



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

BUSINESS STUDIES P1

MIDYEAR EXAM

QUESTION PAPER

2025

MARKS: 150

TIME: 2 hours

This question paper consists of 10 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, namely **BUSINESS ENVIRONMENTS** and **BUSINESS OPERATIONS**.

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions

Answer any **TWO** of the three questions in this section.

SECTION C: Consists of **TWO** questions

Answer any **ONE** of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required. Note that **ONLY** the first **TWO** questions in **SECTION B** and the **FIRST** question in **SECTION C** will be marked.
3. Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as guide for mark and time allocation when answering each question.

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

7. Begin the answer to **EACH** question on a **NEW** page, e.g. **QUESTION 1** – new page, **QUESTION 2** – new page, etc.
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 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 The way of forming power relations on how business can get credit easily is through....

- A Strategic alliance.
- B persuasion of large investors.
- C Influencing company representatives.
- D Influencing government representatives.

1.1.2 The impact of On businesses as socio- economic issue may lead to employees having to repeat a work task.

- A Ethical misconduct.
- B Economic Crime.
- C Exhaustion of nature's resources.
- D Lack of skills.

1.1.3 The general increase in the prices of all products in the country that results in limited consumer spending is known as ...

- A Deflation
- B Corruption
- C Social grants
- D Inflation

1.1.4 The components of the marketing communication policy that is not paid for by the business, is known as

- A Publicity
- B Advertising
- C Sale promotion
- D Personal selling

1.1.5 The advertisement by Nems vision was unsuccessful because it resulted in... when the customers purchased in the solar panels.

- A Interest
- B Attractiveness
- C Action
- D Desire

5 x 2 (10)

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

Go –slow; Economic crime; SABs; Technology; strike; SARB; Full; Piracy ; No; foreign

- 1.2.1 Rams enterprise is selling sportswear for kids that are replicated without permission from the registered owner. This is known as...
- 1.2.2 Vhuhwavho Logistics has Control over the economic environment.
- 1.2.3 Employees of nems farm participated in a When they deliberately delayed their productivity at work.
- 1.2.4 Uhothe hardware use Marketing when promoting their products through social media.
- 1.2.5 Is a national standardisation authority.

(5x2) (10)

- 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 number (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Corruption	A. A group of people who develop solutions after analyzing problems with the production process
1.3.2 Trademark	B. An integrated system applied throughout the organization.
1.3.3 unit packaging	C. Symbol that is not legally registered to make an invention.
1.3.4 Total quality management	D packaging that is thrown away once the product is consumed.
1.3.5 Quality cycles	E. Refers to the act of dishonesty such as bribery and kickbacks.
	F. symbol that is legally registered to represent a company or product.
	G Packaging that can be re-used for the purpose other than storing the original contents.
	H. A group of people who develop and publish standards for products and services.
	I. Refers to wrongful use of funds such as irregular expenditure.
	J A system that ensures that products meet the correct standards.

5 x 2 (10)

TOTAL SECTION A: 30

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, etc.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Name any THREE examples of contemporary legislation that may affect business. (3)

2.2 Outline THREE functions of trade union. (6)

2.3 Identify the challenges of the micro environment represented by each of the following

2.3.1 Faranani is always complaining about working hours and sub-standard work (2)

2.3.2 Eric building construction fails to meet its target due to lack of leadership. (2)

2.3.3 The employees of Marikos Enterprise have declared a dispute and they are refusing to work until the dispute has been settled (2)

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

DONNA MANUFACTURERS(DM)

Donna Manufacturers is known for producing quality products. The management of DM mentioned that the business is experiencing a decline in profit due to employees' high rate of absenteeism. Banks have increased the rate of interest, making it difficult for DM to borrow loans. DM buys their raw materials from Van Wyk suppliers who are late with their deliveries.

2.4.1 Quote THREE challenges for DM from the scenario above. (3)

2.4.2 Classify challenges of DM according to the THREE business environments. (3)

2.4.3 State the extent of control that DM has over EACH business environment mentioned in QUESTION 2.4.2 (3)

Use the table below as a GUIDE to answer QUESTIONS 2.4.1 to 2.4.3.

CHALLENGES (2.4.1)	BUSINESS ENVIRONMENTS (2.4.2)	EXTENT OF CONTROL (2.4.3)
1.		
2.		
3.		

- 2.5 Elaborate on the meaning of tertiary sector. (4)
- 2.6 Discuss ways in which business can be involved in the macro-environment. (6)
- 2.7 Advise business on the advantage of networking (6)

[40]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name FOUR marketing activities. (4)
- 3.2 Outline the role of intermediaries in the distribution process. (6)
- 3.3 Read the scenario below and answer the questions that follow.

HENDRICK MANUFACTURER (HM)

The management of Hendricks manufacturer mentioned that they have adjusted their prices due to an increase in transport and labour costs. They further stated that their prices also depend on the income levels of their buyers.

- 3.3.1 Identify TWO factors that influence HM pricing. Motivate your answer by quoting from the scenario above.

Use the table below as a guide to answer the QUESTION 3.3.1

FACTORS INFLUENCING PRICING	MOTIVATIONS
1.	
2.	

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

MASH Blankets(MB)

Mash Blankets specializes in manufacturing of blankets. The management ensures that MB comply with the occupational health and safety Act. MB ensure that their first aid boxes are always available. They also make fire extinguishers available in the workplace.

- 3.4.1 Quote TWO ways in which MB complies with the occupational health and safety act. (2)
- 3.4.2 Explain other ways in which MB can comply with the occupational health and safety Act. (4)
- 3.5 Explain total quality management (TQM) as part of quality management system (6)
- 3.6 Discuss the reasons why manufacturers may prefer to make use of direct distributions methods (6)
- 3.7 Justify the effectiveness of personal selling in promoting a business product (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS**

- 4.1 Name THREE types of ethical misconduct. (3)
- 4.2 Read the scenario below and answer the questions that follow.

NGWAKO EXCLUSIVE BOOKS (NEB)

Ngwako Exclusive Books sells a variety of fiction and non-fiction books. Colia Exclusive books illegally downloaded some of NEB' e-books from the internet.

- 4.2.1 Identify the socio-economic issue that poses a challenge to NEB. Motivate your answer by quoting from the scenario. (3)
- 4.2.2 Outline the negative impact of the socio-economic issue identified in QUESTION 4.2.1 on NEB as a business. (6)
- 4.3. Explain the reasons why business lobby. (4)
- 4.4 Advise business on information management as a way to adapt to the challenges of business environment (4)

BUSINESS OPERATIONS

- 4.5 Name any FOUR aspects that must be considered during production planning. (4)
- 4.6 Outline the requirements of a good trademark. (6)
- 4.7 Read the scenario below and answer the questions that follow.

GEORGE ENTERPRISE (GE)

George Enterprise lost many customers due to bad publicity. GE changed the display of goods and the staff's behaviour towards customers. They also appointed Witness a favourable image of the business and its products or service. GE sets its price based on what other businesses are charging customers. They also offer discounts for a limited period of time.

- 4.7.1 Identify the type of publicity used by GE. (2)
- 4.7.2 Explain the roles of public relations in publicity. (4)
- 4.8 Evaluate the effectiveness of personal selling in promoting a business product. (4)

[40]

SECTION C

Answer ANY ONE question in this section

NOTE: Clearly indicate the QUESTION NUMBER of the question chosen.
Start the answer to your question on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS

Business use networking and lobbying to meet their specific needs and activities. Successful businesses have the ability to adapt to the many challenges that their businesses face. Businesses should undertake projects that can benefit their community due to the benefits of these projects for businesses and the community.

Write an essay on adapting to challenges of the business environment in which you include the following aspects:

- Elaborate on the meaning of networking.
- Explain the following type of lobbying:
 - Hedging against inflation.
 - Bargaining sessions between management and unions.
- Discuss any THREE ways in which businesses can adapt to challenges of the business environments.
- Recommend projects that can be undertaken by the business as part of social responsibility

(40)**QUESTION 6: BUSINESS OPERATIONS**

Successful production planning enables the aspects of production control to be implemented in business operations. Businesses must be well informed of the purpose of the occupational health and safety Act and must take the necessary precautionary measures when handling machinery.

Write an essay on production planning and production control on the following aspects :

- Elaborate on the meaning of production planning.
- Explain THREE aspects that must be considered during production control.
- Discuss the purpose of the occupational health and safety Act.
- Recommend precautionary measures that business should take when handling the machinery.

(40)**TOTAL SECTION C: 40****GRAND TOTAL: 150**



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

NATIONAL
SENIOR CERTIFICATE

GRADE 11

BUSINESS STUDIES P1

MIDYEAR EXAM

MARKING GUIDELINES

2025

MARKS: 150

TIME: 2 hours

This question paper consists of 25 pages

Marking guidelines

NOTES TO MARKER:**PREAMBLE**

The notes to makers are provided for quality assurance purpose to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking.
- (b) Facilitate the moderation of candidates' scripts at the different levels.
- (c) Streamline the marking process considering the broad spectrum of markers across the country.
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning.

1. For making and moderation purpose, the following colours are recommended:

Marker:	Red
School based HOD:	Green
Subject advisor:	Orange
District Subject Manager:	Blue/Black
Provincial Moderator:	Pink
DBE moderator	Turquoise

2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. Comprehensive marking guidelines have 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.**
4. Take care of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation purposes.
7. 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 the memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

Marking guidelines

9. Correct numbering of response to questions is recommended in SECTION A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with a 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 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.√'*
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. *'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√*
- NOTE:**
1. The above could apply to 'analyse' as well.
 2. Note the placing of the tick (√) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the memorandum and the context of each question.

Cognitive verbs, such as:

- 12.1 Advise, name, state, mention, outline, motivate, recommended, suggest, *(list not exhaustive)* do not usually require much depth in candidates' response. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, and differentiate, compare, tabulate, 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.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.
14. **SECTION B**
- 14.1 If for example, FIVE facts are required, mark the candidate is FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line

Marking guidelines

across the unmarked portion or use the word 'MAX'

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

14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

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

14.4 Use of the cognitive verbs and allocation of marks:

14.4.1 If the number of facts are specified, questions that require candidates to describe/discuss/explain' may be marked as follows:

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

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

14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the memorandum.

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

15 SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
LASO	8
TOTAL	40

Marking guidelines

15.2 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') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: 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. Option 2: Some relevant facts: 1 (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. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate writes four questions but one sub-question 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 (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark for synthesis.	2
Originality	Is there evidence of examples 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.

Marking guidelines

3. **No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/markings guidelines to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write 'SUBMAX'/MAX' after maximum marks have been obtained but continue reading for the originality 'O'.
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

- 15.7 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.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.
- 15.10
- 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, ✓ where businesses aim to introduce new products into existing markets.' ✓

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

Marking guidelines

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

SECTION A (COMPULSORY)**QUESTION 1****1.1**

1.1.1 B✓✓

1.1.2 D✓✓

1.1.3 D✓✓

1.1.4 A✓✓

1.1.5 C✓✓



5 x 2 (10)

1.2

1.2.1 Piracy✓✓

1.2.2 No✓✓

1.2.3 Go- slow✓✓

1.2.4 Technology ✓✓

1.2.5 SABS✓✓

5 x 2 (10)

1.3

1.3.1 E ✓✓

1.3.2 F✓✓

1.3.3 D✓✓

1.3.4 B✓✓

1.3.5 A✓✓

5 x 2 (10)

TOTAL SECTION A: 30**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

**SECTION B****Mark ONLY the FIRST TWO questions.****QUESTION 2: BUSINESS ENVIRONMENTS**

2.1

- National credit act✓✓
- Employment equity act✓
- Basic condition of employment act✓
- Broad base black economic empowerment act✓
- Compensation for occupational , injuries and disease act✓
- Skills development act✓
- Consumer protection act✓
- Labour relation act✓

NOTE: Mark the first THREE (3) only.**(3 x 1) (3)****2.2 Functions of trade unions**

- Improves conditions of employment. ✓✓
- Ensures that all employees are treated equally in the workplace✓✓
- Representing the interest of general society and minority groups through media and negotiations. ✓✓
- Influencing government decisions. ✓✓
- Representing employees corporately and individually. ✓✓
- Improving material benefits of their members. ✓✓
- Establishing minimum economic and legal conditions/influencing economic policy and law. ✓✓
- Playing a role as moral institutions that will uplift the weak and oppressed and give them the dignity and justice they deserve. ✓✓
- Protecting workers from unfair labour practices and unfair dismissal. ✓✓
- Take legal action on behalf of members when necessary. ✓✓
- Any relevant answer related to the functions of a trade union.

NOTE: Mark the first THREE (3) only.**Max (6)**

2.3

- | | | |
|-------|---------------------------------------|-----|
| 2.3.1 | Difficulty employees✓✓ | (2) |
| 2.3.2 | Lack of adequate management skills ✓✓ | (2) |
| 2.3.3 | Strike and go-slow ✓✓ | (2) |

Marking guidelines

2.4 Classification of challenges and the extent of control

CHALLENGES (2.4.1)	BUSINESS ENVIRONMENTS (2.4.2)	EXTENT OF CONTROL (2.4.3)
1 The management DM mentioned that the business is experiencing a decline in profit due to employees high rate of absenteeism✓	Micro ✓	Full control✓
2.DM buys their raw materials from Van Wyk suppliers who are late on deliveries.✓	Market ✓	Partial/limited control
3. Banks have increased the rate of interest making it difficult for DM to borrow loans.✓	Macro ✓	No control ✓
Max (3)	Max (3)	Max(3)

- NOTE:**
- 1.Mark the first challenge for each environment only.
 2. If the business environment is not linked to the challenge, mark the challenge only.
 3. Award full marks for the business environment even if the challenge is not quoted in full.
 4. The extent of control must be linked to the business environment.
 5. Do not award marks for the extent of control if the business environment is not mentioned.
 6. Accept responses in any order.

Max (9)

2.5 Meaning of tertiary sector

- This sector renders services to the public and businesses. ✓✓
 - Provides services and bring finished products to the final consumer. ✓✓
 - It includes services from transport, banking, legal and health. ✓✓
 - Examples of the tertiary sector industries; distribution, banking, insurance, tourism, transportation, entertainment, retail and legal services. ✓✓
- Any relevant related to the meaning of tertiary sector

Max (4)

2.6 Ways in which businesses can be involved in the macro environment

- Influencing suppliers by signing long term contracts. ✓✓
- Creating new uses for a product by finding new customers. ✓✓
- Influencing regulators through lobbying and bargaining. ✓✓
- Initiating bargaining sessions between management and unions. ✓✓
- Influencing its owners using information contained in annual reports. ✓✓
- Negotiating strategic alliance agreement through contractual processes. ✓✓
- Knowing government regulations and operating within them. ✓✓
- Keeping up with new technologies to improve production and marketing. ✓✓
- Lowering its impact on the environment. ✓✓

Marking guidelines

- Entering the global market by using the internet to source suppliers and customers. ✓✓
- Working within the law to set up contracts. ✓✓
- Taking advantage of economic changes such as exchange rate, tax breaks. ✓✓
- The business can stay informed about the challenges and developments in the macro environment and can adapt to challenges quickly. ✓✓
- Entering the global market by using the internet to source suppliers and customer's ✓✓
- Working within the law can assist the business to set up contracts. ✓✓
- Getting involved in research/development so that they can continue to operate. ✓✓
- Any relevant answer related to ways in which businesses can be involved in the macro environment

NOTE: Mark the first THREE (3) only**Max (6)****2.7 Advantages of networking**

- Businesses can attract new customer's ✓ resulting to increased market share and profitability. ✓
- Networking can be an excellent source of new perspectives ✓ and business ideas. ✓
- Allows managers to build new businesses relationships ✓ and generate new business opportunities. ✓
- Plays a role in the marketing ✓ and expansion of a business. ✓
- Assists businesses in making ✓ future business decisions. ✓
- Businesses can gain support ✓ when representation to various authorities is planned. ✓
- Any other relevant answer related to the advantages of networking

Max (6)**[40]****BREAKDOWN OF MARK ALLOCATION**

QUESTION	MARKS
2.1	3
2.2	6
2.3.1	2
2.3.2	2
2.3.3	2
2.4.1	3
2.4.2	3
2.4.3	3
2.5	4
2.6	6
2.7	6
TOTAL	40

Marking guidelines

QUESTION 3: BUSINESS OPERATIONS**3.1 Marketing activities**

- Standardizations and grading ✓
- Storage ✓
- Transport ✓
- Financing ✓
- Risk-bearing ✓
- Buying and selling ✓

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)****3.2 The role of intermediaries in the distribution process**

- Finding and locating buyers on behalf of the producer. ✓✓
- Help in promoting the product. ✓✓
- Intermediaries are specialists in selling, so the producer may be able to reach a wider audience. ✓✓
- They can achieve greater sales by using intermediaries. ✓✓
- The producer may not have the expertise or resources necessary to sell directly to the public. ✓✓
- The intermediary may be able to provide more efficient distribution logistics, for such. transporting the product to various points of sale. ✓✓
- Overall distribution costs may be lower using an intermediary than if the business undertook distribution itself, even when the intermediary's commission is taken into account. ✓✓
- Any other relevant answer related to the role of intermediaries in the distribution process.

Max (6)**3.3.1 Factors influencing pricing from the scenario**

	MOTIVATIONS
1. Input cost ✓✓	-The management of Hendricks manufacturer mentioned that they have adjusted their prices due to an increase in transport and labour cost. ✓
2. Target market ✓✓	-. They further stated that their prices also depend on the income levels of the buyers. ✓
Sub max (4)	Sub max (2)

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

2. Award marks for the even if the quote is incomplete.

Max (6)

Marking guidelines

3.4 Compliance with OHSA**3.4.1 TWO ways in which WC complies with the Occupational Health and Safety Act.**

- MB ensures that their first aid boxes are always available. ✓
- They also make fire extinguishers available in the workplace. ✓ (2)

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

2. Only award marks for responses that are quoted from the scenario.

3.4.2 Other ways in which WC can comply with the Act.

- Provide workers with protective gear to protect themselves against potentially dangerous equipment. ✓
- Machinery must be maintained ✓ at regular intervals and repaired promptly. ✓
- Develop and distribute the health and safety policy ✓ to employees. ✓
- Review existing health and safety procedures ✓, equipment and staff training. ✓
- Appoint a health and safety officer ✓ at the workplace. ✓
- Maintain ✓ an accident register. ✓
- Establish health and safety committees' ✓ consisting of representatives from both management and staff. ✓
- Any other relevant answer related to ways in which WC can comply to the Act

NOTE: Do not award marks for responses that are quoted from the scenario in QUESTION 3.7.1. **Max (4)**

3.5 Total Quality Management as part of quality management system

- It is a management philosophy that seeks to integrate ✓ all organisational functions such as marketing/finance/customer services, etc. ✓
 - The focus is on improving the quality of products and services ✓ in order to satisfy the needs of customers. ✓
 - Total Quality Management refers to all aspects of quality ✓ within the business. ✓
 - It is the responsibility of everyone in the organization, ✓ from top management to general workers. ✓
 - Businesses strive to get it right the first time ✓ by implementing the elements of Total Quality Management. ✓
 - It is a thought revolution in management, ✓ where the entire business is operated with customer orientation in all business activities. ✓
- Any other relevant answer related to total quality management (TQM) as a part of quality management systems. **Max (6)**

3.6 Reasons why manufacturers may prefer to make use of direct distribution

- Manufacturers have control over the product ✓ and marketing. ✓
- They achieve better end-user prices ✓ as there are no intermediary costs. ✓
- The business does not need to share its profit margin ✓ with intermediaries. ✓

Marking guidelines

- There is direct contact with target market ✓ for feedback and improvements. ✓
- Sales staff provide customer information ✓ for future market research. ✓
- Selling through the internet allows smaller businesses to market their products ✓ all over the world. ✓
- Businesses websites can serve as both a distribution method ✓ and a promotion method. ✓
- Well trained sales staff are able to promote products effectively ✓ and establish good relationships with customers. ✓
- Suitable intermediaries may not be available/Intermediaries may not be willing to sell ✓ the particular product on behalf of the manufacturer. ✓
- Any other relevant answer related to the reasons manufacturers may prefer to make use of direct distribution.

Max. (4)**3.7 Justify Effectiveness of personal selling in promoting a business product**

- Personal selling can be made telephonically but are usually face to face ✓ and offer the most flexible means of delivering a promotional message. ✓
- Done by experienced salesperson who develop charisma ✓ and become skilled in getting people to pay attention to them. ✓
- It is very effective especially in the case of expensive industrial goods ✓ such as machinery, shopping goods, stoves/fridges/cell phones. ✓
- Involves a very personal touch ✓ with specific attention giving to customer's needs and requirements. ✓
- Most effective way to build relationships between the salesperson and the customer. ✓
- It is also a very good way of maintaining good relationships ✓ and ensuring ongoing business and sales. ✓
- The sales person can adjust his/her message ✓ to be more attractive to the person listening. ✓
- Any other relevant answer related to the effectiveness of personal selling in promoting a business product.

Max (6)**[40]****BREAKING DOWN OF MARK ALLOCATION**

QUESTION	MARKS
3.1	4
3.2	6
3.3.1	6
3.4.1	2
3.4.2	6
3.5	6
3.6	6
3.7	6
TOTAL	40

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS****4.1 Types of ethical misconduct.**

- Sexual harassment. ✓
- Corruption ✓
- Mismanagement of funds. ✓

(3)**4.2****4.2.1 Piracy ✓✓****(2)**

Motivation: Colia Exclusive books illegally downloaded some of NEB' e-books from the internet ✓

Stanmorephysics.com

(1)**Max (3)****4.2.2 Negative impact of piracy on businesses**

- Consumers no longer value the worth and quality of genuine products sold by businesses ✓✓
- The business image/reputation ✓ can be damaged by inferior counterfeit goods. ✓✓
- The businesses producing the original goods have their profits reduced if piracy occurs. ✓✓
- Piracy also deprives the original artist ✓ of his/ her or income. ✓✓
- People who buy pirated copies contribute ✓ to the problem for businesses ✓✓
- Any other relevant answer related to the negative impact of piracy on businesses

Max (6)**4.3 Reasons why businesses lobby**

- Businesses lobby to change laws like child labour laws, ✓ clean air and water laws and municipal regulations. ✓
- The views of lobby groups are important ✓ and make a difference by giving solutions to business challenges. ✓
- Lobbying advances what the business must deliver on ✓ and builds public trust. ✓
- Lobbying helps to find solutions ✓ to emerging generic challenges. ✓
- Businesses lobby their regulator or supervisory body in order to try influence prices, policies, regulations ✓ and other decisions made by the regulator or the supervisory body. ✓

Any other relevant answer related to the reasons why businesses lobby.

Max (4)

Marking guidelines

4.4 Information management as a way to help businesses to adapt to challenges

- Information must be found/recorded/stored/easily retrieved and effectively used. ✓✓
- Businesses need to implement an effective information management system which is accessible and useful to all staff. ✓✓
- Information must be managed efficiently and a system must be put in place so that the relevant staff can easily access it. ✓✓
- Large capital should be invested into information technology (IT) systems to update business operations. ✓✓
- Modern IT solutions enable businesses to satisfy customer needs more efficiently. ✓✓
- Any other relevant answer related to information management as a method to adapt to challenges of the business environments.

Max (4)

BUSINESS OPERATIONS

4.5 Aspect that must be included during production planning:

- Planning✓
- Routing✓
- Loading✓
- Scheduling✓

(4x1) (4)

4.6 Requirements of a good trademark

- Trademarks must be attractive and promote the product. ✓✓
- Make it easy for consumers to recognize the product. ✓✓
- Easy to recognize, remember and pronounce. ✓✓
- Must suit the product. ✓✓
- Suitably designed for the target market. ✓✓
- Must be different from its competitors. ✓✓
- Must promote the image of the enterprise. ✓✓
- Link the product to its promotion strategy. ✓✓
- Draw the attention of consumers. ✓✓
- A good trademark helps build brand familiarity. ✓✓
- A good trademark can be registered according to the requirements of the Trade Marks Act. ✓✓
- Any other relevant answer related to the requirements of a good trademark

Max (6)

4.7 Publicity

4.7.1 Internal publicity✓✓

(2)

Motivation

GE changed the display of goods and the staff's behaviour towards customers. ✓ (1)

NOTE: Do not award marks for the motivation if the type of publicity was incorrectly identified. (3)

Marking guidelines

4.7.2 Role of public relations in publicity

- Public relations aim to present a favourable image of the business ✓ and its products or service. ✓
- Many businesses outsource the public relation function to an outside agency ✓ to take advantage of their specialised knowledge. ✓
- The public relations department builds good relationships ✓ with representatives of the media and the press. ✓
- They keep the media informed of news about product launches ✓ and opening of new factories or shops for the attention of the public. ✓
- The public relation function supports marketing efforts to establish ✓ and build a brand identity. ✓
- Any other relevant answer related to the role of public relations in publicity.

Max (4)**4.8 Evaluate Effectiveness of personal selling in promoting a business product**

- Personal selling can be made telephonically but are usually face to face ✓ and offer the most flexible means of delivering a promotional message. ✓
- Done by experienced salesperson who develop charisma ✓ and become skilled in getting people to pay attention to them. ✓
- It is very effective especially in the case of expensive industrial goods ✓ such as machinery, shopping goods, stoves/fridges/cell phones . ✓
- Involves a very personal touch ✓ with specific attention giving to customer's needs and requirements. ✓
- Most effective way to build relationships between the salesperson and the customer. ✓
- It is also a very good way of maintaining good relationships ✓ and ensuring ongoing business and sales. ✓
- The sales person can adjust his/her message ✓ to be more attractive to the person listening. ✓
- Any other relevant answer related to the effectiveness of personal selling in promoting a business product.

Max (4)**[40]****BREAKDOWN OF MARK ALLOCATION**

QUESTION 4	MARKS
4.1	3
4.2 .1	3
4.2.2	6
4.3	4
4.4	4
4.5	4
4.6	6
4.7.1	2
4.7.2	4
4.8	4
TOTAL	40

SECTION C

Mark only the FIRST question in this section.

QUESTION 5: BUSINESS ENVIRONMENTS (ADAPTING TO CHALLENGES OF BUSINESS ENVIRONMENT)

5.1 Introduction

- Networking refers to a coordinated activity where people who have similar objectives meet and exchange information and ideas. ✓
 - Lobbying allows for individuals, businesses and organisations to use their influence to change government policy. ✓
 - Necessary measures need to be put in place by businesses to assist in minimising the effects of these challenges. ✓
 - Businesses have the responsibility to become more socially responsible by giving back to communities. ✓
 - Any other relevant introduction related to the advantages of networking/ types of lobbying/ways in which businesses can adapt to challenges of the business environments/projects that can be undertaken by businesses as part of social responsibility.
- (Any 2 x 1) (2)**

5.2 Meaning of networking

- It refers to a coordinated activity where people who have a similar objective meet and exchange information and ideas. ✓✓
- The goal of networking is to reach as many people as possible and to make every connection count ✓✓.
- It is a tool that is used by businesses to increase sales ✓✓
- Businesses can become a member of chambers of commerce and industry/ professional business clubs/ informal social groupings to meet new-contacts. ✓✓

Max (8)

5.3 Types of lobbying

5.3.1 Hedging against inflation

- The business use hedging by buying bonds, shares, property or buying precious metals like gold ✓ to protect capital from the effects of inflation. ✓
- Businesses invest surplus fund ✓ so that its value grows at a faster rate than inflation. ✓
- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
- Any other relevant answer related to hedging against inflation as a type of lobbying.

Sub-max. (6)

Marking guidelines

5.3.2 Bargaining sessions between management and unions

- These sessions enable employees to negotiate with employers as a group ✓ to protect employees' rights. ✓
- Bargaining sessions prevent labour strikes and provide critical information ✓ to people in power. ✓
- The purpose of bargaining sessions is to find a win-win situation ✓ for all parties. ✓
- Any other relevant answer related to bargaining session between management and unions as a type of lobbying.

Sub-max. (6)

Max. (12)**5.4 Ways in which businesses can adapt to challenges of the business environments****5.4.1 Information management** ✓✓

- Information must be found/recorded/stored/easily retrieved ✓ and effectively used. ✓
- Businesses need to implement an effective information management system ✓ which is accessible and useful to all staff. ✓
- Information must be managed efficiently and a system must be put in place ✓ so that the relevant staff can easily access it. ✓
- Any other relevant answer related to information management as a method to adapt to challenges of the business environments.

Way (2)**Discussion** (4)

Sub-max. (6)

5.4.2 Strategic responses ✓✓

- Management needs to design strategic responses to various challenges ✓ by analysing all information, identifying stakeholders involved. ✓
- Get a clear picture ✓ of each stakeholder's viewpoints and requirements. ✓
- Businesses should have a strategic plan ✓ to respond to changes in the business environment. ✓
- Any other relevant answer related to strategic responses as a method to adapt to challenges of the business environments.

Way (2)**Discussion** (4)

Sub-max. (6)

Marking guidelines

5.4.3 Mergers, takeovers, acquisitions and alliances ✓✓

- Businesses can acquire the shares ✓ of another company. ✓
- Businesses can choose to purchase/merge with another business ✓ as a way to have a larger market share. ✓
- They can undertake a new venture with another company, ✓ which can be a safer way than expanding the existing business. ✓
- Any other relevant answer related to mergers, takeovers, acquisitions and alliances as a method to adapt to challenges of the business environments.

Way (2)**Discussion** (4)

Sub-max. (6)

5.4.4 Organisation design and flexibility ✓✓

- Businesses need to be flexible in their organisational design and strategies ✓ so that they can compete in a changing market. ✓
- Organisation design is a process to integrate people/information/ technology of an organisation ✓ so that improves the profitability of the business. ✓
- Any other relevant answer related to organisational design and flexibility as a method to adapt to challenges of the business environments.

Way (2)**Discussion** (4)

Sub-max. (6)

5.4.5 Direct influence of the environment and social responsibility ✓✓

- Businesses need to be flexible by getting involved in research and development ✓ so that if resources run out or if environmental legislation changes the business can adapt and continue to operate. ✓
- Social responsibility refers to the obligations a business has ✓ to protect and improve the interests of all its stakeholders. ✓
- Through social responsibility a business can influence its business environments ✓ and address challenges linked to socioeconomic issues in its social environment. ✓
- Businesses must be more aware and involved in social responsibility projects and programmes ✓ that can benefit the community. ✓
- Take part in projects that uplift the community ✓ in which the business operates. ✓
- Businesses use CSI projects ✓ as a marketing tool for their business. ✓
- Any other relevant answer related to direct influence of the environment and social responsibility as a method to adapt to challenges of the business environments.

Way (2)**Discussion** (4)

Sub-max. (6)

NOTE: Mark the first THREE (3) only.**Max.** (14)

Marking guidelines

5.5 Projects that can be undertaken by businesses as part of social responsibility

- Businesses must allow employees to get involved in social development programmes. ✓✓
- Businesses must protect the environment and participate in community upliftment programmes. ✓✓
- Engage in environmentally friendly campaigns such as recycling or reusing scarce resources. ✓✓
- Businesses must support less fortunate people, by providing donations to charity organisations./Charitable contribution towards NGOs/Businesses can donate blankets to old age homes/running soup kitchens. ✓✓
- They can also engage in economic development and provide education on HIV/AIDS awareness programmes. ✓✓
- Involvement in community education/Build schools in communities/ Offer bursaries to needy students/Donate old computers to less privileged schools/Provide/Support adult education and training in the local community. ✓✓
- Teach entrepreneurial skills/Offer support to individuals starting new business ventures. ✓✓
- Conduct skills development/job creation projects/Offering bricklaying courses. ✓✓
- Sponsor art and cultural programmes, such as school choirs. ✓✓
- Support youth programmes, such as sport/recreational activities. ✓✓
- Any other relevant answer related to projects that can be undertaken by businesses as part of social responsibility

Max. (10)**5.6 Conclusion**

- Management can use networking to reach as many people as possible and make every connection count. ✓✓
- Businesses should try to influence legislation or the government decision-making processes to remain profitable. ✓✓
- Adapting to challenges of the business environment can be achieved by businesses if management stay abreast with the latest developments. ✓✓
- Social responsibility projects undertaken by businesses can be used as a marketing strategy to promote their products. ✓✓
- Any other relevant conclusion related to the advantages of networking/ types of lobbying/ways in which businesses can adapt to challenges of the business environments/projects that can be undertaken by

businesses as part of social responsibility.

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

**BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
	8	
	12	
	14	
	10	
Conclusion	2	8
INSIGHT		
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	40
TOTAL MARKS		

Stanmorephysics.com

QUESTION 6: BUSINESS OPERATIONS (PRODUCTION FUNCTION)**6.1 Introduction**

- Production planning refers to setting goals for the production department and establishing policies/programmes and procedures to achieve these goals. ✓
- Controlling of each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2 x 1) (2)

6.2 Meaning of production planning

- Refers to setting goals for the production department ✓ and establishing policies/programmes and procedures to achieve these goals. ✓
- It aims at decreasing cost/time ✓ and increasing output by organising the resources and workplace to maximise efficiency. ✓
- Production planning involves everything from the individual roles of staff/ordering of stock ✓, to the final delivery to the customer. ✓
- Planning is done due to constant changes ✓ in the manufacturing process. ✓
- Production planning must control ✓ the actual production/inventory/stock/factory layout/production costs. ✓
- Any other relevant answer related to the meaning of production planning. **Max (8)**

6.3 Aspects that must be considered during production control

Dispatching √√

- Involves issuing production orders √ to start production. √ It provides orders for:
 - o Movement of materials, √ tools and equipment to the necessary locations √
 - o Beginning the process √
 - o Checking the time √ and costs involved in the process
 - o checking the flow of work √ according to the routing √
 - o Supervising the process. √
- Dispatching is putting the production plan √ and schedule into action. √
- It identifies the person who will do the work √, supplies the specifications and materials list. √
- Any other relevant answer related to dispatching as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Sub-max. (4)

Following up or controlling √√

- Following up makes sure the scheduling and production systems √ are running according to plan. √
- It deals with unplanned issues/problems √ and sorts out any misunderstandings in terms of job process requirements. √
- Following-up on the progress of production helps √ to prevent bottlenecks and misunderstandings. √
- Any other relevant answer related to following up or controlling as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Sub-max. (4)

Inspection √√

- Inspection involves the checking of the quality √ of the process and the final product. √
- It is done at regular intervals during the production process √ as well as at the end. √
- Inspection methods √ include the random selection of products/viewing/sampling and testing the product. √
- Legal and regulatory processes are also checked √ to ensure that the necessary standards are met. √
- Any other relevant answer related to inspection as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Sub-max. (4)

Marking guidelines

Corrective action ✓✓

- Corrective action involves any adjustments✓ to the planning process. ✓
- Staffing issues ✓ are also dealt with by corrective action. ✓
- Any other relevant answer related to corrective action as an aspect that must be considered during production control.

Type (2)

Explanation (2)

Sub-max. (4)

NOTE: Mark the first THREE (3) only.

Max. (12)

6.4 Purpose of Occupational Health and Safety Act

- Requires every business to establish and maintain, a safe work environment ✓ that is without risk to the health of the workers. ✓
- Review the efficiency ✓ of health and safety measures. ✓
- Outlines the roles and responsibilities ✓ of employer, employees, manufacturers, designers, importers, suppliers and sellers. ✓
- Clarifies the roles and duties ✓ of the health and safety representative and committee. ✓
- Requires that the main dangers and potential incidents of the workplace ✓ be identified and eliminated. ✓
- Examines the causes of incidents by any employee ✓ relating to the employee's health and safety at work. ✓
- Expects employees to co-operate and follow the necessary instructions ✓ and report any unsafe situations. ✓
- Makes presentations to the employer ✓ concerning general health and safety issues at the workplace. ✓
- Any other relevant answer related to the purpose of Occupational Health and Safety Act.

Max. (12)

6.5 Precautionary measure businesses should take when handling machinery

- All machinery and equipment must be correctly installed and safe to use. ✓✓
- Workers must be properly trained on how to use machinery and must be informed about the risks when using the machinery. ✓✓
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. ✓✓
- Workers need to wear protective clothing and gear such as overalls, hard hats and safety helmets, ear plugs, masks, heavy-duty safety boots, welding goggles and gloves when working with machinery and equipment. ✓✓
- Develop a culture of safety in the workplace. ✓✓
- Familiarize employees with safety procedures. ✓✓
- Any other relevant answer related to the precautionary measures that businesses should take when handling machinery.

Max. (12)

Marking guidelines

6.6 Conclusion

- Ongoing production planning is necessary due to the constant changes in the manufacturing process. ✓✓
- Production control ensures that production is undertaken according to the production plan. ✓✓
- OHSA requires that employees are expected to co-operate and follow the necessary instructions and report any unsafe situations. ✓✓
- When machinery and equipment are used in a factory, the risk of accidents is high and businesses should draw up their own workplace safety policy and enforce necessary control measures. ✓✓
- Any other relevant conclusion related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

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

Stanmorephysics.com

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
	8	
	12	
	12	
	12	
Conclusion	2	8
INSIGHT		
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	40
TOTAL MARKS		

TOTAL SECTION C: 40

GRAND TOTAL: 150