

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 When the top management of Spar explain the reasons why they implement a corporate social responsibility programme, they are displaying ...

- A transparency.
- B whistle blowing.
- C delegation.
- D brand positioning.

(2)

1.2 Organic Farming supplies fresh produce to its own Pick n Pay stores. This refers to the ... strategy.

- A horizontal integration
- B forward integration
- C value-chain analysis
- D liquidation

(2)

1.3 The ... Act provides the legal framework for collective bargaining in South Africa.

- A Employment Equity
- B Skills Development
- C Basic Conditions of Employment
- D Labour Relations

(2)

1.4 Which one of the following shows that Makro is acting strategically to improve the performance of the business?

- A Supporting environmental awareness.
- B Selling Proudly South African products at Makro.
- C Supporting government in prioritising the employment of the youth.
- D All of the above.

(2)

1.5 The return on investment in a retirement annuity is dependent on the ...

- A level of corporate social investment in the economy.
- B size of the contributions and how long the contributions were made.
- C rates offered on mortgage bonds.
- D None of the above.

(2)

1.1	1.2	1.3	1.4	1.5

1.6 Which one of the following statements is **FALSE** with regard to the Unemployment Insurance Fund (UIF)?

- A An employee on maternity leave can claim UIF benefits.
 - B Employees that work less than 24 hours per month are excluded from UIF.
 - C An employee must register with the fund and pay a flat rate towards UIF.
 - D Contributions to the fund are made by both the employer and the employee.
- (2)

1.7 It is unethical for a Pick n Pay franchise owner to ...

- A personally use funds that have been set aside for corporate social initiatives.
 - B have a promotion where customers can buy one product and get another similar product free.
 - C deduct legal expenses before calculating taxable income.
 - D give an additional bonus to the employee of the month.
- (2)

1.8 Arbitration is a conflict resolution process where ...

- A the parties feel that there is an oversight by the CCMA and refer the matter to the Labour Court.
 - B a third party offers a binding instruction on how the conflict should be resolved.
 - C both parties discuss their points of view and reach a consensus.
 - D a non-binding recommendation is given by a third person.
- (2)

1.9 A high employee turnover could be the result of ...

- A unrealistic expectations from employees.
 - B management offering below-inflation wage increases.
 - C an unethical organisational culture in the business.
 - D All of the above.
- (2)

1.10 An advantage of a performance appraisal could be that ...

- A the employer discusses long-term career goals with the employee.
 - B it is part of the market analysis process.
 - C the production process slows down during the appraisal interview.
 - D annual inflation linked to salary increases are no longer required.
- (2)

1.6	1.7	1.8	1.9	1.10

1.11 The difference between a manager and a leader is that:

- A a leader addresses matters in the short term; a manager addresses the long-term matters.
- B a manager is original; a leader copies another person's behaviour.
- C a leader empowers people; a manager develops people.
- D a leader inspires people; a manager controls systems. (2)

1.12 Which business function handles staff duties such as recruitment, training and dismissals?

- A Marketing function
- B Financial function
- C Human Capital function
- D Production function (2)

1.13 An employee in a large business such as Pick n Pay who is highly innovative, is called a/an ...

- A entrepreneur.
- B leader.
- C intrapreneur.
- D platform developer. (2)

1.14 Which one of the following is **NOT** an advantage of a joint venture?

- A Synergy can be created when resources are shared
- B Risk is spread
- C Economies of scale can be achieved
- D Organisational culture is limited (2)

1.15 Attending a workshop after working hours is a form of _____ training.

- A off-the-job
- B on-the-job
- C mentor
- D behavioural (2)

1.16 Which task of the management process includes measuring results, comparing results to expectations, and taking corrective action to bring results in line?

- A Planning
- B Organising
- C Leading
- D Controlling (2)

1.11	1.12	1.13	1.14	1.15	1.16

1.17 The demonstrable skills, knowledge or behaviours that enable managers to perform is called ...

- A competencies.
- B job description.
- C job specifications.
- D job analysis. (2)

1.18 The beliefs and values in Makro that define the way business is conducted is known as the ...

- A specialist culture.
- B generalist culture.
- C organisational culture.
- D individual culture. (2)

1.19 All definitions of Corporate Social Responsibility recognise that:

- A companies have a responsibility for their impact on society and the environment.
- B the natural environment should be the main focus of CSR.
- C business ethics is a complex issue.
- D All of the above. (2)

1.20 GRI is an acronym for ...

- A Global Reporting Initiative.
- B Global Reporting Involvement.
- C Global Reporting Investment.
- D Global Reporting Index. (2)

1.21 Who are the organisational stakeholders in a business?

- A Employees
- B Government
- C Customers
- D All of the above (2)

1.22 Which of the following would most effectively act as the primary objective of a business organisation?

- A To communicate with shareholders.
- B To make a profit.
- C To conduct environmental scanning.
- D All of the above. (2)

1.17	1.18	1.19	1.20	1.21	1.22

1.23 Opportunities for social innovation are greatest when:

- A CSR is aligned with the business core skills and capabilities.
- B The CSR spending of a business is larger than that of its competitors.
- C CSR is pursued by a business to improve its reputation.
- D CSR is pursued by a business to enhance human capital. (3)

1.24 What is the main characteristic of the stakeholder approach?

- A The idea that many different groups have a legitimate interest in the corporation.
- B A critical focus on the economic responsibility of a corporation.
- C A focus on the social and environmental responsibilities of a corporation.
- D The assumption that shareholders are not the main stakeholders in the corporation. (3)

1.25 The principle of Good Corporate Governance that avoids a conflict of interest.

- A Independence
- B Accountability
- C Integrity
- D Transparency (2)

1.26 The excess clause in a Pick n Pay insurance contract refers to ...

- A the potential cause of loss.
- B a factor that increases the risk suffered.
- C the amount on each claim that is not covered by the contract.
- D the obligation that the insured has to transfer ownership of a policy to another party. (2)

1.27 The refusal of an employer to allow employees to continue working unless they accept certain conditions of the employer, is known as a ...

- A probation period.
- B protected strike.
- C lockout.
- D workplace forum. (2)

1.23	1.24	1.25	1.26	1.27

1.28 The manager at a Pick n Pay store realised that it would be difficult for employees to get to work because of planned road closures. Which one of the following practices can be described as being reactive?

- A The manager waited to see who arrived at work and then decided how to solve the problem.
- B The manager negotiated with employees who live closer to Pick n Pay to work on the day of the Comrades Marathon.
- C The manager arranged free accommodation in the area for employees who would have difficulty travelling to Pick n Pay.
- D The manager arranged transport to pick up employees earlier than normal. (3)

1.29 Which of the following are examples of inspection as a method of quality control?

- (i) Ribbon Bread company checks every loaf of bread before selling it to retailers.
 - (ii) At Cadbury's the staff members who are responsible for quality control have to taste one chocolate per batch.
 - (iii) Pick n Pay butchery weighs all packets of meats to ensure that they are the correct mass.
 - (iv) All Pick n Pay clothing is checked for factory faults to ensure there are no defects in the fabric.
- A (i)
 - B (ii)
 - C (i), (iii), (iv)
 - D (i), (ii), (iv) (3)

1.30 The monitoring of best business practice includes economic, environmental and social issues. This is largely due to ...

- A a SWOT analysis.
- B general management.
- C problem-solving techniques.
- D triple bottom line reporting. (2)

1.31 A creative thinking method, where a member of the team looks at alternatives to the norm to identify possible negative outcomes, is called ...

- A negotiation.
- B compromise.
- C devil's advocate.
- D group think. (2)

1.28	1.29	1.30	1.31

1.32 An Act established to promote a safe and healthy work environment for employees:

- A BCEA
 - B OHSA
 - C LRA
 - D SDA
- (2)

1.33 Employer organisations will assist Pick n Pay with issues such as:

- A Employment contracts
 - B Disciplinary and grievance procedures
 - C Trade union negotiations
 - D All of the above.
- (2)

1.32	1.33

[70]

QUESTION 2

Complete each of the following sentences by writing the missing word(s) in the spaces provided. Choose the missing word(s) from the list of Business Studies terms provided.

NOTE: There is only one correct answer to each statement.

Business Studies terms

autocratic	collective bargaining	dividends
inflation	indemnification	induction
interest	laissez faire	LSM
marketing mix	mortgage bond	quality circle
retention	strike	subrogation
workplace forum	Porter's five forces	exchange rate

- 2.1 A shareholder of Shoprite could receive _____ as a return on their investment.
- 2.2 The _____ is a tool used to allow for the segmentation of the general public, based on their standard of living.
- 2.3 _____ refers to the process that takes place when an employer and trade union negotiate changes to the terms of employment.
- 2.4 _____ is the training given to all new employees, to make it easier for them to become productive role players in the business.
- 2.5 A business may establish a/an _____ if it has more than 100 employees in order to use this as a mechanism for consultation on labour issues (not wage-related).
- 2.6 The principle of _____ states that if an asset is insured and it is damaged or destroyed, the insured will be compensated for the financial loss.
- 2.7 _____ refers to a sustained increase in the general price level of a variety of goods and services accompanied by a decrease in the value of money.
- 2.8 With a/an _____ management style the leader does not allow for input from others and makes all the decisions.

[16]

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 **(Delegation / Communication)** refers to the transfer and receiving of ideas and attitudes between management, employees and external stakeholders.

- 3.2 A summary of the job, duties and working conditions associated with the job and the degree of supervision required to perform the job is outlined in the **(job description / job listing)**.

- 3.3 A business focusing on all three aspects of the triple bottom line follows a **(stakeholder / shareholder)** approach.

- 3.4 Game Stores' management could use **(Porter's six forces model / environmental scanning)** to analyse the macro environment of the business.

- 3.5 **(Process / Physical evidence)**, as one of the elements of the 7 Ps in marketing, relates to the operating systems that make the service experience as pleasant as possible for the customer.

- 3.6 The **(decision tree / Delphi technique)** allows the supermarket owner to obtain the opinions of experts on a particular topic, without necessarily engaging face to face with them.

- 3.7 When a business decides to sell off under-utilised assets, it is using a **(divestiture / corporate combination)** strategy.

[14]

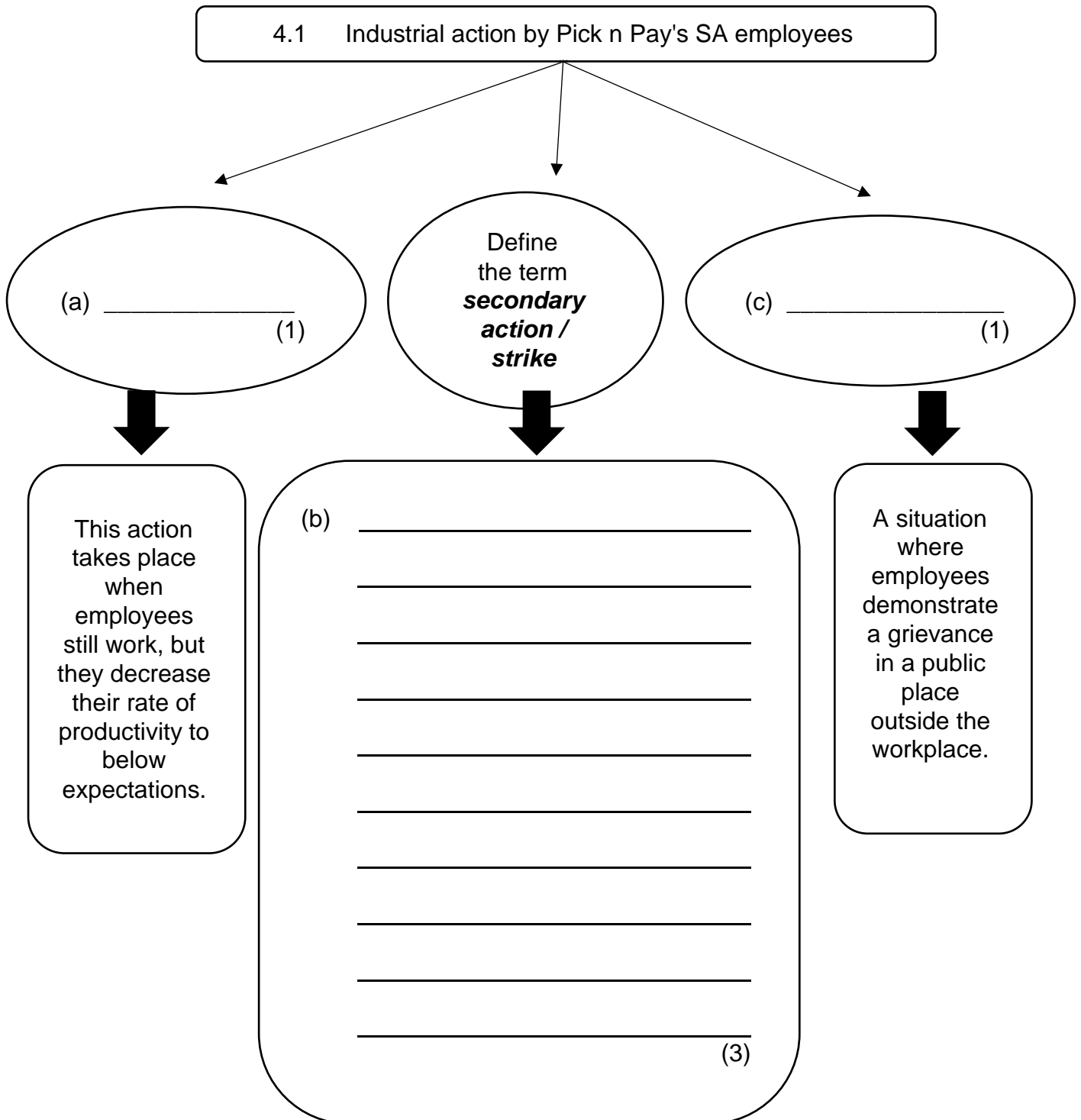
100 marks

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.



4.2 Requirements for a valid insurance contract.

4.2.1
Insurable
interest

(a) Explain the requirement of **insurable interest**:

(2)

(b) Provide FOUR examples where a person or business will have insurable interest:

- ---
- ---
- ---
- ---

(4)

Requirements for a valid insurance contract



4.2.2 Absolute good faith

Explain the requirement of **absolute good faith**:

(2)



4.2.3 Contractual capacity

Explain the requirement of **contractual capacity**:

(2)

4.5 Name THREE elements of the **balanced score card**.

- _____
- _____
- _____

(3)

4.6 Complete the following table.

A technique used to <i>improve</i> the quality of performance	
Technique	Explain how a general retailer could use the benchmarking technique to improve the quality of performance. Use an example to illustrate your answer.
4.6.1 Benchmarking	

(5)

A technique used to <i>measure</i> Quality of Performance	
Technique	Explain how a general retailer could use the financial ratios technique to measure quality of performance.
4.6.2 Financial ratios	

(5)

5.1.3 Explain the importance of fair remuneration for employees of Checkers.

(4)

5.2 The impact of labour legislation on employers and employees at Checkers South Africa.

5.2.1 Describe the importance/impact of the Basic Conditions of Employment Act 75 of 1997 (BCEA) from the point of view of an employer and/or employee of Checkers.

(6)

5.2.2 Write the acronym **COFESA** in full.

(2)

5.2.3 Explain how employer organisations like COFESA and NAPE assist the employer.

(5)

5.3 Investment opportunities for Checkers.

Evaluate the following investment opportunities for Checkers:

5.3.1 Investing excess cash in a fixed deposit.

(5)

5.3.2 Buying the property where the Checkers outlet is established.

(5)

5.4 Insurance

Describe the impact of the Compensation for Occupational Injuries and Diseases Act 61 of 1997 (COIDA) on the employers and employees of Checkers.

(6)
[50]

6.1.2 Discuss the possible advantages that could arise from Pick n Pay growing its franchise base.

(4)

6.1.3 Identify and explain **TWO** management tasks that can be used by Pick n Pay franchises to reach a competitive advantage. Use examples to illustrate your answer.

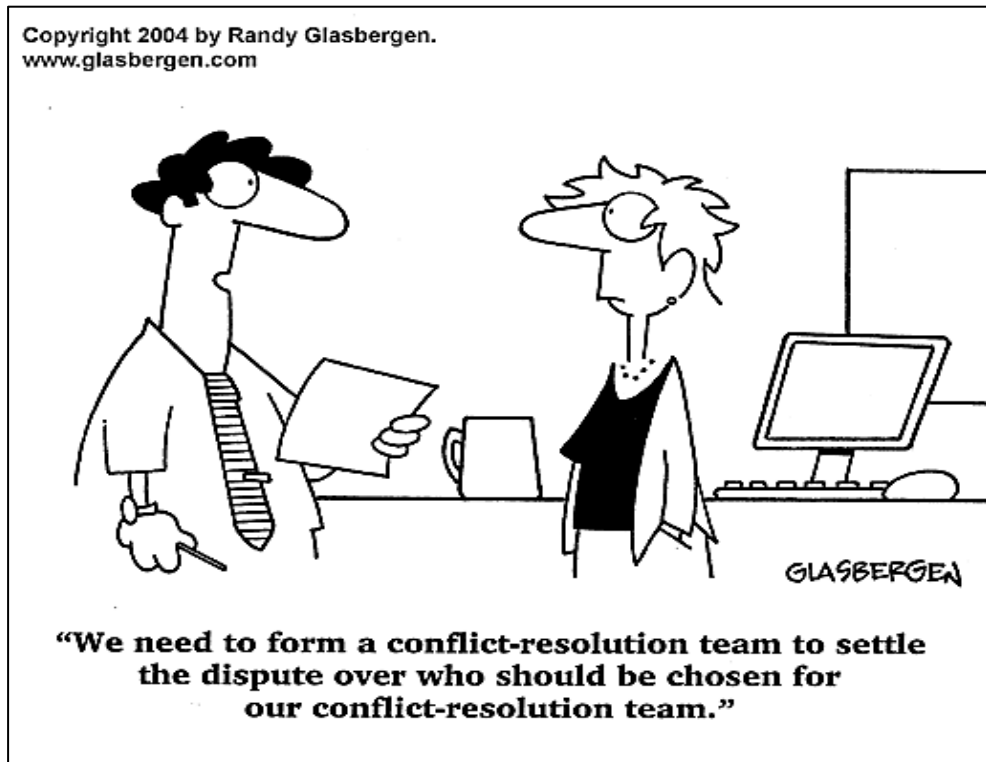
(8)

6.1.4 '... **contemporary décor** in store offers a great shopping experience.'

Name the element of the 7 Ps in the marketing mix quoted above in bold print.
Motivate your answer.

(4)

6.2 Refer to the following cartoon and answer the questions that follow:



[Downloaded from: <<https://za.pinterest.com/pin/457326537131928394/?lp=true>> Dec 2018]

6.2.1 Discuss the possible reasons why conflict could arise in a general retailer business.

(4)

SECTION C

The following aspects will be considered when marks are allocated in this section:

- Format:
 - The CORRECT format must be used, i.e., business report.
 - Include an introduction and conclusion where applicable.
 - Use headings and sub-headings where appropriate.
- Correct business terminology must be used.
- Content must be sufficient to cover all aspects of the question.
- Substantiate (justify) all statements made.
- Apply to case study/context/theme.
- Problem-solve rather than just giving theoretical facts.
- Synthesise and sequence.

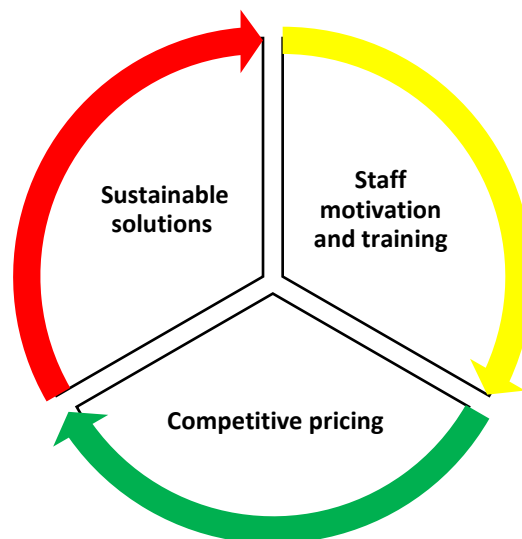
QUESTION 7

Study the following source before answering the question that follows.

SOURCE:

Competition has increased dramatically as the general retailer market has matured. The lines between traditional retail and wholesale channels are blurred, and the larger players have substantial procurement, central warehousing, and distribution divisions. The traditional wholesale and fresh-produce markets are being dominated by the general retailer as larger farmers supply directly to supermarkets and smaller informal traders make more use of the leading grocery companies for their supply. Supermarkets have expanded into less central areas, local convenience stores and garage forecourt retailing.

THREE trends currently shaping the general retailer industry:



[Source: adapted from <https://www.businesswire.com/news/home/20200511005470/en/Wholesale-and-Retail-of-Food-in-South-Africa-2020-Impact-of-COVID-19-on-Consumer-Shopping-Patterns---ResearchAndMarkets.com> March 2021]

