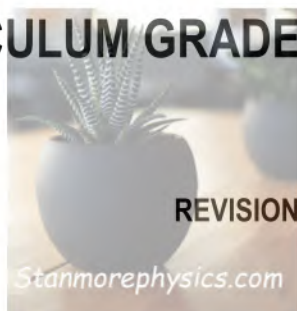




education

Department:
Education
PROVINCE OF KWAZULU-NATAL

CURRICULUM GRADES 10-12 DIRECTORATE



REVISION MATERIAL

Stanmorephysics.com

JUST IN TIME TERM ONE-FOUR (TEACHER GUIDE)

BUSINESS STUDIES

GRADE 10

2025

This document consists of 87 pages

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MICRO ENVIRONMENT

ACTIVITY 1

1.1.

1.1.1 C✓✓

1.1.2. B✓✓

1.2.

1.2.1. Management✓✓

1.2.2. Physical✓✓

1.2.3. Administration ✓✓



(2x2) (4)

1.3.

1.3.1. D✓✓

1.3.2. A✓✓

(3x2) (6)

(2x2) (4)

ACTIVITY 2

2.1. List THREE examples of the organisational resources

- Human resources ✓
- physical resources ✓
- financial resources ✓
- technological resources✓

NOTE: Mark the first THREE organisational resources

(3x1) (3)

2.2.1. Explain the meaning of management

-The way the business is managed. This entails planning, leading, organising and controlling the people in the business.

- Managers ensures✓ that tasks given to subordinates are completed ✓

(2x2) (4)

-Any other relevant answer related to the meaning of management.

2.2.2. Explain the meaning of organisational culture

- Organisational culture refers to how things are done in the business✓, for example how the employees communicate among themselves, their dress code and their administration policy ✓
- Organisational culture includes the values, beliefs, norms and standards✓ that are shared among the employees and management✓.

-Any other relevant answer related to the meaning of organisational culture.

(2x2) (4)

2.3.1. Scenario on micro environment

COMPONENTS OF THE MICRO-ENVIRONMENT	MOTIVATIONS
Vision ✓✓	SCL also wants to expand by selling gentlemen clothing.✓
Goals ✓✓	SCL wants to be known globally in the clothing industry. ✓
Strategy ✓✓	The management of SCL determines the needs of customers before they start production. ✓
Sub max (6)	Sub max (3)

Max (9)

2.4. 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. ✓✓
- Every business has a culture that is influenced by everyone who is part of it. ✓✓
- It is based on three key issues: values, beliefs and purposes e.g. dress code/office décor/employee behaviour etc. ✓✓
- Influences the way people in the organisation interact with each other and with stakeholders.✓✓
- Any other relevant answer related to the purpose of organisational culture

(2x2) (4)

2.5. Elaborate on the meaning of leadership

- The way in which an individual can influence the behaviour of others towards✓ achieving the objectives of the business. ✓
- Leadership is the ability of an individual to inspire, influence or motivate their subordinates✓ to achieve the goals and objectives of the business. ✓
- Any other relevant answer related to the meaning of leadership

(2x2) (4)

ACTIVITY 3

3.1 Introduction

- All business, whether big or small, have their own internal environment. ✓
- Organisational resources are needed for the effective functioning of the business. ✓
- The eight business functions are all important components of a business. ✓
- The organisational structure establishes a clear chain of command and workflow✓
- Any other relevant answer related to the meaning of the micro environment, types of organisational resources, the importance of the eight business functions and the purpose of the organisational structure

(2x1) (2)

3.2 Meaning of micro environment /Internal environment

- It is the environment within which a business operates and consists of the business itself. ✓✓
- It is the decision-making environment because management make decisions that help the business achieve its goals. ✓✓
- It can also be referred to as the immediate environment in which a business operates and includes all the internal factors of the business. ✓✓
- Any other relevant answer related to the meaning of micro- environment

Max (6)

3.3 Explain FOUR types of organisational resources

Human resource ✓✓

- People with knowledge and skills✓ such as employees/consultants/managers ✓
- The people needed to perform the work✓ and keep the organisation functioning. ✓
- People who contribute towards✓ achieving the goals of the business. ✓

Type of resource 2

Explanation 2

Sub Max 4



Physical resources ✓✓

- Include raw materials ✓ / office furniture/equipment/machinery/plant necessary to operate the business successfully. ✓

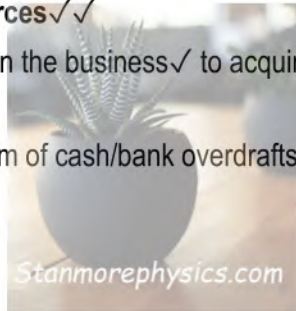
Type of resource 2

Explanation 2

Sub Max 4

Financial/Capital resources ✓✓

- Money invested in the business ✓ to acquire production goods such as land, buildings and machinery. ✓
Can be in the form of cash/bank overdrafts/short- and medium-term loan



Type of resource 2

Explanation 2

Sub Max 4

Technological resources ✓✓

- Resources that include computers ✓ / voice mail/emails/production technology that gives the business an advantage over its competitors. ✓

Type of resource 2

Explanation 2

Sub Max 4

- Any other relevant answer related to the types of organisational resources. **Max (16)**

3.4 Discuss the importance of the eight business functions

- The eight business functions work together ✓ to achieve the business goal. ✓
- Each function carries out specific tasks ✓ which are closely linked in order to achieve the same goal. ✓
- Roles and tasks may change depending on the size ✓ / type / stage of growth of the business. ✓
- Business functions work together ✓ to ensure that the survival and sustainability of the business. ✓
- Business functions provide framework ✓ needed to help businesses to identify and organise main activities. ✓
- Any other relevant answer related to the importance of eight business functions. **Max (10)**

3.5 Advise business on the purpose of the organisational structure

- 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 ✓✓
- Any other relevant answer related to the purpose of the organisational structure. **Max (10)**

3.6 Conclusion

- Businesses should have a thorough understanding of the micro environment to ensure the success of the business. ✓✓

-Business should ensure that they have access to organisational resources in order to improve productivity and quality of goods and services. ✓✓

- Businesses should coordinate and manage the all the business functions to ensure its success. ✓✓

-Implementing the right organisational structure offers numerous benefits such as role clarity, flexibility accountability and efficiency among other things. ✓✓

- Any other relevant answer related to the meaning of micro environment, types of organisational resources, importance of business functions and the purpose of the organisational structure. **(1x2) (2)**

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Meaning of micro environment	6	Max 32
Four types of organisational resources	16	
Importance of eight business functions	10	
Purpose of organisational structure	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analyse/Interpret	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 when requirements are not met at all

BUSINESS FUNCTIONS

ACTIVITY 1

1.1.1 D✓✓

1.1.2 C✓✓

1.1.3 A✓✓

1.1.4 B✓✓

(4x2) (8)

1.2.1 general management ✓✓

1.2.2 risk management ✓✓

1.2.3 working capital ✓✓

1.2.4 purchasing ✓✓

(4x2) (8)



ACTIVITY 2

2.1 FOUR Management tasks

-planning✓

-controlling✓

-organising✓

-Leading✓

NOTE: Mark the first FOUR management tasks

(4)

2.2 Differences between leadership and management

Leadership	Management
Leaders inspires other people ✓✓	Managers ensures that tasks given to subordinates are completed ✓✓
People orientated✓✓	Task orientated ✓✓
Influences human behaviour✓✓	Guides human behaviour ✓✓
Leaders are born with natural/instinctive leadership skills✓✓	A person becomes a manager because he/she is appointed to the position✓✓
A leader communicates using vision/charisma✓✓	A manager communicates through management functions✓✓

Any other relevant answers on the differences between leadership and management

Max (8)

- NOTE:**
- 1 The answer does not have to be in tabular format.
 - 2 The differences must be clear but not linked.
 - 3 A maximum of FOUR (4) marks will be awarded if the differences are not clear
 - 4 Either leadership or management will be marked if the differences are not clear

2.3 Purpose of the business functions

- The eight business functions work together✓ to achieve the business goal. ✓✓
- Each function carries out specific tasks which are closely linked✓ in order to achieve the same goal. ✓✓✓
- Roles/Tasks may change depending on the size/type/stage✓ of growth of the business. ✓✓
- Business functions work together to ensure that the survival✓ and sustainability of the business. ✓✓
- Any other relevant answer related to the purpose of the business functions✓✓ **Max (6)**

2.4.1 Scenario on levels of management

Levels of management	Motivation
Top level ✓✓	Zane was appointed as CEO✓
Middle level✓✓	She appointed Zaks as financial Manager ✓
Lower level ✓✓	Thembi was appointed as the supervisor of the company ✓
SUB MAX 6	SUB MAX 3

Max (9)

2.5.1 Scenario on administration function

Activities of the administration function	Motivation
Collection of information ✓✓	He ensures that correct information is available to management for meaningful decision making✓
Handling of in formation ✓✓	He informs the administration staff to handle the information correctly✓
SUB MAX 4	SUB MAX 2

2.5.2 Other activities of the administration function

Office Practice✓✓

- Office practice 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 practice as the activity of the administration function

Activity : 2

Explanation : 1
Sub max (3)

Information Technology ✓✓

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

Activity : 2
Explanation : 1
Sub max (3)
Max (6)

2.6 Name FOUR sources of financing

- Bank loans. ✓
- Bank overdraft ✓
- Asset-based loan ✓
- Grants ✓
- Receivable finance.
- Angel funding ✓
- Venture Capital ✓



(4)

NOTE: Mark the first FOUR sources of financing

2.7 Meaning of purchasing function

- The purchasing function is responsible for buying quality raw materials and services of the business.
- It should continuously look for suitable, new and better suppliers ✓✓
- It should place orders with suppliers and follow up on them to ensure that the ordered products are delivered on time. ✓✓
- It should ensure that ordered goods are delivered at the agreed price, right quantities and the right quality.
- Any other relevant answer related to the meaning of the purchasing function

Max (4)

2.8 Distinguish between cash payment and credit payment

CASH PAYMENT


Cash payment refers to all payments made by cash/ cheque for business purchases ✓✓

Cash payment enables businesses to budget for stock purchases and avoid unnecessary delays ✓✓

CREDIT PAYMENT

Credit payment refers to all payments made by means of credit cards/on future date for business purchases. ✓✓

Credit payment allows businesses to buy stock and pay on a future date. ✓✓



Cash payers can qualify for cash discounts. ✓✓

The credit payer can pay more for goods due to interest added on credit purchases. ✓✓

- Any other relevant answer on the differences between cash and credit payments **Max (8)**

NOTE: 1 The answer does not have to be in tabular format.

2 The differences must be clear but not linked.

3 A maximum of FOUR (4) marks will be awarded if the differences are not clear

4 Either cash payment or credit payment will be marked if the differences are not clear

2.9 The relationship between the business functions

- The eight business functions depend on each other and are interrelated. ✓✓
- These functions work together as a team for the business to be successful ✓✓
- The general management is directly linked to all seven business functions ✓✓
- The financial and administration functions are responsible for gathering, storing and processing information and financial records. ✓✓
- The purchasing, production and marketing functions are responsible for the delivery of goods. ✓✓
- The purchasing function buys raw material for the production function to process raw material into finished goods. The marketing function sells the product which the production function has produced ✓✓
- The marketing function promotes the product while public relations function promotes the business and ensures that there is a good relationship between the business and the public. ✓✓
- All the staff with the right skill and qualifications is appointed by the human resources function ✓✓
- Any relevant answer related to the relationship between business functions **Max (8)**

2.10 Activities of the purchasing function

- The purchasers should have expert knowledge of the product/s they need to buy and about the market in which they operate. ✓✓
- The purchasing manager should find out the needs of other departments. ✓✓
- They look for suitable, new and better suppliers. ✓✓
- They ensure that there is enough stock available for continuous production and sales. ✓✓

- Make follow up on orders placed with suppliers. ✓✓
- Ensure that ordered products are delivered on time. ✓✓
- Keep the correct stock levels for stock on hand. ✓✓
- Record the cost prices and selling prices of stock. ✓✓
- Any other relevant answers related to the activities of the purchasing function.

Max (8)

ACTIVITY 3

3.1 INTRODUCTION

- The National Credit Act regulates consumer credit and credit information in South Africa. ✓
- Consumer rights encompass a range of protections that ensure fair and ethical treatment for customers ✓
- Credit providers play a pivotal role in the South African financial landscape. ✓
- The National Credit Regulator allows consumers to raise complaints if they are exploited by credit providers ✓
- Accept any other relevant introduction related to the purpose of the National Credit Act, rights of consumers as outlined in the National Credit Act, responsibilities of credit providers and remedies of the NCA.

Any (2x1) (2)

3.2 Purpose of the NCA

- Promotes the development of a credit market that is accessible to all South Africans ✓✓
- Encourage responsible buying ✓✓
- Avoidance of over-indebtedness and fulfilment of credit providers and consumers ✓✓
- Address and correct imbalances in negotiating power between consumers and credit providers ✓✓
- Discourage reckless credit granting by credit providers ✓✓
- Educate consumers on making the right choice when applying for credit ✓✓
- It gives guidelines within which the different kinds of credit transactions must take place in South Africa ✓✓
- Any other relevant answer related to the purpose of the NCA.

Max (12)

3.3 Consumer rights outlined in the NCA

Consumers have a right to...

- Apply ✓ for credit. ✓
- Receive ✓ information in one's official language. ✓
- Be protected unfair ✓ discrimination in granting credit. ✓
- Be given reasons ✓ why an application for credit is refused. ✓
- Be informed about the interest rate ✓ and any other costs of the proposed credit transaction. ✓
- Receive a copy of a credit contract and a replacement copy when the consumer asks for one.
- Apply for debt counselling ✓ if a customer has too much debt. ✓
- Any other relevant answer related to consumer rights.

Max (14)

3.4 Responsibilities of credit providers

- Credit providers should conduct a credit assessment ✓ on the consumers' affordability. ✓
- Check the most recent pay slip or bank statement ✓ to ensure the consumer has an income. ✓
- Check the consumer's monthly debt-repayment obligations in terms of credit agreements ✓
- Consider other expenses ✓ of the consumers ✓
- Consider the consumer's debt ✓ repayment history ✓
- Any other relevant answer related to the responsibilities of credit providers.

Max (8)

3.5 Remedies of the NCA

The Consumer Tribunal ✓✓

. The Consumer Tribunal is responsible for reviewing decisions made by the National Credit Regulator (NCR), the National Consumer Commission (NCC). ✓✓

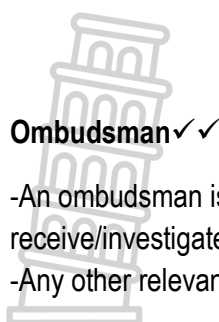
- Any other relevant answers related to the Consumer Tribunal

Remedy : 2
Description: 2
Sub max 4

National Consumer Commission ✓✓

. The National Consumer Commission is responsible for promoting compliance with the NCA and CPA through advocacy and enforcement. ✓✓

- Protects the economic welfare of consumers. ✓✓
- Any other relevant answers related to the National Consumer Commission.



Ombudsman ✓✓

- An ombudsman is an independent person with authority and responsibility to receive/investigate/formally address complaints from consumers. ✓✓
- Any other relevant answers related to Ombudsman

Remedy : 2
Description: 2
Sub max 4

Remedy : 2
Description: 2
Sub max 4
Max (8)

3.6 CONCLUSION

- Businesses that sell goods and services on credit should grant credit responsibly. ✓✓
- Consumers should be educated about their rights when applying for credit. ✓✓
- Credit providers should offer a range of financial solutions to consumers in a responsible manner. ✓✓
- Businesses should register with the National Credit Regulator to ensure compliance with the NCA and ensure that they do not exploit consumers. ✓✓
- Any other relevant conclusion related to the purpose of the National Credit Act, rights of the consumers as outlined in the National Credit Act, responsibilities of credit providers and remedies of the National Credit Act.

Any (1x2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Purpose of National Credit Act	14	
Consumer rights as outlined in the National Credit Act	10	
Responsibilities of credit providers	8	
Remedies of the NCA	8	
Conclusion	2	
INSIGHT		
Layout	2	8
Analyse/Interpret	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 when requirements are not met at all.



THE CONCEPT OF QUALITY

ACTIVITY 1

1.1 1.1.1 D✓✓

1.1.2 B✓✓

(2 X 2) (4)

1.2 1.2.1 quality control✓✓

1.2.2 general management✓✓

(2 X 2) (4)

1.3 1.3.1 C✓✓

1.3.2 D✓✓

(2 X 2) (4)

ACTIVITY 2

2.1 Identification of business functions

2.1.1 Human resources function ✓✓

(2)

2.1.2 General management ✓✓

(2)

2.2 Meaning of quality control.

- Inspection of the final product✓ to ensure that it meets the required standards. ✓
- Includes setting targets/measuring performance✓ and taking corrective measures. ✓
- Any other relevant answer related to the meaning of quality control.

Max (4)

2.3

2.3.1 Quotation of quality indicators

- Upon the appointment, YR ensured fair and equitable selection process was followed. ✓
- YR offered a fair remuneration packages that is aligned to the industry. ✓

NOTE: 1. Mark the first TWO (2) only.

2. Do not award marks if answers are not quoted from the scenario.

Max (2)

2.3.2 Other quality indicators of the human resources function.

- Low rate of staff turnover in the business ✓✓

- Maintain a healthy relationship between employees and employer ✓✓
- Provide good working conditions ✓✓
- Motivate and reward employees ✓✓
- Makes sure there is a good recruitment policy that attracts best candidates. ✓✓
- Offer performance incentives for staff to enhance productivity. ✓✓
- Good relationship with employees. ✓✓
- Ensure that employee understand the goals and objectives ✓✓
- Any other relevant answer related to the quality indicators of the human resources function.

Max (6)

ACTIVITY 3

3.1 Introduction

- Providing quality products/services is critical in satisfying customers' needs and ensuring business sustainability. ✓
- Effective application of quality control and quality assurance systems allow businesses to continuously improve the quality of their products/services. ✓
- The management plays a crucial role in ensuring that businesses achieve objectives and overcomes weaknesses in order to become successful. ✓
- Businesses may use quality indicators of the administration function in order to render quality services. ✓
- Any other relevant introduction related to the importance of quality, differences between quality control and quality assurance, the correlation between management and the success of the business in achieving its objective and strengths.

Any (2 x 1) (2)

3.2 Importance of quality for businesses

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

Max (8)

3.3 Differences between quality control and quality assurance

QUALITY CONTROL	QUALITY ASSURANCE
<ul style="list-style-type: none">– Inspection of the final product✓ to ensure that it meets the required standards. ✓	<ul style="list-style-type: none">- Carried out during and after the production process✓ to ensure that required standards have been met at every stage of the process. ✓

- Includes setting targets/measuring performance ✓ and taking corrective measures. ✓	- Ensure that every stage is aimed at getting the product right first time ✓ and prevent mistakes from happening again. ✓
- Any other relevant answer related to the meaning of quality control.	- Any other relevant answer related to the meaning of quality assurance.
Sub max (4)	Sub max (4)

NOTE:

1. The answers do not have to be in tabular format.
2. The differences do not have to link but must be clear.
3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either quality control or quality assurance only.

Max (8)

3.4 The correlation between management and the success of the business in achieving its objectives, strengths and weaknesses.

- Management plays an important role in making the correct decisions ✓ and motivating employees to be productive. ✓
- Poor management can result in ineffective employees ✓ and loss in productivity. ✓
- Businesses require ongoing ✓ decision making and problem solving. ✓
- Problems that cannot be solved and decisions that are not made appropriately ✓ can lead to a decrease in productivity. ✓
- Any other relevant answer related to the correlation between management and the success of the business in achieving its objectives, strengths and weaknesses.

Max (8)

3.5 Quality indicators of the administration function

- Use modern technology efficiently. ✓✓
- All systems and processes are documented ✓✓
- Easy to recall/find information/document ✓✓
- Handle complaints quickly and effectively ✓✓
- Fast and reliable data capturing and processing systems. ✓✓
- Make relevant information available for quick decision-making. ✓✓
- All documentation is kept neatly and orderly in a safe place. ✓✓
- Financial documents are kept up to date and recorded accurately. ✓✓
- Any other relevant answer related to quality indicators of the administration function.

Max (12)

3.6 Conclusion

- Businesses that understand the importance of quality may be able to render effective services and keep their customers happy. ✓✓

- Businesses should implement quality control and quality assurance management systems effectively to minimise complaints and returns from unhappy customers. ✓✓
- The management must devise effective strategies that will ensure the business achieves its objectives and addresses weaknesses in order to remain competitive. ✓✓
- Proper administration of business information will ensure that informed decisions are taken by management. ✓✓
- Any other relevant conclusion related to the importance of quality, differences between quality control and quality assurance, the correlation between management and the success of the business in achieving its objective and strengths.

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

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Importance of quality	8	
Differences between quality control and quality assurance	8	
Correlation between management and the success of the business in achieving objectives, strengths and weaknesses.	8	
Quality indicators of the administration function	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analyse/Interpret	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 when requirements are not met at all.

MARKET ENVIRONMENT

ACTIVITY 1

- 1.1.1 C ✓✓
- 1.1.2 A ✓✓
- 1.1.3 B ✓✓
- 1.1.4 A ✓✓
- 1.1.5 D ✓✓

(5x2) (10)

- 1.2.1 market ✓✓
- 1.2.2 regulators ✓✓
- 1.2.3 community based organisations ✓✓

(3x2) (6)

- 1.3.1 C ✓✓
- 1.3.2 H ✓✓
- 1.3.3 E ✓✓
- 1.3.4 D ✓✓

(4X2) (8)

ACTIVITY 2

2.1 Components of the market environment

- Consumers/customers ✓
- Suppliers ✓
- Intermediaries ✓
- Competitors ✓
- Regulators
- Community based organisations
- Non-governmental organisations
- Unions
- Strategic allies

NOTE: Mark the first FOUR components of the market environment.

(4)

2.2 The meaning of the Market Environment

- refers to the immediate external components ✓ that directly affect the ability of the business to operate ✓
- Challenges and influences ✓ outside the business. ✓
- Businesses have little or no control ✓ over the environment. ✓

- All elements that determine the reasons✓ for the existence of a business. ✓
- Includes all forces/stakeholders that have a direct effect✓ on the functioning of the business. ✓
- Any other relevant answer related to the meaning of the market environment. **Max (4)**

2.3.1 Scenario on the market environment

COMPONENT OF THE MARKET ENVIRONMENT	MOTIVATION
1. Suppliers ✓✓	FM buys raw material from Zakes local farm in Swartburg.✓
2. Customers/consumers ✓✓	The business has gained customer loyalty and increase in profit because of their quality product. ✓
Sub max 4	Sub max 2

Max (6)

2.4 Components of the market environment

Competitors ✓✓

- Competitors are all businesses that provide similar products or services✓ for more or less the same target market. ✓
- Businesses also compete with other businesses✓ for skilled employees/raw material/equipment/finance etc. ✓
- Competition also comes from businesses that produce✓ possible substitute goods. ✓
- Competition is beneficial to customers✓ because it keeps prices down. ✓
- Competition also promotes innovation ✓and encourages businesses to be more productive. ✓
- Any other relevant answer related to competitors as a component of the market environment.

Component: 2
Discussion : 2
Sub max 4

Intermediaries/Agents✓✓

- The intermediaries of a business are all those businesses that play a role in distributing/promoting the goods✓ and services to customers. ✓
- They bridge the gap✓ between the manufacturer and the consumer. ✓
- They serve as a link between the micro environment ✓and the market environment. ✓
- Intermediaries make it easier for the consumer to access the product, ✓ by selling the product closer to the consumer's location. ✓
- Intermediaries often affect the final price of goods and services ✓as they place a mark-up on the product before they sell it to consumers. ✓
- Many intermediaries/Agents receive a commission✓ on the sale of products. ✓

- Any other relevant answers related to intermediaries/agents as a component of the market environment

Component: 2
Discussion : 2
Sub max 4
Max (8)

2.5.1 Scenario on opportunity and threat

OPPORTUNITY	THREAT
The local municipality has invited SB to sell jewellery on weekends ✓	The business is located in Naida township where there is a high unemployment and crime rate. ✓

(2)

ACTIVITY 3

3.1 Introduction

- Market environment includes every element that may affect its ability to connect with its customers. ✓
- Intermediaries are entities that help a company to promote, sell and distribute its products to consumers. ✓
- Businesses face both opportunities and threats, which can be internal or external ✓
- Competition forces businesses to strive for better products, services and prices. ✓
- Any other relevant introduction related to the meaning of the market environment, intermediaries, competitors, opportunities, threats and reasons why competition pose challenges to businesses.

Max (2)

3.2 The meaning of the Market Environment

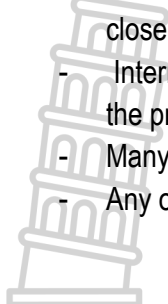
- Challenges and influences ✓ outside the business. ✓
- Businesses have little or no control ✓ over the environment. ✓
- All elements that determine the reasons ✓ for the existence of a business. ✓
- Includes all forces/stakeholders that have a direct effect ✓ on the functioning of the business ✓
- Any other relevant answer related to the meaning of the market environment

Max (6)

3.3 The components of the market environment

3.3.1 Intermediaries/Agents

- The intermediaries of a business are all those businesses that play a role in distributing/promoting ✓ the goods and services to customers. ✓
- They bridge the gap between the manufacturer ✓ and the consumer. ✓
- They serve as a link between the micro environment ✓ and the market environment. ✓

- 
- Intermediaries make it easier for the consumer to access the product, ✓ by selling the product closer to the consumer's location. ✓
 - Intermediaries often affect the final price of goods and services ✓ as they place a mark-up on the product before they sell it to consumers. ✓
 - Many intermediaries/Agents receive a commission ✓ on the sale of products. ✓
 - Any other relevant answer related to intermediaries/agents

Sub max (6)

3.3.2 Competitors

- Competitors are all businesses that provide similar products or services ✓ for more or less the same target market. ✓
- Businesses also compete with other businesses ✓ for skilled employees/raw material/equipment/finance etc. ✓
- Competition also comes from businesses ✓ that produce possible substitute goods. ✓
- Competition is beneficial to customers ✓ because it keeps prices down. ✓
- Competition also promotes innovation ✓ and encourages businesses to be more productive. ✓
- Any other relevant answer related to competitors

Sub max (6)

Max 12

3.4.1 Opportunity

- Opportunity takes place when consumers are made aware of the product ✓ if it is marketed by different businesses. ✓
- Opportunities will always be available ✓ when consumers need to satisfy their needs. ✓
- Any other relevant answer related to meaning of opportunity in business context

3.4.2 Threats

- A threat exists if a business is unable to produce/performance as desired ✓ because of reasons outside the business such as competition/legislation/global economic trends. ✓
- Any other relevant answer related to the meaning of threats in business context

3.4.3 Examples of opportunities and threats

OPPORTUNITIES

- Expansion of product lines to serve a broader range of customers. ✓
- Entering into new markets ✓
- Decline in interest rates ✓
- New law which increases consumer minimum wages and salaries ✓

THREATS

- New competitors entering the market with a lower prices. ✓
- New legislation which could limit business transactions. ✓
- Changing buyer needs and tastes slower market growth. ✓



- Increase in investor in the business ✓
- Increase in interest rates ✓
- Increase in production due to increase in demand ✓
- Less investment in the business ✓

Max (12)

3.5 Reasons why competition poses a challenge to businesses

- Competition keeps prices down and reduces the business profitability. ✓✓
- It forces businesses to find new ways to produce an existing product or develop new products/ services. ✓✓
- A business may close down if it is unable to compete with other businesses. ✓✓
- Competition reduces the business market share and its target market. ✓✓
- Any other relevant answer related to reasons why competition pose a challenge to businesses

Max (8)

3.6 Conclusion

- Marketing environment is vital for businesses as it leading to better customer engagement and market positioning. ✓✓
- Intermediaries play a crucial role in bringing the gap between producers and consumers. ✓✓
- Opportunities and threats allow businesses to be proactively adapt strategies that could lead to better performance. ✓✓
- Businesses need to understand their customer needs in order to address competition . ✓✓
- Any other relevant conclusion related to the meaning of the market environment, intermediaries, competitors, opportunities, threats and reasons why competition pose challenges to businesses.

Any (2x1) (2)
[40]

BREAKDOWN OF MARK ALLOCATION

Introduction	2	Facts Max 32
Meaning of the market environment	6	
Components of the market environment: <ul style="list-style-type: none"> ○ Intermediaries ○ Competitors 	12	
Meaning of opportunities and threats in a business context and give practical examples of each.	12	

Reasons why competition poses a challenge to businesses	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 when requirements are not met at all.



MACRO-ENVIRONMENT

ACTIVITY 1

1.1 Multiple Choice

1.1.1 D ✓✓

1.1.2 A ✓✓

(2x2) (4)

1.2 Complete the following statements

1.2.1 Global environment ✓✓

1.2.2 Technological environment ✓✓

(2x2) (4)

ACTIVITY 2

2.1 PESTLE elements

- Political environment ✓
- Economic environment ✓
- Social environment ✓
- Technological environment ✓
- Legal environment ✓
- Environmental ✓

(3)

NOTE: Mark ONLY the FIRST THREE elements.

2.2 Identification of macro environment factors.

2.2.1 Environmental (Natural/Physical environment) ✓✓

2.2.2 Economic environment ✓✓

2.2.3 Technological environment ✓✓

(6)

2.3.1 Scenario on macro environment

COMPONENTS OF MACRO ENVIRONMENTS	MOTIVATION
1. Social environment ✓✓	Kruger Traders (KT) sells hair products in Kimberly which has a high percentage of illiteracy and poverty. ✓
2. Environmental (Natural/Physical) ✓✓	KT failed to secure permission to dump waste in a demarcated area, now the business uses a river nearby. ✓
Sub Max 4	Sub Max 2

Max (6)

NOTE: 1. The answer does not have to be in tabular format.

2. Awards marks for the components of macro environments even if there is no motivation.

3. Do not award marks for motivations, if components of macro environments were incorrectly identified.

2.3.2 Other TWO components of the macro environment

Political environment (including the institutional environment) ✓✓

- The political environment represents the government and its institutions, and the public and private stakeholders that influence businesses. ✓
- The political environment refers to the actions taken by the government that affects daily business activities. ✓
- The institutional environment refers to the three levels of government in South Africa, that puts in place laws and rules that regulate how businesses operate. ✓
- All influences that a government has on businesses could be classified under this environment. ✓
- Any other relevant answer related to political environment.

**Component 2
Discussion 1
Sub Max 3**

Economic environment ✓✓

- The economic environment refers to all the external economic factors that influence buying habits of consumers and businesses. ✓
- It, therefore, affects the performance of businesses. ✓
- The economic environment relates to all the economic factors that affect commercial and consumer behaviour. ✓
- The economic environment consists of all external factors in the immediate marketplace and the broader economy, which includes inflation, petrol price, interest rates and exchange rates. ✓
- Any other relevant answer related to economic environment.

**Component 2
Discussion 1
Sub Max 3**

Technological environment ✓✓

- The technological environment refers to development in the field of technology with new and innovative knowledge, new inventions, and other improvements in techniques that affect businesses. ✓
- It refers to external factors in technology that impact business operations. ✓
- It relates to factors that create new technologies and thereby provide opportunities and threats to businesses. ✓

- Changes in technology affect how businesses operate. ✓
- The technological environment shows the fastest changes in the macro-environment. ✓
- Such new technologies have started the Fourth Industrial Revolution (4IR). ✓
- Any other relevant answer related to technological environment.

Component 2
Discussion 1
Sub Max 3

Legal environment ✓✓

- The legal environment refers to the laws passed by the government, which affect businesses. ✓
- Legal elements refer to rules that businesses must adhere to, and all other legal aspects businesses should consider. ✓
- Laws and regulations have been introduced to ensure that there is a framework of legal systems for businesses to trade and operate. ✓
- Legal factors are external factors that refer to how the law affects the way businesses operate and customers behave. ✓
- Any other relevant answer related to legal environment.

Component 2
Discussion 1
Sub Max 3

The international/global environment ✓✓

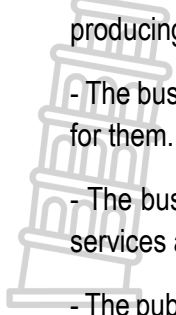
- The global environment refers to the uncontrollable local and international interactions that influence how businesses operate. ✓
- International businesses also increase competition in domestic markets and introduce new opportunities to foreign markets. ✓
- The global competition encourages businesses to become more innovative and efficient in their use of resources. ✓
- Any other relevant answer related to international/global environment.

Component 2
Discussion 1
Sub Max 3
Max 6

THE INTERRELATIONSHIPS OF MICRO, MARKET, MACRO ENVIRONMENT

1.1 Relationship between businesses and consumers

- Consumers refer to people who are willing and able to buy products /utility services✓ offered by the business. ✓
- Consumers depend on businesses for their good and services to satisfy ✓their needs and wants and businesses also depend on them for income generation and growth. ✓

- 
- Businesses cannot survive without customers ✓ and must ensure that they are constantly producing goods of high quality to maintain or increase their customer base. ✓
 - The business needs to market /advertise its goods and services ✓to ensure that there is a demand for them. ✓
 - The business must carry out market research✓ to determine the appropriate typed of goods and services and the best prices for them. ✓
 - The public relations department should ensure that✓ the business has a good image and maintains customer loyalty. ✓
 - Any other relevant answer related to the relationship between businesses and consumers.

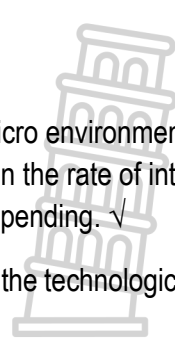
Max (4)

Relationship between the business and intermediaries

- Intermediaries help businesses to distribute✓ and sell goods to customers. ✓
- Businesses need to maintain good relationships ✓with the intermediaries. ✓
- Businesses sell its goods and services✓ to the intermediaries. ✓
- Intermediaries help businesses to access ✓consumers and the influence its sales. ✓
- Businesses need to find the best transport and communication companies✓ at the best prices to transport and market their products. ✓
- Intermediaries need to be reliable and responsible ✓, as they affect the quality, services and price of good and services. ✓
- Any other relevant answer related to the relationship between business and intermediaries

Max (4)

1.2 Interrelationship between micro market and macro environments

- 
- A change in the macro environment may cause a change in the micro environment which may in turn✓, create a change in the market environment e.g. an increase in the rate of interest may lead to an increase in the production cost which may reduce consumer spending. ✓
 - A change in the economic environment may lead to a change✓ in the technological environment and the way in which people spend money. ✓
 - The legal, political and institutional environment has a large impact ✓on other business environments e.g. politics and laws affect the economic environment. ✓
 - The business has full control ✓over all elements/features of the micro environment. ✓
 - The business has less/little control ✓over the market environment but it can influence it. ✓



- The business has no control over ✓ the macro environment but it must develop strategies to adapt to the challenges that are posed. ✓
- Any other relevant answer related to the interrelationship between micro, market and macro environments

Max (6)



BUSINESS SECTORS

ACTIVITY 1

1.1.1 D✓✓

1.1.2 C✓✓

1.1.3 D✓✓

(3x2) (6)

1.2.1 Secondary✓✓

1.2.2 mining ✓✓

1.2.3 public✓✓

(3x2) (6)

1.3.1 D✓✓

1.3.2 A✓✓

1.3.3 B✓✓

(3x2) (6)

ACTIVITY 2

2.1 TWO examples of industries in the tertiary sector.

-Financing✓

-Hospitality✓

-Retailers and

-wholesalers

-Storage

-Tourism

-Transportation

NOTE: MARK THE FIRST TWO EXAMPLES ONLY

(2)

2.2 Meaning of informal sector

– The informal sector consists of small businesses✓ with long working hours and irregular income✓

– Businesses in the informal sector are not registered✓ with Companies and Intellectual Property Commission (CIPC) ✓

– Businesses do not pay tax✓ on profits to SARS ✓

– The informal sector refers to those workers✓ who are self-employed✓.

– Owners of businesses in the informal sector✓ take responsibility for the success and failure of their businesses✓.

– Any other relevant answer related to the meaning of the informal sector.

Max (4)

2.3.1 Business sectors from the scenario

BUSINESS SECTORS	MOTIVATIONS
1. Secondary✓✓	Kapp Manufacturers specialises in the manufacturing of steel products✓
2. Tertiary✓✓	The steel products of KM are sold at Seabreeze Paradise✓
Sub max 4	Sub max 2

Max (6)

NOTE:

1 Accept any order

2 The motivation must link with the business sector.

3 Award full marks for the business sector even if the motivation is not quoted in full.

4 Do not award marks for the motivation if the business sector is not mentioned.

2.3.2 Relationship between the primary, secondary and tertiary sectors

- The primary sector extracts the raw materials ✓and supplies the secondary sector with the raw materials. ✓
- The secondary sector transforms the raw materials into final products✓ and sells the products to retailers in the tertiary sector. ✓
- The tertiary sector sells the products✓ to the consumer✓
- Any other relevant answer related to the relationship between the three business sectors.

Max (6)

2.4.1 Examples of informal sector businesses from the scenario

- Unregistered vendors✓
- Spaza shops✓

Max (2)

2.4.2 Difference between the formal sector and informal sector

Formal sector	Informal sector
Income is regular ✓weekly/monthly earnings. ✓	Income earned is irregular ✓and inconsistent. ✓
Employees work✓ specific working hours. ✓	Employees work long✓ hours. ✓
Consists of small, ✓ micro, medium and large businesses. ✓	Consists of small-scale✓ home-based operations. ✓
Examples include companies such as mining✓, manufacturing, retail and banking✓	Examples include spaza shops, ✓ street vendors, hairdressers, gardening services, car wash services and other home-based activities. ✓

Any other relevant answer related to the differences between the formal sector and the informal sector

Max (8)

NOTE:

1 The answer does not have to be in tabular format.

2 The differences must be clear but not linked.

3 A maximum of FOUR (4) marks will be awarded if the differences are not clear.

4 Either formal sector or informal sector will be marked if the differences are not clear.

ACTIVITY 3

3.1 Introduction

- The public and private sector both have a positive impact on the economy. ✓
 - Business sectors consist of businesses that are grouped together and classified into primary, secondary or tertiary sectors. ✓
 - The formal sector enables businesses to unleash their full potential in the market. ✓
 - The public sector improves the lives of people and supports the country's development. ✓
 - Any other relevant introduction related to differences between the public and private sector, the meaning of three business sectors, importance of the formal sector and the purpose of the public sector
- Any 2x1 (2)**

3.2 Differences between the public sector and the private sector

Public sector	Private sector
The public sector comprises of various business enterprises and institutions owned and managed by the government✓✓.	The private sector consists of businesses that are owned, financed and run by private individuals✓✓
It is the part of the economy, where goods and services of public interest are provided by the government. ✓✓	These businesses are privately owned and provide goods and services with the aim of making a profit. ✓✓
Businesses in the public sector consist of Parastatals and state-owned companies or enterprises (SOCs/SOEs) ✓✓.	They are privately owned by sole traders, partnerships, close corporations or profit companies✓✓.
They provide public goods and services such as water and electricity to meet the needs of its people✓✓.	They offer a large variety of goods and services to meet the demands of consumers. ✓✓
They are tasked with improving the general standard of living of all citizens✓✓.	These companies also give back to the people by uplifting the community through corporate social responsibility programs✓✓.
These companies should ensure the equal distribution of wealth among the rich and poor. ✓✓	They provide opportunities for other businesses to create wealth for growth. ✓✓
They are also tasked with providing infrastructure that supports private sector development. ✓✓	They also support the public sector through public-private-partnership agreements✓✓
Examples include Eskom, Denel, SABC, South African Airways (SAA), Transnet✓✓	Examples include banks, hotels, insurance companies, restaurants and retailers.✓✓

-Any other relevant answer related to the differences between the public sector and private sector.

Max (12)

NOTE:

- 1 The answer does not have to be in tabular format.
- 2 The differences must be clear but not linked.
- 3 A maximum of SIX (6) marks will be awarded if the differences are not clear
- 4 Either public sector or private sector will be marked if the differences are not clear

3.3. The meaning of three business sectors

3.3.1

Primary sector✓✓

- Deals with the extraction of raw materials✓ and natural resources. ✓
- Any other relevant answer related to the meaning of primary sector

Business sector :2

Meaning : 2

Sub max 4

3.3.2

Secondary sector✓✓

- Involves the process of transforming raw materials✓ into finished or unfinished products. ✓
- Any other relevant answer related to the meaning of secondary sector

Business sector :2

Meaning : 2

Sub max 4

3.3.3

Tertiary sector✓✓

- refers to industries that offer services ✓ to other businesses and consumers✓
- Any other relevant answer related to the meaning of tertiary sector

Business sector :2

Meaning : 2

Sub max 4

Max (12)

3.4

Importance of the formal sector

Business activities are included in the GDP✓ figures of the country✓.

- Companies pay taxes✓ on their profits. ✓
- People who are employed at companies✓ pay personal income tax✓.
- Provides employment✓ to highly skilled, semi-skilled and unskilled labourers ✓.
- People working in the formal sector✓ gain the necessary skills to start their own businesses✓.
- Provides a large variety of goods✓ and services to satisfy consumers✓.
- Any other relevant answer related to the importance of the formal sector

Max (12)

3.5 Advising businesses on the purpose of the public sector

- provides public goods and services such as water and electricity to meet the needs of its people ✓✓
- improves the general standard of living of all its citizens ✓✓
- ensures equal distribution of wealth ✓✓
- provides infrastructure that supports private sector development ✓✓
- provides various kinds of job opportunities ✓✓
- intervenes in the economy to limit anti-competitive behaviour. ✓✓
- Any other relevant answer related to the purpose of the public sector

Max (10)

3.6 Conclusion

- Provision of more jobs in the public and private sector will further improve the functioning of the economy ✓✓
- Industries in the primary, secondary and tertiary should work together to add to the country's growth and development ✓✓
- Businesses in the formal sector contribute in achieving business objectives and increasing market share and profitability. ✓✓
- The public sector should continuously improve the lives of people through service delivery, which will improve the country's development. ✓✓
- Any other relevant conclusion related to the differences between the public and private sector, meaning of the three business sectors, importance of the formal sector and the purpose of the public sector.

Any (1X2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between public sector and private sector	12	
Meaning of the three business sectors	12	
Importance of the formal sector	12	
Purpose of the public sector	10	
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



CONTEMPORARY SOCIO-ECONOMIC ISSUES

ACTIVITY 1

1.1

1.1.1 C✓✓

1.1.2 B✓✓

1.1.3 A✓✓

(3 x 2) (6)

1.2

1.2.1 inclusivity✓✓

1.2.2 bootlegging✓✓

1.2.3 strikes✓✓

(3 x 2) (6)

1.3

1.3.1 E✓✓

1.3.2 D✓✓

1.3.3 A✓✓

(3 x 2) (6)

SECTION B

ACTIVITY 2

2.1 Contemporary socio-economic issues

- Inequality and poverty✓
- Inclusivity✓
- Unemployment and unproductive workforce✓
- HIV/AIDS✓
- Gambling✓
- Counterfeiting✓
- Bootlegging✓
- Strikes✓
- Political disturbances✓
- Violence✓
- Crime ✓

Note: Mark the first THREE only.

Max (3)

2.2.1 Identification



- Gambling✓✓

Sub max (2)

Motivation

- Upon investigating this matter, it was found that these employees were engaging in betting activities in the hope that they would win more money. ✓

Sub max (1)

Max (3)

Note: Do not award marks for motivation, if identification is incorrect.

2.2.2 Impact of gambling on PT

- Employees who gamble themselves into financial difficulties✓ may be absent from work regularly. ✓
- Employees who gamble compulsively may adhere strictly to✓ their working hours only and be unwilling to work overtime hours when required. ✓
- The consequences of regular gambling may disrupt the work setting✓ due to staff absenteeism and potentially unproductive employees. ✓
- Individuals losing cash can display lower morale levels at work✓ and this will influence their work relationships and responsibilities. ✓
- The employees may suffer from depression and thereby not be able to focus✓ on their work tasks and responsibilities. ✓
- Gambling, such as money laundering✓, promotes corruption in businesses. ✓
- Any other relevant impact of gambling on PT.

Max (6)

2.3 Impact of strikes

- Strikes will result in production losses✓ and reduction in sales. ✓
- Businesses may be forced to✓ close operations after a strike. ✓
- Business may incur damages to their premises✓ due to protests or protest action✓
- Any other relevant impact of strikes.

Max (4)

2.4 Purpose of inclusivity

- The goal of inclusivity is to ensure that the business implements fair labour practices. ✓✓
- It seeks to redress the inequalities of the past. ✓✓
- Ensure that workplaces are created where people of different races, genders and religions can work together to the benefit of the business. ✓✓
- Ensure that their workforce is representative of the demographics of the country. ✓✓
- Try to ensure that the physical business setting makes provision for individuals with disabilities.✓✓
- Any other relevant purpose of inclusivity.

Max (4)

2.5 Types of gambling

- Pyramid schemes✓
 - Illegal gambling✓
- Money laundering✓

Note: Mark the first THREE only.

Max (3)

2.6.1 Identification

- HIV/AIDS ✓✓

Sub max (2)

Motivation

- They have been made aware that five of their employees are on ARV treatment and will be attending medical check-ups every month. ✓

Sub max (1)

Max (3)

Note: Do not award marks for motivation, if identification is incorrect.

2.6.2 Impact of HIV/AIDS

- Being infected with HIV can lead to:
 - reduced productivity ✓ of affected employees ✓
 - increased employee absenteeism because of ✓ medical appointments for doctor or clinic visits. ✓
 - Trained and experienced employees often die ✓ due to complications caused by HIV before they can grow old. ✓
 - This causes an increase in staff turnover ✓ for the business. ✓
 - This in turn creates additional expenses for businesses ✓ when they need to hire and train new employees. ✓
 - Businesses face high levels of non-attendance of employees ✓ who become ill or request to attend funerals. ✓
 - Employees may experience low morale ✓ because of sick colleagues. ✓
 - This could lead to a decrease in productivity ✓ as workloads increase. ✓
 - The business will be affected adversely ✓ and this could lead to a decline in profits. ✓
 - Any other relevant answer related to impact of HIV/AIDS

Max(4)

2.7 Impact of inequality and poverty

- Individuals and customers have less or no money to spend to buy basic goods and services ✓ which will influence the profitability of business. ✓
- Poverty results in the continuation of the cycle of unemployment and homelessness ✓ which can lead to an increase in crime affecting businesses negatively. ✓
- Some people do not have the financial means to buy goods ✓ as they have little to no disposable income leading to limited. ✓
- profitability of the business as a result of ✓ limited or no customer spending. ✓
- Limited customer spending means that ✓ businesses record lower sales figures. ✓
- Businesses may not grow because of ✓ reduced sales figures. ✓
- Businesses are pressurized by the media attention to poverty ✓ into investing in poor communities. ✓
- Any other relevant answer related to impact of inequality and poverty.

Max(6)

2.8 Why socio-economic issues pose a challenge to business



- Businesses may not be well supported by customers because of their limited disposable income. ✓✓
- Absenteeism of employees affected by HIV/AIDS will result in a decrease in productivity of the business. ✓✓
- Counterfeiting, bootlegging and crime may lead to loss of profit for businesses. ✓✓
- Businesses may feel pressurised to offer corporate social responsibility projects in disadvantaged communities. ✓✓
- This in turn could lead to increased business costs and decreased profitability. ✓✓
- Any other relevant answer related to why socio-economic issues pose a challenge to business.

Max (4)

ACTIVITY 3

3.1 Introduction

- Businesses are faced with various reasons that emanates from different business environments such as macro environment ✓
- Businesses should promote inclusivity and diversity within the workplace ✓
- Socio-economic issues like unemployment, crime and bootlegging have a negative impact on businesses ✓
- Employees should be made aware of the effects of HIV/Aids on businesses ✓
- Any other relevant introduction related to reasons why socio-economic issues may pose challenges on businesses/purpose of inclusivity/ impact of crime, unemployment, bootlegging// impact of HIV/Aids

Any (2x1) (2)

3.2 Reasons why socio-economic issues may pose challenges on businesses

- Socio-economic issues affect consumer spending due to poverty and unemployment ✓✓.
- These issues place extra burdens and expenditure on businesses as they have to develop policies/support systems/ informative programs to address them. ✓✓
- Businesses are expected to create as many job opportunities as possible to assist government address these issues which places a financial burden on them ✓✓
- They must also educate employees on social issues and how to become involved in the community to address these social issues. ✓✓
- Any other relevant answer related to reasons why socio-economic issues may pose challenges on



businesses

Max (6)

3.3 Purpose of inclusivity

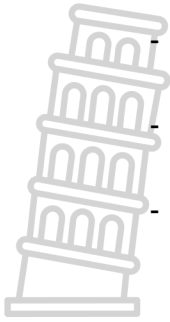
- Inclusivity enables businesses to make the best use✓ of all human resources. ✓
- Promotes equal opportunity for every employee✓ to obtain skills that will lead to promotion and career path✓.
- Promotes respect for each person✓ and their contributions in the workplace. ✓
- Promotes healthy/happy working environments, which in turn increase job satisfaction and productivity.
- Increase tolerance✓ of each other's ideas and beliefs. ✓
- Increase communication in the workplace✓ so that business goals/objectives are achieved. ✓
- Businesses are able to use a variety✓ of talents and skills. ✓
- Inclusivity increases education and training✓ resulting to a decrease in poverty. ✓
- Increases the number of middle-class people✓ participating in the economy. ✓
- Any other relevant answer related to purpose of inclusivity

Max (10)

3.4 Negative impact of socio-economic issues

3.4.1 Impact of crime on businesses

- Loss of staff✓ and customers. ✓
- Insurance/security costs✓ become expensive. ✓
- Loss of profits✓ due to stolen goods from businesses. ✓
- Business lose skilled people✓ resulting in a decline in productivity. ✓
- Increased medical expenses✓ as workers are injured during the break-ins✓
- Businesses spent money✓ on installing effective security measures e.g. alarms, burglar proofing. ✓
- Loss of goods in a business can happen✓ as a result of burglaries, shoplifting, customer theft and employee theft ✓
- Cost of damage to property increases ✓ as businesses pay higher insurance premiums to protect themselves✓.
- High rate of absenteeism ✓ due to affected employees having to go for trauma counselling✓
- Loss of essential equipment✓ causing temporary closure of the business✓
- Employees can become involved✓ in fraud, bribery and corruption. ✓
- If there is an ensuing court case✓ it can create negative publicity for the business. ✓
- Smaller businesses often cannot afford insurance✓ and have to replace the stolen goods themselves at greater loss. ✓
- Lower profits affect the decision to expand✓ and employ more people/pay higher wages. ✓
- Crime causes increase in health costs of employees✓ due to



- injuries or stress. ✓
- Discourages foreign investment✓ and reduces tourism which impacts negatively on business. ✓
- Crime brings about unfair competition✓ from stolen goods resold at a lower price. ✓
- Any other relevant answer related to impact of crime on businesses

Sub max (6)

3.4.2 Negative impact of unemployment on businesses

- Unemployed people usually have very little money✓ to spend. ✓
- Business enterprises cannot grow or expand✓ if people don't spend money. ✓
- May limit business growth✓ and expansion✓.
- An unproductive labour force will not achieve✓ its performance targets. ✓
- Additional people must then be appointed to do the work of unproductive employees✓ at an extra cost. ✓
- An unproductive labour force may lead tensions✓ between employers and employees, low profits for businesses, and stress for both employers and employees✓
- Any other relevant answer related to impact of unemployment.

Sub max (6)

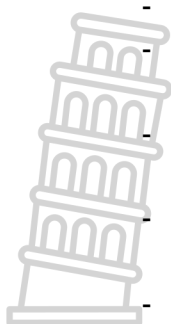
3.4.3 Impact of bootlegging on businesses

- Businesses lose out ✓ on profit. ✓
- Businesses may experience decline in sales✓ due to fake/imitated distribution of products. ✓
- Businesses may be forced to implement price adjustment strategies✓ to minimise the impact. ✓
- Businesses expenses will increase✓ if legal actions are taken. ✓
- Any other relevant answer related to impact of bootlegging on businesses

Sub max (6)

3.5 Negative impact of HIV/Aids on businesses

- Loss of skilled staff✓ due to HIV related illnesses. ✓
- Profits will be lower✓ as production decreases✓.
- High absenteeism from illness✓ resulting to a decrease in productivity✓.
- Conflict can arise among staff ✓ if they discover that a worker is HIV positive✓.
- Businesses find it difficult to keep up production levels✓ and to meet deadlines because of poor staff morale✓.
- Businesses face increased costs of finding/recruiting/training replacements. ✓
- The pool of available skilled workers is getting smaller✓ due to the high rate of HIV infection. ✓



- The costs of finding replacement employees✓ and recruiting are high. ✓
- Businesses need to invest money in programmes✓ to educate the workers regarding AIDS. ✓
- Decrease in the number of consumers cause a drop in the demand for goods and service✓.
- Costs such as insurance/retirement funds/health/safety are higher✓ as a result of HIV for the business. ✓
- Businesses face increased costs of paying benefits like housing subsidies, medical care, funeral care and pension funds. ✓
- Staff morale might be low ✓as they are concerned about their health thus lowering productivity✓
- Any other relevant answer related to negative impact of HIV/Aids.

Max (10)

3.6 Conclusion

- Businesses should devise strategies to deal with challenges they are often faced with. ✓✓
- Treating employees fairly, equally and with respect may increase productivity within the business. ✓✓
- Businesses need to take precautionary measures to deal/ reduce the impact of socio-economic issues. ✓✓
- Proper HIV/Aids measures and awareness campaigns should be developed to minimise number of sick employees. ✓

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

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Reasons why socio-economic issues pose challenges to businesses	6	
Purpose of inclusivity	10	
Impact of the following socio-economic issues: <ul style="list-style-type: none"> ○ Crime ○ Unemployment ○ bootlegging 	18	
Negative impact of HIV/Aids to businesses.	12	
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



SOCIAL RESPONSIBILITY

ACTIVITY 1

1.1

1.1.1. A ✓✓

(2x1) (2)

1.2

1.2.1. A ✓✓

1.2.2 D ✓✓

(2x2) (4)

ACTIVITY 2

2.1.1. - LT donated money and food parcel to local NGO's ✓

- LT also attracted the best employees by being socially responsible and offering the best volunteering programs. ✓

(2x1) (2)

2.2.1. **Initiatives businesses can take to address unemployment**

- Provide skills development programmes ✓ through learnerships. ✓
- Offer bursaries to the community ✓ to improve the level of education. ✓
- Create jobs ✓ for members of the community. ✓
- Provide entrepreneurial programmes ✓ that can promote self-employment. ✓
- Support existing small businesses ✓ to create more employment opportunities. ✓
- Any other related answer to initiatives businesses can take to address unemployment.

(2x2) (4)

2.2.2. **Initiatives businesses can take to address gambling**

- Offer ✓ financial literacy education ✓
- Businesses must make use of organisations such as Gamblers Anonymous and the National Council on Problem Gambling ✓ to help gamblers fight their addiction. ✓
- Any other related answer to initiatives businesses can take to address gambling.

(2x2) (4)

2.2.3. **Initiatives businesses can take to address violence**

- Provide an employee assistance programme (EAP) ✓ to enable employees with personal problems to seek help. ✓
- Provide ✓ counselling facilities / refer victims to private counsellors. ✓
- Any other related answer to initiatives businesses can take to address violence

(2x2) (4)



FORMS OF OWNERSHIP

ACTIVITY 1

1.1

1.1.1 D ✓✓

1.1.2 A ✓✓

1.1.3 C ✓✓

(3x2) (6)

1.2

1.2.1 Directors ✓✓

1.2.2 Personal Liability Company ✓✓

1.2.3 Private company ✓✓

1.2.4 State owned companies ✓✓

(4 x 2) (8)

1.3

1.3.1 B ✓✓

1.3.2 E ✓✓

1.3.3 A ✓✓

(3 x 2) (6)

ACTIVITY 2

SECTION B

QUESTION 2

2.1 Types of Co-operatives.

-housing co-operative ✓

-worker co-operative ✓

-social co-operative ✓

-agricultural co-operative ✓

-co-operative burial society ✓

-financial services co-operative ✓

-consumer co-operative ✓

-transport co-operative ✓

NOTE : Mark the first THREE types of co- operatives.

(3)



2.2 The characteristics of a partnership.

- There should be at least a minimum of two people in a partnership. ✓✓
- The partnership agreement becomes the basis of the association between the partners. ✓✓
- Partners combine capital and may also borrow capital from financial institutions. ✓✓
- They share the profit according to the partnership agreement. ✓✓
- Partners share responsibilities and they are all involved in making business decisions. ✓✓
- Every partner in the business has unlimited liability and are jointly and severally liable for the debts of the business. ✓✓
- There are no legal requirements regarding the name of the business. ✓✓
- Partners share profits made and they are therefore motivated to work harder. ✓✓
- The partnership has no legal personality and therefore has no continuity. ✓✓
- The partnership does not pay income tax, only the partners in their personal capacities. ✓✓
- Auditing of financial statements is optional. ✓✓
- Any other relevant answer related to the characteristics of a partnership. **Max (6)**

2.3

2.3.1 Sole Trader ✓✓

(2)

2.3.2 The disadvantages of the sole trader

- Since all decisions are taken by the owner, ✓the area of the business will be limited to the management abilities of the owner. ✓
- It is not always possible to attract highly skilled workers✓ because the capital is limited to one person. ✓
- The owner has unlimited liability for debts, ✓which means the owner is personally liable for the debts of the business. ✓
- They cannot expand the business operations✓ because of limited capital. ✓
- The owner is responsible for providing all the capital needed, ✓ which may make it difficult to raise big amounts of capital when needed. ✓
- If the owner does not have enough knowledge/experience✓ the business may fail. ✓
- A sole trader lacks continuity✓ especially in the event of death or illness. ✓
- The risk of unlimited liability forces many sole traders✓ not to expand operations beyond a certain point. ✓
- Tax is calculated according to a progressive income system, ✓ which can be up to a maximum of 40%.✓
- Any other relevant answer related to the disadvantages of a sole trader **Max 4**



2.4 The advantages of Co-operatives

- Access to resources and funding. ✓✓
- Decision-making is done by a group. ✓✓
- Members have limited liability. ✓✓
- The decisions are democratic and fair. ✓✓
- Co-operatives have continuity of existence. ✓✓
- Profits are shared equally amongst members. ✓✓
- Each member has an equal share in the business. ✓✓
- A co-operative can appoint its management. ✓✓
- Members are motivated because they are working for themselves. ✓✓
- Can gain extra capital by asking its members to buy shares. ✓✓
- Resources of many people are pooled together to achieve common objectives ✓✓
- Any other relevant answer related to advantages of Co-operatives **Max (6)**

2.5.1 Identify the forms of ownership from Each of the statement below:

2.5.1 Partnership ✓✓ **(2)**

2.5.2 State Owned Company ✓✓ **(2)**

2.6 Scenario on forms of ownership

2.6.1

FORMS OF OWNERSHIP	MOTIVATION
Partnership ✓✓	Mike, Ruth, and Mngqobi started a business in which they are jointly and severally liable for its debts. ✓
Public Company ✓✓	They now wish to transform their business into one that allows them to sell shares to the public. ✓
Sub max 4	Sub max 2

Max 6

2.6.2 The difference between Public Company and Partnership

Partnership	Public Company
There should be at least a minimum of two people in a partnership. ✓✓	Requires three or more directors and three or more shareholders. ✓✓



Financial statements need not be either audited or independently reviewed. ✓✓	Auditing of financial statements is compulsory and audited statements are made available to shareholders and the public. ✓✓
The partnership has no legal personality and therefore has no continuity. ✓✓	A public company has a separate legal personality and therefore, has unlimited continuity. ✓✓
Every partner in the business has unlimited liability and are jointly and severally liable for the debts of the business. ✓✓	Shareholders have limited liability and are not personally liable for the debts of the business. ✓✓
There are no legal requirements regarding the name of the business. ✓✓	The company name ends with the letters Ltd. ✓✓
They share the profit according to the partnership agreement. ✓✓	Profits are shared in the form of dividends in proportion to the shares held. ✓✓
Any other relevant answer related to difference between Partnership and Public Company	

-Any other relevant answer related to the difference between a partnership and a public company
Max (4)

- NOTE:**
- 1 The answer does not have to be in tabular format.
 - 2 The difference must be clear but not linked.
 - 3 A maximum of TWO (2) marks will be awarded if the differences are not clear.
 - 4 Either partnership or public company will be marked if the difference is not clear.

2.7 The advantages of state-owned companies.

- SOC's help eliminate economic exploitation and oppression. ✓✓
- They offer essential services which may not be offered by the private sector. ✓✓
- Shareholders have limited liability. ✓✓
- Profits may be used to finance other state departments. ✓✓
- Wasteful duplication of services is eliminated. ✓✓
- Jobs are created for all skill levels. ✓✓
- Generates income to finance social programmes. ✓✓





- Prices are kept reasonable to make services affordable to more citizens. ✓✓
- Provides healthy competition to private sector companies because of government contributions. ✓✓
- Most of SOCs run on sound business lines as they have their surpluses to run their projects. ✓✓
- An SOC company has a separate legal personality. ✓✓
- Any other relevant answer related to advantages of SOC

Max (4)

2.8 The differences between profit and non-profit companies.

PROFIT COMPANIES.	NON-PROFIT COMPANIES.
-This company is formed with one aim of making a profit. ✓✓	-This company is formed for charity purposes or to promote social and cultural activities. ✓✓
-A company incorporated for financial gain for its shareholders. ✓✓	-A non-profit company is an association incorporated not for gain. ✓✓
-Profit organisations are responsible for paying taxes based on their profit. ✓✓	-Non-profit organisations are not required to pay taxes on net income. ✓✓

Any other relevant answer related to the differences between profit and non profit companies

Max (8)

- NOTE:**
- 1 The answer does not have to be in tabular format.
 - 2 The differences must be clear but not linked.
 - 3 A maximum of FOUR (4) marks will be awarded if the differences are not clear.
 - 4 Either profit companies or non profit companies will be marked if the differences are not clear.

ACTIVITY 3

3.1 Introduction

- Entrepreneurs should consider differences between public and private companies when choosing a company as a form of ownership. ✓
- A state owned company is a legal entity that is created by a government in order to partake in commercial activities on the government's behalf. ✓
- Personal liability companies allow professionals such as engineers, lawyers and accountants to operate as a separate legal entity. ✓



-Cooperatives are vital for economic and social development✓

-Any relevant introduction related to the differences between public and private companies, characteristics of state-owned companies, disadvantages of a personal liability company and advantages of co-operatives. (2X1) (2)

3.2 Differences between public and private companies

Public company	Private company
-Trades its shares publicly on the Johannesburg Securities Exchange (JSE). ✓✓	-May not offer shares to the general public. ✓✓
- Shares are freely transferable. ✓✓	-Shares are not freely transferable. ✓✓
-Minimum of three directors✓✓	-Minimum of one director✓✓
-Name must end with Limited/Ltd. ✓✓	-Name must end with Proprietary Limited/(Pty) Ltd. ✓✓
-Annual financial statements need to be audited and published. ✓✓	-Annual financial statements need not be audited and published. ✓✓
-Have to register and publish a prospectus with the Companies and Intellectual Property Commission/CIPC. ✓✓	-Does not need to publish a prospectus as it cannot trade its shares publicly. ✓✓
-Must raise a minimum subscription before the commencement of the company. ✓✓	-The company is not required to raise the minimum subscription/issue minimum shares. ✓✓

Any other relevant answer related to the difference between the public company and private company

Max (8)

NOTE: 1 The answer does not have to be in tabular format.

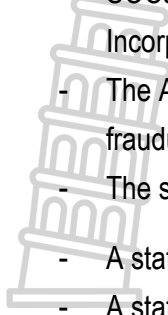
2 The differences must be clear but not linked.

3 A maximum of FOUR (4) marks will be awarded if the differences are not clear.

4 Either public company or private company will be marked if the differences are not clear.

3.3 Characteristics of a State-Owned Company

- The state-owned company is financed✓ by the government. ✓
- The name ends✓ with the letters SOC. ✓
- The SOC is listed ✓as a public company. ✓
- These enterprises are managed by the government✓ not by individuals. ✓
- Requires three or more directors✓ and one or more shareholders. ✓


- 
- SOCs are registered with the Registrar of Companies✓ by drawing up a Memorandum of Incorporation. ✓
 - The Act imposes personal liability on directors✓ who knowingly participate in reckless or fraudulent business. ✓
 - The state-owned company must have✓ its financial statements audited. ✓
 - A state-owned company is compelled✓ to hold an AGM. ✓
 - A state-owned company has a separate legal personality✓ and its shareholders
 - Any other relevant answers related to the characteristics of a state owned company have limited liability. ✓
- Max 14**

3.4 Disadvantages of a Personal Liability Company

- Personal liability companies are subject to many legal requirements✓ and regulations which can be onerous. ✓
- Decision-making takes time ✓because of the large number of people in management. ✓
- The personal liability company cannot be listed on the stock exchange, ✓ therefore, it cannot sell shares to the public. ✓
- Annual financial statements must be reviewed by a qualified person, ✓which is an extra expense to the company. ✓
- Difficult and expensive to establish as the company✓ is subjected to many legal requirements. ✓
- The personal liability company pays tax on the profits of the business✓ and declared dividends and are therefore subject to double taxation. ✓
- Directors may sometimes be held liable for debts✓ if it can be proven that they committed fraud. ✓
- Accept any other relevant answer related to the disadvantages of a personal liability company.

Max 14

3.5 Advantages of co-operatives

- 
- Access to resources✓ and funding✓.
 - Decision-making is done✓ by a group. ✓
 - Members have limited✓ liability. ✓
 - The decisions are democratic✓ and fair. ✓
 - Co-operatives have continuity✓ of existence. ✓
 - Profits are shared equally✓ amongst members. ✓
 - Each member has an equal share✓ in the business. ✓
 - A co-operative can appoint✓ its management. ✓
 - Members are motivated ✓because they are working for themselves. ✓
 - Can gain extra capital✓ by asking its members to buy shares. ✓
 - Resources of many people are pooled together✓ to achieve common objectives✓.

- Accept any other relevant answer related to the advantages of co-operatives. **Max 10**

3.6 Conclusion

-Public and private companies are vital are different but they both play a vital role in the economy of the country ✓✓

-Governance of state-owned companies requires improvement to ensure sustainability and effectiveness ✓✓

- The personal liability company is another option for businesses seeking to minimise risks, maximise profits and achieve long term goals✓✓

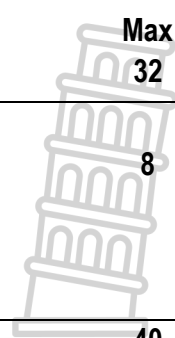
-Supporting and promoting co-operatives can help create to equitable and social economic development. ✓✓

-Any relevant conclusion related to the differences between public and private companies, characteristics of state-owned companies, disadvantages of a personal liability company and advantages of co-operatives.

(2x1) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	 Max 32
Differences between a public and private company	8	
The characteristics of a state-owned company	14	
The disadvantages of a personal liability company	14	
Advantages of co-operatives	10	
Conclusion		
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 only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

CREATIVE THINKING AND PROBLEM SOLVING

ACTIVITY 1

1.1.1 B ✓ ✓

1.1.2 B. ✓ ✓

1.1.3 C ✓ ✓

(3x2) (6)

1.2.1 brainstorming ✓ ✓

1.2.2 creative thinking ✓ ✓

1.2.3 decision making ✓ ✓

(3x2) (6)

1.3.1. D ✓ ✓

1.3.2 B ✓ ✓

(2x2) (4)

ACTIVITY 2

2.1.1 Decision making. ✓ ✓

(2)

2.1.2 problem solving. ✓ ✓

(2)

2.2 The meaning of creative thinking

- Creative thinking is the ability to think ✓ original, varied and innovative ideas. ✓
- It focuses on exploring ✓ ideas/generating possibilities/looking for many possible solutions. ✓
- Thinking in a way that is unconventional ✓ and original ✓
- It is the act of producing new ideas and making them real.
- Generating new ideas ✓ and being open to new ideas. ✓
- Focuses on exploring ideas/generating possibilities ✓ and looking for many possible answers. ✓
- Any other related answer related to the meaning of creative thinking.

Max (4)

2.3 Scenario on problem solving steps

PROBLEM SOLVING STEPS	MOTIVATION
Define the problem. ✓ ✓	STE define the possible causes of the problem. ✓
Formulate a strategy. ✓ ✓	STE use creative thinking to generate a wide range of solutions. ✓

Implement the strategy. ✓✓	STE put the strategy into action and arrange necessary resources to implement the strategy. ✓
Sub max 6	Sub max 3

Max 9

2.4 Advantages of creative thinking in the workplace

- Creative thinking improves the quality of solutions✓ to business problems✓
- Products and services✓ can be marketed creatively✓
- Managers can come up with creative strategies✓ for the business✓
- Employees can think for themselves✓ and come up with creative solutions✓
- Motivates employees and improves their skills✓ resulting to a happy workforce✓
- Improves productivity✓ and reduces voluntary turnover✓
- Creative public relations strategies can be designed✓ and implemented. ✓
- Helps businesses to respond to the threat of competition✓ and to remain leaders in the field. ✓
- Helps businesses to provide its clients with the best possible products or services✓, which improves client loyalty. ✓
- Leads to the development of better methods of production✓ to save on costs. ✓
- Allows businesses to extend its range of services like offering better customer services or credit facilities.
- Managers can motivate and manage staff in creative ways✓ to get the best from them. ✓
- Any other relevant answer related to other advantages of creative thinking in the workplace.

Max (6)

2.5 Ways in which businesses can use creative thinking to solve business problems

- They always train their employees on creative thinking✓ and problem-solving techniques. ✓
- Business creatively adapted their products ✓ to meet changing tastes and demand. ✓
- Employees can think for themselves✓ and come up with creative solutions to all kinds of business problems. ✓
- Encourage a spirit of play✓ and experimentation in the workplace. ✓

- Give feedback✓ on employees' performance. ✓
 - Provide time/resources/opportunities✓ for creative problem solving✓
 - Encourage brainstorming sessions✓ for employees✓
 - Recognise✓ and reward achievement✓
 - Encourage employees to express their ideas✓ and take risks in a safe/non-threatening environment. ✓
 - Any other relevant answer related to how businesses can use creative thinking to solve business problems
- Max (8)**

2.6 Ways in which businesses can use creative thinking to generate entrepreneurial opportunities in the workplace

- Design environments that stimulate creative thinking. ✓ ✓
 - Encourage staff to come up with new ideas and solutions. ✓ ✓
 - Encourage alternative ways of doing things. ✓ ✓
 - Respond enthusiastically to all ideas and never let anyone feel less important. ✓ ✓
 - Make time for brainstorming sessions to generate new ideas, for example, holding regular workshops. ✓ ✓
 - Place suggestion boxes around the workplace and keep communication channels open for new ideas. ✓ ✓
 - Train staff in innovative techniques, creative problem-solving skills, mind mapping and lateral thinking. ✓ ✓
 - Emphasise the importance of creative thinking to ensure that all staff know that management wants to hear their ideas. ✓ ✓
 - Encourage job swaps within the organisation and study how other businesses are doing things. ✓ ✓
 - Regard indigenous knowledge as a valuable resource when solving problems or identifying opportunities. ✓ ✓
 - Any other relevant answer related to ways in which businesses can use creative thinking to generate entrepreneurial qualities.
- Max (8)**

2.7.1 Problem solving techniques

Problem solving techniques.	Motivation
Nominal group. ✓ ✓	ML seated employees into groups and allowed each employee to silently brainstorm ideas before sharing✓

Delphi ✓✓	ML also invited a panel of experts to solve the problem ✓
Sub max 6	Sub max 3

Max 9

2.7.2 Application of the problem-solving techniques identified in QUESTION 2.7.1

Application of the Nominal group technique

- The team is divided into smaller groups✓ seated around a table. ✓
- Problem(s) should be clearly defined✓ to the groups. ✓
- Each team member will silently brainstorm✓ as many ideas as possible and write them down. ✓
- Each team member gives one of their solutions/ideas✓ with a short explanation. ✓
- Someone writes down these ideas✓ on a big sheet of paper. ✓
- No one is allowed to criticise, ✓ but participants may ask questions to understand the suggested solution more clearly. ✓
- Duplicated ideas✓ are then eliminated. ✓
- Individuals anonymously rank suggestions✓ from 1 upwards. ✓
- Ratings are captured ✓ and points are totalled. ✓
- Solutions may also be chosen✓ by voting to determine the best idea(s). ✓
- Each group presents the solution with the highest votes✓ in their particular group. ✓
- Any other relevant answer related to the application of the nominal group technique.

Max 4

OR

Application of the Delphi technique

- Businesses must invite a panel of experts✓ to solve a complex problem. ✓
- Experts do not have to be in one place✓ and will be contacted individually. ✓
- Design a questionnaire consisting of questions✓ on how to solve the problem and distribute it to the panel members/experts. ✓
- Request the panel to individually respond to the questionnaire✓/suggest solutions to the problem and return it to the business. ✓
- Summarise the responses from the experts✓ in a feedback report. ✓
- Send the feedback report and the second set of questions✓/questionnaire based on the feedback report to the panel members. ✓
- Request panel members to provide further input✓/ideas on how to solve the problem after they have studied the results/documentation. ✓
- Distribute a third questionnaire based on previous feedback✓ from the second round. ✓
- Prepare a final summary/feedback report✓ with all the methods to solve the problem. ✓
- The business should choose the best solution✓/proposal after reaching a consensus. ✓
- Any other relevant answer related to the application of the delphi technique

Max 4

ACTIVITY 3

3.1 Introduction

- Creative thinking contributes to the success of the business ✓
- The business environment is volatile and requires advanced creative thinking skills for effective decisions. ✓
- The nominal group technique encourages participants to confront issues through constructive problem solving ✓
- Businesses with diverse and highly skilled employees may apply the delphi technique to avoid delays in solving complex business problems. ✓
- An environment that uses creative thinking to generate entrepreneurial opportunities enables employees to unleash their full potential for the benefit of businesses. ✓
- Any other relevant introduction related to the meaning of creative thinking, differences between decision making and problem solving, application of the nominal group and delphi technique and ways in which businesses can use creative thinking to generate entrepreneurial opportunities. **Any (2x1) (2)**

3.2 Meaning of creative thinking

- Creative thinking involves the process of generating innovative ✓ and imaginative ideas. ✓
- It is the ability to see ✓ something new ✓
- It is also about being able to think of unique ideas ✓ or new approaches to solve problems. ✓
- Whether businesses consider making changes to a product ✓ or creating a new advertisement in an ever-changing world, creative thinking at the workplace can have a positive impact. ✓
- Any other relevant answer related to the meaning of creative thinking **Max 8**

3.3 Differences between decision making and problem solving

DECISION MAKING	PROBLEM SOLVING
- It is often done by one person ✓ / a member of senior management who makes it authoritarian. ✓	- Problems can be solved by a group ✓ / team or an individual team member. ✓
- Various alternatives are considered ✓ before deciding on the best one. ✓	- Alternative solutions are generated ✓ / identified and critically evaluated. ✓
- It is part of the problem-solving cycle ✓ as decisions need to be taken in each step. ✓	- Process of analysing a situation ✓ to identify strategies to bring about change. ✓

Any other relevant answer related to the differences between decision making and problem solving **Max 12**

- NOTE:**
- 1 The answer does not have to be in tabular format.
 - 2 The differences must be clear but not linked.
 - 3 A maximum of SIX (6) marks will be awarded if the differences are not clear.
 - 4 Either decision making or problem solving will be marked if the differences are not clear.

3.4 Application of the Nominal group technique and Delphi technique as problem solving techniques in the business

3.4.1 Application of the Nominal group technique

- The team is divided into smaller groups✓ seated around a table. ✓
- Problem(s) should be clearly defined✓ to the groups. ✓
- Each team member will silently brainstorm✓ as many ideas as possible and write them down. ✓
- Each team member gives one of their solutions/ideas✓ with a short explanation. ✓
- Someone writes down these ideas✓ on a big sheet of paper. ✓
- No one is allowed to criticise, ✓ but participants may ask questions to understand the suggested solution more clearly. ✓
- Duplicated ideas✓ are then eliminated. ✓
- Individuals anonymously rank suggestions✓ from 1 upwards. ✓
- Ratings are captured ✓and points are totalled. ✓
- Solutions may also be chosen✓ by voting to determine the best idea(s). ✓
- Each group presents the solution with the highest votes✓ in their particular group. ✓
- Any other relevant answer related to the application of the nominal group technique

Sub max 6

3.4.2 Application of the Delphi technique

- Businesses must invite a panel of experts✓ to solve a complex problem. ✓
- Experts do not have to be in one place✓ and will be contacted individually. ✓
- Design a questionnaire consisting of questions✓ on how to solve the problem and distribute it to the panel members/experts. ✓
- Request the panel to individually respond to the questionnaire✓/suggest solutions to the problem and return it to the business. ✓
- Summarise the responses from the experts✓ in a feedback report. ✓
- Send the feedback report and the second set of questions✓/questionnaire based on the feedback report to the panel members. ✓
- Request panel members to provide further input✓/ideas on how to solve the problem after they have studied the results/documentation. ✓
- Distribute a third questionnaire based on previous feedback✓ from the second round. ✓
- Prepare a final summary/feedback report✓ with all the methods to solve the problem. ✓
- The business should choose the best solution✓/proposal after reaching a consensus. ✓
- Any other relevant answer related to the application of the delphi technique

Sub max 6
Max 12

3.5 Ways in which businesses use creative thinking to generate entrepreneurial opportunities

- Design environments that stimulate creative thinking. ✓✓
- Encourage staff to come up with new ideas and solutions. ✓✓
- Encourage alternative ways of doing things. ✓✓
- Respond enthusiastically to all ideas and never let anyone feel less important. ✓✓
- Make time for brainstorming sessions to generate new ideas, for example, holding regular workshops. ✓✓

- Place suggestion boxes around the workplace and keep communication channels open for new ideas. ✓✓
- Train staff in innovative techniques, creative problem-solving skills, mind mapping and lateral thinking. ✓✓
- Emphasise the importance of creative thinking to ensure that all staff know that management wants to hear their ideas. ✓✓
- Encourage job swaps within the organisation and study how other businesses are doing things. ✓✓
- Regard indigenous knowledge as a valuable resource when solving problems or identifying opportunities. ✓✓
- Any other relevant answer related to ways in which businesses can use creative thinking to generate entrepreneurial qualities. **Max 10**

3.6 Conclusion

- Businesses should use creative thinking in order to function optimally ✓✓
- Businesses should put systems in place that will enable them to overcome competition in the market. ✓✓
- The application of the delphi technique provides businesses with the opportunity to consider outsider's point of view on various solutions to business problems. ✓✓
- The effective implementation of the nominal group technique may enable businesses to be a success through the soliciting of employees' ideas in solving complex business problems. ✓✓
- Creating an environment that generates entrepreneurial opportunities contributes in achieving business - goals and increased market share ✓✓
- Any other relevant conclusion related to the meaning of creative thinking, differences between decision making and problem solving, application of the nominal group and delphi technique and ways in which businesses can use creative thinking to generate entrepreneurial opportunities **Any (1x2) (2)** **[40]**

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Meaning of creative thinking	8	
Differences between decision-making and problem solving	12	
Application of the problem-solving techniques in the business: <ul style="list-style-type: none"> ○ Nominal group ○ Delphi 	12	
Ways in which businesses use creative thinking to generate entrepreneurial opportunities	10	
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 only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.



BUSINESS OPPORTUNITY AND RELATED FACTORS

ACTIVITY 1

1.1.1 B ✓✓

1.1.2 D ✓✓

1.1.3 A ✓✓

(3X2=6)

1.2.1 interview ✓✓

1.2.2 external market research ✓✓

(2X2=4)

1.3.1 D ✓✓

1.3.2 A ✓✓

(2x2=4)

ACTIVITY 2

2.1 The meaning of a business opportunity

- A business opportunity is an idea for a product /service that will meet needs/desires, and that can be sold or leased to earn an income. ✓✓
- Entrepreneurs should be constantly on the lookout for new business opportunities to be competitive. ✓✓
- It is an idea that can be converted into viable, income-producing business. ✓✓
- Each need and desire is a possible business opportunity. ✓✓
- It is a gap in the market when peoples' needs, and desires are unfulfilled. ✓✓
- Any other relevant answer related to the meaning of business opportunity.

Max 4

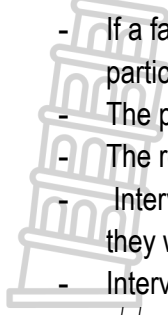
2.2 The importance of assessing needs and desires in identifying a business opportunity.

- Needs and desires are ✓ keys to successful business opportunities. ✓
- Entrepreneur should create a desire ✓ for the product through a well-designed advertising and marketing campaign. ✓
- When people have needs or desires that are not fulfilled ✓, then a business opportunity is presented to fulfil those needs and desires. ✓
- Any other relevant answer related to the importance of assessing needs and desires in identifying a business opportunity.

Max 4

2.3 Protocol for conducting research

- The researcher must obtain consent (permission) from the participants before interview takes place. ✓✓

- 
- The research must first be approved if it is taking place within an organisation. ✓✓
 - If a face to face interview is to be conducted prior arrangements must be made for the participant's convenience. ✓✓
 - The person conducting the research should not influence the opinions of the participants. ✓✓
 - The researcher must start by introducing himself/herself. ✓✓
 - Interviewee/Respondent need to be told that their names will not be mentioned if that is what they want. ✓✓
 - Interviewee/Respondent must be informed about the purpose and intentions of the interview. ✓✓
 - Interviewee/Respondent should be informed about the duration of the interview. ✓✓
 - Information collected from the participants should be kept confidential. ✓✓
 - Interviewee/Respondent should be free to refuse to answer a particular question. ✓✓
 - The responses should not be used for any purpose other than the market research being conducted. ✓✓
 - Research findings must be reported accurately and not used to mislead any person. ✓✓
 - Ensure that the research is within the ethical standards of the industry by obtaining clearance from relevant persons or bodies. ✓✓
 - Any other relevant answer related to the protocol for conducting research **Max (4)**


2.4 Types of research instruments

Questionnaires

- Questionnaires are designed to collect information from people ✓ about their attitudes/preference/level of knowledge/personalities/beliefs etc. ✓
- A questionnaire consists of a series of questions that are developed to gain information ✓ from respondents. ✓
- Respondents give answers ✓ in writing. ✓
- Responses may be immediate ✓/direct or need to be emailed. ✓
- Any other relevant answer related to questionnaires as a type of research instrument

Sub Max (2)

Interviews

- 
- Business situations provide opportunities for interviews with employers ✓, customers, analysts etc. ✓
 - The interviewer leads the interview by asking questions ✓ and the interviewee responds to the questions. ✓
 - Responses are collected from an individual ✓ or a group and may be recorded. ✓
 - Questions should be carefully prepared ✓ and selected to avoid any biasness. ✓
 - Questions should be carefully prepared to avoid anything that might be sensitive ✓ and offensive. ✓
 - Helps businesses to collect the same type of information ✓ from many people. ✓
 - Businesses do not require processing assistants ✓ as they are able to analyse. ✓
 - Any other relevant answer related interviews as a type of research instrument

Sub Max (2)

Max 4

2.5.1 Types of market research

Type of market research	Motivation
Internal market research ✓✓	- Esethu requested her employees to suggest ideas that can make the business a success ✓
External market research ✓✓	- Apart from this, she requested potential customers to give input on the type of service they expect from the business ✓
Sub max 4	Sub max 2

Max (6)



PRESENTATION OF BUSINESS INFORMATION

ACTIVITY 1

1.1

1.1.1 B ✓✓

1.1.2 D ✓✓

1.1.3 D ✓✓

(3X2) (6)

1.2

1.2.1 Bar graph ✓✓

1.2.2 Data projector ✓✓

1.2.3 Hand outs ✓✓

(3X2) (6)

1.3

1.3.1 B ✓✓

1.3.2 D ✓✓

1.3.3 E ✓✓

(3X2) (6)

ACTIVITY 2

2.1 The importance of business reports

- Business reports enable management to keep track of every activity done in each department. ✓✓
- It enables senior management with information on how each department is doing. ✓✓
- It provides information that is crucial for decision making. ✓✓
- It allows business owners and senior management the opportunity to investigate and solve any identified problematic issues ✓✓
- Business reports provide important information for management that is timely and factual ✓✓
- Any other relevant answer related to the importance of business report

Max (4)

2.2.Guidelines on writing an effective business report

Quotation from the scenario

2.2.1

- He determined the target audience ✓

- He spent time revising reports and corrections✓

(2x1) (2)

Note : Award marks for answers quoted from scenario only

2.2.2 Other guidelines on writing an effective business report

- Determine the scope✓ of the report ✓
- Determine how the report✓ should be presented ✓
- Collect the necessary✓information✓
- Prepare an overview of what the audience needs✓ to know and details that should be included in the report. ✓
- Write concisely/briefly and only include✓ important information ✓
- Use regular/basic language/simple grammar✓ and clear short sentences. ✓
- Use accurate/meaningful visual aids✓ such as tables, graphs, drawings etc. ✓
- Get someone to look at the report✓ and to make suggestions for improvement. ✓
- Any other relevant answer related to other guidelines on writing an effective business report

Max (6)

2.3 Identification of visual aids

VISUAL AID	MOTIVATION
Interactive whiteboard ✓✓	The meeting will take place in the boardroom where it allows multiple people to engage in collaboration experience using a touch screen to take notes ✓
Sub max 2	Sub max 1

Max (3)

2.4 Importance of graphs/diagrams,/symbols /pictures

- diagrammatic data presentation allows understanding✓ of data more easily. ✓
- It helps to clarify the message and provides a point of reference✓ for the mind✓
- it helps maintain the audience's interest ✓during the presentation✓
- it engages the audience with the presentation , ✓making them remember it afterwards✓
- diagrams are interesting, relevant✓ and support the presentation✓
- diagrams will effectively✓ help convey the message✓
- Any other relevant answer related to importance of graphs/diagrams,/symbols /pictures

Max (6)

2.5 Factors that must be considered when preparing for a verbal presentation

2.5.1 Quotation from the scenario

- He ensured that the main points were captured in the opening statement of the presentation. ✓
- He prepared for the feedback session by anticipating possible questions/comments. ✓

Max (2)

2.5.2 Other factors that must be considered when preparing for a verbal presentation

- Write down the purpose of the presentation and list the objective. ✓✓
- Consider the audience e.g. who are they /what do they already know/what you want them to know. ✓✓
- Prepare the structure of your presentation.e.g. introduction/body/conclusion.
- Be fully conversant with the content of your presentation. ✓✓
- Practice the presentation and time your presentation. ✓✓
- Practice in front of someone who will provide honest opinion on the purpose and objectives of the presentation. ✓✓
- Information to be presented should be relevant and accurate✓✓
- Have pre-knowledge of your audience to determine the appropriate visual aids. ✓✓
- Visit the venue and ensure that visual aids, the use of your equipment/availability of a generator in case of load shedding or electricity is available. ✓✓
- Prepare your support material to enhance your presentation✓✓.
- Prepare for the feedback session by anticipating possible questions/comments. ✓✓
- Any other relevant answer related to other factors that must be considered when preparing for a verbal presentation

Max (6)

ACTIVITY 3

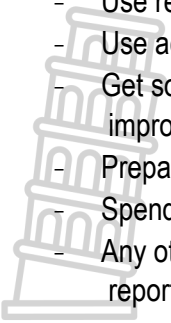
3.1 Introduction

- Business reports enable management to keep track of every activity done in each department. ✓.
- Presenter should understand the various types of visual aids and their uses ✓
- Effective visual aids require presenters to be well conversant with guidelines on how to design a presentation. ✓
- Any other relevant introduction related to writing an effective business report/visual aids/designing a presentation

Any (2x1) = (2)

3.2 Guidelines on writing an effective business report

- Determine the scope of the report✓✓.
- Determine the target audience of the report. ✓✓..
- Determine how the report should be presented✓✓.
- Collect the necessary information✓✓..
- Write concisely/briefly and only include important information ✓.✓.

- 
- Use regular/basic language/simple grammar and clear short sentences. ✓✓.
 - Use accurate/meaningful visual aids such as tables, graphs, drawings etc.
 - Get someone to look at the report and to make suggestions for improvement. ✓✓
 - Prepare an overview of what her audience should know. ✓✓..
 - Spend time revising the report and correct spelling mistakes.
 - Any other relevant answer related to guidelines on writing an effective business report.

Max (12)

3.3 Handouts and flip charts as visual aids

3.3.1 Handouts

- Used for small ✓ or large groups ✓.
- Used to give a summary of the presentation ✓. and provide follow- up activities. ✓.
- Contains a summary ✓. of the most important points. ✓.
- They are given to the audience when they leave ✓. after the presentation. ✓.
- Provides details that cannot be included in the presentation ✓. such as financial statements ✓.
- They provide structure and focus ✓. for the presentation. ✓.
- Any other relevant answer related to handouts as a type of visual aid.

Sub max 4

3.3.2. Flip charts

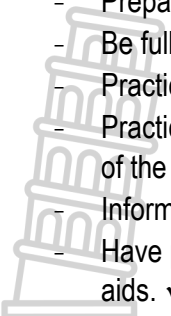
- A flip chart is a board with a paper attached at the top ✓ and can be flipped over to present information sequentially. ✓
- Charts can be used for a small ✓ group. ✓
- Used to summarise ✓. discussions ✓
- Record ideas and feedback ✓. given by the group ✓
- It does not need electricity ✓ and therefore a cheaper visual aid ✓
- Management may show the organisation's structure ✓ in the form of an organisational chart ✓
- Any other relevant answer related to flip chart as a type of visual aid.

Sub max 4

Max 8

3.4 Factors that must be considered when preparing for a verbal presentation

- Write down the purpose of the presentation ✓ and list the objective. ✓
- Consider the audience ✓ e.g. who are they /what do they already know/what you want them to know. ✓

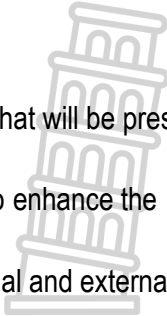
- 
- Prepare the structure of your presentation. ✓ eg. introduction/body/conclusion. ✓
 - Be fully conversant with the content ✓ of your presentation. ✓
 - Practice the presentation ✓ and time your presentation. ✓
 - Practice in front of someone who will provide honest opinion ✓ on the purpose and objectives of the presentation. ✓
 - Information to be presented should be relevant ✓ and accurate ✓
 - Have pre-knowledge of your audience ✓ to determine the appropriate visual aids. ✓
 - Visit the venue and ensure that visual aids, ✓ the use of your equipment/availability of a generator in case of load shedding or electricity is available. ✓
 - Prepare your support material ✓ to enhance your presentation ✓
 - Prepare for the feedback session ✓ by anticipating possible questions/comments. ✓
 - Any other relevant answer related to other factors that must be considered when preparing for a verbal presentation
- Max (12)**

3.5 Factors to consider when designing a presentation

- Use large, clear fonts that are easy to read ✓✓
- Use outlines on slides and keep detailed explanations for the verbal presentation. ✓✓.
- Limit each slide to five or six lines. ✓✓.
- Make sure the grammar is correct. ✓✓.
- Proofread carefully. ✓✓.
- End with a closing message that the audience will remember ✓✓.
- Be colorful and grab attention. ✓✓.
- Be meaningful and appropriate. ✓✓.
- Select a suitable background. ✓✓.
- Avoid long sentences and keep it simple. ✓✓.
- Avoid fancy decorations. ✓✓.
- Any other relevant answer related to factors to consider when designing a presentation

Max (12)

3.6 Conclusion

- 
- Presenters should always use visual aids that are relevant topics that will be presented in order to enhance the quality of their presentations. ✓✓.
 - Presenters must always prepare suitable and relevant visual aid to enhance the presentation ✓✓
 - An effective business report may attract and retain business internal and external stakeholders. ✓✓
 - Any other relevant conclusion related to writing an effective business report/visual aids/designing a presentation.
- Any (1x2) = (2)**

[40]



BREAKDOWN OF MARK ALLOCATION		
DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Guidelines on writing an effective business report	12	
Explanation of handouts and flip charts as visual aids	8	
Factors that must be considered when preparing for a presentation	12	
Factors to consider when designing a presentation	12	
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 only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.



BUSINESS PLAN

ACTIVITY 1

1.1.1 A ✓✓

1.1.2 D ✓✓

1.1.3 B ✓✓

3x2= (6)

1.2.1 SWOT analysis ✓✓

1.2.2 Operational plan ✓✓

1.2.3 Vision ✓✓

1.2.4 Market research ✓✓

1.2.5 Taxation regulations ✓✓

5X2 (10)

1.3.1 C ✓✓

1.3.2 A ✓✓

1.3.3 B ✓✓

3x2 (6)

ACTIVITY 2

2.1 Component of a business plan

- Cover page ✓
- Contents page/index ✓
- Executive summary ✓
- Description of the business/Overview ✓
- SWOT analysis ✓
- Legal requirements of business ✓
- Marketing plan ✓
- Operational plan ✓
- Financial plan ✓
- Management plan ✓
- Competitor analysis ✓

Note: Mark the first FIVE

5X1 (5)

2.2 Purpose of executive summary

- The executive summary gives a reader an overview ✓ of the entire document ✓
- Most lenders and investors read it first ✓ before the entire business plan ✓
- It gives readers an idea of what is contained ✓ in the business plan ✓

- Any relevant answer related to the purpose of the executive summary

Max (6)

2.3.1 SWOT Analysis

STRENGTHS	WEAKNESS
1. The business has adequate facilitators who have produced quality results in the previous years✓✓	1. Other parents do not pay on time. ✓✓
OPPORTUNITY	THREATS
1. The department approached BT to assist underperforming schools. ✓✓	1. Dee Tutors recently started the same services✓✓

Max (8)

2.4 Two aspects to be included in a financial Plan

Budget✓✓

- Monthly indication of project flow of cash in and out of the business. ✓
- Helps the owner to control the spending money by comparing the actual income and expenditure. ✓
- Any relevant answer related to budget

Aspect : 2

Description :1

Sub Max 3

Cash flow statements over a three-year period✓✓

- Refers to cash flowing in and out of the business✓
- Helps the owner to identify operational difficulties the business is going to experience and any need for more finance✓
- Any relevant answer related to Cash flow statement

Aspect : 2

Description :1

Sub Max 3

Income Statement✓✓

- A monthly account of sales and expenses✓
- Shows profit and loss✓
- Any relevant answer related to Income Statement

Aspect : 2

Description :1

Sub Max 3

Break-even point✓✓

- A point at which profits are equal to expenses/ a business does not show profit nor loss✓
- Shows how much the business sold to cover all expenses before making a profit✓
- Any relevant answer related to Break-even point

Aspect : 2

Description :1

Sub Max 3

Balance sheet ✓✓

- A list of all business assets, liabilities and owners equity at specific point in time ✓
- Assets include land, building, equipment vehicle money in bank account ✓
- Liabilities are monies owed to other people or businesses such as bank loans, buying on credit, bank overdrafts etc ✓
- Owners equity is the difference between the total liabilities and total assets ✓
- Any relevant answer related to Balance sheet

Aspect : 2

Description : 1

Sub Max 3

Max 6

2.5.1 Scenario on marketing mix

TYPES OF MARKETING MIX	MOTIVATION
1.Place ✓✓	-The business situated in Newcastle town ✓
2.Promotion ✓✓	-LSS has uses local newspaper to advertise their business ✓
Sub max 4	Sub max 2

Max 4

2.5.2 Other types of marketing Mix

Product/Service ✓✓

- It is a description of the product, appearance, and usage, it can be a picture, drawing or photograph of what the product look like ✓
- The manufacturing process used to make the product ✓
- The product/services must be different from competitors' products ✓
- The packaging of the product ✓
- Any relevant answer related to service/product as a type of marketing mix

Type of marketing mix : 2

Description : 1

Sub Max 3

Price ✓✓

- The price of a product refers to the amount of money that must be paid by the consumer to obtain the product. ✓
- The proposed business must include its pricing policy in the business plan ✓
- The pricing policy describes the way in which the price is used to attract customers ✓
- The price needs to cover all costs and must appeal to the target market ✓
- It must be affordable for the consumers ✓
- Good access to the product/service will increase sales ✓
- Cash or credit facilities may affect the customer's attitude to the price ✓

- Customers may be aware of other sellers who are selling the same products for less. ✓
- Any relevant answer related to price as a type of marketing mix.



Type of marketing mix : 2

Description : 1

Sub max 3

People ✓✓

- Refer to employees, management, directors and shareholder/All people involved in selling the products. ✓
- The business plan must include detailed information of people that will be involved in the proposed business and in making a business. ✓
- They can affect the business with their knowledge, skills and attitudes. ✓
- Any relevant answer related to people as a type of marketing mix

Type of marketing mix : 2

Description : 1

Sub max 3

Process ✓✓

- Refers to processes that are designed and implemented to ensure a pleasant shopping experience
- Describes the way in which the marketing and sales processes are carried out ✓
- The process of giving a service and the behaviour of those delivering the service are important for customer approval of staff to customers keep customers happy ✓
- Any relevant answer related to process as a type of marketing mix

Type of marketing mix : 2

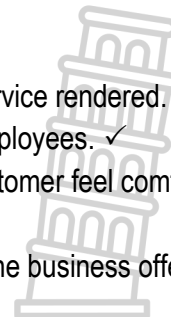
Description : 1

Sub max 3

-

Physical environment ✓✓

- Refers to the environment where goods and services are sold/service rendered. ✓
- It includes the appearance of the building and the uniforms of employees. ✓
- The physical environment must be appropriate and make the customer feel comfortable
- Clean and functional facilities attract and retain customers ✓
- Well decorated reception also helps to reassure customers that the business offers best services and values their customers. ✓
- Any relevant answer related to the physical environment as a type of marketing mix



Type of marketing mix : 2

Description : 1

Sub max 3

Max 6

-

2.6 Importance of the marketing plan

- It is a description of the market analysis✓ including the target market. ✓
- It includes the analysis✓ of the target market, customer and competition ✓
- Explains the marketing mix and provides the marketing strategy✓ of the business ✓
- Guides businesses on how to advertise✓ their products/services ✓
- Describes the proposed prices ✓ of goods and services✓
- Any relevant answer related to the importance of the marketing plan **Max (6)**

2.7 Strategies to overcome competition in the market.

- Sell quality products and services✓✓
- Offer after-sales services ✓✓
- Charge reasonable prices✓✓
- Conduct intensive marketing campaigns ✓✓✓
- Make use of clever advertising slogans✓✓
- Make your product unique✓✓
- Provide attractive product displays✓✓
- Any relevant answer related to overcome competition in the market **Max (6)**

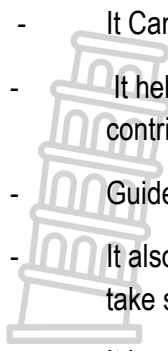
ACTIVITY 3

3.1 Introduction

- A business plan is presented to any stakeholder when applying for funding. ✓
- The components of a business plan give an overview of the proposed business idea✓.
- The marketing research and marketing plan provides an analysis of the target market. ✓
- The business plan includes the marketing mix which can be used as a tool to market the proposed idea. ✓
- Any relevant introduction related to the importance of a business plan, components of business plan, importance of market research and marketing plan and components of marketing mix **Any (2x1) (2)**

3.2 Importance of a business plan

- A business plan helps entrepreneurs to set goals and objectives. ✓✓
- The business plan guides the entrepreneur on the viability of his/her business idea✓✓

- 
- It Can be used to attract investors and prospective employees. ✓✓
 - It helps stakeholders to understand the role they play in the business and encourages them to contribute effectively. ✓✓
 - Guides the entrepreneur on the viability of his/her business idea. ✓✓
 - It also helps the entrepreneur to identify problems that may arise and helps management to take steps to avoid these problems. ✓✓
 - It improves business and practices of the business operations ✓✓
 - It evaluates the success of the business. ✓✓
 - It is essential when applying for financial assistance from investors or lenders. ✓✓
 - Compels an entrepreneur to arrange his/her thoughts in a logical order. ✓✓
 - It gives direction once the business is operating. ✓✓
 - Any relevant answer related to the importance of a business plan

Max 10

3.3 Components of the business plan

Cover page ✓✓

- It contains the following information:
- The name of the business ✓
- Contact details of the owner(s) and address ✓
- Type of the business ✓
- A copyright disclaimer to protect the contents of the plan ✓
- Any relevant answer related to the cover page

Component : 2
Explanation : 2
Sub max 4

Contents page ✓✓

- It gives a title and page number ✓ of each subsection of the plan. ✓
- Allows the reader to find the information ✓ in the document ✓
- Any relevant answer related to the contents page

Component : 2
Explanation : 2
Sub max 4

Executive summary ✓✓

- Detailed summary ✓ of the entire business plan ✓
- It is written after the business plan has been completed ✓, but appears at the front to provide users with a brief overview before reading the details ✓

- Any relevant answer related to the executive summary



Description of the business/Overview✓✓

- Describes the product/service and unique features✓ of a product ✓
- Discusses the long-term objectives/mission/vision✓ of the business. ✓
- Indicates the form of ownership✓
- Description of the product /service✓ which the business offer ✓
- Includes the legal requirements✓ of the business ✓
- Any relevant answer related to the description of the business/overview

Component : 2
Explanation : 2
Sub max 4

Component : 2
Explanation : 2
Sub max 4

SWOT analysis✓✓

- Major strengths and weaknesses✓ of the business✓
- Opportunities and threats✓ in the external environment ✓
- A SWOT analysis is an indication that research was conducted to support✓ the establishment of a business. ✓
- Any relevant answer related to the SWOT analysis

Component : 2
Explanation : 2
Sub max 4

Marketing plan✓✓

- This is the most important component✓ of the business plan✓
- It gives details✓ of the seven Ps of marketing mix✓
- Any relevant answer related to the marketing plan



Component : 2
Explanation : 2
Sub max 4

Operational plan✓✓

- Includes where the business✓ will be located ✓
- Describes the daily operation✓ of the business ✓
- Includes a description of a product, ✓ how and where it will be manufactured. ✓

- Provides details of the equipment ✓ and suppliers ✓
- Any relevant answer related to the operational plan



Financial plan ✓✓

- Records details of how much capital is required ✓ and how it will be raised ✓
- Contains projected statements ✓ of profit, loss and cash flow ✓
- Any relevant answer related to the financial plan

Component : 2
Explanation : 2
Sub max 4

Component : 2
Explanation : 2
Sub max 4

Management plan ✓✓

- Outlines who will be in charge of running the business ✓ as well as skills of the entrepreneur and other in the business. ✓
- Discusses the hierarchy and roles ✓ of the employees ✓
- Any relevant answer related to the management plan

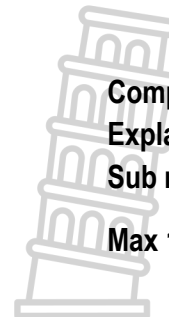
Component : 2
Explanation : 2
Sub max 4

Competitors analysis ✓✓

- Description of competitors in the market ✓ and their products ✓
- Details of competitors' marketing strategy ✓ and its effect on a proposed business ✓
- Any relevant answer related to the competitors' analysis

Component : 2
Explanation : 2
Sub max 4

Max 16



3.4 Importance of Market research and marketing plan

3.4.1 Importance of marketing plan

- It is a description of the market analysis ✓ including the target market. ✓
- It includes the analysis ✓ of the target market, customer and competition ✓
- Explains the marketing mix and provides the marketing strategy ✓ of the business ✓
- Guides businesses on how to advertise ✓ their products/services ✓
- Describes the proposed prices ✓ of goods and services ✓

- Any relevant answer related to the importance of marketing plan

Sub max 6

3.4.2 Importance of a market research

- It is a process to understand more✓ about customers' needs✓
- The target market refers to the people who are likely to buy✓ the product or service offered by the business ✓
- The business must conduct market research ✓ to know about the following factors of the target market: age group, gender, personality, income and education ✓
- The methods of conducting market research include✓ surveys, interview and questionnaires. ✓
- The results of the market research is important as it will indicate✓ whether the target market shows interest in the goods and services the proposed business aims to offer✓
- Any relevant answer related to the importance market research

Sub max 6

Max 12

3.5 Components of the marketing mix

Place/Distribution

- The location where goods and services are sold ✓✓
- Place where consumers can access the goods or service✓✓
- The business can sell the product directly to customers itself or can market the product through other businesses ✓✓
- Businesses may use the following channels of distribution: o Direct selling: manufacturer sell directly to consumers ✓✓
- Door to door selling: Businesses employ salespeople to sell door to door and they carry few stocks with them ✓✓
- Mail Order: Large businesses print catalogues that can be used by consumers to order of their choice. Small businesses advertise in local paper inviting consumers to buy direct from the business ✓✓
- Telephone selling: The business employ people who phone members of the public and try to persuade them to buy their goods ✓✓
- Internet: businesses uses systems in the internet to allow customers to order their shopping online and have it delivered to the door✓✓

Any relevant answer related to place/distribution

Sub max 4

Product/Service

- It is a description of the product, appearance, and usage ✓✓
- It can be a picture, drawing or photograph of what the product look like✓✓
- The manufacturing process used to make the product ✓✓

- The product/services must be different from competitors' products ✓✓
- The packaging of the product ✓✓
- Any relevant answer related to the product/services

Sub max 4

Max 8

3.6 Conclusion

- The business plan gives businesses a clear direction on goals that they want to achieve. ✓✓
- The business plan can be effective if all of its components are properly incorporated. ✓✓
- The success of a business is determined by the market research that is based on factual information relating to the target market ✓✓.
- The marketing mix comprises of the core aspects of marketing which adds to the business's functionality. ✓✓
- Any relevant answer related to the conclusion of the importance of a business plan, components of business plan, importance of market research and marketing plan and components of marketing mix

Any (1x2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Importance of a business plan	10	
Four components of a business plan	16	
The importance of market research and marketing plan	12	
Components of marketing mix: <ul style="list-style-type: none"> o Place o Product 	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 only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

RELATIONSHIPS AND TEAM PERFORMANCE

ACTIVITY 1

1.1.1 C✓✓

1.1.2 A✓✓

1.1.3 D✓✓

(3x2) (6)

1.2.1 C✓✓

1.2.2 A✓✓

1.2.3 B✓✓

(3x2) (6)

ACTIVITY 2

2.1 The meaning of business objectives

- Business objectives refer to the reason✓ why the enterprise exists. ✓
- The main objective of any business✓ is to make a profit✓
- Any other relevant answer related to the meaning of business objectives
-

(4)

2.2.1 Quote benefits of teamwork from the scenario

-Delphi Technologies encourages workers to increase their range of skills✓ by giving employees more control over their jobs✓

(2)

2.2.2 Benefits of teamwork

- The members of the team learn ✓from each other and grow. ✓
- The team achieve ✓more than the individual✓.
- Good teamwork helps business ✓to achieve its objectives✓.
- The performance of all team members improves because they support each other's skills.
- Teamwork improves effective ✓communication. ✓
- Teamwork can create strong relationships among employees✓, which in turn leads to better communication within a team. ✓
- Teamwork promotes healthy risk-taking/Working as a team ✓allows team members to take more risks, because they have the support of the team in case of failure. ✓
- Teamwork promotes a wider sense of ownership ✓when working together to achieve business objectives✓
- The team members feel connected to the company which builds loyalty✓ towards the company and individual job satisfaction. ✓
- Teamwork promotes creativity and learning ✓creativity thrives when people work together as a team. ✓
- Teamwork creates synergy to maximise energy✓ levels of employees. ✓
- Any other relevant answer related to benefits of teamwork

Max (4)

2.3 Ways in which businesses can create an environment that enables teams to work effectively

- Ensure the team clearly understands the business objectives. ✓✓
- Set ground rules for the team. ✓✓
- Establish team values and goals ✓✓
- Consider each employee's ideas as valuable. ✓✓
- Be clear and specific when communicating to prevent confusion. ✓✓
- Encourage listening and brainstorming. ✓✓
- Encourage trust, respect, and cooperation among members of the team. ✓✓
- Encourage team members to share information and resources effectively. ✓✓
- Delegate problem-solving tasks to the team. ✓✓
- Establish a method for arriving at a consensus to prevent conflict. ✓✓
- Be aware of employees' unspoken feelings. ✓✓
- Any other relevant answer related to ways in which businesses can create an environment that enables teams to work effectively

Max 6

ACTIVITY 3

3.1 Introduction

- Good interpersonal relationships contribute positively to the success of the business
- Working as a team requires clear business objectives.
- Effective teamwork is essential for achieving success.
- A team must work together to contribute to the success of the business.
- Any relevant introduction related to the meaning of interpersonal relationships, criteria for successful team performance, benefits of teamwork and ways in which businesses can create an environment that enables teams to work effectively.

Any (2x1) (2)

3.2 The meaning of interpersonal relationships in the workplace

- Interpersonal relationships in the workplace refer to a strong association ✓ among individuals working together. ✓
- Interpersonal relationships in the workplace allow team members to share ✓ a special relationship. ✓
- Team members build up a relationship of trust ✓, openness, understanding and effective communication. ✓
- Everyone plays a role ✓ in achieving the business objectives. ✓
- Any other relevant answer related to the meaning of interpersonal relationships.

Max 8

3.3 Criteria for successful team performance.

Clear objectives and agreed goals ✓✓

- Team members must agree on goals and set clear objectives. ✓
- Team members who agree to the goals will be more committed. ✓
- Team members will show more commitment if the objectives are understood clearly. ✓
- Teams need to focus on the agreed goals essential for success. ✓

- Team members should know what they want to achieve. ✓
- Clear goals ✓ for direction. ✓
- Any other relevant answer related to clear objectives and agreed goals

Criterion : 2

Explanation : 2

Sub max 4

Interpersonal attitudes and behaviour ✓✓

- Team members have a positive attitude of support and motivation towards each other. ✓
- Good interpersonal relationships will ensure job satisfaction and, in this way, increase the productivity of the team. ✓
- Team members are committed and enthusiastic towards achieving a common goal. ✓
- Team leaders give credit to members for positive contributions. ✓
- Any other relevant answer related to interpersonal attitudes and behaviour.

Criterion : 2

Explanation : 2

Sub max 4

Shared values and mutual respect ✓✓

- Shows respect for the knowledge or skills of other members. ✓
- Perform team tasks with integrity meeting team deadlines with necessary commitment to team goals. ✓
- Shows loyalty, respect and trust towards team members despite differences. ✓
- Shows respect for the knowledge/skills of other members. ✓
- Perform team tasks with integrity/pursuing responsibility/meeting team deadlines with necessary commitment to team goals. ✓
- Any other relevant answer related to shared values and mutual trust.

Criterion : 2

Explanation : 2

Sub max 4

Communication ✓✓

- A clear set of processes and procedures for teamwork ensures that every team member understands their role. ✓
- Efficient communication between team members may result in quick decisions. ✓
- Quality feedback from team members will improve the morale of the team. ✓
- Open discussions between team members will lead to effective problem solving. ✓
- Continuous review of team progress ensures that team members can correct/ minimise mistakes and can act pro-actively to ensure that goals are achieved. ✓
- Any other relevant answer related to communication.

Criterion : 2

Explanation : 2

Sub max 4

Co-operation/Collaboration ✓✓

- Clearly defined and realistic goals will ensure all team members know exactly what is expected of them. ✓
- All team members should actively participate in the decision-making process. ✓
- Show a willingness to cooperate as a unit to achieve team objectives. ✓
- Co-operate with management to achieve team/business objectives. ✓
- Agree on how to get a task done effectively and without wasting time on conflict resolution ✓
- A balanced composition of skills, knowledge, experience and expertise ensures that teams achieve their objectives. ✓
- Any other relevant answer related to co-operation/collaboration.

Criterion : 2
Explanation : 2
Sub max 4

Mutual respect, support, and trust ✓✓

- Team members must not fear being laughed at or rejected for expressing concerns. This will encourage participation. ✓
- Team members should consult with all group members. ✓
- Team members should learn from one another. ✓
- Team members must support and trust one another to be an effective team. ✓
- Reliability, doing what you say you will and taking risks with others help to build mutual trust. ✓
- Any other relevant answer related to mutual respect, support and trust.

Criterion : 2
Explanation : 2
Sub max 4
Max 16

3.4 Benefits of teamwork

- The members of the team learn from each other ✓ and grow. ✓
- The team achieve more ✓ than the individual. ✓
- Good teamwork helps business to achieve ✓ its objectives. ✓
- Gives employees more control ✓ over their jobs. ✓
- The performance of all team members improves ✓ because they support each other's skills. ✓
- Teamwork encourages workers to increase their range of skills ✓ to increase productivity. ✓
- Teamwork improves effective ✓ communication. ✓
- Teamwork can create strong relationships among employees ✓, which in turn leads to better communication within a team. ✓
- Teamwork promotes healthy risk-taking ✓ / Working as a team allows team members to take more risks, because they have the support of the team in case of failure. ✓
- Teamwork promotes a wider sense of ownership ✓ when working together to achieve business objectives ✓

- The team members feel connected to the company✓ which builds loyalty towards the company and individual job satisfaction. ✓
- Teamwork promotes creativity and learning: ✓ creativity thrives when people work together as a team. ✓
- Teamwork creates synergy✓ to maximise energy levels of employees. ✓
- Any other relevant answer related to benefits of teamwork.

Max 12

3.5 Ways in which businesses can create an environment that enables teams to work effectively

- Ensure the team clearly understands the business objectives. ✓✓
- Set ground rules for the team. ✓✓
- Establish team values and goals✓✓
- Consider each employee's ideas as valuable. ✓✓
- Be clear and specific when communicating to prevent confusion. ✓✓
- Encourage listening and brainstorming. ✓✓
- Encourage trust, respect, and cooperation among members of the team. ✓✓
- Encourage team members to share information and resources effectively. ✓✓
- Delegate problem-solving tasks to the team. ✓✓
- Establish a method for arriving at a consensus to prevent conflict. ✓✓
- Be aware of employees' unspoken feelings. ✓✓
- Any other relevant answer related to ways in which businesses can create an environment that enables teams to work effectively.

Max 10

3.6 Conclusion

- Businesses should promote the benefits of interpersonal relationships in the workplace. ✓✓
- Clear business objectives can lead to improved productivity. ✓✓
- Teamwork achieves business objectives. ✓✓
- Positive results can be achieved through teamwork✓✓
- Any other relevant conclusion related to meaning of interpersonal relationships, criteria for successful team performance, benefits of teamwork and ways businesses can create an environment that enables teams to work effectively.

Any (1x2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Meaning of interpersonal relationships	8	
Four criteria for successful team performance	16	
Benefits of teamwork	12	
Ways in which businesses can create an environment that enables teams to work effectively	10	



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.

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