



Province of the  
**EASTERN CAPE**  
EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**HOME SCHOOLING SELF-STUDY ANSWER SHEET**

<b>SUBJECT</b>	<b>BUSINESS STUDIES</b>	<b>GRADE</b>	<b>12</b>	<b>DATE</b>	<b>09/07/2020</b>
<b>TOPIC</b>	<b>BUSINESS ENVIRONMENTS</b>	<b>TERM 1 REVISION</b>	<b>x</b>	<b>TERM 2 CONTENT</b>	

**QUESTION 1: BUSINESS ENVIRONMENTS**

**1.1 Types of diversification strategies.**

- Concentric ✓
- Horizontal ✓
- Conglomerate ✓

**NOTE: Mark the first TWO (2) only.**

(2)

**1.2 Role of SETAs.**

- Develop sector skills plans in line with the National Skills Development Strategy. ✓✓
- Draw up skills development plans for their specific economic sectors. ✓✓
- Approve workplace skills plans and annual training reports. ✓✓
- Allocate grants to employers, education and training providers. ✓✓
- Pay out grants to companies that are complying with the requirements of the Skills Development Act. ✓✓

- Monitor/Evaluate the actual training by service providers. √√
  - Promote and establish learnerships. √√
  - Register learnership agreements/learning programmes. √√
  - Provide training material/programmes for skills development facilitators. √√
  - Provide accreditation for skills development facilitators. √√
  - Oversee training in different sectors of the South African economy. √√
  - Identify suitable workplaces for practical work experience. √√
  - Collect levies and pay out grants as required. √√
  - Report to the Director General. √√
- Any other relevant answer related to the role of SETAs in supporting the SDA. **Max** (8)

### 1.3 Consumer rights

- 1.3.1 Right to return goods / have goods replaced / claim a refund / fair value / good quality and safe products√√
- 1.3.2 Right to privacy / confidentiality√√
- 1.3.3 Right to fair / honest dealings / responsible marketing / promotion√√ (6)

### 1.4 Ways in which businesses can comply with the following pillars of BBBEE.

#### 1.4.1 Ownership

- Business should include black people√ in shareholding / partnerships / franchises. √
- Exempted Micro Enterprises (EMEs) with an ownership of 50% or more of black people√ are promoted to level 3 of the BEE scorecard. √
- More opportunities are created for black people√ to become owners / entrepreneurs. √
- Encourage small black investors√ to invest in big companies and share ownership. √
- Large businesses should form joint ventures with small black-owned businesses√ and share business risks. √
- Businesses sometimes find it difficult to locate suitable√ black business partners / shareholders. √

- Many black people cannot afford shares√ in companies / contributions to partnerships. √  
Any other relevant answer related to ways businesses can comply with ownership as a BBBEE pillar

**Max**

(4)

#### 1.4.2 Enterprise and Supplier Development (ESD)

- Business must create jobs√ as ESD promotes local manufacturing. √
- Businesses are encouraged to invest / support√ black owned SMMEs. √
- Contribution can be monetary√, e.g. loans / investments / donations. √
- Contribution can be non-monetary√, e.g. consulting services / advice / entrepreneurial programmes√, etc.
- SMMEs will be encouraged to use their own business initiatives√ to make them sustainable √
- Businesses should invest in / support√ black owned SMMEs. √
- Outsource services√ to suppliers that are BBBEE compliant. √
- Identify black owned suppliers√ that are able to supply goods and services. √
- Develop the business skills of small / black owned suppliers√, e.g. sales techniques, legal advice√, etc.
- Support the cash flow of small suppliers√ by offering them preferential terms of payment. √
- Develop and implement√ a supplier development plan / supply chain. √
- Small / Large businesses may not be able√ to afford enterprise development investment / support. √

Any other relevant answer related to ways businesses can comply with Enterprise and Supplier development as a BBBEE pillar

**Max**

(4)

### 1.5 PESTLE ANALYSIS

CHALLENGES 1.5.1	PESTEL FACTOR 1.5.2	RECOMMENDATION 1.5.3
1. The profitability of the business has decreased due to the high inflation rate. √	Economic √√	<ul style="list-style-type: none"> <li>• Consider decreasing profit margins rather than increasing product prices. √√</li> <li>• Cut down on unnecessary spending. √√</li> </ul>

		Any other relevant recommendation related to how MJF can deal with the high inflation rate as an economic challenge. <b>Submax (2)</b>
2 MJF had to pay a heavy fine because they did not renew their trading license in time. ✓	Legal/Legislation ✓✓	<ul style="list-style-type: none"> <li>• Renew the trading licence on time. ✓✓</li> <li>• Review the administrative clerk's job description. ✓✓</li> <li>• Diarise the renewal date and follow up with the administrative clerk. ✓✓</li> </ul> Any other relevant recommendation related to how MJF can deal with the renewal of a trading licence as a legal challenge.
<b>Max (2)</b>	<b>Max (4)</b>	<b>Max (4)</b>

- NOTE:**
1. The answer does not have to be in tabular format.
  2. Do not award marks for challenges that are not fully quoted from the scenario.
  3. Do not award marks for PESTLE factors if they are not linked to the challenges.
  4. Award marks for the PESTLE factors even if the quote is incomplete.
  5. The recommendation must be linked to the challenge.
  6. The challenge may be in any order.

#### 1.6 Impact of the Skills Development Act on businesses.

##### Positives / Advantages

- Trains employees to improve productivity ✓ in the workplace ✓
- Promotes self-employment ✓ and black entrepreneurship ✓
- Increases the return on investment in education and training ✓ in the labour market ✓
- Business could become globally ✓ more competitive. ✓
- Increases the number of skilled employees in areas ✓ where these skills are scarce ✓

- Encourages on-going skills development and learning√ to sustain the improvement of skills development √
- Improves employment opportunities and labour movement √ of workers from previously disadvantaged groups √
- Workplace discrimination can be addressed√ through training. √
- Workplace is used as an active learning environment√ where employees can gain practical job experience√
- BBBEE compliant businesses can improve their products / service delivery √as they employ more skilled workers. √

Any other relevant answer related to the positive impact of SDA on businesses

**AND / OR**

**Negatives / Disadvantages**

- Increases cost √as the process requires a large amount of paper work √
- Implementation of the SDA can be difficult√ to monitor and control. √
- Skills programmes may not always address training√ needs of employees. √
- Skills Development Levy could be an extra burden√ to financially struggling businesses. √
- It may be monitored and controlled by government departments √that do not have education and training as their key priorities. √
- The SETAs may not be well organised √and many courses offered by companies may not have unit standards that relate to the course content. √
- Many service providers offer training services √ that are not SAQA accredited. √
- Many businesses may not support √this government initiative. √
- Employees are expected to attend learnerships during work hours which√ could affect the production process / productivity. √
- Costly for businesses to employ a person to implement, √manage and control learnerships. √
- The time and money spent on improving employee skills is wasted√ if they leave the business. √

Any other relevant answer related to the negative impact of SDA on businesses

Max

(6)  
**[40]**

**TOTAL**