



Province of the
EASTERN CAPE
EDUCATION



**NATIONAL
SENIOR CERTIFICATE**

GRADE 10



BUSINESS STUDIES

MARKS: 100

TIME: 1.5 hours

9 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of questions.

Answer any TWO of the THREE questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the four questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.
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
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: FOUR essay-type questions CHOICE (Answer any TWO.)	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. 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 1.1.5 B.

- 1.1.1 Alfred Nzo Incorporated is an example of a ...

- A. private company.
- B. state-owned company.
- C. personal-liability company.
- D. sole trader.

- 1.1.2. Inclusivity can best be described as

- A. businesses are able to use a variety of talents and skills.
- B. employers include the benefits of the employees.
- C. Including of literacy/musical works/artistic works etc.
- D. representing the interests of the employees.

- 1.1.3. is an example of a social responsibility programme implemented by a business.

- A. Increase in manager's salary
- B. Sponsoring an HIV/Aids orphanage
- C. Increasing profits
- D. Discounting the prices of its products

- 1.1.4 Companies have to draft a ...that set out the rights and responsibilities of shareholders.

- A. Articles of Association
- B. Prospectors
- C. Memorandum of Incorporation
- D. Partnership Agreement.

- 1.1.5 The music industry is negatively affected by whereby public duplicate music without permission

- A. crime
- B. imitation
- C. bootlegging
- D. piracy

5 x 2 (10)

- 1.2. Choose a description from COLUMN B that matches the term in COLUMN A. Write only the letter (A–J) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK, for example 1.2.6 K.

	COLUMN A	COLUMN B
1.2.1	Social responsibility	A. They are jointly and several liable for debts and their obligations
1.2.2	Crime	B. An ethical view point that says every individual has an obligation to benefit society as a whole.
1.2.3	Partnership	C. It is a general term used in which people risk losing money but sometimes win some money
1.2.4	State owned company	D. Person who invests a new product service and calculate risks
1.2.5	Gambling	E. Work in partnership with the police. F. A new partner joins the business. G. These businesses take on the role of commercial enterprise on behalf of the government. H. Donate money that will be used to buy basic needs I. Actively committing money and resources to uplift the community J. Name ends with "SC"

(2x5=10)

TOTAL SECTION A

(20)

SECTION B

ANSWER ONLY TWO QUESTIONS IN SECTION B

QUESTION 2: BUSINESS VENTURES

- 2.1 Name FOUR different types of co-operatives (4)
- 2.2 Distinguish the difference between private company and public company (8)
- 2.3 Read the scenario below and answer the question that follow:

This company requires three or more directors and one or more shareholders. It is register with the Registrar of Companies by drawing up Memorandum of Incorporation. It is owned by the government and operated for profit.

- 2.3.1. Identify the form of ownership applicable above (2)
- 2.3.2. Discuss advantages of the form of ownership mentioned in 2.3.1. (6)

[20]

QUESTION 3: BUSINESS ROLES

- 3.1 Elaborate on the term *social responsibility* (2)
- 3.2 Define Corporate Social Responsibility (6)
- 3.3 Suggest initiatives taken by the business to address the following
- Poverty and inequality (4)
 - Crime (4)
 - Gambling (4)

[20]



QUESTION 4: MISCELLANEOUS

BUSINESS VENTURES

- 4.1. Name FOUR forms of ownership that are profit organisation (4)
- 4.2. Discuss advantages of a partnership (6)

BUSINESS ROLES

- 4.3.1 Describe the term inclusivity (4)
- 4.3.2 Explain the purpose of inclusivity. (6)

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[20]

ANSWER ONLY ONE ESSAY

QUESTION 5: BUSINESS VENTURES (FORMS OF OWNERSHIPS)

Corona and Covid completed their Bcom law degree and decided to open a law practice business. They are considering a personal liability company.

As a business- advisors provide a detail analysis of the above form of ownership:

- Outline the characteristics of personal liability company
- Explain the advantages and disadvantages of personal liability company
- Distinguish between the personal liability company and partnership
- Suggest the characteristics of Public company

[40]



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**NATIONAL
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GRADE 10



**BUSINESS STUDIES
MEMORANDUM**

100 MARKS

16 pages

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: SECTION A:

- There are no alternative answers.
- Each question has only one correct answer.

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 questions or sub-questions will be SEVERELY PENALISED. This is applicable to all the sections of the paper.**
8. No additional credit must be given for repetition of facts. Indicate with an R.
9. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

10 SECTION B

- 10.1 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.

10.2 If two facts are written in one sentence, award the candidate FULL credit. Point 10.1 above still applies.

10.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.

10.4 USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS

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

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

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

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

10.5 **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.**

11. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

11.2 Insight consists of the following components:

Layout/Structure:	(Is there an introduction, body, proper paragraphs and a conclusion?)	2
Analysis and interpretation:	(Learners' ability to break down the question/interpret it correctly to show understanding of what is being asked.)	2
Synthesis:	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide:</p> <p>No relevant facts: 0 (Two '-S')</p> <p>Some relevant facts: 1 (One '-S')</p> <p>Only relevant facts: 2 (Zero/No '-S')</p> <p>NB: 1. If there are no '-S' indicated, award the maximum TWO (2) marks.</p> <p>2. Where a candidate answer less than 50% of the Question with relevant facts, no -S appears in the Left margin, award a maximum of ONE (1) mark</p>	

Originality:	(Examples, recency of 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.**
4. **With the effect from November 2017 a candidate will be awarded a maximum of ONE (1) mark for headings/subheadings and ONE (1) mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.**

- 11.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 11.4 The components of insight are indicated at the end of the suggested answer for each question.
- 11.5 Mark all the relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follow: (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

- 11.7 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 sub-headings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARKS BREAKDOWN at the end of each question.)

- 11.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 11.9 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.
- 11.10 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 11.11 With the effect from November 2017, the maximum of TWO (2) marks for facts shown as heading in the memo, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A (COMPULSORY)

QUESTION 1

1.1

1.1.1 C.✓✓

1.1.2 A.✓✓

1.1.3 B.✓✓

1.1.4 C.✓✓

1.1.5. D.✓✓

1.2

5×2 (10)

1.2.1. B ✓✓

1.2.2. E ✓✓

1.2.3. A ✓✓

1.2.4. G ✓✓

1.2.5. C✓✓

(10)

SECTION B

QUESTION 2: BUSINESS VENTURES

MARK ONLY TWO QUESTION IN SECTION B

2.1 FOUR different types of co-operatives

- Agricultural.✓ - farmers wanting to work together rather than to compete with each other
- Worker.✓
- Consumer.✓
- Housing.✓
- Co-operative burial society.✓
- Financial services.✓
- Transport.✓
- Trading✓ - provide products as cheaply as possible to members
- Producers (Platinum) - A group of producers (manufactures) that form a legal entity.

Note: Mark the FIRST FOUR

(4)

2.2 Differences between private and public company.

PRIVATE COMPANY	PUBLIC COMPANY
May not offer shares✓ to the general public.✓	May not offer shares✓ to the general public.✓
Name must end✓ with Proprietary Limited/(Pty) Ltd.✓	Name must end✓ with Limited/Ltd.✓
Financial statements must be independently reviewed✓ but not necessarily audited.✓	Annual financial statements✓ need to be audited.✓
Does not need to publish a prospectus✓ as it cannot trade its shares publicly.✓	Have to register and publish✓ a prospectus with CIPRO.✓
The company is not required to raise✓ the minimum subscription/ issue minimum shares.✓	Must raise a minimum subscription prior✓ to the commencement of the company.✓
Managed by a minimum✓ of 1 or 2 directors✓.	Managed by a minimum✓ of 1 or 2 directors✓.
Any other relevant answer related to a private company.	Any other relevant answer related to a private company.
Submax (4)	Submax (4)

NOTE:

1. The answer must be in tabular format.
2. The differences must be clearly linked.

Max-8

2.3.1 State Owned Company (SOC)✓✓

(2)

2.3.2. Advantages of State- Owned Company (SOC)

- Profits may be used to finance ✓ other state departments/reduce taxes. ✓
- Offer essential services ✓ which may not be offered by the private sector. ✓
- Profits may be used ✓ to finance other state departments ✓
- Prices are kept reasonable/Create sound competition with the private sector ✓ to make services affordable to more citizens. ✓
- Wasteful duplication ✓ of services is eliminated ✓
- Jobs are created ✓ for all skills levels. ✓

(Max 6)

[20]

QUESTION 3 BUSINESS ROLES

3.1 Social responsibility:

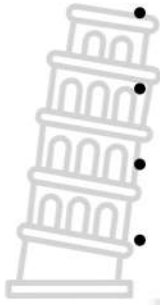
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- Is ethical view point that says every individual/organisation has an obligation ✓ to benefit society as a whole. ✓
- It also means getting actively involved in projects ✓ that can have a positive impact on society in a sustainable way. ✓
- It is when each person is responsible for the effects their behaviour ✓ and lifestyle has on the environment and others. ✓

Max(2)

3..2. Definition of Corporate Social Responsibility

- An obligation by a business to pursue sound long term goals ✓ for society. ✓
- Long term commitment by businesses to always act ethically/to contribute to economic development in order to improve the quality of life of their employees, ✓ their families, their local communities and society in general. ✓
- The way companies manage their business resources/processes ✓ to impact positively on society. ✓
- When a business is accountable to their employees/community/government ✓ for its actions/behaviour/methods of doing business. ✓
- An ethical way of doing business in the interest of both the business ✓ and the wider community. ✓
- A willingness to act in accordance with legislation ✓ that requires community upliftment/employee development. ✓



- Businesses recognise the need to give back to society in a sustainable manner.✓
- Refers to strategies used by business ✓to take responsibility for their impact on society and the environment.✓
- It is not a single action, but rather an approach ✓to doing business that guides all decision-making in the firm.✓
- Companies manage their business operations✓ in such a way that it does not negatively affect stakeholders.✓
- CSR focuses on the idea that businesses✓ can no longer act in isolation from the broader society.✓
- - Any other relevant answer related to the description/definition of CSR.

Max (6)

3.3 Initiatives to address poverty and inequality

- Uplift staff members through training and development causes.✓✓
- Get involved in the local community in hands-on sustainable projects with community members. ✓✓
- Donate money that will be used to buy basic needs.✓✓
- Make yourself aware of any website or stores that donate portions of their revenue to non-profits.

Max(4)

Initiatives to address crime

- Businesses can create projects to alleviate high rate of crime.✓✓
- Educating the community about the cost of crime.✓✓
- Work in partnership with the police.✓✓
- Work with schools to establish drug/gun free zone.✓✓
- Mentor young people who need positive support from adults.✓✓

Max (4)

Initiatives to address gambling

- Develop policies that are aimed at addressing awareness of gambling as a problem in the workplace and community.✓✓
- Provide guidelines on how to deal with gambling.✓✓
- Offer treatment for gambling. ✓✓

Max(4)

[20]

QUESTION 4 MISCELLANEOUS

BUSINESS VENTURES

4.1

Profit organizations

- sole trader✓



- partnership✓
- close corporation✓
- private company✓
- personal liability company✓
- public company state-owned company✓
- Any other relevant answer related to profit organisation. ✓

Note Mark the **FIRST FOUR** only

(4)

4.2 Advantages of partnership

- Partnerships are relatively easy to establish,✓ there are no formal requirements for the creation and running of a partnership. ✓
- Partners invest new capital into the business✓ to finance expansion.✓
- Partners contribute new skills✓ and ideas into a business.✓
- Partners share responsibilities for decision making✓ and managing the business.✓
- Partners share any profits✓ and are therefore motivated to work hard.✓
- Raising additional capital to finance further business expansion is easy,✓ because there is no limit on the number of partners allowed in each partnership.✓
- Partnerships can be cost-effective ✓as each partner specializes in certain aspects of their business.✓
- Partners are taxed in their own capacities,✓ which could lead to lower taxation,✓ depending on the level of income of the individual.✓
- Partnerships provide moral support✓ and will allow for more creative thinking and brainstorming.✓
- Partnership information is available✓ to partners.✓
- Partnerships are not compelled by law✓ to prepare audited financial statements.✓
- Any other relevant answer to the advantage of partnership.

Max **(6)**

BUSINESSROLES

4.3.1 Inclusivity meaning:

- That no one should be excluded because of their gender/age/race/ language/disability.
- It means giving everyone equal opportunities. ✓Inclusivity allows no discrimination ✓ on the basis of age, race, gender, sexual orientation, disabilities or HIV status. ✓
- An inclusive organisation will treat people who have the same skills and abilities ✓ equally when it comes to job opportunities. ✓

Max (4)

4.3.2 Purpose inclusivity

- But not discriminating against anyone and are including all people ...
- It is to make the best use✓ of all the human resources in an organisation. ✓

- To give people with different talents and backgrounds ✓ an equal chance to contribute to an organisation. ✓
 - As more and different people get new opportunities✓, inclusivity will gradually decrease inequality. ✓
 - More people will get jobs✓, become well-educated employees✓/ escape poverty. ✓
 - These new members of the middle class can then participate ✓ meaningfully in the economy and so more business can do well. ✓
 - Workplace diversity/inclusivity improves the ability✓ of a business to solve problems/ innovate/cultivate diverse markets. ✓
 - Employees value each other's diversity and learn to connect✓ and communicate across lines of difference. ✓
 - Employees demonstrate greater loyalty to the business✓ because they feel respected/accepted/understood. ✓
 - A diversified workforce because of inclusivity can give businesses a competitive advantage ✓ as they can render better services. ✓
 - Employees from different backgrounds can bring different perspectives✓ to the business. ✓
 - Businesses with a diverse workforce are more likely to have a good public image ✓and attract more customers. ✓
- Max (6)**

[20]

SECTION C Mark one Essay

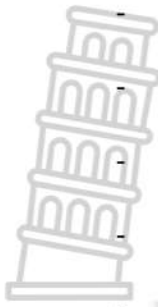
QUESTION 5: BUSINESS VENTURES (FORMS OF OWNERSHIP)

5.1. INTRODUCTION

- One of the characteristics of personal liability companies is that, certain professional persons, such as attorneys and accountants, who are statutorily prohibited from enjoying limited liability, often incorporate a personal liability company to regulate their affairs.✓
- Personal liability companies are subject to fewer disclosure and transparency requirements✓✓
- Any other relevant introduction related to the Personal Liability Companies.

Max (2)

5.2. Characteristics of a personal liability company



- 1 or more persons (including juristic persons) ✓ may incorporate a personal liability company. ✓
- The board of a personal liability company must comprise at least one director ✓ (1 or more directors). ✓
- Personal liability companies are subject to fewer disclosure ✓ and transparency requirements. ✓
- The directors are jointly and severally liable ✓ with the company for all company debts and liabilities incurred. ✓
- The company has the benefit of corporate existence ✓ and perpetual succession. ✓
- These companies are identified by the suffix 'Incorporated' ✓ or 'Inc'. ✓
- A personal liability company is prohibited by MOI from offering its shares to the public ✓ and the transferability of its shares is restricted. ✓
- Personal Liability Company must prepare annual financial statements ✓, but is not required to lodge its annual financial statements with the Commission. ✓
- Annual financial statements need not be either audited ✓ or independently reviewed, unless prescribed by regulation. ✓
- Shareholders of a personal liability company have a right of pre-emption ✓ in respect of the issue of new securities unless the MOI provides otherwise. ✓
- A personal liability company has a separate legal personality ✓, Shareholders have limited liability. ✓
- A personal liability company is required to give 10 business days' notice ✓ for shareholder meetings. ✓
- Any other relevant answer related to the characteristics of personal liability company

Max (10)

5.3. Advantages and Disadvantages of personal liability company

Advantages

- The board of a personal liability company must comprise at least one director ✓ (1 or more directors) or any other minimum number as stipulated in its MOI. ✓✓
- The life span of a personal liability company is perpetual. ✓✓
- The company is a separate legal person it can buy property in its own name. ✓✓
- The Act imposes personal liability on directors who are knowingly part of the carrying on of the business in a reckless or fraudulent manner. ✓✓
- Directors of a personal liability company are not compelled to attend the Annual General Meeting (AGM). ✓✓
- Audited financial statements are optional; otherwise the financial statements need to be independently reviewed unless exempted by regulation. ✓✓
- A personal liability company is not required to lodge its annual financial statements with the Commission. ✓✓

Sub max (8)

Disadvantages

- The directors and past directors are jointly & severally liable together with the company, for the debts and liabilities of the company that were contracted during their respective terms of office.✓✓
- Subject to many legal requirements, hence it is difficult and expensive to establish compared to Close Corporations and Sole Proprietorship.✓✓
- A personal liability company is prohibited by MOI from offering its shares to the public and the transferability of its shares is restricted.✓✓
- The company is subjected to double taxation, i.e. on the taxable income and Standard Tax on Companies (STC) payable on declared dividends.✓✓
- A meeting may not begin or a matter may not be debated unless at least three shareholders are present.✓✓
- The meeting may not begin to be considered unless sufficient persons are present at the meeting to exercise in aggregate at least 25% of all the voting rights. The voting rights must be determined by MOI.✓✓
- Personal liability companies are compelled to prepare annual financial statements.✓✓
- All distributions to shareholders require board approval and need to satisfy the solvency and liquidity tests and the payment are also extremely widely defined✓✓
- Any other relevant answer related to the disadvantage of PLC

Submax (8)
Max (16)

5.4 DIFFERENCES BETWEEN

PERSONAL LIABILITY COMPANY	PARTNERSHIP
- One or more persons (including juristic persons) ✓ may establish a personal liability company.✓	- Two or more persons✓ may establish a partnership.✓
- Managed by board of directors comprise at least one director✓ (1 or more directors).✓	- Partners share the responsibility✓ of managing the business. ✓
- Personal liability companies must register with CIPC✓ and submit the memorandum of incorporation.✓	- There are no legal requirements in starting a partnership✓ except the drawing up of partnership agreement.✓
- The name must end✓ with the suffix 'Incorporated/Inc.' ✓	- No specific suffix ✓to be reflected in the name of the partnership. ✓
- The company and its shareholders✓ are subjected to double taxation.✓	- Partners are taxed✓ in their personal capacity.✓
Sub max(6)	Sub-max (6)

Max (12)

5.5 Characteristics of public company

- Requires three or more directors and one or more shareholders.✓✓
- The name ends with Ltd. ✓✓
- Public can buy shares in company a prospectus is issued✓✓
- Register with the Registrar of Companies by drawing up Memorandum of Incorporation. ✓✓
- Has legal personality and therefore has unlimited continuity ✓✓

- Shareholders have a limited liability. ✓✓
- A public company is required to hold an AGM (Annual General Meeting). ✓✓
- Auditing of financial statements is compulsory and audited statements are available to shareholders and the public. ✓✓
- Profits are shared in the form of dividends in proportion to the share held. ✓✓

Max (10)

CONCLUSION

- Operating as a PLC can be challenging because of legal requirements. ✓✓
- This form of ownership is most suitable for professional people, e.g. lawyers, because of limited liabilities of the owners. ✓✓
- Any other relevant conclusion related to the Personal Liability Companies, public company and partnership

Max (2)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
Characteristics of PLC	10	
Advantages and disadvantages of PLC	16	
Difference between PLC & Partnership	12	
Characteristics of Public	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

[40]



QUESTION 6: BUSINESS ROLES (& SOCIO ECONOMIC ISSUES)

6.1. Introduction

- Workers living with HIV/Aids often have low morale and this lowers productivity.✓
- A responsible business should contribute towards the upliftment of the community.✓
- Any other relevant introduction related to socio-economic issue.

Max (2)

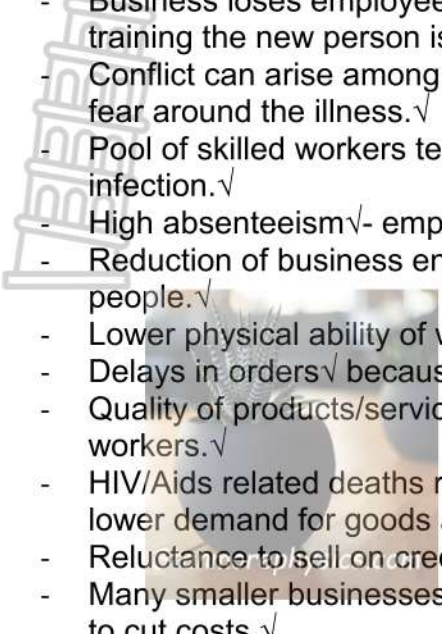
6.2 Reasons why socio economic issues pose challenge to businesses:

- South African businesses face a unique set of socio-economic challenges✓ that impact on business operations.✓
- All socio-economic issues present✓ both challenges and opportunities for entrepreneurs.✓
- It poses a challenges, because it is not within✓ the control of the businesses (issues forms part of MACRO environment)✓
- Also the business would not really be able to come up✓ with a solution to (socio-eco issues)✓

Max (8)

6.3. Impact of HIV/Aids on business

- Costs such as insurances, retirement funds, medical aid, health and safety,✓ tend to increase.✓

- 
- Business loses employees, ✓ the costs of finding suitable replacement and training the new person is high.✓
 - Conflict can arise among staff if one found with illness✓ due to ignorance and fear around the illness.✓
 - Pool of skilled workers tends to be smaller✓ due to high rates of HIV/Aids infection.✓
 - High absenteeism✓- employees take more sick leaves.✓
 - Reduction of business enterprise labour force✓- work must be done by fewer people.✓
 - Lower physical ability of workers✓ resulting in daily targets not being met.✓
 - Delays in orders✓ because of stock shortages.✓
 - Quality of products/services might be poorer✓ because of inexperienced workers.✓
 - HIV/Aids related deaths reduce the number of consumers,✓ resulting in a lower demand for goods and services.✓
 - Reluctance to sell on credit✓ to high-risk consumers.✓
 - Many smaller businesses will close down✓ while others downscale (retrench) to cut costs.✓
 - Any other relevant answer related to the impact of HIV/Aids on business

Max (14)

6.4. Ways the businesses can respond to HIV/Aids

- Workplace HIV/Aids policies and programme✓ must be in place.✓
- Educate the staff to get tested✓ in order to know their status.✓
- Organise the counselling ✓ and treatment of those with HIV/Aids.✓
- Educate workers about the importance of safe sex.✓
- Issues ARV's ✓ and implement the proper treatment programmes.✓
- Educate staff about the laws regarding HIV/Aids ✓and notify that it illegal to discriminate against someone with HIV/Aids.✓
- Put a system in place✓ to monitor the blood cell count.✓
- Make use of educational programmes✓ on HIV/Aids management.✓
- Any other ways related the businesses can respond to HIV/Aids.

Max (14)

6.5 Impact of unproductive workforce on business

- There is always tension between the employers and employees because employees are performing below employer's expectations.✓✓
- Low profits for business and make it difficult to survive an economic recession
- Stress for both employees and employers✓✓

- Unproductive labour is a major stumbling block to economic growth and sustainability.✓✓
- It pushes up production costs and make way for cost-efficient foreign competition who employ highly qualifies skilled and motivated people.✓✓
- Could result in decreased employment opportunities if businesses switch over to advanced technology to replace labourers✓✓

Max (10)

6.6 Conclusion

- Successful HIV programmes will improve the general standard of living.✓✓
- Government and businesses launch countywide campaigns on awareness on HIV/Aids and availability of ARV's in clinics.✓✓
- Any other relevant conclusion of CSR and HIV/Aids programmes.

Max

(2)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
Reasons why socio economic issues can pose challenge	8	
Impact of HIV/Aids on business	14	
Ways business respond to HIV/Aids	14	
Impact of unproductive workforce	10	
Conclusion	2	8
INSIGHT		
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

(40)

TOTAL 100