



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

CAPRICORN SOUTH DISTRICT

**NATIONAL
SENIOR CERTIFICATE**



Stanmorephysics.com

GRADE 10

**BUSINESS STUDIES P1
MID-YEAR EXAMINATION
2024**

Stanmorephysics.com

MARKS: 100

TIME: 1.5 Hours

This question paper consists of 9 pages including this cover page.

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: Consist of TWO questions.

Answer any ONE of the TWO questions in this section.

2. Read the instructions for each question carefully and take note of what is required.
3. Number the answers correctly according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be 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 a guide for mark allocation when answering each question.

| SECTION | QUESTION | MARKS | TIME |
|---|----------|-------|------------|
| A Objective type questions COMPULSORY | 1 | 20 | 10 minutes |
| B THREE direct/indirect type questions CHOICE (answer any two) | 2 | 20 | 20 minutes |
| | 3 | 20 | 20 minutes |
| | 4 | 20 | 20 minutes |
| C TWO essay-type questions CHOICE (answer any one) | 5 | 40 | 40 minutes |
| | 6 | 40 | 40 minutes |
| TOTAL | | 100 | 90 minutes |

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
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 number (1.1.1 – 1.1.5) in the ANSWER BOOK, for example 1.1.6 E.

1.1.1 This function ensures that there is good communication between the business and its stakeholders

- A. Marketing
- B. Public relations
- C. Management
- D. Financial

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

- A. top
- B. lower
- C. middle
- D. central

1.1.3 The business manager has full control over the components of the ... environment

- A. macro
- B. formal
- C. market
- D. micro

1.1.4 The quality within the human resources function of Stylish Clothing Store is shown by...

- A. low employee morale.
- B. decreases in loyal workers.
- C. providing industry-aligned remuneration packages.
- D. high staff turnover rates.



1.1.5 Businesses in the ... sector do not pay tax on the profits of the business.

- A. business
- B. formal
- C. public
- D. informal

(5 x 2) (10)




1.2 Complete the following statements by using the word(s) 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.

intermediaries; purchasing; economic; formal; opportunities; marketing; informal; threats; suppliers; social

- 1.2.1 Examples of businesses in the ... sector include spaza shops found in the township.
- 1.2.2 ... factors in the external environment that will contribute or are already contributing to the success of a business.
- 1.2.3 The ... environment refers to the immediate physical and social setting in which people live, and the society in which businesses operate.
- 1.2.4 It is the purpose of the ... function to ensure a good relationship with suppliers.
- 1.2.5 Wholesalers and retailers serves as ... to bridge the gap between producers and consumers.

(5 x 1) (5)

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

| COLUMN A | COLUMN B |
|---|--|
| <p>1.3.1 Non-governmental Organisations</p> <p>1.3.2 Quality</p> <p>1.3.3 Objectives</p> <p>1.3.4 Middle management</p> <p>1.3.5 Data</p>  | <p>A responsible for tactical decision making</p> <p>B Refers to raw/unprocessed facts found in graphs/tables.</p> <p>C assist the government in addressing socio-economic issues</p> <p>D long-term plans of what the business wants to achieve</p> <p>E oversees the entire organisation and all operations</p> <p>F displaying customer dissatisfaction with services</p> <p>G the ability of products to satisfy the needs of customers</p> <p>H facts that are provided to learn about something.</p> <p>I provides social grants to South African citizens</p> <p>J short-term plans to reach set goals.</p> |

(5 x 1)

(5)

TOTAL SECTION A: 20

SECTION B

Answer any TWO (2) questions in this section.

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

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Name any TWO components of the micro environment. (2)

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

JERRY'S BAKERY (JB)

Jerry's Bakery (JB) produces freshly baked biscuits. Jerry employed five employees to help him. He bought a small building where he does all his baking and packaging.

Identify TWO organisational resources used by JB. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer Question 2.2.

| ORGANISATIONAL RESOURCES | MOTIVATIONS |
|--------------------------|-------------|
| 1. | |
| 2. | |

(6)

2.3 Describe the relationship between Functions/Departments of a business as components of the micro-environment. (4)

2.4 Briefly explain the reasons why the Economic environment poses a challenge to businesses. (4)

2.5 Explain the importance of the public sector. (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name any TWO (2) factors that influence the organisation structure. (2)
- 3.2 Identify the business function that Charlie Traders has applied in EACH statement below:
- 3.2.1 Charlie Traders used an effective recruitment method to attract the best candidates. (2)
- 3.2.2 Charlie Traders advertised their product online to attract more customers. (2)
- 3.3 Outline quality indicators of the General Management function. (2)
- 3.4 Explain the differences between fixed and working capital. (8)
- 3.5 Discuss the importance of stock control. (4)

[20]

QUESTION 4: MISCELLANEOUS

BUSINESS ENVIRONMENTS

- 4.1 Read the scenario below and answer the questions that follow.

JANE'S GARDENING SERVICES (JGS)

Jane's Gardening Services provides goods and services to clients in her hometown. Selaelo has opened gardening services in the same area as Jane and sells her services at lower prices.

Identify TWO components of the market environment applicable to JGS. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer Question 4.1.

| COMPONENTS OF THE MARKET ENVIRONMENT | MOTIVATIONS |
|--------------------------------------|-------------|
| 1. | |
| 2. | |

(6)

- 4.2 Explain the meaning of the tertiary sector. (4)

BUSINESS OPERATIONS

4.3 Outline the consumer rights in the NCA. (4)

4.4 Discuss TWO methods of carrying out public relations. (6)

[20]

TOTAL SECTION B: 80



SECTION C

Answer any ONE question in this section.

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

Businesses should have a sound understanding of the market environment and its components. An interrelation exists between the micro and market environment. Businesses must be aware that competition poses a challenge to businesses.

Write an essay on the market environment in which you include the following aspects:

- Elaborate on the meaning of the market environment.
- Explain the interrelation between the micro and market environments.
- Explain reasons why competition poses a challenge to businesses
- Discuss FOUR (4) components of the market environment.

[40]

QUESTION 6: BUSINESS OPERATIONS

Businesses implement quality control and quality assurance in order to produce quality products. Some believe that the administration function and financial function play an important role in improving the quality of products.

Write an essay on the following aspects:

- Define the meaning of quality.
- Distinguish between quality control and quality assurance
- Discuss the importance of quality for businesses.
- Suggest quality indicators of the following business functions:
 - Administration function
 - Financial function

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 100



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GRADE 10

**BUSINESS STUDIES P1
MID-YEAR EXAMINATION MARKING GUIDELINES
2024**

MARKS: 100



This marking guidelines consists of 23 pages including this cover page.

NOTES TO MARKERS

1. Candidates' responses for SECTIONS B and C must be in full sentences; however, this would depend on the nature of the question.
2. A comprehensive memorandum 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 memorandum
 - Comes from another source
 - Original
 - A different approach is used

NOTE: There is only one correct answer in SECTION A:

3. 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.)
4. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. 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.
6. In an indirect question, the theory as well as the response must be relevant and related to the question.
7. Incorrect numbering of answers to questions or sub questions in Sections A and B will be severely penalised. Therefore, correct numbering is strongly recommended in all sections.
8. No additional credit must be given for repetition of facts. Indicate with an R.
9. Note that no marks will be awarded for indicating Yes/ No in evaluation type questions requiring substantiation or motivation. (Applicable to SECTIONS B and C.)
10. The difference between 'evaluate' and 'critically evaluate' can be explained as follows:
 - (a) When 'evaluate' is used candidates are expected to respond in either a positive/ negative manner or take a neutral (positive and negative) stance, e.g. Positive: *'COIDA eliminates time and costs spent✓ on lengthy civil court proceedings.' ✓*
 - (b) 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: The above could apply to 'analyse' as well.

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

Cognitive verbs, *such as*:

11.1 Advise, devise, name, state, mention, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/ answer appears at the end.

11.2 Describe, explain, discuss, elaborate, justify, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.

12. SECTION B

12.1 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 only applies to questions where the number of facts is specified.

12.2 If two facts are written in one sentence, award the candidate FULL credit. Point 12.1 above still applies.

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

12.4 USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS

12.4.1 Where the number of facts are specified questions that require candidates to 'explain/ discuss/ describe' will be marked as follows:

- Fact 2 marks (or as indicated in the memorandum).
- Explanation 1 mark

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

12.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.

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

13. SECTION C

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

| | |
|--------------|------------------------|
| Introduction | Maximum: 32 |
| Content | |
| Conclusion | |
| Insight | 8 |
| TOTAL | 40 |

13.2 Insight consists of the following components:

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

- NOTE: 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 allocated for layout, if the headings 'Introduction, Conclusion,' etc. in 'Insight' is not supported by an explanation.

13.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O')

13.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.

13.5 Mark all relevant facts until the SUB MAX/ MAX mark in a subsection has been obtained.

13.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

13.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember headings and subheadings are encouraged and contribute to insight (structuring/ logical flow/ sequencing) and indicate clarity of thought.

(See MARK BREAKDOWN at the end of each question.)

13.8 If the candidate identifies/ interprets the question INCORRECTLY, then he/ she may still obtain marks for layout.

13.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/ subheadings as indicated in the memorandum.

- 13.10 (a) Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- (b) 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.

SECTION A

QUESTION 1

- 1.1 1.1.1 B✓✓
 1.1.2 A✓✓
 1.1.3 D✓✓
 1.1.4 C✓✓
 1.1.5 D✓✓ (5 x 2) 10
- 1.2 1.2.1 informal✓
 1.2.2 opportunities✓
 1.2.3 social✓
 1.2.4 purchasing✓
 1.2.5 intermediaries✓ (5 x 1) (5)
- 1.3 1.3.1 C✓
 1.3.2 G✓
 1.3.3 J✓
 1.3.4 A✓
 1.3.5 B✓ (5 x 1) (5)

TOTAL SECTION A: 20

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Components of the micro environment

- Vision, mission statement, goals and objectives✓
- Organisational culture✓
- Organisational resources✓
- Management and leadership✓
- Organisational structure✓
- Eight business functions✓

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

(2 x 1)(2)

2.2 Organisational resources from a scenario

| ORGANISATIONAL RESOURCES | MOTIVATIONS |
|--------------------------|--|
| 1. Human resources✓✓ | Jerry employed five employees to help him. ✓ |
| 2. Physical resources✓✓ | He bought a small building where he does all his baking and packaging. ✓ |
| Sub max (4) | Sub max (2) |

Max (6)

NOTE: Do not award marks for the motivation if the organisational resource was incorrectly identified.

2.3 The relationship between Functions/ Departments of a business

- The departments within the business depend on and influence each other✓ when they perform their duties and responsibilities. ✓
- The production department will have to inform the purchasing department✓ about the type, quality and quantity of resources they need to purchase or order for them to produce the goods or services required. ✓
- The marketing department also provides the production department with feedback from customers✓ so that the production department could produce goods and services that will meet consumers expectations. ✓
- The human resources department will consult the other department to determine✓ the type of skills and experience that they need in their department before recruiting employees into the business. ✓
- All the other departments in the business are also interrelated in one way or another. ✓ Some departments depend on other departments in the same business for their resources, to complete their final products. ✓
- Any other relevant answer related to the relationship between Functions/ Departments of a business.

Max (4)



2.4 Reasons why the Economic environment poses a challenge to businesses

- Rising costs due to inflation/ petrol price/ could affect business sales and profitability. ✓
- High interest rates/ mean that loans will become more expensive. ✓
- The price of credit impacts the willingness/ and ability of banks to lend money. ✓
- Fluctuations in foreign currency/ may restrict imports. ✓
- Recession restricts businesses with adequate support/ to continue operating. ✓
- Any other relevant answer related to the reasons why the Economic environment poses a challenge to businesses.

Max (4)



2.5 Importance of the public sector

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

Max (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

3.1 Factors that influence the organisation structure

- Size of the organisation✓
- Strategy✓
- Technology✓
- Resources✓

(2 x 1) (2)

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



3.2 Business functions from statements

- 3.2.1 Human resource function✓✓ (2)
3.2.2 Marketing function✓✓ (2)

3.3 Quality indicators of the General Management function

- The general management function should develop and monitor effective strategic plans. ✓✓
- The general management function should continuously learn and understand changes in the business environment. ✓✓
- The general management function should take responsibility for setting direction and prioritising responsibilities. ✓✓
- The general management function should communicate and share vision and values effectively. ✓✓
- The general management function should set an example of the expected behaviour in terms of ethics and professionalism. ✓✓
- The general management function should ensure that employees have the necessary resource to do the work and allocate resources effectively. ✓✓
- Any other relevant answer related to the Quality indicators of the general management function

Max (2)

3.4 Differences between fixed and working capital

| FIXED CAPITAL | WORKING CAPITAL |
|--|---|
| <ul style="list-style-type: none"> • Money pays fixed assets, ✓ for example, land and buildings, ✓ and so on. | <ul style="list-style-type: none"> • Money pays for day-to-day activity, ✓ for example, trading stock, ✓ raw materials, and so on. |
| <ul style="list-style-type: none"> • Finances the long-term capital/ needs of the business. ✓ | <ul style="list-style-type: none"> • Finance the short term capital/ needs of the business. ✓ |
| <ul style="list-style-type: none"> • Examples: capital market, ✓ selling shares, ✓ mortgage bonds, and so on. | <ul style="list-style-type: none"> • Examples: money market, ✓ the credit allowed by suppliers, ✓ short terms loans, and so on. |
| Sub max (4) | Sub max (4) |

Max (8)



- NOTE:**
1. The answer does not have to be in tabular format
 2. The difference does not have to link, but the must be clear.
 3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either fixed capital or working capital only.

3.5 Importance of stock control

- Enables businesses/ to determine the amount/ value of stock. ✓
- Businesses can check the cost✓ and selling price of products. ✓
- Ensures that there is enough stock✓ to meet the normal demand of customers. ✓
- Keeps the correct levels of stock✓ on hand. ✓
- Records the cost prices✓ and selling prices of stock. ✓
- Identifies theft in the business✓ when the physical stock count is compared with the electronic stock control system. ✓
- Any other relevant answer related to importance of stock control.

Max (4)

[20]

QUESTION 4: MISCELLANEOUS

BUSINESS ENVIRONMENTS

4.1 Components of the market environment from the scenario

| COMPONENTS OF THE MARKET ENVIRONMENT | MOTIVATIONS |
|--------------------------------------|--|
| 1. Consumers/ customers✓✓ | Jane's Gardening Services provides goods and services to clients in her hometown. ✓ |
| 2. Competitor✓✓ | Selaelo has opened gardening services in the same area as Jane and sells her services at lower prices. ✓ |
| Sub max (4) | Sub max (2) |

Max (6)

4.2 Meaning of the tertiary sector

- Businesses that offer services✓ to other businesses and consumers. ✓
- They exist to facilitate the transport, distribution✓ and sale of goods produced in the secondary sector. ✓
- This sector is also known✓ as the service industry. ✓
- Any other relevant answer related to the meaning of the tertiary sector.

Max (4)

BUSINESS OPERATIONS

4.3 Consumer rights outlined in the NCA

Consumers have a right to:

- apply for credit✓✓
- receive information in their official language✓✓
- be protected from unfair discrimination in granting credit✓✓
- be given reasons why a credit application 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. ✓✓

Max (4)

4.4 Methods of carrying out public relations

Media✓✓

- Businesses get publicity for promotional events and information through media. ✓
- Includes advertising and the distribution of information about the business. ✓
- Any other relevant answer related to media as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

Direct contact✓✓

- Information about the business is passed on to the members of the public who have dealt with the business previously. ✓
- Direct contact with employees or telephonic communication is a popular form of public relations. ✓
- Any other relevant answer related to direct contact as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

Brochures✓✓

- Excellent way of distributing information in a cost effective way. ✓
- Any other relevant answer related to brochures as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

Exhibitions✓✓



- The business is introduced to the public and meet existing customers in shopping centres. ✓
- Any other relevant answer related to exhibitions as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

Social responsibility✓✓

- The business uplifts the community because the community supports the business by buying their product✓
- Any other relevant answer related to social responsibility as a method of carrying out public relations.



Method (2)
Explanation (1)
Sub max (3)

Transit advertising✓✓

- Advertising on vehicles such as taxis, busses, vans, etc. ✓
- Any other relevant answer related to transit advertising as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

Use of the telephone✓✓

- When a potential customer phones the business to enquire about something, the person answering the phone is perceived as the business. ✓
- If the potential customer is pleased with when information that was required, then that person can turn out to be the important customer. ✓
- Any other relevant answer related to use of the telephone as a method of carrying out public relations.

Method (2)
Explanation (1)
Sub max (3)

NOTE: Mark the first TWO (2) only.

Max (6)

[20]




SECTION C

Mark the FIRST answer only.

QUESTION 5: BUSINESS ENVIRONMENTS

5.1 Introduction

- 
- The market environment is regarded as an important part of the business. ✓
 - The components of market environment has an influence on the success or failure of business. ✓
 - Businesses do not operate in isolation of the business environment and they are therefore interrelated. ✓
 - Business must establish ways of addressing competition that poses challenges to businesses. ✓
 - Any other relevant introduction related to the meaning of market environment/ components of market environment/ interrelation between the micro and market environment/ reason why competition poses a challenge to business.

Any (2 x 1) (2)

5.2 The meaning of market environment

- The market environment is the immediate/ external environment of the business. ✓
- The business interacts/ with the various components of this immediate external environment on a daily basis. ✓
- A business has some/ limited/ partial control/ over its market environment. ✓
- In order for the business to be successful, it has to be able to influence/ the components in this environment. ✓

- Some components in the market environment can easily be influenced/ while others may be difficult to influence. ✓
- Any other relevant answer related to the meaning of the market environment.

Max (6)

5.3 Interrelation between the micro and market environments

Businesses and consumers✓✓

- Consumers depend on businesses for their goods/ services to satisfy their needs and wants/ and businesses also depend on consumers for their incomes when they buy from them. ✓
- Without consumers a business cannot survive,✓ businesses need to ensure that they produce goods of consistently high quality in order to main or increase their customer base. ✓
- The public relations department has to ensure that the business maintains a positive image/ at all times so that its customers remain loyal. ✓
- The marketing department has to constantly conduct a market research to identify the needs of their target market/ so that they are able to satisfy the changing needs of their consumers at all times. ✓
- Any other relevant answer related to the business and consumers as part of the interrelation between the micro and market environments.


Interrelation (2)

Explanation (2)

Sub max (4)

Business and suppliers✓✓

- Businesses depend on suppliers for their raw materials and other inputs. ✓
- Without raw materials from suppliers a business cannot produce its goods or services. ✓
- Businesses need to identify reliable suppliers/ so that they can be assured of constant supplies. ✓
- Reliable suppliers are those suppliers that offer raw materials of the right quality, the right quantity, the right prices/ and deliver them at the right time. ✓
- Supply shortage is one of the challenges/ in the market environment. ✓

- 
- Businesses need to honour their commitments to their suppliers by paying for their supplies on time, ✓ so that they maintain a good relationship with their suppliers. ✓
 - Businesses can also maintain a good relationship with their suppliers ✓ by signing long-term contracts for their raw materials at fixed prices, or buy in bulk in order to get discount on their raw materials. ✓
 - Any other relevant answer related to the business and suppliers as part of the interrelation between the micro and market environments.



Interrelation (2)

Explanation (2)

Sub max (4)

Business and intermediaries ✓✓

- Intermediaries distribute and sell the goods/ services of a business; ✓ they are the link between the business and the consumers. ✓
- Businesses need to main a good relationship with their intermediaries, ✓ so that they could check their activities. ✓
- Intermediaries need to be reliable and efficient, ✓ as their activities affect the quality and price of the goods and services. ✓
- Intermediaries are also the customers of the business ✓ and so businesses need to treat them with care at all times. ✓
- Any other relevant answer related to the business and intermediaries as part of the interrelation between the micro and market environments.

Interrelation (2)

Explanation (2)

Sub max (4)

Business and competitors ✓✓

- The business needs to study the activities of its competitors ✓ and be able to devise strategies to provide goods or services that are better than those offered by their competitors. ✓
- Increased competition will lead to lower prices ✓ of goods and services. ✓
- Businesses that offer the best quality and sell at the right prices ✓ will attract and



maintain loyal customers. ✓

- Businesses have to be up-to-date with the current trends and also the latest technology✓ in order to remain competitive in the market. ✓
- Any other relevant answer related to the business and competitors as part of the interrelation between the business and competitors.

Interrelation (2)

Explanation (2)

Sub max (4)

Max (16)



5.4 Reasons why competition poses a challenge to businesses

- Competition as one of the components of the market environment poses a challenge to businesses✓ because it is not within the control of the business. ✓
- Consumers will buy from the business where they get the most value for money✓ and they could choose the competitor. ✓
- Competitors may charge prices significantly lower than the business, ✓ which could drive the business out of the market/industry. ✓
- Business could find that they are unable to make sufficient profit✓ when the demand is not high enough. ✓
- Businesses could find it hard to differentiate itself from its competitors✓ in order to gain a competitive advantage. ✓
- New entrants with better products can also enter the market✓ and divide the market even more. ✓
- Any other relevant answer related to reasons why competition poses a challenge to businesses.

Max (8)

5.5 Components of the market environment

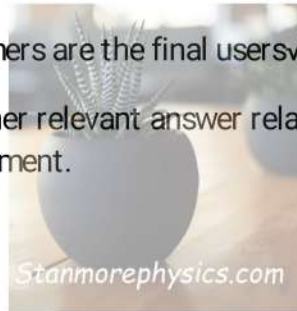
Consumers/ customers✓✓

- These refer to individuals or other businesses✓ that purchase products and services from a business. ✓
- Consumers/ customers play a key role to the success of a business, ✓ without



them the business will not succeed. ✓

- Businesses get their incomes from the money that they receive✓ when they sell their products or services to their customers. ✓
- Customer's preference and taste do change as they develop/ as time goes by✓ and so it is essential for businesses to conduct a market research to find out the needs of their target market. ✓
- If customers are not happy with the products or services of a business, ✓ they will turn to a competitor. ✓
- Consumers are the final users✓ of the product/ service. ✓
- Any other relevant answer related to customers as a component of the market environment.



Component (2)

Discussion (2)

Sub max (4)

Suppliers✓✓

- These are individuals or other businesses that provide/ supply businesses with the inputs/ resources✓ that they need in order to produce/ manufacture their product or services. ✓
- If suppliers fail to provide businesses with quality resources/ inputs or if the suppliers don't deliver these resources/ inputs on time or at the right prices, ✓ then the businesses will not be able to meet their goals/ objectives. ✓
- Businesses need to ensure that they identify reliable suppliers✓ in the market. ✓
- Without suppliers a business cannot succeed✓ because there would be no goods/ services available to sell to customers. ✓
- Businesses can establish a good relationship with their suppliers✓ by signing long -term contract for their raw materials at fixed prices. ✓
- Any other relevant answer related to suppliers as a component of the market environment.

Component (2)

Discussion (2)

Sub max (4)



Intermediaries✓✓

- These are individuals or businesses that distribute✓ and sell the products/ services of a business. ✓
- Some intermediaries assist businesses✓ with packaging and advertising of the business's products and services. ✓
- Intermediaries bridge the gap✓ between producers and consumers. ✓
- Intermediaries include; ✓ wholesalers, retailers, agents, brokers, transportation services etc. ✓
- Any other relevant answer related to intermediaries as a component of the market environment.

Component (2)

Discussion (2)

Sub max (4)

Competitors✓✓

- These refers to businesses/ organisations that provide or sell similar/ identical goods/ services✓ to that of the business. ✓
- Increased competition in the market✓ has a great benefit to consumers/ customers. ✓
- Businesses will be forced to offer quality products/ services at the lowest possible prices✓ or else, they will lose their customers to their competitors. ✓
- Businesses should monitor the activities of their competitors✓ so that they could produce goods or services that are of good quality than their competitors. ✓
- Any other relevant answer related to competitors as a component of the market environment.

Component (2)



Other organisations/ Civil society✓✓

- These include all the organisations or institutions that have been formed by some individuals/ members of the community✓ who have mobilised their resources to provide some essential goods/ services to the community without charging for these goods or services. ✓
- These organisations or institutions play a key role in the community✓ especially in areas where the public sector has failed to provide these goods/ services. ✓
- Any other relevant answer related to other organisations/ civil society as a component of the market environment.



Discussion (2)

Sub max (4)

Component (2)

Discussion (2)

Sub max (4)

Community-based organisations (CBO's) ✓✓

- They have been established to assist the community✓ in job creation, socio-economic development and becoming self-sufficient. ✓
- They are local organisations that operate in the community✓ that provide social services with aim of social upliftment. ✓
- They focus on social-economic issues✓ such as HIV/ Aids/ Unemployment/ Crime/ Illiteracy. ✓
- Any other relevant answer related to community-based organisations (CBO's) as a component of the market environment.

Component (2)

Discussion (2)

Sub max (4)

Regulators✓✓

- These are government bodies that make rules and regulations✓ to control the activities of businesses. ✓
- These rules and regulations are put in place✓ to ensure that businesses do not



exploit their customers or employees. ✓

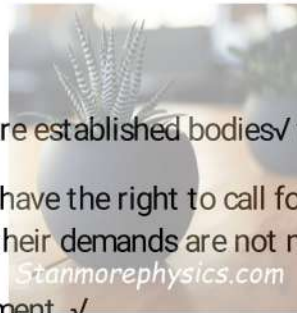
- Regulators include bodies/ organisations✓ such as SABS/ ACSA etc. ✓
- Any other relevant answer related to regulators as a component of the market environment.

Component (2)

Discussion (2)

Sub max (4)

Unions✓



- These are established bodies✓ that protect the interest of workers. ✓
- Unions have the right to call for an industrial action✓ such as a strike or a go-slow if their demands are not met by organisations or the government. ✓
- They constantly negotiate for better wages/ salaries for their members✓ and also safeguard their members against unfair dismissal. ✓
- They also negotiate for better working conditions for their members✓ and may represent them during disciplinary hearings. ✓
- Any other relevant answer related to unions as a component of the market environment.

Component (2)

Discussion (2)

Sub max (4)

Strategic allies✓

- These are businesses that combine their resources to undertake a project✓ that will benefit all of them. ✓
- They may share their expertise/ information✓ to benefit all their members. ✓
- These relationships help businesses to explore new markets✓ and also gain competitive advantage. ✓
- Any other relevant answer related to strategic allies as a component of the market environment.

Component (2)



NOTE: Mark the first FOUR (4) only.

Discussion (2)

Sub max (4)

Max (16)

5.6 Conclusion

- Market environment and its components influences the profitability and growth of the business. ✓✓
- It is important that interrelation between micro and market must be stable. ✓✓
- Competitor's profile can be used to identify the strength and weakness of competitors which the business can use to improve competitive advantage. ✓✓
- Any other relevant conclusion related to the meaning of market environment/ components of market environment/ interrelation between the micro and market environment/ reason why competition poses a challenge to business.

(1 x 2) (2)

[40]



BREAKDOWN OF MARK ALLOCATION

| DETAILS | MAXIMUM | TOTAL |
|---|---------|-------|
| Introduction | 2 | 32 |
| Meaning of market environment | 6 | |
| Interrelation between the micro and market environments | 16 | |
| Reasons why competition poses a challenge to businesses | 8 | |
| Components of the market environment | 16 | |
| Conclusion | 2 | 8 |
| INSIGHT | | |
| Layout | 2 | |
| Analysis, interpretation | 2 | |
| Synthesis | 2 | |
| Originality/ examples | 2 | 40 |
| TOTAL MARKS | | |

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.

Question 6: BUSINESS OPERATIONS

6.1 Introduction

- Quality is a critical factor in business success. ✓
- It includes the degree of excellence or superiority in products, services, and processes. ✓
- Consistently delivering quality builds trust and loyalty, fostering positive customer experiences. ✓
- Any other relevant answer related to the introduction of quality

Any (2 x1) (2)

6.2 Meaning of quality

- Quality refers to how goods/ services satisfy customer's needs/ and expectations continuously. ✓
- It refers to the characteristics of a product/ service/ that meets the customer's requirements. ✓
- Quality guarantees the degree of excellence/ to which a product or service meets the required needs of customers. ✓
- Any other relevant answer related to meaning of quality.

Max (6)

6.3 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"> • Inspection is carried out during and after the production process/ to ensure required standards are met at every stage of the process. ✓ |
| <ul style="list-style-type: none"> • Includes setting targets/ measuring performance/ and taking corrective measures. ✓ | <ul style="list-style-type: none"> • Ensures that every process is aimed at getting the product right the first time/ and prevents mistakes from happening again. ✓ |
| <ul style="list-style-type: none"> • Any other relevant answer. | <ul style="list-style-type: none"> • Any other relevant answer. |
| Sub max (4) | Sub max (4) |

Max (8)

- NOTE:**
1. The answer does not have to be in tabular format
 2. The difference does not have to link, but the must be clear.
 3. Award a maximum of TWO (2) marks if the difference is not clear/ Mark either quality control or quality assurance only.

6.4 Importance of quality for businesses



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

Max (8)

6.5 Quality indicators of the following business functions:

6.5.1 Administration function

- The administration function should collect data that can be used in decision-making, ✓ and store it safely. ✓
- All documentation should be kept neatly✓ and orderly in a safe place. ✓
- Financial documents should be kept up to date✓ and recorded accurately. ✓
- Vital information should be available✓ to management when needed. ✓
- The relevant information should be available ✓ to make a quick decision. ✓
- All systems and processes should be documented. ✓ This is a vital part of the administration function. ✓
- The latest technology✓ should be used. ✓
- Complaints should be handled quickly✓ and effectively. ✓
- Any other relevant answer related to quality indicators of the administration function

Sub max (8)

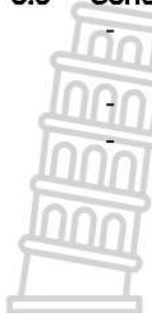
6.5.2 Financial function

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

Sub max (8)

Max (16)

6.6 Conclusion



- Business enterprises must strive to deliver good quality goods and render quality services. ✓✓
- This objective will be achieved if each business function focuses on quality. ✓✓
- Any other relevant conclusion related to quality.

(1 x 2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

| DETAILS | MAXIMUM | TOTAL |
|---|---------|-------|
| Introduction | 2 | 32 |
| Meaning of quality | 6 | |
| Differences between quality control and quality assurance | 8 | |
| Importance of quality for businesses | 8 | |
| Quality indicators of the following business functions: <ul style="list-style-type: none"> o Administration function o Financial function | 16 | |
| Conclusion | 2 | 8 |
| INSIGHT | | |
| Layout | 2 | |
| Analysis, interpretation | 2 | |
| Synthesis | 2 | |
| Originality/ examples | 2 | 40 |
| TOTAL MARKS | | |

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.