



education

DEPARTMENT: EDUCATION
MPUMALANGA PROVINCE



BUSINESS STUDIES
CONTROLLED TEST NO 1
MBOMBELA SUB-DISTRICT
GRADE 10
MARCH 2024
Stanmorephysics.com

MARKS: 100

TIME : 1HOUR

This question paper consists of 7 pages



INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

SECTION A: Compulsory

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required.

Note that ONLY the first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.

3. Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and the nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME GUIDE
A: Objective-type questions COMPULSORY	1	20	15 minutes
B: THREE direct/indirect- type questions CHOICE: Answer any TWO.	2	20	15 minutes
	3	20	15 minutes
	4	20	15 minutes
C: TWO essay-type questions CHOICE: Answer any ONE	5	40	15 minutes
	6	40	15 minutes
TOTAL		100	60 minutes

7. Start the answer to EACH question on a NEW page, for e.g. QUESTION 1 – new page, QUESTION 2 – new page.
8. You may use a non-programmable calculator.
9. Write neatly and legibly

SECTION A (COMPLUSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter(A-D) next to the question number(1.1.1- 1.1.5) in the answer book, for example 1.1.1 D

1.1.1 A statement that explains the reasons for the existence of the business.

- A Vision
- B Mission
- C Goal
- D Objective

1.1.2 Tumelo is the director of Phambili Enterprise. Tumelo represents the... level of management

- A Top
- B Lower
- C Middle
- D Central

1.1.3 Foster must maintain the machinery to avoid breakages. He is therefore part of the... function.

- A Human resources
- B Public relations
- C Purchasing
- D Production

1.1.4 The process of settling goals and developing strategies is known as...

- A Organising
- B Controlling
- C Planning
- D Leading

1.1.5 The... Act requires businesses to provide detail information about their products



- A National Credit act, 2005 (Act 34 of 2005)
- B Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- C Consumer Protection Act, 2008 (Act 68 of 2008)
- D Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

(5 (10)

x 2)

1.2 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question number (1.2.1-1.2.5) in the ANSWER BOOK.

Cash; macro; financial; market; lock-out; marketing; internal; strike; external, credit

- 1.2.1 ASA regulates advertising in south Africa and is part of the... environment.
- 1.2.2 To identify customers' needs is the responsibility of the... function.
- 1.2.3 A/An... is action by an employer in order to prevent damages during industrial action.
- 1.3.4 An advantage of... purchases is that the buyer can qualify for a discount.
- 1.2.5 Creating a good public image and awareness to employees in the company, is an example of... public relations.

(5 (10)

x 2)



TOTAL

SECTION A:

[20]



SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Define the meaning of micro –environment (4)
- 2.2 Describe the importance of a business's organisational structure. (4)
- 2.3 Read the scenario below and answer the question that follows.

TASKER'S FRESH FISH MARKET

Tasker's Fresh Market sells fresh fish. They employ five full time workers. They use custom-made freezers to keep products fresh. They borrowed money from moneywise to expand the business.

- Identify TWO organisational resources from the scenario and motivate your answer by quoting from the scenario. (6)
- 2.4 Discuss suppliers as a component of the market environment (6)
- [20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name Two types of organisational structures. (2)
- 3.2 Outline consumers' right according to the National Credit act (6)
- 3.3 Read the scenario below and answer the question that follows.

HAPPY PENCIL



Happy Pencil is a stationery store in Mbombela. The business employs various employees in different departments. Zitha updates the business's Facebook page regularly.

3.3.1 Identify the business function that Zitha is responsible for. (2)

3.3.2 Describe TWO other methods Zitha can use to carry out his responsibility in the business function identified in QUESTION 3.3.1 (6)

3.4 Explain the different between fixed and working capital (4)
[20]

QUESTION 4

4.1 Identify the component of the macro environment in EACH statement below.

4.1.1 Mnisi Enterprise experienced a decrease in sales because of the low income levels of customers. (2)

4.1.2 The annual inflation rate in South Africa increased to 5.7% in January (2)

4.1.3 Nkosi Car Wash is struggling to survive in the drought. (2)

4.2 Briefly explain why macro environment can be a challenge to a business (4)

4.3 Distinguish between quality control and quality assurance. (4)

4.4 Discuss the importance of stock control (6)
[20]

TOTAL SECTION B [40]





SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5

Businesses realise the importance of coordinating activities within business functions to achieve set goals and objectives. Some businesses feel that the purchasing function is the most important function as it is responsible for buying high quality material.

Write an essay on the purchasing function in which you include the following aspects:

- Outline the purpose of the purchasing function
- Explain any FIVE steps of the purchasing procedure.
- Distinguish between cash payment and credit payment
- Advise businesses on the impact of the National Credit Act on businesses

(40)

QUESTION 6

The importance of management can never be underestimated or ignored as it is a proven fact that the success of a company entirely depends on how well it is managed

Keeping the above scenario in mind, write a report on the following aspects:

- Outline FOUR management tasks
- Describe the responsibilities of the THREE levels of management
- Explain the importance of quality for the business
- Advise businesses on the correlation between the success of the business and management

[40]

TOTAL C: 40



TOTAL:

GRAND

100



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GRADE 10

**BUSINESS STUDIES
TERM 1 TEST
MARKING GUIDELINES
MARCH 2024**

Marks: 100

Duration: 1h30 minutes

This marking guidelines consists of **21** pages including cover page.



NOTES TO MARKER:**PREAMBLE**

The notes to makers are provided for quality assurance purpose 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 making and moderation purpose, the following colours are recommended:

Level 1: School – Teacher	Red marking
Level 2: School – Departmental Head	Green
Level 3: Cluster Moderation	Brown
Level 4: District Moderation	Orange
Level 5: Provincial Moderation	Pink
Level 6: National Moderator	Turquoise
Level 7: Umalusi	Purple

2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. Comprehensive marking guidelines 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 source
 - original
 - a different approach is used

NOTE: There is only ONE correct answer in SECTION A.
4. Take care 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 'submax' 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 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 guideline. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub-questions is recommended in SECTION 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.
10. No additional credit must be given for repetition of facts. Indicate with a 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

11.1 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.✓*

11.2 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.

12. 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:*

12.1 Advise, name, state, mention, outline, motivate, recommended, suggest, (*list not exhaustive*) do not usually require much depth in candidates' response. Therefore, the mark allocation for each statement/answer appears at the end.

12.2 Define, describe, explain, discuss, elaborate, distinguish, and 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.

14. SECTION B

14.1 If for example, FIVE facts are required, mark the candidate is FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion.

NOTE: The above also applies to responses in section C (where applicable).

14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking center to finalise alternative answers.

14.4 Use of the cognitive verbs and allocation of marks:

14.4.1 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 guideline)
- Explanation : mark (2 marks will be allocated in section C).

The 'fact' and 'explanation' are given separately to facilitate mark allocation.

14.4.2 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.

14.5 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 SECTION B and C in particular (where applicable).

15 SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
LASO	8
TOTAL	40



15.2 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 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate writes four questions but one sub-question of the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appears 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?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

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

- 15.3** Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 15.4** The breakdown of marks is indicated at the end of the suggested answer/markings guidelines to each question.
- 15.5** Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write 'SUBMAX'/MAX' after maximum marks have been obtained but continue reading for the originality 'O'.
- 15.6** 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

- 15.7** 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.)
- 15.8** If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9** 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 guidelines.
- 15.10**
- 15.10.1** Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2** 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.
- 15.11** With effect from November 2017, the maximum of TWO (2) marks for facts shown, as headings in the memo, will not necessarily apply to each question. This would be also depend on the nature of the question.

SECTION A (COMPULSORY)**QUESTION 1****1.1**

1.1.1 A ✓✓

1.1.2 B ✓✓

1.1.3 D ✓✓

1.1.4 A ✓✓

1.1.5 D ✓✓

5 x 2 (10)

1.2

1.2.1 B ✓✓

1.2.2 A ✓✓

1.2.3 J ✓✓

1.2.4 F ✓✓

1.2.5 D ✓✓

5 x 2 (10)

**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

TOTAL SECTION A: 20**SECTION B****QUESTION 2: BUSINESS ENVIRONMENTS****2.1 Practical examples of political environment**

- Government policy ✓
- Political instability ✓
- Tax policy ✓
- Corruption ✓
- Consumer rights organisations ✓

NOTE: Mark the first THREE only

(3 x 1) (3)

2.2 Components from the scenario, environments and extent of control

COMPONENTS 2.2.1	ENVIRONMENTS 2.2.2	EXTENT OF CONTROL 2.2.3
Organisational culture ✓	Micro environment ✓	Full control ✓
Supplier ✓	Market environment ✓	Limited control ✓
Legal ✓	Macro environment ✓	No control ✓
Submax. (3)	Submax. (3)	Submax. (3)

Max (9)

2.3 Human resource

- People with knowledge and skills ✓ such as employees/consultants/managers etc. ✓
- The people needed to perform the work ✓ and keep the organisation functioning. ✓
- People who contribute ✓ towards achieving the goals of the business ✓
- Human resources is a set of people ✓ who make up the workforce of the business ✓
- Any other relevant answer related to human resource

Max (4)**2.4 Advise businesses on the strategies to deal with challenges posed by the technological environment**

- Businesses should be aware of new technology that their competitors are developing and using. ✓✓
- They need to be competent in Information Technology/IT and keep up to date with new trends. ✓✓
- Businesses should be aware of new developments and be willing to implement new technology. ✓✓
- They should ensure that their IT systems are secure from computer fraud or hackers. ✓✓
- Any other relevant answer related to the strategies to deal with challenges posed by the technological environment.

Max (4)**[20]****BREAKDOWN OF MARKS**

QUESTION 2	MARKS
2.1	3
2.2	9
2.3	4
2.4	4
TOTAL	20

QUESTION 3: BUSINESS OPERATIONS**3.1 Types of organisational structures**

- Functional organisational structure ✓
- Project organisational structure ✓
- Matrix organisational structure ✓
- Line organisational structure ✓
- Line and staff organisational structure ✓
- Any other relevant answer related to the types of organisational structures

NOTE: Mark the first THREE only**(3 x 1) (3)**

3.2 Activity of the administration function

3.2.1 Activity of the administration function from the scenario

Handling of information ✓✓

Motivation

Information is handled correctly by the administrative staff of ME to prevent incorrect decisions based on incorrect information. ✓

NOTE: Do not award marks for the motivation if the activity of the administration function was incorrectly identified

Max (3)

3.2.2 Other activity of the administration that could be applied by ME

Collection of information ✓✓

- Information is collected ✓ from both outside and inside the business. ✓
- Correct and reliable information should be available ✓ for meaningful decision making and to run the business successfully. ✓
- Any other relevant answer related to collection of information as an activity of the administration function that could be applied by ME

Information technology ✓✓

- IT is the use of electronic equipment ✓ to assist with various administrative tasks. ✓
- Technology is used to both communicate and handle information ✓ and referred to as ICT (information and communication technology). ✓
- Any other relevant answer related to information technology as an activity of the administration function that could be applied by ME.

Office practise ✓✓

- Office practise refers to how the administrative staff ✓ should handle their duties. ✓
- It covers matters such as the dress code for employees/ proper filing of documents/ telephone etiquette/internet usage ✓ by staff etc. ✓
- Any other relevant answer related to office practise as an activity of the administration function that could be applied by ME

Management of information ✓✓

- The administrative staff need to handle information correctly ✓ to avoid making the incorrect decisions based on incorrect information. ✓
- The administration function is responsible for dealing with the following types of information: ✓
 - accounting records, which can be used to draw up financial statements and reports ✓
 - keeping all business transactions up-to-date ✓
 - cost accounting to determine whether a product can be sold at a competitive price while considering the manufacturing or production costs ✓
 - budgets, which is a plan of estimated expenses and income for a specific period ✓
 - collecting and classifying numerical data and statistics ✓
- Any other relevant answer related to management of information. **Max (4)**

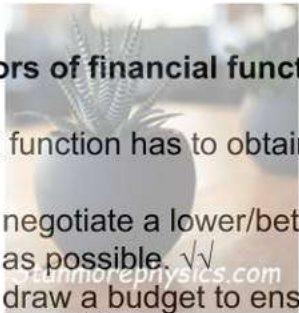
3.3 The importance of quality for businesses



- The quality enables businesses to have a good reputation and promotes brand awareness. ✓✓
- Consumers associate the image of the business with the quality of the product. ✓✓
- Quality products increase sales, profits, business growth and attracts prospective investors. ✓✓
- The business gains goodwill and support from the community. ✓✓
- Any other relevant answer related to the importance of quality for businesses

Max (6)

3.4 Quality indicators of financial function as one of the business functions



- The financial function has to obtained capital from the most suitable sources. ✓✓
- They should negotiate a lower/better interest rate to keep financial costs as low as possible. ✓✓
- They should draw a budget to ensure sufficient allocation of cash to prevent wastage. ✓✓
- The financial records should be kept up to date at all times and should be accurate in order for the business to be tax compliant. ✓✓
- Accurate financial statements should be drawn up so that management can see the performance of the business. ✓✓
- Surplus funds should be invested to save for future projects/expansion/growth. ✓✓
- Any other relevant answer related to quality indicators of financial function as one of the business functions

**Max (4)
[20]**

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2.1	3
3.2.2	4
3.3	6
3.4	4
TOTAL	20

QUESTION 4: MISCELLANEOUS BUSINESS ENVIRONMENT

4.1 Management levels

- Top management ✓
- Middle management ✓
- Lower management ✓

Max (3)

4.2 Source of capital

4.2.1 Source of capital applicable to SW

Bank loans ✓✓

Motivation

SW received cash from Station bank that will be paid back with interest every month. ✓

NOTE: Do not award marks for the motivation if source of capital was Incorrectly identified

Max (3)

4.3 Outline the differences between differences between leadership and management

MANAGEMENT	LEADERSHIP
Managers ensures that tasks given to subordinates are completed ✓✓	Leaders inspires other people ✓✓
Task orientated ✓✓	People orientated ✓✓
Uses Instructional approach ✓✓	Uses motivational approach
Managers hold a managerial position in the business ✓✓	A leader does not hold a managerial position ✓✓
Management is the process of achieving business goals ✓✓	Leadership is the process of inspiring and influencing other to achieve business goals ✓✓
Guides human behaviour ✓✓	Influences human behaviour ✓✓
Communicates through management functions, e.g. line function. ✓✓	Communicates by means of interaction/behaviour/vision/values/charisma. ✓✓
A person becomes a manager because he/she is appointed in the position ✓✓	Leaders are born with natural/ instinctive leadership skills ✓✓
Manage by planning/organising/leading and controlling ✓✓	Lead by example/trust/respect ✓✓
Any other relevant answer related to management	Any other relevant answer related to leadership
Submax 2	Submax 2

Max (4)

BUSINESS OPERATIONS

4.4.

4.4.1 General management function ✓✓

4.4.2 Public relations function ✓✓

4.4.3 Financial function ✓✓

(6)

4.5 Advise businesses on the importance of public relations

- Businesses get publicity for promotional events and information through media. ✓✓
- News conferences may be called to release information, which will ensure the survival of the business. ✓✓
- Employees may volunteer to spend time with people in need, for example, volunteering at orphanages/hospitals/schools, and so on. ✓✓
- Businesses could sponsor community events. ✓✓
- Businesses should produce Annual Reports in which they review the activities and achievements of the business. ✓✓
- Brochures can also be used to distribute information about the company. ✓✓
- Any other relevant answer related to the importance public relations.

Max (4)

BREAKDOWN OF MARKS

QUESTION 34	MARKS
4.1	3
4.2.1	3
4.3	4
4.4.1	2
4.4.2	2
4.4.3	2
4.5	4
TOTAL	20

TOTAL SECTION B: 40

SECTION C

QUESTION 5: BUSINESS ENVIRONMENT

5.1 Introduction

- The organisational structure shows the different departments in the organisation and how they are organised. ✓
- Civil society include all the organisations or institutions that have been formed by some individuals/ members of the community✓
- Challenges in businesses are always caused by change in business environments ✓
- Organisational culture refers to how things are done in the business✓
- Any other relevant introduction related to the importance of a business organisational structure, other organisations/civil society, the reason why the components/features of macro environment poses a challenge to businesses, the purpose of the organisational culture

Any (2 x 1) (2)

5.2 The importance of a business organisational structure with specific reference to an organogram

- Helping to ensure the smooth and efficient functioning of the business. ✓✓
- Ensuring that work happens with precise co-ordination and minimum wastage of resources. ✓✓
- Helping the business to work towards its goals. ✓✓
- Show the connections between various positions and tasks in the business. ✓✓
- It describes the coordination between various departments in the business. ✓✓
- It shows who report to whom and which department fall under which managers. ✓✓
- The structure show the flow of instruction and feedback in the business. ✓✓
- Every business must be organised into a structure that show each person’s task, the level of authority and responsibility. ✓✓
- It is the hierarchy to that shows the position of management, the departments and its employees✓✓
- Any other relevant answer related to the importance of a business organisational structure with specific reference to an organogram.

Max (10)

5.4 Examples of other organisations/civil society

Non-government organisations (NGO’s) ✓✓

- NGOs are non-profit organisations✓ that do not operate under the control of the government. ✓
- They are established to fulfil important needs in the community✓ by addressing some socio-economic issues. ✓
- NGO’s high ethical✓ and moral standards. ✓
- Any other relevant answer related to non-government organisations (NGO’s)

Organisation:	2
Explanation:	2
Submax:	4



Community based organisations (CBO)'√√

- CBO's have been established to assist the community in job creation /socio economic development and in becoming self-sufficient. √
- They are local organisations√ that operate in the community. √
- They focus on socio-economic√ issues such as:
 - HIV/Aids√
 - Unemployment√
 - Crime √
 - Illiteracy √
 - Substance abuse √
- CBOs often rely on donations√ from businesses/private persons for funding. √
- Any other relevant answer related to community based organisations (CBO)

Organisation:	2
Explanation:	2
Submax:	4

Unions √√

- The trade union movement in South Africa is the largest union√ on the continent.√
- They are concerned about the wellbeing of their members√ in the work environment. √
- They deal with issues such as working conditions/fair pay structures/unfair treatment√ and dismissal/fringe benefit etc. √
- The trade union is not part of the business √but influences it in a direct way e.g. negotiations for changes to conditions of services such as hours of work and wages can affect the price of products and profitability√.
- Any other relevant answer related to unions

Organisation:	2
Explanation:	2
Submax:	4

Regulators√√

- Regulators are organisations that set rules and requirements√ for the operation of businesses in that industry. √
- The government is known as the regulator√ as it uses laws to control business practice. √
- Regulators remove any bad business practice√ from the market√
- Regulators draw up rules√ that impact directly on what businesses may and may not do. √
- Some of the examples of regulators in South Africa are the:
 - National Energy Regulator of South Africa (NERSA) √ which regulates electricity/ piped gas/petroleum pipeline industries etc. √
 - National Credit Regulator (NCR) √which regulates the supply of loans/credit by credit providers such as banks and retailer such as clothing and furniture. √
 - Independent Communications Authority of South Africa (ICASA), √ which regulates the South African communications, broadcasting and postal services sectors. √
 - Advertising Standards Authority (ASA) √ regulates advertising in the public interest. √
- Any other relevant answer related to regulators

Organisation:	2
Explanation:	2
Submax:	4



Strategic alliance ✓✓

- The concept “alliance” refers to two or more businesses ✓ that work together in joint venture. ✓
- Business form strategic alliances to obtain expertise from one another ✓ either for survival or to become more competitive in the market. ✓
- Any other relevant answer strategic alliance

Organisation:	2
Explanation:	2
Submax:	4

Max (12)

5.4 The reason why the following component/feature of macro environment poses a challenge to businesses



Social, cultural and demographic environment

- Social issues such as poverty, HIV/Aids, unemployment, low levels of literacy and crime ✓ can affect consumers’ spending, the productivity of the employees and the profitability of the business. ✓
- Social and cultural diversity have the potential to create conflict ✓ in the workplace. ✓
- Employees from different cultural backgrounds ✓ may have different cultural norms/preferences/beliefs etc. ✓
- South Africa has a large number of people who are poorly educated and unskilled. ✓ This means that businesses may have few customers. ✓
- Any other relevant answer related to social, cultural and demographic environment

Submax (6)

Physical/Natural environment

- Manufacturing businesses dump their waste materials ✓ that impact negatively on the physical environment. ✓
- The awareness of pollution and environmental damage ✓ provide new challenges for businesses. ✓
- Some natural resources are scarce and expensive ✓ e.g. sources of energy are expensive. ✓
- The scarcity of natural resources has a negative impact on the production costs ✓ and results in high prices of goods and services. ✓
- Any other relevant answer related to physical/natural environment

Submax (6)

Economic /Environment

- Economic changes affect business, ✓ if the rand becomes weaker, businesses are more likely to be able to export product successfully. ✓
- If interest rates increase, ✓ it means the business will pay more monthly instalments to the bank for the loan taken. ✓
- A high inflation ✓ will mean that consumers will have less money to spend on goods/services. ✓
- If taxation goes up, ✓ businesses will be charged more on their profit, and people will have less money to spend on buying goods and services. ✓
- If exchange rates ✓ influence trade international trade as it becomes expensive to buy raw materials and machinery from overseas ✓
- Any other relevant answer related to economic /environment

Submax (6)
Max 18

5.5 The purpose of the organisational culture

- It influences people's actions and attitudes. ✓✓
- The culture determines how things are done. ✓✓
- It is the "personality" of the business. ✓✓
- Shared understanding of how things are done in a business. ✓✓
- The purpose of the organisational culture is to define the business' internal ✓✓ and external identity as well as its core values. ✓✓
- A strong business culture has the power to turn employees into ambassadors of the business. ✓✓
- It helps businesses to retain its employees and clients. ✓✓
- It breaks down boundaries between teams, guides decision-making, and improves productivity. ✓✓
- Any other relevant answer related to the purpose of the organisational culture

Max 8

5.6 Conclusion

- The organisational structure shows the different departments in the organisation and how they are organised. ✓✓
- Other organisations or civil society play a key role in the community, especially in areas where the public sector has failed to provide these goods/services ✓✓
- Organisational culture also includes the values, beliefs, norms and standards that are shared among the employees and management. ✓✓
- Businesses should have a way to identifying and evaluating factors in the external environment that affects businesses ✓✓
- Any other relevant conclusion related to the importance of a business organisational structure, other organisations/civil society, the reason why the components/features of macro environment poses a challenge to businesses, the purpose of the organisational culture.

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



QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max
The importance of a business organisational structure with specific reference to an organogram	10	
Other organisations/civil society	12	
The reason why the component/feature of macro environment poses a challenge to businesses	18	
The purpose of the organisational culture	8	
Conclusion	2	
INSIGHT		8
Layout	2	
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 (PURCHASING FUNCTION)

6.1 Introduction

- The purchasing function is the act of buying the goods and services that a company needs to operate and manufacture products. ✓
- It plays an important role in buying quality raw materials and services for the business. ✓
- Businesses should follow the correct purchasing procedure in order to buy the correct raw materials. ✓
- The purchasing department should properly manage and distribute raw materials to the production departments. ✓
- The NCA was introduced to provide both credit providers and credit applicants with clear guidelines regarding their rights and responsibilities ✓✓
- Any other relevant introduction related to the activities of the purchasing function, the purpose of the purchasing function, steps of the purchasing procedure and the purpose of the National Credit Act,

Any (2 x 1) (2)

6.2 The activities of the purchasing function



- The purchasers should have expert knowledge of the product they need to buy and about the market in which they operate. √√
- The purchasing manager should find out the needs of other business departments. √√
- They look for suitable, new and better suppliers. √√
- They ensure that there is enough stock available for continuous production and sales. √√
- They ensure that orders placed with suppliers are followed up. √√
- Ensure that ordered products are delivered on time. √√
- They should keep the correct levels of stock on hand. √√
- Record the cost prices and selling prices of stock. √√
- Any other relevant answer related to the activities of the purchasing function.

Max (10)

6.3 The purpose of the purchasing function

- Manage stock to ensure sufficient levels of stock√ to carry out business operations. √
- Continuously looking for the best/reputable√ suppliers.√
- Regular make contact with other business departments√ to determine their needs. √
- Send damaged goods back to the supplier √and see to it that it is replaced. √
- Receive confirmation that all goods meet the required specifications√ and the price invoiced is in line with the quoted price. √
- Negotiate the best possible terms for payment√ with suppliers. √
- Any other relevant answer related to the purpose of the purchasing function.

Max (12)

6.4 FOUR steps of the purchasing procedure

- **Determine the need for the product/requisition**√√
- Liaise with the financial department√ to establish the budget for the purchasing of goods and services. √
- Determine the product/material/ resource needs√ of the business. √
- Find the right quality/quantity of goods and services at the right price√ and at the right time. √
- Any other relevant answer related to determine the need for the product/requisition as a step in purchasing procedure
- Determine the price of the product√√
- Find the best price√ by obtaining quotes/tenders or making enquiries. √
- Any other relevant answer related to determining the price of the product as a step in purchasing procedure.

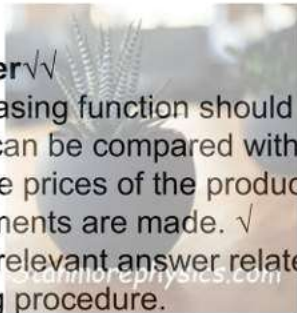
Step:	2
Discussion:	2
Submax:	4



Select/Choose a suitable supplier√√

- The purchasing department should choose reliable suppliers√ for its raw materials/products. √
- Evaluation criteria based on quality of raw material/prices/delivery time, √ should be used to select the best suitable supplier. √
- The purchasing department should conduct a thorough investigation√ about potential suppliers/their reputation and reliability. √
- Any other relevant answer related to select/choose a suitable supplier as a step in purchasing procedure

Step: 2
 Discussion: 2
 Submax: 4



Place an order√√

- The purchasing function should place an order in writing√ so that goods delivered can be compared with the order. √
- Confirm the prices of the products√ on order to avoid unexpected surprises when payments are made. √
- Any other relevant answer related to the place an order as a step in purchasing procedure.

Step: 2
 Discussion: 2
 Submax: 4

Collect or receive the order √√

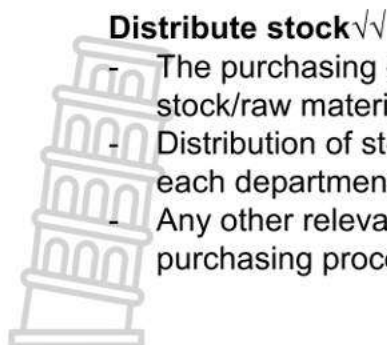
- The purchasing department should ensure that the right orders √are received and recorded. √
- The quality and quantity of stock received should be checked√ against the order. √
- The purchasing department should keep a copy of a delivery note √for recordkeeping purposes. √
- Any other relevant answer related to the collect or receive the order as a step in purchasing procedure

Step: 2
 Discussion: 2
 Submax: 4

Pay the supplier√√

- The purchasing department instructs the financial department√ to pay the supplier after delivery of the order. √
- The supplier must provide copies of the requisition form√ to the purchasing department. √
- The purchasing department must provide a delivery note√ to the financial department. √
- The supplier sends the invoice to the financial department√ for final payment after satisfactory delivery. √
- Any other relevant answer related to the pay the supplier as a step in purchasing procedure.

Step: 2
 Discussion: 2
 Submax: 4



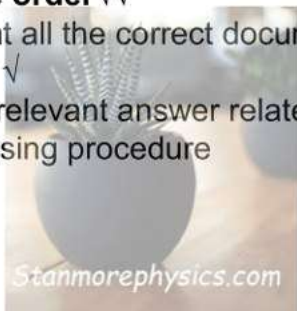
Distribute stock ✓✓

- The purchasing department should ensure proper distribution ✓ of stock/raw materials to all relevant departments. ✓
- Distribution of stock should be in line with pre-requisite orders ✓ from each department to avoid stock loss. ✓
- Any other relevant answer related to the distribute stock as a step in purchasing procedure.

Step: 2
 Discussion: 2
 Submax : 4

Complete the order ✓✓

- Ensure that all the correct documentation is in place ✓ and filed for future reference. ✓
- Any other relevant answer related to completing the order as a step in the purchasing procedure



Step: 2
 Discussion: 2
 Submax: 4

Max (16)

6.5 The impact of these NCA on businesses

Positives/Advantages

- Lowers bad debts resulting in better cash flow. ✓✓
- Protects business against non-paying consumers. ✓✓
- Increases cash sales as credit can only be granted to qualifying customers.
- Prevents reckless lending by financial institutions. ✓✓
- Ensures that businesses settle their debts on time so that they can obtain good credit scores. ✓✓
- Ensures that credit process is transparent, for example, both businesses and customers know their responsibilities. ✓✓
- Any other relevant answer related to the positives/advantages of the NCA on businesses.

AND/OR

Negatives/Disadvantages

- Businesses are forced to budget to keep more cash/have enough cash on hand for stock purchases. ✓✓
- Businesses can no longer take the risk of selling poor-quality goods at high prices. ✓✓
- Businesses can no longer carry out credit marketing. ✓✓
- Leads to loss of sales as many businesses may no longer qualify to buy on credit. ✓✓
- Businesses can only buy limited stock as credit is not available resulting in loss of customers. ✓✓
- Complicates the purchasing process because of too much administration work in the credit providing process. ✓✓
- The purchasing department must know the terms and conditions of credit granting and the NCA. ✓✓
- It may take longer to purchase goods, and this could influence the overall efficiency of the business. ✓✓

- The Act compels businesses to sell quality products, or they may be forced to reimburse consumers. ✓✓
- Any other relevant answer related to the negatives/disadvantages of the NCA on businesses.

Max (8)

6.6 Conclusion

- The purchasing manager should continuously look for suitable, new and better suppliers. ✓✓
- The purchasing department must work together with the production department in order to buy quality stock. ✓✓
- The purchasing department should order goods on time in order to prevent running out of stock. ✓✓
- The NCA promotes responsible lending by businesses and eliminates reckless borrowing by consumers. ✓✓
- Any other relevant answer related to the introduction on purpose of the purchasing function/activities of the purchasing function/ steps of a purchasing procedure/ /impact of the NCA on businesses.

**Any 1x2 (2)
[40]**

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
6.1 Introduction	2	Max
6.2 The activities of the purchasing function	10	
6.3 The purpose of the purchasing function	12	
6.4 Steps of the purchasing procedure	16	
6.5 The impact of these NCA on businesses	8	
6.6. Conclusion	2	
INSIGHT		8
Layout	2	
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: 100**