



BUSINESS STUDIES

GRADE 12

TERM 2: INFORMAL TASK

2020

INVESTMENT: SECURITIES

WEEK 10: 31 March-6 April 2020

QUESTION 1

- 1.1 Name the institution that makes it possible for investors to buy and sell shares in South Africa and explain the functions of this institution. (6)
- 1.2 Discuss the following factors that should be considered when making investment decisions and the risk factors of each.
- (a) Investment period (6)
 - (b) Return on investment (6)
 - (c) Inflation (6)
 - (d) Taxation (6)
- 1.3 Read the scenario below and answer the questions that follow

John inherited R350 000 from his mother. He wants to invest this amount in a safe and low-risk investment option with a guaranteed return where no charges, fees or commission are payable.

- 1.3.1 Identify the type of investment that will suit John's requirements. Motivate your answer. (8)
- 1.3.2 Evaluate the impact of the type of investment identified in QUESTION 1.3.1. (8)
- 1.4 Evaluate the effectiveness of shares as one of the forms of investment. (8)
- 1.5 Analyse the impact of fixed deposits (8)

1.4 Read the scenario below and answer the questions that follow

RETHABILE TRAINING AND LOGISTICS (RTL)

Rethabile Training and Logistics have increased their number of clients because of the quality of the services offered by the business. The management of RTL have instructed the bank to manage their investment in a diverse portfolio managed by a specialist.

1.4.1 Identify the type of investment option that is applicable to the scenario above. (2)

1.4.2 Discuss the positive impact of the type of investment identified in QUESTION 1.4.1. (8)

1.5 Identify the type of shares represented by EACH statement below

- 1.5.1 Shares are issued to existing shareholders as compensation for loss of dividends
- 1.5.2 Shareholders receive their dividends before others can be paid out.
- 1.5.3 These shares are issued to shareholders who started the company
- 1.5.4 These shareholders may receive higher dividends when the company has made large profits. (8)

1.6 Identify the type of preference share represented by EACH of the statements below.

- 1.6.1 Shareholders are entitled to share in any surplus profits.
- 1.6.2 Shareholders are compensated for past dividends that were not paid out when profits were too low to declare dividends (4)
- 1.6.3 Discuss other THREE other types of preference shares. (9)

1.7 Distinguish between ordinary and preference shares (8)

1.8 Tabulate TWO difference between dividends and interest (4)

1.9 Read the scenario below and answer the questions that follow

Marie and Tsolo each invested R10 000 at the same bank which offered both of them 10% interest per year. The bank applied different methods to calculate their respective interest amounts. Marie received R2 000 and Tsolo R2 100 after two years

1.9.1 Identify the methods used by the bank to calculate Marie and Tsolo's interest. Motivate your answer by quoting from the scenario. Use the table below as a guide to answer this QUESTION.

METHODS USED BY THE BANK	MOTIVATION
Marie	
Tsolo	

(6)

1.9.1 Explain the differences between the types of interests identified in QUESTION 1.9.1 above. (8)

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

Nellie won R500 000 in the lottery draw and decided to invest the money in a fixed deposit at Ithuba Bank. The bank offered her an interest rate of 12% compounded annually over a period of three years

- 1.10.1 Define compound interest. (2)
- 1.10.2 Calculate the amount of interest that Nellie will receive after three years. Show ALL calculations. (5)
- 1.10.3 Name another type of interest that could be offered by Ithuba Bank. (2)

Section C: Essays questions

BUSINESS VENTURES: INVESTMENTS

Tom is a first-year commerce student who inherited a large sum of money recently. He wants to invest this money to start his own business in three years' time. Tom is considering investing in ordinary shares on the Johannesburg Security Exchange Ltd (JSE) and RSA Retail Savings Bonds/Government Retail Bonds.

Write an essay on the following investment aspects:

- Discuss the factors to be considered when making investment decisions.
- Explain the functions of the Johannesburg Security Exchange Ltd (JSE).
- Distinguish between compound interest and simple interest.
- Evaluate the impact of RSA Retail Savings Bonds/Government Retail Bonds on investors.

(40)

OR

Peter and Teko are partners in P & T Consultancy. They are considering investing their surplus funds in RSA Retail Savings Bonds/government retail bonds and in preference shares of companies listed on the JSE.

Write an essay on the following aspects:

- Outline the functions of the JSE.
- Describe FOUR types of preference shares.
- Evaluate the impact of the RSA Retail Savings Bonds/government retail bonds on investors.
- Advise Peter and Teko on how the following factors influence the decision to invest:
 - Investment planning
 - Personal budgets
 - Volatility/Fluctuations on investment markets

(40)



BUSINESS STUDIES

GRADE 12

TERM 2 INFORMAL TASK

2020

INVESTMENT: INSURANCE

WEEK 11: 7-15 APRIL 2020

QUESTION 2

- 2.1 Elaborate on the meaning of insurance and non-compulsory insurance. (8)
- 2.2 Define the following insurance concepts:
 - 2.2.1 Over-insurance
 - 2.2.2 Under-insurance
 - 2.2.3 Average clause
 - 2.2.4 Reinstatement (8)
- 2.3 Read the scenario below and answer the questions that follow.

TOP TRADERS (TT)

Top Traders bought stock worth R400 000, but insured it for R300 000. A fire in the warehouse destroyed stock to the value of R60 000.

- 2.3.1 Name the insurance clause that is applicable to the scenario above. (2)
- 2.3.2 Calculate the amount that Top Traders will receive as compensation from the insurer. Show ALL calculations. (4)

2.4 Explain the differences between the following concepts:

2.4.1 Differences between over insurance and under insurance. (8)

2.4.2 Differences between assurance and insurance. (8)

2.5 Read the statement below and answer the questions that follow

JENNY PROPERTIES (JP)

Jenney Properties insured her business property against fire and theft. Jenney signed a insurance contract with TDG insurers. Jenny was informed that she will be compensated only if her property gets damaged by fire and theft. Jenny disclosed everything that may affect the extent of the risk

2.5.1 Identify TWO principles of insurance that are applicable to the scenario above. Motivate your answer by quoting from the scenario. (6)

Use the table below as a guide to answer this question

PRINCIPLES OF INSURANCE	MOTIVATION

2.5.2 Explain other TWO principles of insurance. (6)

2.6 Discuss the advantages of insurance for businesses. (8)

2.7 Jack wants to insure his business against various risks. Give TWO examples EACH of *insurable risks* and *non-insurable risks*. (4)

2.8 Read the statement below and answer the questions that follow

Insuring assets against theft, damage, fire and burglary is essential for every business. Businesses should also plan carefully for risks which are not insurable.

2.8.1 Quote THREE examples of insurable risks from the scenario above. (3)

2.8.2 Explain the term *non-insurable risks*. (3)

2.9 Elaborate on the meaning of compulsory insurance. (4)

2.10 Give FIVE examples of long-term insurance. (5)

2.11 Classify EACH statement below under compulsory or non-compulsory insurance:

- Sam claimed from the Road Accident Fund for losing his arm in a car accident
- Yugo Manufactures insured their workers against injuries and diseases that may occur in the workplace.
- Floyd's Tiling insured their building against theft and fire.
- James claimed from the Unemployment Insurance Fund during the time that he was unemployed.
- Lisa insured her life against any event that may render her incapable to work.

2.12 Identify the type of insurance applicable to EACH statement below:

- Zaire will receive compensation for losing her job due to the company's restructuring.
- Levy will be compensated for serious injuries he sustained in a taxi accident on his way to work (4)

2.13 Discuss THREE types of benefits covered by the Unemployment Insurance Fund. (9)

2.14 Distinguish between compulsory and non-compulsory insurance. (8)

Essay questions

QUESTION 3: BUSINESS VENTURES: INSURANCE

SMARTSURANCE (SS)

Mr Funa is an insurance broker at Smartsurance. He has to do a presentation on different types of insurance products at a meeting of local business owners. He is also expected to convince potential clients on the importance of insurance

Write an essay on insurance in which you include the following:

- Distinguish between *compulsory* and *non-compulsory insurance*. Give TWO practical examples of each.
- Explain the advantages of insurance for businesses.
- Discuss THREE principles of insurance.
- Advise Mr Funa on the importance of the Unemployment Insurance Funds/IUF.

(40)

OR

BUSINESS VENTURES: INSURANCE & INVESTMENTS

Businesses operate in dynamic and risky environments. Insurance will always play a vital role in ensuring that they are sustainable. Gant Ltd believe that insurance is a sound investment and want to make informed decisions about their insurance and investments.

Write an essay on insurance and securities:

- Explain the importance of insurance to businesses.
- Differentiate between *compulsory* insurance and *non-compulsory* insurance and give TWO examples of each.
- Discuss any FOUR suitable forms of investments.
- Advise Gant Ltd on the differences between insurance and assurance. **(40)**



BUSINESS STUDIES
GRADE 12
TERM 2 INFORMAL TASK
2020
TEAM PERFORMANCE AND CONFLICT MANAGEMENT
WEEK: 12: 16-22 APRIL 2020

QUESTION: 3

- 3.1 Identify the criteria for successful team performance in EACH statement below:
- 3.1.1 Teams continuously review their progress in order to rectify mistakes.
 - 3.1.2 All team members take part in decision making
 - 3.1.3 Team members are committed towards achieving a common goal.
 - 3.1.4 Teams show respect for the knowledge and skills of other members (8)
- 3.2 Outline FOUR characteristics for successful team performance. (8)
- 3.3 Identify the stages of team development applicable to Shiburi Construction team in EACH statement below:
- Team members confront each other's ideas and fight for a leadership position.
 - The team is aware of its aims and makes decisions without supervision.
 - Team members gather information about the task that must be performed
 - Team members come to an agreement and reach consensus
 - All tasks need to be completed before the team finally dissolves. (10)
- 3.4 Discuss the importance of team dynamic theories in improving team performance. (6)

3.5 Identify the causes of conflict applicable to Siyaya Inc. in EACH statement below:

- 3.5.1 The Dream Team is not willing to work with the Khula Team who always receives awards.
- 3.5.2 Employees do not complete their tasks effectively as clear instructions are not always provided.
- 3.5.3 Employees always argue over the use of equipment to accomplish their tasks.
- 3.5.4 Some employees cannot cope with the large number of tasks given to them.

- 3.6 Discuss other causes of conflict in the workplace. (8)
- 3.7 Explain the differences between a grievance and conflict. (8)
- 3.8 Advise businesses on the correct procedure to deal with grievances in the workplace. (8)
- 3.9 Read the scenario below and answer the questions that follow.

LELETHU SHUTTLE SERVICES (LSS)

Lelethu Shuttle Services provide transport services for tourists in Sharpeville. Albert, a well-experienced employee in the transport industry, refuses to take instructions from management. Njabulo, the supervisor at LSS, is always arguing and fighting with the clients.

3.9.1 Identify the types of difficult personalities displayed by Albert and Njabulo. Motivate your answer by quoting from the scenario above. (6)

EMPLOYEES	TYPE OF DIFFICULT PERSONALITY	MOTIVATION

- 3.9.2 Recommend ONE strategy that LSS can use to deal with EACH type of difficult personality identified in QUESTION 3.9.1. (4)
- 3.9.2 Explain to LSS ways of dealing with difficult employees. (8)

Essay sections

BUSINESS ROLES: TEAM PERFORMANCE AND CONFLICT MANAGEMENT

Teamwork plays an important role in achieving business goals and objectives. Businesses spend large amounts of money and time on team building exercises and projects. Teams may consist of people from diverse backgrounds which may sometimes cause conflict

As a team performance analyst, provide detailed information on the following:

- Explain any THREE criteria for successful team performance.
- Discuss the different stages of team development.
- Describe the causes of conflict that may arise in the workplace.
- Advise businesses on the steps to be applied when resolving conflict in a team

(40)

OR

Businesses encourage employees to work in teams, which may lead to conflict sometimes. For this reason, it is important for businesses to familiarise themselves with the stages of team development. They should also find ways to deal with conflict and difficult people in the workplace

Write an essay on team performance and conflict management in which you address the following aspects:

- Describe FOUR stages of team development.
- Discuss the causes of conflict in the workplace.
- Explain how businesses could handle conflict in the workplace.
- Suggest ways in which businesses could deal with difficult people in the workplace

(40)



BUSINESS STUDIES
GRADE 12
TERM 2 INFORMAL TASK
2020
BUSINESS SECTORS
WEEK: 13: 23-30 APRIL 2020

QUESTION 4

4.1 Identify the business environment represented by EACH of the following statements and state the extent to which a business may control each of these environments.

- 4.1.1 The employees of Jan's Chicken Farm are absent regularly
- 4.1.2 The suppliers of Ella Bakery do not deliver stock on time
- 4.1.3 The buildings of Valley Catering Services have been destroyed by heavy storms

Use the table below as a guide to answer this question

BUSINESS ENVIRONMENTS	EXTENT OF CONTROL
1.	
2.	
3.	

(9)

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

TEDDY BRICKWORKS (TBW)

Teddy Brickworks specialise in the manufacturing of bricks. One of their suppliers is Sand & Stone, which is sometimes out of stock. TBW's employees are regularly absent from work. The business recently obtained a loan from Cash Bank at a high interest rate

- 4.2.1 Name the business sector in which TBW operate. Motivate your answer by quoting from the scenario. (3)
- 4.2.2 Classify TBW's challenges according to the THREE business environments. (6)
- 4.2.3 State the extent of control TBW have over each environment. (3)

Use the table below as a guide to answer this question

CHALLENGE	BUSINESS ENVIRONMENT	EXTENT OF CONTROL



GRADE 12

TERM 2 INFORMAL TASK

2020

MANAGEMENT & LEADERSHIP

WEEK: 14: 04-08 May 2020

QUESTION 5

- 5.1 Outline the differences between leadership and management. (8)
- 5.2 Suggest ONE situation in which EACH of the leadership styles can be applied in the workplace.
- 5.2.1 Democratic leadership style
 - 5.2.2 Autocratic leadership style
 - 5.2.3 Laissez-faire/ Free reign
 - 5.2.4 Charismatic leadership style
 - 5.2.5 Transactional leadership style (10)
- 5.3 Explain the differences between the democratic and autocratic leadership styles. (8)
- 5.4 Read the scenario below and answer the questions that follow.
- BALOYI TRADERS (BT)**

Ms Green, a manager at Baloyi Traders, regularly requests employees to contribute ideas on how to increase business profits
- 5.4.1 Name the leadership style that Ms Green is applying in the scenario above. Motivate your answer by quoting from the scenario. (3)
- 5.4.2 Discuss the impact of Ms Green's leadership style identified in QUESTION 5.4.1. (6)
- 5.5 Analyse the impact of an autocratic leadership style on business. ..(8)

5.6 Read the scenario below and answer the questions that follow

GIANT COMPUTER SOFTWARE (GCS)

GCS specialises in developing new computer software for various computer programmes. Cindy, the production manager, offers rewards to motivate employees who meet set targets. Tom, the marketing manager, uses charm to influence his team to work hard.

5.6.1 Identify the leadership style used by Cindy and Tom. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 5.6.1.

	LEADERSHIP STYLE	MOTIVATION
Cindy		
Tom		

(6)

5.7 Tammy allocates tasks to employees according to their level of maturity

5.7.1 Name the leadership theory that Tammy is applying. (2)

5.7.2 Discuss the leadership theory identified in QUESTION 5.7.1. (8)

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

MOUNTAIN HOTEL (MH)

Sihle, the owner of Mountain Hotel, applies the democratic leadership style in managing his employees. He has a positive attitude and knows that there is always more to learn. Sihle models the behaviour that he wants to see in his followers.

5.8.1 Quote TWO roles of personal attitude in successful leadership displayed by Sihle in the scenario above. (2)

5.8.2 Advise Sihle on the other roles of personal attitude in successful leadership. (8)

ESSAY QUESTIONS

BUSINESS VENTURES: MANAGEMENT AND LEADERSHIP

Successful businesses believe that leadership and management form an integral part of their success. Others argue that management plays a more important role than leadership in the success of businesses.

Write an essay on management and leadership in which you include the following aspects:

- Elaborate on the meaning of *leadership*
- Discuss THREE leadership theories.
- Evaluate the impact of autocratic and transactional leadership styles on businesses
- Suggest situations in which each leadership style can be applied in the workplace

(40)

OR

MANAGEMENT AND LEADERSHIP

Managers and leaders have realised that they need both management and leadership skills for successful business ventures. They are also in agreement that personal attitude plays an important role in promoting a good team spirit.

Write an essay on management and leadership in which you include the following aspects:

- Give THREE differences between management and leadership.
- Discuss the role of personal attitude in successful leadership.
- Analyse the impact of democratic and laissez-faire/free reign leadership styles on businesses.
- Recommend situations in which the above-mentioned leadership styles could be applied in the workplace.

(40)



BUSINESS STUDIES
GRADE 12
TERM 2: INFORMAL TASK
2020
QUALITY MANAGEMENT
WEEK 15: 11-15 MAY 2020
ACTIVITY 6

6.1 Elaborate on the meaning of the following quality concepts:

- 6.1.1 Quality
- 6.1.2 Quality control
- 6.1.3 Quality assurance
- 6.1.4 Quality management
- 6.1.5 Quality performance (10)

6.2 Explain the differences between the following quality concepts:

- 6.2.1 Quality control and quality assurance (8)
- 6.2.2 Quality performance and quality management (8)

6.3 Read the scenario below and answer the questions that follow

EXCLUSIVE CLOTHING ENTERPRISE (ECE)

Zinhle is the owner of Exclusive Clothing Enterprise. She was requested to share ideas on how she maintains the high quality standard of her products. She indicated that her employees are trained on a regular basis. Time and resources are also used efficiently

- 6.3.1 Quote TWO benefits of a good quality management system from the scenario above. (2)
- 6.3.2 Explain to Zinhle other benefits of a good quality management system. (6)

GDE 2020 GRADE 12 TERM 2 INFORMAL ACTIVITIES BUSINESS STUDIES

6.4 Identify the business function represented by the quality performance in EACH of the scenarios below:

6.4.1 Susan is responsible for promoting the image of the business.

6.4.2 Don ensures that the business's expenditures are kept at a minimum.

6.4.3 Décor (Pty) Ltd uses an expensive filing system to keep the business documents organised. (6)

6.5 Describe how quality of performance in the following business functions can contribute to the success of a business:

6.5.1 Production function (4)

6.5.2 Marketing functions (4)

6.6 Suggest the quality indicators of the following functions

6.6.1 General management (4)

6.6.2 Purchasing function (4)

6.6.3 Human function (4)

6.7 Elaborate on the meaning of Total Quality Management system. (4)

6.8 Identify the total quality management (TQM) element illustrated in EACH statement below

6.8.1 The management of JKM Fresh Fruits ensures that customer complaints are handled within 24 hours.

6.8.2 The employees of Tumi's Consulting regularly attend training courses on service delivery.

6.8.3 Home Appliances Manufacturers uses modern production technology to ensure their products are in line with the latest innovations.

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

STRYDOM LEATHERS LIMITED (SLL)

Strydom Leathers Limited is a large business that specialises in the manufacturing of quality leather bags. They often upgrade their production process to stay ahead of their competitors. Customers are always requested to provide feedback about their products

6.9.1 Identify the total quality management (TQM) elements applied by SLL. Motivate your answer by quoting from the scenario above. (6)

Use the table the below as a guide to answer this question

TQM ELEMENT	MOTIVATION

6.9.2 Evaluate the impact of ONE the TQM elements identifies in QUESTION 6.9.1. (6)

6.9 Explain how businesses should apply the PDCA cycle in order to improve the quality of their products. (8)

6.10 Advise businesses on the role of quality circles in improving the quality of their products and services. (8)

6.11 Read the scenario below and answer the questions that follow

NIVEN GRILLED CHICKEN (NGC)

Niven Grilled Chicken (NGC) sold grilled chicken to a variety of customers. NGC were known for the high quality of their chickens and obtained a large market share. Then the management of NGC neglected the implementation of certain total quality management (TQM) elements. NGC received poor publicity due to the low quality of some products. Their profits also declined resulting in investors withdrawing their money.

6.11.1 Quote TWO results of poor implementation of TQM by NGC from the scenario above. (2)

6.11.2 Explain the impact if TQM is poorly implemented by businesses, except those mentioned in QUESTION 6.11.1. (6)

6.12 Suggest ways in which total quality management (TQM) can reduce the cost of quality (8)

Essay questions

BUSINESS OPERATION: QUALITY MANAGEMENT

Large and small businesses realise that total quality management (TQM) is crucial in winning customers' loyalty and to remain sustainable. All business functions play an important role in striving towards quality of performance in their respective departments.

Write an essay on quality of performance and include the following:

- Describe the term total quality management (TQM).
- Discuss the impact of the following elements of TQM on large businesses:
 - Continuous improvement to processes and systems
 - Total client/customer satisfaction
 - Continuous skills development
- Explain how the quality of performance in the financial and public relations functions can contribute to the success of a business.
- Analyse the negative impact of TQM if poorly implemented by businesses.

(40)

OR

Businesses implement quality assurance in order to produce quality products. Some managers believe that this can be achieved by focusing on quality management and quality performance. Others argue that the general management function and production function play an important role in implementing total quality management (TQM).

Give an in-depth analysis of quality of performance by referring to the following aspects:

- Elaborate on the meaning of quality assurance.
- Distinguish between quality management and quality performance.
- Suggest quality indicators of the general management function and the production function.
- Recommend ways in which total quality management (TQM) can reduce the cost of quality. **(40)**