SENIOR SECONDARY IMPROVEMENT PROGRAMME 2013

GRADE 12

BUSINESS STUDIES

LEARNER NOTES

TABLE OF CONTENTS

LEARNER NOTES

education
Department: Education
GAUTENG PROVINCE

SESSION 6

TOPIC: CONSOLIDATION

Learner Note: The questions in this session are similar to those you can expect in an exam. You need to learn your notes before attempting these questions. Time allocation and mark allocation are your very important guides.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(KZN DoE Common Test June 2008)*

Match each of the statements in column A with the concept/term in column B. Write only the letter (A-E) next to the question number (1.1-1.5), e.g. 1.3.6 G

	A		B
1.1	A group of representatives made up of employees selected from an organisation that employs 100 workers.	A	Arbitration
1.2	A logical way to end conflict after the mediation process deadlocked.	B	Outsourcing
1.3	Companies tend to subcontract various phases of a job to other firms or individuals.	C	Dispute resolution
1.4	A method to reduce business costs by streamlining labour.	D	Workplace forum
1.5	Trade unions and employer organisations working together to resolve conflicts.	E	Retrenchment

x 2) [10]

HINTS: Always begin with those answers which you know. In this way you will be left with the ones that you were unsure of.

education
Department: Education
GAUTENG PROVINCE

QUESTION 2:   **15 minutes**   **14 marks**   *(DoE March 2011)*

2.1   Read the case study below and answer the questions that follow.

TINY TOTS TOY FACTORY

Lawrence Mfundo is the general manager of a factory that manufactures a variety of good quality toys. It is situated in the Eastern Cape. Their toys are successfully marketed locally as well as globally.

The factory uses modern machinery and equipment in the production process. The factory has a relatively small human resources department with no counselling and support services for workers.

Lawrence Mfundo read about the problem of HIV/AIDS and unemployment in the local community in the local newspaper. The article stated that approximately 30% of the people in the local community are probably HIV positive, more than 40% are unemployed, and crime is on the increase.

2.1.1 You must assist Lawrence Mfundo to compile a SWOT analysis of Tiny Tots Toy Factory.   (8)

2.1.2 Use the information from the SWOT analysis to develop strategies as a counter to the challenges.   (6)

[14]

HINTS: Remember that a SWOT analysis is best done in a table format. Strengths and weaknesses are internal, while opportunities and threats are external. Use your own ideas when developing strategies for challenges in the case study. Link your SWOT analysis to Tiny Tots factory.

QUESTION 3:   **15 minutes**   **18 marks**   *(DoE March 2010)*

3.1   Describe FOUR benefits of implementing good quality-control measures in a business enterprise.   (8)

3.2   State any FIVE factors that must be taken into consideration when exploring a business career.   (10)

[18]

HINTS: In question 3.1 you need to look at the verb 'describe', while in question 3.2 you only need to list.

SECTION B: ADDITIONAL CONTENT NOTES   **No additional notes**

education
Department: Education
GAUTENG PROVINCE

SECTION C: HOMEWORK

QUESTION 1:   **5 minutes**   **5 marks**   *(KZN DoE Common Test June 2008)*

" A SWOT analysis is a very useful tool for a business, forcing it to critically examine itself and its environment."

State whether the following are strengths, weaknesses, opportunities or threats for Pick & Pay, as a retail business.

1.1   Pick & Pay sells quality products and therefore, has an web site [http://www.picknpay.coza]

1.2   Pick & Pay is in competition with Checkers.

1.3   There are employees who do not approach the sales task with the right attitude.

1.4   Dissatisfied customers would shop elsewhere.

1.5   An increase in the fuel price.   (5 x 1) [5]

QUESTION 2:   **35 minutes**   **40 marks**   *(DoE Nov. 2010)*

MAKHAYA TALI'S WINERY

Makhaya Tali started his winery business on a small farm he inherited from his late father. It is situated outside the town of Franschhoek in the Cape Winelands. He wants to use improved farming techniques and marketing methods to increase the farm's income. His business is facing the following challenges: 1. He applied for a loan of R1 million to buy multipurpose equipment. This will replace some of the old vineyard and cellar equipment and enable him to produce wines of the highest international quality, as well as grape juice. 2. He will utilise some of these funds to open a wine shop on the farm. The wine shop will buy local, handcrafted packaging material. 3. Owing to an increase in interest rates by the South African Reserve Bank, he has to pay higher interest. 4. Employees are demanding higher wages and salaries, which will result in a decline in the business profits. 5. Competitors in the vicinity are selling similar types of wine. 6. He is unable to advertise his wine beyond the borders of the province. 7. The recession/slowdown in the economy has affected most of the countries worldwide. 8. There has been a steady increase in the cost of fuel.

As a business consultant for Makhaya Tali's winery, identify the business's challenges, devise strategies to overcome the challenges, and determine the environment in which the challenges exist. Advise Makhaya Tali on how to evaluate the effectiveness of the strategies.   [40]

SECTION D: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1   D √√
1.2   A √√
1.3   B √√
1.4   E √√
1.5   C √√   (5 x 2) **[10]**

QUESTION 2

2.1

STRENGTHS	WEAKNESSES
- Successful marketing locally and globally √√ - Use of modern machinery and equipment √√ **(Any 1x2) (2)**	- Small human resource department √√ - No counselling and support services √√ **(Any 1x2) (2))**
OPPORTUNITIES	THREATS
- Train unskilled workers √√ - Workshop employees on HIV/AIDS awareness √√ **(Any 1x2) (2)**	- Loss of skilled workers because of HIV/AIDS in the community √√ - Escalation of crime due to unemployment – train workers √√ **(Any 1x2) (2)**

(8)

2.2   Provide training course to all employees regarding HIV/AIDS. √√
        Provide equipment for voluntary HIV/AIDS tests √√
        Provide employees with counselling on HIV/AIDS √√
        Provide medication for HIV/AIDS (ARVs) √√
        Form partnerships with other businesses in eliminating crime √√
        Train unskilled workers √√
        Any other relevant answer related to the challenge identified in Q 2.1 or the case study.

(Any 3 x 2)(6)
[14]

QUESTION 3

3.1
- fewer product defects√√
- more consumer satisfaction√√
- lower production costs√√
- higher productivity√√
- Increased sales by word of mouth that products are of good quality. √√
- Increased profits√√
- Possible expansion of the business√√
(Any other relevant answer related to benefits of good quality control measures.)

(Any 4 x 2) (8)

3.2   Consider:
- The risks associated with the career. √√
- The moral issues regarding the chosen career. √√
- Whether there will be a conflict between culture and the career.
- The business ethical issues regarding the career. √√
- Religion in relation to the chosen career. √√
- Family ties. √√
- Relocation costs, etc.
(Any other factor that must be taken into consideration when exploring a business career.)

(Any 5 x 2) (10)
[18]

SESSION 7

TOPIC 1: CONSOLIDATION

Learner Note: The questions in this session are similar to those you can expect in an exam. You must learn your notes before attempting these questions. Time allocation and mark allocation are your very important guides.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(Various Sources)*

Choose the correct answer and write only the letter (A – D) next to the question, for example 1.6 A

1.1   Legislation introduced in 2003 as a means of enforcing the
       concept of transformation in the workplace:

    A   Broad-based Black Economic Empowerment
    B   Industry Charter
    C   Employment Equity
    D   National Credit Act

1.2   This form of ownership stipulates a maximum of 10 members:

    A   Close corporation
    B   Partnership
    C   Public company
    D   Private company

1.3   Learnerships in insurance are offered by the:

    A   South African Reserve Bank
    B   Industrial Development Corporation
    C   Sector Education and Training Authority
    D   Manpower Commission

1.4   Which one of the following is a function of a workplace forum?

    A   Ensuring that employers engage in social responsibility programmes.
    B   Planning staff functions.
    C   Joint participation by employers and employees in labour issues.
    D   Negotiating loans on behalf of the enterprise.

1.5   Jane borrows R20 000 from ABSA Bank for one year at a
       rate of 18% p.a. The total amount payable would therefore be:

    A   R36 000
    B   R3 600
    C   R20 018
    D   R23 600   (5 x 2)[10]

HINTS: Always look for the most correct answer in multiple choice questions. Remember also to read the questions carefully.

QUESTION 2:   **30 minutes**   **34 marks**   *(DoE March. 2011)*

2.1   Describe how the division of profits of a sole trader, close corporation and public company may affect the success of a business.   (12)

2.2   Read the dialogue below and answer the questions that follow.

Penny:	Hi! What happened! Your hair is not brushed and it seems as if you have not slept.
Tom:	Yes, I am feeling depressed. I made a presentation and within 15 minutes everyone had walked out instead of sitting for the full two hours.
Penny:	Why? Tell me more.
Tom:	The **presentation** was on 2009 financial performance but I could only speak about my family. I was worried but did not know what to do.

   2.2.1   Give TWO reasons, from the dialogue, why the audience walked out.   (4)

   2.2.2   Advise Tom on what he should do to prevent a similar situation from occurring in future.   (10)

2.3   State any FOUR functions of a trade union.   (8)

[34]

HINTS: In question 2.1 you must compare the division of profits as a success factor for the three forms of ownership.
In question 2.2 your answers must be related to what you learnt in the notes on presentations.

SECTION B: ADDITIONAL CONTENT NOTES   No additional notes

SECTION C: HOMEWORK

QUESTION 1:   **10 minutes**   **10 marks**   *(Various sources)*

Give one word/term for each of the following descriptions. Simply write down the question number and the correct answer.

> Arbitration; SABS; Inclusivity; Quality control; Creativity;
>
> Strategy; Insubordination; SAQA; Skills Development

1.1   A plan of action to achieve a goal.

1.2   A logical way to end conflict because the mediation process is deadlocked.

1.3   Enhances solutions to complex problems.

1.4   Enables diversity in the workplace.

1.5   Promotes standardisation and quality of products and services.   (5 x 2)[10]

QUESTION 2:   **35 minutes**   **40 marks**   *(DoE Nov. 2010)*

> Business practices in South Africa demand that business enterprises should not only concentrate on making profits, but also consider the well-being of employees.

Briefly explain whether you agree with the above statement and then discuss any FIVE ways in which business enterprises can improve the well-being of their employees.   [40]

SECTION D: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1	A √√	(2)
1.2	A √√	(2)
1.3	C √√	(2)
1.4	C √√	(2)
1.5	D √√	(2)

[10]

QUESTION 2

2.1

	Success Factors
Sole trader	- The owner takes all the profits. √√ - The owner can use his/her profits to improve the quality of the product sold or services rendered. √√ - Any other relevant answer related to the success of a sole trader regarding the division of profits. (Any 2 x 2) (4)
Close Corporation	- The profits belongs to the CC. √√ - Members decide on the date for profit distribution. √√ - Profits may also be retained for future growth. √√ - Any other relevant answer related to the success of a close corporation regarding the division of profits. (Any 2 x 2) (4)
Public Company	- Profits belong to the company. √√ - Profits are distributed to shareholders according to the number and value of the shares √√ - Shareholders decide on the payment date for dividends. √√ - Any other relevant answer related to the success of a - close corporation regarding the division of profits. (Any 2 x 2) (4)

(8)

2.2.1   Tom, the presenter was not well prepared. √√
He did not present the 2009s financial performance. √√
Tom did not focus on the particular topic of the presentation. √√
The audience do not want to hear particulars of his family as it is irrelevant. √√
Any other relevant answer related to the dialogue regarding the presentation. √√
(Any 2 x 2) (4)

2.2.2   Tom must be well prepared. √√
Consider the audience target group. √√
Proper planning of the presentation. √√
He must focus on the particular topic of the presentation. √√
Plan the format of the presentation. – Introduction, body and conclusion. √√
Identify the method of the presentation to be used, e.g. Power point, audio-visual aids, etc.√√
Any other relevant answer related to the requirements of a good
presentation of business related information. √√   (Any 5 x 2) (10)

2.3   Protects members from retrenchments and unfair dismissals. √√
Acts on behalf of members in dispute resolutions. √√
Monitors the implementation on matters affecting legislation, e.g. gender
equality, affirmative action and employment of workers with disabilities. √√
Trade unions strive to improve the working conditions of employees.√√
Takes part in collective bargaining process. √√
Negotiates on behalf of the membership for better wages and other benefits. √√
Any other relevant answer related to the functions of a trade union. √√   (Any 4 x 2) (8)
[34]

SESSION 7: TOPIC 2: CONSOLIDATION

! | **Learner Note:** The questions in this session are similar to what you can expect in an exam. You need to learn your notes before attempting these questions. Time allocation and mark allocation are your very important guides.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(Various sources)*

Indicate whether the following statements are TRUE or FALSE. Simply write down the question number and TRUE or FALSE.

1.11   Labour action is a challenge from the macro environment of a business.

1.12   The conditions of working overtime are stipulated in the Employment Equity Act.

1.13   Sustainability would imply the continued existence of a business despite the challenges and threats it faces.

1.14   A partnership does not pay taxes.

1.15   Dividends are the remuneration received by debenture holders.   (5 x 2) [10]

HINTS: You simply write true or false. There is no need to correct the statement if it is false.

QUESTION 2:   **15 minutes**   **16 marks**   *(DOE Nov. 2008)*

Study the advertisement on the following page and answer the questions that follow.

DEPARTMENT OF WORKS
KWAZULU–NATAL

**Female persons and people with disabilities are encouraged to apply
to meet the departmental targets on employment equity**

HUMAN RESOURCES PRACTITIONER: PROVISIONING

   SALARY: R132 054 per annum
   CENTRE: HEAD OFFICE (PIETERMARITZBURG)

REQUIREMENTS:
• A recognised National Diploma in Human Resources Management or equivalent qualification with majors in Human Resources, Personnel Management or Industrial Psychology plus sound knowledge of Human Resources Management OR Senior Certificate with two years' experience inhuman resources environment.
• A valid code EB driver's licence and computer literacy.

SKILLS:
• Knowledge of Persal system, communication, research and writing skills.
• Knowledge of prescripts governing Human Resources in the public service, ability to interpret prescripts and relevant legislation.
• Analytical thinking and conflict resolution skills.
• Good administration skills.

KEY PERFORMANCE AREAS:
• Coordinate recruitment process.
• Prepare submissions to top management for filling vacant posts.
• Give advice and assistance to Regional Offices on matters pertaining to provisioning and related policies.
• Develop and ensure adherence as well as proper implementation of all Human Resources provisioning policies.
• Conduct job evaluation within the Department.
• Give input to Human Resources Planning.

ENQUIRIES: Ms CG Sikhakhane Tel. 033 897 6383

THE PROVINCIAL ADMINISTRATION: KWAZULU–NATAL IS AN EQUAL OPPORTUNITY, AFFIRMATIVE ACTION EMPLOYER.

Applications must be submitted on the prescribed Z83 form, obtainable from any Public Service department and must be accompanied by a comprehensive curriculum vitae. Certified copies of qualifications, ID and driver's licence to be attached.
Applications that do not comply with the above instruction will be disqualified. Faxed copies will not be considered.
Direct your application and the name of the publication in which you saw the advertisement to: Head: Works, Private Bag X9142, Pietermaritzburg, 3200, clearly marked for the attention of Mr IM Meyiwa.
Candidates are advised not to send their applications through registered mail as the Department will not take responsibility for noncollection of these applications.
Please note that due to the large number of applications we envisage receiving, applications will not be acknowledged.
Should you not be advised by this office within three (3) months of the closing date of this advertisement, kindly consider your application unsuccessful.
It is the applicant's responsibility to have foreign qualifications assessed for equivalence by the South African Qualifications Authority (SAQA).

CLOSING DATE: 7 SEPTEMBER 2007

[Adapted from: *Career Alliance,* 28 Aug. – 3 Sept. 2007]

2.1   State the job title.   (2)

2.2   Assume you are applying for this position. Name any TWO significant aspects that
         are of relevance to you. Give reasons for your answer.   (6)

2.3   Calculate the monthly gross salary for the advertised position.   (4)

2.4   How does this advertisement comply with the government's initiative of inclusivity?
         Give TWO reasons for your answer.   (4)

                                                                                                                        [16]

HINTS: All questions are based on the advert. When stating the job title, you must state the
full title.

QUESTION 3:   10 minutes   10 marks   (DOE March 2011)

Sibongile is employed at ABC Factory Ltd. She works a five-day week. Her remuneration is
based on the following:

       (a)   Working hours are 8 hours per day.
       (b)   The normal rate of pay is R60 per hour.
       (c)   Sibongile worked three hours overtime this week.
       (d)   The rate for overtime is 1,5 times the normal rate.
       (e)   Deductions for the week are as follows: income tax R320, UIF R26,70, staff
                social club R15 per week.
       3.1   Calculate Sibongile's gross wage for the week. Show ALL calculations.   (6)
       3.2   Calculate Sibongile's nett wage for the week. Show ALL calculations.   (4)
                                                                                                                        [10]

QUESTION 4:   5 minutes   6 marks   (DOE March 2009)

State THREE factors/points that you will consider when developing a strategy for any
business of your choice so that challenges in the macro business environment can be
overcome.   [6]

SECTION B: ADDITIONAL CONTENT NOTES   No additional notes

SECTION C: HOMEWORK

QUESTION 1:   10 minutes   10 marks   (GDE Supplementary Exam 2009)

Write down the appropriate term/s or name for each of the following descriptions next to
the corresponding number in your answer book.

1.1   The institution set up in South Africa to ensure that people are treated in a fair and
         dignified manner.

1.2   The return received from investing in the shares of a company.

1.3   The standards of sound and professional business behaviour.

1.4   When a manager insists on sexual favours from someone under his authority, in
         return for a favour, he could be charged with ....

1.5   The structure of a country's population in terms of its race, culture, religion, etc.
                                                                                                                (5 x 2)[10]

QUESTION 2:   **35 minutes**   **10 marks**   *(DOE Feb. 2010)*

> In 1994 the new democratic government was elected. One of the main goals of the new government was to address unfair labour practices of the past.

Discuss the nature and purpose of the THREE legislations listed below. Justify the impact of these Acts on the successful performance of business operations.

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
Employment Equity Act, 1998 (Act 55 of 1998)
Skills Development Act, 1998 (Act 97 of 1998)   [40]

SECTION D: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1	False √√	(2)
1.2	False √√	(2)
1.3	True √√	(2)
1.4	True √√	(2)
1.5	False √√	(2)
		[10]

QUESTION 2

2.1   Human resources practitioner: Provisioning √√   (2)

2.2

- Related skills. Persal system, relevant legislation. √√
  Special interest, meet requirements and experience in key
   performance areas. √
- Salary: R132 054 p.a. √√
  Present salary is lower. √
- Duties of the position. √√
  Duties suit your interest. √
- Closing date of the application. √√
  Meet deadlines. √
- Contact person. √√
  Enquiry. √
- Head Office: Pietermaritzburg.   √√
  Location
- Any requirements stated in the advert covered by the learners should
  be considered.
- Aspect only taken from advert only 2 marks to be allocated.   (Any 2 x 3)(6)

Significant aspect	2
Reason	1

2.3   Monthly gross salary = Salary per annum ÷ 12 √√
         R132 054 ÷ 12 = R11 004,50   √√**or** if answer is correct √√√√   (4)
          Learner rounds off the answer to R 11 005 allocate √√√√ (4) marks.

         (If answer is incorrect allocate a maximum of 1 mark for showing
         understanding of process/concept and procedure.)

2.4   - Female persons are encouraged to apply for this position. √√
               - Persons with disabilities are also encouraged to apply.√√
               - Equal opportunity, affirmative action employer. √√   (Any 2 x 2) (4)
                                                                                                              [16]

QUESTION 3

3.1   Gross wages = ([8 hours x R60] x 5days) + (3 hours x [1,5 x R60])
                        = (R480 x 5) √ + (3 x R90) √
                        = R2 400 √ + R270 √
                        = R2 670 √√   (6)

3.2   Net wages = R2 670 – R320 √ - R26.70 √ - R15 √
                           = R2 308.30 √   (4)
                                                                                              [10]

QUESTION 4

               - Have a clear vision/mission, etc. √√
               - Focus on the long-term goals of the business as a whole. √√
               - Design a SWOT analysis to re-evaluate the current position of the business. √√
               - Establish what should remain the same or what should change to adapt to
                   external factors. √√
               - Deploy the resources and skills of the business to take care of the threats or
                   opportunities in its environment. √√
               - Design a strategic plan of long-term goals over a certain time span
                   (e.g. 3 – 5 years). √√
               - Identify responsible departments to establish internal and external
                   focuses. √√
               - Any other relevant responses relating to the effective planning in relation to the
                   macro environment. √√

                                                                        (Any 3 x 2) **[6]**