



**SECTION A**

**QUESTION 1**

Indicate the **most correct** answer by writing the letter of the alternative you have chosen in the space provided at the bottom of each page.

1.1 Which element of SWOT is an advantage in the external environment?

- A Strength
  - B Weakness
  - C Opportunity
  - D Threat
- (2)

1.2 The problem-solving technique that requires input from experts.

- A Decision Tree
  - B Force Field Analysis
  - C SCAMPER
  - D Delphi Technique
- (2)

1.3 Woolworths bought five new electric delivery vans. Each van costs R900 000. Woolworths decided to insure each electric delivery van for R1 000 000. One of the vehicles was in an accident and needed repairs to the value of R100 000. Which of the following statements are **TRUE**?

- i The vehicles are underinsured.
  - ii Only R90 000 of the damages can be claimed.
  - iii The full value of the damages can be claimed.
  - iv Woolworths overpaid for insurance.
- A i and ii only
  - B ii and iii only
  - C iii and iv only
  - D i, ii and iv only
- (3)

1.1	1.2	1.3

1.4 A designer for a clothing brand who charges high prices for goods to show that the goods are exclusive and of good quality is using the ... strategy.

- A penetration pricing
  - B prestige pricing
  - C promotional pricing
  - D product pricing
- (2)

1.5 Which one of the following is **NOT** a defensive/decline strategy?

- A When a business sells off all its assets and settles all its debts.
  - B When a business sells off parts of it that are not profitable.
  - C When a business starts focusing on a smaller part of the market.
  - D When a business expands its operations overseas.
- (2)

1.6 Analysing Porter's factors is important for business in the highly competitive fashion retail market. Which of the following would make the market more attractive?

- A Online shopping has made it easy for new competitors to enter the market.
  - B There is more access to quality suppliers who offer competitive prices.
  - C Buyers are not very brand loyal and choose to shop at different retailers.
  - D There are many rivals selling the same products.
- (3)

1.7 A retired person, aged 68, has just received a lump sum payout from their retirement annuity and would like to invest the money. This person would like a monthly income and easy access to the capital.

Which investment strategy would be most advisable?

- A A growth strategy with a focus on shares.
  - B A balanced investment strategy with a focus on debentures.
  - C A defensive strategy with a focus on property.
  - D A conservative strategy with a focus on cash investments.
- (3)

1.8 Why would a business on the FTSE/JSE attract the attention of a potential investor?

- A The index is just for blue-chip companies.
  - B The index shows how much dividends are earned.
  - C The index shows a commitment to sustainability.
  - D The index shows the price of the shares.
- (2)

1.4	1.5	1.6	1.7	1.8

1.9 A potential investor compares the return on investment of various investment options. Which of the following statements are **FALSE**?

- i. Only the actual income received is compared.
- ii. The capital invested is compared to other investments.
- iii. The percentage of income is compared to capital invested.
- iv. Capital growth and monthly income is included in the calculation.

- A i and ii only
- B ii and iii only
- C iii and iv only
- D All of the statements are false. (3)

1.10 Assurance is expensive and often not enough to sustain the needs of the insured, but what is an advantage of assurance?

- A It is used as security for loans.
- B It provides peace of mind that loved ones are cared for in the event of death.
- C It provides financial relief during retirement.
- D All of the above. (2)

1.11 Refer to the payslip below of an employee. What is the net salary of the employee?

Income		Deductions	
Basic Income	R 5 400,00	UIF	R 58,60
Overtime	R 460,00	Pension Fund	R 400,00
	<b>R 5 860,00</b>	PAYE	R 1 041,40
<b>Company Contributions</b>			<b>R 1 500,00</b>
SDL	R 58,60		
UIF	R 58,60		
Pension Fund	R 400,00		
	<b>R 517,20</b>		

- A R4 360,00
- B R3 842,80
- C R2 017,20
- D R5 860,00 (3)

1.9	1.10	1.11

- 1.12 Which one of the following is **NOT** a requirement for a substantively fair dismissal?
- A The employee must have broken a rule.
  - B The rule was consistently applied by the employer.
  - C The employee was aware of the rule.
  - D The misconduct was an illegal act. (2)
- 1.13 The manager of a Mr Price Clothing store has a standard length of time for the queue at the till and compares it to the actual time a customer waits in line in order to find ways to speed up the process. The manager is using the ... management task.
- A planning
  - B leading
  - C control
  - D organising (2)
- 1.14 A Balanced Score Card can help a clothing retailer improve their performance by ...
- A analysing the expectations of teenagers who buy their clothes.
  - B making sure budgets are adhered to.
  - C by updating the stock systems software.
  - D All of the above. (3)
- 1.15 The benefit of internal recruitment is:
- A it gives employees an incentive to work harder to qualify.
  - B new skills are introduced into the business.
  - C it reduces conflict among employees who want the job.
  - D the new employee does not know the processes and procedures. (2)
- 1.16 Which one of the following is a responsibility of directors according to the King Code?
- A To act in the best interest of the business at all times.
  - B To declare any conflict of interest.
  - C To act in an ethical manner.
  - D All of the above. (2)
- 1.17 The constitution is the highest law in the country. Which one of the following describes the limitation clause?
- A No employee is discriminated against.
  - B It is limited to businesses listed on the JSE.
  - C It allows for policies like affirmative action.
  - D It limits the amount of shareholders in a business. (2)

1.12	1.13	1.14	1.15	1.16	1.17

**[40]**

**QUESTION 2**

Choose the correct word/term in brackets that makes the statement **TRUE**. **Underline** the correct word/term.

- 2.1 (**Horizontal/Backward**) integration includes buying rival businesses.
- 2.2 The (**LRA/SDL**) allows businesses to claim back training costs from the SETA.
- 2.3 (**Royalties/Premiums**) are paid to an insurance company to transfer risk.
- 2.4 A (**unit trust/debenture**) is a form of borrowed capital for a business.
- 2.5 An (**excess/indemnification**) clause states that a portion of the claim will not be covered by the insurer.
- 2.6 (**Insider trading/Whistleblowing**) is when an employee discloses unethical behaviour in the business.
- 2.7 Competitive (**pricing/marketing**) is an ethical business strategy in South Africa.
- 2.8 A (**solvency/acid test**) ratio excludes inventory from the calculation.
- 2.9 South African companies list their shares on the (**JSE/NYSE**).
- 2.10 The (**consequence/principle**)-based theory is used when the outcome of an action is ethical.
- 2.11 The (**risk/return**) of an investment shows the likelihood of losing the capital invested.
- 2.12 (**Synergy/Synthesis**) in teams produces better results than expected.
- 2.13 (**NEDLAC/COFESA**) is an organisation that represents employers.
- 2.14 A product that is similar and fulfils the same need of the customer is described as a (**complimentary/substitute**) product.
- 2.15 The (**probation/retention**) policy allows the employer to observe a new employee for a period of three months before a permanent employment contract is signed.

**[30]**

**QUESTION 3**

Read the scenarios below and identify which element of the PESTLE tool corresponds to each scenario.

Write only the PESTLE element in the space provided.

E.g.	Cell phone banking apps cause businesses to upgrade their tills.	Technological
3.1	The national elections held in South Africa in 2024.	
3.2	Changes to the BCEA regarding parental leave.	
3.3	Flooding in KwaZulu-Natal damaging roads.	
3.4	Online shopping platforms making overseas shopping easier.	
3.5	Pressure is placed on businesses to be transparent about their supply chain.	
3.6	Fuel prices and inflation have increased the price of goods.	
3.7	Many households have not recovered financially after losing family members to Covid-19.	
3.8	Increasing unemployment increases the risk of theft and other crime.	
3.9	Religious and cultural group leaders requesting clothing retailers to satisfy their needs.	
3.10	Customer information stored online is easily hacked.	
3.11	Customers are more aware of child labour in factories within the supply chain due to internet platforms.	
3.12	Climate changes and unseasonal weather patterns make stock planning in clothing difficult.	
3.13	New trade agreements signed by the government open up new supply chains.	
3.14	Increase in interest rates have made cash investments more appealing.	
3.15	Companies could face fines and penalties if caught contravening the CPA.	

**[30]**

**100 marks**

**SECTION B**

Use the mark allocation as a guide to the length of your answers.

**QUESTION 4**

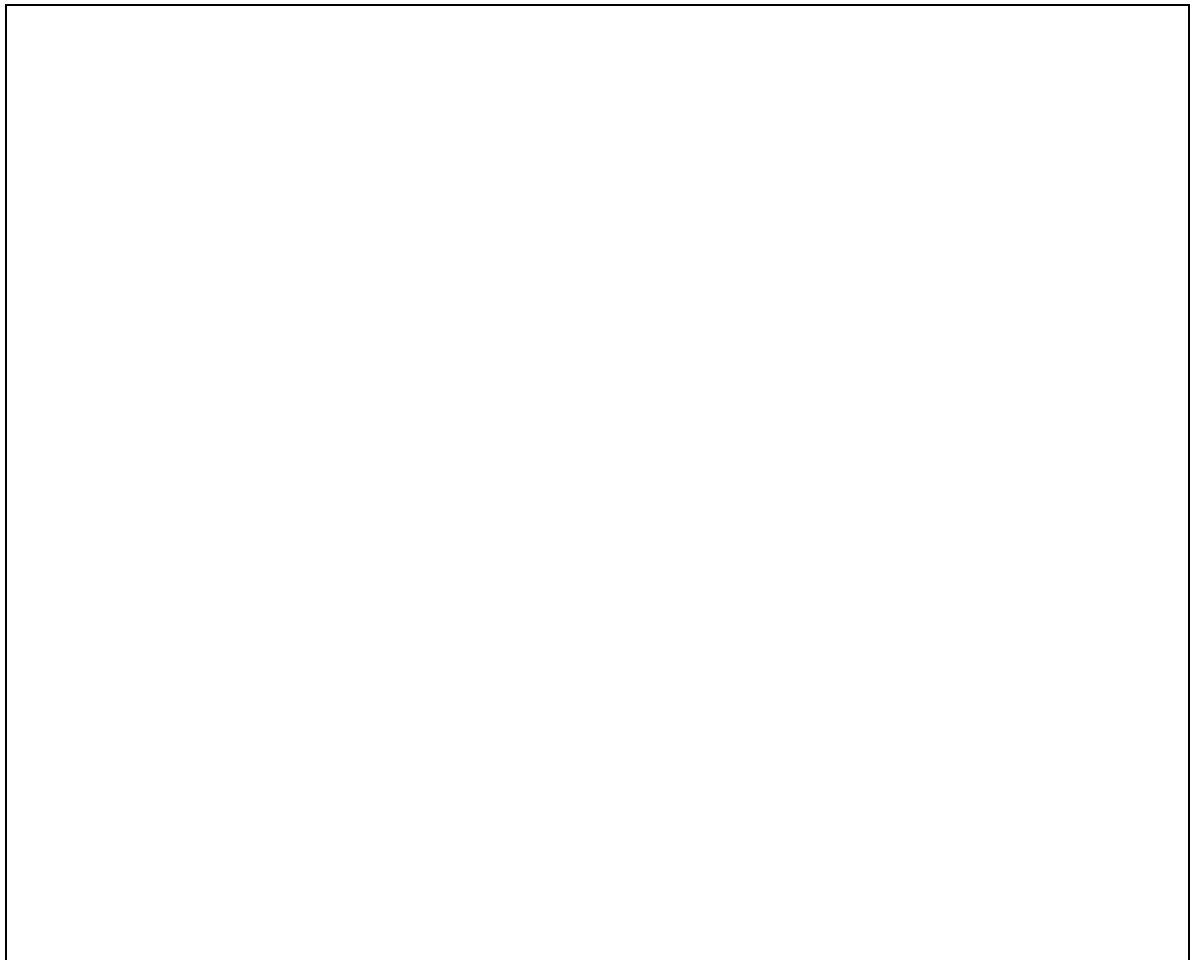
Read the following case study below and answer the questions that follow:

There are no two ways about it: we take a zero-tolerance approach to unethical behaviour. Not just because it's the right thing to do but because it's the right way to do business. It's the only way to do business.

**COTTON:ON**

[Adapted from: <chromeextension://efaidnbmnnnibpcajpcglclefindmkaj/ https://cottonongroup.com.au/wp-content/uploads/2021/12/THE-GOOD-REPORT-2021.pdf> 22.12.2021]

4.1 Use a pros and cons chart to convince stakeholders that corporate social responsibility commitments can help a business 'do the right thing'.



(6)

4.2 List **TWO** examples of CSR programmes.

- \_\_\_\_\_
- \_\_\_\_\_

(2)

4.3 Unethical behaviour by employees can impact the profits of a business. Therefore, businesses must have different strategies in place to avoid losses. Refer to the flow diagram below and answer the related questions.

<p>4.3.1 Identify and explain an unethical act.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <p>(3)</p>	<p>4.3.3 Identify and explain an unethical act.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <p>(3)</p>
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<p>4.3.2 How should Cotton:On react to the challenge identified to minimise the effect on its overall performance of the business?</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <p>(4)</p>	<p>4.3.4 How should Cotton:On react to the challenge identified to minimise the effect on its profits?</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <p>(4)</p>
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4.4 Define the term **diversification** in relation to investments.

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(2)

4.5 Suggest strategies to maximise the income from the following investments.

**Property**

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**Shares**

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**Collectables**

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(12)



4.8 Differentiate between an insurable and a noninsurable risk.

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(4)  
**[50]**

**QUESTION 5**

**WHL**

**WOOLWORTHS HOLDINGS LIMITED**

Our values inform and underpin the way we do business across our Group. From value-based leadership to passionate brand advocacy, we seek to embed our values across all dimensions of our business.

Our values state that we are customer-obsessed, inspirational, responsible, collaborative and committed to quality.

[Adapted from: <<https://www.woolworthsholdings.co.za/overview/our-purpose-vision-and-values/.22/12/.2023>>]

5.1 Woolworths is passionate about its brand. Define the term **branding**.

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(2)

5.2 With the use of practical examples, explain how Woolworths can use brand stretching and brand extension to increase its market share.

Brand stretching	Brand extension

(8)

**5.3 Quality is an important part of the Woolworths brand.**

Explain how the following management tasks can be used to improve the quality of the goods and services offered.

<b>Communication</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
<b>Control</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
<b>Delegation</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

(9)

**5.4 'Managers need to be aware of factors affecting overseas suppliers.'**

5.4.1 Name the type of management competency described above.

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(1)

5.4.2 Explain the possible impact on Woolworths' operations if managers do not have the competency named in Question 5.4.1 above.

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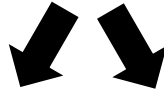
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(4)

5.5 Complete the schematic diagram below on management styles:

**Autocratic leader**



<p>5.5.1 Describe a situation where this style would be suitable.</p> <p>(3)</p>	<p>5.5.2 Describe a situation where this style would <b>NOT</b> be suitable.</p> <p>(3)</p>
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5.5.3 Discuss an alternative management style to ensure a positive outcome in Question 5.5.2 above.

(4)

5.5.4 Explain why it is important for entrepreneurs to be effective leaders.

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(2)

5.6 Provide examples of how Woolworths can enhance its brand image through the following:

**5.6.1 Transparency**

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(4)

**5.6.2 Accountability**

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(4)

5.7 Discuss **THREE** benefits for a listed company to comply with the King Code.

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(6)  
**[50]**

**QUESTION 6**



The Shoprite Group is expanding its reach into the clothing sector with its new clothing brand titled UNIQ.

[Adapted from: <<https://www.citizen.co.za/business/shoprite-enters-clothing-market-its-not-prices-you-would-expect/22.12.2023>>]

6.1 With the use of different examples explain how the introduction of the new clothing brand to Checkers could cause the following types of conflict.

**Dysfunctional conflict**

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**Functional conflict**

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(6)

6.2 Discuss the possible ways the CCMA could resolve conflict.

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(6)

6.3 Trade unions are often included to resolve conflict. Discuss the implications **(positive/negative)** of their involvement for the employer and employee.

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(6)

6.4 Name **THREE** possible reasons for a strike.

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

(3)

6.5 Do you think strikes are an effective tool to resolve labour disputes? Motivate your answer.

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(5)

6.6 Describe the requirements of a disciplinary hearing.

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(4)

6.7 Elaborate on what additional steps a business would need to take to make the following dismissals fair.

<b>Dismissal due to incapacity</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
<b>Retrenchment</b>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

(4)



## SECTION C

The following aspects will be considered when marks are allocated in this question:

- Format:
  - The CORRECT format for each question must be used, i.e. business report.
  - Where applicable, include an introduction and conclusion.
  - Use headings and sub-headings where appropriate.
- Terminology: Correct business terminology must be used.
- Content: Must be sufficient to cover all aspects of the question.
- Substantiation: Justification for statements made.
- Application to case study / context / theme.
- Problem-solving rather than just giving theoretical facts.
- Synthesis and sequencing.

## QUESTION 7

Study the following sources and answer the question that follows.

### SOURCE A



[Source: <<https://startupmag.co.za/2023/06/introducing-money-magazine-a-new-south-african-financial-literacy-platform/> 22.12.2022>]

### SOURCE B



[Source: <<https://efficiencyforall.org/wordpress/2018/12/18/efficiency-is-efficient/> 22.12.2023>]















