

Answers to these questions will be available on www.kzn12.co.za

Question 1: MULTIPLE CHOICE

Each of the following statements / questions is followed by four options, only one of which is correct. Choose the correct option and indicate this by placing the letter of the alphabet that corresponds to it next to the number.

1.1 Brainstorming is an example of:

- A. a social responsibility programme
- B. a way to improve job design
- C. presenting business information
- D. a training programme to encourage creativity

1.2 The following measures the performance of the business

- A. liquidity
- B. profitability
- C. sustainability
- D. solvency

1.3 This act makes provisions for employees to strike legally

- A. Employment Equity Act
- B. Black Economic Empowerment Act
- C. Labour Relations Act
- D. Basic Conditions of Employment Act

1.4 This form of ownership stipulates a maximum of ten members:

- A. partnership
- B. public company
- C. private company
- D. close corporation

1.5 Income earned from investment on fixed property is called:

- A. rent
- B. interest
- C. real estate
- D. annuity

1.6 This act states the maximum number of hours employees can work and that employers must give their workers sufficient breaks during their time at work.

- A. Basic Conditions of Employment Act
- B. Employment Equity Act
- C. Skills Development Act
- D. Occupational Health and Safety Act

1.7 Which one of the following contributions an employer and employee is compelled by law to make based on the workers salary/wages.

- A. pension fund
- B. medical aid
- C. staff fund
- D. UIF

1.8 Internal recruitment can be done by advertising ...

- A. in national newspapers
- B. on staff notice boards
- C. on the internet
- D. on regional radio stations

1.9 Disciplinary rule and procedures form part of the _____ contract.

- A. employment
- B. hire-purchase
- C. leasing
- D. insurance

1.10 The rights to an insurance policy transferred to another person is referred to as _____.

- A. reinsurance
- B. subrogation
- C. cession
- D. excess

Question 2: TRUE/FALSE

Indicate whether the following statements are true or false.

- 2.1 The South African Qualifications Authority (SAQA) is responsible for quality assurance of products in the manufacturing industry.
- 2.2 The management of a business does not have control over the market environment, but can influence it.
- 2.3 The recruitment and selection of human resources can be outsourced by a business enterprise.
- 2.4 Sexual harassment consists of only cases of rape and assault.
- 2.5 A 'tactical plan' is plan of action to achieve a goal.
- 2.6 Guidance means discouraging workers to use the necessary equipment to achieve objectives.
- 2.7 A depreciating currency will make it cheaper for South Africa to export goods to other countries.
- 2.8 Poisonous gas emissions from power plants and vehicles that enter the atmosphere and return to the earth is known as acid rain.
- 2.9 A share in a portion of the business's profit, after tax, divided between the shareholders
- 2.10 Increasing production within a business organisation is an advantage to competitors.
- 2.11 The job description stipulates the qualities required by the applicant.
- 2.12 Employees can be dismissed if they participate in stayaways.
- 2.13 Labour Courts will only hear a case if it has been referred to the CCMA, and if the conciliation process failed to resolve the dispute.
- 2.14 Formal disciplinary procedures have to be used every time there is a breach of a standard or rule.
- 2.15 The Labour Relations Act makes provision for workers and employers to organise and bargain collectively.
- 2.16 One of the reasons workers picket is to ensure that deliveries and collections to and from the firm takes place.
- 2.17 The advantage of an industrial trade union is the collective bargaining power of all the workers in the industry.
- 2.18 Off-the-job training requires that employees attend training programmes at a venue outside the firm.
- 2.19 A prospectus is a written document which is the invitation to the public to buy shares in the company.
- 2.20 A debenture holder is the part owner of the company.

Question 3: CONCEPTS/TERMS

Give the correct term or concept described by each of the following statements.

- share certificate
- strategy
- workplace forum
- outsourcing
- collective bargaining
- workmen's compensation
- fidelity
- insurance
- arbitration
- salary
- wages
- induction

- 3.1 Plan of action to achieve a goal.
- 3.2 Employers and trade unions engaging in resolving a dispute
- 3.3 Formed by representatives of workers in the workplace with the aim of giving input in the management decisions.
- 3.4 A logical way to end conflict because the mediation process has deadlocked.
- 3.5 Process whereby new employees are introduced to the business.
- 3.6 The subcontracting of various phases of a job to other firms or individuals.
- 3.7 Insurance that covers certain employees doing certain types of work, especially high-risk jobs.
- 3.8 Type of insurance that covers losses caused by employee dishonesty.
- 3.9 The document that proves ownership of shares.
- 3.10 An annual income usually divided into monthly payments.

Question 4: CASE STUDY

Study the extract and answer the questions set.

Mr Alan Jones and Mrs. Imbali Dongwa have been operating JD Supermarket as partners for the past three years. Their business is fairly successful, however they are both concerned that in the event that their business fails, their personal assets are at stake. They would prefer a form of ownership that is relatively easy to form and where the membership will not exceed ten.

- 4.1 Suggest an appropriate form of ownership for Mr Jones and Mrs. Dongwa.
- 4.2 Comment on the following with regards to the form of ownership you have suggested:
 - 4.2.1 continuity
 - 4.2.2 liability of owners
 - 4.2.3 taxation of profits
 - 4.2.4 document(s) that need to be drawn up on formation
 - 4.2.5 maximum and minimum number of members
- 4.3 Do you think the form of ownership you suggest will have a better potential to attract finance? Explain your answer.
- 4.4 Outline two ways this form of ownership differs from a private company.
- 4.5 If Mr Jones and Mrs. Bongwa went in for the formation of a public company, state the two documents that will be required on registration.

Question 5: CASE STUDY

Read the case study given below and answer the questions set.

RAM'S DVD

Ram Singh is an educator at a local school. In order to supplement his income he has started a business which he has been operating for the past three years. He purchases copies of the latest DVDs from a local retail outlet makes copies of these and sells them at various flea markets over the weekends. His business is not registered with SARS and he has never paid any form of taxes. In order to operate his business he has three workers who work seven days a week. The workers are expected to reproduce the DVDs during the week days and man the stalls at the flea markets over weekends. The workers work long hours, never get leave and are docked a day's pay if they do not report to work if they are unwell. He makes no provision for UIF and workman's compensation.

- 5.1 The case study reflects a number of illegal business issues. Identify them.
- 5.2 Identify the two forms of piracy described in the case study.
- 5.3 What is the negative impact of piracy?
- 5.4 UIF
 - 5.4.1 What does UIF stand for?
 - 5.4.2 What is the purpose of UIF contributions?
 - 5.4.3 Most employees contribute to the UIF. To which employees does the UIF Act not apply?
 - 5.4.4 How are contributions made to this fund?
- 5.5 Would you as a consumer support Ram's DVD? Explain.

Question 6: DATA RESPONSE

Study the sketches given and answer the questions set.

Sketch A



Sketch B



- 6.1 Match the terms primary sector and secondary sector with sketch A and sketch B.
- 6.2 Classify each of the following as either primary or secondary activities:
 - 6.2.1 Anglo American
 - 6.2.2 Kellogg's
- 6.3 All businesses are expected to be environmentally responsible. List 4 ways in which businesses in the primary and secondary sector can play role in protecting the physical environment.

Question 7:

Read the article below and answer the questions that follow:

Protecting Yourself Should Disaster Strike Fire, thefts and accidents are everyday events - just because you have not yet been unlucky does not mean that you will not be a victim at some stage. To protect yourself against the financial consequences of unexpected events such as fire, theft and accidents, you can take out insurance. The two main types are short-term insurance and long-term insurance. Within each of these there is insurance to cover a range of events as well as all or some of your belongings.

- 7.1 List three types of short term risks that you may insure yourself against.

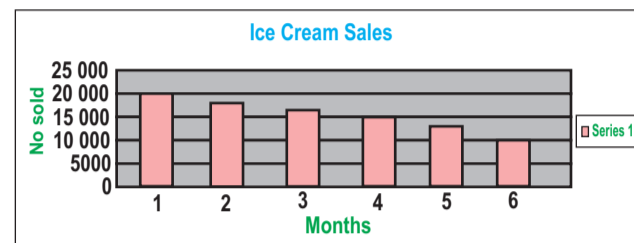
- 7.2 What is the monthly payment to the insurance company called?
- 7.3 Whole Life Insurance and Endowment are two categories of long term insurance. Distinguish between these two categories.
- 7.4 Describe the need for insurance to businesses.
- 7.5 Name 4 non-insurable risks.
- 7.6 Explain each of the following terms:
 - 7.6.1 overinsurance
 - 7.6.2 cession
 - 7.6.3 average clause
- 7.7 The Road Accident Fund (RAF) is a form of compulsory insurance. Describe how this fund collects its income and what is the purpose of this fund.
- 7.8 What is understood by the term UIF? Who contributes to this fund and what is its purpose?

Question 8:

Study the graph below and answer the questions set. The graph shows the ice cream sales of Frozen Delights (Pty) Ltd, a company based in Gauteng.

Note:

On the graph 1 to 6 represents the month of the year from January to June.



- 8.1 In which month was the sales the highest?
- 8.2 How many ice creams were sold in April?
- 8.3 What is the general trend of sales from January to June?
- 8.4 What is the reason for the trend described in (8.3) above?
- 8.5 Name two parties that may be interested in the above figures.
- 8.6 Predict what will happen to the sale of ice creams from July to December.
- 8.7 Name two strategies that the company can employ in order to increase the sales of ice creams.
- 8.8 Is Frozen Delights a private or public company. Give a reason for your answer.
- 8.9 Name the document that this company had to present to the registrar of companies outlining the internal running of the enterprise.

Question 9:

Trade Unions were primarily established to address the challenges faced by employees in the workplace.

Outline the functions of trade unions in improving the working conditions of employees. Analyse their role in promoting good labour practice and in uplifting the standards of living for workers in South Africa.

Question 10:

Referring to the successful business enterprises like Shoprite, Old Mutual and Liberty Life, it is clear that good managers will lead their business enterprises to greater heights of achievement, productivity and profitability if they are good leaders as well.

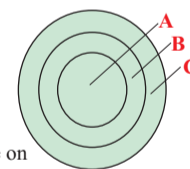
Distinguish between management and leadership and differentiate between five types of leadership styles that are possible in the business. Briefly explain how each of these leadership styles will manage conflict between employees in the business.

MISCELLANEOUS QUESTIONS:

Question 11:

Study the diagram showing the three business environments and answer the questions set.

- 11.1 Identify the business environments labelled A, B and C.



11.2 Refer to the environment labelled B, the market environment:

- 11.2.1 Comment on the control a business can have on this environment.
- 11.2.2 Would you regard this as an external or internal environment?
- 11.1.3 Besides competitors, name other variables /elements found in this environment that can influence a business.

11.3 Refer to the environment labelled C, the micro-environment.

- 11.3.1 Comment on the control a business can have on this environment.
- 11.3.2 Would you regard this as an external or internal environment?
- 11.3.3 Name other variables / elements found in this environment that a business can have control over.
- 11.4 Would you regard the macro-environment as an external or internal environment?
- 11.5 Would you regard the macro-environment as an external or internal environment?
- 11.6 To what extent can a business control and influence the macro-environment?
- 11.7 Which environment is found outside the market and micro-environments of the business.
- 11.8. Can any of the three environments and their sub-environments and variables operate in isolation? Explain your answer?

11.9 Classify the following as belonging to either one of the business environments:

- 11.9.1 Suppliers
- 11.9.2 Production Factors
- 11.9.3 Socio-cultural Variables
- 11.9.4 Intermediaries

Question 12

The steps given below are the steps to follow when using the Delphi Technique. Re-arrange them in the correct order.

- a. Steps c, d, e may be repeated until consensus is reached.
- b. Collate and analyse the results at a central point
- c. Identify the problem and ask group members to submit solutions based on questionnaire.
- d. Forward a copy of the results to each member
- e. Each member must do this independently and anonymously.
- f. Members are required to give new or amended solutions after seeing the results.

