SOUTH AFRICAN BUSINESS STUDIES OLYMPIADS

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Business Studies Olympiad GRADE 12

DATE: 3 August 2026

TIME: 90 MINUTES

INSTRUCTIONS:

1. This booklet has 40 multiple choice questions.
2. Use the answer sheet provided.

   Circle the letter corresponding to your answer.
3. All working details must be done in the space provided.
4. Calculators are permitted.
5. Diagrams are not necessarily drawn to scale.
6. The first 30 questions carry 1 mark each and the next 10 carry 2 marks each.
7. You have 90 minutes for the paper which works out to an average of 2.25 minutes per question.
8. Read the questions carefully before answering.
9. Visit the website: www.saolympiads.co.za.

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Grade 12 Business Studies Olympiad 2026

SECTION A

Select the most correct answer by marking the correct letter on the answer sheet provided.

Read the article and answer the questions that follow.

Another big win for South Africa

South Africa's real gross domestic product (GDP) expanded by 0.5% in the third quarter, marking the fourth consecutive quarterly increase, in line with market expectations.

The economic boost between July and September 2025 follows an upward revision of Q2 GDP data to 0.9%, from 0.8% before.

This puts the cherry on top of what was already a surprising quarter in Q2, when many economists expected a tight GDP reading at the time.

There were also concerns for more pressure on the economy in Q3 due to the United States' 30% reciprocal tariffs kicking in from August.

Key sectors of South Africa's economy, including auto manufacturing and agriculture, were hit by the tariffs, but readings showed that the impact wasn't as severe as initially feared.

According to Stats SA, the main driver of GDP growth in Q3 came from the mining sector.

Nine of the ten industries on the production (supply) side of the economy were stronger in the third quarter, with mining & quarrying, agriculture, forestry & fishing, and trade, catering & accommodation recording the highest growth rates.

Mining output increased by 2.3%, driven predominantly by platinum group metals, with support from manganese ore, coal, chromium ore and copper.

However, there was a decline in iron ore, diamonds, nickel and gold, but this was not enough to cause a significant dent in overall growth.

Agriculture carried over its positive momentum, recording its fourth consecutive increase.

The 1.1% rise in the third quarter was underpinned by stronger production of field crops, horticulture and animal products.

The trade, catering & accommodation industry also registered its fourth consecutive quarter of growth.

Positive gains were recorded across the board, with stronger wholesale trade, retail trade, motor trade, accommodation and food & beverages.

General government was also positive, pulled higher by increased employment in national and provincial government and in extra-budgetary institutions.

Despite the pressure from the United States tariffs, South African exports rose by 0.7%, primarily led by increased trade in vegetable products and mineral products.

Imports were up by 2.2%, mainly influenced by a rise in the trade of machinery & electrical equipment; mineral products; textiles & textile articles; and animal & vegetable fats and oils.

With growth in the first three quarters standing at 0.1%, 0.9% and 0.5% respectively, the year-to-date averages 0.5%.

“This leaves GDP likely to come in at under 1% for the year as a whole, even with an optimistic fourth quarter,” he said.

South Africa needs to hit a GDP growth target of 3% to make a dent in its unemployment crisis and turn the economy around.

[Downloaded and adapted from: https://businesstech.co.za/news/finance/845251/another-big-win-for-south-africa/
Date accessed: 2 December 2025]

1. How did the United States' 30% reciprocal tariffs impact South Africa's economy?

A) Completely halted economic growth
B) Had less severe consequences than initially predicted
C) Caused a major recession
D) Eliminated all export opportunities (1)

2. Which economic sectors showed positive growth in Q3?

A) Only mining and agriculture
B) Nine out of ten industries
C) Only government sectors
D) No sectors showed growth (1)

3. What economic institution projects the GDP growth range?

A) Reserve Bank
B) World Bank
C) European Central Bank
D) United Nations (1)

4. According to the passage, what is South Africa's primary economic challenge?

A) High inflation rates
B) Attracting foreign investment
C) Increasing agricultural exports
D) Reducing unemployment (1)

5. Unemployment is a _____ factor from the _____ environment that has a _____ impact on consumer spending

A) social; market; negative
B) political; macro; positive
C) social; macro; negative
D) economic; micro; positive (1)

6. If Checkers decides to buy or take control of the business which supplies them with Koo canned goods, which strategy have they employed?

A) Horizontal integration
B) Forward integration
C) Backward integration
D) Vertical integration (1)

7. Bread and milk sold by Checkers are known as …

A) Select goods
B) Convenience goods
C) Speciality goods
D) Shopping goods (1)

8. The factors that will differentiate Engen's product and/or service is called the….

A) Unique Selling Proposition
B) Marketing Strategy
C) Market Map
D) Living Standard Measure (1)

9. Which of the following best defines industrial action and its potential effects?

A) A business strategy where retailers collectively negotiate with suppliers to lower the cost of raw materials.
B) A strategy used by clothing retailers to lower costs by outsourcing manufacturing to countries with cheaper labour
C) Government intervention to regulate trade unions and prevent them from influencing wage negotiations
D) Actions taken by factory workers and retail staff, such as strikes, go-slows, and picketing, to negotiate better wages or working conditions, which may disrupt production and supply chains (1)

10. Which law is focused on entrenching the right to strike and resolving labour disputes in the workplace?

A) Skills Development Act
B) Labour Relations Act
C) Employment Equity Act
D) Basic Conditions of Employment Act (1)

11. According to the Basic Conditions of Employment Act (BCEA), which of the following is correct regarding the maximum number of ordinary working hours in a week for an employee in South Africa?

A) 40 hours
B) 45 hours
C) 52 hours
D) 55 hours (1)

12. Which of the following is NOT an element of a BBBEE scorecard?

A) Socio-economic development
B) Skills development
C) Ownership
D) Manpower planning (1)

13. The King IV Report introduced Triple Bottom Line reporting. Which one is not part of the requirement of Triple Bottom Line reporting?

A) Process
B) Profit
C) People
D) Planet (1)

14. A South African clothing retailer is hiring a new store manager and offers a Cost to Company (CTC) package of R450,000 per year. Another retailer offers a Cost Plus Benefits package with a base salary of R400,000 plus medical aid, pension contributions, and bonuses worth R80,000 annually.
Which statement is most accurate about these two salary structures?

A) The Cost-Plus Benefits package results in a lower total earnings for the employee.
B) The Cost to Company package includes all benefits and deductions, meaning the employee's actual take-home pay may be lower than expected.
C) The Cost-Plus Benefits package is the same as Cost to Company, just worded differently.
D) Cost to Company always provides a higher salary than Cost Plus Benefits. (1)

15. Which of the following statements about substantive and procedural fairness is correct when applying disciplinary action in the clothing retail industry?

A) Substantive fairness focuses on the fairness of the procedure, while procedural fairness focuses on whether the punishment is reasonable.
B) Substantive fairness ensures the disciplinary action is appropriate to the offence, while procedural fairness ensures the correct process is followed.
C) Substantive fairness is less important than procedural fairness when determining the outcome of a disciplinary hearing.
D) Procedural fairness refers to the severity of punishment, while substantive fairness relates to the employee's conduct. (1)

16. The manager of a restaurant always makes decisions by herself without consulting her team. She sets clear expectations for the staff and expects them to follow orders without question. Which leadership style best describes the manager's approach?

A) Autocratic Leadership
B) Democratic Leadership
C) Transformational Leadership
D) Laissez-Faire Leadership (1)

17. Which of the following is NOT an example of a non-monetary motivation factor?

A) Job enrichment
B) Flexible working hours
C) Performance Bonus
D) Hybrid working options (1)

18. A South African clothing retailer wants to expand its stores to rural areas over the next five years. This is an example of:

A) Tactical planning
B) Operational planning
C) Strategic planning
D) Contingency planning (1)

19. Which of the following is NOT a key function of organising in a South African retail business?

A) Monitoring financial transactions
B) Defining roles and responsibilities
C) Allocating resources efficiently
D) Coordinating different departments (1)

20. A retailer YDE compares actual monthly sales with its sales targets. This step in the control process is called:

A) Setting standards
B) Measuring actual performance
C) Taking corrective action
D) Forecasting (1)

21. In a changing business environment, which one of the following scenarios would be considered unethical?

A) Treating the personal details of a client as confidential.
B) Tracking and monitoring employee's internet access to non-work-related websites during working hours.
C) An employee using the company delivery vehicle for private use.
D) One staff member reporting the illegal actions of another to a superior. (1)

22. A food retailer will use the_____ ratio to ensure total assets exceed total liabilities.

A) liquidity
B) solvency
C) gearing
D) current (1)

23. A non-profit organisation that promotes reporting on sustainability issues through the creation of a Sustainability Reporting Framework is:

A) FTSE
B) ESG
C) GRI
D) FMCG (1)

24. The "apply and explain" approach to the King Code means that …

A) The board of directors have to explain why they are not implementing the King Report's recommendations.
B) Stakeholders can take actions on what they believe is in the best interest of the company.
C) The board of directors have to explain how the principles of Corporate Governance were implemented.
D) Affirmative action cannot be used in recruitment adverts. (1)

25. Which principle of good Corporate Governance implies that BP will be considerate when evaluating all relevant parties' interests when decisions are taken?

A) Fairness
B) Independence
C) Integrity
D) Discipline (1)

26. Which of the following would be seen as a weakness in a SWOT analysis?

A) A liquidity 'current capital ratio' of 1:1.
B) A liquidity 'current capital ratio' of 2:1.
C) A liquidity 'acid test ratio' of 1:1.
D) A solvency ratio of 3:1. (1)

27. A retail store is sued after a customer slips and gets injured inside the store. Which insurance policy would help cover legal costs?

A) Public liability insurance
B) Business property insurance
C) Life insurance
D) Investment insurance (1)

28. A retailer refuses to refund a customer for a defective product. According to the CPA, what should the retailer do?

A) Ignore the complaint
B) Offer a replacement, repair, or refund
C) Increase the price of the item
D) Ask the customer to pay extra for a refund (1)

29. Checkers Sixty60 is an example of their:

A) Threats.
B) CSR.
C) CSI.
D) Competitive advantage. (1)

30. A tool used to improve the overall performance of the business by raising standards is …

A) market research
B) TQM
C) inspections
D) BSC (1)

SECTION B

31. A local retailer wants to build a long-term competitive advantage focusing on its rare, valuable and hard-to-imitate resources, such as exclusive access to premium products and in-house artisans. Which strategic tool would be best suited to analyse and leverage these?

A) Porter's Five Forces
B) PESTLE Analysis
C) Resource-Based Approach
D) Balanced Scorecard (2)

32. Which LSM group would a luxury clothing retailer like Burberry and Gucci in South Africa target?

A) LSM 1–4
B) LSM 5–7
C) LSM 3-5
D) LSM 8–10 (2)

33. A large South African petrol station is expanding and needs to hire new managers. Which of the following represents the correct sequence of a structured recruitment process?

A) Job posting → Shortlisting → Interviews → Onboarding → Selection
B) Manpower planning → Job advertisement → Screening & shortlisting → Interviews & assessments → Selection & onboarding
C) Candidate sourcing → Job advertisement → Hiring decision → Interviews → Job offer → Performance review
D) Manpower planning → Recruitment marketing → Direct hiring → Training & development (2)

34. Complete the missing information in the following sentence:

According to Porter's Six Forces, when the bargaining power of a supplier is high, it allows the supplier to sell products for **1** prices or to offer **2** quality products. A buyer has a **3** bargaining power when buying in bulk. Rivalry amongst existing competitors will be **4** when there are many competitors in the market.

	1	**2**	**3**	**4**
A	higher	lower	strong	high
B	lower	lower	weak	high
C	higher	higher	weak	high
D	lower	higher	strong	high

(2)

35. Complete the missing information in the following sentence:

The minimum notice period that applies to terminate employment is __1__ week/s if the worker has been employed for __2__ than a month. __3__ weeks are required if the worker has worked for the business for__4__ than one year.

(2)

	1	2	3	4
A	one	less	two	less
B	one	less	two	more
C	two	more	three	more
D	two	less	three	less

36. Which of the following would be used to calculate current assets for Checkers?

(i) Creditors	(ii) Bank
(iii) Debtors	(iv) Current liabilities

Choose the right combination:

A) (i) and (ii)
B) (ii) and (iii)
C) (i) and (iv)
D) (ii) and (iv) (2)

37. Which of the following can be said to be true about ChatGPT:

A) It is only a Large Language Model (LLM)
B) It is purely Artificial Intelligence (AI)
C) It is a combination of both Large Language Model (LLM) and Artificial Intelligence (AI)
D) It is neither. (2)

38. Which Bill in South Africa is focused on providing universal health care and poses a challenge to medical aid companies?

A) Copyright Amendment Bill
B) National Health Insurance (NHI)
C) Liquor Amendment Bill
D) General Family Law Bill (2)

39. Which of the following best describes the fiduciary duty of directors under the Companies Act 71 of 2008?

A) To prioritise shareholder interests over all other stakeholders at all times.

B) To act in good faith and for a proper purpose in the best interests of the company as a separate legal entity.

C) To avoid all forms of delegation to management.

D) To ensure that short-term profitability is achieved annually. (2)

40. In 2025, which of the following investments was announced as part of South Africa's push to expand its digital infrastructure?

A) A foreign-owned mining company opening a new platinum mine in the Free State.

B) Microsoft South Africa committing R 5.4 billion to build AI infrastructure in the country.

C) A consortium of local banks issuing a loan to upgrade railway signalling across the country.

D) A European automobile firm agreeing to export all its vehicles to South Africa under a new trade deal. (2)

TOTAL MARKS = 50