



# education

---

Department:  
Education  
**REPUBLIC OF SOUTH AFRICA**

## **BUSINESS STUDIES**

**GRADE 11**

**FINAL EXAMINATIONS - 2015**

**EXAMINER : R NAIDOO**  
**MODERATOR : R GOVENDER**

**MARKS : 300**  
**DURATION : 3 hrs**

This question paper consists of 14 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. 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
<b>A. COMPULSORY</b>	ONE	40	24 min.
B. Five direct Questions. CHOOSE <b>ANY THREE</b> 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 <b>ANY TWO</b> QUESTIONS	SEVEN	40	24 min.
	EIGHT	40	24 min.
	NINE	40	24 min.
	TEN	40	24 min.
<b>TOTAL</b>		300	180 min. (3hrs)

## **SECTION A: COMPULSORY**

### **QUESTION ONE : (40 marks)**

**1.1 Four possible options are provided as answers to the following questions. Choose the correct answer and write only the letter next to the question number on the special answer sheet provided.**

- 1.1.1 Which ONE of the following forms part of the MACRO environment?
- A) The mission of the business
  - B) The economic environment
  - C) Customers
  - D) Suppliers
- 1.1.2 These are forms of business where there is no legal entity, and the owner or owners pay tax in a personal capacity.
- A) Private company and public company
  - B) Partnership and private company
  - C) Close corporation and Partnership
  - D) Sole trader and Partnership
- 1.1.3 The marketing mix consists of :
- A) Product, price, distribution, promotion
  - B) Personal selling, sales promotion, advertising and publicity
  - C) Product development, design, packaging and trademarks
  - D) Pricing techniques, price determination, price adjustment and demand and supply
- 1.1.4 The resource-investigator is a team role where the team who fulfils the role explores opportunities and goes out to bring in new ideas by networking with others. Which team dynamics theory includes this team role?
- A) Jungian theory
  - B) Margerison McCann theory
  - C) MRT-1 approach
  - D) Belbin's role theory
- 1.1.5 The process by which company representatives talk to applicants and evaluate their skills, personality and appropriateness for a particular position.
- A) Recruitment
  - B) Selection
  - C) Induction
  - D) Interview

**P.T.O/...1.1.6**

1.1.6 This is the way people interact in the group when they have a common goal:

- A) Conflict
- B) Team dynamics
- C) Direct distribution
- D) Market segmentation

1.1.7 This is needed to start a business with 2 or more people.

- A) Registrar of companies
- B) Limited liability
- C) Unlimited liability
- D) Partnership agreement

1.1.8 This is the broad external social, political and economic contexts in which the business operates:

- A) Micro
- B) Market
- C) Macro
- D) Both A and B

1.1.9 This is a collective, organised stoppage of work by employees to force the employers to accept their demands:

- A) Piracy
- B) Dumping
- C) Strike
- D) Economic crime

1.1.10 The stage in team development where teams work together effectively as a unit:

- A) Forming
- B) Storming
- C) Norming
- D) Performing

**(10x2) = 20**

**P.T.O/...1.2**

**1.2 Choose the correct word/s from those given in brackets. Write only the correct word/s on the special answer sheet provided.**

- 1.2.1 (Unit cost/Fixed cost) is calculated by dividing the total cost by the number of manufactured goods.
- 1.2.2 (Quality Circle/Quality Assurance) is a group of employees who work in different departments, but who also deal directly or indirectly with the same product or service.
- 1.2.3 (Hyper-inflation/Inflation) is defined as a sustained and marked increase in the price of goods and services.
- 1.2.4 The process of introducing a new staff member to the business is (Recruitment/Induction).
- 1.2.5 (Publicity/Advertising) is the most popular method for manufacturers to get their message to their target market and consumers.

**(5x2) = 10**

**1.3 Match COLUMN A with the terms in COLUMN B. Write only the correct letter on the special answer sheet provided.**

<b>COLUMN A</b>		<b>COLUMN B</b>
1.3.1	Procedures for claiming temporary disablement.	A) South African Bureau of Standards
1.3.2	Exclusive rights granted to the creator of an original work.	B) Royalties
1.3.3	The way the body reacts to situations that a person finds difficult to control.	C) Compensation for Occupational Injuries and Diseases Act (COIDA)
1.3.4	The official quality-assurance body that sets and maintains standards of products.	D) Stress
1.3.5	A document used to invite the public to buy shares and debentures in a company.	E) Labour Relations Act
		F) Copyright
		G) Prospectus
		H) Memorandum of Incorporation

**(5X2) = 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 scenario below and answer the questions that follow :

**NANA'S LADIES HAIR SALON**

Nana owns an informal hair salon that operates at a local taxi rank. She is an excellent hairdresser. Men also approach her to do their hair.

Nana's employees are not trained to do men's hair and her salon is not equipped to provide such services. She does not have sufficient capital to buy the necessary equipment.

Nana is worried about the increase in violence at the taxi rank which may scare clients away from her business. As an informal business, she has to pay the full retail price for shampoo and equipment that she buys from Jumbo Wholesalers.

2.1.1 Name the business sector in which Nana's Ladies Hair Salon is operating. (2)

2.1.2 Identify ONE challenge for Nana's business from EACH of the THREE business Environments from the case study. Use the table below to present your answer.(9)

CHALLENGE	BUSINESS ENVIRONMENT

2.1.3 Indicate the DEGREE OF CONTROL which Nana's salon may normally have over each of the business environments identified in 2.1.2 above. (3)

BUSINESS ENVIRONMENT	DEGREE OF CONTROL

2.1.4 Name THREE(3) components of the MARKET ENVIRONMENT (6)

2.2

2.2.1 Identify the business environment in which the PORTERS FIVE FORCES model may be applied. (2)

2.2.2 List the FIVE force of Porter's Model (10)

**P.T.O/...2.3**

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

The owners of Hoho Plantations have decided to expand their business to include a furniture manufacturing company called Unathi Timber Products. They use their own vehicles to transport raw materials and finished goods. They approached their local branch of Nedbank to finance their expansion. The owners also decided to approach the insurance company Metropolitan to inform their workers about insurance.

- 2.3.1 Classify the businesses mentioned in the case study according to the various sectors they operate in (i.e. **PRIMARY; SECONDARY; TERTIARY**) (8)
- 2.4 List and explain the THREE(3) Solutions to Piracy (6)
- 2.5 List FIVE(5) Functions of a TRADE UNION (10)
- 2.6 List TWO(2) types of Business Relationships (4)

**TOTAL = 60**

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

**QUESTION THREE : BUSINESS VENTURES**

3.1 Tabulate the differences between PARTNERSHIPS and CLOSE CORPORATIONS under the following headings. Copy and complete the table (20)

	<b>PARTNERSHIP</b>	<b>CLOSE CORPORATION</b>
1. Legal formation procedures		
2. Liability		
3. Legal personality		
4. Continuity		
5. Sources of Capital		

3.2 Read the case study of ZK Matthews Computers below and answer the questions that follow

During a meeting on 30 September 2014, members Wilber, Patrick and Nceba decided that certain functions had to be performed to capacitate the business.

- The intended close corporation has to be registered by the first week of October 2014 and additional capital of R20 000 has to be raised by the second week. (Member responsible - Patrick)
- Staffing is still a problem and a sales manager and support staff have to be recruited, interviewed and appointed within three weeks in time for the beginning of the business. (Member responsible – Nceba)
- The business intends to rent a building which has to be fully furnished. The leasing contract, as well as all communication lines have to be finalised within the first two weeks. (Member responsible – Wilbur)
- Stock has to be purchased, priced and displayed by the second week. (Member responsible – Patrick)
- In-service training will take place from week three to week five. (Member responsible – Nceba)

3.2.1 Study the information above and use it to create a GANTT CHART. Redraw the GANTT CHART below to complete the answer. (12)

<b>TASK</b>	<b>WEEK 1</b>	<b>WEEK 2</b>	<b>WEEK 3</b>	<b>WEEK 4</b>	<b>WEEK 5</b>	<b>MEMBER</b>
Registration						
Capital						
Staffing						
Rental contract and comm. Line						
Stock						
Training staff						

**P.T.O/....3.3**

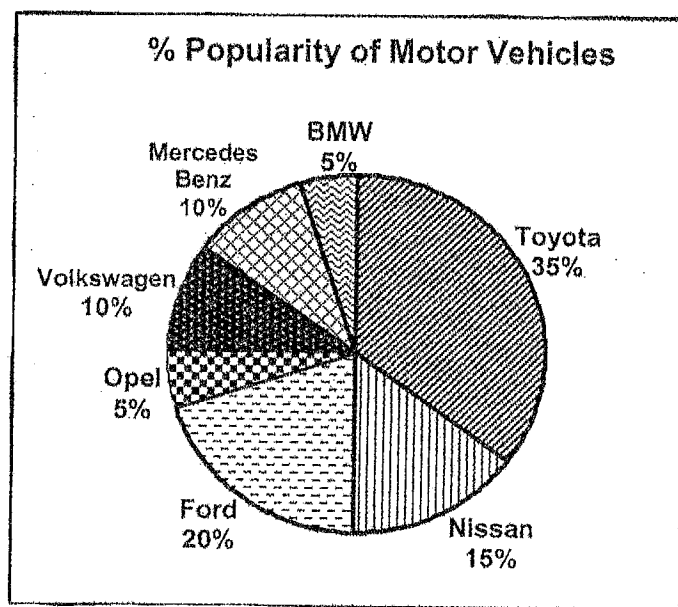
3.3 "Leasing is one of the avenues of doing business."

3.3.1 Tabulate THREE(3) advantages and disadvantages of LEASING for the Lessee (12)

3.4 "Start-up Capital can be divided into EQUITY; DEBT and GRANTS"

3.4.1 Briefly explain : a) EQUITY  
b) DEBT  
c) GRANTS (6)

3.5 Study the graph below and answer the questions that follow



3.5.1 Identify the type of graph used in the presentation above. (1)

3.5.2 Indicate the most popular motor vehicle according to this graph. Give ONE reason for your answer. (3)

3.5.3 List THREE(3) advantages of using graphs when presenting information (6)

**TOTAL = 60**

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

## **QUESTION FOUR : BUSINESS ROLES**

### **4.1 Read the scenario below and answer the questions that follow:**

Jane has been working for AHA Consulting CC for the past three years and is a reliable, experienced and qualified employee.  
The business has advertised a senior management position. Vusi, the human resources manager, has promised to appoint Jane in return for sexual favours and sometimes uses business resources for his personal gain.

- 4.1.1 Quote TWO(2) situations from the scenario that could be considered to be unethical business practices. (4)
- 4.1.2 Recommend ONE way in which each of the situations identified in 4.1.1 could be addressed. (4)
- 4.2 "Problems within the business need to be solved as soon as possible."**
- 4.2.1 Describe SEVEN(7) steps that must be followed when solving a problem. (14)
- 4.2.2 Briefly explain any FOUR(4) steps that can be used when applying the DELPHI TECHNIQUE to solve a problem. (8)
- 4.3 Suggest FIVE(5) strategies that can be used to manage STRESS (10)
- 4.4 Explain FOUR(4) reasons why businesses in South Africa are involved in Social Responsibility programmes. (8)
- 4.5 Identify any FOUR(4) factors that influence team dynamics (8)
- 4.6 Read the statements and classify them into the different TEAM DYNAMIC THEORIES:**
- 4.6.1 Define team roles as patterns of behaviour that people show
- 4.6.2 Identifies four pairs of functions and attitudes
- 4.6.3 Defines team roles in terms of the contributions each member brings to the team
- 4.6.4 Identifies eight roles that different people take (4)

**TOTAL = 60**

**P.T.O/....QUESTION FIVE**

## **QUESTION FIVE : BUSINESS OPERATIONS**

5.1 Study the information below of NICKS FOOD (PTY)LTD, a manufacturer of the best meat-based meals.

<b>NICKS FOOD (PTY)LTD</b>	<b>PRODUCTION COSTS – OCTOBER 2014</b>
Raw materials	R140 000
Labour (permanent staff earning a salary)	R185 000
Insurance	R30 000
Rent	R18 000
Cleaning materials	R10 000
Packaging	R8 000

Nicks Food Manufactured 30 000 ready meals during the month of October 2014.

- 5.1.1 Calculate the VARIABLE COSTS for the month. (4)
- 5.1.2 Calculate the FIXED COSTS for the month (4)
- 5.1.3 Calculate the TOTAL PRODUCTION COSTS for the month (3)
- 5.1.4 Calculate the production cost of one ready meat-meal. (3)

5.2 "Labour relations refer to the relationship between employers, employees and the State."

- 5.2.1 Mention any FIVE(5) main purposes of the Labour Relations Act (10)

5.3 "Once the applicant has been chosen and has accepted the position offered he/she has to sign an employment contract."

- 5.3.1 Define the term EMPLOYMENT CONTRACT (2)
- 5.3.2 List any FIVE(5) conditions that will be stipulated in the employment contract (10)
- 5.3.3 List FOUR(4) ways in which a contract can be terminated (8)
- 5.4 Identify any FOUR(4) steps involved in the SELECTION process (8)
- 5.5 List and explain the TWO(2) main SOURCES of RECRUITMENT (8)

**TOTAL = 60**

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

## **QUESTION SIX : MISCELLANEOUS**

**6.1 Read the following conversation and answer the questions that follows:**

**Dlamini** : How do you manage your business under such economic conditions? Look what happened at Marikana. Unions like NUM and AMCO are destabilising our economy."

**Jessie** : "My Bachelor of Commerce degree and the knowledge it provides, is a source of strength and comfort. Also I have the necessary skills of managing and controlling a business and all this contributes to me being a successful businessman."

- 6.1.1 Dlamini mentioned trade unions destabilising our economy. What is main purpose/role of a TRADE UNION (2)
- 6.1.2 Identify any FOUR(4) entrepreneurial qualities that Jessie is referring to (8)
- 6.2 Mention the FOUR(4) Elements that can be found in successful teams. (8)
- 6.3 **"Quality control ensures that a product of the right quality is produced through constant monitoring of the production process."**
- 6.3.1 Discuss FOUR(4) Advantages of QUALITY CONTROL (8)
- 6.4 Identify any FOUR(4) Health and Safety measures that can be implemented to Safeguard factory workers. (8)
- 6.5 **"Outsourcing is when a business purchases goods/services from a third party rather than producing it themselves."**
- 6.5.1 State any FIVE(5) advantages of OUTSOURCING for a business (10)
- 6.6 Identify any FOUR(4) types of packaging (8)
- 6.7 Identify any FOUR(4) types of pricing techniques and briefly explain how these Techniques are applied (8)

**TOTAL = 60**

**TOTAL SECTION B = 180**

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

## **SECTION C**

**ANSWER ANY TWO QUESTIONS FROM THIS SECTION  
START EACH QUESTION ON A NEW PAGE**

### **QUESTION SEVEN : BUSINESS ENVIRONMENTS**

**"There are a number of factors in the business environment that will have a direct impact on the operations of the business."**

In light of the above statement, discuss the factors listed below and its impact on operations and productivity :

- Inflation
- Economic crime
- Corruption
- Mismanagement of funds
- Illiteracy
- Lack of Skills
- Piracy

**TOTAL = 40**

---

### **QUESTION EIGHT : BUSINESS VENTURES**

**"Some entrepreneurial characteristics are critical in determining the success or failure of a business. The failure rate of many businesses is proof that it is not easy to guarantee that a business will succeed."**

Discuss how the following entrepreneurial qualities and key success factors will influence a business :

Entrepreneurial qualities :

- Confidence
- Risk Taker
- Perseverance
- Creativity
- Passion

Key Success Factors :

- Sustainability
- Profitability
- Customer base
- Corporate Social Investment

**TOTAL = 40**

---

**P.T.O/....QUESTION NINE**

**QUESTION NINE : BUSINESS ROLES**

**"Managers need to be able to recognise and resolve conflict to promote co-operation and productivity."**

Discuss CONFLICT MANAGEMENT under the following headings:

- Causes of Conflict
- Conflict Management Theories
- Grievance Procedure

**TOTAL = 40**

---

**QUESTION TEN : BUSINESS OPERATIONS**

**"A production system is the process that is followed to manufacture products."**

Discuss the following PRODUCTION SYSTEMS under the headings given :

- Mass Production
- Batch Production
- Jobbing
- Advantages and Disadvantages of Mass Production
- Advantages and Disadvantages of Batch and Jobbing

**TOTAL = 40**

**TOTAL SECTION C = 80**

---

**GRAND TOTAL = 300**

**ALL THE BEST!!!!**

**BUSINESS STUDIES - GRADE 11**  
**SUGGESTED ANSWERS**

**SECTION A**  
**QUESTION ONE**

1.1

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

20

1.2

1.2.1	UNIT COST	✓✓
1.2.2	QUALITY CIRCLE	✓✓
1.2.3	HYPER-INFLATION	✓✓
1.2.4	INDUCTION	✓✓
1.2.5	ADVERTISING	✓✓

10

1.3

1.3.1	C	✓✓
1.3.2	F	✓✓
1.3.3	D	✓✓
1.3.4	A	✓✓
1.3.5	G	✓✓

10

40
40

GREENBURY SECONDARY SCH.



DEPARTMENT OF COMMERCE  
H.O.D. MRS C MAHARAJ

*Signature*

**SECTION B**

**QUESTION TWO**

2.1

2.1.1 Informal Sector / ✓✓ TERTIARY 2

2.1.2

BUSINESS ENVIRONMENT	CHALLENGE
MICRO ✓✓	Employees are not trained/not enough capital ✓
MARKET ✓✓	Has to pay full retail price for shampoo ✓
MACRO ✓✓	Taxi violence ✓

2.1.3

BUSINESS ENVIRONMENT	DEGREE OF CONTROL
MICRO	Full control ✓
MARKET	Partial/some control ✓
MACRO	No control ✓

2.1.4 **COMPONENTS OF THE MARKET ENVIRONMENT**

- Customers ✓✓
- Suppliers ✓✓
- Competitors ✓✓
- Intermediaries
- Regulators
- Trade unions
- NGOs

ANY 3 x 2 = 6

2.2

2.2.1 MARKET Environment ✓✓

2

2.2.2 **PORTERS FIVE FORCES**

- Power of buyers ✓✓
- Power of suppliers ✓✓
- Competitive rivalry ✓✓
- Threat of new entry ✓✓
- Threat of substitution ✓✓

10

2.3

2.3.1 Hoho Plantations - PRIMARY ✓✓  
 Unathi Timber - SECONDARY ✓✓  
 Nedbank - TERTIARY ✓✓  
 Metropolitan - TERTIARY ✓✓

8

2.4 **SOLUTIONS TO PIRACY**

- COPYRIGHT ✓
  - ✓ Protects IP so that artistic creations and written, recorded or filmed ideas cannot be copied or pirated. ✓
  
- PATENT ✓
  - ✓ A certificate that verifies that an invention is new or novel and is protected from piracy. ✓
  
- TRADEMARK ✓
  - ✓ Is a sign, logo or graphic representation that is used to distinguish one brand from another. ✓

6

2.5 **FUNCTIONS OF A TRADE UNION**

- To enter into collective bargaining agreements on behalf of employees ✓✓
- To advise employers on their human resource policies and practices. ✓✓
- To formulate and represent workers rights at statutory level ✓✓
- To promote greater participation of workers in management decisions ✓✓
- To organise strikes and other industrial action ✓✓
- To represent workers in disputes and grievances
- To ensure the welfare and education of their members and their children.

5X2=10

2.6 **BUSINESS RELATIONSHIPS**

- Networking ✓✓
- Power relationships ✓✓
- Lobbying

2X2 = 4

**TOTAL = 60**

**QUESTION THREE**

3.1

	<b>PARTNERSHIP</b>	<b>CLOSE CORPORATION</b>
1. Legal formation procedures	Partnership agreement ✓	Founding statement //
2. Liability	Unlimited //	Limited //
3. Legal personality	Not a legal entity //	Is a legal entity //
4. Continuity	No continuity //	Has continuity //
5. Sources of Capital	Partners //	Members //

20

**3.2 GANTT CHART**

3.2.1

<b>TASK</b>	<b>WEEK 1</b>	<b>WEEK 2</b>	<b>WEEK 3</b>	<b>WEEK 4</b>	<b>WEEK 5</b>	<b>MEMBER</b>
Registration	█	/				Patrick ✓
Capital		█	/			Patrick ✓
Staffing	█	█	█	/		Nceba ✓
Rental and comm. Line	█	█	/			Wilbur ✓
Stock		█	/			Patrick ✓
Training staff			█	█	█	Nceba ✓

( )

12

**3.3 LEASING FOR THE LESSEE**

<b>ADVANTAGES</b>	<b>DISADVANTAGES</b>
<ul style="list-style-type: none"> <li>Can obtain the use of expensive assets without a large capital outlay //</li> </ul>	<ul style="list-style-type: none"> <li>The asset remains the property of the lessor. //</li> </ul>
<ul style="list-style-type: none"> <li>The leasing company bears the risk of repairs and maintenance //</li> </ul>	<ul style="list-style-type: none"> <li>The lessee is bound by the lease contract //</li> </ul>
<ul style="list-style-type: none"> <li>The admin is simple and quick //</li> </ul>	<ul style="list-style-type: none"> <li>There is a regular amount of rent to be paid. //</li> </ul>

12

3.4

3.4.1

- EQUITY - Money that the owner gets from his own sources like a personal savings. //
- DEBT - Borrowed from someone else. Example a bank in the form of a loan //
- GRANTS - Money given by government to start up a business. //

6

3.5

3.5.1 Pie Chart ✓

3.5.2 Toyota. ✓ It has the largest part of the whole. / It has 35%. //

3

**3.5.3 ADVANTAGES OF USING GRAPHS**

- The presentation becomes easier to read. //
- Information is broken down //
- Reduces the amount of reading //

6

## **QUESTION FOUR**

4.1

4.1.1 \* He promised to appoint Jane in return for sexual favours // // 4

\* Uses business resources for his personal gain

4.1.2 \***SEXUAL HARASSMENT** - Victims must report it. // //  
Should be policies in place.

\***ABUSING WORK TIME** - Employers should be clear on what is and is not allowed during work time. // // 4

4.2

### **4.2.1 PROBLEM-SOLVING STEPS**

- Identify problem //
- Define problem //
- Formulate strategy //
- Implement strategy //
- Allocate resources //
- Monitor strategy //
- Evaluate process //

$$7 \times 2 = 14$$

### **4.2.2 DELPHI TECHNIQUE**

- Carefully select a panel of experts to answer questionnaire //
- Experts answer the questionnaire anonymous //
- From the answers of the first questionnaire, a second questionnaire is developed //
- This continues until the answer provided by the experts show that they agree with one another // // 8

### **4.3 STRATEGIES TO MANAGE STRESS**

- Become aware of your stressors //
- Recognise what you can change //
- Learn to control your physical reactions to stress //
- Build your physical reserves //
- Maintain your emotional reserves //

$$5 \times 2 = 10$$

### **4.4 REASONS FOR SOCIAL RESPONSIBILITY PROGRAMMES**

- Promotion of communities //
- Gain the trust of investors //
- Increasing appeal as an employer //
- Upliftment programmes can alleviate poverty //
- To gain recognition
- Promote a favourable image
- Create a positive attitude among employees

$$4 \times 2 = 8$$

4.5 **FACTORS THAT INFLUENCE TEAM DYNAMICS**

- Team roles ✓✓
- Processes/methodologies/procedures ✓✓
- Organisational culture ✓✓
- Personality styles ✓✓
- Office layout
- Tools and technology

$$4 \times 2 = \underline{8}$$

4.6

- 4.6.1 BELBIN ROLE ✓✓
- 4.6.2 JUNGIAN THEORY ✓
- 4.6.3 MARGERISON-McCANN TEAM MANAGEMENT ✓
- 4.6.4 MTR-I Approach ✓

$$\underline{4}$$

**TOTAL = 60**

## **QUESTION FIVE**

5.1

### **5.1.1 VARIABLE COSTS**

RAW MATERIALS	R140 000	✓
CLEANING MATERIALS	R10 000	✓
PACKAGING	R8 000	✓
	<b>R158 000</b>	✓

4

### **5.1.2 FIXED COSTS**

LABOUR	R185 000	✓
INSURANCE	R30 000	✓
RENT	R18 000	✓
	<b>R233 000</b>	✓

4

### **5.1.3 TOTAL PRODUCTION COSTS**

VARIABLE COSTS	R158 000	✓
FIXED COSTS	R233 000	✓
	<b>R391 000</b>	✓

3

### **5.1.4 PRODUCTION COST PER UNIT**

TOTAL PRODUCTION COSTS	R391 000	✓
/NUMBER OF READY MEALS	30 000	✓
	<b>R13</b>	✓

3

5.2

### **5.2.1 PURPOSE OF THE LABOUR RELATIONS ACT**

- To deal with fair process of employing and dismissing employees ✓✓
- Rights and responsibilities of trade unions ✓✓
- Procedures for strikes, collective bargaining and dispute resolution ✓✓
- Unfair treatment in the workplace ✓✓
- Codes of good practice ✓✓
- Encouragement of worker participation in decision-making ✓✓

5x2 = 10

5.3

### **5.3.1 EMPLOYMENT CONTRACT**

- It is a legal and binding agreement on the employer and employee. ✓✓

2

### **5.3.2 CONDITIONS OF AN EMPLOYMENT CONTRACT**

- Name and address of employer and employee ✓✓
- Job title ✓✓
- Place of work ✓✓
- Starting date ✓✓
- Nature and hours of work ✓✓
- Leave conditions
- Salary

5x2 = 10

5.3.3 **WAYS OF TERMINATING A CONTRACT**

- Dismissal ✓✓
- Retrenchment ✓✓
- Resignation ✓✓
- Retirement ✓✓

$$4 \times 2 = \underline{8}$$

5.4 **STEPS TO THE SLECTION PROCESS**

- Preliminary screening ✓✓
- Written tests ✓✓
- Employment interviews ✓✓
- Medical examination ✓✓
- Employment offer letter ✓✓

$$4 \times 2 = \underline{8}$$

5.5 **SOURCES OF RECRUITMENT**

INTERNAL RECRUITMENT ✓✓	EXTERNAL RECRUITMENT ✓✓
Business looks for suitable people within the organisation ✓✓	Business looks outside the organisation for staff ✓✓

8

**TOTAL = 60**

**QUESTION SIX**

6.1

6.1.1 To promote and protect the rights of workers. ✓✓ 2

6.1.2

- ✓ Work with people ✓✓
- ✓ Have a positive attitude ✓✓
- ✓ Have skills, expertise ✓✓
- ✓ Prepared to take risks ✓✓
- ✓ Creative thinker ✓✓
- ✓ Self-motivated/passionate ✓✓

4 × 2 = 8

6.2 **SUCCESSFUL TEAM**

- Purpose and goals ✓✓
- Interdependence ✓✓
- Commitment ✓✓
- Accountability ✓✓

4 × 2 = 8

6.3

6.3.1 **ADVANTAGES OF QUALITY CONTROL**

- Better use of people's skills, abilities and time ✓✓
- Better use of materials ✓✓
- Better use of equipment ✓✓
- Plan and control more efficiently ✓✓

4 × 2 = 8

6.4 **HEALTH AND SAFETY MEASURES**

- Precautions such as structural safety of buildings, fire protection and fire drills must be implemented ✓✓
- Workers to wear protective clothing ✓✓
- Factory must have sufficient lighting and ventilation ✓✓
- Environment must be safe ✓✓

4 × 2 = 8

6.5

6.5.1 **ADVANTAGES OF OUTSOURCING**

- Allows you to focus on core activities ✓✓
- Reduction in costs ✓✓
- Staff flexibility is possible ✓✓
- Provides continuity during periods of high staff turnover ✓✓
- On site outsourcing will bring in more experts. ✓✓

5 × 2 = 10

## 6.6 TYPES OF PACKAGING

- Speciality packaging ✓✓
- Reusable packaging ✓✓
- Kaleidoscope packaging ✓✓
- Multiple packaging ✓✓

$$4 \times 2 = 8$$

## 6.7 PRICING TECHNIQUES

- PSYCHOLOGICAL PRICING ✓ - is used to give the impression that an item is cheaper than it really is. ✓
- ODD PRICING ✓ - occurs when the final product prices include odd numbers. ✓
- BAIT PRICING ✓ - a policy where products are advertised at prices lower than the item costs to attract customers. ✓
- SKIMMING PRICES ✓ - are prices attached to a new innovative product. ✓

8 ( )

( )

## **SECTION C**

### **QUESTION SEVEN**

#### **INTRODUCTION**

- The world today is more challenging as a business environment than ever before. The reason for this is the ever-increasing rate of change that modern societies face. ✓✓

#### **BODY**

##### **1. INFLATION**

- Inflation poses a challenge to productivity because it increases the costs of raw materials and other inputs. ✓✓
- This places pressure on the organisation to be more productive in order to save costs. ✓✓

##### **2. ECONOMIC CRIME**

- Occurs when someone benefits financially through any criminal activity that directly involves the misuse of funds. ✓✓
- Economic crimes remove financial resources from business that may be used for cash flow or as capital for growth. ✓✓

##### **3. CORRUPTION**

- Occurs when two parties enter into an illegal but mutually beneficial agreement. ✓✓
- Corruption undermines fair business practice and prevents fair competition. ✓✓

##### **4. MISMANAGEMENT OF FUNDS**

- It is a criminal offence and usually involves fraud. ✓✓
- This can cause a business to lose a large amount of money through direct theft and fraud. ✓✓

##### **5. ILLITERACY**

- Means the inability to read and write and the only work they will be able to perform will be basic and extremely low paid. ✓✓
- They are easy to exploit and personal rights can become difficult to enforce. ✓✓

##### **6. LACK OF SKILLS**

- In SA, the problem is not the lack of available jobs, it is the lack of right skills to fill these jobs. ✓✓
- A lack of skills is a serious obstacle to the productivity and operations of a business. ✓✓

## 7. PIRACY

- Occurs where the IP of a business or individual is copied by someone else without permission. ✓✓
- This will cause substantial loss to the original owner and may cause damage to the value of the IP. ✓✓

## CONCLUSION

- These and many other challenges, will have a serious impact on business operations and productivity. ✓✓

FACTS	32
LAYOUT	2
ANALYSIS	2
SYNTHESIS	2
ORIGINALITY	2
TOTAL	40

## **QUESTION EIGHT**

### **INTRODUCTION**

- Entrepreneur influence the success of a business. They look for gaps in the market where they can make money. They are positive. ✓✓

### **BODY**

## **ENTREPRENEURIAL QUALITIES**

### **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. ✓✓

### **2. RISK TAKER**

- No matter how much planning one does, there is always a risk. ✓✓
- The primary function of an entrepreneur is to accept a risk on behalf of other people and in return be rewarded. ✓✓

### **3. PERSEVERANCE**

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

### **4. CREATIVITY**

- Creativity in business implies coming up new innovative ideas. ✓✓
- It means coming up with new ideas, new ways of doing things or using the same product but satisfying different needs. ✓✓

### **5. PASSION**

- This is an essential characteristic for successful entrepreneurs. ✓✓
- Passion can be illustrated when an entrepreneur finds it difficult to simply walk away from failure or setbacks. ✓✓

## **KEY SUCCESS FACTORS**

### **1. SUSTAINABILITY**

- Means ensuring that the income from sales increases, customer base expands and quality of service improves. ✓✓

### **2. PROFITABILITY**

- The business is profitable when all expenses have been subtracted from the sales and a surplus results. ✓✓

3. **CUSTOMER BASE**

- The number of customers in the database is large and there are many opportunities to attract new customers. ✓✓

4. **CORPORATE SOCIAL INVESTMENT**

- Assisting and supporting the communities within which we operate. ✓✓

**CONCLUSION**

- Entrepreneurial qualities and key success factors are variables that gives a business a competitive edge over other similar businesses in a particular industry. ✓✓

FACTS	32
LAYOUT	2
ANALYSIS	2
SYNTHESIS	2
ORIGINALITY	2
TOTAL	40

## **QUESTION NINE**

### **INTRODUCTION**

- Conflict refers to a difference in view and approach. Conflict management is the process of planning to prevent conflict where possible and organising to resolve conflict when it happens. ✓✓

### **BODY**

#### **1. CAUSES OF CONFLICT**

- Scarcity of resources ✓✓
- Different attitudes, values ✓✓
- Disagreements about needs, goals ✓✓
- Poor communication ✓✓
- Poor or inadequate organisational structure
- Lack of teamwork
- Lack of clarity in roles and responsibilities
- Inconsistency in leadership decisions

#### **2. CONFLICT MANAGEMENT THEORIES**

##### **2.1 TRADITIONAL THEORY** ✓✓

- Conflicts are caused by troublemakers ✓✓
- Conflicts are bad ✓✓
- Conflict should be avoided or suppressed.

##### **2.2 CONTEMPORARY THEORY** ✓✓

- Conflicts are inevitable between human beings ✓✓
- Conflicts are often beneficial
- Conflicts are the natural result of change
- Conflicts can and should be managed.

#### **3. 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. ✓✓

CONCLUSION

- When conflict reaches a crisis stage, a lot of time and effort is needed to get it resolved. Managers must be aware of conflict in its early stages and should take steps to prevent it from becoming worse. ✓✓

FACTS	(34) 32 ✓✓
LAYOUT	2
ANALYSIS	2
SYNTHESIS	2
ORIGINALITY	2
TOTAL	40

## QUESTION TEN

### INTRODUCTION

- There is uninterrupted and interrupted production processes.
- With uninterrupted production, products flow continuously from start to finish.
- Interrupted production occurs when orders with different specifications are placed. ✓✓

### BODY

#### 1. MASS PRODUCTION

- Products must have the same design and go through the same manufacturing process continuously. ✓✓

#### 2. BATCH PRODUCTION

- Products are produced in batches or group.
- The production of one design is completed before going on to produce another batch of a different design. ✓✓

#### 3. JOBING

- Each product is made to a customer's requirements or to an individual order. ✓✓

4.

<b>ADVANTAGES OF MASS PRODUCTION</b>	<b>DISADVANTAGES OF MASS PRODUCTION</b>
<ul style="list-style-type: none"><li>• Products are manufactured at a lower cost of production per unit. ✓✓</li><li>• Division of labour is possible. ✓✓</li><li>• Handling of materials are restricted. ✓✓</li><li>• Production process is simple</li><li>• Workers specialise in tasks</li></ul>	<ul style="list-style-type: none"><li>• If a machine breaks down, the entire production process is delayed. ✓✓</li><li>• The speed at which products are manufactured is fixed. ✓✓</li><li>• Large amounts of capital is invested. ✓✓</li><li>• High cost to modify machines</li></ul>

5.

ADVANTAGES OF BATCH AND JOBBING	DISADVANTAGES OF BATCH AND JOBBING
<ul style="list-style-type: none"> <li>• Delays due to breakdowns can be overcome fairly quickly ✓✓</li> <li>• There is greater flexibility ✓✓ regarding quantity to be produced</li> <li>• Machinery used could be less expensive ✓✓</li> <li>• Changes can be easily catered for.</li> </ul>	<ul style="list-style-type: none"> <li>• Costs per unit are higher ✓✓</li> <li>• A large reserve of semi-finished goods must be kept ✓✓</li> <li>• Products take longer to produce and a large amount of investment capital is required. ✓✓</li> </ul>

CONCLUSION

- One of the biggest challenges for any business is to use the best possible raw materials at the lowest possible cost to produce the largest quantity of quality goods. Choosing the correct production system is of vital importance. ✓✓

FACTS	(34) 32
LAYOUT	2
ANALYSIS	2
SYNTHESIS	2
ORIGINALITY	2
TOTAL	40