



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF EDUCATION

CAPRICORN SOUTH DISTRICT

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

**ECONOMICS 2026
TEST 1 TASK 2
MACROECONOMICS**

Stanmorephysics.com

Date : 11 March 2026

MARKS: 100

Duration: 1H30

This question paper consists of 7 pages

SECTION A

QUESTION 1

1.1. Various options are provided as answers to the following questions. Write only the letters (A-C) of the correct answer next to the question numbers.(1.1.1- 1.1.5) in the answer book.(e.g. 1.1.6. E)

1.1.1..... is something, such as a forest, mineral deposit, or water that is found in the nature and is necessary or useful to humans.

- A. Human resources
- B .Labour
- C Natural resources
- D. Capital

1.1.2. Goods which are used by the business to produce other goods.

- A. Intermediate goods
- B. Durable goods
- C. .Final goods
- D. Consumable goods.

1.1.3. Businesses tend to specialize in producing products that yield the highest profits.

- A. Capitalism
- B. Socialism.
- C .Mixed economy
- D. Feudalism.

1.1.4. The ability of South African businesses

- A. Primary
- B. Secondary
- C. Tertiary
- D. Technology

1.1.5. They create wealth by using savings and borrowed money to buy capital goods thereby paying Interest to their lenders.

- A. Capital.
- B. Entrepreneurs.
- C. Labour
- D. Foreigners.

(5X2)= [10]

1.2 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A—G) next to the question number (1.2.1—1.2.) in the ANSWER BOOK.

No	COLUMN A	COLUMN B	
1.2.1	Non-durable goods	A	Minerals,timber,air and fish
1.2.2	Centrally planned	B	Total value of all goods and services produced within the boundaries of a country for a given period.
1.2.3	Labour	C	The government has full control over the resources and factors of production.
1.2.4	Capital goods	D	Goods which are used up at once.
1.2.5	GDP	E	Mental and physical efforts of people that are used in the production of goods and services with the aim of getting remuneration.
1.2.6	Gifts of nature	F	Goods that last for a short period of time
		G	Goods which the business buy in order to produce final goods.

(6x1)= (6)

1.3. Give ONE concept for each of the following descriptions. Write only the concept next to the question number (1.3.1—1.3.4) in the ANSWER BOOK.

1.3.1. Goods which command a price.

1.3.2. An increase in the capital to accommodate an increasing labour force.

1.3.3. The economic system that allocates the resources among various uses and establish the level of income of the different classes.

1.3.4. A person who take initiative in bring together the necessary factors of production to exploit opportunity.

(4x1)= (4)

(20)

SECTION B

Answer **ONE** of the **TWO** questions from this section in the ANSWER BOOK.

Question 2: MACROECONOMICS

2.1. Answer the following questions:

2.1.1. Name **TWO** activities of primary sector. (2)

2.1.2. Why are intermediate goods not included in GDP figures? (2)

2.2. Study the table below and answer the questions that follow

2012	R millions
Compensation of employees	1 451 603
Net operating surplus	922 030
Consumption of fixed capital	405 640
Gross value added @ factor cost	2 779 273
Other taxes on production	56 527
Other subsidies on production	15 538
(A)	2 820 262
Taxation on products	338 804
Subsidies on products	20 086
Gross domestic products @ market prices	(B)

2.2.1 Identify the method of determining Gross Domestic Product (GDP) in the table (1)

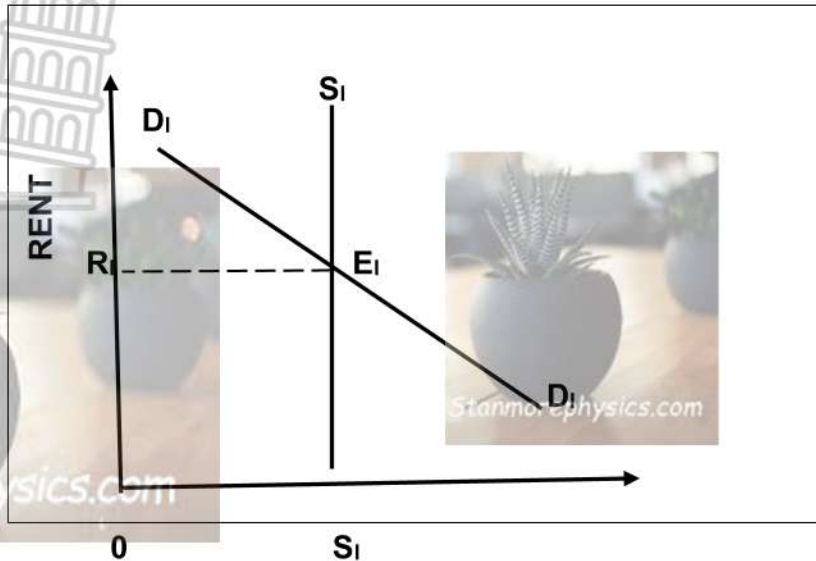
2.2.2. Complete the item represented by A in the table. (1)

2.2.3. Describe the term gross domestic products (GDP). (2)

2.2.4. Explain the 'Consumption of fixed capital'. (2)

2.2.5. Calculate the 'Gross Domestic Products @ market places' labeled (B) show all calculations. (4)

2.3 Study the graph below and answer the questions that follow

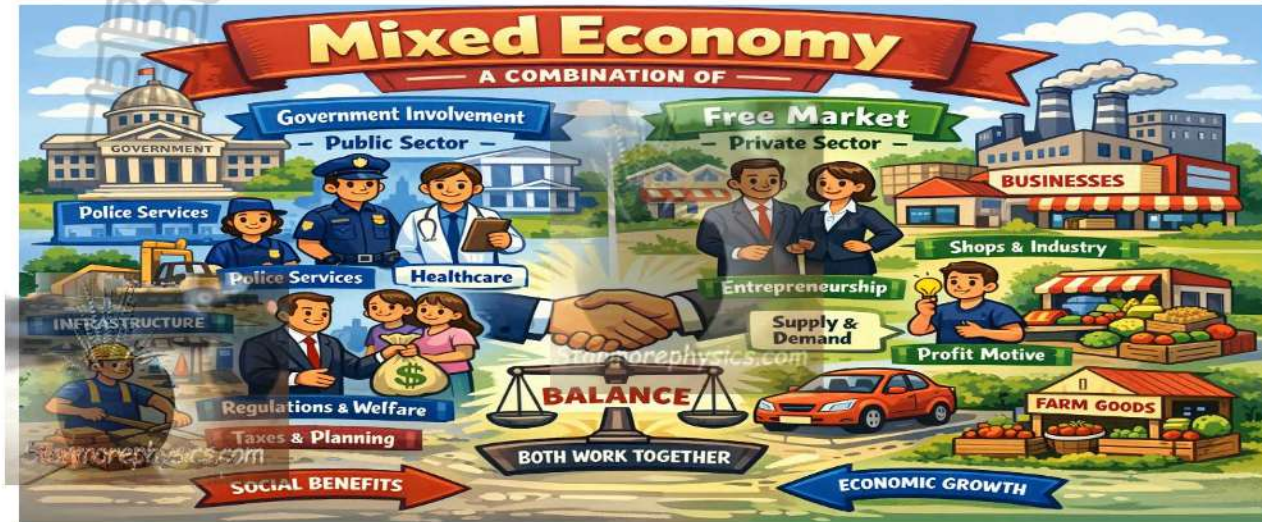


**DEMAND FOR NATURAL RESOURCE
(LAND)**

- 2.3.1. Name any example of a non-renewable resources. (1)
- 2.3.2. Give any factor that can influence the price of natural resources. (1)
- 2.3.3. Briefly describe the term *natural resource*. (2)
- 2.3.4. How scarcity of land is related to rent? (2)
- 2.3.5. Redraw the graph in your answer book and show what will happen to the price of land (rent) if there is a decrease in the demand for land. (4)
- 2.4 Briefly discuss TWO categories of labour. (8)
- 2.5. How do social services differ from economic services (8)

QUESTION 3

3.1 Study the cartoon below and answer the question that follow.



- 3.1.1. Which economic system is shown by the cartoon above? (2)
- 3.1.2 Briefly explain capitalism. (2)
- 3.1.3 Which system is used by the South African government? (2)
- 3.1.4 What role does the government play in a centrally planned system? (2)
- 3.1.5 How is the government involved in the economic system above? (2)
- 3.2. Answer the following questions
- 3.2.1 Name two programmes introduced for economically marginalised group to have access to economic activity. (2)
- 3.2.2. What are TWO specific conditions of the marginalised people (group) (2)
- 3.2.3 Briefly describe economically marginalised group (people) (2)
- 3.2.4. Outline TWO characteristics of labour. (4)
- 3.2.5 Distinguish between nominal and real wages (4)
- 3.4. Differentiate between economic goods and free goods (8)
- 3.5. Discuss the importance of secondary industry (8)



DEPARTMENT OF
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GRADE 11

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**BUSINESS STUDIES
CONTROLLED TEST 1
MARKING GUIDELINES**

Stanmorephysics.com

MARKS: 100

This Marking Guideline consist of 17 pages

NOTES TO MARKERS

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

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

3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
4. The word 'Sub max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
6. 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.
7. In an indirect question, the theory as well as the response must be relevant and related to the question.
8. Correct numbering of responses 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.
9. No additional credit must be given for repetition of facts. Indicate with an 'R'.
 - 9.1 The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
 - 9.2 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.' ✓
 - 9.3 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.

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

Cognitive verbs, such as:

10.1.1 Advise, name, state, mention, 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.

10.1.2 Define, describe, explain, discuss, elaborate, distinguish, 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.

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

12. SECTION B

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

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

12.2 If two facts are written in one sentence, award the candidate FULL credit. Point 13.1 above still applies.

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

12.4 Use of the cognitive verbs and allocation of marks:

12.4.1 If the number of facts is 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 The 'fact' and 'explanation' are given separately in the marking guidelines to facilitate mark allocation.

12.4.2 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 guidelines.

12.5 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).

13. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
	<p>Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?</p> <p>Marks to be allocated using this guide:</p> <p>All headings addressed:1 (One 'A') Interpretation (16 to 32 marks):1 (One 'A')</p>	2
Synthesis	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S')</p> <p>Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.</p> <p>Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.</p> <p>Option 3: Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.</p>	2
Originality	Is there evidence of examples, recent information, current trends and developments?	2
	<p>TOTAL FOR INSIGHT:</p> <p>TOTAL MARKS FOR FACTS:</p> <p>TOTAL MARKS FOR ESSAY (8 + 32):</p>	<p>8</p> <p>32</p> <p>40</p>

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.

- 14.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.
- 14.5 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 originality "O".
- 14.6 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

- 14.7 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.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 14.9 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.
- 14.10 14.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 14.10.2 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.
- 14.11 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 D✓✓

1.1.2 A✓✓

1.1.3 C✓✓

1.1.4 D✓✓

1.1.5 B✓✓

(5X2)(10)

1.2

1.2.1 customers✓✓

1.2.2 primary✓✓

1.2.3 psychographics ✓✓

1.2.4 Industrial relations ✓✓

1.2.5 micro✓✓

(5X2)(10)

TOTAL SECTION A: 20

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

SECTION B

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Examples of contemporary legislation that may affect business operation

- National Credit Act✓
- Consumer Protection Act✓
- Employment Equity Act✓
- Broad Based Black Economic Empowerment Act✓
- Basic Conditions of Employment Act✓
- Labour Relations Act✓
- Skills Development Act✓
- Compensation for Occupational Injuries and Diseases Act/COIDA✓

NOTE: Mark the first FOUR (4) only.

(1 x 4) (4)

2.2 Globalisation/international as a challenge of the macro environment

- Globalisation refers to the exchange of products/services/capital and labour✓ across boundaries/countries. ✓
- Local businesses are competing with international businesses✓ for local consumers✓

- Businesses should be aware of global networks ✓ and their effects. ✓
- The overseas migration of skilled labour ✓ can result in local skills shortage. ✓
- This means more competition for businesses ✓ that are already under pressure to compete locally. ✓
- Some international businesses dump their product lines in South Africa ✓ at the price lower than those at which local businesses can afford to sell them. ✓
- Any other relevant answer related to globalization/international as one of the macro environment challenges.

Max (6)

2.3

CHALLENGES (2.3.1)	BUSINESS ENVIRONMENTS	EXTENT OF CONTROL (2.3.2)
<ul style="list-style-type: none"> • "MFC appointed a new manager who is the son of the owner of MFC with no relevant skills" ✓ 	Micro	Full control ✓
<ul style="list-style-type: none"> • "A new fried food restaurant started operating two weeks ago" ✓ 	Market	Partial/ limited/less control ✓
<ul style="list-style-type: none"> • "when government announced higher minimum wage" ✓ 	Macro	No control ✓
Sub max. 3		Sub max. 3

Max (6)

2.4 Advantages of businesses that are involved in the macro environment

- They will gain good publicity ✓ and so attract and retain loyal customers. ✓
- They will attract and retain skillful employee ✓ in their communities. ✓
- Government tenders and contracts are normally given to businesses ✓ that are involved in the macro environment. ✓
- Businesses that support their communities ✓ normally get some tax rebates. ✓
- Businesses that get involved in the macro environment ✓ can anticipate likely challenges and devise strategies to turn them into opportunities. ✓
- Top investors are attracted to businesses ✓ that are involved in the macro environment. ✓
- It prevents environmental damage ✓ by decreasing the business' carbon footprint. ✓
- Knowing people's age, gender, customs, traditions, and preferences ✓ will make it easier for businesses to appeal to customers. ✓
- Any other relevant answer related to the advantages of businesses that are involved in the macro environment.

Max (4)**(20 MARKS)**



QUESTION	MARKS
2.1	4
2.2	6
2.3	6
2.4	4
TOTAL	20

QUESTION 3: BUSINESS ENVIRONMENTS

3.1 Examples of networking

- Formal networking: Organised local, provincial and national chambers of business, industry and commerce. ✓
- Informal networking: Social and less organised coordination. ✓
- For instance business managers often network while playing golf, attending sports events or getting involved in social programmes. ✓
- Social media and the internet: New and cheap ways of businesses to network via online forums and business groups. ✓
- Any other relevant answer related to examples of networking.

NOTE: Mark the first FOUR (4)

(1x4) (4)

3.2

3.2.1 Patent ✓✓

(2)

3.2.2 A patent as a solution to piracy

- A patent prevents other businesses/people not to produce ✓ and sell the same product/specific service. ✓
- Businesses can take out a patent for new inventions ✓ and include a sample of their invention with application. ✓
- They must register a patent ✓ with the Patents Office in South Africa. ✓
- The invention must comply ✓ with the Patent Act No. 57 of 1978. ✓
- They can bring legal proceedings ✓ against anyone who uses the invention. ✓
- Any other relevant answer related to a patent as a solution to piracy.

Sub-max.(4)

Max (6)

3.3 Persuasion of large investors as one of the ways businesses form power relations.

- If a business has a powerful investor, the business can often benefit from the relationship ✓ so that it can gain credit more easily and better deals from suppliers. ✓
- Businesses invite powerful influential people to sit on their Board of Directors ✓ in order to get advice from those people. ✓
- Having such power as part of the business may have a positive influence on the reputation ✓ and image of the business. ✓
- If a business has a large/powerful investor, the business can gain credit more easily ✓/get better deals from suppliers. ✓
- Any other relevant answer related to persuasion of large investors as one of the ways businesses form power relations.

Max.(4)

3.4 Ways in which businesses can have a direct influence on the environment

- Businesses need to be flexible by getting involved in research/development so that they can continue to operate. ✓✓
- Influence its suppliers by signing long term contracts. ✓✓
- Create new uses for a product by finding new customers. ✓✓
- Influence regulators through lobbying and bargaining. ✓✓
- Initiate bargaining sessions between management and unions. ✓✓
- Influence its owners' using information contained in annual reports. ✓✓
- Negotiate strategic alliance agreement through contractual processes. ✓✓
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

Max. (6)

QUESTION	MARKS
3.1	4
3.2	
3.2.1	2
3.2.2	4
3.3	4
3.4	6
TOTAL	20

[20]

QUESTION 4 BUSINESS ENVIRONMENTS

4.1 TWO components of the micro environment

- The business mission and objectives ✓
- its management structure ✓
- its resources and its culture are primarily controlled by the enterprise's management ✓

NOTE: Mark the first TWO (2)

(1x2) (2)

4.2 The advantages of networking in the business.

- Businesses can be attract new customers 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 answer related to the advantages of networking

Max (4)

4.3 Differentiate between strike and go-slow

STRIKE	GO-SLOW
<ul style="list-style-type: none"> • Temporary collective refusal of employees to work. ✓ 	<ul style="list-style-type: none"> • The employees still carry on with their work, but at a much slower pace than normal. ✓
<ul style="list-style-type: none"> • A collective, organised cessation of work by employees to force the employers to accept their demands. ✓ 	<ul style="list-style-type: none"> • The employees aim to disrupt the workplace production. ✓
<ul style="list-style-type: none"> • Workers will not be fired if they participate in a protected strike ✓ 	<ul style="list-style-type: none"> • Workers participating in a go-slow are often punished , sometimes fired ✓
<ul style="list-style-type: none"> • Any other relevant answer on strike 	<ul style="list-style-type: none"> • Any other relevant answer on go-slow
Sub-max (2)	Sub-max (2)

Max (4)

BUSINESS ENVIRONMENTS

4.4

4.4.1 Economic crime ✓✓ (2)

4.4.2 Impact of economic crime on businesses

- Loss of income ✓ if the money was stolen from a business ✓
- Loss of jobs ✓ if a business closes down. ✓
- Businesses lose ✓ investors. ✓
- Leads to a decrease in investors' confidence ✓ resulting in poor economic and business growth. ✓✓
- Any other answer related to impact of economic crime on businesses.

Max. (4)

4.5 **Reasons why businesses lobby**

- 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 ✓✓
- Businesses or people lobby or change laws like, child labour laws, clean air and water laws, municipal regulations, etc. ✓✓
- Their views are important and heard, thus making a difference and giving solutions to business challenges. ✓✓
- Lobbying advances business men's cause and builds public trust. ✓✓

- Any other answer related to the reasons why business lobby

Max (4)



QUESTION	MARKS
4.1	2
4.2	4
4.3	4
4.4	
4.4.1	2
4.4.2	4
4.5	4
TOTAL	20

(20 MARKS)

TOTAL SECTION B: [40]

SECTION C

QUESTION 5: BUSINESS ENVIRONMENTS

5.1 Introduction

- The macro environment is part of the external business environment as it falls immediately outside the business. ✓
- Businesses have no control over the challenges of the macro environment and rather need to adapt to it. ✓
- Businesses has less or partial control over challenges of the market environment. ✓
- Businesses should choose a way to get involved in the macro environment that suits their businesses. ✓
- Any other relevant introduction related to components and challenges of the business market and macro environment

(Any 2 x 1) (2)

5.2 **The components of the macro environments**

- Physical/Natural environment/forces those are present in the natural environment/the availability of natural resources and sustainability of mineral resources. ✓✓
- Economic environment/Global and local economic forces/Government monetary and fiscal policies that have a direct impact. ✓✓
- Social/Cultural/Demographic environment/people and factors that influence and direct consumer behaviour/includes people, cultural backgrounds and income levels. ✓✓
- Technological environment/new technologies that created a 4th industrial revolution. ✓✓
- Legal/Political/all the laws and legislation that business must comply with/Regulations passed by government influence the way in which businesses operate. ✓✓
- International/Global environment/Global and international forces that influence business operations/businesses having to keep up with global trends/international trading relations. ✓✓

- Institutional environment/Institutions that provide a series of services to business enterprises/government that consumes/provides goods and services. ✓✓
- Any other relevant answer related to the components of the macro environment.

Max. (10)

5.3 Reasons why business have less control over the market environment and no control over the macro-environment

Market environment

- The market environment refers to influences that have an impact on the success in forming ✓ and keeping a sustainable business such as competition and suppliers. ✓
- Businesses can influence their competitors ✓ by increasing the quality of their products in relation with competitor prices. ✓
- The opposite can also be that suppliers' raw materials can influence the quality ✓ of business products. ✓
- Any other relevant answer related to market environment

Macro environment

- The market environment refers to the major external and uncontrollable factors ✓ that influence an organization's decision making. ✓
- These factors include the economic/demographics ✓ /legal/political/social conditions/technological changes and natural forces. ✓
- The above mentioned factors affect business performance ✓ and strategies. ✓
- The external environmental conditions that affect a business ✓ are generally beyond the control of management and change constantly. ✓
- Any other relevant answer related to macro environment

Max (12)

5.4 The challenges of the market environment:

Competition.

- Other businesses which sell similar substitute products ✓ pose a problem to/threaten the success of a business. ✓
- It is difficult to compete with businesses selling the same products and services ✓ in certain countries. ✓
- If a business is not able to match the quality of service/products ✓ and the price of its competitors, it will be in real danger. ✓
- The challenges around competitors can be industry rivalry ✓ where businesses aim to sell more than competitors/new entrants with better products/cheaper or better substitutes. ✓
- Businesses could find that they are unable to make sufficient profit ✓ when the demand is not high enough to support the supply of the same goods/ services. ✓
- Essential for a business to have a regular supply ✓ of all the materials that are inputs in the production process. ✓
- Dissatisfied customers can damage the reputation ✓ and threaten the future of the business. ✓
- Any other relevant answer related to challenges of the market competition

Sub-max (8)**Socio-cultural factors**

- Social-cultural factors describe the common behaviour ✓ and attitudes of a particular society. ✓
- As society changes so will the cultural values ✓ and practices of individuals. ✓
- Businesses must be aware of change and that they can avoid threats ✓ and take advantage of the new opportunities that the change may present. ✓
- Businesses should be aware of social trends ✓ and influential campaigns that promote buying. ✓
- The challenge is to gather information about changes and to respond to them ✓ by adapting practices to maintain and increase its customer base. ✓
- Any other relevant answer related to the socio-cultural factors

Sub-max (6)**Max (14)****5.6 Ways in which business can overcome competition in the market.**

- Management must ensure that the business differentiates itself from the competitors by tapping into what the customer wants. ✓✓
- Offering more personal services by being responsive to the customer's needs/ expectations. ✓✓
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. ✓✓
- Charging the lower prices than that of the other businesses. ✓✓
- Selling products of superior quality/new products/services that the customers might be interested in. ✓✓
- By being the best employer that has well trained/knowledgeable staff members ✓ that create a better working atmosphere. ✓✓
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. ✓✓
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/ inviting. ✓✓
- Keeping up with developments in the sector of the business sector, following consumer trends/investing in new technology. ✓✓
- Improving on customer services and keeping them happy. ✓✓
- Any other relevant answer to ways in which business can overcome market competition

Max (10)**5.7 Conclusion**

- Businesses must be aware of all of the components of the micro, market and macro environment. ✓
- Businesses have to pay careful attention to the challenges from the macro environment and devise strategies to respond to these challenges. ✓
- Businesses that are involved in the macro environment will benefit in the short and the long run. ✓
- Any other relevant conclusion related to components and challenges of the business market and macro environment

(Any 1 x 2) (2)

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Outline the components of the macro-environment	10	MAXIMUM 32 MARKS
Reasons why business have less control over the market environment and no control over the macro-environment	12	
Discuss the challenges of the market environment: - Competition. - Socio-cultural issues	14	
Suggest ways in which business can overcome competition in the market.	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/ interpretation	2	
Synthesis	2	
Original/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 ENVIRONMENTS**6.1 Introduction**

- Various role players, for example, the government, employer organisations and labour unions, influence the economy. ✓
- The business community aims to produce goods and services in order to maximize profits. ✓
- Employees join trade unions so that they can have some influence on the improvement of working conditions. ✓
- Businesses have the responsibility to become more socially responsible by giving back to communities. ✓
- Any other relevant introduction related to the projects that can be undertaken by businesses as part of social responsibility.

(Any 2 x 1) (2)

6.2 The roles of trade unions

- Serves as mechanism through which employees have a collective voice in the workplace. ✓✓
- Unions communicate to the company's management the members' grievances such as unfair dismissal, low wages and conditions of services. ✓✓
- They ensure that the employers include employees in the decision making process. ✓✓
- They ensure that employees are treated fairly and respected. ✓✓
- Unions are involved with social dialogue regarding poverty alleviation, job creation and wealth distribution. ✓✓
- Any other relevant answer to the roles of trade unions

Max (8)**6.3 The purpose of the Labour Relations Act**

- Provides a framework where the employees, trade unions and employers work together✓ to discuss matters relating to employment, e.g. wages, conditions of employment. ✓
- Promotes orderly negotiations and employee participation✓ in decision making in the workplace. ✓
- Promotes resolution✓ of labour disputes. ✓
- Promotes fair✓ employment practices. ✓
- Outlines the relationship between employees✓ and employers. ✓
- Provides simple procedures✓ for the registration of trade unions and employers' organizations. ✓
- Regulates the rights of trade unions and facilitates✓ collective bargaining. ✓
- Regulates the effectiveness of bargaining councils✓ and statutory councils. ✓
- Establishes workplace forums✓ to promote the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Allows workplace forums✓ where employees may participate in decision making. ✓
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes✓ through statutory conciliation, mediation and arbitration. ✓
- Endorses the right to strike against retrenchments✓, and facilitates labour disputes. ✓
- Clarifies the transfer✓ of contracts of employment procedures. ✓
- Establishes Labour Courts and Labour Appeal Courts✓ to deal with labour issues. ✓
- Deals with strikes✓ and lockouts and workplace forums. ✓
- Establishes workplace forums to promote✓ the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Advances economic development/social justice/labour peace✓ to ensure the workplace maintains the basic rights of employees. ✓
- Any other relevant answer related to the purpose of the Labour Relations Act

Max. (14)**6.4 Functions of trade unions**

- Protecting their members against unfair labour practices✓ in the workplace.✓

- Empowering employees by educating them ✓ regarding their rights in the workplace and how to apply these rights. ✓
- Representing employees in meetings ✓ with their employers when they face workplace grievances and disputes/Representing employees corporately and individually. ✓
- Negotiating/Influencing management ✓ for better working conditions, salary or wages and other benefits to improve the standard of living for workers/Improving the material benefits of their members. ✓
- Protecting employees ✓ against/from unfair dismissals and labour practices, ✓
- Taking legal action on ✓ behalf of their members when necessary. ✓
- Protecting/Advancing the interest ✓ of workers. ✓
- Representing the interest of general society and minority groups ✓ through media and negotiations. ✓
- Influencing government decisions. ✓
- Providing benefits and educational facilities ✓ to its members. ✓
- Providing legal and financial ✓ advice. ✓
- Supporting and promoting gender equality ✓ in the workplace. ✓
- Protecting members ✓ in times of retrenchments and disciplinary ✓ hearings. ✓
- Protecting the interest of their members ✓ during disciplinary procedures. ✓
- Any other relevant answer related to the function of trade unions.

Max. (14)

6.5 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 re-using 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)

6.6 Conclusion

- 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. ✓
- Strikes represent the final stage of dispute/disagreement between management and employees and should be avoided at all costs. ✓
- Trade unions are involved in ways to address poverty reduction, job creation and ways to create more equitable income and wealth distribution. ✓

(Any 1 x 2)(2)

▪ [40]

QUESTION 6: BREAKDOWN OF MARKS ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Mention roles of trade unions in the workplace.	8	MAXIMUM 32 MARKS
Discuss the purpose of the Labour Relations Act	14	
Explain the functions of trade unions	14	
Recommend projects that can be undertaken by businesses as part of social responsibility	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/ interpretation	2	
Synthesis	2	
Original/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.