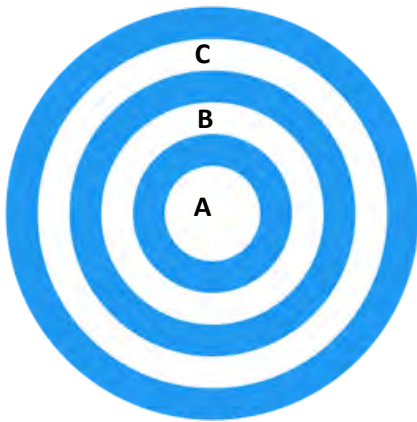


### Influences on and control factors influencing business environments

1. The following diagram represents the three business environments. Identify the environments labelled A, B and C.



- A** A – Macro, B – Market, C – Micro  
**C** A – Micro, B – Market, C – Macro
- B** A – Micro, B – Macro, C – Market  
**D** None of the above
2. From the diagram, show how the three environments interact with each other.
- A** A and C can influence each other; however, A and B can only adapt to events happening in C.  
**B** A and B can influence each other; however, A and B can only adapt to events happening in C.  
**C** C and B can influence each other; however, C and B can only adapt to events happening in A.  
**D** All of the above.
3. Compare the effectiveness of using monetary versus non-monetary methods as motivation for employees in the internal environment.
- A** Non-monetary is long-lasting, as it plays into employees' need for recognition.  
**B** Non-monetary incentives are designed to recognise a special achievement.  
**C** Non-monetary reward can also be a service such as building renovations made on a property.  
**D** All of the above.
4. Evaluate if the following extract is classified as a Mission or Vision statement.
- Sweetgreen: To inspire healthier communities by connecting people to real food*
- A** Combination of both mission and vision statement  
**B** Vision statement  
**C** Mission statement  
**D** None of the above

### Challenges in business environments

5. Explain the challenges caused by Trade Unions.
- A** Trade Unions can also protect workers from exploitation.  
**B** Modern labour markets are increasingly flexible.  
**C** This means an employer can fire someone for virtually any reason.  
**D** Raise the wages of their members at the cost of lower profits and fewer jobs.

6. Choose the effect unemployment will have on the South African economy.
- A Being unemployed means no more getting up early to deal with heavy traffic.
  - B High unemployment indicates the economy is operating below full capacity and is inefficient; this will lead to lower output and incomes.
  - C Being unemployed can lead to depression, low self-esteem, anxiety and other mental health issues.
  - D Geographical subsidies to encourage firms to invest in depressed areas.
7. Prioritise the social problems from most important to least important.
- A Unemployment leads to poverty, poverty leads to crime, and crime leads to violence.
  - B Technology leads to poverty, poverty leads to increased education, and education leads to violence.
  - C Unemployment leads to poverty, poverty leads to increased taxes, and increased taxes lead to crime and violence.
  - D None of the above.
8. Identify three challenges faced in the external environment.
- A Workforce, product quality and production
  - B Employees, management and technology
  - C Economic, technological and ecological issues
  - D Economic, social and employees
9. Identify the correct terminology defining how trade across the world has become easier due to technology.
- A Globalisation
  - B Trade agreement
  - C Exchange rates
  - D BIS (Business Information Systems)

### Adapting to challenges in business environments

10. Determine how information management as a strategy can assist businesses to adapt to challenges.
- A Both the manager and the subordinates know what is expected of them.
  - B Measurable targets and standards of performance and priorities are set.
  - C It makes individuals more aware of the company goals.
  - D An information management system provides the data to identify non-effective areas and leads to better business productivity.
11. Select the definition for lobbying from the options given.
- A Any attempt by individuals or private interest groups to influence the decisions of government.
  - B Protecting the reliability of its trade.
  - C Cessation of work.
  - D Assembling outside a workplace.

The following diagram is to be used to answer Questions 12 and 13.

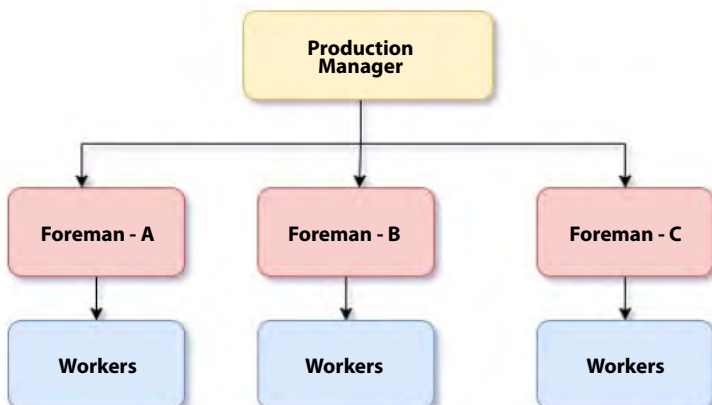


Figure 1: <https://www.tuturself.com>

12. Determine the type of organisational structure depicted in the picture.
- |  |   |
|--|---|
| <b>A</b> Staff organisational structure  | <b>B</b> Line organisational structure                          |
| <b>C</b> Matrix organisational structure | <b>D</b> Combination of staff and line organisational structure |
13. Explain one disadvantage of this type of structure.
- |  |                                       |
|--|---------------------------------------|
| <b>A</b> Staff has expertise on the matter | <b>B</b> Unity of command             |
| <b>C</b> Greater flexibility               | <b>D</b> Usually rigid and inflexible |
14. Select an example of a strategic alliance.
- |                               |                                |
|-------------------------------|--------------------------------|
| <b>A</b> Wimpy and Steers     | <b>B</b> Checkers and Shoprite |
| <b>C</b> Engen and Woolworths | <b>D</b> Takealot and Kalahari |

### Impact and challenges of contemporary socioeconomic issues on business operations

15. According to the 2019 stats SA, South Africa has a population of 58,78 million. Calculate how many people are unemployed if the current unemployment rate is 29%.
- |                        |                        |                        |                        |
|------------------------|------------------------|------------------------|------------------------|
| <b>A</b> 18,04 million | <b>B</b> 19,04 million | <b>C</b> 16,04 million | <b>D</b> 17,04 million |
|------------------------|------------------------|------------------------|------------------------|

Use the following information to solve Questions 16, 17, 18 and 19.

The **World Bank** defines **poverty** in absolute terms. The **bank** defines extreme **poverty** as living on less than US\$1.90 per day (PPP), and moderate **poverty** as less than \$3.10 a day.

([https://en.wikipedia.org/wiki/Measuring\\_poverty](https://en.wikipedia.org/wiki/Measuring_poverty), accessed 04/03/2020)

16. Calculate the Rand value of a person living in extreme poverty if the exchange rate is:  
1 South African Rand equals 0,0646 United States Dollar.
- |                 |                 |                 |                  |
|-----------------|-----------------|-----------------|------------------|
| <b>A</b> R28,50 | <b>B</b> R29,41 | <b>C</b> R27,99 | <b>D</b> R123,50 |
|-----------------|-----------------|-----------------|------------------|
17. How would you classify the majority of South Africa's poverty status?
- |                          |                     |                           |                           |
|--------------------------|---------------------|---------------------------|---------------------------|
| <b>A</b> Extreme poverty | <b>B</b> No poverty | <b>C</b> Cultural poverty | <b>D</b> Moderate poverty |
|--------------------------|---------------------|---------------------------|---------------------------|
18. Justify your answer for number 17.
- |  |
|--|
| <b>A</b> With 29% unemployment, majority of households have adults contributing to household expenses. |
| <b>B</b> With 29% unemployment, majority of households have a high standard of living.                 |
| <b>C</b> With 29% unemployment, majority of households do not have two working adults.                 |
| <b>D</b> All of the above.   |
19. Recommend what government could do to solve the problem of poverty in South Africa.
- |  |  |
|--|--|
| <b>A</b> Increase VAT on goods               | <b>B</b> Build petrol stations and increase fuel price |
| <b>C</b> Decrease infrastructure development | <b>D</b> Build schools and clinics                     |



## Business sectors

20. In which area of South Africa's economy do most businesses operate?
- A Wholesale, retail and motor trade, catering and accommodation.
  - B Agriculture
  - C Mining
  - D Construction
21. Define the acronym GDP.
- A Gross Domestic Production
  - B Gross Domestic Population
  - C Government Domestic Production
  - D Gross Domestic Product
22. Evaluate one reason for struggling public sectors enterprises.
- A Strong competition from private sector.
  - B Sufficient tax income to cover capital.
  - C Efficient Management and influx of capital.
  - D Poor capital management but with knowledgeable management.
23. The business world is made up of the Public and Private sectors. Differentiate between these two sectors.
- A Public Sector refers to the part of the country's overall economy which is controlled by individuals. Private Sector refers to the part of the country's overall economy which is controlled by government.
  - B Investment, production and the allocation of capital goods take place according to economic plans and production plans.
  - C Public Sector refers to the part of the country's overall economy which is controlled by the Government. Private Sector refers to the part of the country's overall economy which is controlled by individuals.
  - D Decisions regarding investment, production and distribution are guided by the price signals created by the forces of supply and demand.
24. List different types of activities that can take place in the informal sector.
- A Tax collection and infrastructure development
  - B Production, Hawking, Services
  - C Health services and Production
  - D Production, Services and tax collection

## Avenues of acquiring a business and companies as a form of ownership

25. Adapt the following statement so that it describes a company instead of a partnership as form of ownership: Partnerships are businesses owned by two or more people.
- A Companies are businesses owned by five or more shareholders.
  - B Companies are businesses owned by one or more shareholders.
  - C Companies are businesses owned by a maximum of 50 shareholders.
  - D Companies are businesses owned by a combination of sole traders and partners.
26. Provide a definition for the MOI (Memorandum of Incorporation).
- A Legal document relating to the formation of a company or corporation.
  - B It is a document that sets out the rights, duties and responsibilities for government officials.
  - C Legal document relating to the formation of a Sole Trader.
  - D It is a document that sets out the rights, duties and responsibilities of shareholders, directors and other persons involved in a company.

27. Identify an example of a Non-Profit Company from the pictures below.

<p>i.</p> 	<p>ii.</p> 	<p>iii.</p> 
<p>Figure 2: <a href="https://www.divorceattorney.co.za">https://www.divorceattorney.co.za</a></p>	<p>Figure 3: <a href="https://en.wikipedia.org/wiki">https://en.wikipedia.org/wiki</a></p>	<p>Figure 4: <a href="https://commons.wikimedia.org/wiki">https://commons.wikimedia.org/wiki</a></p>

- A** ii. South African Airways                      **B** i. The Children's Hospital Trust  
**C** ii and iii. South African Airways and SABC   **D** i and iii. The Children's Hospital Trust and SABC

28. Characterise the taxation of a sole trader as form of ownership.

- A** Progressive tax system  
**B** Fixed tax percentage  
**C** Company tax applies  
**D** Not registered so no need to pay tax

29. Which form of ownership is referred to in the following description:  
There is a rescue scheme in place.

- A** Close Corporation                                      **B** Sole trader  
**C** Partnership    **D** Company

30. Define the term "unlimited liability" as it relates to forms of ownership.

- A** Unlimited liability means business owners are not responsible for their companies' debts.  
**B** Legal capacity to enter into agreements or contracts.  
**C** Unlimited liability means business owners are responsible for their companies' debts.  
**D** No legal capacity to enter into agreements or contracts.

# PROVERTO EMS OLYMPIAD 2020 – GRADE 11

## Business Studies

### ROUND 2

#### Influence and control factors influencing the business environments

Use the extract below and answer Questions 1 and 2.

Looking forward, we estimate **Unemployment** Rate in **South Africa** to stand at 34.00 in 12 months' time. In the long term, the **South Africa Unemployment** Rate is projected to trend around 34.30 per cent in 2021 and 34.60 per cent in 2022, according to our econometric models. (<https://tradingeconomics.com/south-africa/unemployment-rate>, accessed 22/07/2020)

1. Unemployment is a macro environment issue. How does this affect the market environment?
  - A Less tax available to government.
  - B Less customers available, as less disposable income is available.
  - C Increase in customers as demand increases for goods.
  - D No effect on market environment.
2. Unemployment is a macro environment issue. How does this affect the micro environment?
  - A Increase in production as demand increases for goods and services.
  - B Decrease in production as demand increases for goods and services.
  - C Increase in production as demand decreases for goods and services.
  - D Decrease in production as demand decreases for goods and services.

Use the following diagram to answer questions 3 and 4.

**The different elements in the macro environment affect each other, e.g.:**

Increase in inflation rates  
(Economic)



Equipment becomes more  
expensive (question 3)



Question 4 (social)

3. Identify the macro environment discussed in block 2 (Equipment becomes more expensive).
- A Political
  - B Physical
  - C Technological
  - D Environmental
4. Identify the Social description that could be discussed in block 3.
- A Increased social media publicity.
  - B Increased unemployment due to retrenchment.
  - C Increased labour cost due to more equipment.
  - D Increased crime due to frustration in society.

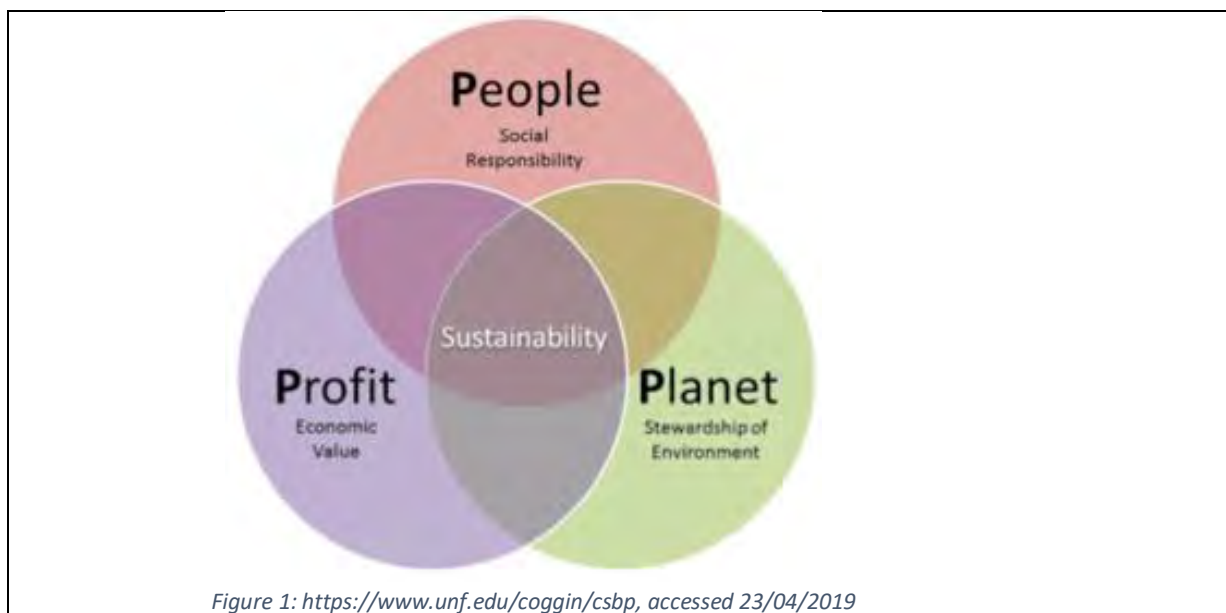
## Adapting to challenges in the business environments

5. Environmental scanning is:
- A to try and pre-empt what is happening and plan ahead.
  - B to put the business and its role in the broader economy, involving a variety of stakeholders, into perspective.
  - C predictable changes, which the business can plan for to some extent.
  - D to keep a watchful eye on developments in the industry which may affect your business.
6. Communication between people on different levels in the organisational hierarchy – where delegation of authority and feedback on tasks take place – is called:
- A Horizontal communication.
  - B Vertical communication.
  - C Formal communication.
  - D External communication.
7. Which one of the following scenarios is not seen as a challenge from the market environment in which Woolworths operates?
- A An advertising campaign by Pick n Pay promoting its joint venture with Discovery Health to promote healthy eating.
  - B Lack of communication between top level management and lower level management on a new salary structure.
  - C Changes in the demographic structure of the target market.
  - D A news article on Woolworths regarding labour issues.
8. The human resource department has identified the need for a tactical plan to address the high rate of absenteeism in the operations department. This challenge is part of the ..... environment.
- A micro
  - B market
  - C macro
  - D SMME

## Socio-economic issues

9. How much UIF has been paid out during the national lockdown?
- A R6 million
  - B R6 billion
  - C R60 000
  - D R600 000
10. Which sector has seen the most job losses during the COVID-19 pandemic?
- A Manufacturing sector
  - B Primary sector
  - C Service sector
  - D Mining sector

Use the image below to answer questions 11 and 12.



11. The image above is an example of:
- A incorporated business practices.
  - B incorporated citizen governance.
  - C social business practices.
  - D sustainable business practices.
12. Identify one advantage of implementing the above in an organisation.
- A Considering benefits of shareholder over stakeholder practices.
  - B Considering benefits of stakeholder over shareholder practices.
  - C Considering financial benefits over stakeholders and the environment.
  - D None of the above.



13. How much money has been donated to the solidarity fund since the start of the national lockdown?

- A R1 billion
- B R3 billion
- C R3 million
- D R 300 000

## Business Sectors

14. How much revenue has SARS lost in sin taxes since the start of the national lockdown?

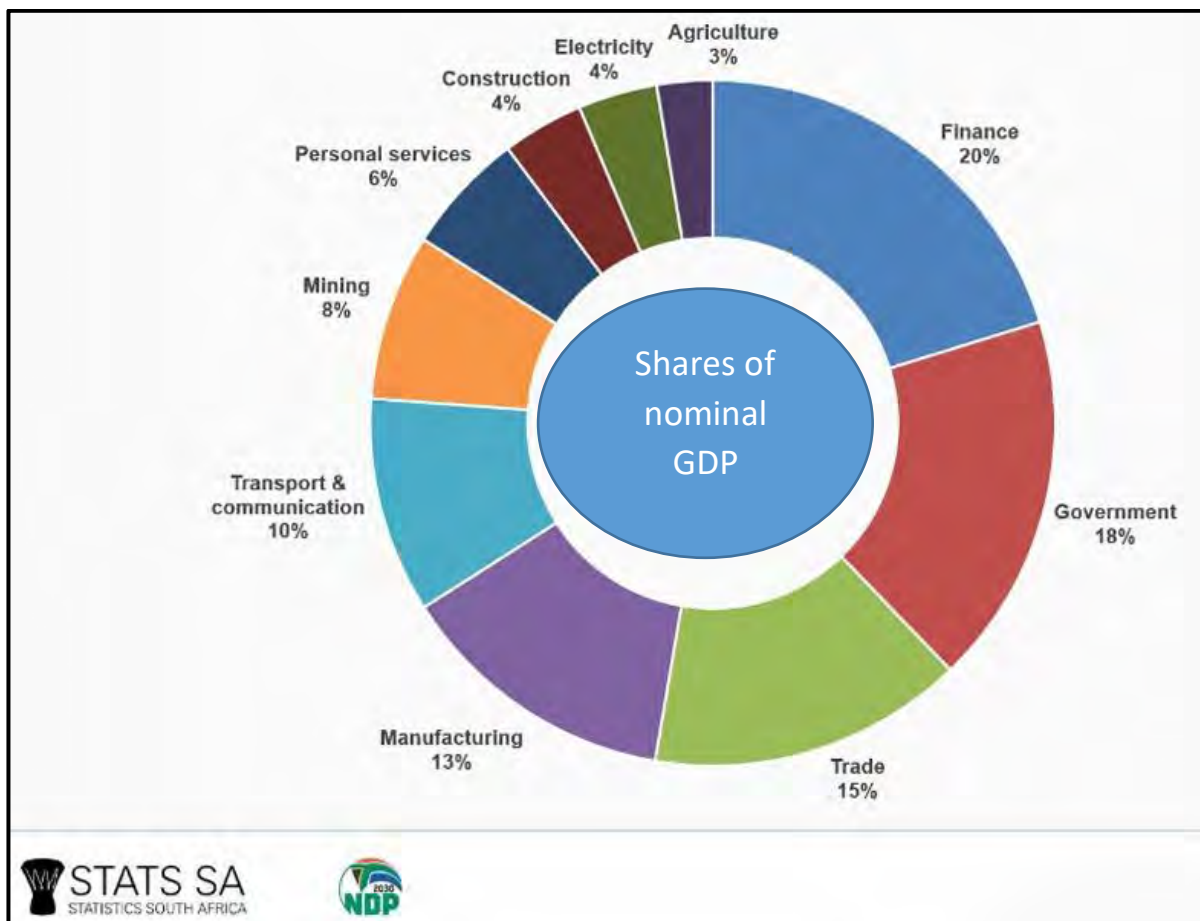
- A R1.7 billion
- B R1.7 million
- C R 170 000
- D R1700 000

15. Identify which of the items listed below are exempted from VAT charges.

- I. dried beans
- II. olive oil
- III. rice
- IV. milk
- V. white bread

- A II, V, I
- B III, IV, V
- C I, III, V
- D I, III, IV

Use the statistics below and answer questions 16 and 17.



16. Which are the TWO biggest contributing primary sector industries in South Africa to our total GDP?
- A Finance at 20% and Government at 18%
  - B Transport and communication at 10% and manufacturing at 13%
  - C Agriculture at 3% and Mining at 8%
  - D Trade at 15% and Government at 18%
17. What was the South African economic growth rate during the first quarter of 2020?
- A -2%
  - B 2%
  - C 5%
  - D -5%

## Forms of Ownership

18. Most entrepreneurs will need a loan in order to finance a new business venture. What is the current repo rate in South Africa?
- A Between 1% and 2%
  - B Between 10% and 20%
  - C Between 3% and 4%
  - D Between 20% and 25%

Use the information below to answer questions 19 and 20.



New Wimpy Franchisees can expect to pay between R1.9 million and R2.5 million and an initial franchisee fee of R114,300 (excluding VAT). Franchisees are also expected to pay 7% of their turnover in management fees and 5% of their turnover in royalties.

(<https://businesstech.co.za/news/business/250849/14-food-franchises-that-cost-less-than-r2-million-to-open-in-south-africa/>)

19. How much VAT will be paid on the initial franchising fees for a new Wimpy outlet?
- A R37 500
  - B R17 145
  - C R16 002
  - D R5 715
20. What is the percentage of the turnover paid to Famous Brands by each Franchisee?
- A 7%
  - B 5%
  - C 12%
  - D 15%

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## Creativity and Problem-solving

21. Indicate whether the following statement is TRUE or FALSE.

The logical spirit of an entrepreneur can be used to improve the management of existing franchises.

- A True
  - B False, creative spirit
  - C False, tactical spirit
  - D False, operational spirit
22. The following extract is an example of what type of theory that needs to be considered when applying creative thinking in a diverse workplace?

*The spirit of the African worldview includes wholeness, community and harmony which are deeply embedded in cultural values.*

- A Indigenous thinking
  - B Force Field analysis
  - C Incentive thinking
  - D Restraining forces
23. A group of workers who meet to discuss ways to improve quality and productivity.
- A Trade unions
  - B SABS
  - C Quality circles
  - D CCMA
24. The ability to identify and tackle problems early, before they get to the stage of debilitating the group, is fundamental. Identify factors which can cause problems in teams.
- A Capital requisition
  - B Inadequate role allocation
  - C Liability for debts
  - D Clear goals
25. An action step chart should include:
- A What, who, why, and expected outcome.
  - B What, why, how, and who.
  - C When, who, expected outcome, and what.
  - D Why, how, who, and expected outcome.

## Professionalism and Ethics

26. The following statement is FALSE. Correct the underlined words to make it TRUE.

The values and ethics that a company adheres to are detailed in the income statement of the company.

- A balance sheet
  - B code of conduct
  - C code of ethics
  - D memorandum of incorporation
27. Although 90% of Woolworths' food and clothing products are from SA, 10% are imported. Suggest a form of protection that government can use to protect local businesses from unfair international competition.
- A SARS
  - B Consumerism
  - C Commission agent
  - D Import taxes and levies

Use the extract below and answer Questions 28 and 29.

"Ethics refers to behaviour that is generally accepted by society."

28. Identify unethical advertising behaviours.
- A False advertising/trying to deceive the customer.
  - B Giving products distinctive names.
  - C The business is only paying for services when they are needed.
  - D Outsourcing business may have conflict with other customers.
29. Outline an advantage of business ethics.
- A Creating false wants is known as materialism.
  - B Cultural pollution.
  - C Ethical codes improve teamwork and productivity.
  - D Making false statements.
30. Choose the most correct statement:
- A Ethical behaviour will be linked to cultural values.
  - B Ethics entail acting outside of the law.
  - C To succeed in business, one has to turn a blind eye to unethical behaviour.
  - D It is considered unethical to do business on the golf course or at any social event.

# MEMORANDUM

	ANSWER
--	--------

	LOWER LEVEL
--	-------------

	MODERATE LEVEL
--	----------------

	HIGHER LEVEL
--	--------------

## ROUND ONE: 30 Questions

TOPICS		A	B	C	D	
Control factors - business environments	1.					
	2.					
	3.					
	4.					
Challenges in business environments	5.					
	6.					
	7.					
	8.					
	9.					
Adapting to challenges	10.					
	11.					
	12.					
	13.					
	14.					
	15.					

TOPICS		A	B	C	D		
Socio-economic issues	16.						
	17.						
	18.						
	19.						
Business sectors	20.						
	21.						
	22.						
	23.						
	24.						
Avenues of acquiring a business	25.						
	26.						
	27.						
	28.						
	29.						
	30.						

	ANSWER
--	--------

	LOWER LEVEL
--	-------------

	MODERATE LEVEL
--	----------------

	HIGHER LEVEL
--	--------------

## ROUND TWO: 30 Questions

	A	B	C	D	
1.					
2.					
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	A	B	C	D		
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