturer brands** ✓

- Are controlled and produced by manufacturers and sold through different retailers. ✓

CONCLUSION

- If any business wishes to grow, then it needs to design and develop new products continuously. √√

BREAKDOWN OF MARKS ALLOCATIONS

DETAILS	**MAXIMUM**	**TOTAL**
Introduction	2	32
Steps in product design	5	
Product classification	7	
Types of packaging	12	
Branding policies	4	
Conclusion	2	
INSIGHT		
LAYOUT	2	8
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	
TOTAL		40