



TOTAL MARKS

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NATIONAL SENIOR CERTIFICATE EXAMINATION  
NOVEMBER 2019

**BUSINESS STUDIES: PAPER I**

EXAMINATION NUMBER

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Time: 2 hours

200 marks

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**PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY**

1. This question paper consists of 24 pages. Please check that your question paper is complete.
2. Read the questions carefully.
3. All questions are **COMPULSORY**.
4. Answer ALL the questions on the question paper and hand this in at the end of the examination. Remember to write your examination number in the space provided on the question paper.
5. Demonstrate insight, where applicable, when answering the questions. You may refer to any petrol stations/garages (including food courts and retail outlets associated with petrol stations) that you have studied this year.
6. You are advised to pay particular attention to the use of language and the **allocation of marks**.
7. It is in your own interest to write legibly and to present your work neatly.
8. If you run out of space for a question, one extra, blank page (page 24) is included at the end of the paper. Please clearly indicate the question number of your answer should you use this extra space.

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**Allocation of marks**

Q 1	Q 2	Q 3	Q 4	Q 5	Q 6	Total

**SECTION A**

**QUESTION 1**

Indicate the **most correct** answer by writing the letter of the alternative you have chosen in the space provided at the bottom of each page.

- 1.1 A director who resigns from his/her position in the company because of insider trading is displaying ...
  - A synergy.
  - B accountability.
  - C indemnification.
  - D vertical integration.
  
- 1.2 The appearance of petrol station attendants, the signage used on the garage premises and the website of the business on the internet forms part of the ... policy of marketing.
  - A product
  - B promotion
  - C distribution
  - D physical evidence
  
- 1.3 The ... Act provides guidelines to ensure that the contract of employment signed by both parties, is valid.
  - A Basic Conditions of Employment
  - B Employment Equity
  - C Compensation for Injuries and Diseases
  - D Skills Development
  
- 1.4 When a garage owner can prove that the business will sustain a financial loss in the event of a fire, the ... principle will apply.
  - A insurable interest
  - B diversification
  - C regulatory discipline
  - D positive leverage
  
- 1.5 A possible outcome of dysfunctional conflict could be ...
  - A an increase in productivity.
  - B that a wider range of ideas are considered by the conflicting parties.
  - C management clarifying worker misconceptions.
  - D higher levels of stress and anxiety for the workers.

<b>1.1</b>	<b>1.2</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>

- 1.6 Which of the following activities are necessary in order to perform manpower planning?
- A Recruitment, induction and selection
  - B Job analysis, job description and job specification
  - C Cost plus benefits, cost to company and commission package
  - D Training, discipline and CSI
- 1.7 A challenge that a petrol station could face from the micro environment could be ...
- A an increase in the number of petrol stations in the CBD of Cape Town.
  - B a change in the VAT rate.
  - C dissatisfaction by petrol attendants with the way performance appraisals are done.
  - D electricity replacing petrol as an alternative fuel for vehicles.
- 1.8 Which of the following is an advantage for employees engaging in a protected strike?
- A Employees have the security of knowing that they cannot be dismissed.
  - B Employers cannot get a court interdict to stop the employees from striking.
  - C Employers may not seek damages for loss of productivity from employees.
  - D All of the above.
- 1.9 A shareholder that invests in BP shares ...
- A will receive interest as a return on the investment.
  - B pays a capital gains tax when shares are bought.
  - C could have capital growth and good dividends over the long-term.
  - D will earn a high return on the investment as they are risk free in the short-term.
- 1.10 Top level management is responsible for ...
- A the long-term strategic business plan, including the vision, mission, objectives and strategies for the overall business.
  - B tactical plans, which involve the acquisition of resources needed by the departments they control.
  - C planning work schedules and programs on a daily basis.
  - D None of the above.

<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>1.10</b>

**[20]**

**QUESTION 2**

Match the descriptions in Column A with the concepts in Column B. Write only the correct letter from Column B under the appropriate question number of Column A in the space provided in the grid at the end of the question.

COLUMN A		COLUMN B
2.1	A tool used by the financial manager to evaluate an organisation's liquidity position.	A Recruitment B Brand stretching C Conciliation D Trade Union E Forward integration F BBBEE G Acid-test ratio H Conflict of interest I Backward integration J Constitution K Contractual capacity L Solvency M Resource-Based Approach N Selection O Mediation P Brand recovery Q Corruption
2.2	The use of an established brand to introduce products in unrelated markets.	
2.3	Gives advice and represents members on conditions of service and grievances during negotiations as well as other labour-relations issues.	
2.4	Fundamental law of South Africa and no other law or contract may supersede it.	
2.5	To attract job applicants with the necessary skills and motivation to cover manpower shortages.	
2.6	When a third party makes a recommendation on how a dispute should be settled, but the recommendation is not binding.	
2.7	A person who serves on the Board of Directors is approached by a competitor to be part of their Board of Directors.	
2.8	A problem-solving technique used by a business to find out which tangible and intangible items are of strategic importance to the business.	
2.9	A person over the age of 18 in South Africa can sign binding agreements.	
2.10	A business buys one of its suppliers in order to eliminate the power of the supplier in the process.	

2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	2.10

[20]

**QUESTION 3**

Choose the correct term in brackets that will make the statement **TRUE**.

Write only the **correct word/term** in the space provided after each question.

- 3.1 A manager that follows an **(autocratic / laissez-faire)** leadership style believes that he/she should not interfere in the process of carrying out a task.
- 

- 3.2 **(Excess / Security)** is the rand amount of the loss or claim specified in the policy that is to be paid by the insured when a claim is submitted.
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- 3.3 The process where the business looks at its own methodologies to perform a task and then compares it to methods used elsewhere is referred to as **(benchmarking / job tolerances)**.
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- 3.4 When a garage franchisee creates a favourable work environment for his/her workers so that they don't resign from the job, he/she aims to **(induct / retain)** the workers.
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- 3.5 The **(COFESA / GRI)** is an independent institution that develops an acceptable guideline on sustainable reporting.
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[10]

50 marks



[Source: <<http://www.engen.co.za/motorists/our-network/1-stops>>]

**SECTION B**

**Use the mark allocation as a guide to the length of your answers.**

**QUESTION 4**

**Required:** Supply the missing information in each of the following schematic diagrams.

<b>4.1 Macro challenges faced by a PETROL STATION franchise in South Africa</b>		
<b>Macro challenge</b>	<b>Describe why the element in the first column could be a challenge</b>	<b>Provide a different strategy for each of the macro challenges identified in the first column</b>
<b>4.1.1 Economic</b>	(2)	(2)
<b>4.1.2 Social</b>	(2)	(2)
<b>4.1.3 Technological</b>	(2)	(2)



**4.3 Discuss how Sasol Ltd could use the following principles of good corporate governance to meet stakeholder expectations.**

**4.3.1  
Accountability**



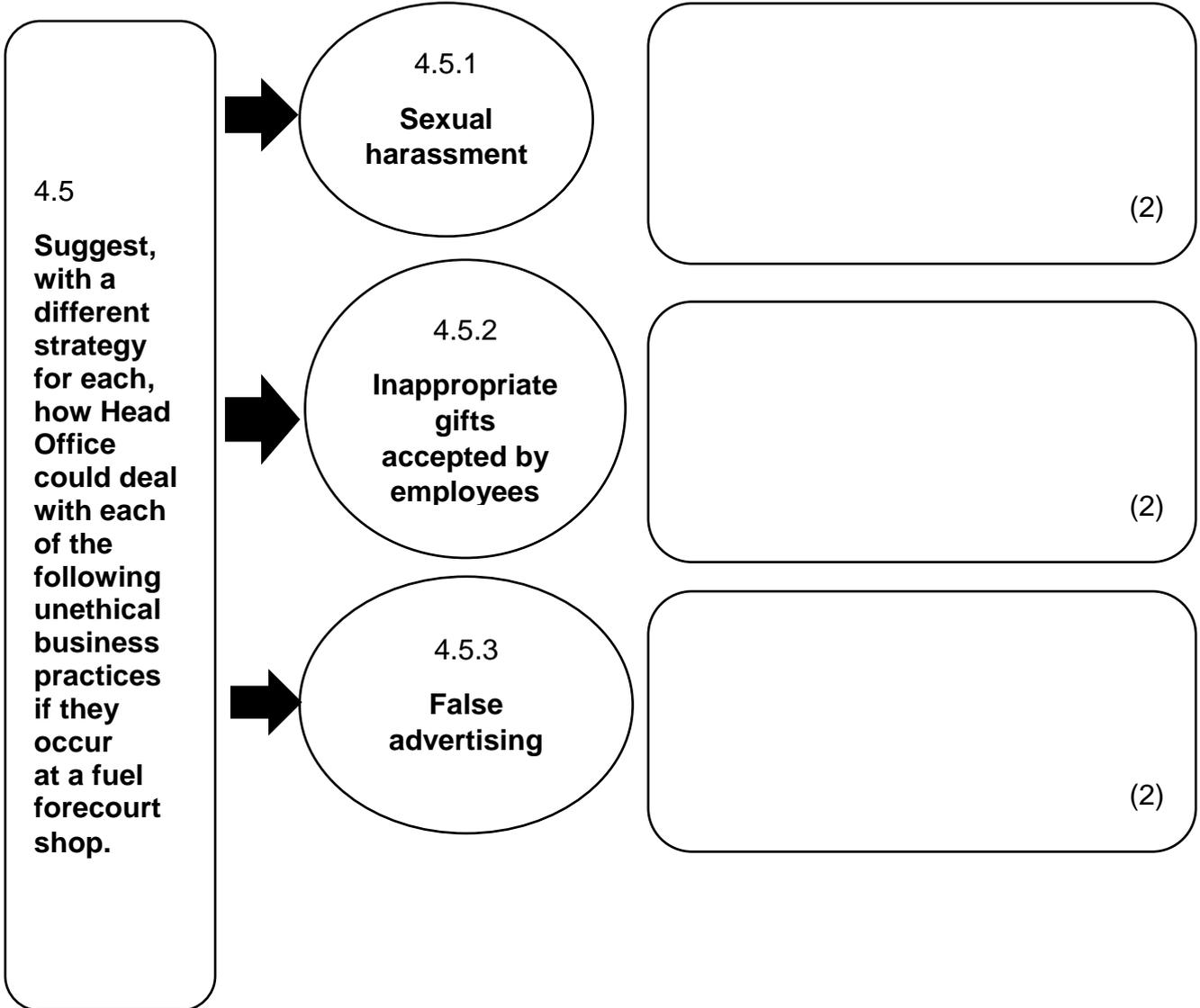
Handwritten response area for Accountability, consisting of 20 horizontal lines. A mark of (3) is present at the bottom right corner.

**4.3.2  
Transparency**



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[Source: <<https://www.news24.com/Drum/Archive/bp-to-invest-billions-in-sa-20170728>>]

4.6 4.6.1 A petrol station franchisor is considering whether to spend additional funds on:

- customer service training for its employees or
- an investment in a fast-food franchise linked to the petrol station.

**You are required to:**

- assist the franchisor with his decision by completing a pros and cons chart for the two options.
- motivate your final decision.

Answer the question in the following table.

**Pros and Cons Chart**

<b>Customer Service training for its employees</b>	
<b>Pros</b>	<b>Cons</b>
(2)	(2)
<b>Invest in a fast-food franchise linked to a petrol station</b>	
<b>Pros</b>	<b>Cons</b>
(2)	(2)
<b>Your final decision and motivation: (Note 2 marks are for the motivation)</b>	
(2)	

4.6.2 Suggest ONE problem that the petrol station franchisor could face when using the pros and cons chart as a creative problem-solving tool.

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(1)  
[50]





**5.3 Human Capital Function at Sasol Ltd.**

5.3.1 Explain why the initial screening of applicants is an important step in the selection process.

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(4)

5.3.2 Describe the purpose of an interview in the selection process.

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(4)











6.1.4 Discuss the impact of the "right to disclosure of information" from the Consumer Protection Act on the Marketing department of Shell South Africa.

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(4)

6.2 Discuss what methods employers could use to communicate organisational goals to their employees.

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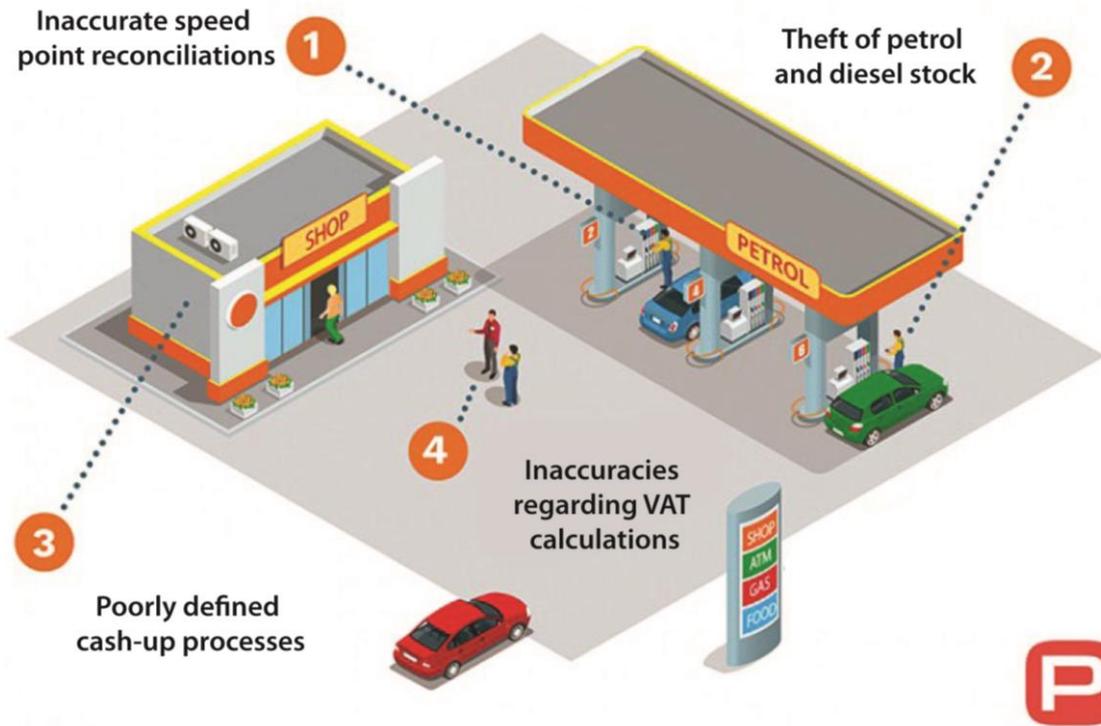
(4)





6.5 Study the following infographic and then answer the question that follows.

### Back-office system failures



[Source: <<https://petroconnect.co.za/blog> Downloaded February 2019>]

Provide suggestions on how petrol station owners can deal with some or all of these system failures.

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(5)  
[50]

**150 marks**

**Total: 200 marks**  
PLEASE TURN OVER

