



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

BUSINESS STUDIES P1

MAY-JUNE 2026

MARKS:150

TIME: 2 hrs

This question paper consists of 08 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- This question paper consists of THREE sections
 SECTION A: COMPULSORY
 SECTION B: Consists of THREE questions
 Answer any TWO of the THREE questions in this section.
 SECTION C: Consists of TWO questions
 Answer ONE of the TWO questions in this section
- Read the instructions for each question carefully and take note of what it requires. Note that only the first TWO questions in SECTION B and the first question in SECTION C will be marked.
- 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.
- Except where instructions are given, answers must be given in full sentences.
- Use the mark allocation and the nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for marks and time allocation when answering each question.

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

- Start the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page.
- You may use a non-programmable calculator.
- Write neatly and legibly.
- Use a BLUE / BLACK pen.

SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1-1.1.5) and the correct letter next to it ONLY. Example 1.1.6 A

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

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

1.1.2 The business has some control over the ... environment.

- A market
- B micro
- C macro
- D formal

1.1.3 The law that protects a person's intellectual property is called ...

- A copyright
- B patent
- C piracy
- D trademark

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

- A publicity
- B advertising
- C Sales promotion
- D Personal selling

1.1.5 The ... of a business is a component of the micro-environment.

- A suppliers
- B intermediaries
- C vision
- D competitors

(5x2) (10)

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

tertiary; perfect; trade union; follow-up; go-slow; dispatching; workplace forum; target; secondary; strike.

- 1.2.1 The ... sector provides goods and services.
 1.2.2 A ... is an employee organization that focuses on improving working conditions.
 1.2.3 Employees of Dairy King participated in a ... when they deliberately delayed their productivity at work.
 1.2.4 During the ... process, the business makes sure the scheduling and production systems are running according to plan.
 1.2.5 A particular group of consumers at which a product or service is aimed at, is called a ... market.

(5x2) (10)

- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A-J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, for example 1.3.6 K

COLUMN A	COLUMN B
1.3.1. Copyright	A. when two companies join together-usually by agreement-to form one new business.
1.3.2. Quality circle	B. exclusive legal rights given to the originator to print, publish, perform or record.
1.3.3. Corruption	C. refers to wrongful use of funds such as irregular expenditure.
1.3.4. Demographics	D. group of workers who do the same or similar work, and who meet regularly to identify, analyze and solve work-related problems.
1.3.5. Merger	E. occurs when one business takes control of another business through majority ownership of its shares.
	F. It includes words or symbols that are legally registered.
	G. refers to the statistics of the population such as gender, age, race, education and level of income.
	H. people responsible for overseeing all aspects of the production process, from when the raw material enters the production system to when they leave as products.
	I. refers to the act of dishonesty such as bribery and kickbacks.
	J. refers to customers' lifestyles, attitudes, interests, opinions, desires.

(5x2) (10)

TOTAL SECTION A: 30

SECTION B

Answer 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, for example QUESTION 2 on a new page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name any FOUR components of the micro environment. (4)
- 2.2 Outline the advantages of networking. (6)
- 2.3 Read the scenario below and answer the questions that follow.

NOVA TECH HUB (NTH)

Nova Tech Hub (NTH) sells electronic devices and accessories, and they are currently facing several challenges. NTH's suppliers are often late with deliveries, which causes shortage of stock. Some supervisors lack experience in management. SmartZone Electronics recently opened a nearby shop that offers similar products at lower prices.

Identify TWO challenges of the market environment experienced by NTH. Motivate by quoting from the scenario above.

Use the table below to answer this question.

CHALLENGES	MOTIVATIONS
1.	
2.	

- 2.4 Explain the following types of lobbying: (6)
- 2.4.1 Hedging against inflation. (4)
- 2.4.2 Influencing supervisory body/regulators. (4)
- 2.5 Describe the relationship between the primary, secondary and tertiary sector. (6)
- 2.6 Discuss the negative impact of strikes as a socio-economic issue in a business. (4)
- 2.7 Suggest ways in which the business can overcome competition in the market. (6)

[40]

QUESTION 3: BUSINESS OPERATIONS

3.1 Outline FOUR stages/ steps of production design. (4)

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

AFRICAN SPEAR ENTERPRISE (ASE)

African Spear Enterprise (ASE) produces products that are correctly contained within the packaging to protect them from harm. ASE packages products to attract the attention of consumers.

ASE try to make the packaging of their products meet the requirements of good packaging.

3.2.1 Identify one purpose of packaging, demonstrated by African Spear Enterprise. (2)

3.2.2 Explain THREE other purposes of packaging that ASE uses for their products. (6)

3.3 Elaborate on the meaning of publicity. (4)

3.4 Identify the marketing activities represented by the following statements:

3.4.1 The act of keeping the products at a facility for safekeeping/ preservation after manufacturing. (2)

3.4.2 The movement of products from one place to another. (2)

3.4.3 The process of exchanging goods/services for money. (2)

3.5 Discuss the importance of product development (6)

3.6 Explain the advantages of production planning. (6)

3.7 Suggest ways in which businesses can comply with Occupational Health and Safety Act (6)
[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name any TWO examples of contemporary Legislation. (2)
- 4.2 Elaborate on the meaning of *industrial relations*. (4)
- 4.3 Explain ways in which businesses can form power relationships. (4)
- 4.4 Read the following scenario and answer the questions that follow.

DIGITAL CONNECT SOLUTIONS (DCS)

Digital Connect Solutions (DCS) provides Wi-Fi and internet services in a rural community. Many residents in the area have poor reading and writing skills. The business also struggles to recruit workers from the local community because many applicants do not have the required qualifications and technical skills needed for the job.

- 4.4.1 Identify TWO socio-economic issues that affect DCS from the scenario above. Motivate by quoting from the scenario. Use the table below as a guide to answer the question. (6)

SOCIO-ECONOMIC ISSUE	MOTIVATIONS
1.	
2.	

- 4.5 Suggest ways in which businesses can have a direct influence on the environment. (4)

BUSINESS OPERATIONS

- 4.6 Mention FOUR types of packaging (4)
- 4.7 Identify the pricing technique used by Mamabolo Fast Food (MFF):
- 4.7.1 Mamabolo, the owner of MFF, sets her prices based on what other fast foods are charging customers. (2)
- 4.7.2 She charged lower prices for the food when the shop was newly opened, to attract customers. (2)
- 4.7.3 She priced a packet of chips at R24.99 instead of R25.00. (2)
- 4.8 Discuss the importance of pricing. (6)
- 4.9 Recommend reasons why businesses must manage safety in the workplace. (4)

[40]

TOTAL SECTION B: 80

SECTION C

Answer ONE question 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, for example QUESTION 5 on a new page, QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENT

Every business should be aware of the functions of trade unions. Piracy as a socio-economic issue, has a negative impact on a business and businesses should be able to deal with it. Businesses should understand the Labour Relations Act to promote fair labour practices in the workplace.

Write an essay on contemporary socio-economic issues in which you include the following aspects:

- Outline the functions of trade unions.
- Explain the negative impact of piracy on businesses.
- Discuss solutions to piracy.
- Advise businesses on the purpose of the Labour Relations Act.

[40]

QUESTION 6: BUSINESS OPERATIONS

Successful marketing enables the roles of marketing function to be successfully implemented in business operations. Businesses must be well informed of the purpose of the Occupational Health and Safety Act and must take the necessary precautionary measures when handling machinery.

As an expert in production planning, write an essay on the following aspects:

- Outline the roles of marketing functions.
- Explain THREE aspects that must be considered during production control.
- Discuss the purpose of the Occupational Health and Safety Act,
- Recommend precautionary measures that businesses should take when handling machinery.

[40]

TOTAL SECTION C:	40
TOTAL:	150



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GRADE 11

**BUSINESS STUDIES P1
MARKING GUIDELINE**

Stanmorephysics.com

MARKS:150

TIME: 2 hrs

This question paper consists of 25 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 the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

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 question is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalized 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 'analyze' 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, justify, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

SECTION B

14.

- 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:

1. this applies only to questions where the number of facts is specified.
 2. The above also applies to responses in SECTION C. (Where applicable)
- 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 finalize alternative answers.

14.4 Use of the cognitive verbs and allocation of marks:

- 14.4.1 If the numbers 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	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? 2 Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A') Synthesis
Are there relevant decisions/facts/responses made based on the questions? 2 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') Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no '-S'	current trends and developments? 2 TOTAL FOR INSIGHT: TOTAL MARKS FOR FACTS: TOTAL MARKS FOR ESSAY (8 + 32): 8 32 40	

appears in the left margin. Award the maximum of TWO (2) marks for synthesis. 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. 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. Originality Is there evidence of examples based on recent information		
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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/ marking guideline to each question.
- 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/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for 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 submaximal 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 ✓, 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.
- 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

1.1.1 B✓✓

1.1.2 A✓✓

1.1.3 B✓✓

1.1.4 A✓✓

1.1.5 C✓✓

(5x2) (10)

1.2

1.2.1 Tertiary✓✓

1.2.2 Trade union✓✓

1.2.3 Go-slow✓✓

1.2.4 Follow-up✓✓

1.2.5 Target✓✓

(5x2) (10)

1.3

1.3.1 B✓✓

1.3.2 D✓✓

1.3.3 I✓✓

1.3.4 G✓✓

1.3.5 A✓✓

(5x2) (10)

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION	MARKS
1	
1.1.	10
1.2	10
1.3	10
TOTAL	30



SECTION B

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Components of the micro environment

- Vision, mission statement, goals and objectives✓
- Organisational structure✓
- Organisational resources✓
- Organisational culture✓
- Management and leadership✓
- Eight business functions✓

NOTE: Mark the first FOUR only.

(4x1)(4)

2.2 Advantages of networking

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

Max. (6)

2.3 Challenges of market environment

CHALLENGES	MOTIVATIONS
Shortage of suppliers✓✓	NTH's suppliers are often late with deliveries, causing shortages of stock in the store. ✓
Competition✓✓	SmartZone Electronics recently opened a nearby shop that offers similar products at lower prices. ✓
Submax (2)	Submax (2)

Max. (6)

2.4 Types of lobbying

2.4.1 Hedging against inflation

- Businesses use hedging to protect their financial investments✓ by spreading the risk. ✓
- Businesses invest surplus funds so that its value grows✓ at a faster rate than inflation. ✓
- The business uses hedging by buying bonds, shares, property or buying precious metals like gold capital✓ from the effects of inflation. ✓

- It is a method that businesses try to reduce risk✓ when unsure about possible price fluctuations. ✓
- Hedging against inflation by investing surplus funds/money✓ in investments with intrinsic value such as gold/property. ✓
- Any other relevant answer related to the hedging against inflation.

Max. (4)

2.4.2 Influencing supervisory body/regulators

- There are large number of supervisory bodies and regulators✓who operate in the business environment. ✓
- Through their membership/advocacy/submissions they may be able to influence changes✓to existing regulations. ✓
- Businesses take an active role✓in professional bodies. ✓
- Business managers are involved in debates and discussions✓that shape public policies. ✓
- Businesses influence and negotiate with these regulators✓ to protect their own sustainability. ✓
- It is in the best interest of businesses to adhere to the guidelines and restrictions of these bodies✓in order to stay in business. ✓
- Any other relevant answer related to the influencing of supervisory body/regulators.

Max. (4)

2.5 Relationship between the primary, secondary and tertiary sector

- The primary sector depends on the secondary sector for manufactured goods ✓such as machinery/equipment/fertilisers e.g. farmer may require seeds from another farmer. ✓
- The primary sector is dependent on the tertiary sector ✓ for customer needs. ✓
- The secondary sector processes the raw materials received from the primary ✓ sector into more useful products. ✓
- The secondary sector depends on the primary sector ✓ for raw materials and products. ✓
- Tertiary sector depends on the primary sector for raw materials that do not need processing ✓ by the secondary sector. ✓
- The tertiary sector depends on the secondary sector for manufactured goods ✓ such as office machines/office furniture/stationery etc. ✓
- Any other relevant answer related to the link between primary, secondary and tertiary sector.

Max (6)

2.6 Negative impact of strikes as a socio-economic issue in a business

- Strike actions have a potential of jeopardising✓ relations. ✓/ May lead to an unhealthy relationship✓ between the employer/management and employees. ✓
- It can also affect teamwork in the workplace✓ in instances where not all workers are in support of such industrial action. ✓
- Businesses suffer financial losses✓ due to low levels of productivity and consumer confidence is adversely affected. ✓
- Strike actions may lead to production losses✓ and decline in sales/economic growth. ✓
- Businesses may be forced to close down operations ✓ after strike actions. ✓
- May force businesses to retrench some of its skilled workers ✓ to recover from losses. ✓
- Looting, destruction of business property/infrastructure✓ and intimidation of non-striking workers. ✓
- Employees can lose their pay✓ with the 'no work no pay' rule applied by the business. ✓
- Businesses have to hire employees to replace striking workers✓ and increase the training costs of new employees. ✓
- Businesses may lose market share/customers to competitors✓ during the period of a strike. ✓
- The image/reputation of the business✓ might be damaged. ✓/Scares off potential investors. ✓
- The supplies of goods and services ✓ are interrupted. ✓
- Prices sometimes increase✓ to offset the costs incurred by the strike. ✓
- Any other relevant answer related to the negative impact of strikes as a socio-economic issue on businesses.

Max. (4)

2.7 Ways in which a 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 a 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 look 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 related to ways in which businesses can overcome competition in the market.

Max. (6)

[40]

BREAKDOWN OF MARKS

QUESTION2	MARKS
2.1	4
2.2	6
2.3	6
2.4.1	4
2.4.2	4
2.5	6
2.6	4
2.7	6
TOTAL	40



QUESTION 3: BUSINESS OPERATIONS

3.1 Steps/Stages of production design

- Idea generation/ Design and development of product ideas. ✓
- Selecting and sifting of product ideas/ Idea screening. ✓
- Concept development and testing/Design and testing of the product concept which should happen before a product is developed. ✓
- Analysis of the profitability of the product concept/Business analysis. ✓
- Consumer responses must be tested using a small sample of the product. ✓
- Technical implementation/Systems and processes are put in the production planning and control process. ✓
- Commercialisation the product is launch and marketing/advertising campaigns implemented ✓
- New product pricing/The product is priced and forecasts worked out. ✓

NOTE: Mark the first FOUR answers only.

Max. (4)

3.2

3.2.1

- African Spear Enterprise (ASE) produces products that are correctly contained within the packaging to protect them from harm. ✓✓
 - ASE packages products to attract the attention of consumers. ✓✓
- NOTE: Mark only the first purpose .

(1x2) (2)

3.2.2 Other purposes of packaging

- Packaging is needed to contain✓ the item or product. ✓
- Promotes the product by indicating the brand and trademark✓ of the company and product. ✓
- Prevent tampering✓ or theft of a product. ✓
- Improves convenience✓ in use or storage of a product. ✓
- Contains information about the product, ✓ including uses, any harmful warnings or dosage requirements. ✓
- Make product easier✓ to identify. ✓
- Differentiates the product✓ from other competing products. ✓
- Attracts attention to show value ✓ of the product as a marketing tool. ✓
- Links the product to the promotion strategy✓ used to promote the product. ✓
- Reduces storage costs✓ by minimising breakage. ✓
- Any other relevant answer related to the purpose of packaging

NOTE: Do not mark the purpose mentioned in 3.2.1

Max. (6)

3.3 Elaborate on the meaning of publicity.

- Publicity is a free non-personal form of communication✓ that the business and its product can receive through mass media e.g. newspaper and television ✓

- Publicity is unpaid communication in the mass media ✓ about a business enterprise, its employees, its goods or services. ✓
- The business has no control ✓ of what is said about them. ✓
- It can take form of a news story ✓ in a newspaper, a press release or a media statement. ✓
- Endorsements by famous people draw attention ✓ to a company's brand and products. ✓
- Some companies hand out gifts and samples ✓ with company branding on them ✓.
- It is information about a business published ✓ by an independent third party such as a newspapers or television station. ✓
- Ensures that the public know about the business, ✓ its social programmes, community involvement and fair labour practices etc. ✓
- Publicity can be positive or negative ✓ as it is not paid for by the business.
- Any other relevant answer related to the meaning of publicity.

Max. (4)

3.4

- 3.4.1 Storage ✓✓ (2)
- 3.4.2 Transport ✓✓ (2)
- 3.4.3 Buying and selling ✓✓ (2)

3.5 Importance of product development

- Product design needs to be designed ✓ to suit the needs of the customers. ✓
- IF the product design does not suit the target market, ✓ there will be little demand for the product. ✓
- Business needs to develop new products ✓ in order to replace older products in stage 4 when sales decline. ✓
- Businesses are able to remain competitive ✓ because they are always on a lookout for ways to improve their products. ✓
- Products become different ✓ from those of the competitors. ✓
- Any other relevant answer related to the importance of product development.

Max. (6)

3.6 Advantages of production planning

- Planning allows an entrepreneur to ensure that every machine and worker ✓ is used to their full capacity and not left with nothing to do. ✓
- The company can ensure that it has the correct number of supplies and stock ✓ at a given time. ✓
- This reduces wastage ✓ and unnecessary storage costs. ✓
- Planning will prevent time being wasted ✓ and increase the number of final products. ✓
- Planning process involves quality checks ✓ and ensures that the correct quality is reached in the shortest possible time. ✓
- Any other relevant answer related to the advantages of production planning.

Max. (6)

3.7. Ways in which businesses can comply with the Occupational Health and Safety Act

- Provide workers with protective gear to protect themselves against potentially dangerous situations ✓✓
- Ensure that first aid boxes are readily available at the workplace and in the factory. ✓✓
- Make fire extinguishers available at the workplace or in the factory/ these fire extinguishers need to be serviced regularly. ✓✓
- Machinery must be maintained at regular intervals and repaired promptly. ✓✓
- Any other relevant answer relating to the ways in which Occupational Health and Safety Act.

Max. (6)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2.1	2
3.2.2	6
3.3	4
3.4.1	2
3.4.2	2
3.4.3	2
3.5	6
3.6	6
3.7	6
TOTAL	40



QUESTION 4: MISCELLANEOUS

BUSINESS ENVIRONMENT

4.1 Examples of contemporary legislation

- Labour Relations Act (LRA) ✓
- Skills Development Act (SDA) ✓
- Basic Conditions of Employment Act (BCEA) ✓
- Employment Equity Act (EEA) ✓
- Broad Based Black Economic Empowerment (BBBEE) ✓
- National Credit Act (NCA) ✓
- Consumer Protection Act (CPA) ✓
- Compensation for Occupational Injuries and Disease Act (COIDA) ✓

NOTE: Mark the first TWO only.

(2x1)(2)

4.2 Meaning of industrial relations

- Industrial relations refer to the relationship ✓ between the employer and employees. ✓
- It influences the way in which businesses are guided ✓ by the Labour Relations Act. ✓
- Any other relevant answer related to the meaning of industrial relations.

Max. (4)

4.3 Ways in which businesses can form power relationships

- Build around BBBEE ✓ and empowerment of employees. ✓
- Ability of a person's power to influence ✓ others' thoughts, actions or choices. ✓
- Every party to a relationship possesses a degree of power, ✓ i.e. power to strike/demand payment/order material. ✓
- Strategic alliances/Agreement ✓ between businesses leading to mutual benefits. ✓
- Strategic allies do not want to lose ✓ mutual benefits. ✓
- Strategic allies consider suggestions ✓ made by businesses in the alliance ✓
- Persuasion of large investors ✓ has power to influence other businesses. ✓
- Secure goodwill of investors ✓ and listen to suggestions of investors. ✓
- Influence on company representatives ✓ through agent or intermediary. ✓
- Intermediaries influence customers by handing out free samples ✓ and by recommendation of certain products by specialists/investors. ✓
- Any other relevant answer related to ways in which businesses can form power relationships.

Max. (4)

4.4 Socio-economic issues

4.4.1

SOCIO-ECONOMIC ISSUES	MOTIVATIONS
Illiteracy ✓✓	Many residents in the area have poor reading and writing skills. ✓
Lack of skills ✓✓	The business also struggles to recruit workers from the local community because many applicants do not have the required qualifications and technical skills needed for the job. ✓
Submax (4)	Submax (2)

Max. (6)

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

- 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. (4)

BUSINESS OPERATIONS

4.6 Four types of packaging

- Packaging for immediate use/Unit packaging ✓
- Packaging for double use ✓
- Packaging for resale
- Kaleidoscopic/Frequently changing packaging
- Speciality packaging
- Combination packaging

NOTE: Mark the first FOUR only

(4x1)(4)

4.7 Pricing techniques used by Mamabolo fast Food

- 4.7.1 Competition based pricing/orientated pricing. ✓✓
- 4.7.2 Promotional pricing. ✓✓
- 4.7.3 Psychological pricing. ✓✓

(2)

(2)

(2)

Max (6)

4.8 Importance of pricing

- The pricing process needs to consider ✓flexibility/discount/territory/life cycle status/allowance. ✓
- Pricing affects the number of products that an enterprise is able to sell, ✓which in turn, affects profitability. ✓

- The price of a product can influence the consumers' attitude ✓ towards the product or the brand. ✓
- If the price is believed to be too high, ✓ fewer consumers may buy the product. ✓
- If the price is too low, ✓ consumers may perceive the good as being of poor quality. ✓
- The pricing policy should explain ✓ when and to whom discounts will be granted. ✓
- The price of a product must make provision ✓ for transport costs. ✓
- The price of a product must make provision ✓ for VAT. ✓
- Low sales result in stockpiles of unsold product ✓ that have to be stored and not repaying the cost of manufacturing that product. ✓
- Any other relevant answer related to the importance of pricing.

Max. (6)

4.9 Reasons why businesses must manage safety in the workplace

- Workplace accidents can result in injuries and deaths. ✓✓
- Publicity of workplace accidents will also impact negatively on an enterprise's image. ✓✓
- Regular or serious workplace accidents may even cause investors to invest their money in another company. ✓✓
- Potential employees may decide not to accept a job offer at an enterprise where many accidents have occurred. ✓✓
- Any other relevant answer related to reasons why businesses must manage safety in the workplace.

Max. (4)

[40]

TOTAL SECTION B: 80

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2.	4
4.3	4
4.4	6
4.5	4
4.6	4
4.7.1	2
4.7.2	2
4.7.3	2
4.8	6
4.9	4
TOTAL	40

SECTION C

Mark only the first question

QUESTION 5: BUSINESS ENVIRONMENTS

5.1 Introduction

- A trade union is an employee organisation controlled, run and paid for by its members to represent workers in negotiations with their management. ✓
- Piracy is unauthorised use/reproduction or copying of original music, films, books or computer software, patent rights and trademarks without the consent of the rightful owner.
- Effective solutions to piracy will minimise the negative effect of piracy on businesses. ✓
- The LRA follows the principle of collective bargaining and puts structures in place with which disputes in the workplace can be settled. ✓
- Any other relevant introduction related to roles of trade unions/negative impact of piracy on businesses/three solutions to piracy and purpose of the labour relations act.

(Any 2x1)(2)

5.2 Functions of trade unions

- Protecting the interest of workers. ✓✓
- Representing the interest of the general society and minority groups through media and negotiations. ✓✓
- Influencing government decisions. ✓✓
- Influencing management for better working conditions, salaries and benefits. ✓✓
- Representing employees corporately and individually. ✓✓
- Improving the material benefits of their members. ✓✓
- Advancing the interest of members. ✓✓
- Providing legal and financial advice. ✓✓
- Providing benefits and educational facilities to its members. ✓✓
- Supporting gender equality. ✓✓
- Protecting members in times of retrenchments and disciplinary hearings. ✓✓
- Protecting the interest of the members during disciplinary procedures. ✓✓
- Any other relevant answer related to the functions of trade unions.

Max. (12)

5.3 Negative impact of piracy

- It can undermine the music/movie industry ✓ as they lose money. ✓
- Drives up the prices of products ✓ in order to compensate for the loss in sales. ✓
- Leads to job losses ✓ in the industry. ✓
- The music industry feels reluctant to develop new talents ✓ as the element of risk is too high. ✓
- May cause damage to the value ✓ of the businesses. ✓

- The businesses lose out on sales and income✓ which in turn threatens industry. ✓
- Unlawful copying and streaming of movies and television series✓ lead to a decline in the sales and profits for the business. ✓
- Artists may see no value in producing a new set of music or movies✓because of the reduced sales✓
- This may affect the artist's and producer's ✓productivity levels. ✓
- Any other relevant answer related to the negative impact of piracy.

Max. (12)

5.4 Solutions to piracy

5.4.1 Patent✓✓

- 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 patent office in South Africa. ✓
- The invention must comply ✓with Patent Act No. 57 of 1978. ✓
- They can bring legal proceedings ✓against anyone who produces/sells the invention. ✓
- Any other relevant answer related to patent as a solution to piracy.

Solution (2)

Description (2)

Sub max (4)

5.4.2 Trademarks✓✓

- Businesses can use trademarks to identify themselves✓and their products. ✓
- They must register their trademarks with the register of trademarks✓at the companies and intellectual property registration/CIPC. ✓
- A registered trademark is protected forever✓ provided it is renewed every ten years and a renewal fee is paid. ✓
- Claim damages from someone✓who infringes the trademark. ✓
- Any other relevant answer related to trademarks as a solution to piracy.

Solution (2)

Description (2)

Sub max (4)

5.4.3 Copyright✓✓

- Businesses can sue someone✓who infringes the copyright. ✓
- They can also sue someone who sells or distributes works✓ that he/she knew were infringements of copyright. ✓
- They can take legal action against people✓ who copy their products. ✓

Solution (2)

Description (2)

Sub max (4)

Max. (12)

5.5 Purpose of the Labour Relations Act

- 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. ✓✓
- Provide fair labour practice between the employer and employee. ✓✓
- 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 maintain the basic rights of employees. ✓✓
- Any other relevant answer related to the purpose of the Labour Relations Act.

Max. (10)

5.6 Conclusion

- Trade unions play an important role in protecting the rights of employees and represent them when necessary. ✓✓
- It is necessary for businesses to put measures in place to ensure that the artists or owners' rights to their work are not violated, and they are compensated fairly. ✓✓
- Businesses should do everything possible to find effective solutions to illegal acts of reproduction of goods that affect the artist, owners and businesses. ✓✓
- Legislation, such as the Labour Relations Act, are put in place to promote fair labour practices in the workplace. ✓✓
- Any other relevant conclusion related to toes of trade unions/negative impact of piracy on businesses/the solutions to piracy and purpose of the labour relations act.

**Max. (2)
[40]**

BREAKDOWN OF MARKS

DETAILS	MAXIMUM	TOTAL
INTRODUCTION	2	
5.2	12	32
5.3	12	
5.4.1	4	
5.4.2	4	
5.4.3	4	
5.5	10	
CONCLUSION	2	



INSIGHT		
LAYOUT	2	8
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	
TOTAL	40	

- LASO- for each component
- 2 marks if all requirements are met
- 1 mark if some requirements are met
- 0 marks where requirements are not met at all

QUESTION 6: BUSINESS OPERATIONS

6.1 INTRODUCTION

- Marketing is an important business function that is used for delivering value to the customers and satisfying their needs. ✓
- Controlling each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2x1) (2)

6.2. The role of the marketing function

- Support the overall objectives of a business, which is to maximise profits✓✓
- The marketing team needs to work closely with staff members from other business functions✓✓
- Gather information about customer needs, preferences and buying behaviour and share information with other departments✓✓
- Assist the development of the marketing strategy in collaboration with senior management from other business functions✓✓
- Develop a marketing plan using element of the marketing mix✓✓

- Develop sales forecasts and projections and provide this information to other business functions✓✓
- Decide which products or services the business will sell and how the products will be distributed✓✓
- Determine what prices (cash or credit) they are going to sell✓✓
- Any other relevant answer related to the function of marketing function.

Max 12

6.3 Aspects that must be considered during production control

6.3.1. Dispatching✓✓

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

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

6.3.2. Following up or control✓✓

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

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

6.3.3. Inspection✓✓

- Inspection involves the checking of the quality✓ of the process and the final product. ✓
- It is done at regular intervals during the production process✓ as well as at the end. ✓

- 
- Inspection methods✓ include the random selection of products/viewing/sampling and testing the product. ✓
 - Legal and regulatory processes are also checked✓ to ensure that the necessary standards are met. ✓
 - Any other relevant answer related to inspection as an aspect that must be considered during production control.

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

6.3.4. Corrective action✓✓

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

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

NOTE: Mark the first THREE only.

Max. (12)

6.4 Purpose of Occupational Health and Safety Act

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

Max. (12)

6.5 Precautionary measures businesses should take when handling machinery

- All machinery and equipment must be correctly installed and safe to use. ✓✓
- Workers must be properly trained in how to use machinery and must be informed about the risks when using the machinery. ✓✓
- Regular safety checks must be carried out, and machinery should be maintained and serviced regularly. ✓✓

- Workers need to wear protective clothing and gear such as overalls, hard hats and safety helmets, ear plugs, masks, heavy-duty safety boots, welding goggles and gloves when working with machinery and equipment. ✓✓
- Develop a culture of safety in the workplace. ✓✓
- Familiarise employees with safety procedures. ✓✓
- Any other relevant answer related to the precautionary measures that businesses should take when handling machinery.

Max. (10)

6.6 Conclusion

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

**Max. (2)
[40]**

**TOTAL SECTION C: 40
GRAND TOTAL = 150
BREAKDOWN OF MARKS**

DETAILS	MAXIMUM	TOTAL
INTRODUCTION	2	
6.2. Roles of marketing	12	
6.3.1. dispatching	4	
6.3.2. following up	4	
6.3.3.inspection	4	
6.3.4. correction action	4	
6.4. purpose of OHSA	12	
6.5. precautionary measures	10	
CONCLUSION	2	
INSIGHT		
LAYOUT	2	
ANALYSIS	2	
SYNTHESIS	2	
ORIGINALITY	2	

TOTAL	40
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LASO- for each component

2 marks if all requirements are met

1 mark if some requirements are met

0 marks where requirements are not met at all

