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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1**

**INFORMAL ACTIVITIES**

**2019**

**These activities consist of 17 pages.**

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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1 INFORMAL TASK**

**MACRO ENVIRONMENT: LEGISLATION**

**ACTIVITY 1**

**TOTAL: 100**

1.1 Outline the role of SETAs in supporting the Skills Development Act, 1998 (Act 97 of 1998). (8)

1.2 Read the scenario below and answer the questions that follow

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| **THULANE TRADERS (TT)**  Thulane Traders employs 50 workers who are responsible for producing its products. All employees are expected to produce quality products, although only young employees are given the opportunity to learn new skills. Female employees are excluded from attending training |

1.2.1 Name the Act that makes provision for employees to improve their work performance. (2)

1.2.2 Quote actions in the scenario above that may be regarded as discriminatory by this particular Act. (2)

1.2.3 Evaluate the impact of the Act mentioned in QUESTION 1.1.1 on Thulane Traders as a business. (8)

1.2.4 Advise the management of TT on ways in which they can comply with this Act. (8)

1.3 Explain the difference between the *National Skills Development Strategy* and the *Human Resources Development Strategy*. (8)

1.4 Read the scenario below and answer the questions that follow.

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| --- |
| **JOKO TRENDY BAGS (JTB)**  Joko Trendy Bags design and manufacture fashionable handbags. They employ 50 workers, who are allowed to join a trade union of their choice. The management of JTB resolves work-related disputes through statutory conciliation, mediation and arbitration. |

1.4.1 Identify the Act that applies to JTB. Quote from the scenario above to support your answer. (3)

1.4.2 Outline the rights of the employers and employees that are stipulated in the Act identified in QUESTION 1.4.1 (12)

1.4.3 Discuss the negative impact of this Act on JTB as a business. (8)

1.5 Essay question

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| Businesses realise the importance of redressing the imbalances of the past by implementing the Employment Equity Act. Some businesses feel that this Act only benefits a certain group of population |

Write an essay on the following aspects:

* Outline the purpose of the Employment Equity Act
* Discuss the impact of this Act on businesses.
* Explain actions that can be regarded as discriminatory by the EEA.
* Advise businesses on ways they can comply with the Act.

(40

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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1 INFORMAL TASK**

**MACRO ENVIRONMENT: LEGISLATION**

**ACTIVITY 2**

**TOTAL: 46**

2.1 Identify the provision of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) that Faaried Bakeries complied with in EACH case below.

2.1.1 Employees are required to work eight hours a day for six days.

2.1.2 One of the male employees took three days' leave after the birth of his child

2.1.3 Employees are allowed to take a 60-minute break after working for five hours.

2.1.4 Management does not employ workers who are younger than 16 years old.

2.1.5 Employees are generally not allowed to work more than ten hours extra a week.

(10)

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

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| --- |
| **M&U OUTFITTERS LTD**  M&U Outfitters Ltd manufactures school jerseys and tracksuits. M&U employees work 6 days a week from 09:00 to 18:00 non-stop with only one 15-minute break per day. Workers who take sick leave are not paid, even if they produce a medical certificate. |

2.2.1 Analyse the above scenario based on the provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) and make recommendations for improvements to M&U Outfitters Ltd's non-compliance to the BCEA. (12)

2.2.2 Discuss the impact of BCEA on M&U outfitters as a business. (8)

2.2.3 Advise the management of M&U outfitters on ways in which they can comply with the BCEA. (8)

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

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| --- |
| **MANGO GROOVE MANUFACTURERS (MGM)**  Mango Groove Manufacturers employed 50 workers to manufacture office furniture. MGM did not provide their employees with protective clothing and equipment. While operating a machine Gert permanently injured his arm. MGM advised him not to report the injury since they did not take the necessary precautions, according to the Act |

2.3.1 Name the Act MGM violated in the scenario above. (2)

2.3.2 Discuss the negative impact of the Act, identified in QUESTION 2.5.1, on MGM. (8)

2.3.3 Explain to MGM actions that can be regarded as discriminatory by this Act. (8)

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**BUSINESS STUDIES**

**MACRO ENVIRONMENT**

**ACTIVITY 3**

**TOTAL:86**

3.1 Distinguish between BEE and BBBEE. (8)

3.2 Identify the pillar of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) that Mpho Auditors has complied with in EACH statement below:

3.2.1 Mpho Auditors uses Themba Shuttle services to transport their employees.

3.2.2 They have donated laptops to schools in rural areas.

3.2.3 A learnership programme has been offered to all their employees.

3.2.4 Mpho Auditors has promoted two black females as heads of various departments.

3.2.5 They have invited the Bakwena community to buy shares in their company. (10)

3.3 Discuss the implications of the BBBEE pillars identified in QUESTION 3.4.4 and 3.2.5 on businesses. (8)

3.4 Justify the effectiveness of BBBEEE on businesses. (10)

3.5 Identify the consumer right applicable to EACH of the following policy statements of Zonke Stores

3.5.1 Customers will be refunded for faulty products.

3.5.2 Customers are given the option to stop unwanted direct marketing.

3.5.3 Zonke Stores will not publish false statements about their products and services.

3.5.4 Zonke Stores will honour credit vouchers and prepaid services.

3.5.5 Customers will receive written notices of amended clauses in their contracts that may limit their rights. (10)

3.6 Essay question

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| --- |
| The Consumer Protection Act (CPA), 2008 (Act 68 of 2008) promotes consumer rights. The National Credit Act (NCA), 2005 (Act 34 of 2005) was introduced to ensure that businesses address the needs of the consumer credit market. These Acts are beneficial to both businesses and consumers. |

You are an expert in consumer legislation. Write an essay on the following aspects:

* Outline the purpose of the Consumer Protection Act and the National Credit Act (NCA).
* Evaluate the impact of the NCA on businesses.
* Recommend ways in which businesses can comply with the NCA.

(40)

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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1 INFORMAL TASK**

**HUMAN RESOURCES FUNCTION**

**ACTIVITY 4**

**TOTAL: 60**

**4.1 Read the scenario below and answer the questions that follow.**

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| **JEFF TYRES LTD**  Jeff Tyres Ltd advertised a workshop manager's position in a national newspaper. The advertisement specified the job requirements and job specifications and stated that all potential candidates will be subjected to screening tests. Successful candidates will be expected to sign an employment contract. |

4.1.1 Identify TWO components of a job analysis from the scenario above. (4)

4.1.2 Explain the differences between the components of a job analysis identified in QUESTION 4.1.1. (8)

4.1.3 Discuss the recruitment procedure except the components of a job analysis.(8)

4.1.4 Elaborate on the meaning of screening as a human resources activity. (4)

4.1.5 Advise Jeff Tyres LTD on the other selection procedure they should have followed to select the best candidate for the vacancy. (8)

4.1.6 Discuss the legal requirements of an employment contract. (8)

4.1.7 State FOUR reasons for the termination of an employment contract. (8)

4.2 You have been invited to attend an interview. Explain your role as an interviewee during the interview. (8)

4.4 Advise businesses on the benefits of induction. (8)

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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1 INFORMAL TASK**

**HUMAN RESOURCES FUNCTION**

**ACTIVITY 5**

**TOTAL: 58**

5.1Read the scenario below and answer the questions that follow.

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| **EZWENI FURNISHERS (EF)**  Ezweni Furnishers have appointed Themba and Thoko as sales managers. They are both paid according to the number of units sold. They also enjoy fringe benefits offered by EF. |

5.1.1 Identify the method used by EF to determine Themba and Thoko's salaries. Motivate your answer by quoting from the scenario. (3)

5.1.2 Explain differences between TWO salary determination methods. (8)

5.1.3 Evaluate the impact of fringe benefits on businesses. (8)

5.4 Essay question

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| Ben is the human resources manager of Mangaliso Ltd. He is responsible for recruiting and interviewing prospective candidates for the post of a bookkeeper. Mangaliso Ltd has to make appointments within the confines of the Employment Equity Act (EEA), 1998 (Act 55 of 1998). |

Write an essay on the following aspects:

* Explain the advantages of internal recruitment.
* Describe the role of an interviewer before the interview
* Suggest aspects that should be included in an induction programme.
* Advise Ben on how to comply with the Employment Equity Act when new appointments are made. (40)

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**BUSINESS STUDIES**

**GRADE 12**

**TERM 1 INFORMAL TASK**

**PROFESSIONALISM & ETHICS**

**ACTIVITY 6**

**TOTAL: 48**

6.1 Read the statements below and identify the unethical business practice that poses a challenge to business.

6.1.1 The Director of Simunye trading makes unwelcoming and sensual gestures when he talks to Tshidi the floor manager

6.1.2 Thabitha Electronics exaggerated the merits of their laptops in their advertisement campaign.

6.1.3 Angelo the financial manager of Macro Finances Ltd services bought her private assets using the company’s finances.

6.1.4 Karin Clothing sells school uniforms in central business area and charges more for his products in villages.

6.1.5 Khan spends more time on social media instead of performing his duties. (10)

6.2 Recommend TWO ways in which businesses can use to deal with EACH unethical business practice identified in QUESTION 6.1.3 , 6.1.4 and QUESTION 6.1.5 in the workplace. (12)

6.3 Suggest ways in which business can be conducted in a professional, responsible and ethical manner. (8)

6.4 Read the scenario below and answer the questions that follow

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| --- |
| **DORFS FINANCIAL SERVICES LTD (DFS)**  Dorfs Financial Services Ltd is failing to attract potential investors due to the company's poor performance. The shareholders discovered from whistle-blowers that the company's poor performance is the result of a lack of competency in the board of directors. The directors of DFS are denying this allegation. |

**Use the table below as a guide to answer this question**

|  |  |  |
| --- | --- | --- |
| **POOR CORPORATE GOVERNANCE** | **KING CODE**  **PRINCIPLE** | **APPLICATION** |
|  |  |  |
|  |  |  |
|  |  |  |

6.4.1 Quote TWO examples of poor corporate governance from the scenario above. (2)

6.4.2 Identify the TWO King Code principles for good governance that DFS did not apply. (4)

6.4.3 Advise DFS on how to apply each KING code principle identified in QUESTION 6.4.2 to improve their corporate governance (4)

6.5 Distinguish between ethics and professionalism. . (8)

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**GRADE 12**

**TERM 1 INFORMAL TASK**

**CREATIVE THINKING & PROBLEM SOLVING**

**ACTIVITY 7**

**TOTAL: 64**

7.1 Read the statement below and state whether the following statement is decision making or problem solving.

7.1.1 Alternative solutions are generated and critically evaluated.

7.1.2 Various alternatives are considered before choosing the best one.

7.1.3 The process is often done by a senior management who makes it authoritarian.

7.1.4 Process of analysing a situation to identify strategies to bring about change.

7.1.5 It is part of the problem-solving cycle as decisions need to be made in each step.

7.1.6 Problems can be solved by a group or an individual team member. (12)

7.2 Read the scenario below and answer the questions that follow.

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| --- |
| **SMOOTH FURNITURE LTD (SF)**  Smooth Furniture Ltd wanted to change the design of some of their furniture. Employees were requested to suggest new ideas in a large group without working individually. These ideas were used to inspire new thoughts. The management of SF evaluated the advantages and disadvantages of each idea. |

7.2.1 Identify TWO problem-solving techniques used by Smooth Furnitures Ltd. Motivate your answer by quoting from the scenario above. (6)

Use the table below as a guide to answer this question.

|  |  |
| --- | --- |
| **PROBLEM SOLVING TECHNIQUE** | **MOTIVATION** |
|  |  |
|  |  |

7.2.2 Justify the effectiveness of ONE of the problem solving techniques identified in QUESTION 7.2.1 in solving complex business problems. (8)

7.3 Essay question

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| --- |
| **PAK TILES SUPPLIER ( PTS)**  The management of Pak Tiles suppliers wants to improve the quality of their tiles because of various complaints from their retail outlets. They have decided to apply the Delphi technique and nominal-group technique to solve their problem. They are also want their employees to work in an environment that stimulate creative thinking. |

Write an essay in which you include the following aspects:

* Outline problem solving steps that Pak Tiles Supplier can apply to solve business problem
* Explain the advantages of creative thinking in the workplace.
* Advise Pak Tiles Supplier on how they should apply the Delphi and nominal-group techniques to solve their business problem.
* Recommend practical ways in which Pak tiles supplier may create an environment that stimulates creative thinking in the workplace. (40)

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**GRADE 12**

**TERM 1 INFORMAL TASK**

**MACRO-ENVIRONMENT: BUSINESS STRATEGIES**

**ACTIVITY 8**

**TOTAL: 48**

8.1 Outline any FOUR steps in the development of a strategy 8)

8.2 Essay question

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| --- |
| **ZYL MANUFACTURERS (ZM)**  ZM specialise in the manufacturing of men's clothing. The business is struggling to pay its creditors due to the high inflation rate. ZM need to conduct the strategic management process in order to devise the best strategy that will assist them to overcome the challenges of the macro environment. |

Write an essay on the strategic management process. Include the following aspects in your response:

* Outline TWO aspects that should be considered during the initial stages of the strategic management process.
* Explain how ZM can apply the PESTLE model to deal with the challenges of the macro environment.
* Describe THREE types of defensive strategies that businesses may use to deal with challenges in the business environment.
* Advise ZM on the steps that they should consider when evaluating strategies.

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**GRADE 12**

**TERM 1 INFORMAL TASK**

**MACRO-ENVIRONMENT: BUSINESS STRATEGIES**

**ACTIVITY 9**

**TOTAL: 26**

9.1 Read the scenario below and answer the questions that follow.

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| **KURHULA EGG FARM ( KEF)**  Kurhula runs a business selling eggs at his farm. KEF business is not profitable as there is PLC eggs farm in the vicinity. He has decided to merge with PLC eggs. They changed the business name into KPC eggs farm. KPC decided to open another egg farm in another province in order to increase sales |

9.1.1 Identify TWO business strategies that are applicable to the scenario above. Motivate your answer by quoting from the scenario (6)

Use the table below as a guide to answer this question

|  |  |
| --- | --- |
| **BUSINESS STRATEGIES** | **MOTIVATION** |
|  |  |
|  |  |

9.1.2 Discuss the advantages of using integration strategies (8)

9.2 Read the scenario below and answer the questions that follow.

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| --- |
| **BOIS TEXTILES (BT)**  Bois textiles specialises with the manufacturing washing dish cloth. The human resource manager does not comply with the requirements of Basic Conditions of the Employment Act when drawing up employment contracts. Employees find it difficult to operate the newly launched sawing machine. The inflation rate has increased by 7% resulting in the business being unable to transport staff members that work unusual hours. The business use chemicals which are not ecofriendly. |

9.2.1 Identify the PESTLE factor that poses challenge for Bois Textile. Motivate your answer by quoting from the scenario. (12)

Use the table below to present your answer

|  |  |
| --- | --- |
| **PESTLE FACTOR** | **MOTIVATION** |
| **(a)** |  |
| **(b)** |  |
| **(c)** |  |
| **(d)** |  |

9.3 Read the scenario below and answer the questions that follow

|  |
| --- |
| **DAVE DIGITAL SOUND (DDS)**  DDS specialise in selling radios and car sound systems. They employ qualified sound engineers. The business does not have sufficient capital to buy and sell sound systems that cater for large events. Businesses in the same industry are closing down due to ineffective marketing campaigns. DDS is located in a high crime area. |

9.3.1 Compile a SWOT analysis for DDS. (4)

9.3.2 Suggest ONE strategy to handle each weakness and threat identified in QUESTION 9.3.1. (4)

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**GRADE 12**

**TERM 1 INFORMAL TASK**

**MACRO-ENVIRONMENT: BUSINESS STRATEGIES**

**ACTIVITY 10**

**TOTAL: 40**

**Essay question**

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| The market and macro-environment pose many challenges to business operations that may have a negative impact on business success. It is important that these challenges are identified and strategies are formulated to deal with them |

With the above reference in mind, write detailed essay focus on the following aspects:

* Explain how businesses may use Porter’s Five Forces Model to analyse the market environment.
* Describe THREE types of diversification strategies that business may use to address challenges in the market environment.
* Discuss the effectiveness diversification strategies in addressing business challenges.
* Suggest steps that businesses may use to evaluate a strategy. (40)