

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"> - Efficient managers√√ - Motivated employees√√ - The business can find new customers√√ - Change to a better supplier√√ - Skilled employees√√ <p style="text-align: right;">Max (5)</p>	<ul style="list-style-type: none"> - Difficult employees√√ - Lack of vision and mission√√ - Lack of adequate management skills√√ - Poor employee work ethics√√ - Business has no control over factors like suppliers, competitors, regulators, strategic allies and unions√√ <p style="text-align: right;">Max (5)</p>
OPPORTUNITIES ✓	THREATS ✓
<ul style="list-style-type: none"> - Expansion√√ - Forming strategic alliances√√ - Integration√√ - Expanding to overseas markets√√ - E-commerce/Internet√√ <p style="text-align: right;">Max (5)</p>	<ul style="list-style-type: none"> - Labour action√√ - Competition√√ - Shortages of supply√√ - Changes in consumer tastes and habits√√ - Loss of employees due to HIV/AIDS√√ - Legislation√√ - Labour restrictions - HIV/AIDS - Interest rates <p style="text-align: right;">Max (5)</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
TOTAL MARKS	[40]

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]