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# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES P1**

**NOVEMBER 2025**

**MARKS: 150**

**TIME: 2 hours**

**This question paper consists of 10 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

- This question paper consists of THREE sections and covers TWO main topics.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.  
Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.  
Answer any ONE of the two questions in this section.

- Read the instructions for each question carefully and take note of what is required.

Note that ONLY the answers to the first TWO questions selected in SECTION B and the answer to the FIRST question selected in SECTION C will be marked.

- Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20</b>
<b>B: THREE direct/indirect-type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>70</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

- Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
- You may use a non-programmable calculator.
- Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 This Act requires businesses to display information of their products on packaging:

- A Employment Equity Act (EEA), 1998 (Act 55 of 1998)
- B Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- C Consumer Protection Act (CPA), 2008 (Act 68 of 2008)
- D National Credit Act (NCA), 2005 (Act 34 of 2005)

1.1.2 Smith Stores uses outdated computers which prevent access to online transactions. This challenge is classified as a ... factor of the PESTLE analysis.

- A technological
- B political
- C legal
- D social

1.1.3 Highway Manufacturing operate in the ... sector as they produce office chairs from timber and steel.

- A tertiary
- B primary
- C economic
- D secondary

1.1.4 The role of the interviewer during an interview is to ...

- A make the interviewee feel at ease.
- B ask clarity-seeking questions about the position.
- C assist candidates in responding to questions.
- D be inquisitive and show interest in the business.

1.1.5 Top Limited implemented the ... step of the PDCA model by monitoring processes to determine whether they are functioning effectively.

- A do
- B check
- C plan
- D act

(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

selection; job specification; National Skills; management; threat; placement; weakness; performance; job description; Human Resources
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- 1.2.1 The ... Development Strategy aims to increase access to programmes that train people.
- 1.2.2 Eezy Electronics are losing customers due to the high crime rate in the area. This is classified as a ... in the SWOT analysis.
- 1.2.3 The component of the job analysis that outlines the duties and responsibilities of the position is known as ...
- 1.2.4 Themba, the human resources manager, conducts background checks of applicants who qualify for the job during the ... procedure.
- 1.2.5 Blue Manufacturer developed new methods and techniques to improve the quality of their products. This is known as quality ...

(5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Black Economic Empowerment	A an agreement between the employer and the employee that is legally binding
1.3.2 Horizontal integration	B responsible for producing goods at the lowest possible cost
1.3.3 Employment contract	C focuses on the ability of a product to satisfy the needs of customers
1.3.4 Purchasing function	D distributes the wealth of the country to a few previously disadvantaged individuals
1.3.5 Total quality management	E aims at reducing the business' dependency on suppliers
	F an agreement between the employer and the trade union that is legally binding
	G responsible for buying raw materials in bulk at lower prices
	H focuses on achieving customer satisfaction and continuous improvement in all business processes
	I distributes the wealth of the country across a broader spectrum of society
	J aims at reducing the threat of competition

(5 x 2) (10)

**TOTAL SECTION A: 30**

**SECTION B**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

**QUESTION 2: BUSINESS ENVIRONMENTS**

- 2.1 Name any FOUR types of leave provisions as stipulated in the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)
- 2.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (4)
- 2.3 Read the scenario below and answer the questions that follow.

**BONA FRAMES (BF)**

Bona Frames are well-known for their quality sunglasses and reading spectacles. BF sales have decreased as Bright Eyewear sells unique sunglasses at reasonable prices.

- 2.3.1 Identify the force of Porter's Five Forces model that is applicable to BF. Motivate your answer by quoting from the scenario above. (3)
- 2.3.2 Describe how businesses could apply ONE other force of Porter's Five Forces model to analyse their position in the market environment. (3)
- 2.4 Explain the steps in strategy evaluation. (4)
- 2.5 Discuss any TWO types of intensive strategies. (6)
- 2.6 Read the scenario below and answer the questions that follow.

**MEYER FURNITURE (MF)**

Meyer Furniture provides customers with facilities to buy goods on credit. MF conducts credit checks with the credit bureau before the granting of credit. They allow customers a five-day cooling-off period to return goods. MF also ensures that their procedures adhere to the provisions of the Financial Intelligence Centre Act (FICA).

- 2.6.1 Quote TWO ways in which MF complies with the National Credit Act (NCA), 2005 (Act 34 of 2005) from the scenario above. (2)
- 2.6.2 Recommend other ways in which businesses can comply with the National Credit Act. (4)
- 2.7 Explain ways in which businesses can apply ownership as a pillar of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003). (6)
- 2.8 Advise businesses on the advantages of diversification strategies. (4)

**[40]**

**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 Give any FOUR examples of fringe benefits. (4)
- 3.2 Outline the placement procedure as a human resources activity. (6)
- 3.3 Read the scenario below and answer the questions that follow.

**FABRIC WHOLESALERS (FW)**

Fabric Wholesalers sell different types of material. FW pay their employees according to the number of rolls of material they sell. They have a sound knowledge of the Labour Relations Act (LRA), 1995 (Act 66 of 1995) and its implications on the human resources function.

- 3.3.1 Name the salary determination method applied by FW in the scenario above. (2)
- 3.3.2 Explain the implications of the Labour Relations Act on the human resources function. (4)
- 3.4 Advise businesses on the reasons for the termination of an employment contract. (4)
- 3.5 Outline the difference between *quality control* and *quality assurance*. (4)
- 3.6 Read the scenario below and answer the questions that follow.

**BILON MANUFACTURERS (BM)**

Bilon Manufacturers produce sport cars. BM schedule their activities to avoid the duplication of tasks. The management of BM shares the responsibility for quality output with employees. BM is also aware of the impact of total quality management (TQM) if it is poorly implemented.

- 3.6.1 Quote TWO ways from the scenario above in which BM apply total quality management (TQM) to reduce the cost of quality. (2)
- 3.6.2 Discuss the impact of total quality management (TQM) if poorly implemented by businesses. (4)
- 3.7 Describe the advantages of monitoring and evaluation of quality processes as a total quality management (TQM) element for large businesses. (6)
- 3.8 Advise businesses on the quality indicators of the public relations function. (4)

**[40]**

**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

- 4.1 Name any TWO types of defensive strategies. (2)
- 4.2 Outline the strategic management process. (4)
- 4.3 Read the scenario below and answer the questions that follow.

**GLOBAL FARMS (GF)**

Global Farms distribute their fruit locally and internationally. Their exports have decreased due to unfavourable exchange rates. The workers of GF are also not meeting their deadlines because they are often late for work.

Use the table below as a GUIDE to answer QUESTIONS 4.3.1 and 4.3.2.

CHALLENGES (4.3.1)	BUSINESS ENVIRONMENTS (4.3.2)
1.	
2.	

- 4.3.1 Quote TWO challenges for GF from the scenario above. (2)
- 4.3.2 Classify GF's challenges according to the business environments. (2)
- 4.4 Discuss the impact of the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997) on businesses. (6)
- 4.5 Recommend ways in which businesses can deal with the challenges posed by the social factor of the PESTLE analysis. (4)

**BUSINESS OPERATIONS**

- 4.6 Outline the purpose of induction. (4)
- 4.7 Explain the Unemployment Insurance Fund (UIF) as a benefit required by law. (6)

4.8 Read the scenario below and answer the questions that follow.

**FIBERNET LIMITED (FL)**

Fibernet Limited supply Wi-Fi routers to businesses and they apply total quality management (TQM) in their operations. FL can afford to conduct research to gather information on the quality of their products. They also benefit from a good quality management system.

- 4.8.1 Name the total quality management (TQM) element applied by FL in the scenario above. (2)
- 4.8.2 Explain the benefits of a good quality management system. (4)
- 4.9 Advise businesses on the role of quality circles as part of continuous improvement to processes and systems. (4)

**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

**QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)**

The Employment Equity Act (EEA), 1998 (Act 55 of 1998) was established to facilitate the transformation process in the workplace. The implementation of the EEA may have an impact on business operations. Businesses are compelled to comply with the requirements of this Act to avoid facing penalties for non-compliance.

Write an essay on the Employment Equity Act in which you include the following aspects:

- Outline the purpose of the Employment Equity Act.
- Discuss the impact of the Employment Equity Act on businesses.
- Explain ways in which businesses can comply with the Employment Equity Act.
- Advise businesses on penalties they may face for non-compliance with this Act.

**[40]****QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**

Businesses following the correct recruitment procedures will attract the best applicants. The human resources manager could use the internal recruitment method to fill the available vacancies. The interviewer must be well prepared before conducting the interview. Both employers and employees should be aware of the legal requirements of an employment contract.

Write an essay on the human resources function in which you include the following aspects:

- Outline the recruitment procedure as a human resources activity.
- Discuss the impact of internal recruitment on businesses.
- Explain the role of the interviewer before the interview.
- Advise businesses on the legal requirements of an employment contract.

**[40]**

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**