



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 11

BUSINESS STUDIES PAPER 1

JUNE 2024

MARKING GUIDELINES

MARKS : 150

These marking guidelines consist of 25 pages.

NOTES TO MARKERS

PREAMBLE

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

1. For marking and moderation purposes, the following colours are recommended:
Marker: Red
Moderator: Green
2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
 - Uses a different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used
- NOTE: There is only ONE correct answer in SECTION A.**
4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

9. No additional credit must be given for repetition of facts. Indicate with an 'R'.
10. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 10.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** *'COIDA eliminates time and costs spent√ on lengthy civil court proceedings.'*√
- 10.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. *'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'*√

NOTE: 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (√) in the allocation of marks.

11. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

- 11.1 Advise, name, state, outline, motivate, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 11.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
12. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

13. **SECTION B**

- 13.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.
NOTE: This applies only to questions where the number of facts is specified.
- 13.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.
- 13.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

13.4 **Use of the cognitive verbs and allocation of marks:**

- 13.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:
- Fact 2 marks (or as indicated in the marking guidelines)
 - Explanation 1 mark (two marks will be allocated in Section C)

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

- 13.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.

- 13.5 **ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**

14. **SECTION C**

- 14.1 The breakdown of the mark allocation for the essays is as follows:

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

142 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: Only relevant facts: 2 (No-S) Where a candidate answers 50% or more (two to four sub-sections) of the question with only relevant facts; N-S appears in the left margin: Award the maximum of TWO(2) marks for synthesis Option 2: Some relevant facts: (One –S) Where a candidate answers less than 50% (only one subtopic) of the question with only OR some relevant facts; one –S appears in the left hand margin. Award a maximum of ONE (1) for synthesis Option 3: Some relevant fact: (One –S) Where candidates writes FOUR subtopics, but one subtopic of the question with no relevant facts; one –S appears in the left hand margin. Award a maximum of ONE (1) mark for synthesis Option 4: No relevant facts: 0 (Two –S) Where the candidate answers less than 50% (only one sub-topic) of the question with no relevant facts; two –S appear in the left margin. Award a ZERO mark for synthesis	2
Originality	Is there evidence of examples based on recent information, current trends and developments not later than two years?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

- NOTE:**
- 1. No marks will be awarded for contents repeated from the introduction and conclusion.**
 - 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
 - 3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

- 14.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 14.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 14.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
TOTAL	40

- 14.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 14.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 14.10 14.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
14.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (√) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy √, where businesses aim to introduce new products into existing markets.'√
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 14.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A**QUESTION 1**

1.1	1.1.1 B √√		
	1.1.2 D √√		
	1.1.3 D √√		
	1.1.4 A √√		
	1.1.5 C √√		
		(10 x 2)	(10)
1.2	1.2.1 piracy √√		
	1.2.2 no √√		
	1.2.3 go-slow √√		
	1.2.4 technology √√		
	1.2.5 SABS √√		
		(5 x 2)	(10)
1.3	1.3.1 E √√		
	1.3.2 F √√		
	1.3.3 D √√		
	1.3.4 B √√		
	1.3.5 A √√		
		(5 x 2)	(10)

TOTAL SECTION A: 30**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B**Mark ONLY the FIRST TWO QUESTIONS IN SECTION B.****QUESTION 2: BUSINESS ENVIRONMENTS****2.1 Types of business sectors**

- Primary sector ✓
- Secondary sector ✓
- Tertiary sector

NOTE: Mark the first TWO (2) responses only**(2 x 1) (2)****2.2 Functions of trade unions**

- Protecting the interest of workers. ✓✓
- Representing the interest of general society and minority groups through media and negotiations. ✓✓
- Influencing government decisions. ✓✓
- Influencing management for better working conditions, salaries and benefits. ✓✓
- Representing employees corporately and individually. ✓✓
- Improving the material benefits of their members. ✓✓
- Advancing the interest of members. ✓✓
- Providing legal and financial advice. ✓✓
- Providing benefits and educational facilities to its members. ✓✓
- Supporting gender equality. ✓✓
- Protecting members in times of retrenchments and disciplinary hearings. ✓✓
- Protecting the interest of their members during disciplinary procedures. ✓✓
- Any other relevant answer related to the functions of trade unions.

Max (6)**2.3 Socio-economic issues**

2.3.1 Illiteracy ✓✓

(2)

2.3.2 Strike ✓✓

(2)

2.3.3 Dumping ✓✓

(2)**2.4 Purpose of the Labour Relations Act (LRA)**

- Provides a framework where the employees, trade unions and employers work together ✓ to discuss matters relating to employment, e.g. wages, conditions of employment. ✓
- Promotes orderly negotiations and employee participation ✓ in decision-making in the workplace. ✓
- Promotes resolution of labour disputes, ✓ through the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA). ✓
- Promotes fair ✓ employment practices. ✓
- Provide a framework/structure for labour relations ✓ between employer and employees. ✓
- Provides simple procedures ✓ for the registration of trade unions and employers' organisations. ✓
- Regulates the rights of trade unions and facilitates ✓ collective bargaining. ✓
- Regulates the effectiveness of bargaining councils ✓ and statutory councils. ✓
- Allows workplace forums ✓ where employees may participate in decision-making. ✓

- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes ✓ through statutory conciliation, mediation and arbitration. ✓
- Endorses the right to strike against retrenchments, ✓ and facilitates labour disputes. ✓
- Clarifies the transfer ✓ of contracts of employment procedures. ✓
- Establishes Labour Courts and Labour Appeal Courts ✓ to deal with labour issues. ✓
- Provide fair labour practice ✓ between the employer and employee. ✓
- Deals with ✓ strikes and lockouts and workplace forums. ✓
- Establishes workplace forums to promote ✓ the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Advances economic development/social justice/labour peace ✓ to ensure the workplace maintain the basic rights of employees. ✓
- Any other relevant answer related to the purpose of the Labour Relations Act.

Max (6)**2.5. Ways businesses are involved in the macro environment****2.5.1 Ways businesses are involved in the macro environment from the scenario**

- BS expanded their businesses to other African countries by opening a store in Zanzibar. ✓
- They are also spending money on research in the development of their shoes. ✓

NOTE: 1. Mark the first TWO (2) only.**2. Only award marks for responses that are quoted from the scenario.****(2 x 1) (2)****2.5.2 Other ways that business can be involved in the macro environment**

- Collective bargaining/lobbying, ✓ representatives of business community use opportunity to discuss matters of mutual interest with government officials. ✓
- Private-public partnership, ✓ business can enter into mutually beneficial partnerships with the government and business can benefit from government policies. ✓
- Privately owned services to the community or country ✓ business make use of a government owned assets (harbour) and decide to keep the area clean (service). ✓
- Job creation ✓, by businesses will receive a subsidy or tax reduction and have more trained workers. ✓
- Increased involvement in social responsibility initiatives ✓ business gets involved in socio-economic issues through training and communication in the workplace project. ✓
- Government tenders ✓ offered by the government and in response businesses will submit a formal offer to supply specified goods and services. ✓
- Working within the laws and regulations ✓ set up by the government can assist businesses to prosper/set up contracts. ✓
- Taking advantage of economic changes ✓ such as seasonal price changes/changes in exchange rate/government tax breaks. ✓
- Preventing environmental damage ✓ by being sustainable and environmentally aware. ✓
- Moving towards more environmentally friendly products ✓ such as solar-powered geysers, lights and environmentally friendly cleaning products. ✓

- Any other relevant answer related to the ways in which businesses can be involved in the macro environment.

NOTE: Do not award marks for responses that were quoted from the scenario in QUESTION 2.5.1 **Max (6)**

2.6 Advantages of businesses that are involved in the macro environment

- Preventing environmental change/damage ✓ by being sustainable and environmentally aware/decreasing carbon footprint. ✓
- Entering global markets, using the internet, ✓ increases markets and can source cheaper/better raw materials internationally. ✓
- Knowing peoples age, gender, customs, traditions and preferences ✓ will make it easier for businesses to appeal to people. ✓
- Laws regulate industries, control trade with other countries ✓ and protect industries, consumers and employees. ✓
- Businesses are aware of the impact of foreign exchange currency and taxes ✓ are flexible in supplying the products and services relevant to the current economic situation. ✓
- Keeping up with the latest technology ✓ ensures reaching the largest possible market. ✓
- Ensures that the business keep abreast/work within ✓ policies, laws and regulations that govern businesses. ✓
- The business can more accurately predict ✓ future events, threats and opportunities that may arise. ✓
- Any other relevant answer related to the advantages of businesses that are involved in the macro environment. **Max (4)**

2.7 Ways in which businesses can overcome competition in the market

- Offering different products and services than the competitors to satisfy the customer's needs and wants. ✓✓
- Offering more personal services by being responsive to the customer's needs/expectations. ✓✓
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. ✓✓
- Charging lower prices than that of the other businesses. ✓✓
- Selling products of a superior quality/new products/services that the customers might be interested in. ✓✓
- Well trained/knowledgeable staff members that create a better working atmosphere. ✓✓
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. ✓✓
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/inviting. ✓✓
- Keeping up with developments in the sector of the business sector, following consumer trends/investing in new technology. ✓✓

- Improving customer services and ensuring client satisfaction. √√
- Any other relevant answer related on ways in which businesses can overcome competition in the market.

Max (6)**[40]****BREAKDOWN OF MARKS**

QUESTION	MARKS
2.1	2
2.2	6
2.3.1	2
2.3.2	2
2.3.3	2
2.4	6
2.5.1	2
2.5.2	6
2.6	6
2.7	6
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS**3.1 Categories of consumer goods**

- Convenience goods√
- Shopping goods√
- Specialty goods√
- Services√
- Unsought goods√

NOTE: Mark the first FOUR (4) components only.**(2 × 1) (2)****3.2 Outline the purpose of packaging**

- Packaging is needed to contain the item or product. √√
- Protects the product from breakage, gems, moisture or spoilage. √√
- Promotes the product by indicating the brand and trademark of the company and product.√√
- Prevent tampering or theft of a product. √√
- Improves convenience in use or storage of a product. √√
- Contains information about the product, including uses, any harmful warnings or dosage requirements. √√
- Make product easier to identify√√
- Differentiates the product from other competing products. √√
- Attracts attention to show value of the product as a marketing tool√√
- Links the product to the promotion strategy used to promote the product. √√
- Reduces storage costs by minimising breakage. √√
- Any other relevant answer related to the purpose of packaging

Max (6)

3.3 Distribution policy

3.3.1 Type of intermediary from the scenario

Retailers ✓✓

3.3.2 Reasons why manufacturers may prefer to make use of indirect distribution methods

- The experienced agents/intermediaries deal with customers, ✓ which allow businesses to focus on core issues. ✓
- Transportation and storage ✓ are taken care of by intermediaries. ✓
- There is no need to hire specialised staff ✓ to do sales complaints. ✓
- Businesses do not have to deal ✓ with customer complaints. ✓
- Businesses enjoy the benefits of bulk orders ✓ from wholesalers. ✓
- Better market coverage is achieved ✓ with using intermediaries. ✓
- Intermediaries understand ✓ how the market operates. ✓
- Consumers are often spread across the country, ✓ distribution needs to be widespread as well. ✓
- Indirect distribution does not require a large investment ✓ in advertising. ✓
- Intermediaries sometimes provide credit to consumers, ✓ which will help attract more consumers. ✓
- Any other relevant answer related to the reasons why manufacturers may prefer to make use of indirect distribution methods.

Max (6)

3.4. Differences between direct and indirect channels of distribution

Direct channel of distribution	Indirect channel of distribution
- Carry ✓all the risks. ✓	- Risks are shifted to intermediaries ✓during the distribution of the product to end user✓
- Involves the producer ✓and the consumer.✓	- There are middlemen ✓between the producer and the consumer✓
- The wholesaler and the retailer are cut ✓from the process✓	- The wholesalers and retailers act as negotiators ✓ between the producer and consumer. ✓
- Marketing and selling of products to the customers ✓without involving the middleman. ✓	- Specialised agents ✓ deal with customers ✓
- Full control over the product✓ and marketing. ✓	- Very little feedback ✓from customers. ✓
- Better end user price ✓as no intermediaries costs ✓	- Transportation and storage is taken care of ✓by intermediaries. ✓
- Provides✓ immediate feedback✓	- Manufactures make use of middlemen ✓such as wholesalers/agents/brokers/retailers. ✓
- Needs more specialised employees✓ who are trained.✓	- The manufacture is not knowledgeable ✓about the distribution of the product ✓
- Better end user price ✓as no intermediary costs. ✓	- Products may be expensive ✓as costs are intermediary costs are added. ✓
- Any other relevant answer related to direct channel of distribution	- Any other relevant answer related to indirect channel of distribution
Submax (2)	Submax(2)

- NOTE:**
- 1. The answer does not have to be in tabular format.**
 - 2. The differences do not have to link, but must be clear.**
 - 3. Award a maximum of TWO (2) marks if the differences are not clear/Mark either direct channel of distribution or indirect channel of distribution only.**

3.5 Stages of the product design

3.5.1 Stage of the product design from the scenario

Design and development of product ideas ✓✓

(2x1) (2)

3.5.2 Other stages of the product design that would be followed

- Selecting and sifting ✓ of product ideas/ Idea screening. ✓
- Development and testing of the product concept ✓ which should happen before a product is developed. ✓
- Analysis of the profitability ✓ of the product concept ✓/Business analysis. ✓
- Design and test ✓ the physical product ✓/a real product is made for the first time. ✓
- Consumer responses must be tested ✓ using a small sample of the product/Market testing. ✓
- Technical implementation ✓/Systems and processes are put in the production planning and control process. ✓
- Commercialisation ✓/The product is launch and marketing/advertising campaigns implemented. ✓
- New product pricing ✓/The product is priced and forecasts worked out. ✓
- Any other relevant answer related to the other stages of the product design that would be followed.

Max (4)

3.6 Effectiveness of personal selling in promoting a business product

- Personal selling can be made telephonically but are usually face to face ✓and offer the most flexible means of delivering a promotional message. ✓
- Done by experienced sales people who develop charisma ✓and become skilled in getting people to pay attention to them. ✓
- It is very effective especially in the case of expensive industrial goods ✓ such as machinery and shopping goods e.g. stoves/fridges/cell phones. ✓
- Involves a very personal touch with specific attention ✓ giving to customer's needs and requirements. ✓
- Most effective way to build relationships ✓ between the sales person and the customer. ✓
- It is also a very good way of maintaining good relationships ✓ and ensuring on-going business and sales. ✓
- The sales person can adjust his/her message to be more attractive ✓ to the person listening. ✓
- Any other relevant answer related to effectiveness of personal selling in promoting a business product.

Max (6)

3.7 Role of marketing function

- Support the overall objectives of a business, which is to maximise profits. √√
- The marketing team needs to work closely with staff members from other business functions.√√
- Gather information about customer needs, preferences and buying behaviour and share information with other departments. √√
- Assist the development of the marketing strategy in collaboration with senior management from other business functions. √√
- Develop a marketing plan using elements of the marketing mix. √√
- Develop sales forecasts and projections and provide this information to other business functions. √√
- Decide which products or services the business will sell and how the products will be distributed. √√
- Determine what prices (cash or credit) they are going to sell. √√
- Any other relevant answer related to the role of marketing function.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION	MARKS
3.1	4
3.2	6
3.3.1	2
3.3.2.	6
3.4	4
3.5.1	2
3.5.2	4
3.6	6
3.7	6
TOTAL	40

QUESTION 4**BUSINESS ENVIRONMENTS****4.1 Challenges of the market environment**

- Competition ✓
- Shortage of supply ✓
- Changes in consumer behaviour ✓
- Demographics and psychographics ✓
- Socio-cultural factors ✓

NOTE: Mark the first FOUR (4) only**(4 x 1) (4)****4.2 Meaning of industrial relations**

- Industrial relations refers to the relationship ✓ between the employer and Employees. ✓
- It influences the way in which businesses are guided ✓ by the Labour Relations Act. ✓
- Any other relevant answer related to the meaning of industrial relations.

Max (4)**4.3 Ways in which business can form power relationships**

- Build around BBBEE ✓ and empowerment of employees. ✓
- Ability of a person's power to influence ✓ others' thoughts, actions or choices. ✓
- Every party to a relationship possesses a degree of power, ✓ i.e. power to strike/demand payment/order material ✓
- Strategic alliances/Agreement ✓ between businesses leading to mutual benefits. ✓
- Strategic allies do not want to lose ✓ mutual benefits. ✓
- Strategic allies consider suggestions ✓ made by businesses in the alliance. ✓
- Persuasion of large investors ✓ has power to influence other businesses. ✓
- Secure goodwill of investors ✓ and listen to suggestions of investors. ✓
- Influence on company representatives ✓ through agent or intermediary. ✓
- Intermediaries influence customers by handing out free samples ✓ and by recommendation of certain products by specialists/investors. ✓
- Any other relevant answer related to ways in which businesses can form power relationships.

Max (6)**4.4 Challenges of the micro environment****4.4.1 Challenges of the micro environment from the scenario**

- The managers at BT lack adequate management skills. ✓
- Difficult employees also make the daily running of the business a challenge. ✓

NOTE: Mark the first TWO (2) only**(2 x 1) (2)****4.4.2 Other challenges of the micro environment**

- Lack of vision and mission ✓
- Unions ✓
- Strikes and go slows ✓
- Skills shortages among employees ✓
- High employee turnover ✓
- Employee absenteeism ✓
- Any other relevant answer related to other challenges of the micro environment.

Max (2)**NOTE: 1. Mark the first TWO (2) only.****2. Do not award marks for responses that were quoted from the scenario in QUESTION 4.4.1**

4.5 Ways in which businesses can have a direct influence on the environment

- Businesses need to be flexible by getting involved in research/development so that they can continue to operate. √√
- Influence its suppliers by signing long term contracts. √√
- Create new uses for a product by finding new customers. √√
- Influence regulators through lobbying and bargaining. √√
- Initiate bargaining sessions between management and unions. √√
- Influence its owners' using information contained in annual reports. √√
- Negotiate strategic alliance agreement through contractual processes. √√
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

Max (4)**BUSINESS OPERATIONS****4.6 Marketing activities**

- Standardisation and grading√
- Storage√
- Transport√
- Financing√
- Risk-bearing√
- Buying and selling√

NOTE: Mark the first FOUR (4) only**(4 x 1) (4)****4.7 Pricing techniques used by Norman Fast Food**

- 4.7.1 Competition based pricing/orientated pricing. √√ (2)
- 4.7.2 Promotional pricing. √√ (2)
- 4.7.3 Psychological pricing. √√ (2)

4.8 Importance of pricing

- The pricing process needs to consider √flexibility/discount/territory/life cycle status/allowance. √
- Pricing affects the number of products that an enterprise is able to sell, √ which in turn, affects profitability. √
- The price of a product can influence the consumers' attitude √ towards the product or the brand.√
- If the is believed to be too high, √ fewer consumers may buy the product. √
- If the price is too low, √consumers may perceive the good as being of poor quality. √
- The pricing policy should explain √ when and to whom discounts will be granted. √
- The price of a product must make provision√ for transport costs. √
- The price of a product must make provision√ for VAT. √
- Low sales result in stockpiles of unsold product √that have to be stored and not repaying the cost of manufacturing that product. √
- Any other relevant answer related to the importance of pricing.

- Max (6)

4.9 Reasons why businesses must manage safety in the workplace

- Workplace accidents can result in injuries and deaths. ✓✓
- Publicity of workplace accidents will also impact negatively on an enterprise's image. ✓✓
- Regular or serious workplace accidents may even cause investors to invest their money in another company. ✓✓
- Potential employees may decide not to accept a job offer at an enterprise where many accidents have occurred. ✓✓
- Any other relevant answer related to reasons why businesses must manage safety in the workplace.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION	MARKS
4.1	2
4.2	4
4.3.	6
4.4.1	2
4.4.2	2
4.5	4
4.6	4
4.7.1	2
4.7.2	2
4.7.3	2
4.8	6
4.9	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C**Mark only the first question.****QUESTION 5: BUSINESS ENVIRONMENS (ADAPTING TO CHALLENGES OF THE BUSINESS ENVIRONMENT)****5.1 Introduction**

- Networking refers to a coordinated activity where people who have similar objectives meet and exchange information and ideas. ✓
- Lobbying allows for individuals, businesses and organisations to use their influence to change government policy. ✓
- Necessary measures need to be put in place by businesses to assist in minimising the effects of these challenges. ✓
- Businesses have the responsibility to become more socially responsible by giving back to communities. ✓
- Any other relevant introduction related to the advantages of networking/ types of lobbying/ways in which businesses can adapt to challenges of the business environments/projects that can be undertaken by businesses as part of social responsibility.

Any (2 x 1) (2)**5.2 Advantages of networking**

- Businesses can attract new customers resulting in increased market share and profitability. ✓✓
- Networking can be an excellent source of new perspectives and business ideas. ✓✓
- Allows managers to build new business relationships and generate new business opportunities. ✓✓
- Plays a role in the marketing and expansion of a business. ✓✓
- Assists businesses in making future business decisions. ✓✓
- Businesses can gain support when representation to various authorities is planned. ✓✓
- Any other relevant answer related to the advantages of networking.

Max. (10)**5.3 Types of lobbying****5.3.1 Hedging against inflation**

- The business use hedging by buying bonds, shares, property or buying precious metals like gold ✓ to protect capital from the effects of inflation. ✓
- Businesses invest surplus fund ✓ so that its value grows at a faster rate than inflation. ✓
- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
- Any other relevant answer related to hedging against inflation as a type of lobbying

Sub max. (6)**5.3.2 Bargaining sessions between management and unions**

- These sessions enable employees to negotiate with employers as a group ✓ to protect employees' rights. ✓
- Bargaining sessions prevent labour strikes and provide critical information ✓ to people in power. ✓
- The purpose of bargaining sessions is to find a win-win situation ✓ for all parties. ✓
- Any other relevant answer related to bargaining session between management and unions as a type of lobbying.

Sub-max.(6)**Max (12)**

5.4 Ways in which businesses can adapt to challenges of the business

Environments

5.4.1 Information management √√

- Information must be found/recorded/stored/easily retrieved √ and effectively used. √
- Businesses need to implement an effective information management system √ which is accessible and useful to all staff. √
- Information must be managed efficiently and a system must be put in place √ so that the relevant staff can easily access it. √
- Any other relevant answer related to information management as a method to adapt to challenges of the business environments.

Way (2)
Discussion (4)
Submax (6)

5.4.2 Strategic responses √√

- Management needs to design strategic responses to various challenges √ by analysing all information, identifying stakeholders involved. √
- Get a clear picture √ of each stakeholder's viewpoints and requirements. √
- Businesses should have a strategic plan √ to respond to changes in the business environment. √
- Any other relevant answer related to strategic responses as a method to adapt to challenges of the business environments.

Way (2)
Discussion (4)
Submax (6)

5.4.3 Mergers, takeovers, acquisitions and alliances √√

- Businesses can acquire the shares √ of another company. √
- Businesses can choose to purchase/merge with another business √ as a way to have a larger market share. √
- They can undertake a new venture with another company, √ which can be a safer way than expanding the existing business. √
- Any other relevant answer related to mergers, takeovers, acquisitions and alliances as a method to adapt to challenges of the business environments.

Way (2)
Discussion (4)
Submax (6)

5.4.4 Organisation design and flexibility √√

- Businesses need to be flexible in their organisational design and strategies √ so that they can compete in a changing market. √
- Organisation design is a process to integrate people/information/ technology of an organisation √ so that improves the profitability of the business. √
- Any other relevant answer related to organisational design and flexibility as a method to adapt to challenges of the business environments.

Way (2)
Discussion (4)
Submax (6)

5.4.5 Direct influence of the environment and social responsibility

- Businesses need to be flexible by getting involved in research and development √ so that if resources run out or if environmental legislation changes the business can adapt and continue to operate. √
- Social responsibility refers to the obligations a business has √ to protect and improve the interests of all its stakeholders. √
- Through social responsibility a business can influence its business environments √ and address challenges linked to socio-economic issues in its social environment. √
- Businesses must be more aware and involved in social responsibility projects and programmes √ that can benefit the community. √
- Take part in projects that uplift the community √ in which the business operates. √
- Businesses use CSI projects √ as a marketing tool for their business. √
- Any other relevant answer related to direct influence of the environment and social responsibility as a method to adapt to challenges of the business environments.

Way (2)**Discussion (4)****Submax (6)****NOTE: Mark the first THREE (3) only****Max. (14)****5.5 Projects that can be undertaken by businesses as part of social responsibility**

- Businesses must allow employees to get involved in social development programmes. √√
- Businesses must protect the environment and participate in community upliftment programmes. √√
- Engage in environmentally friendly campaigns such as recycling or re-using scarce resources. √√
- Businesses must support less fortunate people, by providing donations to charity organisations./Charitable contribution towards NGOs/Businesses can donate blankets to old age homes/running soup kitchens. √√
- They can also engage in economic development and provide education on HIV/AIDS awareness programmes. √√
- Involvement in community education/Build schools in communities/ Offer bursaries to needy students/Donate old computers to less privileged schools/Provide/Support adult education and training in the local community. √√
- Teach entrepreneurial skills/Offer support to individuals starting new business ventures. √√
- Conduct skills development/job creation projects/Offering bricklaying courses. √√
- Sponsor art and cultural programmes, such as school choirs. √√
- Support youth programmes, such as sport/recreational activities. √√
- Any other relevant answer related to projects that can be undertaken by businesses as part of social responsibility

Max. (10)

5.6 Conclusion

- Management can use networking to reach as many people as possible and make every connection count. √√
- Businesses should try to influence legislation or the government decision-making processes to remain profitable. √√
- Adapting to challenges of the business environment can be achieved by businesses if management stay abreast with the latest developments. √√
- Social responsibility projects undertaken by businesses can be used as a marketing strategy to promote their products. √√
- Any other relevant conclusion related to the advantages of networking/ types of lobbying/ways in which businesses can adapt to challenges of the business environments/projects that

(Any 1 x 2) (2)
[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Advantages of networking	10	
Types of lobbying: o Hedging against inflation o Bargaining sessions between management and unions	12	
Ways in which businesses can adapt to challenges of the business environments	14	
Projects that can be undertaken by businesses as part of social responsibility	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all

QUESTION 6: BUSINESS OPERATIONS (PRODUCTION FUNCTION)

6.1 Introduction

- Production planning refers to setting goals for the production department and establishing policies/programmes and procedures to achieve these goals. ✓
- Controlling of each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2 x 1) (2)

6.2 Advantages of production planning

- Production planning allows a business to ensure that every machine and worker is used to their full capacity. ✓✓
- Business can ensure that it has the correct amount of supplies and stock/inventory control at a given time. ✓✓
- Improved inventory control reduces wastage and unnecessary storage cost. ✓✓
- Production planning will prevent time being wasted and increases the number of final products thus increasing productivity. ✓✓
- Production planning process involves quality checks which will improve quality. ✓✓
- Any other relevant answer related to the advantages of production planning. **Max (10)**

6.3 Aspects that must be considered during production control

Dispatching ✓✓

- Involves issuing production orders ✓ to start production. ✓ It provides orders for:
 - o Movement of materials, ✓ tools and equipment to the necessary locations ✓
 - o Beginning the process ✓
 - o Checking the time ✓ and costs involved in the process ✓
 - o Checking the flow of work ✓ according to the routing ✓
 - o Supervising the process. ✓
- Dispatching is putting the production plan ✓ and schedule into action. ✓
- It identifies the person who will do the work ✓, supplies the specifications and materials list. ✓
- Any other relevant answer related to dispatching as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Submax (4)

Following up or controlling ✓✓

- Following up makes sure the scheduling and production systems ✓ are running according to plan. ✓
- It deals with unplanned issues/problems ✓ and sorts out any misunderstandings in terms of job process requirements. ✓
- Following-up on the progress of production helps ✓ to prevent bottlenecks and misunderstandings. ✓
- Any other relevant answer related to following up or controlling as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Submax (4)

Inspection ✓✓

- Inspection involves the checking of the quality ✓ of the process and the final product. ✓
- It is done at regular intervals during the production process ✓ as well as at the end. ✓
- Inspection methods ✓ include the random selection of products/viewing/ sampling and testing the product. ✓
- Legal and regulatory processes are also checked ✓ to ensure that the necessary standards are met. ✓
- Any other relevant answer related to inspection as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Submax (4)

Corrective action ✓✓

- Corrective action involves any adjustments ✓ to the planning process. ✓
- Staffing issues ✓ are also dealt with by corrective action. ✓
- Any other relevant answer related to corrective action as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Submax (4)

NOTE: MARK THE FIRST THREE ONLY

Max (12)

6.4 Purpose of Occupational Health and Safety Act

- Requires every business to establish and maintain, a safe work environment ✓ that is without risk to the health of the workers. ✓
- Review the efficiency ✓ of health and safety measures. ✓
- outlines the roles and responsibilities ✓ of employer, employees, manufacturers, designers, importers, suppliers and sellers. ✓
- Clarifies the roles and duties ✓ of the health and safety representative and Committee. ✓
- Requires that the main dangers and potential incidents of the workplace ✓ be identified and eliminated. ✓
- Examines the causes of incidents by any employee ✓ relating to the employee's health and safety at work. ✓
- Expects employees to co-operate and follow the necessary instructions ✓ and report any unsafe situations. ✓
- Makes presentations to the employer ✓ concerning general health and safety issues at the workplace. ✓
- Any other relevant answer related to the purpose of Occupational Health and Safety Act.

Max (12)

6.5 Precautionary measure businesses should take when handling machinery

- All machinery and equipment must be correctly installed and safe to use. √√
- Workers must be properly trained on how to use machinery and must be informed about the risks when using the machinery. √√
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. √√
- Workers need to wear protective clothing and gear such as overalls, hard hats and safety helmets, ear plugs, masks, heavy-duty safety boots, welding goggles and gloves when working with machinery and equipment. √√
- Develop a culture of safety in the workplace. √√
- Familiarise employees with safety procedures. √√
- Any other relevant answer related to the precautionary measures that businesses should take when handling machinery.

Max (12)

6.6 Conclusion

- Ongoing production planning is necessary due to the constant changes in the manufacturing process. √√
- Production control ensures that production is undertaken according to the production plan. √√
- OHSA requires that employees are expected to co-operate and follow the necessary instructions and report any unsafe situations. √√
- When machinery and equipment are used in a factory, the risk of accidents is high and businesses should draw up their own workplace safety policy and enforce necessary control measures. √√
- Any other relevant conclusion related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 1 x 2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Advantages of production planning	10	
Aspects that must be considered during production control	12	
Purpose of the Occupational Health and Safety Act	12	
Precautionary measures that businesses should take when handling machinery	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40

GRAND TOTAL: 150