LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

NATIONAL SENIOR CERTIFICATE

GRADE 10

BUSINESS STUDIES P1

MAY-JUNE 2026

MARKS: 100

TIME: 1.5 hours

This question paper consists of 8 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers the following section:

   SECTION A: COMPULSORY
   SECTION B: Consist of THREE questions.
   Answer TWO of the three questions in this section.
   SECTION C: Consist of TWO questions.
   Answer any ONE of the two questions in this section.

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

3. Number the answers correctly according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.

4. Except where other instructions are given, answers must be in full sentences.

5. Use the mark allocation and nature of each question to determine the length and depth of an answer.

6. Use the table below as a guide for mark 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 on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

SECTION A (Compulsory)

QUESTION 1

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

1.1.1 The … describes how the business goals will be achieved.

A mission
B goals
C objectives
D vision

1.1.2 The … are individuals that buy goods and services from businesses.

A market
B consumers
C intermediaries
D suppliers

1.1.3 The… environment refers to laws passed by the government in which business operate.

A cultural
B institutional
C political
D legal

1.1.4 This function communicates information between the business and its stakeholders.

A public relation
B marketing
C management
D financial

1.1.5 The … protects the economic welfare of consumers.

A Consumer Protection Act
B Consumer Tribunal
C National Consumer Commission
D Ombudsman **(5 x 2) (10)**

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

Informal; macro; data; lower level; formal; information; competitors; micro; suppliers; top level;

1.2.1 The … sector refers to businesses that are registered and pay tax.

1.2.2 … are businesses that produce the same product for the same market.

1.2.3 The … environment is also known as the external environment.

1.2.4 … managers are responsible for overseeing or supervising day-to- day operations.

1.2.5 Raw/unprocessed facts found in statistics/ graphs/ tables, is known as…

(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 Give TWO examples of industries in the primary sector. (2)

2.2 Outline the purpose of the organisational structure. (4)

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

UTTI DESIGNERS (UD)

Utti Designers specialises in producing women leisurewear brand. The brand is known for its focus on natural, eco-friendly materials. The brand is distributed through Trumaths stores.

2.3.1 Identify TWO business sectors in the scenario above. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.3.1

BUSINESS SECTORS	MOTIVATIONS
1.	
2.	

(6)

2.4 Explain the link/relationship between functions/departments as components of the micro environment. (4)

2.5 Advise business on the reasons why competition poses a challenge to businesses. (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

3.1 Name TWO types of capital. (2)

3.2 Outline the importance of quality for businesses. (4)

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

ECO JEWELLERS DESIGNERS(EJD)

Eco Jewellers Designers manufactures jewellery using recycled materials. The business was financed through money provided by government to small businesses. Other funds were borrowed from the bank and repaid over a period of time.

3.3.1 Identify TWO sources of financing used by EJD. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.3.1.

SOURCE OF FINANCING	MOTIVATIONS
1.	
2.	

(6)

3.4 Explain the differences between quality control and quality assurance. (4)

3.5 Suggest quality indicators of the human resources function. (4)

[20]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Elaborate on the meaning of the market environment. (4)

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

OBS COURIER COMPANY (OCC)
OBS Courier Company operates around Polokwane town. OCC has been in business for the past five years. There is untapped potential in delivering directly to the township 10 km outside town. High fuel prices and poor road conditions increase vehicle maintenance costs and affect profit margins.

4.2.1 Quote an opportunity and a threat from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.2.1.

OPPORTUNITY	THREAT
1.	1.

(2)

4.3 Explain suppliers as one of the components of the market environment. (4)

BUSINESS OPERATIONS

4.4 Name TWO factors that influence the organisational structure. (2)

4.5 Outline the purpose of the National Credit Act. (4)

4.6 Suggest quality indicators of the general management. (4)

[20]

SECTION C

Answer only ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the 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

The micro environment consists of various components which include the vision, mission and organisational culture. The three business environments are related to each other as they cannot operate in isolation. Managers must also understand the role played by organisations/civil society

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

- Outline the purpose of a business organisational culture.
- Explain any other THREE organisations/civil society that form part of the market environment.
- Discuss the following components of the micro environment
  - Vision
  - Mission
  - Goals
- Advise businesses on the relationship between micro, market and macro environment. **[40]**

QUESTION 6: BUSINESS OPERATIONS

The purchasing function is responsible for buying raw materials and services for the business. There are different activities carried out by the purchasing function. Stock control is very important. The business should understand the impact of National Credit Act on businesses.

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

- Outline the importance of stock control.
- Explain the activities of the purchasing function.
- Discus the impact of the National Credit Act on businesses.
- Advise businesses on the purpose of the purchasing function.

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 100

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JUNE 2026
MARKING GUIDELINE

MARKS: 100

This Marking Guideline consist of 21 pages

NOTES TO MARKERS

PREAMABLE

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 leaning.

- 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

Commented [NR1]: Added this part

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 (where applicable).**

13. **SECTION C**

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

Introduction	**Maximum: 32**
Content	
Conclusion	
Insight	**8**
TOTAL	**40**

13.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
	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 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 of 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(s) 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.	2
Originality	Is there evidence of examples, recent information, current trends and developments?	2
	TOTAL FOR INSIGHT: **TOTAL MARKS FOR FACTS:** **TOTAL MARKS FOR ESSAY (8 + 32):**	**8** **32** **40**

NOTE:

1. **No marks will be awarded for contents repeated from the introduction and conclusion.**
2. **The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
3. **No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

13.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').

13.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.

13.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality "O".

13.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

13.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)

13.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.

13.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.

13.10 13.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

SECTION A (COMPULSORY)

QUESTION 1

1.1
- 1.1.1 C√√
- 1.1.2 B√√
- 1.1.3 D√√
- 1.1.4 A√√
- 1.1.5 C√√ (5 x 2) **(10)**

1.2
- 1.2.1 formal√√
- 1.2.2 competitors√√
- 1.2.3 macro√√
- 1.2.4 lower level√√
- 1.2.5 data √√ (5 x 2) **(10)**

TOTAL SECTION A: 20

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

SECTION B

Mark the FIRST TWO QUESTIONS only.

QUESTION 2 (BUSINESS ENVIRONMENTS)

2.1 **TWO examples of industries in the primary sector.**

- Farming/agriculture√
- Forestry√
- Fishing√
- Mining√

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

2.2 **The purpose of the organisational structure**

- Helping to ensure the smooth and efficient functioning of the business. √√
- Ensuring that work happens with precise co-ordination and minimum wastage of resources. √√
- Helping the business to work towards its goals. √√
  the connections between various positions and tasks in the business. √√
- It describes the coordination between various departments in the business. √√
- Any other relevant answer related to the purpose of the organisational structure.

Max (4)

2.3 **Business sectors from the scenario.**

BUSINESS SECTORS	MOTIVATION
1. Seconday√√	Utti Designers specializes in producing women leisurewear brand √
2. Tertiary √√	The brand is distributed through Trumaths stores.√
Submax (4)	Submax (2)

NOTE:
1. **Mark the first TWO (2) only.**
2. **Award marks for the business sector even if the quotes are incomplete.**
3. **Do not award marks for motivations if the business sectors were incorrectly identified.**

Max (6)

2.4 **The link/relationship between functions/departments**

- The eight business functions depend on each other√ and are interrelated. √
- These functions work together as a team√ for the business to be successful. √
- The general management is directly linked√ to all seven business functions. √
- The financial and administration functions√ are responsible for gathering, storing and processing information and financial records. √
- The purchasing, production and marketing functions√ are responsible for the delivery of goods. √

- The purchasing function buys raw material for the production function√ to process raw material into finished goods. the marketing function sells the product which the production function has produced. √
- The marketing function promotes the product√ while public relations function promotes the business and ensures that there is a good relationship between the business and the public. √
- All the staff with the right skill and qualifications√ is appointed by the human resources function. √
- Any other relevant answer related to the link/relationship between the functions/departments as components of the micro environment. **Max (4)**

2.5 The reasons why competition pose a challenge to businesses

- Competition as one of the components of the market environment poses a challenge to businesses because it is not within the control of the business. √√
- Consumers will buy from the business where they get the most value for money and they could choose the competitor. √√
- Business could find that they are unable to make sufficient profit when the demand is not high enough. √√
- Business could find it hard to differentiate itself from its competitors to gain a competitive advantage. √√
- New entrants with better products can also enter the market and divide the market even more thus decreasing the businesses market share. √√
- Competition keeps prices down and reduces the business profitability. √√
- It forces businesses to find new ways to produce an existing product 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. √√
- Any other relevant answer related to the reasons why competition pose a challenge to businesses. **Max (4)**

[20]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	2
2.2	4
2.3.1	6
2.4	4
2.5	4
TOTAL	20

QUESTION 3 BUSINESS OPERATIONS

3.1 Two types of capital

- Fixed capital√
- Working capital/operating capital√
- Own capital√
- Borrowed capital√

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

3.2 Importance of quality for businesses

- Effective customer services are rendered, resulting in increased customer satisfaction. √√
- Time and resources are used efficiently. √√
- Productivity increases through proper time management/using high quality resources. √√
- Products/Services are constantly improved resulting in increased levels of customer satisfaction. √√
- Vision/Mission/Business goals may be achieved. √√
- Business has a competitive advantage over its competitors. √√
- Regular training will continuously improve the quality of employees' skills/ knowledge. √√
- Employers and employees will have a healthy working relationship resulting in happy/productive workers. √√
- 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 attracts prospective investors. √√
- The business gains goodwill and support from the community. √√
- Improves business image as there are less defects/returns. √√
- Any other relevant answer related to the importance of quality for businesses.

Max (4)

3.3 Sources of financing from the scenario.

SOURCE OF FINANCING	MOTIVATION
1. Grants√√	The business was financed through money provided by government to small businesses √
2. Bank loans√√	Other funds were borrowed from the bank and repaid over a period of time. √
Sub max (4)	**Sub max (2)**

NOTE:
1. **Mark the first TWO (2) only.**
2. **Award marks for the sources of financing even if the quotes are incomplete.**
3. **Do not award marks for motivations if the sources of financing were incorrectly identified.**

Max (6)

3.4 **The differences between quality control and quality assurance.**

QUALITY CONTROL	QUALITY ASSURANCE
- Inspection of the final product√ to ensure that it meets the required standards. √	- Inspection is carried out during and after the production process√ to ensure required standards are met at every stage of the process. √
- Includes setting targets/ measuring performance√ and taking corrective measures. √	- Ensures that every process is aimed at getting the product right the first time√ and prevents mistakes from happening again. √
- 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 does not have to link, but must be clear.

3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either quality control or quality assurance only.

3.5 **Quality indicators of the human resources function**

- A Low rate of staff turnover in the business. √√
- Maintain a healthy relationship between employees and employer. √√
- Provide good working conditions. √√
- The HR manager should work towards building a good relationship with employees. √√
- Performance incentives for staff should be offered to increase productivity. √√
- Market-related salaries should be offered. √√
- Fair remuneration packages that are aligned to the industry should be provided. √√
- Makes sure there is a good recruitment policy that attracts best candidates. √√
- Ensures fair and equitable selection process. √√
- Offer performance incentives for staff to enhance productivity. √√
- Good relationship with employees. √√
- Ensure that employee understand the goals and objectives of the business. √√
- Understand the interrelatedness of different departments. √√
- Any other relevant answer related to the quality indicators of the human resources function.

Max (4)
[20]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	2
3.2	4
3.3	6
3.4	4
3.5	4
TOTAL	20

QUESTION 4 (MISCELLANEOUS)

BUSINESS ENVIRONMENTS

4.1 **Elaborate on the meaning of the market environment.**

- The market environment refers to the immediate external components√ that directly affect the ability of the business to operate. √
- Challenges and influences√ outside the business. √
- For the business to be successful it must be able to influence√ the components in this environment. √
- Businesses have little or no control√ over the environment. √
- All elements that determine the reasons for the existence√ of a business. √
- Includes all forces/stakeholders that have a direct effect√ on the functioning of the business. √
- Any other relevant answer related to the meaning of market environment.

Max (4)

4.2 **Opportunities and threats from the scenario.**

OPPORTUNITY	THREAT
1. There is untapped potential in delivering directly to the township 10 km outside town. √	1. High fuel prices and poor road conditions increase vehicle maintenance costs and affect profit margins. √

Max (2)

4.3 **Suppliers as one of the components of the market environment**

- Suppliers are individuals/agents who provide the raw materials, transport and other services√ to the business. √
- The business needs inputs from suppliers√ to produce goods and services.
- Suppliers play an important role in the success or failure of a business√ e.g. consumers will purchase the product/services from another business if a supplier is unable to supply a particular product/service. √
- Businesses usually choose suppliers who provide the best quality of goods√, correct quantity and deliver goods at the agreed upon times and at the best price. √
- Producers and manufacturers are some examples of suppliers√ as they supply raw materials. √
- Businesses can establish a good relationship with their suppliers√ by signing long term contracts for their raw materials at fixed prices. √
- Any other relevant answer related to suppliers as a component of the market environment. **Max (4)**

BUSINESS OPERATIONS

4.4 **Factors that influence the organisational structure**
- Size of the organisation√
- Strategy√
- Technology√
- Resources√

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

4.5 **The purpose of the National Credit Act**
- Promotes the development of a credit market that is accessible to all South Africans. √√
- Encourage responsible buying. √√
- Avoidance of over-indebtedness and fulfilment of credit providers and consumers. √√
- Address and correct imbalances in negotiating power between consumers and credit providers. √√
- Discourage reckless credit granting by credit providers. √√
- Educate consumers on making the right choice when applying for credit. √√
- It gives guidelines within which the different kinds of credit transactions must take place in South Africa. √√
- Any other relevant answer related to the purpose of the National Credit Act. **Max (4)**

4.6 **The quality indicators of the general management function.**
- The general management function develop/Implement/Monitor effective strategic plans. √√
- Set direction and establish priorities for their business. √√
- Effectively communicate shared vision, mission and values. √√
- Take responsibility for setting direction and prioritising responsibilities. √√
- Ensure that employees have the necessary resource to do the work. √√
- Ensure that all departments/the business meet their deadlines/targets. √√
- Learn about/understand changes in the business environment on an on-going basis. √√
- Be prepared to set an example of the behaviour that is expected from employees in terms of ethics/professionalism as well as productivity. √√
- Any other relevant answer related to the quality indicators of the general management function. **Max (4)**

[20]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2.1	2
4.3	4
4.4	2
4.5	4
4.6	4
TOTAL	20

TOTAL SECTION B: 40

SECTION C

Answer ONE question in this section.

QUESTION 5 (BUSINESS ENVIRONMENTS)

5.1 **Introduction**

- Organisational culture also includes the values, beliefs, norms and standards that are shared among the employees and management. √
- Civil society include all the organisations or institutions that have been formed by some individuals/ members of the community√
- This internal environment is known as the micro environment which consist of different components. √
- The micro, market and macro business environments do not exist in isolation, they are interrelated and influence each other. √
- Any other relevant introduction related to the purpose of the organisational culture, **examples of other organisations/civil society,** the components of the micro environment and the relationship between micro, market and macro environment.

(2 x 1) (2)

5.2 **The purpose of a business organisational culture**

- The purpose of the organisational culture is to define the business' internal and external identity as well as its core values. √√
- A strong business culture has the power to turn employees into ambassadors of the business. √√
- It helps businesses to retain its employees and clients. √√
- It breaks down boundaries between teams, guides decision-making, and improves productivity. √√
- Any other relevant answer related to the purpose of organisational culture.

Max (8)

5.3 Examples of other organisations/civil society

5.3.1 Non-government organisations (NGO's) √√

- NGOs are non-profit organisations√ that do not operate under the control of the government. √
- They are established to fulfil important needs in the community√ by addressing some socio-economic issues. √
- NGO's high ethical√ and moral standards. √
- Any other relevant answer related to non-government organisations (NGO's)
-

Example of other organisations/civil society	(2)
Explanation	(2)
Submax	(4)

5.3.2 Strategic alliance √√

- The concept "alliance" refers to two or more businesses√ that work together in joint venture. √
- Business form strategic alliances to obtain expertise from one another√ either for survival or to become more competitive in the market. √
- Any other relevant answer related to strategic alliance as other organisations/civil society.

Example of other organisations/civil society	(2)
Explanation	(2)
Submax	(4)

5.3.3 Regulators√√

- Regulators are organisations that set rules and requirements√ for the operation of businesses in that industry. √
- The government is known as the regulator√ as it uses laws to control business practice. √
- Regulators remove any bad business practice√ from the market√
- Regulators draw up rules√ that impact directly on what businesses may and may not do. √
- Some of the examples of regulators in South Africa are the:
- National Energy Regulator of South Africa (NERSA) √ which regulates electricity/ piped gas/petroleum pipeline industries etc. √
- National Credit Regulator (NCR) √which regulates the supply of loans/credit by credit providers such as banks and retailer such as clothing and furniture. √
- Independent Communications Authority of South Africa (ICASA), √ which regulates the South African communications, broadcasting and postal services sectors. √
- Advertising Standards Authority (ASA) √ regulates advertising in the public√
- Any other relevant answer related to regulators as other organisations/civil society.
-

Example of other organisations/civil society	(2)
Explanation	(2)
Submax	(4)

5.3.4 **Unions** √√

- The trade union movement in South Africa is the largest union√ on the continent. √
- They are concerned about the wellbeing of their members√ in the work environment. √
- They deal with issues such as working conditions/fair pay structures/unfair treatment√ and dismissal/fringe benefit etc. √
- The trade union is not part of the business √ but influences it in a direct way e.g. negotiations for changes to conditions of services such as hours of work √.
- Any other relevant answer related to unions as other organisations/civil society

Example of other organisations/civil society	(2)
Explanation	(2)
Submax	(4)

5.3.5 Community based organisations (CBO)'√√

- CBO's have been established to assist the community in job creation /socio economic development and in becoming self-sufficient. √
- They are local organisations√ that operate in the community. √
- They focus on socio-economic issues√ such as: HIV/Aids√ / unemployment√/ crime√/ illiteracy√/ Substance abuse √
- CBOs often rely on donations√ from businesses/private persons for funding. √
- Any other relevant answer related to community based organisations (CBO's) as other organisations/civil society

Example of other organisations/civil society	(2)
Explanation	(2)
Submax	(4)

NOTE: Mark the first THREE (3) only. **Max (12)**

5.4 **The components of micro environment:**

5.4.1 Vision

- Refers to a statement√ that explains what a business aims to achieve. √
- Answer to the question√ 'where are going from here?' √
- The vision of a business describes its long-term goal√, that is, where the business sees itself in the future. √
- Sets out where the business needs to go√ to be successful. √
- The dream of the business√ and what it wants to achieve in future. √
- Gives businesses a clear idea√ of what they want to achieve. √
- The inspiring statement√ about what a business wants the future to look like. √
- Explains what a business aims to achieve√ taking into consideration its purpose. √
- Any other relevant answer related to vision as a component of the micro environment.

Submax (6)

5.4.2 Mission

- A statement that that explains the reason√ for the business existence. √
- Enables businesses to develop strategies√ to achieve their vision. √
- The answer to the question√ such as what businesses do to make a profit? √
- Explains what the business does√ to achieve it vision. √
- Gives clear direction√ on how the business intend to achieve its vision. √
- Describes the purpose√ and basic activities of the business. √
- Any other relevant answer related to mission as a component of the micro environment.

Submax (6)

5.4.3 Goals
- Short- term tasks/steps√ to reach goals. √
- Contain a deadline√ for achievement. √
- Explains how the goals√ of the business will be reached. √
- Explains targets and strategies that will help the business fulfil its mission. √
- The purpose of the business√, for example, a business may have a primary objective of making a profit and a secondary objective of social upliftment. √
- Any other relevant answer related to the goals as a component of the micro environment. **Sub max (6)**

Max (14)

5.5. **The relationship between the micro, market and macro environment**

- A change in the macro environment may cause a change in the micro environment which may in turn, create a change in the market environment e.g. an increase in the rate of interest may lead to an increase in the production cost which may reduce consumer spending. √√
- Businesses (the micro environment) are in constant interaction with components of the market and macro environment. √√
- Businesses are challenged by changes in the market and macro environment which cannot be controlled by the business. √√
- A change in the economic environment may lead to a change in the technological environment and the way in which people spend money. √√
- The legal, political and institutional environment has a large impact on other business environments e.g. politics and laws affect the economic environment. √√
- The business has full control over all elements/features of the micro environment. √√
- The business has less/little control over the market environment but it can influence it. √√
- The business has no control over the macro environment but it must develop strategies to adapt to the challenges that are posed by this environment. √√
- Any other relevant answer related to the relationship between the micro, market and macro environment. **Max (12)**

5.6 **Conclusion**
- A strong, adaptive culture enables faster response to changes in the business environments. √√
- Other organisations or civil society play a key role in the community, especially in areas where the public sector has failed to provide these goods/services√√
- It is important that the business manage the alignment of the vision, mission and goals to implement their strategy. √√
- An organisation that monitors these interrelationships is better positioned to sustain competitive advantage.√√
- Any other relevant introduction related to the purpose of the organisational culture, examples of other organisations/civil society, the components of the micro environment and the relationship between micro, market and macro environment.

(1 x 2) (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DESCRIPTION	MAXIMUM	TOTAL
Introduction	2	
The purpose of the organisational culture	8	
Examples of other CBO's /civil society	12	**Max 32**
The components of the micro environment	14	
The relationship between micro, market and macro environment.	12	
Conclusion	2	
INSIGHT		
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 only some of the requirements are met.		
Allocate 0 marks where requirements are not met at all.		

QUESTION 6 (BUSINESS OPERATIONS)

6.1 **Introduction**

- Stock control means keeping track of the goods and materials has in storage. √
- The purchasing function is the core operational activity responsible for acquiring goods, services and materials a business needs to operate efficiently and meets customer demand. √
- The National Credit Act sets rules for how credit providers must lend money and how consumers must be treated. √
- Every business, whether big or small, depends on purchasing to get the right products at the right time, price and quality. √
- Any other relevant introduction related the importance of stock control, activities of the purchasing function, the impact of the National Credit Act and the purpose of the purchasing function. **(2 x 1) (2)**

6.2 **The importance of stock control.**

- Enables businesses to determine√ the amount/value of stock. √
  Businesses can check the cost√ and selling price of products. √
- Ensures that there is enough stock√ to meet the normal demand of customers. √
- Keeps the correct levels of stock√ on hand. √
- Records the cost prices√ and selling prices of stock. √
- Identifies theft in the business when the physical stock count is compared√ with the electronic stock control system. √
- Any other relevant answer related to the importance of stock control.

Max (8)

6.3 **The activities of the purchasing function.**

- Purchasers should have expert knowledge of the product they need to buy and about the market in which they operate. √√
- Find out the needs other business department. √√
- They look for suitable, new and better suppliers. √√
- Ensure that there is enough stock available for continuous production and sales. √√
- Place orders with suppliers and follow up on them. √√
- Ensure that ordered products are delivered on time. √√
- Send damaged products back to the suppliers and see to it that they are replaces. √√
- Buy the right amount of stock/quantity so that the business does not run out of stock. √√
- Buy goods from the best supplier, who supply the goods at the right time and place. √√
- Get the best price for the quality that the purchasing function requires. √√
- Keep the correct stock levels of stock on hand. √√
- Record the cost prices and selling prises of stock. √√
- Any other relevant answer related to the activities of the purchasing function.

Max (12)

6.4 **The impact of the National Credit Act.**

Positives/Advantages

- Lower bad debts resulting in better cash flow. √√
- Protects business against non-paying consumers. √√
- Increases cash sales as credit can only be granted to qualifying customers. √√
- Prevents reckless lending by financial institutions. √√
- Ensures that businesses settle their debts on time so that they can obtain good credit scores. √√
- Ensures that credit process is transparent e.g. both businesses and customers know their responsibilities. √√
- Any other relevant answer related to the positive impact of NCA.

AND/OR

Negatives/Disadvantages

- Businesses are forced to budget to keep more cash/have enough cash on hand for stock purchases. √√
- Businesses can no longer take the risk of selling poor quality goods at high prices. √√
- Businesses can no longer carry out credit marketing. √√
- Businesses can only buy limited stock as credit is not available resulting loss of customers. √√
- The Act complicates the purchasing process due to too much administration work in the credit providing process. √√
- The Act compels businesses to sell quality products or businesses may be forced to reimburse the consumer. √√
- Leads to loss of sales as many businesses may no longer qualify to buy on credit. √√
- The purchasing department must know the terms and conditions of credit granting and the National Credit Act. √√
- It may take longer to purchase goods and this could influence the overall efficiency of the business. √√
- Any other relevant answer related to the negative impact of NCA.

Max (14)

6.5 The purpose of the purchasing function.

- Manage stock to ensure sufficient levels of stock√ to carry out business operations. √
- Continuously looking√ for the best/reputable suppliers. √
- Regular make contact with other business departments√ to determine their nees. √
- Send damaged goods back to the supplier√ and see to it that it is replaced. √
- Receive confirmation that all goods were according to specifications√ and the price invoiced as the quoted price. √
- Negotiate the best possible term of payment with suppliers. √
- Any other relevant answer related to the purpose of the purchasing function.

Max (12)

6.6 **Conclusion**

- Good stock control helps a business to avoid losses from damaged or outdated goods and make it easier to plan for the future. √√
- Effective execution of the purchasing function activities reduces costs and prevents disruptions. √√
- Businesses benefit as the National Credit Act creates clear rules and reduces the risk of bad debt. √√
- Without effective purchasing, a business may face shortages, high costs and unhappy customers. √√
- Any other relevant conclusion related to the activities of the purchasing function, importance of stock control, the purpose of the purchasing function and the impact of the National Credit Act. **(1 x 2) (2)**

[40]

BREAKDOWN OF MARK ALLOCATION

DESCRIPTION	MAXIMUM	TOTAL
Introduction	2	Max 32
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The activities of the purchasing function	12	
the impact of the National Credit Act	14	
The purpose of the purchasing function	12	
Conclusion	2	
INSIGHT		
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 only some of the requirements are met.		
Allocate 0 marks where requirements are not met at all.		

TOTAL SECTION C: 40
GRAND TOTAL: 100