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EDUCATION

NATIONAL SENIOR CERTIFICATE

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BUSINESS STUDIES P1
JUNE 2025

MID YEAR EXAMINATION

MARKS: 100

TIME: 1.5 Hours

This question paper consists of 8 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the THREE questions in this section.

SECTION C: Consist of TWO questions.

Answer any ONE of the TWO questions in this section.

- 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
questions choice (answer any two)	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.
4	Choose the answer and write only the letter (A-D) next to the question number
D	(1.1.1 – 1.1.5) in the ANSWER BOOK, for example 1.1.6 E.

Choos	se the a	ons are provided as po answer and write only 5) in the ANSWER BO	the letter (A-D) ne	xt to the que	를 즐겁다.
1.1.1	The p	rocess of setting goals	and developing s	trategies is k	nown as .
	A B C D	organising controlling planning leading			
1.1.2	A stat	ement that explains th	e reason for the ex	xistence the	business.
	A B C D	vision mission goal objective			
1.1.3	A low fun	rate of staff turnover i	n the business is a	quality indic	cator of the
	A B C D	management marketing administration human resources			
1.1.4	They	bridge the gap betwee	n the manufacture	er and the co	nsumer.
	A B C D	Intermediaries suppliers investors regulators			
1.1.5	The b	usiness does not have	control over the .	environme	ent
	A B C	micro macro internal			
	D	market		(5×2)	(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.

functional organizational structure; primary; service providers data; production; secondary; information; project organizational structure; competitors; public relations.

- 1.2.1 ... refers to the businesses that produce the same product or service for the same target market.
- 1.2.2 The ... function is responsible for creating a good image for the business.
- 1.2.3 ... refers to raw/unprocessed facts found in graphs/tables.
- 1.2.4 This sector is responsible for collecting resources direct from nature.
- 1.2.5 Employees get instructions from more than one manager.

 (5×2) (10)

TOTAL SECTION A: 20

SECTION B

Answer any TWO questions in this section.

NOTE:

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

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name THREE organisational resources (3)
- 2.2 Outline NGO's as an example of civil society. (6)
- 2.3 Read the scenario below and answer the questions that follow.

MAROLE BOUTIGUE HOTEL (MBH)

Mahole Boutique Hotel recently opened their seventh hotel in Botswana. The Hotel receives many tourists from the UK. New employees are trained on how to communicate among themselves, dress code and administration policy.

- 2.3.1 Identify ONE component of the micro environment that is applicable to MBH. Motivate your answer by quoting from the scenario above.
- (3)
- 2.4 Explain the relationship between the micro, market and macro environments.

(4)

2.5 Advise business on the reasons why the technological component of the macro environment pose a challenge to businesses.

(4)

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[20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name any THREE types of capital. (3)
- 3.2 Outline the purpose of the National Consumer Protection Act (6)
- 3.3 Read the scenario below and answer the questions that follow.

MOORE CLEANING SERVICES (MCS)

Moore Cleaning services operates in Limpopo province. The business has employed managers to oversee different departments. Moloko is responsible for setting the overall direction for the business.

- 3.3.1 Identify the business function that is applicable to MCS. Motivate your answer by quoting from the scenario above.
- 3.4 Discuss the importance of the public relations. (4)
- 3.5 Advise businesses on the importance of stock control. (4)

[20]

(3)



QUESTION 4: MISCELLANEOUS

BUSINESS ENVIRONMENTS

4.1 Define the meaning of the market environment. (2)4.2 Identify the components of the macro environment from the following statements: 4.2.1 The high level of crime has negatively affected Motlatso's business. (2)4.2.2 The rising price of petrol has increased the operating costs of Lunga couriers. (2)4.3 Advise business on the differences between management and leadership (4) **BUSINESS OPERATIONS** State any TWO levels of management 4.4 (2)4.5 Identify the sources of financing from the following statements: 4.5.1 Maria received money from the government to expand her poultry business. (2)4.5.2 Zuiry furniture borrowed money from ADSA Bank, which will be paid back with interest over five years. (2)4.6 Advise business on the positive impact of the National Credit Act. (4)

TOTAL SECTION B: 40

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 (BUSINESS SECTORS)

The businesses in the secondary sector play a huge role in making a meaningful contribution to the South African economy. Businesses need to understand the relationship between the different sectors. A clear distinction is made of the differences between the public and private sectors and the importance of both formal and informal sectors.

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Write an essay on the business sectors in which you include the following aspects:

- Outline the meaning of the formal sector.
- Explain the relationship between the primary, secondary and tertiary sectors.
- · Discuss the differences between the public and private sectors.
- Advise business on the importance of the formal and informal sectors. [40]

QUESTION 6: BUSINESS OPERATIONS (THE CONCEPT OF QUALITY)

Quality is important for business success. Businesses need to understand the differences between quality control and quality assurance. The general management plays an important role in delivering quality goods and services.

Write an essay on the following aspects:

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- Outline the meaning of quality
- · Explain the importance of quality for businesses.
- Discuss the quality indicators of the general management
- Advise businesses on the differences between quality control and quality assurance.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 100

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EDUCATION

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BUSINESS STUDIES P1
JUNE 2025 EXAMINATION
MARKING GUIDELINES

MARKS: 100

This marking guidelines consists of 20 pages.

GŘADĚ 10 MARKING GUIDELINES

NOTES TO MARKERS

A. ATTACH THE COLOUR PENS INFORMATION

- 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:

- 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 subquestion.
- 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.
- 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.

MARKING GUIDELINES

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' or physics com
 - 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	
Content	Maximum:
Conclusion	32
Insight	8
TOTAL	40

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GŘADĚ 10 MARKING GUIDELINES

13.2 Insight consists of the following components:

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

MARKING GUIDELINES

- 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
Α Α	2
S	2
0	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.'√

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GRADE 10 MARKING GUIDELINES

SECTION A

QUESTION 1

1.1.1 C√√

1.1.2 B√√

1.1.3 D√√

1.1.4 A√√

1.1.5 B√√

 $(5 \times 2)(10)$

1.2.1 competitors√ 1.2

1.2.2 public relations√√

1.2.3 data√√

1.2.4 primary√√

1.2.5 functional organizational structure √√

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 $(5 \times 2) (10)$

TOTAL SECTION A: 20

BREAKDOWN OF MARK

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

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MARKING GUIDELINES

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Organisational resources

Human resources√

- Physical resources√
- Financial resources√
- Technological resources√.

NOTE: Mark the first THREE (3) only.

(3)

2.2.1 NGO'sas an example of civil society

- Non-governmental organisations (NGOs) are non-profit organisations that operate separately from the government. $\sqrt{\sqrt{}}$
- They are established to fulfil important needs in the community by addressing some socio-economic issues. $\sqrt{\sqrt{}}$
- They are part of the market environment because they supply consumer goods and services and they are concerned about the welfare of others. √√
- Any other relevant answer related to NGO's.

Max (6)

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2.3 Components of the micro environment

2.3.1 Components of the micro environment from the scenario

Organisational culture $\sqrt{\sqrt{}}$

(2)

NOTE: Mark the first ONE (1) only.

MOTIVATION

New employees are trained on how to communicate among themselves, dress code and administration policy. $\sqrt{}$ (1)

NOTE: Do not award marks for the motivation, if the micro environment component was incorrectly identified. Max (3)

2.4 The relationship between the micro, market, and macro environments

- Changes in the macro environment √ may affect the micro environment which may then affect the market environment. √
- For example; an increase in the interest rate √ may lead to an increase in the production cost, hence increase in the prices of goods/services, which will in turn decease consumer spending. √
- Businesses (the micro environment) are in constant interaction √ with components of the market and macro environment. √
- Businesses are challenged by changes in the market and macro environment√ which cannot be controlled by the business. √
- Changes in the market environment may affect the micro environment. E.g., new competitors entering the market might force businesses to decrease their prices. √
- Businesses must adapt√ to challenges from the macro-environment by formulating strategies to cope with these challenges. √

MARKING GUIDELINES

- A change in the macro environment may cause a change√ in the micro environment which may in turn, create a change in the market environment e.g. an increase in the rate of interest may lead to an increase in the production cost which may reduce consumer spending. $\sqrt{}$
- A change in the economic environment may lead to a change √ in the technological environment and the way in which people spend money. √ The legal, political and institutional environment has a large impact on other

business environments $\sqrt{\text{e.g.}}$ politics and laws affect the economic environment. √

- The business has full controly over all elements/features of the micro environment. V
- The business has less/little control√ over the market environment but it can influence it.
- The business has no control √ over the macro environment but it must develop strategies to adapt to the challenges that are posed. $\sqrt{}$
- Any other relevant answer related to the relationship between micro, market and macro environments. Max (4)

2.5 Reasons why the technological component of the macro environment poses a challenge to businesses

- Businesses may not be able to keep up with/be aware of the latest technology. $\sqrt{\sqrt{}}$
- Employees may not be skilled to operate/maintain new technology/ equipment. $\sqrt{\sqrt{}}$
- Staying up to date with the latest and greatest technology can be expensive. $\sqrt{\sqrt{}}$
- Businesses experiencing systems failure will be rendered paralysed, which will cause businesses to lose capital due to stalling in operations. $\sqrt{\sqrt{}}$
- Business's IT systems may be hacked by fraudsters, and this could expose its confidential information/be damaging to the business. $\sqrt{\sqrt{}}$
- The availability of online shopping decreased the demand for some products from conventional street stores and service businesses. $\sqrt{\sqrt{}}$
- Many businesses may not be able to succeed without internet connectivity. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the reasons why the technological component of the macro environment poses a challenge to businesses.

Max (4) [20]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	3
2.2	6
2.3	3
2.4	4
2.5	4
TOTAL	20

(3)

MARKING GUIDELINES

QUESTION 3: BUSINESS OPERATIONS

3.1 Types of capital

Functional organisational structure√
Project organisational structure√

Matrix organizational structure√

NOTE: Mark the first THREE (3) only.

3.2 The purpose of the National Consumer Protection Act

- Promotes responsible consumer behaviour. √√
- Strengthens a culture of consumer rights and responsibilities. √√
- Establishes national standards to protect consumers. √√
- Establishes a National Consumer Commission (NCC). √√
- Ensures that consumers have access to information they need to make informed choices.
- Empowers consumers to take legal action if their rights are not upheld. $\sqrt{\downarrow}$
- Promotes consumer safety by protecting them from hazardous products/services. $\sqrt{\sqrt{}}$
- Promotes fair/accessible and sustainable places for people to sell their products. √√
- Promotes consistent laws relating to consumer transaction and agreement. √√
- Promotes the rights and full participation of historically disadvantaged individuals as consumers. √√
- Protects consumers against contracts that include unfair terms which limit the liability of suppliers.√√
- Any other answer related to the purpose of the National Consumer Protection Act. Max (6)

3.3 Business functions from the scenario

3.3.1 Business functions from the scenario

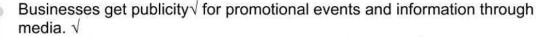
General management $\sqrt{}$ (2)

Motivation: Moloko is responsible for setting the overall direction for the business.√ (1)

NOTE: Do not award marks for the motivation, if the business function was incorrectly identified. Max (3)

MARKING GUIDELINES

3.4 The importance of public relations



- News conferences may be called to release information $\sqrt{\ }$, which will ensure the survival of the business. $\sqrt{\ }$
- Employees may volunteer to spend time with people in need √, for example, volunteering at orphanages/hospitals/schools, and so on. Businesses could sponsor√ community events. √
- Businesses should produce Annual Reports $\sqrt{}$ in which they review the activities and achievements of the business. $\sqrt{}$
- Brochures can also be used to distribute information√ about the company.
 √
- Networking is a popular form of public relations √, direct contact with employees or telephonic communication. √
- Attend network events√ and talk about the business product. √
- Use corporate social responsibility as a public relations activity involving communities √to get positive exposure. √
- Any other relevant answer related to the importance of public relations.

Max (4)

3.5 Importance/purpose of the 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. $\sqrt{}$
- Any other relevant answer related to the importance of stock control.

Max (4)

[20]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2	6
3.3	3
3.4	4
3.5	4
TOTAL	20

GRADE 10 MARKING GUIDELINES

QUESTION 4: MISCELLANEOUS

4.1 Definition of the market environment

- The market environment refers to the immediate external components that directly affect the ability of the business to operate. $\sqrt{}$
- Includes all forces/stakeholders that have a direct effect on the functioning of the business. $\sqrt{\vee}$
- Any other relevant definition of the market environment. Max (2)

4.2 Components of the macro environment from statements

4.2.1 Social environment √√
4.2.2 Economic environment √√
(2)
(2)

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4.3 The differences between management and leadership

MANAGEMENT	LEADERSHIP
A manager understands the goals of the business. $\sqrt{}$	A leader creates a vision/sets direction. $\sqrt{}$
Managers ensure that tasks given to subordinates are completed. $\sqrt{}$	Leaders create the team and inspire the subordinates. $\sqrt{}$
He/she guides human behaviour. $\sqrt{}$	He/she influences human behaviour. $\sqrt{}$
A manager communicates through management functions, for example, line function. $\sqrt{}$	A leader communicates using vision/charisma. $\sqrt{}$
A person becomes a manager because he/ she is appointed to the position. $\sqrt{}$	Leaders are born with natural/ Instinctive leadership skills. √√
Any other relevant answer related to management.	Any other relevant answer related to leadership.
Submax (2)	Submax (2)

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

- 2. The differences do not have to link but must be clear.
- 3. Award a maximum of TWO (2) marks if the differences are not clear/Mark either management or leadership only.

Max (4)

MARKING GUIDELINES

4.4 Levels of management

Top level√

Middle level√

Lower level√

NOTE: Mark the first TWO (2) only.

4.5 Sources of financing from statements

4.5.1 Grants $\sqrt{}$

4.5.2 Bank loans (2)

4.6 Positive impact of the National Credit Act

- Lowers bad debts resulting in better cash flow. √√
- Protects business against non-paying consumers. √√
- Increases cash sales as credit can only be granted to qualifying customers. Noraphysics.com
- Prevents reckless lending by financial institutions. √√
- Ensures that credit process is transparent, for example, both businesses and customers know their responsibilities. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the positive impact of NCA.

Max (4)

[20]

(2)

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2.1	2
4.2.2	2
4.3	4
4.4	2
4.5.1	2
4.5.2	2
4.6	4
TOTAL	20

GRADE 10 MARKING GUIDELINES

SECTION C

Mark the FIRST answer only.

QUESTION 5: BUSINESS ENVIRONMENTS

5.1 Introduction

- Businesses can be divided into the formal sector and the informal sector depending on the level of compliance with government's business laws. √
- The business sectors do not operate in isolation and need one another in the production of goods and services. √
- In South Africa's mixed economy, most businesses are privately owned and some businesses are state-owned.
- With increasing unemployment in South Africa, the informal sector is growing bigger since many people use their entrepreneurial skills to generate some form of income to survive. √
- Any other relevant introduction related to the meaning of formal sector, the relationship between primary, secondary and tertiary sectors, the differences between public and private sectors and the importance of the formal and informal sectors.

 (2 x 1) (2)

5.2 The meaning of formal sector

- Businesses in the formal sector are registered and pay taxes. √√
- These businesses are required to register with the Companies and Intellectual Property Commission (CIPC). $\sqrt{\sqrt{}}$
- Businesses have to register with the South African Revenue Services (SARS) and be liable to pay tax on turnover and profits at prescribed threshold. $\sqrt[]{\sqrt}$
- The formal sector is within the mainstream of the economy. $\sqrt{\sqrt{}}$
- This sector includes small, medium and large businesses. √√
- Employees are protected in many ways such as Unemployment funds, disability and injured on duty of industry. √√
- They are controlled by laws and regulations of the government
- Keep accounting records and audit their books. √√
- It is capital intensive as it involves using machinery/equipment etc. √√
- They operate under an acknowledged form of ownership such as partnerships, close corporation, companies and sole proprietors. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the meaning of formal sector

Max (10)

MARKING GUIDELINES

5.3 The relationship between primary, secondary and tertiary sectors

The sectors work together $\sqrt{}$ to create an economic chain of production. $\sqrt{}$ The primary sector gathers the raw materials $\sqrt{}$, the secondary sector transforms

the raw materials into useful goods. √

The tertiary sector sells the goods or services $\sqrt{}$ and supports the activities of the primary and secondary sectors. $\sqrt{}$

The primary sector depends on the secondary sector for manufactured goods $\sqrt{}$ such as machinery/equipment/fertilisers e.g. a farmer may require seeds from another farm. $\sqrt{}$

- The primary sector is dependent on the tertiary sector $\sqrt{}$ for its customer needs. $\sqrt{}$
- The secondary sector processes the raw materials obtained from the primary sector√ into more useful products. √
- The secondary sector depends on other secondary industries √ e.g. BMW needs tyre from DUNLOP another secondary sector player. √
- Secondary sector needs the tertiary sector to sell their processed or manufactured goods√ and also for services such as banks, insurance, transport and communication of applysics.com
- The tertiary sector depends on the primary sector for raw materials $\sqrt{\ }$ that do not need processing by the secondary sector. $\sqrt{\ }$
- The tertiary sector depends on the secondary sector for manufactured goods $\sqrt{}$ such as office machines/office furniture/stationery etc. $\sqrt{}$
- Any other relevant answer related to the relationship between primary, secondary and tertiary sector.

 Max (14)

5.4 The differences between public and private sectors

PUBLIC SECTOR	PRIVATE SECTOR
Aim is to meet the needs $\sqrt{\ }$ of the society. $\sqrt{\ }$	Aim is to meet both the need and wants $$ of the society. $$
State owned/state run or parastatals $$ which are operated by private company. $$	Privately owned√ by entrepreneurs. √
Partly or wholly funded√ by tax money. √	Owners raise capital√ to fund their businesses. √
Motive√ is to provide a service. √	Motive√ is to make a profit. √
State√ ownership. √	Owned by√ different forms of ownership. √
State owned businesses report $\sqrt{\ }$ to government. $\sqrt{\ }$	Businesses in this sector do not report√ to government but owners. √
Government monitors $\sqrt{\ }$ and oversees their performance. $\sqrt{\ }$	Owners oversees√ their performance. √
Any other relevant answer related to the public sector.	Any other relevant answer related to the private sector.
Submax (6)	Submax (6)

NOTE:

- 1. The answer does not have to be in tabular format.
- 2. The difference does not have to link but must be clear.
- 3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either public sector or private sector only. Max (12)

GŘADĚ 10 MARKING GUIDELINES

5.5 The importance of the formal and informal sectors.

5.5.1 The importance of the formal sector

- Business activities are included in the GDP figures of the country. $\sqrt{\sqrt{}}$ Companies pay taxes on their profits. $\sqrt{\sqrt{}}$
- People who are employed at companies pay personal income tax. $\sqrt{\sqrt{}}$ Provides employment to highly skilled, semi-skilled and unskilled labourers.
- People working in the formal sector gain the necessary skills to start their own businesses.
- Provides a large variety of goods and services to satisfy consumers.
- They supply legal products. √√
- Products supplied by the formal sector are guaranteed, which means that faulty goods can be returned. √√
- They employ many people with different skills and qualifications. √√
- Any other relevant answer related to the importance of the formal sector.

5.5.2 The importance of the informal sector

- Encourages entrepreneurship and self-employment. √√
- Provides employment opportunities for communities and contributes to poverty alleviation. $\sqrt{\sqrt{}}$
- People working in the informal sector gain work experience, which enables them to apply for jobs in the formal sector. $\sqrt{\sqrt{}}$
- People start informal businesses to supplement their income earned in the formal sector. $\sqrt{\sqrt{}}$
- It is easy to enter this sector and serves the needs of individuals. √√
- Provides opportunity for marginalised /disadvantaged people by encouraging street trade. $\sqrt{}$
- Serves as buffer between employment and unemployment. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the importance of the informal sector.

Max (10)

5.6 Conclusion

- The formal sector is mainly characterised by small, micro, medium and large businesses with specific working hours and monthly salaries or weekly wages. $\sqrt{\!\!\!\!\!\!\!/}$
- People working in the formal sector gain the necessary skills to start their own businesses. $\sqrt{\vee}$
- People working in the informal sector gain work experience, which enables them to apply for jobs in the formal sector. $\sqrt{\sqrt{}}$
- The private sector in South Africa's economy support public sector with a public-private-partnership agreement. $\sqrt{\sqrt{}}$
- Any other relevant conclusion related to the meaning of formal sector, the relationship between primary, secondary and tertiary sectors, the differences between public and private sectors and the importance of the formal and informal sectors.
 (1 x 2) (2)

MARKING GUIDELINES

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	
The meaning formal sector	10	32
The relationship between primary, secondary and tertiary sectors	14	
Differences between the public and private sectors	12	
The importance of the formal and informal sectors	10	
Conclusion	2	
INSIGHT		
Layout	2	
Analysis, interpretation	2	
Synthesis	2	8
Originality/examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

GŘADĚ 10 MARKING GUIDELINES

Question 6: BUSINESS OPERATIONS

6.1 Introduction

- Quality is critical to satisfying customers and retaining their loyalty to ensure that they continue buying in the future. $\sqrt{}$
- Whether a business is small or large, the quality of products and services should be non-negotiable. $\sqrt{}$
- Quality control and quality assurance are important in ensuring the production process meets required standards at all times. √
- The general management play an important part in the success of other business functions. √
- Any other relevant introduction related to the meaning of quality, importance
 of quality for the business, differences between quality control and quality
 assurance and the quality indicators of the general management.

 $(2 \times 1) (2)$

6.2 The meaning of quality

- Quality is the ability to satisfy customer/consumer needs. √√
- It refers to the features/characteristics of a product/service that meets customer's requirements. $\sqrt{\downarrow}$
- It refers to products and services that satisfy needs and exceeds customer expectations on a continuous basis. $\sqrt{\sqrt{}}$
- Includes learning from mistakes and continuously improving all aspects of the business. $\sqrt{\vee}$
- It a degree of excellence to which a product/service satisfies the required needs of customers. $\sqrt{\sqrt{}}$
- It is measured against specific criteria such as physical appearance/reliability/durability/after-sales services.
- The efficiency of services and the ability to provide an effective outcome without too many delays. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the meaning of quality.

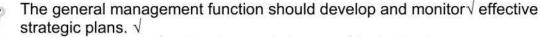
Max (10)

6.3 The importance of quality for businesses

- The quality enables businesses to have a good reputation√ and promotes brand awareness. √
- Quality products increase sales√, profits, business growth and attracts prospective investors. √
 - The business gains goodwill and support√ from the community. √
- Quality guarantees the degree of excellence √to which a product or service meets the required needs of customers. √
- Businesses will be financially sustainable √ and have a larger share of the market. √
 - Any other relevant answer related to the importance of quality for businesses.
 Max (12)

MARKING GUIDELINES

6.4 The quality indicators of general management



Continuously learn $\sqrt{\ }$ and understand changes $\sqrt{\ }$ in the business environment. $\sqrt{\ }$

- Take responsibility for setting direction √ and prioritising responsibilities. √
- Communicate and share vision√ and values effectively. √
- Ensure that employees have the necessary resources √ to do the work and allocate resources effectively. √
- Learn about/understand changes in the business environment√ on an ongoing basis. √
- Be prepared to set an example of the behaviour that is expected from employees√ in terms of ethics as well as productivity. √
- Any other relevant answer related to the quality indicators of general management.

 Max (16)

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6.5 The differences between quality control and quality assurance

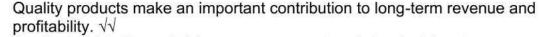
	Quality control		Quality assurance
148)	Inspection of the final product to ensure that it meets the required standards. $\sqrt{\ }$		Inspection is carried out during and after the production process to ensure required standards are met at every stage of the process. $\sqrt{}$
	Includes setting targets/measuring performance and taking corrective measures. √√	8=8	Ensures that every process is aimed at getting the product right the first time $\sqrt{\ }$ and prevents mistakes from happening again. $\sqrt{\ }$
	Submax (4)		Submax (4)

NOTE:

- 1. The answer does not have to be in tabular format.
- 2. The difference does not have to link but must be clear.
- 3. Award a maximum of FOUR (4) marks if the difference is not clear/Mark either quality control or quality assurance only Max (8)

GŘADĚ 10 MARKING GUIDELINES

6.6 Conclusion



- Quality is critical to satisfying customers and retaining their loyalty to ensure that they continue buying in the future. $\sqrt{}$

BREAKDOWN OF MARK ALLOCATION

DETAILS Stanmorephysics.com	MAXIMUM	TOTAL		
Introduction	2	32		
Meaning of quality	10			
Importance of quality for businesses	12			
Quality indicators of general management	16			
Differences between quality control and quality	8			
assurance				
Conclusion	2	1		
INSIGHT				
Layout	2			
Analysis, interpretation	2	7		
Synthesis	2	8		
Originality/examples	2			
TOTAL MARKS		40		

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.