

EXAMINATION		NATIONAL SENIOR CERTIFICATE
GRADE		12
DATE		MAY/JUNE 2026
SUBJECT		BUSINESS STUDIES
PAPER		1
MARK TOTAL		150
DURATION (HOURS)		2
NUMBER OF PAGES		10



SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE
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INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions:

1. This question paper consists of **THREE** sections and covers the following **TWO** topics:
BUSINESS ENVIRONMENTS and **BUSINESS OPERATIONS**.

SECTION A: ALL the questions in this section are **COMPULSORY**.

SECTION B: Consists of **THREE** questions. One question per topic and a combination question covering both topics.

Answer any TWO questions.

SECTION C: Consists of **TWO** questions, one from each topic.

Answer only ONE question.

2. Read the instructions for each question carefully and take note of the requirements.
3. Number the answers correctly according to the numbering system used in this question paper.
4. All answers must be in full sentences except where other instructions are given.
5. Use the mark allocation and nature of the question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION		QUESTION	MARKS	TIME (minutes)
A	Multiple choice, complete the statement and matching items COMPULSORY.	1	30	20
B	Three direct/indirect questions CHOICE: Answer any TWO .	2 – 4	2 x 40 (80)	2 x 35 (70)
C	Two essay type questions CHOICE: Answer any ONE .	5 – 6	40	30
TOTAL			150	120

7. Non-programmable calculators may be used.
8. Write neatly and legibly, in **BLUE** ink only.



SECTION A: (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 B.

1.1.1 Benson Manufacturing implements the ... to promote affirmative action in the workplace.

- A Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- B Skills Development Act (SDA), 1998 (Act 97 of 1998)
- C Employment Equity Act (EEA), 1998 (Act 55 of 1998)
- D Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)

1.1.2 The force of Porter's Five Forces model that influences the business position in the market, when another business offers a unique product:

- A Bargaining power of buyers
- B Competitive rivalry
- C Bargaining power of suppliers
- D Threat of new entrants to the market

1.1.3 Bright Mines operates in the ... sector as they specialise in the extraction of gold.

- A primary
- B tertiary
- C economic
- D secondary

1.1.4 The human resources manager of Fashion Limited implemented ... as part of the selection procedure when he/she evaluated the applicants' CVs.

- A screening
- B recruitment
- C placement
- D induction



1.1.5 Anderson Solutions devises strategies on how to continually improve the quality of their products by applying this step of the PDCA model:

- A Plan
- B Do
- C Check
- D Act

(5x2)(10)

1.2 Complete the following statements by using the words provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

financial; collective bargaining; quality; description; concentric;
equality; conglomerate; administration; specification;
quality management systems

1.2.1 The Labour Relations Act (LRA), 1995 (Act 66 of 1995) promotes ... in the workplace.

1.2.2 Tough Textiles applied the ... diversification strategy when they added sunglasses to their product range that could appeal to new customers.

1.2.3 The job ... outlines the minimum acceptable qualifications and skills needed for the job.

1.2.4 The ability of goods to meet the specific needs of customers, is known as ...

1.2.5 The ... function is responsible for keeping documents orderly and in a safe place.

(5x2)(10)



- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Human resources development strategy	A	Inspection is done at every stage of the production process.
1.3.2	Forward vertical integration	B	Contributions made by employers and employees.
1.3.3	PESTLE analysis	C	Business takes over their suppliers.
1.3.4	Unemployment Insurance Fund	D	Improves the supply of skills which directly benefits the country.
1.3.5	Quality assurance	E	Inspection is only done on the final product to check if it meets the required standard.
		F	Tool used to evaluate the challenges posed by the macro-environment.
		G	Contributions made only by employers.
		H	Improves social development through economic development.
		I	Business takes over their distributors.
		J	Tool used to evaluate the challenges posed by the market environment.

(5x2)(10)

TOTAL SECTION A: [30]



SECTION B

Answer **ANY TWO** questions in this section.

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name any TWO pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003). (2)
- 2.2 Outline the rights of employees in terms of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (4)
- 2.3 Read the scenario below and answer the questions that follow.

NOLAND CONSTRUCTION (NC)

Noland Construction uses the services of the Sector Education and Training Authorities (SETAs) in supporting the implementation of the Skills Development Act (SDA), 1998 (Act 97 of 1998). The SETA approved the workplace skills plan of NC. They also monitor the actual training by service providers. NC wants to develop a deeper understanding of how SETAs are funded.

- 2.3.1 Quote TWO roles of SETAs from the scenario above. (2)
- 2.3.2 Explain how the Sector Education and Training Authorities (SETAs) are funded. (4)
- 2.4 Describe any TWO types of defensive strategies. (6)
- 2.5 Discuss ways in which businesses can comply with the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (6)
- 2.6 Read the scenario below and answer the question that follows.

OAK DESIGNING (OD)

Oak Designing sells oak furniture and is well known for their quality products and skilled staff. They do, however, experience difficulty with maintaining optimum stock levels. There are regular power outages in the area. Therefore, many competitors are leaving and re-locating elsewhere.

Compile a SWOT analysis for OD by quoting from the scenario above. (4)

Use the table below as a GUIDE to answer QUESTION 2.6.

STRENGTH	WEAKNESS
•	•
OPPORTUNITY	THREAT
•	•



- 2.7 Discuss the impact of the Consumer Protection Act (CPA), 2008 (Act 68 of 2008) on businesses. (6)
- 2.8 Advise businesses on the steps in strategy evaluation. (6)

[40]**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 Name any FOUR aspects that should be included in an induction programme. (4)
- 3.2 Outline the placement procedure as a human resources activity. (4)
- 3.3 Read the scenario below and answer the questions that follow.

RAMDEEN CONSULTING (RC)

Ramdeen Consulting has a vacant position in the public relations department. RC uses social media, intranet and the business newsletter as sources of recruitment.

- 3.3.1 Name TWO sources of internal recruitment used by RC in the scenario above. (2)
- 3.3.2 Explain the advantages of internal recruitment for businesses. (6)
- 3.4 Advise businesses on the legal requirements of an employment contract. (4)
- 3.5 Outline the difference between *quality management* and *quality performance*. (4)
- 3.6 Read the scenario below and answer the question that follows.

NHLAMULO TRADERS (NT)

Nhlamulo Traders offers a variety of products to their customers. They place orders timeously and ensure regular follow-ups with suppliers. NT also uses aggressive advertising campaigns to increase their customer base.

Identify TWO business functions that contribute to the success of NT. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.6.

BUSINESS FUNCTIONS	MOTIVATIONS
1.	
2.	

(6)

- 3.7 Discuss the role of quality circles as part of continuous improvement to processes and systems. (4)
- 3.8 Evaluate the impact of continuous skills development/education and training as a total quality management (TQM) element on large businesses. (6)

[40]



QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name any THREE provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (3)
- 4.2 Outline the purpose of the National Credit Act (NCA), 2005 (Act 34 of 2005). (4)
- 4.3 Read the scenario below and answer the questions that follow.

LEATHER CREATIONS (LC)

Leather Creations specialises in the manufacturing of premium leather goods. Buffalo Suppliers is not delivering raw hides on time to them. LC can no longer export their products due to an increase in the exchange rate. The management does not set clear annual targets.

Use the table below as a GUIDE to answer QUESTION 4.3.1 to 4.3.3.

CHALLENGES (4.3.1)	BUSINESS ENVIRONMENTS (4.3.2)	EXTENT OF CONTROL (4.3.3)
1.		
2.		
3.		

- 4.3.1 Quote THREE challenges for LC from the scenario above. (3)
- 4.3.2 Classify LC's challenges according to the THREE business environments. (3)
- 4.3.3 State the extent of control LC has over EACH business environment classified in QUESTION 4.3.2. (3)
- 4.4 Advise businesses on how they could apply the power of buyers as a force of Porter's Five Forces model to analyse their position in the market environment. (4)

**BUSINESS OPERATIONS**

- 4.5 Give any TWO examples of fringe benefits. (2)
- 4.6 Identify the salary determination methods applied by Table Pros (TP) in EACH statement below:
- 4.6.1 TP pays George, the cleaner, for the number of hours spent at work. (2)
- 4.6.2 Sipho is paid for the number of tables he manufactures. (2)
- 4.7 Outline the role of the candidate/interviewee during the interview. (4)
- 4.8 Discuss the impact of total quality management (TQM) if poorly implemented by businesses. (6)
- 4.9 Advise businesses on the quality indicators of the general management function. (4)

[40]**TOTAL SECTION B: [80]**



SECTION C

Answer only **ONE** question in this section.

QUESTION 5: BUSINESS ENVIRONMENTS (BUSINESS STRATEGIES)

The strategic management process enables businesses to apply appropriate strategies. Businesses use both intensive and diversification strategies to overcome challenges in the business environment. It is also important that businesses find ways to deal with the challenges posed by technological and social factors as PESTLE analysis elements.

Write an essay on business strategies in which you include the following aspects:

- Outline the strategic management process.
- Explain THREE types of intensive strategies.
- Discuss the advantages of diversification strategies.
- Recommend ways in which businesses can deal with the challenges posed by the following PESTLE factors:
 - Technological
 - Social

[40]

QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

A good quality management system can be used successfully by the public relations and the financial function. A sound knowledge of total client satisfaction, as a total quality management (TQM) element, can assist businesses to reduce the cost of quality.

Write an essay on quality of performance in which you include the following aspects:

- Outline the benefits of a good quality management system.
- Explain the quality indicators of the following business functions:
 - Public relations function
 - Financial function
- Discuss the impact of total client/customer satisfaction as a total quality management (TQM) element on large businesses.
- Suggest ways in which TQM can reduce the cost of quality.

[40]

TOTAL SECTION C: [40]

GRAND TOTAL: [150]