



**BUSINESS STUDIES**

**GRADE 10**

**EXAMINATION JUNE 2015**

<b>MARKS:</b>	200
<b>TIME:</b>	2 HOURS
<b>EXAMINER:</b>	MRS J RAMBURAN
<b>MODERATOR:</b>	MRS C EDY

**INSTRUCTIONS:**

1. This paper consists of 3 sections and 7 pages.
2. You must answer all of the questions for SECTION A.
3. SECTION B consists of 4 questions. You must choose **ONLY THREE** to answer. Please indicate your choices on the cover sheet.
4. SECTION C has 4 essay topics. You must choose only **TWO**. Please indicate your choice on the cover sheet.

## SECTION A

This section consists of 3 questions. You must answer all the questions.

### Question 1

#### Multiple choice : (20 MARKS)

**1.1 Each of the questions below has only 1 correct answer. Record the number of the question and the letter of the correct answer e.g. 1.21 A. Use the grid provided in your answer book to record your answer.**

1.1.1 The four organisational resources do not include:

- A. Human Resources
- B. Intangible Resources
- C. Financial Resources
- D. Technological Resources

1.1.2 Which of the following items do NOT form part of working capital:

- A. Trading stock
- B. Debtors
- C. Cash
- D. Mortgage bond

1.1.3 ISO stands for:

- A. International Standards for Organisation
- B. Internal Sales Order
- C. Information, Statistics and Orientation
- D. Informal Sector Organisations

1.1.4 Which of the following is a public company

- A. Toy Traders
- B. Toy Shop CC
- C. Toy Town (Pty) Ltd
- D. Tons of Toys Ltd

1.1.5 Which of the following items is NOT fixed capital

- A. Equipment
- B. Vehicles
- C. Trading Stock
- D. Furniture

1.1.6 Which of the following does not form part of long term financing:

- A. Creditors
- B. Mortgage Bond
- C. Debentures
- D. Shares

1.1.7 Which of the following items is NOT a final good?

- A. Shoes
- B. Denim fabric
- C. Remote control
- D. Toaster

1.1.8 The sector that contributes most to GDP is:

- A. Primary Sector
- B. Secondary Sector
- C. Tertiary Sector
- D. Informal Sector

1.1.9 The tertiary sector auxiliary services do not include:

- A. Transport
- B. Finance
- C. Insurance
- D. Wholesalers

1.1.10 Which of the following is an example of an NGO?

- A. Greenpeace
- B. SAA
- C. Cosatu
- D. Department of health

(20)

Correct word (s): (10 marks)

**1.2 Choose the correct word (s) within brackets. Write down only the word next to the number of each question.**

2.1 What the business is trying to do and to become in the long term is referred to as the (objective / mission).

2.2 (Promotion / distribution) involves activities that are aimed at bringing products and services to the consumer.

2.3 The (top-level / middle-level) management is responsible for specific departments within the business.

2.4 (Conceptual / interpersonal) skills are also known as mental capacity.

2.5 (Organising / planning) is a mechanism used to put a plan into action.

(10)

**TOTAL SECTION A:**

**[30]**

## SECTION B

This section consists of 4 questions. You must choose THREE of the questions.

### Question 2

2.1 Read the information provided in the table below and answer the questions that follow.

Mzizi Fruits is a factory that produces canned fruit. It employs 100 factory workers. The owner, Jay Mzizi, is worried about low productivity. He is finding it difficult to keep costs down and sell his goods at a competitive price. He knows that he will have to discuss salary increases soon and that he will be forced to retrench some workers.

- 2.1.1 Discuss TWO possible reasons why workers at Mzizi Fruits may have low levels of productivity. (4)
- 2.1.2 Give Mzizi THREE suggestions to improve productivity. (6)
- 2.1.3 Discuss the impact an unproductive labour force has on the economy and business. (10)

2.2 Study the pictures below and answer the questions that follow.



- 2.2.1 Define the term *unemployment*. (2)
- 2.2.2 Discuss the impact of large scale unemployment on economic growth and development. (4)
- 2.2.3 Discuss TWO ways in which government could try to reduce unemployment. (4)

**[30]**

### Question 3

3.1 Read the information provided in the table below and answer the questions that follow.

You run a factory that employs 200 people. You have noticed an increase in absenteeism and suspect that it is due to the growing problem of HIV and AIDS. Statistically, you know that at least a quarter of your staff is living with HIV.

- 3.1.1 Discuss the impact HIV/Aids has in the workplace. (6)
- 3.1.2 Develop a plan to put in place to lower the incidence of HIV/Aids among your workers. (10)
- 3.2 Differentiate between *piracy* and *counterfeiting*. (4)
- 3.3 Discuss the term *money laundering*. (5)
- 3.4 Discuss the term *Corporate Social Responsibility*. (5)

**[30]**

### QUESTION 4

4.1 Read the case study below and answer the questions that follow

The board meeting of JJ Manufacturing had been going on for 2 hours when the managing director banged the table and said "I think we have spoken enough about our results for last year. What I want to talk about now is the coming year. You are all aware that part of our organisational culture is to take responsibility. We have set our goals to increase sales by 15% and our margin by 8%. The lower margin is because we have 2 other goals for this year, GO GREEN and GO GLOBAL!"

"Go Green?" said Fred, the production manager. "Do you mean we are going to plant some trees?"

"Don't be so sarcastic" said Siwe, "He's talking about CSR".

"I know what CPR is, but I have no idea what CSR" said Fred.

"It just means looking after the environment" said Jill.

"Well, it's about the environment AND people" said Siwe.

"This is all too soft for me" said Fred, "send me back to the factory where I can make products that bring in real money."

The managing director said, "Well, we all need to take CSR seriously. It's a global issue. And, that's our second goal for the coming year, GO GLOBAL".

"Argh", grunted Fred, "Does that we mean we are going to become a franchise? It's not like we flip burgers you know!"

The managing director shook his head and said, "Fred, there are other ways to go global, but we'll talk about it next meeting."

- 4.1.1 At which management level would the business goals have been set? (2)
- 4.1.2 Identify TWO other levels of management in a business. (2)
- 4.1.3 Explain any THREE tasks the manager will have to carry out at these different levels. (9)
- 4.1.4 Describe the decisions made at the TWO levels of management. (4)
- 4.1.5 What does the managing director mean when he refers to "organisational culture"? (2)
- 4.1.6 In order for JJ Manufacturing to achieve its goals, the managing director would demonstrate good leadership as well as good management skills. Distinguish between leadership and management. (4)
- 4.1.7 What does the words "GO GLOBAL" mean in the above extract? (1)

4.2 Read the extract below and answer the questions that follow

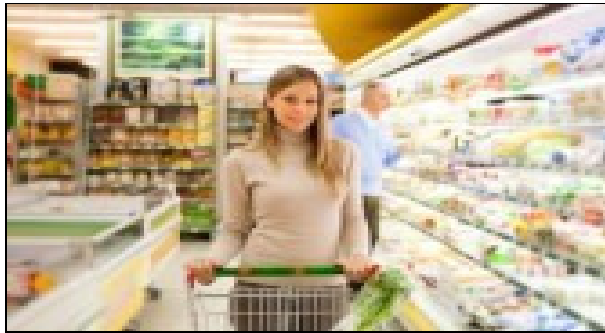
Thuli owns his own window cleaning company. He currently employs fifteen workmen who work in three different teams. After surfing the Internet, Thuli has discovered a 'power spray machine' that cleans the windows in half the time. He needs to change his cleaning agent, from his current biodegradable one, to a new type. The new one is not biodegradable. Thuli will only be able to buy one machine, as the exchange rate is very poor and the product comes from the USA.

- 4.2.1 Which macro environment has had an impact on Thuli's business? (2)
- 4.2.2 Why can't Thuli buy three machines, one for each team? (2)
- 4.2.3 Which environment has caused the impact in 5.2.2? (2)

**[30]**

QUESTION 5

5.1 Study the picture below and answer the questions that follow



- 5.1.1 What is a consumer? (2)
- 5.1.2 What is a customer? (2)
- 5.1.3 How would a business go about drawing up a customer profile? (4)
- 5.1.4 The consumer in this picture purchases a tin of tuna.
- (a) List the FOUR sub markets or categories of the consumer market. (4)
- (b) Identify the category that a tin of tuna would fall into. (2)
- 5.1.5 There are various businesses that sell similar products and compete for customers. Explain THREE factors that affect competition in a business. (6)

5.2 Read the following scenario and answer the questions that follow.

Three of your friends have recently approached you with an idea to start a business. Lisa, Jenny and Lungi want to start a laundry service. They want to spend their weekends doing the laundry in the neighbourhood. They need some advice on which form of ownership they should use. Their requirements include the contribution of each member expressed as a percentage and the business must offer limited liability to the owners.

- 5.2.1 Identify the type of business that your friends should establish. (2)
- 5.2.2 Give the business a name. (2)
- 5.2.3 Provide THREE advantages of this type of business. (6)

[30]

**TOTAL SECTION B:**

**[90]**

## **SECTION C**

### **ESSAY : (40 MARKS)**

This section consists of FOUR questions – answer any TWO questions.

#### **Question 6**

The market environment is one of the three business environments. Give a definition of this environment, and then name and describe each of the components of this environment and how they affect a business.

**[40]**

#### **Question 7**

A group of seven friends want to establish a business. They are keen to run the business themselves as some of them have done courses in business studies. They are not sure what type of ownership to use, and ask you for advise. They expressed the desire to have unlimited liability.

Write an essay explaining the characteristics, advantages and disadvantages of this type of ownership.

**[40]**

#### **Question 8**

“QUALITY MANUFACTURERS” is a young but large business that has been operating successfully for 5 years, despite a limited product range. Management have decided that in the upcoming year, a new and exciting product will be launched that is expected to increase their sales volume by 20%.

Write an essay in which you describe what role each of the 7 business functions will play with regard to the new product. You do NOT need to include the general management function.

**[40]**

#### **Question 9**

*Socio-economic issues are made up of issues relating to people as the social aspect and money as the economic aspect.*

In an essay, discuss the following socio-economic issues and provide examples on how they negatively affect the business.

- Poverty and unemployment
- Crime
- HIV/Aids
- Strike and political disturbances

**[40]**

**TOTAL SECTION C:**

**[80]**

**[GRAND TOTAL: 200 MARKS]**

