



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 10

BUSINESS STUDIES

PROVINCIAL STANDARDISED ASSESSMENT

MARCH 2026

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MARKS : 100

DURATION : 1½ Hours

This question paper consists of 8 pages.

INSTRUCTIONS AND INFORMATION.

Read the following instructions carefully before answering the questions

1. This paper consists of **THREE** sections.

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions. Answer any **TWO** questions in this section.

SECTION C: Consists of **TWO** questions. Answer any **ONE** of the two questions in the section.

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

Note that **ONLY** the answers to the first **TWO** questions selected in **SECTION B** and the answer to the first question in **SECTION C** will be marked.

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 written in full sentences.
5. Use the mark allocation and the nature of each question to determine the length and depth of an answer. stanmorephysics.com
6. Use the table below as a guide for marks and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (Minutes)
A: Objective-type questions COMPULSORY	1	20	20
B: THREE Direct/Indirect-type questions. CHOICE: Answer any TWO.	2	20	40
	3	20	
	4	20	
C: TWO essay-type questions. CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		100	90

7. Begin the answer to **EACH** question in a **NEW** page, for example **QUESTION 1** new page, **QUESTION 2-** new page, et cetera.
8. Write neatly and legibly.

SECTION A (COMPULSORY)**QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question number (1.1.1 – 1.1.5) on the ANSWER BOOK, e.g. 1.1.6 A

1.1.1 The ... describes what the business provides or produces, and why the business exists.

- A goals
- B mission statement
- C objectives
- D vision

1.1.2 First Bakers take corrective measures if the objectives are not achieved. This is applicable to ... as a management task.

- A planning
- B organising
- C controlling
- D risk management

1.1.3 This statement indicates an example of the relationship between business and competitors. stanmorephysics.com

- A An agent of DX Manufacturers may network to share ideas so that they deliver efficient services to their customers.
- B Deep Clean Services depend on suppliers for their raw materials and other inputs.
- C Without consumers Zone Dealers cannot survive.
- D Pat Construction (Pty) Ltd normally study the activities of Dell Construction (Pty) Ltd before determining their pricing strategies.

1.1.4 The ... function takes responsibility for setting direction and prioritising the responsibilities.

- A general management
- B human resources
- C financial
- D administration

1.1.5 The purpose of the organisational culture for Derby Consulting is to ...

- A continuously look for suitable, new, and better suppliers.
- B establish the sources for acquiring capital.
- C define the business internal and external identity as well as its core values.
- D determine the relationship between businesses and customers.

(5 x 2) (10)

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

COLUMN A	COLUMN B
1.2.1 Matrix organisational structure	A. refers to a goods/service's ability to satisfy a specific need.
1.2.2 Regulators	B. businesses have no control over this environment.
1.2.3 Fixed capital	C. are government bodies that make rules and regulations to control the activities of businesses.
1.2.4 Micro environment	D. structured around project teams.
1.2.5 Quality	<p>E. finances the long-term capital needs of the business.</p> <p>F. it refers to the act of overseeing all activities and tasks needed to maintain the desired level of excellence.</p> <p>G. are established bodies that protect the interest of workers.</p> <p>H. Is structured around projects but employees remain in their departments.</p> <p>I. businesses have full control over this environment.</p> <p>J. finance the short-term capital needs of the business.</p>

(5 x 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 any FOUR components of the macro environment. (4)

2.2 Read the scenario below and answer the questions that follow

OAK TRANSPORT (OT)

Oak Transport offers e-hailing services. The management of OT decided to offer training to their employees to improve their skills and ensure that customer needs are always met.

2.2.1 Identify the organisational resource applicable to OT in the scenario above. (2)

2.2.2 Explain any other TWO organisational resources. (6)

2.3 Discuss the Non-Governmental Organisations as a civil society. (4)

2.4 Advise businesses on the link/relationship between business functions. (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

3.1 State any FOUR sources of financing. (4)

3.2 Read the scenario below and answer the questions that follow

MATOMELA CLOTHING (MC)

Matomela Clothing produces high quality school wear. The management of MC considered the size of the business, funding and resources to ensure that they reach business goals.

3.2.1 Name TWO factors that influence the organisational structure from the scenario above. (2)

3.2.2 Describe the responsibilities of lower management. (4)

3.3 Explain the importance of quality for businesses. (6)

3.4 Suggest quality indicators of the administration function. (4)

[20]

QUESTION 4: MISCELLANEOUS**BUSINESS ENVIRONMENTS**

- 4.1 Give any FOUR practical examples of threats. (4)
- 4.2 Explain *management and leadership* as a component of micro environment. (6)

BUSINESS OPERATIONS

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

PURE MINES (PM)

Pure Mines purchase quality equipment for extracting platinum. The purchasing manager at PM ensures that sufficient stock is kept available for continuous production and sales. PM safeguards handling of information responsibly. They also keep records of the cost-prices and selling prices of their stock.

- 4.3.1 Quote TWO activities of the purchasing function from the scenario above. (2)
- 4.3.2 Discuss any other activities of the purchasing function. (4)
- 4.4 Advise businesses on the differences between quality control and quality assurance. stanmorephysics.com (4)

[20]

SECTION C

Answer **ANY ONE** question in this section

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

QUESTION 5: BUSINESS ENVIRONMENTS (MICRO & MARKET ENVIRONMENT)

Businesses should ensure that all stakeholders understand the interrelationship between micro and market environments. They must also ensure that the organisational structure meets the needs of the business. Businesses must take note of the components in the market environment and consider the reasons why competition poses a challenge.

Write an essay on the micro and market environments in which you include the following aspects:

- Outline the interrelationship between micro (internal) and market environments.
- Explain the purpose of the organisational structure.
- Discuss the following components of the market environment:
 - Consumers/Customers
 - Intermediaries
- Suggest reasons why competition poses a challenge on businesses.

[40]

QUESTION 6: BUSINESS OPERATIONS (PURCHASING FUNCTION)

Businesses should be well informed of consumer rights according to the National Credit Act (NCA), 2005 (Act 34 of 2005). They must also take note of the purpose of the NCA. Understanding the differences between cash and credit payments is crucial for business when making transactions. Businesses as credit providers must be familiar with their responsibilities when granting credit to customers.

Write an essay on the purchasing function in which you include the following aspects:

- Outline the consumer rights according to the National Credit Act.
- Explain the purpose of the National Credit Act.
- Differentiate between Cash and Credit payments.
- Advise businesses on the responsibilities of credit providers.

[40]

TOTAL SECTION C: [40]
GRAND TOTAL: [100]



KWAZULU-NATAL PROVINCE

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**PROVINCIAL
STANDARDISED ASSESSMENT**

GRADE 10

BUSINESS STUDIES

MARKING GUIDELINES

COMMON ASSESSMENT TASK

MARCH 2026 TEST

MARKS: 100

These marking guidelines consist of 21 pages.

NOTES TO MARKERS**PREAMBLE**

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

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at 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 marking and moderation purposes, the following colours are recommended:

Marker	: Red
Senior Marker	: Green
Deputy Chief Marker	: Brown
Chief Marker	: Pink
Internal Moderator	: Orange
DBE Moderator	: Turquoise

2. Candidates' responses must be in full sentences for **SECTIONS B and C**. However, this would depend on the nature of the question.

3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:

- Uses a different expression from that which appears in the marking guideline
- Comes from another credible source
- Original
- A different approach is used

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.

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 marking guidelines. 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.
9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

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 marking guideline and the context of each question.

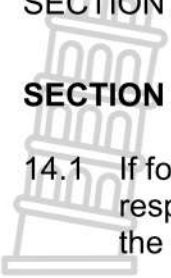
Cognitive verbs, such as:

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

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

13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

14. **SECTION B**



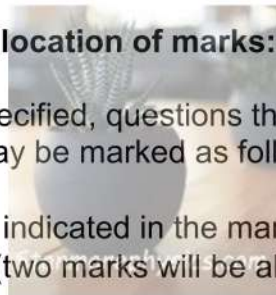
14.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

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

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

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

14.4 Use of the cognitive verbs and allocation of marks:



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

- Fact 2 marks (or as indicated in the marking guidelines)
- Explanation 1 mark (two marks will be allocated in Section C)

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

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

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

15. **SECTION C**

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

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? 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 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate writes FOUR sub-questions, but one/two/three sub-question with irrelevant 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 sub-question) 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 or two examples, not older than two (2) years, that are based on recent information, current trends and developments?	2
TOTAL FOR INSIGHT: 8 TOTAL MARKS FOR FACTS: 32 TOTAL MARKS FOR ESSAY (8 + 32): 40		

- NOTE:**
1. No marks will be awarded for contents repeated from the introduction and conclusion.
 2. The candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.
 3. No marks will be 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 guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:(L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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 guideline.
- 15.10
 - 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
 - 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy ✓, were 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.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

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

1.1.1 B ✓✓

1.1.2 C ✓✓

1.1.3 D ✓✓

1.1.4 A ✓✓

1.1.5 C ✓✓

(10)**1.2**

1.2.1 H ✓✓

1.2.2 C ✓✓

1.2.3 E ✓✓

1.2.4 I ✓✓

1.2.5 A ✓✓

(10)**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

TOTAL SECTION A: 20

SECTION B

NOTE: Mark the answers to the FIRST TWO questions only.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Components of macro environment.

- Legal and political environment ✓
- Institutional environment ✓
- Economic environment ✓
- Social, cultural and demographic environment ✓
- Technological environment ✓
- Physical/Natural environment ✓

NOTE: Mark the first FOUR (4) only.

Max. (4)

2.2 Organisational resources

2.2.1 Organisational resources identified from the scenario.

- Human resources. ✓✓

(2)

2.2.2 Other Organisational resources

Physical resources ✓✓

- Physical resources are tangible items that are used in the operation of the business. ✓
- Physical resources include raw material, building machinery and vehicle. ✓
- Any other relevant answer related to physical resources.

Organisational resource: (2)

Explanation: (1)

Sub-max. (3)

Financial resources ✓✓

- Financial resources refer to the capital that the business owns or has borrowed from financial institute. ✓
- It includes all the funds that are available to the business such as bank overdraft, credit cards, long term and short term loans. ✓
- Any other relevant answer related to financial resources.

Organisational resource: (2)

Explanation: (1)

Sub-max. (3)



Technological resources ✓✓

- Technological resources are intangible resources such as software licences and patents that can help improve performance on an organisation ✓
- Technological resources include computer software, laptops, computer, websites, internet facilities, cell phones, photocopy machine. ✓
- Any other relevant answer related to technological resources ✓

Organisational resource: (2)

Explanation: (1)

Sub-max. (3)

NOTE: Marks the first TWO (2) only.

Max. (6)

2.3 Non-Governmental Organisations as a civil society.

- Non-governmental organisations (NGOs) are non-profit organisations ✓ that operate separately from the government. ✓
- They are established to fulfil important needs in the community ✓ by addressing some socio-economic issues. ✓
- They are part of the supply chain ✓ and are concerned about welfare of others.
- Any other relevant answer related to explanation of NGOs as a civil society.

Max. (4)

2.4 Link/Relationship between business functions.

- The eight business functions within the business depend on each to achieve their goals and objectives, for example, the production function depends on the purchasing function to successfully produce product of quality. ✓✓
- The Human resources department will consult the other departments to determine then type skills and experience that they need in their department before recruiting employees into the business. ✓✓
- The marketing department also provides the production department with feedback from customers so that the production department can produce goods and services that will meet consumers' expectations. ✓✓
- The general management functions coordinate all the other functions in the business in an efficient and effective way to achieve the mission and vision of the business. ✓✓
- General management constantly seeks information and advice from all the departmental heads to make decisions and develop strategies for the business. ✓✓
- All other departments in the business are also interrelated in one way or the other, some departments depend on other departments in the same business for their resources to complete their final product. ✓✓
- Any other relevant answer related to the link/relationship between the functions.

Max. (4)

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2.1	2
2.2.2	6
2.3	4
2.4	4
TOTAL	20

[20]



QUESTION 3: BUSINESS OPERATIONS

3.1 Sources of financing

- Bank loan ✓
- Bank overdraft ✓
- Asset-based loan ✓
- Grants ✓
- Receivable finance ✓
- Angel funding ✓
- Venture capital ✓

NOTE: 1. Mark the first FOUR (4) only.

Max. (4)



3.2 Organisational structure

3.2.1 Factors that influence organisational structure from the scenario.

- size of the business ✓
- resources ✓

(2)

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

2. Do not award marks if the whole sentence is quoted.

3. Do not award marks for factors that are mentioned in a Case study.

3.2.2 Responsibilities of lower management

- Identify gaps in the implementation ✓ and offer feedback/suggestions to middle management. ✓
- Set individual targets for workers ✓ working under their supervision. ✓
- Implements the objectives ✓ of the middle management. ✓
- Provides support, motivates ✓ and guides workers. ✓
- Any other relevant answer related to the responsibilities of lower management.

Max. (4)

3.3 Importance of quality for businesses.

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

Max. (6)

3.4 Quality indicators of administration function.

- Fast and reliable data capturing and processing systems. ✓✓
- Make reliable information available to management on time. ✓✓
- Make relevant information available for quick decision-making. ✓✓
- Handle complaints quickly and effectively. ✓✓
- Use modern technology efficiently. ✓✓
- Implement effective risk management policies to minimise business losses. ✓✓
- Quality assurance/Control/Evaluation is recorded accurately. ✓✓
- All documentation is kept neatly and orderly in a safe place. ✓✓
- Easy to recall/find information/documentation. ✓✓
- Financial documents are kept up to date and recorded accurately. ✓✓
- All systems and processes are documented. ✓✓
- Any other relevant answer related to the quality indicators of administration function.

Max. (4)

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2.1	2
3.2.2	4
3.3	6
3.4	4
TOTAL	20

[20]

QUESTION 4: MISCELLANEOUS**BUSINESS ENVIRONMENTS****4.1 Examples of threats.**

- Increase in taxes. ✓
- New businesses entering the market. ✓
- Increase in interest rate. ✓
- Changes in government legislation. ✓
- Increase in crime rate in the market. ✓
- Increase in fuel prices. ✓
- Currency fluctuations. ✓
- Constant changes in technology. ✓

NOTE: 1. Mark the first FOUR (4) only

(4)

4.2 Management and leadership as a component of micro environment.**Management**

- The management of a business is the process whereby an individual or individuals guide ✓ and direct the organisation to achieve its goals and objectives. ✓
- Good managers are able to plan properly, organise, lead, ✓ and control all the resources in the business. ✓
- Any other relevant answer related to management.

Leadership

- Leadership is the ability of an individual to inspire, influence or motivate their subordinates ✓ to achieve the goals and objectives of the business. ✓
- The leadership is the act of guiding the team or individuals ✓ through providing proper directions. ✓
- Involves establishing a clear vision ✓ and sharing it with others so that they can willingly follow. ✓
- Any other relevant answer related to leadership.

**NOTE: 1. Do not accept answers in the form of differences.
2. Answers should not be a tabular format**

Max. (6)

BUSINESS OPERATIONS

4.3 Purchasing function

4.3.1 TWO activities of the purchasing function from the scenario.



- The purchasing manager at PM ensures that sufficient stock is kept available for continuous production and sales. ✓
- They also keep records of the cost prices and selling prices of stock. ✓

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

Max. (2)

4.3.2 Other activities of the purchasing function.

- The purchasers should have expert knowledge of the products they need to buy ✓ and about the market in which they operate. ✓
- The purchasing manager should find out the needs ✓ of other departments. ✓
- They look for suitable, new ✓ and better suppliers. ✓
- They ensure that there is enough stock available ✓ for continuous production and sales. ✓
- Make follow-up on orders placed ✓ with suppliers. ✓
- Ensure that ordered products are delivered ✓ on time. ✓
- Keep the correct stock levels ✓ for stock on hand. ✓
- Any other relevant answer related to the activities of the purchasing function.

Max. (4)

NOTE: 1. Do not award marks answer quoted from the scenario.

4.4 Differences between quality control and quality assurance.

QUALITY CONTROL	QUALITY ASSURANCE
- System that ensures the desired quality is met by inspecting the final product. ✓✓	- Checks carried out during and after the production process. ✓✓
- Ensure that finished products meet the required standards. ✓✓	- Ensure that required standards have been met at every stage of the process. ✓✓
- Process of ensuring that products are consistently manufactured to high standards. ✓✓	- Processes put in place to ensure that the quality of products/services/systems adhere to pre-set standards with minimal defects/delays/shortcomings. ✓✓
- Checking raw materials/employees/machinery/workmanship/products to ensure	- Ensuring that every process is aimed to get the product "right the

that high standards are maintained. ✓✓	first time” and prevent mistakes from happening. ✓✓
- Includes setting targets/measuring performance and taking corrective measures. ✓✓	- The 'building in' of quality as opposed to 'checking for' quality. ✓✓
- Any other relevant answer related to quality control.	- Any other relevant answer related to quality assurance.
Sub-max. (2)	Sub-max. (2)

Max (4)

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

BREAKDOWN OF MARKS

QUESTION 2	MARKS
4.1	4
4.2	6
4.3.1	2
4.3.2	4
4.4	4
TOTAL	20



[20]

TOTAL SECTION B: 40

SECTION C

NOTE: Mark the answers to the FIRST question only.

QUESTION 5: BUSINESS ENVIRONMENTS (MICRO & MARKET ENVIRONMENTS)**5.1 Introduction**

- Businesses need to have a clear understanding of the link between micro-environment and market environment. ✓
- The purpose of the organisational structure shows how the different departments are organised, within the organisation/business. ✓
- The market environment, consists of various components such as consumers and intermediaries. ✓
- Competition as part of the market environment has a direct impact on the business operations, which may sometimes cause challenges for the business. ✓
- Any other relevant introduction related to the interrelationship between micro and market environment/purpose of organisational structure/ components of market environment/ reason why competition pose challenge to the business. **Any (2 x 1) (2)**

5.2 Interrelationship between micro (internal) and market environments**5.2.1 Businesses and consumers ✓✓**

- Consumers depend on businesses for their goods and services ✓ to satisfy their needs and wants and businesses also depend on consumers for their income when they buy from them. ✓
- Without consumers a business cannot survive ✓, businesses need to ensure that they produce goods of consistently high quality to maintain or increase their customer base. ✓
- The public relations department must ensure that the business always maintains a positive image ✓ so that its customers remain loyal. ✓
- Any other relevant answer related to businesses and consumers.

Heading: (2)

Explanation: (2)

Sub-max: (4)

5.2.2 Businesses and suppliers

- Businesses depend on suppliers ✓ for their raw materials and other inputs. ✓
- Businesses need to identify reliable suppliers ✓ so that they can be assured of constant supplies. ✓
- Supply shortage is one of the challenges ✓ in the market environment. ✓
- Businesses need to honor their commitments to their suppliers ✓ by paying for their supplies on time. ✓
- Businesses can also maintain a good relationship with their suppliers by signing long-term contracts ✓ for their raw materials at fixed prices or buy in bulk to get discount on their raw materials. ✓
- Any other relevant answer related to businesses and suppliers.

Heading: (2)

Explanation: (2)

Sub-max: (4)

5.2.3 Businesses and intermediaries ✓✓

- Intermediaries distribute and sell the goods or services of a business ✓ they are the link between the business and the consumers. ✓



- Businesses need to maintain a good relationship with their intermediaries✓ so that they could check their activities. ✓
- Intermediaries need to be reliable and efficient✓, as their activities affect the quality and price of the goods and services. ✓
- Intermediaries are also the customers of the business✓ and so businesses need to always treat them with care✓.
- Agents may network to share ideas and information✓ to deliver efficient services to their customers. ✓
- Any other relevant answer related to businesses and intermediaries.

Heading: (2)

Explanation: (2)

Sub-max: (4)

5.2.4 Businesses and competitors

- Some businesses may form alliances✓ to control the prices of goods and services. ✓
- Businesses will normally study the activities of their competitors✓ before determining their pricing strategies. ✓
- The business needs to study the activities of its competitors ✓and be able to devise strategies to provide goods or services that are better than those offered by their competitors. ✓
- Any other relevant answer related to businesses and competitors.



Heading: (2)

Explanation: (2)

Sub-max: (4)

Max. (12)

5.3 Purpose of organisational structure

- Assists businesses in ensuring the smooth✓ and efficient functioning of all departments. ✓
- Ensuring that work happens with precise co-ordination✓ and minimum wastage of resources. ✓
- Helping the business to work✓ towards its goals. ✓
- Ensure proper synergy between various positions✓and tasks allocated in the business✓
- Ensures coordination between various departments✓ in the business. ✓
- To provide clear guidelines for communication channels✓ between three levels of management✓
- Any other relevant answer related to the purpose of organizational structure.

Max. (10)

5.4 Components of market environment

5.4.1 Consumers/Customers

- Consumers/customers refer to individuals or other businesses that purchase products and services✓ from a business. ✓

- Consumers are the final users ✓ of the product/service. ✓
- The market is the new and old customers ✓ who have money to buy goods/services. ✓
- Customer's preferences and taste does change as time goes by ✓, so it is essential for businesses to conduct market research to ensure that their target market's changing needs are continuously met. ✓
- If customers are not happy with the products or services of a business ✓, they will turn to a competitor. ✓
- Any other relevant answer related to customers as the component of market environment.

Sub-max. (6)

5.4.2 Intermediaries

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

Sub-max. (6)

Max. (12)

5.5 Reasons why competition pose a challenge to businesses.

- Competition keeps prices down and reduces the business profitability. ✓✓
- It forces businesses to find new ways to produce an existing products or develop new products/ services ✓✓
- A business may close down if it is unable to compete with other businesses ✓✓
- Competition reduces the business market share and its target market. ✓✓
- Competitors may take a larger share of the target market resulting in decrease in sales ✓✓
- Competitors who offer products at a cheaper price may force businesses to sell at a loss ✓✓
- Businesses spend a lot of money on advertising which takes away business profits ✓✓
- Some employees may leave the business to work for competitors, which may result in business information known by competitors. ✓✓
- High demand of salaries may cause other employees to leave the business ✓✓

- Powerful competitors may have control of the market and make tight barriers to entry. ✓✓
- Any other relevant answer related to reasons why competition pose challenge to business.

Max. (12)

5.6 Conclusion

- Businesses should ensure that they maintain a good relationship between the micro and market environment as they are interdependent. ✓✓
- Businesses must ensure that the organisational structure assist to reach their full potential. ✓✓
- Components of the market environment such as consumers and intermediaries help the business to make informed decisions. ✓✓
- It is beneficial for businesses to analyse reasons why competition may pose challenges. ✓✓
- Any other relevant conclusion related to the interrelationship between micro and market environment/purpose of organisational structure/ components of market environment/ reason why competition pose challenge to the business. **Any (1 × 2) (2)**

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Interrelationship between micro (internal) and market environments	12	
Purpose of organisational culture	10	
Components of market environment - Consumers - Intermediaries	12	
Reasons why competition pose a challenge to businesses.	12	
Conclusion	2	
Insight		8
Layout	2	
Analysis/interpretation	2	
Synthesis	2	
Originality/ examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

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

- Consumer rights according to the NCA ensures that consumers are not exploited by businesses when granting credit. ✓
- The NCA was introduced to provide both credit providers and credit applicants with clear guidelines regarding their rights and responsibilities. ✓
- Different circumstances determine the relevant payment methods for consumers, either cash or credit. ✓
- Credit providers that adhere to their responsibilities ensure that correct procedures are followed before granting credit to clients/customers. ✓
- Any other relevant introduction related to consumer rights according to the NCA/ Purpose of the NCA/ differences between cash and credit payments/ responsibilities of credit providers.

Any (2 x 1) (2)**6.2 Consumer rights according to the National Credit Act**

Consumers have a right to:

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

Max. (12)

6.3 Purpose of the National Credit Act

- Promote a fair but competitive ✓ credit market. ✓
- Makes provision for the establishment ✓ of the National Credit Regulator/NCR. ✓
- Promotes the social and financial interest ✓ of consumers. ✓
- Ensure that consumers know what is included ✓ in their credit contracts. ✓
- Ensure registrations of credit bureau ✓ and debt counselling services. ✓
- Prevent discrimination ✓ and ensure credit is available to all consumers. ✓
- Any other relevant answer related to the purpose of the National Credit Act.

Max. (12)

6.4 Differences between cash and credit payments

CASH PAYMENTS	CREDIT PAYMENTS
- Cash payment refers to all payments made by cash ✓ for business purchases immediately. ✓	- Credit payment refers to all payments made on a future date ✓/using credit cards for business purchases. ✓
- This method of payment enables businesses to budget for stock purchases ✓ and avoid unnecessary delays. ✓	- This method allows businesses to buy stock ✓ and pay monthly instalments over a specific period. ✓
- Businesses may obtain cash discounts ✓ for payments made by cash. ✓	- The credit payer can pay more for goods ✓ because of the interest added onto credit payments. ✓
- Any other relevant answer related to cash payments.	- Any other relevant answer related to credit payments.
Max. (6)	Max. (6)

Max. (12)

- NOTE: 1. The answer does not have to be in tabular format.**
2. The difference do not have to link but must be clear.
3. Award the maximum of SIX (6) marks if differences are not clear/Mark either Cash payment or credit payment.

6.5 Responsibilities of credit providers.

- Credit providers should conduct a credit assessment to ensure that consumers can afford the debt. ✓✓
- Check the most recent pay slip or bank statement to ensure the consumer has an income. ✓✓
- Check the consumer's monthly debt-repayment obligations in terms of credit agreements. ✓✓

- Consider other expenses of the consumers. ✓✓
- Consider the consumer's debt repayment history. ✓✓
- Any other relevant answer related to the responsibilities of credit providers. ✓✓

Max. (10)

6.6 Conclusion

- Businesses should always adhere to all credit granting processes, to guard against violating consumer rights. ✓✓
- Businesses must avoid reckless lending to clients in line with the purposes of National Credit Act ✓✓
- Allowing customers to make cash and credit payments can assist the business to reach its goals through profit maximization. ✓✓
- Businesses must always adhere to the principles outlined by the National Credit Regulator, to keep them safe from providing credit to bad payers. ✓✓
- Any other relevant conclusion related to consumer rights according to the NCA/ Purpose of the NCA/ differences between cash and credit payments/ responsibilities of credit providers.



Any (1 x 2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Consumer rights according to the NCA	12	
Purpose of the National Credit Act	12	
Differences between cash and credit payments	12	
Responsibilities of credit providers	10	
Conclusion	2	
Insight		8
Layout	2	
Analysis/interpretation	2	
Synthesis	2	
Originality/ examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 40
GRAND TOTAL: 100**