



**Subject:** Grade 11 Business Studies

**Topic:** Business Studies: Term 2 - Exam 1

**Total:** 127 Marks

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1. true

2 marks

**Explanation:**

Corporate social responsibility (CSR) helps to promote the image of a business and to gain goodwill. An example of this is the sponsoring of sporting events.

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2. strike | strikes

3 marks

**Explanation:**

**Strikes can lead to a decline in productivity** and can **continue until all complaints/grievances** have been **addressed** by the business.

Sometime, **strikes can become violent** and **infrastructure can be damaged**, which could lead to the business having to **pay to have everything repaired**.

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3. market research | selling | transport

6 marks

**Explanation:**

Auxiliary services include **market research** (what do the customers want), **transport** (from the factory to the shop) and **selling** (transfer of ownership in exchange for money).

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4. poverty

3 marks

**Explanation:**

**Poverty** in South Africa is caused by a lack of secondary education in some rural areas, uneven allocation of resources stemming from apartheid, and low economic growth in the early 2000s which was insufficient to provide a meaningful number of job opportunities.

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5. true

2 marks

**Explanation:**

**Winnowing** occurs in the **primary sector** (agriculture) and involves the use of air blowing through grain or cocoa beans.

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6. false

2 marks

**Explanation:**

One of the employee rights protected by the BCOE Act is the right to be treated with **dignity and respect**.

Employees should be chosen for their skills, experience and qualifications.



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7. networking

3 marks

**Explanation:**

Many **businesses undergo similar challenges** that **negatively impact** them. By making use of **networking**, a business can **discuss the various challenges experienced by businesses with similar motives and objectives**, and together **come up with ways to deal with the challenges**.

**Networking** can also **helps businesses to identify the best practice** in various **situations**, and to **identify new business trends**.

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8. participation | ethical | professional

6 marks

**Explanation:**

Some of the **advantages of creative thinking** is having employees **working better** as a **team** as all members **feel that they are included and heard** in the process of solving problems. This can also lead to having a **competitive advantage** as customers would be **more likley to support** a business that has **unique services and products**.

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9. false

2 marks

**Explanation:**

**High employee turnover** can **negatively affect the public image** of the business, **lower staff morale** and even **lower the number of sales**.

**Employees** that **leave could be replaced with younger inexperienced workers** which will have an **impact** on the **change management of the business**.

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10. secondary | secondary sector

3 marks

**Explanation:**

By-products are **produced (processed or manufactured)** alongside the main product. This is a **secondary** sector activity.

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11. true

2 marks

**Explanation:**

The **Delphi technique** is where a **questionnaire is developed** by the business, and **sent to experts** to fill in the questionnaire. The **answers** of the questionnaires are **compiled together** and a **new questionnaire is developed** and sent to the experts to fill out. This **process is repeated** until all experts reach **consensus** (agreement).

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12. true

2 marks

**Explanation:**

The business' ability to expand if demand for their product increases is known as **capacity planning**.

Steps in capacity planning:

- Analyse current capacity
- Forecast future capacity needs
- Plan for adjustments
- Implement and monitor

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13. variable

3 marks

**Explanation:**

**Variable** costs are costs that change according to how many items or units you produce.

On each unit, there is a portion of 'profit' (called contribution) that is set off against fixed costs.

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14. B: Labour union

4 marks

**Explanation:**

**Labour unions** are **external stakeholders**, for the benefit of industry employees.

Owners and managers create a long term goal for the business, and lead by example with professional and ethical practices for employees to follow.

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15. processing | moulding | packaging

6 marks

**Explanation:**

Activities associated with the **secondary sector** are **moulding, processing** and **packaging**.

Harvesting is **primary** sector, while selling occurs in the **tertiary** sector.

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16. false

2 marks

**Explanation:**

The **BCEA provides the minimum acceptable standards** for any **employment in South Africa**. A business needs to **ensure they comply with the law** when they **set up employment contracts**.

Some of the **provisions of this act** includes **annual leave, maternity leave, working hours and overtime**. No **employer can reduce the minimum acceptable amount of provisions** as **set out in the law**.

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17. false

2 marks

**Explanation:**

**Networking** is a **coordinated effort** where **businesses and organisations** that have **similar objectives meet and exchange information and perspectives**.

**Social media networking** is a **less formal way of networking**. It is also **quicker and cheaper** to network **online**.

An **organised event**, like that of a **local or provincial business chamber**, or even a **formal conference**, are examples of **formal networking events**.

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18. B: Strategic responses

4 marks

**Explanation:**

**Strategic responses** are a way for businesses to **deal with internal and external challenges** in the business environment.

They need to **analyse the environment** as well as **competitors** and **use this information to come up with a strategic plan** to deal with the challenge.

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19. objectivity | competency

4 marks

**Explanation:**

**Competent** means being good at something. Treating people the same implies that one is impartial, or **objective**.

Confidentiality is not divulging client's information.

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20. B: High employee turnover

4 marks

**Explanation:**

When employees are **unhappy, they do not stay at a specific job/workplace for a long time**. This can be a challenge as the **business would need to recruit new employees to replace the employee** that left.

This can take **time**, which could **cause the productivity levels of the business to decrease**. It is also **costly to keep recruiting** new employees.

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21. SABS | OHSA

4 marks

**Explanation:**

**SABS** (South African Bureau of Standards) promotes accepted levels of quality of goods and services produced (samples are sent to SABS for testing and accreditation).

**OHSA** (Occupational Health & Safety Act) promotes accepted levels of safety in the production of goods and services (for example, clean factory floor, proper lighting & ventilation and work stations not cluttered with unnecessary items).

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22. Batho Pele 3 marks

**Explanation:**

**Batho Pele** was an initiative introduced in 1997, when Nelson Mandela was President of South Africa. It was meant to inspire better service delivery to the South African public. It is practised in state hospitals, national airports, and municipal departments.

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23. product life cycle 3 marks

**Explanation:**

The **Product Life Cycle** is a chart used to portray the stages of a product from development through to decline.

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24. true 2 marks

**Explanation:**

*Apple* started with the *Mac* computer, and now markets *iPhones*, *iPads* and *iPod*.

*Diet Coke* is an extension of the *Coca Cola* brand.

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25. shortage of suppliers | shortage of skilled employees 4 marks

**Explanation:**

The business **can control challenges in the micro environment**. A **lack of skills** can **negatively impact** the business as **consumers might not want to buy sub-par products** from a business, and might **choose to rather support your competitors**.

When a **supplier constantly delivers stock late**, the business's **productivity will be negatively affected** and **can lead to a decrease in profitability**.

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26. conventional solutions | conventional | conventional solution 3 marks

**Explanation:**

**Conventional solutions** are when people **come up with solutions** that **are the same** as those always used. They are **not new and different**.

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27. C: Delivery of wine to a restaurant 4 marks

**Explanation:**

**Delivery** occurs when the finished goods are transported to the consumer. Packaging the wine bottles is the last step in the secondary sector. Transportation (delivery) is a commercial service in the **tertiary** sector.

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28. C: non-conventional solutions. 4 marks

**Explanation:**

**Non-conventional solutions** are solutions that are **not the norm**. It is a solution that is **different and unique** and has **not been used before**.

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29. B: Mid-crisis

4 marks

**Explanation:**

Once the crisis hits, **effective leaders must ensure the safety and well-being of their employees** and try to **regain control of the situation**.

This will happen **during** the crisis, i.e. **mid-crisis**. **Communication** is **key** at this stage.

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30. adapt | survive

4 marks

**Explanation:**

There are **various challenges** in the **business environment** that can **negatively affect** the business. In order for a **business to survive and even be successful**, it needs to **adapt to the challenges**.

There are **different ways** that a business can **adapt to these challenges** i.e. **strategic responses** and **information management**. If the business were to **ignore these challenges**, they **might not be able to survive** in the business environment.

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31. low income levels | money | socio-economic issue

6 marks

**Explanation:**

A **concerning socio-economic issue** is the **low income levels** of South Africans. The **income profiles** in South Africa are very **skewed**, where there are **many people who are very poor** and **few people who are very rich**.

Due to **low income levels**, consumers will not **have the buying power/money to buy from businesses**. This will **negatively impact** the business and lead to a **decrease in sales and profitability** for business.

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32. D: CSR allows the government to shift responsibility onto the business.

4 marks

**Explanation:**

Businesses exist to make a profit by selling their goods and services. Government is still required to provide for those consumers who cannot afford the goods and services provided by business.

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33. B: The franchisor organises and pays for advertising.

4 marks

**Explanation:**

The **franchisor arranges and pays for all advertising**. Part of the royalty fee which the franchisee pays, goes towards this advertising cost.

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34. new leadership | restructuring | retrenchment

6 marks

**Explanation:**

**Internal causes of change** are **new leadership** (employees may be **nervous about the new direction** of the business that management wants to take), **restructuring** (certain **divisions might be closed down** or **merged** with others which **could cause job losses**) and **retrenchment** (**terminate staff** in order to **cut costs**).

The other options relate to **external changes** in a business and are **PESTLE factors**.

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35. Social Media

3 marks

**Explanation:**

The term is called **Social Media** because it allows **users to engage with each other** and **promotes 'communal activity'**.

It is also **used for news, entertainment and for sharing information**. **Businesses** also use social media platforms for **marketing**.

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36. D: Plan; Do; Check; Act

4 marks

**Explanation:**

The PDCA cycle:

- **Plan**: identify the problem and develop a plan for improvement to processes and systems.
- **Do**: implement the change on a small scale.
- **Check** (analyse): use data to analyse the results of change. Determine whether it made a difference and if the processes are working effectively.
- **Act** as needed: devise strategies on how to continually improve.

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**Total: 127 Marks**