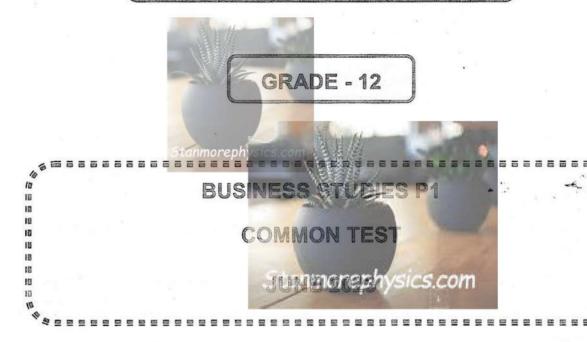




KWAZULU-NATAL PROVINCE

EDUCATION REPUBLIC OF SOUTH AFRICA

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MARKS: 150

TIME : 2 Hours

This question paper consists of 10 pages.

Business Studies

NSC

June Examination 2023

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A:

COMPULSORY

SECTION B:

Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C:

Consists of TWO questions.

Answer any ONE of two questions in this section.

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

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

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

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	30	20
B: THREE direct/indirect-type	2	40	35
questions CHOICE: Answer any TWO.	3	40	35
	4	40	35
C: TWO essay-type questions	5	40	30
CHOICE: Answer any ONE.	6	40	30
TOTAL		150	120 minutes

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

SECTION A (COMPULSORY)

QUESTION 1

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question numbers (1.1.1 to 1.1.10) in the ANSWER BOOK, e.g. 1.1.6 D.
 - 1.1.1 The purpose of ...Act is to enable wealth to be spread more broadly across all population group.
 - A. Consumer Protection Act, 2008 (Act 68 of 2008)
 - B. Employment Equity Act, 1998 (Act 55 of 1998)
 - C. Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
 - D. Labour Relations Act, 1995 (Act 66 of 1995)
 - 1.1.2 Employees at Cosey Eats are allowed 60 minutes break after ... of work.
 - A. 4 continuous hours
 - B. 3 continuous hours
 - C. 6 continuous hours ysics.com
 - D. 5 continuous hours
 - 1.1.3. This business is found in the secondary sector.
 - A. Zimu Clothing Manufactures
 - B. Thandy Legal Services
 - C. Thokoza Farm
 - D. Smiley Wholesalers
 - 1.1.4 The purpose of induction is to...
 - A. improve skills through in-service training.
 - B. sign contract between the employer and employee.
 - C. allow employee to settle in quickly and work effectively
 - D. increase quality of performance.
 - 1.1.5 Cute Fashion Designers apply...as they conduct quality inspection on their final products.
 - A. total quality management
 - B. quality control
 - C. quality assurance
 - D. Quality

(5x2) (10)

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

fringe; National Consumer Commission; continuous improvement to processes and systems; full control; National Credit Regulator; management control; compulsory; monitoring and evaluating quality processes; no control; ownership.

- 1.2.1 The purpose of Consumer Protection Act is to establish ...
- 1.2.2 Totem Beverages Company applied the ... pillar of BBBEE when it sold 50% of its shares to black people.
- 1.2.3 Tokollo IT have...over increasing interest rates.
- 1.2.4 Unemployment Insurance Fund is a... benefit required by law in the workplace.
- 1.2.5 The PDCA model forms part of the...which is an element of TQM.

(5x2) (10)

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Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A-J) next to the question number (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g.1.3.6 K.

Ш	COLUMN A		COLUMN B
1.3.1	Right to fair and honest dealings.	A.	business aims to introduce new product into existing market
1.3.2	National Skills Development Strategy	В.	describes key performance areas for a specific job.
1.3.3	Product development	C.	deliver quality goods that promote business image with stakeholders.
1.3.4	Job specification	D.	suppliers may not give false/ misleading information.
1.3.5	Marketing function	E.	increases employee participation in lifelong learning.
100 COLOR CO	Stanmorep	hysics F.	making adjustments and changes to products based on results of consumer research
POST I LICENSE AND A STATE OF THE STATE OF T	e e	G.	business aims to introduce existing product to new market.
An observation of the state of	_	Η.	describes key requirements of the person who will fill in the vacancy.
THE CONTRACT OF THE CONTRACT O		I.	provides for participation of government/ organized labour/business.
		J.	businesses should display prices which are fully inclusive.

 (5×2) (10)

TOTAL SECTION A:

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SECTION B

Answer ANY TWO questions from this section.

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

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 List any THREE types of leave as stipulated in the provisions of Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).

(3)

2.2 Explain ways in which businesses could comply with Employment Equity Act.

(6)

2.3 Read the scenario below and answer the questions that follow.

TINNY FASHION STORE (TFS)

Tinny Fashion Store imports their dresses from countries overseas. TFS sell goods for cash as well as on credit. Customers are not given reasons if credit is not granted. Prices of their dresses are not displayed. Customers are not allowed to return faulty goods.

2.3.1 Quote TWO ways in which TFS did not comply with Consumer Protection Act from the above scenario.

(2)

2.3.2 Discuss the penalties for non-compliance with Consumer Protection Act.

(6)

2.4 Advise businesses on implications of Enterprise and Supplier Development (ESD) as a BBBEE pillar in the workplace.

(4)

- 2.5 Identify the PESTLE elements that pose a challenge to Whitey Factories in EACH statements below
- (2)
- 2.5.1 Whitey Traders cannot import goods from certain countries due to terms and conditions of a trade agreement.

(2)

2.5.2 The chemicals used by Whitey Factories to produce goods can be harmful to consumers.

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(2)

2.6 Read the scenario below and answer the questions that follow.

TEE ZEE LIMITED (TZL)

Tee Zee Limited specialises in fishing. TZL merged with Yummy Fish which prepares and sells variety of fish to local customers.

- 2.6.1 Identify the type of integration strategy applicable in the above scenario.
- 2.6.2 Describe any ONE other type of integration strategy. (3)
- 2.7 Discuss how businesses can apply threat of new entrants to the market as one of the Porters Five Forces model to analyse their position in the market.
 (6)
- 2.8 Advise businesses on the steps that should be considered when evaluating a strategy. (4)

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QUESTION 3: BUSINESS OPERATIONS

3.1 Name FOUR examples of employee fringe benefits.

(4)

3.2 Outline the role of the interviewee during the interview.

(4)

3.3 Read the following scenario and answer the questions that following

THEMBELA TRANSPORT SERVICES (TTS)

Mandy has been appointed by Thembela Transport Service as a supervisor. She was assigned to her new specific job. Management discussed the two salary determination methods with Mandy.

3.3.1 Identify the human resource activity applicable in the scenario above.

(2)

3.3.2 Describe TWO salary determination methods discussed by management of TTS with Mandy.

(6)

3.4 Advise businesses on the link between salary determination and BCEA.

(4)

3.5 Explain TWO benefits of good quality management system

(4)

3.6 Read the scenario below and answer the questions that follow.

MOODLEY CONSTRUCTION (MC)

Moodley Construction ensures that they have a quality inspector on site to check on the quality of the houses during and after the construction process. The management of MC meet monthly to discuss ways to reduce the cost of quality.

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3.6.1 Identify quality concept applicable in the scenario above.

(2)

3.6.2 Describe ways in which TQM can reduce cost of quality.

(4)

3.7 Discuss quality indicators of general management function.

(6)

3.8 Evaluate the impact of total client/customer satisfaction on large businesses

(4) [40]

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Name THREE types of business environments

(3)

4.2 Explain the rights of employers according to Labour Relations Act, (LRA),1995 (Act 66 of 1995)

(4)

4.3 Read the scenario below and answer the questions that follow

Sector Education and Training Authorities

Sector Education and Training Authority is a body established under Skills Development Act. The functions of SETAs include collecting levies and paying out grants as required. They also register learnership agreements. Employers who collect PAYE should register with SETAs.

4.3.1 Quote TWO role of SETAs from the above scenario.

(2)

4.3.2 Advise businesses on other roles of SETAs in supporting Skills Development Actan more physics.com

(4)

4.4 Discuss any TWO types diversification strategies

(6)

BUSINESS OPERATIONS

4.5 List THREE sources of external recruitment

(3)

4.6 Read the following scenario and answer the questions that follow.

GORDON ENTERPRISE (GE)

Gordon Enterprises terminated the employment contract of some employees due to various reasons. Silo's employment contract was terminated due to misconduct. Elly got a better job offer in another company and she voluntarily terminated her employment contract.

Identify the reasons for termination of employment contract of Silo and Elly. Motivate your answer by quoting from the scenario.

Use the following GUIDE to answer QUESTION 4.6

EMPLOYEE	REASON	MOTIVATION
Silo		3.
Elly		

(6)

(6)

- 4.7 Discuss the importance of quality circles in improving business processes and systems.
- 4.8 Evaluate the impact of adequate financing and capacity on large businesses.

(6)

TOTAL SECTION B:

[40]

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SECTION C

Answer ONE question in this section.

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

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

National Credit Act (NCA), 2005 (Act 34 of 2005) was introduced to promote the social and financial interests of consumers. This Act has a significant impact on credit providers and clients. There are various ways in which businesses could comply with the Act to avoid penalties for non-compliance.

You are a business consultant specialising in guiding businesses on the implementation of recent legislation. Write an essay on the following aspects of the National Credit Act.

- Outline the rights of consumers according to National Credit Act.
- Discuss the impact of National Credit Act on businesses.
- Describe the ways in which businesses can comply with National Credit Act.
- Advise businesses on penalties for non-compliance with NCA.

QUESTION 6: BUSINESS OPERATIONS(QUALITY OF PERFORMANCE)

Proper quality management systems which include quality management and quality performance help business processes meet the required quality standards. Monitoring workmanship and evaluating quality processes enable businesses to produce best quality products. If TQM elements are not properly implemented this could have a negative impact on businesses.

Give an in-depth analysis of quality of performance by referring to the following aspects:

- Outline the differences between quality management and quality performance.
- Explain the quality indicators of production function.
- Analyse the advantages of monitoring and evaluating quality processes on large businesses.
- Advise businesses on the impact of TQM if poorly implemented.

[40]

TOTAL SECTION C:

40

[150]



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EDUCATION REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P1

Stanmore COMMON TEST

JUNE 2023

Marking Guideline

MARKS: 150

This marking guideline consist of 27 pages.

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June Common Test 2023

NOTES TO MARKERS

PREAMBLE

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

Fairness, consistency and reliability in the standard of marking

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- (b) Facilitate the moderation of candidates' scripts at the different levels
- Streamline the marking process considering the broad spectrum of markers across (c)
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning
- 1. For marking and moderation purposes, the following colours are recommended:

Educator:

Red

School Moderator:

Green

Cluster Moderator:

Orange

District Moderator: Provincial Moderator: Pink

Brown

DBE Moderator:

- Turquoise

- Candidates' responses must be in full sentences for SECTIONS B and C. However, 2. this would depend on the nature of the question.
- 3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
 - Uses a different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used

NOTE: There is only ONE correct answer in SECTION A.

- 4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
- 5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
- 6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
- Subtotals to questions must be written in the right-hand margin. Circle the subtotals 7. as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

- In an indirect question, the theory as well as the response must be relevant and related to the question.
- Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
- 10. No additional credit must be given for repetition of facts. Indicate with an'R'.
- 11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
 - When 'evaluate' is used, candidates are expected to respond in either apositive/negative manner or take a neutral (positive and negative) stance, e.g. Positive: 'COIDA eliminates time and costs spent√ on lengthy civil courtproceedings.'√
 - When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√
 - NOTE: 1. The above could apply to 'analyse' as well.
 - 2. Note the placing of the tick $(\sqrt{})$ in the allocation of marks.
- 12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

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

14. SECTION B

14.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

NOTE: This applies only to questions where the number of facts is specified.

- 14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.
- 14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.
- 14.4 Use of the cognitive verbs and allocation of marks:
 - 14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:
 - Fact 2 marks (or as indicated in the marking guidelines)
 - Explanation 1 mark (two marks will be allocated in Section C)

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

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- 14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.
- 14.5 ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).

15. SECTION C

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

Introduction Content Conclusion	Maximum: 32	
Insight	8	
TOTAL	40	

15.2 Insight consists of the following components:

Layout/Structure	Is there an ir	ntroduction, a body, and a conclusion?	2
Analysis and interpretation		date able to break down the question into bheadings/interpret it correctly to show understanding of g asked?	2
	All headings	allocated using this guide: addressed: 1 (One 'A') n (16 to 32 marks): 1 (One 'A')	
Synthesis	Are there re	levant decisions/facts/responses made based on the	
	Marks to be No relevant Some releva	ant facts: 1 (One '-S')	2
	Only relevar Option 1:	ont facts: 2 (No '-S') Only relevant facts. Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis	
	Option 2:	Some relevant facts Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	
		Some relevant facts	
	Option 3:	Where a learner answers all four bullets but one sub- question is irrelevant. (-S) must be indicated	
a	Option 4:	Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	
Originality		dence of examples based on recent information, current developments?	2
	Trends and C	TOTAL FOR INSIGHT:	8
		TOTAL MARKS FOR FACTS:	1000
		TOTAL MARKS FOR ESSAY (8 + 32):	100000000000000000000000000000000000000

- NOTE: 1. No marks will be awarded for contents repeated from the introduction and conclusion.
 - 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
 - 3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.
- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:(L Layout, A Analysis, S Synthesis, O Originality)as in the table below.

CONTEN	MARKS
Facts	32 (max.)
L°	2
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S	2
0	2
TOTAL	40

- When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
 - 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy ✓, where businesses aim to introduce new products into existing markets.'✓

This will be informed by the nature and context of the question, as well as the cognitive verb used.

With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A

QUESTION 1

1.3.3 A✓✓ 1.3.4 H✓✓ 1.3.5 F✓✓

1.1	1.1.1 C✓✓		# H
	1.1.2 D✓✓		
	1.1.3 A ✓✓		
	1.1.4 C		
	1.1.5 B✓✓		
		(5×2)	(10)
1.2	1.2.1 National Consumer Commission√√	,,	(· · ·)
	1.2.2 ownership√√		
	1.2.3 no control✓✓		
	1.2.4 compulsory		•
	1.2.5 continuous improvement to processes and systems ✓ ✓		
		(5×2)	(10)
1.3	1.3.1 D√√		
	1.3.2 1√√		ž.

TOTAL SECTION A: 30

 (5×2)

(10)

(10)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

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SECTION B

Mark the first TWO questions only from this section.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Leave provision according to BCEA

- Annual leave. ✓
 - Maternity leave/ adoptive leave. ✓
 - Family responsibility leave/ paternity leave. ✓
- Parental leave.√
- Sick leave. ✓

Mark first THREE (3) only.

Max (3)

2.2 Ways to comply with Employment Equity Act.

- Implement √an employment equity plan. ✓
- Businesses must guard against√ discriminatory appointment. ✓
- Implement affirmative action measures ✓ to redress disadvantages experienced by designated groups. ✓
- Reasonable accommodation of people ✓ from designated groups. ✓
- Ensure that there is equal representation of all racial groups
 ✓ in every level of employment.
- Compile employment equity plans ✓ that indicate how they will implement affirmative action. ✓
- Ensure that affirmative action measures/ promote diversity ✓ in the workplace. ✓
- Prepare an employment equity plan ✓ in consultation with employees. ✓
- Ensure that diversity/inclusivity in the workplace ✓ is achieved. ✓
- Submit the employment equity plan

 ✓ to the Department of Labour. ✓
- Assess the racial composition of all employees, ✓ including senior management. ✓
- Clearly define the appointment process, ✓ so that all parties are well informed. ✓
- Use certified psychometric tests to assess applicants/employees ✓ to ensure that suitable candidates are appointed. ✓
- Conduct medical/psychological tests fairly to employees ✓ when deemed necessary. ✓
- Assign one or more senior managers to ensure implementation and monitoring

 of the employment equity plan. ✓
- Eliminate barriers that have an adverse impact ✓ on designated groups. ✓
- Retain/Develop/Train designated groups, ✓ including skills development. ✓
- Regularly report to the Department of Labour ✓ on progress in implementing the plan. ✓
- Display a summary of the Act✓ where employees can clearly see/have access to the document. ✓
- Restructure/Analyse current employment policies/practices/procedures ✓ to accommodate designated groups. ✓
- Employees must be paid equal √for work of equal value√
- Any other relevant answer related to ways in which businesses could comply with EEA

Max (6)

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Actions regarded as non -compliance with Consumer Protection Act, 1997 2.3 (Act 97 of 1998)

2.3.1 Quotations from the scenario.

- Prices of their dresses are not displayed. ✓
- Customers are not allowed to return faulty goods. ✓

Max (2)

- NOTE: 1. Mark the first TWO (2) only.
 - 2. Award marks for responses quoted from scenario

2.3.2 Penalties for non-compliance with Consumer Protection Act.

- A contract may be rendered void/a fine / term of direct imprisonment√ may be imposed. ✓
- Businesses may face fines or imprisonment ✓ for a period not exceeding 10 years. ✓
- Government agencies may conduct audits, ✓ enact fines or even dissolve your business entirely. ✓
- Businesses will be forced to compensate consumers√ in line with the extent to which their rights have been violated. ✓
- Any other relevant answer related to penalties for non-compliance with Consumer Protection Act.

Max (6)

Implications of Enterprise and Supplier Development on businesses 2.4

- Business must create jobs as ESD promotes local manufacturing. ✓ ✓
- Identify black owned suppliers that are able to supply goods and services. ✓ ✓
- Outsource services to suppliers that are BBBEE compliant. ✓√
- Businesses are encouraged to invest/support black owned SMMEs. ✓✓
- Develop the business skills of small/black owned suppliers, e.g. sales techniques√√
- Support the cash flow of small suppliers by offering them preferential terms of payment. ✓✓
- Businesses should invest in/support black owned SMMEs. ✓✓
- Invest in/Support black owned SMMEs by contributing loans/donations/consulting services/advice/entrepreneurial programmes.√√
- SMMEs will be encouraged to use their own business initiatives to make them sustainable. <
- Develop and implement a supplier development plan/supply chain. ✓✓
- Small/Large businesses may not be able to afford enterprise development investment/support. ✓ ✓
- Black owned SMMEs may become too reliant on support from other. ✓✓ businesses /unable to take their own initiatives. ✓✓
- BBBEE suppliers may be without good workmanship. ✓✓
- Smaller businesses that are not BBBEE compliant lose business. ✓✓
- Businesses are forced to choose from a smaller pool of supplier. ✓✓
- Any other relevant answer related to implications of ESD as a BBBEE Max (4) pillar.

2.5 Identification of PESTLE factors

2.5.1 Political factors. ✓✓

2.5.2 Environmental factors. ✓✓

Max (4)

2.6.1 Identification of integration strategy

Forward vertical strategy✓✓

Max (2)

2.6.2 Other integration strategies Backward vertical integration ✓✓

- The business combines with/ merges/ takes over with its suppliers up the supply chain/ production chain. ✓
- It involves the expansion of business activities to gain control over the distribution of products/ services. ✓
- The business takes over the distribution system and sells products/ services directly to customers/ consumers. ✓
- The business merges with businesses that were once their customers, whilst still maintain control over the initial/primary business activity. ✓
- Any other relevant answer related to backward vertical integration as the type of integration strategy.

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Strategy (2) Discussion (1) Sub max (3)

OR

Horizontal integration√√

- A business takes control of/ incorporates other businesses in the same industry/which produce/sell the same/similar products /services. ✓
- The business can strengthen/ expand its market share/position and enhance its production/ distribution. ✓
- It is the acquisition/ takeover of a related business that operates at the same level of the supply chain of the industry. ✓
- The aim is to reduce the threat of competition /substitute products/services. ✓
- Any other relevant answer related to horizontal integration as the type of integration strategy.

Strategy (2) Discussion (1) Sub max (3)

Max (3)

2.7 Application of threat of new entrants to the market as a Porter's force.

- If the barriers to enter the market are low, ✓ then it is easy for new businesses to enter the market/industry. ✓

If there are a few suppliers of a product/service but many buyers, ✓ it may be

easy to enter the market. ✓

If the business is highly profitable, ✓ it will attract potential competitors that want to benefit from high profits. ✓

New competitors can quickly/easily enter the market, ✓ if it takes little time/ money to enter the market. ✓

 Any other relevant answer related to application of new entrants to the market as a Porter's force.

Max (6)

2.8 Steps businesses should consider when evaluating strategies

- Examine the underlying basis of a business strategy. ✓ ✓
- Look forward and backward into the implementation process. ✓✓
- Compare the expected performance ✓ with the actual performance. ✓ ✓
- Take corrective action so that deviations may be corrected. ✓✓
- Set specific dates for control and follow up. ✓✓
- Draw up a table of the advantages and disadvantages of a strategy. ✓✓
- Consider the impact of the strategic implementation ✓ in the internal and external environments of the business. ✓ ✓
- Compare the expected results in order to determine the reasons for deviations and analyse these reasons.
- Any other relevant answer related to steps that businesses should consider when evaluating strategies.

Max (4)

NOTE: Accept steps in any order.

[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	3
2.2	6
2.3.1	2
2.3.2	6
2.4	4
2.5	4
2.6.1	2
2.6.2	3
2.7	6
2.8	4
TOTAL	40

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QUESTION 3: BUSINESS OPERATIONS

3.1 Examples of fringe benefits

Medical Aid Fund/Health Insurance Fund√

Pension Fund ✓

Provident Fund√

Funeral benefits

- Car/Travel/Housing/Cell phone/Clothing allowance✓
- Performance based incentives√
- Issuing of bonus shares√
- Staff discount/Free or low cost meal/Canteen facilities√

NOTE: Mark the first FOUR (4) only.

Max (4)

3.2 Role of interviewee during the interview.

- Greet the interviewer by name with a solid handshake and a friendly smile. ✓✓
- Listen carefully to the questions before responding. ✓✓
- Make eye contact and have good posture/body language. ✓✓
- Show confidence and have a positive attitude/be assertive. ✓✓
- Be inquisitive and show interest in the business. ✓✓
- Ask clarity seeking questions. ✓✓
- Show respect and treat the interview with its due importance. ✓✓
- Be honest about mistakes and explain how you dealt with it. ✓✓
- Know your strengths and weaknesses and be prepared to discuss it. ✓✓
- Thank the interviewer for the opportunity given to be part of the interview. ✓✓
- Any other relevant answer related to role of interviewee during the interview

Max (4)

3.3.1 Identification from the scenario

- Placement√√

Max (2)

3.3.2 Salary determination methods.

Piecemeal <

- Workers are paid according to the number of items/ units produced /action performed. ✓
- Workers are not remunerated for the number of hours worked, regardless of how long it takes them to make the items. ✓
- Mostly used in factories particularly in the textile/technology industries. ✓
- Any other relevant answer related to piecemeal as a salary determination

Method (2)

Description (1)

Sub max (3)

Time-related√√

- Workers are paid for the amount of time they spend at work/on a task. ✓
- Workers with the same experience/qualifications are paid on salary scales regardless of the amount of work done. ✓
- Many private and public sector businesses use this method. ✓
- Any other relevant answer related to time-related as a salary determination

Method (2)

Description (1)

Sub max (3)

Max (6)

3.4 Link between salary determination and BCEA

- BCEA outlines legalities, such as the employment contract, which may affect salary determination. 🗸 🗸
 - Payment of salaries should be based on whether the employee is permanent or employed on a fixed contract. 🗸 🗸
 - The BCEA sets out conditions that ensure fair labour and human resources practices. 🗸 🗸
- According to the BCEA, businesses may use different remuneration methods to pay their employees. ✓√
- Businesses are supposed to deduct income tax (PAYE) from the employees' taxable salaries. ✓✓
- Any other relevant answer related to link between salary determination and BCEA

Max (4)

3.5 Benefits/ Advantages of good quality management systems

- Effective customer services are rendered, ✓ resulting in increased customer satisfaction. ✓
- Time and resources ✓ are used efficiently. ✓
- Productivity increases ✓ through proper time management/using high quality resources. ✓
- Products/Services are constantly improved ✓ resulting in increased levels of customer satisfaction. ✓

Summer Services

- Business has a competitive advantage ✓ over its competitors. ✓
- Regular training will continuously improve ✓ the quality of employees' skills/ knewledge. ✓
- Employers and employees will have a healthy working relationship ✓ resulting in happy/productive workers. ✓
- Increased market share/more customers ✓ improve profitability. ✓
- Improves business image √as there are less defects/returns. √
- Any other relevant answer related to benefits/ advantages of good quality management systems.

Max (4)

3.6 Identification of quality concept.

3.6.1 Quality assurance√√

Max (2)

3.6.2 Ways in which TQM to reduce cost of quality

- Share responsibility for quality output ✓ amongst management and workers. ✓
- Train employees at all levels, ✓ so that everyone understands their role in quality management. ✓
- Develop work systems that empower employees

 ✓ to find new ways of improving quality. ✓
- Work closely with suppliers

 ✓ to improve the quality of raw materials/inputs.
- Improve communication about quality challenges/deviations, ✓ so that everyone can learn from experience. ✓
- Reduce investment on expensive, ✓ but ineffective inspection procedures in the production process. ✓
- Implement pro-active maintenance programmes

 ✓ for equipment/machinery to reduce/eliminate breakdowns. ✓
- Any other relevant answer related to ways in which TQM reduce cost of quality.

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Max (4)

3.7 Quality indicators of general management function

- Develop/Implement/Monitor√ effective strategic plans. ✓
- Efficient organisation/allocation of business resources

 ✓ to provide for the successful achievement of long-term and short-term plans. ✓
- Structured standards and norms should be in place ✓ so that control mechanisms can be implemented. ✓
- Learn about/understand changes in the business environment

 ✓ on an on-going basis.
- Effectively communicate shared vision, ✓ mission and values. ✓
- Set direction ✓ and establish priorities for their business. ✓
- Be prepared to set an example of the behaviour that is expected ✓ from employees in terms of ethics as well as productivity. ✓
- Be proactive and always seeks to improve competitive advantage ✓ over competitors. ✓
- Ensure that all departments/the business meet ✓ their deadlines/targets. ✓
- Any other relevant answer related to quality indicators of general management function
 Max (6)

3.8 Impact of total client satisfaction on large businesses

Positives/ Advantages

- Large businesses use market research/customer surveys to measure/ monitor customer satisfaction/analyse customers' needs.
 - Continuously promote ✓ a positive company image. ✓
 - May achieve a state of total customer satisfaction, ✓ if businesses follow sound business practices that incorporate all stakeholders. ✓
 - Strive to understand and fulfil customer expectations by aligning crossfunctional teams across critical processes.
- Ensures that cross-functional teams understand its core competencies √ and develop/strengthen it. √
- May lead to higher customer retention/loyalty ✓ and businesses may be able to charge higher prices. ✓
- Large businesses may be able to gain access

 ✓ to the global market
- May lead to increased ✓ competitiveness/profitability. ✓
- Any other relevant answer related to positive impact of total client satisfaction on large businesses

AND/OR

Negatives/ Disadvantages

- Employees who seldom come into contact ✓ with customers often do not have a clear idea of what will satisfy their needs. ✓
- Monopolistic companies have an increased bargaining power√, so they do not necessarily have to please customers. ✓
- Not all employees may be involved/ committed ✓ to total client satisfaction. ✓
- Any other relevant answer related to negative impact of total client satisfaction on large businesses

Max (4) [40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2	4
3.3.1	2
3.3.2	6
3.4	4
3.5.	4
3.6.1	2
3.6.2	4
3.7	6
3.8	4
TOTAL	40

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Business environments.

Micro√

Market√

Macro√

NOTE: Mark first THREE only

Max (3)

4.2 Rights of employers according to Labour Relations Act

- Form√ employer organisations. ✓
- Form a bargaining council ✓ for collective bargaining purposes. ✓
- Employers have the right to lockout employees ✓ who engage in unprotected/illegal strike/labour action. ✓
- Dismiss employees who are engaged in an unprotected strike/misconduct such as intimidation/violence ✓ during a strike action. ✓
- Right not to pay an employee who has taken part in a protected strike√ for services/work they did not do during the strike. ✓
- Any other relevant answer related to employers' rights according to Labour Relations Act

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Max (4)

4.3.1 Quotation from the scenario.

- The function of SETAs includes collecting levies and paying out grants as required. ✓
- They also register learnership agreements.

Max (2)

NOTE:

- 1. Mark first TWO (2) only.
- 2. Accept responses from the scenario only

4.3.2 Other roles /functions of SETAs

- Report to the Director General. ✓✓
- Identify suitable workplaces for practical work experience. ✓✓
- Promote and establishes learnerships. ✓✓
- Provide accreditation for skills development facilitators. ✓√
- Approve workplace skills plans and annual training reports. ✓✓
- Monitor/Evaluate the actual training by service providers. ✓✓
- Allocate grants to employers, education and training providers. ✓✓
- Oversee training in different sectors of the South African economy. ✓✓
- Develop skills plans in line with the National Skills Development Strategy. ✓✓
- Draw up skills development plans for their specific economic sectors. ✓✓
- Provide training material/programmes for skills development
- Pay out grants to companies that are complying with the requirements of the Skills Development Act. ✓✓
- Any other relevant answer related to roles of SETAs

Max (4)

4.4 Types of diversification

Concentric ✓✓

The business adds a new product or service that is related to existing products, and which will appeal to new customers.

Occurs when a business wants to increase its product range and markets. ✓ Any other relevant answer related to concentric diversification strategy

Strategy (2)

Discussion (1)

Sub max (3)

Horizontal✓✓

The business adds new products or services that are unrelated/ different to existing products, but which may appeal to existing/current customers. ✓

 Occurs when a business acquires or merges with a business that is at the same production stage, but it may offer a different product. ✓

Any other relevant answer related to horizontal diversification strategy.

Strategy (2)

Discussion (1)

Sub max (3)

Conglomerate Stanmorephysics.com

- The business adds new products or services that are unrelated to existing products which may appeal to new groups of customers. ✓
- Conglomerate diversification means that a business grows into new products, services and markets. ✓
- Any other relevant answer related to conglomerate diversification strategy

Strategy (2)

Discussion (1)

Sub max (3)

Max (6)

BUSINESS OPERATIONS

4.5 Sources of external recruitment

- Recruitment agencies ✓
- Bill boards ✓
- Printed media, e.g. newspapers/flyers/magazines/posters ✓
- Electronic media, e.g. radio/TV ✓
- Social media/Social networks/Internet/Business websites ✓
- Recruitment agencies ✓
- Walk-ins ✓
- Head hunting ✓
- Professional associations ✓
- Networking ✓
- Educational/Training institutions ✓
- Any other relevant answer related to sources of external recruitment.

NOTE: Mark first THREE only

Max (3)

4.6 Reasons for the termination of employment contract.

EMPLOYEE	REASON	MOTIVATION	
Silo	Dismissal✓✓	Silo's employment contract was terminated due to misconduct. ✓	
Elly Resignation√✓		Elly got a better job offer in another company and she voluntarily terminated her employment contract. ✓	
	Sub max (4)	Sub max (2)	

NOTE: 1. Answer need not to be in a tabular form.

- 2. Award marks for reason even if there is no motivation.
- 3. Do not award marks for motivation if there is no identification.

Max (6)

4.7 Role/Importance of quality circles as part of continuous improvement to processes and systems

- Solve problems related to quality ✓ and implement improvements. ✓
- Investigate problems

 ✓ and suggest solutions to management. ✓
- Ensure that there is no duplication of activities/tasks ✓ in the workplace. ✓
- Make suggestions for improving systems ✓ and processes in the workplace. ✓
- Improve the quality of products/services/productivity ✓ through regular reviews of quality processes. ✓
- Monitor/Reinforce strategies ✓ to improve the smooth running of business operations. ✓
- Reduce costs of redundancy
 ✓ in the long run.
- Increase employees'

 ✓ morale/motivation. ✓

- Quality circles discuss ways ✓of improving the quality of work/workmanship. ✓
- Contribute towards the improvement ✓ and development of the organisation. ✓
- Reduce costs/wasteful efforts√ in the long run. ✓
- Increase the demand√ for products/services of the business. ✓
- Create harmony√ and high performance in the workplace. ✓
- Build a healthy workplace relationship ✓ between the employer and employee. ✓
- F Improve employees' loyalty and commitment ✓ to the organisation and its goals. ✓
- Improve employees' communication
 ✓ at all levels of the business. ✓
- Develop a positive attitude/sense of involvement

 in decision making processes of the services offered.

 ✓
- Any other relevant answer related to role/importance of quality circles as part of continuous improvement to processes and systems.

Max (6)

4.8 Impact of adequate financing and capacity on large businesses.

Positives/ Advantages

- Large businesses have sufficient ✓ financing to test everything before implementing. ✓
- They can afford to have systems in place ✓ to prevent errors in processes/defects in raw materials/products. ✓
- Able to afford product research/market researchers ✓ to gather information. ✓
- Can afford to purchase ✓ quality raw materials and equipment. ✓
- Any other relevant answer to positive impact of adequate financing and capacity on large businesses.

AND/OR

Negatives/ Disadvantages

- If the demand for company's product increases, orders begin coming in faster than expected, ✓ and the company lacks the capital required to fund the production of the stock to fill the orders. ✓
- These rapidly growing companies can consume large amounts of capital

 ✓ as they try to balance normal operations and expansion. ✓
- Any other relevant answer related to negative impact of adequate financing and capacity on large businesses.

Max (6)

[40]

BREAKDOWN	OF MARKS
QUESTION 3	MARKS
4.1	3
4.2	4
4.3.1	2
4.3.2	4
4.4	6
4.5	3
4.6.	6
4.7	6
4.8	. 6
TOTAL	40

TOTAL SECTION B:

80

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

5.1 Introduction

- The Act was introduced more specifically to cater and protect rights of previously disadvantaged consumers in the credit market. ✓ NCA protects both clients and credit providers against reckless lending. ✓ The Act seeks to remove unfair discriminatory practices by compelling the credit providers to comply with the requirements of the Act. ✓

Credit providers not adhering to the Act may face high penalty. ✓

 Any other relevant introduction related to the rights of consumers in terms of NCA/ impact of NCA on businesses/ ways in which businesses can comply with NCA/ penalties for non-compliance with NCA

Any (2 x 1) (2)

5.2 Consumer rights according to NCA

- Apply for credit and to be free from discrimination of any form. ✓✓
- Receive information in plain and understandable language. ✓✓
- Receive documentation as required by NCA. ✓✓
- Receive pre-agreement documentation before concluding any credit transaction.
- Obtain reasons for credit being refused by credit providers. ✓✓
- Fair and responsible marketing.
- Access and challenge credit records and information held by credit bureau. ✓✓
- Choose which goods they will buy and return such goods if they are not satisfied. ✓✓
- Surrender/Return goods to the credit provider in order to settle the outstanding amount/debt. ✓✓
- Apply for debt review/counselling if the consumers cannot afford to repay their debts. ✓√
- Receive protection of their personal information ✓ ✓
- Receive protection from being held accountable for the use of their credit facility after they reported the loss/theft. ✓✓
- Apply for debt review/counselling if the consumers cannot afford to pay their debts√√
- Refuse a credit limit increase. ✓✓
- Any other relevant answer related to rights of customers according to NCA.

Max (12)

5.3 Impact of the NCA on businesses Positives/Advantages

- Lower bad debts resulting

 ✓ in better cash flow.
- Authorised credit providers ✓ may attract more customers. ✓
 Leads to more customers' through ✓ credit sales as they are now protected from abuse. ✓
- Prevents reckless lending ✓ and prevents businesses from bankruptcy. ✓
 Increases cash sales ✓ as credit can only be granted to qualifying customer. ✓
- The whole credit process is transparent ✓ e.g. both businesses and customers know their responsibilities. ✓
- Businesses do thorough credit checks ✓ and receive up-to-date documentation from the consumer as proof that they can afford the repayment. ✓
- Credit bureau information is made available to businesses ✓ so that they can check the credit worthiness of consumers before granting credit. ✓
- The NCA protects businesses ✓ against non-paying customers. ✓
- Businesses that are authorised credit providers ✓ attracts more customers ✓
- The correct implementation of NCA leads to more customers through credit sales ✓ as they are now protected from abuse and exploitation. ✓
- Any other relevant answer related to positive impact of NCA on businesses

AND/OR

Negative/Disadvantages physics.com

- Business can no longer√ carry out credit marketing. ✓
- Businesses struggle to get credit sales ✓ such as bank loans/ overdraft. ✓
- Debt collection procedures ✓ are more complex and expensive. ✓
- Businesses that do not comply with the NCA

 ✓ may face legal action. ✓
- Fewer customers buy on credit ✓ as it is more difficult to obtain credit. ✓
- Increases the administration burden ✓ on credit providers/ the paper work and administrative process required by the act are costly and time- consuming. ✓
- Leads to loss of sales √ as many consumers may no longer qualify to buy on credit. √
- Businesses/credit providers cannot collect debts ✓ from a person under debt review
- Businesses that grant credit recklessly cannot ✓ recover the debt. ✓
- The profits of a business may decline ✓ because they can no longer depend on customers who had easy access to credit ✓
- The business needs to appoint additional staff ✓ to deal with the extra administration. ✓
- Businesses that are official credit providers√, must submit a compliance report every year. ✓
- A business must make ensure that all attempts have been exhausted ✓ to recover the debt ✓ before blacklisting a customer. ✓
- Any other relevant answer related to negative impact of NCA on businesses.

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5.4 Ways in which businesses could comply with NCA

- Offer applicants ✓ pre-agreement statements. ✓
- Disclose all costs of loan/No hidden costs ✓ should be charged/added ✓ Verify the Obtain credit records/checks of clients ✓ before granting loans. ✓
 - Businesses should be registered ✓ with the National Credit Regulator. ✓ Submit an annual compliance report ✓ to the National Credit Regulator. ✓ Conduct affordability assessment ✓ to ensure the consumer has the ability to meet his/her obligation. ✓
 - Conduct credit check with a registered credit bureau ✓ and consult with National Credit Register. ✓
- Businesses must have procedures in place ✓ to comply with the provision of the Financial Intelligence Centre Act (FICA). ✓
- Credit providers must have procedures in place
 ✓ to comply with the provision of the Financial Intelligence Centre Act (FICA). ✓
- Verify the identity of clients and report suspicious transactions/train staff on their obligations in terms of FICA. ✓
- Any other relevant answer related to ways in which businesses could comply with NCA

Max (10)

5.5 Penalties/consequences for non-compliance with the NCA

- The business may not demand payment, sue or attach the clients/consumers salaries/assets.
- The business may not charge any fee/interest/other charges under that specific credit agreement. ✓✓
- The court may declare the granting of credit by the business reckless and may order consumers not to repay the credit/or part thereof to the business. ✓✓
- The National Credit Regulator may impose a fine/penalty on the business for noncompliance. ✓ ✓
- The business will bear all costs of removing the negative information of clients/ consumers who were blacklisted as a result of reckless lending. ✓✓
- Any other relevant answer related to penalties/consequences for non-compliance with the NCA

Max (10)

5.6 Conclusion

Business should make sure that rights of consumers are protected, so that they maintain good business image. $\checkmark\checkmark$

Businesses complying with NCA gains customer loyalty and good recognition from the government. 🗸 🗸

Businesses can avoid penalties by complying with all requirements of National Credit Act. 🗸 🗸

Any other relevant conclusion related to the rights of consumers in terms of NCA/ impact of NCA on businesses/ ways in which businesses can comply with NCA/ penalties for non-compliance with NCA.

(1x2)(2)

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL		
Introduction	2	Max 32		
Consumer rights according to NCA	12			
Impact of NCA on businesses	14			
Ways in which businesses comply with NCA	10			
Penalties for non-compliance with NCA	10	7		
Conclusion	2	(f (k)		
INSIGHT		4		
Layout	2	8		
Analysis/Interpretation	2			
Synthesis	2			
Originality/Examples	2			
TOTAL MARKS		40		

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at al

QUESTION 6 (QUALITY OF PERFORMANCE)

Introduction

- Good quality management systems enable businesses to identify and reduce defective goods at an early stage. ✓
- The production of high-quality products improves customer satisfaction and loyalty√
- A sound knowledge in monitoring and evaluating quality processes enables the business to provide quality product. ✓
- A structured TQM program ensures that the entire potential of the business is achieved. ✓
- Any other relevant introduction related to introduction of differences between quality management and quality performance / quality indicators of production function/ advantages of monitoring and evaluating quality processes on large businesses/ impact of TQM elements if poorly implemented.

Any (2x1) (2)

6.2 Difference between quality management and quality performance

QUALITY MANAGEMENT	QUALITY PERFORMANCE
- Techniques/tools used to design/ improve the quality of a product. ✓ ✓	 Total performance of each department measured against the specified standards. ✓√
- Can be used for accountability within each of the business functions. ✓ ✓	 Can be obtained if all departments work together towards the same quality standards. ✓ ✓
 Aims to ensure that the quality of goods/ services consistent/ focuses on the means to achieve consistency. ✓✓ 	 Quality is measured through physical product/ statistical output of processes/ surveys of the users and/ or buyers of goods/ services. ✓✓
 Any other relevant answer related to quality management. 	 Any other relevant answer related to quality performance.
Sub max (6)	Sub max (6)

NOTE

- 1. The answer does not have to be in tabular format,
- 2. The distinction must be clear but does not have to be linked.
- Award a maximum of SIX (6) marks if the differences are not clear/ Mark either quality management or quality performance only.

Max (12)

6.3 Quality indicators of production function

- Provide high quality services/products ✓ according to specifications. ✓
- The production/operating processes of a business should be done correctly ✓ through proper production planning and control. ✓
- Products and services should be produced at the lowest possible cost ✓ to allow for profit maximisation. ✓
- Businesses should clearly communicate the roles and responsibilities ✓ to the production workforce. ✓
- Products must meet customers' requirements
 ✓ by being safe, reliable and durable.
- Businesses should have good after-sales services ✓ and warrantees. ✓
- Empower workers so that they can take pride √in their workmanship. ✓
- Get accreditation from the SABS/ISO 9001 ✓ to ensure that quality products are being produced. ✓
- Specify the product or service standards ✓ and take note of the factors that consumers use to judge quality. ✓
- Monitor processes and find the root causes
 ✓ of production problems.
- Implement quality control systems

 to ensure that quality building products are consistently being produced.
- Utilise machines ✓ and equipment optimally. ✓
- Accurately calculate

 ✓ the production costs. ✓
- Select the appropriate production system ✓ e.g. mass/batch/jobbing. ✓
- Any other relevant answer related to quality indicators of production function.
 Max (12)

6.4 Advantages of monitoring and evaluating quality processes

Positives/ Advantages

- Prevents product defects ✓ and minimises wastage/customer complaints. ✓
- Good quality checks/procedures minimise the replacement/breakdown of equipment/machinery ✓ on a regular basis. ✓
- May be equipped

 ✓ to get things done right the first time. ✓
- Improve performance ✓ and maintain high quality standards. ✓
- Improve current and future management

 ✓ of quality outputs/outcomes/impact. ✓
- Provide clear indication about quality aspects ✓ that are contributing to the achievement of goals/targets. ✓
- Modify interventions that may improve

 ✓ the efficient use of resources. ✓
- Support management to acquire information needed

 ✓ to make informed decision about processes. ✓
- Cost of production is reduced

 ✓ as deviations from set standards can be corrected.
- Strategies are revised in order to improve ✓ the quality of the product and services/business image. ✓
- Allows for quality control checks ✓ and procedures at key points. ✓
- Key performance indicators are carefully selected ✓ to monitor and evaluate the outcome. ✓
- Benchmarking is used to find best practices ✓ in order to determine the competitive position of the business. ✓
- Quality circles meet on regular basis

 ✓ to evaluate the progress in terms of quality.

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- Continuous research is conducted on latest developments

 ✓ to ensure that TQM planning is up to date. ✓
- Any other relevant answer related to advantages of monitoring and evaluating quality processes.

Max (14)

6.5 Impact of TQM if poorly implemented by businesses.

- Setting unrealistic deadlines that may not be achieved. <
- Employees may not be adequately trained resulting in poor quality products. ✓ ✓
- Decline in productivity, because of stoppages. ✓✓
- Businesses may not be able to make necessary changes of products/services to satisfy the needs of customers. ✓✓
- Business reputation/image may suffer because of poor quality/defective goods.
- Customers will have many alternatives to choose from and the impact could be devastating to businesses. ✓✓
- Investors might withdraw investment, if there is a decline in profits. 🗸
- Decline in sales as more goods are returned by unhappy customers. ✓ ✓
- High staff turnover, because of poor skills development. ✓✓

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- Undocumented/Uncontrolled quality control systems/processes could result in errors/ deviations from present quality standards. ✓✓
- Any other relevant answer related to the impact of TQM if poorly implemented

Max (10)

6.6 Conclusion

- Implementation of good quality management systems enable business to increase its return and improve its image. ✓✓
- Total quality management is the responsibility of everyone within an organisation including the employees. ✓ ✓
 - Quality of products should be continuously improved to ensure business sustainability. ✓✓
- TQM promotes customer satisfaction by assuring regular supply of high-quality goods or services. ✓✓
- Any other relevant conclusion related to the differences between quality management and quality performance / quality indicators of production function/ advantages of monitoring and evaluating quality processes on large businesses/ impact of TQM elements if poorly implemented.

Any (1x2) (2)



QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL	
Introduction	2	Max 32	
Differences between quality	12		
management and quality			
performance			
Quality indicators of production	12		
function			
Advantages of monitoring and	14		
evaluating quality processes			
Impact of TQM elements if poorly	10		
implemented by businesses			
Conclusion	2		
INSIGHT	GHT		
Layout	2	8	
Analysis/Interpretation	2		
Synthesis	2		
Originality/Examples	2		
TOTAL MARKS		40	

LASO - For each component:

Canmo 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