

# SENIOR SECONDARY INTERVENTION PROGRAMME 2013



## GRADE 12

## BUSINESS STUDIES

## LEARNER HOMEWORK SOLUTIONS

The SSIP is supported by



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## LEARNER HOMEWORK SOLUTIONS

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**SOLUTIONS TO HOMEWORK: SESSION 1****TOPIC: DEVELOP STRATEGIES IN RESPONSE TO CHALLENGES IN THE THREE BUSINESS ENVIRONMENTS****QUESTION 1**

1.1 B√√

1.2 C√√

1.3 A√√

1.4 B√√

1.5 C√√

**(5 x 2) [10]****QUESTION 2**

Consumers√√

Competitors√√

Suppliers√√

Civil society√√

Intermediaries√√

**(5 x 2) [10]****QUESTION 3**

| STRENGTHS ✓   | WEAKNESSES ✓   |
|---|--|
| <ul style="list-style-type: none"> <li>- Efficient managers√√</li> <li>- Motivated employees√√</li> <li>- The business can find new customers√√</li> <li>- Change to a better supplier√√</li> <li>- Skilled employees√√</li> </ul> <p style="text-align: right;"><b>Max (5)</b></p> | <ul style="list-style-type: none"> <li>- Difficult employees√√</li> <li>- Lack of vision and mission√√</li> <li>- Lack of adequate management skills√√</li> <li>- Poor employee work ethics√√</li> <li>- Business has no control over factors like suppliers, competitors, regulators, strategic allies and unions√√</li> </ul> <p style="text-align: right;"><b>Max (5)</b></p>       |
| OPPORTUNITIES ✓   | THREATS ✓  |
| <ul style="list-style-type: none"> <li>- Expansion√√</li> <li>- Forming strategic alliances√√</li> <li>- Integration√√</li> <li>- Expanding to overseas markets√√</li> <li>- E-commerce/Internet√√</li> </ul> <p style="text-align: right;"><b>Max (5)</b></p>                      | <ul style="list-style-type: none"> <li>- Labour action√√</li> <li>- Competition√√</li> <li>- Shortages of supply√√</li> <li>- Changes in consumer tastes and habits√√</li> <li>- Loss of employees due to HIV/AIDS√√</li> <li>- Legislation√√</li> <li>- Labour restrictions</li> <li>- HIV/AIDS</li> <li>- Interest rates</li> </ul> <p style="text-align: right;"><b>Max (5)</b></p> |

**[20]**

**SOLUTIONS TO HOMEWORK: SESSION 2****TOPIC: SOCIO-ECONOMIC ISSUES AND CORPORATE CITIZENSHIP****QUESTION 1**

- 1.1 B√√ (2)  
 1.2 B√√ (2)  
**[4]**

**QUESTION 2****Introduction**

- Corporate social investment refers to the contribution that the company makes to uplift or develop and solve problems in the community. √
- Generally, most of the employees of the company come from the local community. √
- Therefore, the company deems it fit to invest some of its funds to projects that are much needed by the community. √
- The government cannot solve problems of the country, therefore, encourages big business to foster partnerships with the local community. √
- The community in response buys the product of that company. √ **Any (3 x 1) (3) max. 3**

**Social Responsibility Programmes (nature):**

- Corporate business engages the local community with, amongst others, the following programs:
- HIV/Aids awareness √ - by sponsoring NGO's √
- Education and training √ - by providing bursaries to learners √
- Conservation of the environment and pollution √ - by sponsoring projects that preserve the environment √
- Poverty alleviation √ - by job creation √
- Pensioners, deprived children and orphans √ - by sponsoring housing projects √
- Empowerment of women √ - by sponsoring conferences √
- Rural development √ - by forming partnerships √

**(1 mark for fact and 1 mark for example) Max. 6****Characteristics/Features of Corporate Social Investment (process)**

- CSI (Corporate social investment) is mainly implemented by big business. √√
- CSI is enforced by legislation. √√
- CSI is seen as a political expectation. √√
- CSI is seen as part of the business operations and is sustainable. √√
- Business organisations choose the programmes for the community, e.g. support for education. √√
- Business organisations support the community with the product that they manufacture, e.g. a paper manufacturing company may donate duplicating paper to the local schools in the community. √√
- Partnerships are formed with local communities, the government and non profit organisations. √√
- In South Africa BEE (Black Economic Empowerment) companies play a vital role in CSI. √√

**Max. 8**

**How it works**

- Corporate social responsibility is influenced by various factors:
- Companies identify a particular need in the community and fund the project, e.g. the building of a community hall. √√
- Ethics has a decisive influence in the business, and, management and employees have an important role to play in the community. √√
- Government legislation encourages companies to engage in social investment programmes. √√
- Competitors force a company to engage in social responsibility programs. √√ **Max.6**

**Benefits of CSI for the business**

- Improved health for its workers. √√
- Sustained conservation of the environment may lead to reduction in costs which could be channelled elsewhere. √√
- May attract experienced employees which could benefit the enterprise in terms of increased productivity. √√
- The community supports the business by purchasing its products and, thereby, contributing to the business profitability. √√
- The business enjoys goodwill. √√
- Improves the image of the company. √√
- Any other relevant benefit for the business. √√ **Max. 6**

**Benefits of CSI for the community**

- The community provides the labour, customers and suppliers to the business enterprise. √ √
- Provision of bursaries. √√
- Improves the welfare of society. √√
- The standard of living of the community is uplifted. √√
- The business needs to give something back in the form of money, products, services etc. √√
- Improved health for the community and customers. √√
- Any other relevant benefit for the community. √√ **Max. 6**

**NOTE : Benefits of CSI for the business and the community (Max 12)****Problems of CSI for the business**

- The community may not support the enterprise, i.e. does not buy the product of the enterprise. √√
- Difficulty in adherence to legislation governing the CSI. √√
- Small and medium enterprises find it difficult to implement CSI programmes. √√
- Distribution of scarce CSI resources to selected beneficiaries in the community may cause problems such as discrimination. √√ **Max. 6**

**Problems of CSI for the community**

- The benefits of the programme may not filter to the intended persons within the community. √√
- Insufficient provisioning that does not satisfy all the needs of the community. √√
- May be rejected by the community. √√ **Max. 6**

**Problems of CSI for the business and the community.****Max. 12****Conclusion**

- From the above discussion it can be concluded that many communities have benefited from CSI initiatives. √√
- Corporate Businesses in South Africa have come to the rescue of many poor communities by building schools, crèches, clinics, etc.

**(2)****Sub total 49: Max 32****INSIGHT**

|                          |             |
|--------------------------|-------------|
| Layout                   | 2           |
| Analysis, interpretation | 2           |
| Synthesis                | 2           |
| Originality, examples    | 2           |
| <b>TOTAL MARKS</b>       | <b>[40]</b> |

**SOLUTIONS TO HOMEWORK: SESSION 2 SELF STUDY****TOPIC: LEGISLATION (EMPLOYMENT EQUITY, BROAD BASED BLACK ECONOMIC EMPOWERMENT AND NATIONAL CREDIT ACT)****QUESTION 1**

- Preferential procurement to black business entrepreneurs. √√
- Investment in enterprises managed or owned by black people. √√
- Black entrepreneurs are advantaged by human resource and skills development legislation as well as training. . √√
- Increasing the number of black people who own, manage and control productive assets and enterprises. √√
- Promote the economic unity inclusive of all population groups in business in South Africa. √√
- (Any other relevant benefit related to BBBEE) (3 x 2) (6)

Yes √√

Justification: There is an increase in the number of black people who manage and own businesses. √√

No √√

Justification: Not all businesses adhere to the provisions of the BBBEE Act. √√

**NOTE:****(a) Yes/No without any justification allocate zero marks.****(b) Accept any other relevant answer justifying the implementation of the Act.****(4)  
[10]**

**QUESTION 2**

2.1 Broad Based Black Economic Empowerment or Black Economic Empowerment . √√ (2)

2.2 EXAMPLES :

- Ownership and management by Black people of existing or new businesses √√  
e.g. black South Africans having a majority shareholding in African Rainbow Minerals. √
- To promote equal employment opportunities to disadvantaged people √√  
e.g. Khumba Resources employs a large number of black women. √

- **Examples /illustrations should indicate understanding of Act.**
- **The pillars of management must show understanding and relevance to the Act.**
- **Examples only – no marks awarded.**

- **Any relevant answer related to BBEE implementation.** (Any 2 x 3) (6)

**Fact Max 2 Example Max 1**

2.3

- This forestry company may have its own transport business and it may outsource this function to its black employees, e.g. owner-driver. √√
- Selling part of its shares to its black employees so that they can share in the profits of the company. √√
- Any other business that flows out of a forestry plantation and relates to BBEE.
- Any other black persons who have a direct interest in the business. (Any 2 x 2) (4)

**[12]**

**QUESTION 3**

The Employment Equity Act (Act 55 of 1998)

- Eliminate unfair discrimination and promote equal opportunity and fair treatment √√ e.g. gender balance. √
- Promote efficiency in the workforce to promote economic development, √√  
e.g. provision for training. √
- To attain a diverse workforce, broadly representative of the people of South Africa, √√ e.g. proportional representation of different ethnic groups/reflecting rainbow nation. √
- Give effect to the obligations of the country as a member of the International Labour Organisation, √√ e.g. in keeping with world trends so as to eliminate discrimination of different kinds. √
- Any other relevant function relating to Employment Equity Act (Any 3 x 3) (9)

**Fact 2 Explanation(examples) 1**

**Max. [8]**

**QUESTION 4**

## Advantages

- Prevent consumers from getting credit too easily because too much credit may lead to bankruptcy. √√
- Prevent credit suppliers to take back the goods bought on credit if consumer cannot pay. √√
- More responsible credit supplying and gaining of credit. √√
- Debtors may pay the outstanding balance, including interest and other levies, without three months notice as required previously. √√
- Credit suppliers must not pester consumers to agree to a credit agreement by telephone or visits at home. √√
- Interest rates must be clearly stipulated in advertisements for credit, before the agreement, in a format as prescribed by the National Credit Regulator. √√
- Credit suppliers must ensure that the debtor will be able to repay the debt before the agreement. √√
- The total amount of bad debt in the country will decrease. √√
- Debtors cannot be placed on a black-list for bad payers, before the credit suppliers have referred the debtor to a credit councillor. √√

(Any 3 x 2) [6]