



**BUSINESS STUDIES: PAPER II**

Time: 2 hours

100 marks

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**PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY**

1. This question paper consists of 4 pages. Please check that your question paper is complete.
2. Read the questions carefully and plan the length of your answers in relation to the sections being covered in each question.
3. Answer **both Question 1 and Question 2**.
4. Number your answers exactly as the questions are numbered.
5. Each question must be answered on a **new page**.
6. Candidates are advised to pay special attention to the use of language.
7. It is in your best interest to write legibly and to present your work neatly.
8. Answers must be completed in the Answer Book provided.

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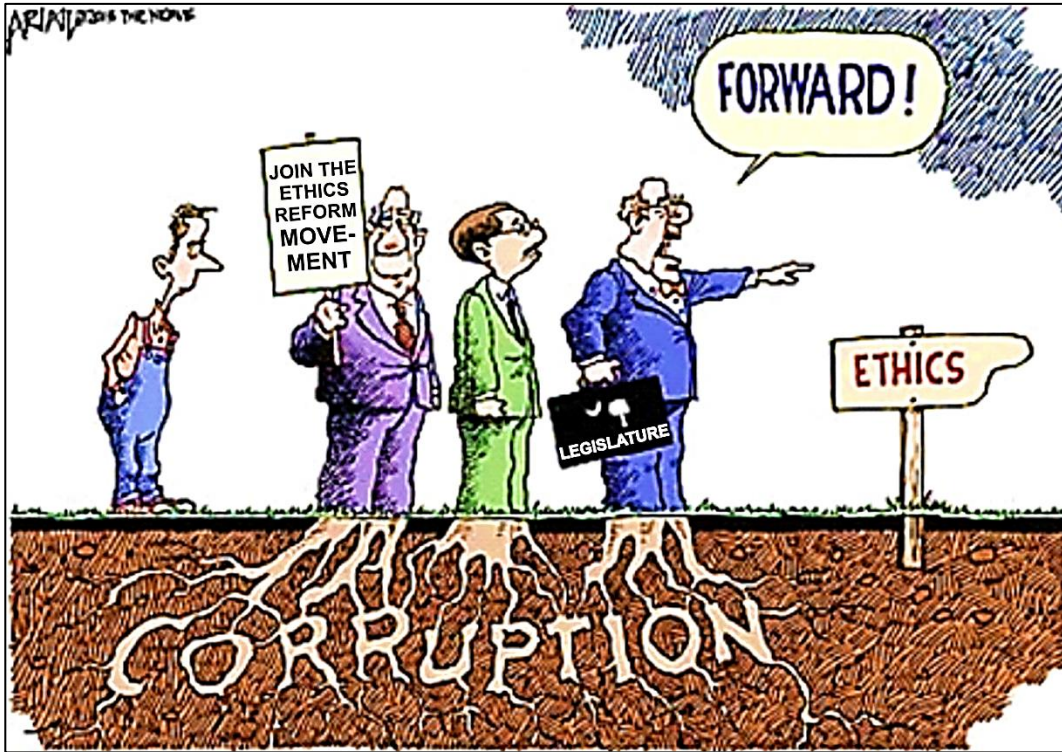
The following aspects will be considered when marks are allocated:

- Format:
  - The **CORRECT** format for each question must be used, i.e. business report.
  - Where applicable, include an introduction and conclusion.
  - Use headings and sub-headings where appropriate.
- Terminology: correct business terminology should be used.
- Content: must be sufficient to cover all aspects of the question.
- Substantiation: justification for statements made.
- Application to case study/context/theme.
- Creative problem-solving rather than just giving theoretical facts.
- Synthesis and sequencing.

### QUESTION 1

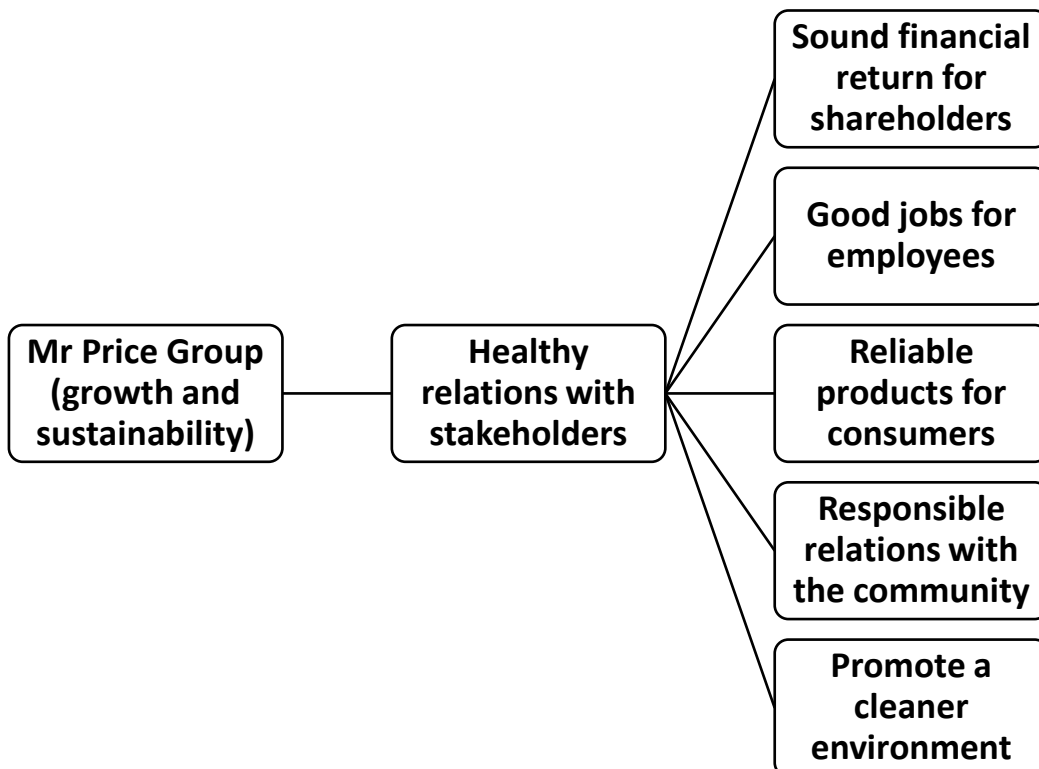
Study the following sources before answering the question that follows:

#### SOURCE A



[Source: <<http://lwvcharleston.org>> Accessed on 26 November 2015]

#### SOURCE B



**SOURCE C**

The governance environment is supported by the King Code of Corporate Governance for South Africa 2009 (King III) principles and practices and the JSE Listings Requirements.

Board members acting on the company's behalf are aware of their duties and responsibilities, the legislation, and regulations affecting their conduct. They ensure that sound corporate governance principles are applied in their dealings in respect of and on behalf of the company.

[Source adapted from: <www.mrprice.co.za> Accessed on 26 November 2015

To ensure that Mr Price is able to achieve its growth and sustainability objectives, the business had to implement sound ethical and Corporate Governance frameworks into its business operations.

**Required:**

Mr Price has decided to reinforce its ethical and Corporate Governance frameworks throughout the business. Write a business report that could be used to assist in this process. In this report you have to:

- Evaluate how **ethical/unethical behaviours** within the Mr Price Group could affect Mr Price in achieving sound growth and sustainability objectives.
- Provide advice to the various managers to promote ethical behaviour by considering Corporate Governance/King Code principles, Codes of Conduct and any other relevant advice relating to ethical behaviour.

[50]



[Source: <www.mrprice.co.za>]

**QUESTION 2**

Read the following sources before answering the question that follows:

**SOURCE D****South Africa's labour market**

- South Africa's labour market has transformed since 1994, with an emphasis on strategies that eliminate labour inequalities of the past and improve general working conditions for all South Africans.
- Labour legislation in South Africa is supported by various laws, issued by the Department of Labour.
- With a high unemployment rate, South Africa's biggest challenge is the creation of jobs.
- Trade unions have become a key feature in South Africa's labour market.

**SOURCE E**

**Mr Price: Your gateway to a career with the fastest growing retail company in South Africa!** **HIRE FOR ATTITUDE AND TRAIN FOR SKILL** is the philosophy of the Mr Price Group. We see employees as partners in the business. Our company's success is based on its people, while its core values – **PASSION, VALUE & PARTNERSHIP** – set us apart as an employer of choice.

[Sources adapted from: <<http://www.southafrica.info>> Accessed on 2 September 2015 and <<http://www.mrpricegroupcareers.com>> Accessed on 26 November 2015]

The Mr Price managers have a key role directly related to the employees. It is important that these managers possess in-depth knowledge of the South African labour legislation.

**Required:**

As the Senior Human Capital manager at Mr Price, you are required to write a report to newly appointed managers. The aim of this report is to help these managers understand the **purpose and implications** (positive and negative) of the **South African labour legislation** and the impact it has on the **overall performance** of Mr Price.

As the Human Capital manager you also have to stipulate what should be done to ensure that Mr Price complies with the **South African labour laws**.

**Hint:** Acts you may consider: **Labour Relations Act, Basic Conditions of Employment Act, Skills Development Act, Employment Equity Act, Broad-Based Black Economic Empowerment Act** and any other relevant Act.

[50]

**Total: 100 marks**