

# SENIOR SECONDARY IMPROVEMENT PROGRAMME 2013



## GRADE 12

## BUSINESS STUDIES

## LEARNER HOMEWORK SOLUTIONS

The SSIP is supported by



# TABLE OF CONTENTS

## LEARNER HOMEWORK SOLUTIONS

SESSION	TOPIC	PAGE
6	Consolidation exercises	3 - 8
7	Consolidation exercises	9 - 16

**SOLUTIONS TO HOMEWORK: SESSION 6****TOPIC: CONSOLIDATION****QUESTION 1**

- 1.1 Strength √√ (2)  
1.2 Threat √√ (2)  
1.3 Weakness √√ (2)  
1.4 Threat √√ (2)  
1.5 Threat √√ (2)
- [10]**

**QUESTION 2****Introduction**

- A strategy is to be developed to overcome the specific challenge which is faced by the management team. √
- When devising a strategy, keep the vision and mission of an organisation in mind. √
- It is important to create a plan in which you include all steps which might be necessary to change the challenge into success. √
- It is a plan of action for a business to achieve its goals. √
- Short term and long term goals in line with the vision and mission of the organisation. √
- Vision is to use improved farming techniques and marketing methods to increase the farm's income capacity. √
- Any other relevant introduction related to business environment. (Any 3 x 1) (3)

CHALLENGE	STRATEGY	ENVIRONMENT	TOTAL
1. Applied for a loan of R1million. ✓✓	<ul style="list-style-type: none"> <li>- Reduce loans. ✓✓</li> <li>- Negotiate with other banks. ✓✓</li> <li>- Additional cash investment by the owner. ✓✓</li> <li>- Divestiture : ✓✓ Sell part of his business as a way of raising funds. ✓✓</li> <li>- Any other relevant answer.</li> </ul>	Macro ✓✓	
Extension of the product line e.g. grape juice. ✓✓	<ul style="list-style-type: none"> <li>- Product development. ✓✓</li> <li>- Producing new product for the current market, e.g. grape juice.</li> <li>- Concentric diversification. ✓✓</li> <li>Using the same equipment to produce a different product i.e. grape juice. ✓✓</li> <li>- Any other relevant answer.</li> </ul>	Market/Micro ✓✓	
Wines of international quality. ✓✓	<ul style="list-style-type: none"> <li>-Research on quality ✓✓</li> <li>-International marketing ✓✓</li> <li>-Form quality circles ✓✓</li> <li>-Any other relevant answer</li> </ul>	Micro/Market/ Macro ✓✓	



4. Employees demanding higher wages and salaries. √√	<ul style="list-style-type: none"> <li>- Increase in productivity</li> <li>- Defensive Strategy: √√</li> </ul>	Micro √√	
Decline in profits. √√	<ul style="list-style-type: none"> <li>Negotiate with unions on the question of retrenchment. √√</li> <li>- Increase production/reduce fixed costs.</li> <li>- Any other relevant answer.</li> <li>- Monitor expenses and authorise only essential expenses. √√</li> <li>- Increase mark up. √√</li> <li>- Engage in aggressive marketing strategy. √√</li> <li>- Any other relevant answer.</li> </ul>	Micro √√	
5. Competitors selling similar types of wine. √√	<ul style="list-style-type: none"> <li>- Market penetration: √√</li> <li>Selling wines and grape juice at a discounted price to attract customers. √√</li> <li>- Any other relevant answer.</li> </ul>	Market √√	
6. Not advertising beyond the town of Franschhoek. √√	<ul style="list-style-type: none"> <li>- Market development: √√</li> <li>Advertise in the provincial newspaper. √√</li> <li>- Sponsorships √√</li> <li>- Radio broadcasts. √√</li> <li>- Encourage wine tasting. √√</li> <li>- Excursions. √√</li> <li>- Any other relevant answer.</li> </ul>	Market/Micro √√	

7. Recession /slowdown. √√	<ul style="list-style-type: none"> <li>- Propose a 3 day working week for the winery until the economy recovers. √√</li> <li>- Engage in aggressive marketing strategies. √√</li> <li>- Any other relevant answer</li> </ul>	Macro/Micro √√	
8. Increase in fuel costs. √√	<ul style="list-style-type: none"> <li>- Monitor use of vehicles by means of a log book. √√</li> <li>- Proper planning of delivery routes/logistics. √√</li> <li>- Buy more fuel efficient vehicles. √√</li> <li>- Lobby Govt. to stabilise fuel prices. √√</li> <li>- Cut down on the number of vehicles in operation and use vehicles only for essential deliveries/ collection. √√</li> <li>- Outsourcing the transport operation of the business. √√</li> <li>- Any other relevant answer.</li> </ul>	Micro/Macro √√	
<b>6 x 2 = 12</b>	<b>6 x 2 = 12</b>	<b>6 x 2 = 12</b>	<b>36</b>

**Advice on evaluation of Strategies:**

- 1 Examine the underlying basis of business strategy. √√
  - Monitor and obtain regular feedback on the implementation of the above strategies. √√
- 2 Measure the business performance against original objectives. √√ Should the performance of the business not be in line with the proposed strategies then amend strategies or provide alternative strategies. √√
- 3 Take corrective action. √√
  - This corrective action must be taken in view of the above mentioned. √√
  - Any other relevant answer related to the advice on the evaluation of strategies.

(Any 3 x 2)

(6)

**Conclusion**

- Makaya Tali must carefully implement the above mentioned strategies. ✓✓
- He must also obtain regular feedback in order to make an informed decision on whether to consider alternative strategies. ✓✓
- Any relevant conclusion related to strategies. (Any 1 x 2) (2)

**Breakdown of mark allocation**

Details	Maximum	Reduced to	Subtotal	Total
Introduction			3	<b>Max 32</b>
Mark ANY 6 challenges from the case study (IN ANY ORDER)	6x2	12	<b>27</b>	
Mark ANY 6 strategies based on the above challenges	6x2	12		
Mark the environment linked to the above challenges	6x2	12		
Evaluation of strategies	6	6		
Conclusion			2	
<b>INSIGHT</b>				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality, examples				2
<b>TOTAL MARKS</b>				<b>40</b>

LASO – For each component

Allocate 2 marks if all requirements are met.

Allocate 1 mark only if some of the requirements are met. Allocate 0 marks where requirements are not met at all.

**SOLUTIONS TO HOMEWORK: SESSION 7****TOPIC 1 : CONSOLIDATION****QUESTION 1**

- 1.1 Strategy √√ (2)  
 1.2 Arbitration √√ (2)  
 1.3 Creativity √√ (2)  
 1.4 Inclusivity √√ (2)  
 1.5 SABS √√ (2)

**[10]****QUESTION 2****Introduction:**

- Employers should promote the well-being of their employees through the provision of suitable working conditions in the workplace. √
- Employees are usually more productive if employers offer some incentives. √
- Employers should cater for other needs of its staff like offering help to employees who have personal problems, or are stressed. √
- Promoting the well-being of employees will assist in retaining a stable workforce. √
- Any other relevant introduction related to the well-being of employees.

**(Any 3 x 1) (3)****Critique of the statement****Agree √√****Motivation**

- Employees are motivated. √√
- Lower staff turnover. √√
- Less absenteeism. √√
- Continuity in business operations. √√
- Any other relevant answer related to the agreement.

**Disagree √√****Motivation**

- The well-being of the employee is his/her own responsibility. √√
- The employee presents him-/herself as a healthy person. √√
- Unemployment rate in South Africa is high, therefore, many people would love to have the opportunity to work. √√
- Any other relevant answer related to the disagreement.

**Agree/disagree 2 Motivation 2 (2)**

**Motivation of employees** √√

- Reward employees for jobs well done. √√
- Promotion of employees from within the organisation. √√
- Giving employee allowances, e.g. housing, subsidies and transport. √√
- Providing staff with a healthy working environment. √√
- Any other relevant answer related to motivation of employees.

(Any 4 x 2) (8)

**Staff development programs** √√

- Sending staff on courses. √√
- Getting professionals to coach staff on job-related matters. √√
- Mentoring of employees by experts (experienced staff). √√
- Development of staff skills through on the job training. √√
- Contributing funds for skills development. √√
- Redesigning of tasks. √√
- Any other relevant answer related to staff development programmes.

(Any 4 x 2) (8)

**Stress reduction programs** √√

- Staff empowerment by the business enterprise. √√
- Keep communication channel open. √√
- Offer employees recreation facilities, e.g. gymnasium. √√
- Encourage employees to lead a healthy lifestyle and care. √√
- Giving staff less complex work to do. √√
- Any other relevant answer related to stress reduction management.

(Any 4 x 2) (8)

**Team building exercises** √√

- Brings unity amongst staff. √√
- Enhances staff to tolerate each other. √√
- Staff benefits by sharing experience/knowledge. √√
- Working as a team will lead to increased productivity and profitability. √√
- Any other relevant answer related to team building.

(Any 4 x 2) (8)

**Resolving personal problems/rehabilitation of employees** √√

- Giving staff with personal problems leave to sort out their problems. √√
- Helping staff to prevent alcoholism and drug abuse. √√
- Encouraging staff to talk about their problems. √√
- Helping staff to stop smoking. √√
- Helping staff to manage stress. √√
- Any other relevant answer related to problem solving of staff members.

(Any 4 x 2) (8)

**Coaching and mentoring** √√

- Senior staff members assist and coach newly appointed employees in extraordinary matters in the workplace. √√
- Helping newly appointed employees to reach their full potential. √√
- A senior employee (mentor) who advises and guides a junior employee over a period of time. √√
- Any other relevant answer related to coaching and mentoring.

(Any 4 x 2) (8)

**Performance appraisal** √√

- To give feedback on the performance of employees. √√
- It can improve the performance of all the employees. √√
- Management receives useful information to improve the performance of the business as a whole. √√
- It can motivate all the employees in the workplace. √√
- Any other related answer to performance appraisal.

(Any 4 x 2) (8)

**Rewards and incentives** √√

- To improve the employee's performance in the short term. √√
- Can be in the form of bonuses, holidays or office parties. √√
- Can be implemented effectively when predetermined targets are reached. √√
- Can be used to increase the output of the factory. √√
- Any other relevant answer related to rewards and incentives.

(Any 4 x 2) (8)

**Training programs** √√

- Off-the-job training usually takes place during working hours but away from the workplace. √√
- On-the-job training involves training in the workplace. √√
- On-the-job training is usually informal. √√
- Of-the-job training can be advantageous because employees focus on learning, and they obtain new skills. √√
- Any other relevant answer related to training programmes.

(Any 4 x 2) (8)

**Counselling** √√

- To guide and direct the employees in the workplace. √√
- Counselling will help employees to work towards a goal. √√
- Counsellors can assist employees to determine where their knowledge and skills can be put to best use in the workplace. √√
- Any other relevant answer related to counselling.

(Any 4 x 2) (8)

**Conclusion**

- From the above discussion it is clear that well-being of employees should come first before profit making. √√
- Taking care of employees needs is not a favour but a right because employees have rights which are backed up by policies/legislations. √√
- Taking care of the workforce will be less costly than having a high labour turnover. √√
- Any other relevant conclusion related to the well-being of employees.

(Any 1 x 2) (2)

**Breakdown of mark allocation**

Details	Maximum	Reduced to	Subtotal	Total
Introduction			3	<b>Max 32</b>
Critique of statement	4	<b>27</b>	<b>27</b>	
<b>MARK FIRST FIVE (IN ANY ORDER)</b>				
Motivation of employees	8			
Staff development programs	8			
Stress reduction programs	8			
Team building exercises	8			
Resolving personal problems of employees	8			
Coaching and mentoring	8			
Performance appraisal	8			
Rewards and incentives	8			
Training programs	8			
Counselling	8			
Conclusion				
<b>INSIGHT</b>				
Layout				<b>2</b>
Analysis, interpretation				<b>2</b>
Synthesis				<b>2</b>
Originality, examples				<b>2</b>
<b>TOTAL MARKS</b>				<b>40</b>

LASO – For each component

Allocate 2 marks if all requirements are met.

Allocate 1 mark only if some of the requirements are met. Allocate 0 marks where requirements are not met at all.

**SOLUTIONS TO HOMEWORK: SESSION 7****TOPIC 2: CONSOLIDATION****QUESTION 1**

- |     |                         |    |             |
|-----|-------------------------|----|-------------|
| 1.1 | Human Rights Commission | √√ | (2)         |
| 1.2 | Dividends               | √√ | (2)         |
| 1.3 | Ethics                  | √√ | (2)         |
| 1.4 | Sexual Harassment       | √√ | (2)         |
| 1.5 | Demographics            | √√ | (2)         |
|     |                         |    | <b>[10]</b> |

**QUESTION 2****Introduction**

- Human rights and fair labour practices have been the main basis for the passing of new labour legislation in South Africa. √
- This was based on the fact that apartheid promoted unfair labour practices. √
- The Bill of Rights sets out detailed rights and responsibilities for all citizens of the country. √  
(Any other relevant answer related to the introduction.) (Any 3 x 1) (3)

**Basic Conditions of Employment, 1997 (Act 75 of 1997)**

- The Act prescribes the minimum conditions of employment that employers must legally comply with. √√
- The Act protects workers from exploitation, respect for human rights and social justice.  
The following are the main provisions of the Act. √√

**Working Hours.** √√

- The maximum hours to be worked per day for a five day week is 9 hours **or** 45 hours – normal work time. √√
- The maximum hours to be worked per day for a six day week is 8 hours **or** 48 hours – normal work time. √√
- Overtime must be a maximum of 3 hours per day or 10 hours per week. √√
- Payment for overtime is usually at one and half times the normal rate. √√
- Meal breaks of at least 1 hour after 5 hours of work. √√

(Max 4) (4)

**Leave** √√

- The worker is entitled to 21 days annual paid leave for every 12 months of continuous employment. √√
- Maternity leave is four months. √√
- Family responsibility leave of 3 days per year is allowed for family death, illness etc. √√
- Employees are allowed 36 days of sick leave in a 36 month/3 year cycle. √√

(Max 4) (4)

**Public Holidays**√√

- Employees must be paid for any public holiday that falls on a working day. √√
- If the workers are required to work on a public holiday then they must receive double their normal rate. √√ (Max 4) (4)

**Notice of termination of employment.** √√

- Employees must give 1 week's notice during the first six months of being employed. √√
  - Two weeks' notice must be served if employed between 6 to 12 months. √√
  - Four weeks' notice if employed for more than a year. √
- (Max 4) (4)  
(4 x 4) (16)  
Max 12

**Accept other conditions as stipulated in the BCEA Act.**

**Employment Equity Act (Act 55 of 1998)**

- This Act states that there must be no discrimination on the basis of race, age, gender, religion or disability in the workplace. √√
- Affirmative Action is used as a mechanism to correct the imbalances of the past with respect to access to employment, training, promotion and equitable remuneration especially for blacks, women and the disabled. √√
- Employers who employ 50 or more workers must develop specific affirmative action plans in consultation with the workers. √√
- Business enterprises must submit employment equity plans every two years to the Department of Labour. √√
- This Act also forces businesses to employ more people from disadvantaged groups and promote the same to managerial positions. √√
- The employment equity plan of the business must be built into its recruitment and selection process. √√

(Any other relevant answer related to employment equity act.)

Any (6 x 2) (12)  
Max (12)

**Skills Development Act, 1998 (Act 97 of 1998)**

- This Act was passed to address the effects of discriminatory labour laws, employment policies and the education system of the apartheid regime. √√
- This has resulted in a severe shortage of skilled labour, high unemployment rate and the lack of transformation in the workplace. √√

Therefore, the Skills Development Act was passed to:

- Encourage workers to get involved in training programmes. √√
- Improve employment opportunities for disadvantaged people. √√
- The workplace should be transformed as a place of learning. √√
- Ensure that workers participate in learnerships. √√
- Provide quality education and training at the workplace. √√
- Reduce the high unemployment rate and skills shortage. √√

(Any other relevant answer related to Skills Development Act.)

Any (6 x 2) (12)  
Max (12)

**Success/Failure of the above Legislations**

- Most of the business enterprises are successfully implementing the above legislations in their business operations. √√
- This is evident in the large number of successful empowerment companies established in South Africa. √√
- These companies are complying with the equity plans, affirmative action, employment of women and disabled people. √√
- The Advisory Commission for Employment Equity advises businesses on the formulation of Codes of Good Practice and Balanced Score Card. √√
- The government imposes fines on those companies that do not comply. √√
- Some businesses may not be familiar with the legislations. √√
- Training is necessary for the successful implementation. √√
- Companies would rather pay the fines, than obeying the rules and regulations. √√

(Any other relevant answer related to success/failure of above legislations.)

Any (6 x 2)

(12)

Max

(12)

**NOTE: A maximum of 4 marks must be given if the success/failure is discussed under each Act.**

**Conclusion**

- From the above discussion it is clear that the new policies for labour legislation in South Africa have provided a much happier workforce in the country. √
  - More people are being educated and skilled through the SETAs, etc. √
- (Any other relevant answer related to unfair labour practices.)

Sub Total:

(45)

Max

(32)

**Breakdown of mark allocation**

Details	Maximum	Reduced to	Subtotal	Total
Introduction			3	<b>Max 32</b>
Basic Conditions of Employment Act Facts	12	<b>Max.40</b>	<b>40</b>	
Employment Equity Act Facts	12			
Skills Development Act Facts	12			
Success/Failure of Legislation Facts	12			
Conclusion			2	
<b>INSIGHT</b>				
Layout				<b>2</b>
Analysis, interpretation				<b>2</b>
Synthesis				<b>2</b>
Originality, examples				<b>2</b>
<b>TOTAL MARKS</b>				<b>40</b>

- LASO – For each component  
Allocate 2 marks if all requirements are met.  
Allocate 1 mark only if some of the requirements are met. Allocate 0 marks where requirements are not met at all.