Downloaded from Stanmorephysics.com

education

Department of
Education
FREE STATE PROVINCE

PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P1

SEPTEMBER 2026

BUSINESS STUDIES P1

12721B

MARKS: 150

TIME: 2 HOURS

X05

This question paper consists of 9 pages.

N1

Copyright reserved

Downloaded from Stanmorephysics.com

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

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

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

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

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

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

5. Use the mark allocation and 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**	**30**	**20**
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	**2**	**40**	**70**
	3	**40**	
	4	**40**	
C: TWO essay-type questions CHOICE: Answer any ONE.	**5**	**40**	**30**
	6	**40**	
TOTAL		**150**	**120**

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION A (COMPULSORY)

QUESTION 1

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

1.1.1 Jumbo (Pty) Ltd creates a framework for acceptable employment practices and safety regulations. This Act is known as the ...

A Skills Development Act (SDA), 1998 (Act 97 of 1998).
B Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), (Act 61 of 1997).
C Consumer Protection Act (CPA), 2008, (Act 68 of 2008).
D Labour Relations Act (LRA), 1995 (Act 66 of 1995).

1.1.2 The process of checking the application documents against the requirements of the job:

A Interview
B Screening
C Recruitment
D Placement

1.1.3 Beever Computers took over Morena Computers by applying the ... strategy to maximise profitability.

A forward integration
B conglomerate diversification
C backward integration
D horizontal integration

Stanmorephysics.com

1.1.4 Businesses use ... to measure quality through physical products and the feedback from surveys of users of goods and services.

A quality management
B quality assurance
C quality performance
D quality management systems

1.1.5 The manager of Lindelani Agencies applies ... as a component of job analysis when they require qualifications from candidates.

A job specification
B job title
C job hunting
D job description

(5 x 2) (10)

Copyright reserved

Downloaded from Stanmorephysics.com

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.

threat; recruitment; ten; redundant; Basic Conditions of Employment; opportunity; twenty-one; Skills Development; selection; retired

1.2.1 In Tommy Consulting Company, workers are entitled to ... consecutive days of annual leave per year.

1.2.2 The ... Act ensures that the workplace is used as an active learning environment where employees gain practical job experience.

1.2.3 Simphiwe Traders did not renew their employees' subcontracts as workers are regarded as ... and their services are no longer required.

1.2.4 Advertising a vacant post is conducted during the ... procedure to attract a wide range of candidates.

1.2.5 The profitability of Haidee Services has decreased because of the ongoing transport strike. This is described as a/an ... in compiling a SWOT analysis.

(5 x 2) (10)

Stanmorephysics.com

Downloaded from Stanmorephysics.com

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. e.g. 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 TQM	A refers to the source of internal recruitment used to advertise vacancies inside the business
1.3.2 Human Resource Development Strategy	B responsible for processing raw materials from nature
1.3.3 Tertiary sector	C a system that implements effective risk management policies to minimise business losses
1.3.4 Intranet	D the ongoing development of employees' skills that will add value to the organisation
1.3.5 Continuous skills development	E increases employee participation in lifelong learning
	F refers to the source of external recruitment used to advertise vacant posts externally
	G an ongoing effort to improve products, services or processes
	H responsible for delivering goods and services within the reach of consumers
	I increases access to programmes that train people
	J a system that focuses on continuous quality improvement throughout the business

(5 x 2) (10)

TOTAL SECTION A: 30

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Name any FOUR forces of Porter's Five Forces model. (4)

2.2 Outline the advantages of diversification strategies. (4)

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

NAIDOO & SON FURNITURE (NSF)

Naidoo & Son Furniture supplies high-quality office furniture to large and smaller businesses. NSF does not support electronic commerce trading, which delays the expansion of its business dealings with foreign countries.

2.3.1 Identify the PESTLE factor that applies to NSF in the above scenario. (2)

2.3.2 Recommend ways in which NSF can overcome the challenges posed by the PESTLE factor named in Question 2.3.1. (4)

2.4 Describe any TWO types of intensive strategies. (6)

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

CLOTHING LIMITED (CL)

Daron, the Human Resources Manager at Clothing Limited, advertised a post for the position of Assistant Director in a local newspaper. People with disabilities were specifically encouraged to apply for the post.

2.5.1 Name the Act that applies to CL in the scenario above. (2)

2.5.2 Discuss actions regarded as non-compliance with the Act identified in QUESTION 2.5.1. (4)

2.6 Explain how SETAs are funded. (6)

2.7 Differentiate between *Black Economic Empowerment (BEE)* and *Broad-Based Black Economic Empowerment (BBBEE)*. (4)

2.8 Advise businesses on the steps in strategy evaluation. (4)

[40]

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 3: BUSINESS OPERATIONS

3.1 List any TWO sources of external recruitment. (2)

3.2 Outline the role of the interviewer before the interview. (4)

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

DENZEL MANUFACTURERS (DM)

Tim, the new employee at Denzel Manufacturers, has been introduced to the work unit in which he will be working. DM ensures that its new employees settle in quickly and work effectively. The business also makes sure that new employees understand workplace rules and restrictions.

3.3.1 Quote TWO advantages of induction identified from the scenario above. (2)

3.3.2 Discuss the other advantages of induction for DM. (4)

3.4 Explain the link between salary determination and the Basic Conditions of Employment Act (BCEA). (4)

3.5 Discuss the legal requirements of the employment contract. (6)

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

BONGO CONSTRUCTION LTD (BCL)

BONGO Construction Ltd builds various factories across the country. BCL usually buys high-quality materials in bulk at the lowest prices from reliable suppliers. The business also has a systematic strategic plan in place when making decisions.

Identify TWO business functions that contribute to the success of BCL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.6.

BUSINESS FUNCTION	MOTIVATIONS

(6)

3.7 Explain how businesses can apply the plan step of the PDCA model to improve the quality of products. (6)

3.8 Recommend ways in which TQM can reduce the cost of quality in the business. (6)

[40]

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 State any TWO provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (2)

4.2 Identify the consumer rights in terms of the Consumer Protection Act (CPA) applicable to EACH statement below:

4.2.1 Zanele Stores honours credit vouchers and prepaid services on behalf of customers. (2)

4.2.2 Basil Traders should label products and trade descriptions correctly. (2)

4.3 Define the term *learnerships*. (4)

4.4 Discuss ways in which businesses can comply with the National Credit Act. (6)

4.5 Advise businesses on the steps of the strategic management process. (4)

BUSINESS OPERATIONS

4.6 Name any FOUR aspects that must be included in the employment contract. (4)

4.7 Explain the placement procedure as an activity of the human resources function. (6)

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

TEBOGO PRINTERS (TP)

Tebogo Printers specialises in printing wedding, birthday and business cards. TP ensures that quality is met by inspecting whether the final product meets the required standards. Management always requests that employees investigate problems and come up with solutions. The business also ensures checks are carried out during and after the production process.

Identify TWO quality concepts applied by TP in the scenario above.

Motivate your answer by quoting statements from the scenario above. (6)

4.9 Advise businesses on the impact of TQM if it is poorly implemented by businesses. (4)

[40]

TOTAL SECTION B: 80

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION C

Answer ANY ONE question from 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 OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

The Labour Relations Act (LRA), 1995 (Act 66 of 1995), aims to protect employees against unfair labour practices and has an impact on employment relationships. Businesses should strive to respect the rights of employees and comply with this Act to avoid penalties.

Write an essay on the Labour Relations Act in which you include the following aspects:

- Outline the purpose of the Labour Relations Act.
- Explain the impact of the Labour Relations Act on businesses.
- Discuss any THREE rights of the employees in terms of the Labour Relations Act.
- Suggest ways in which businesses can comply with the Labour Relations Act. **[40]**

QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

Businesses should consider the benefits of good quality management to focus on quality performance. A quality management system is a framework that a business uses to manage key processes and systems. The elements of total quality management and the use of quality circles enable the business to provide quality products and to improve the quality of performance of the various business functions.

Write an essay on quality performance in which you include the following aspects:

- Outline the benefits of a good quality management system.
- Explain the positive impact of the following TQM elements:
  - Continuous improvement of processes and systems
  - Monitoring and evaluation of quality processes
- Discuss the role of quality circles as part of the continuous improvement of processes and systems.
- Advise businesses on how the quality performance of the financial function can contribute to the success of the business. **[40]**

TOTAL SECTION C: 40
GRAND TOTAL: 150

Copyright reserved

Downloaded from Stanmorephysics.com

education

Department of Education
FREE STATE PROVINCE

PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P1

SEPTEMBER 2026

MARKS: 150

MARKING GUIDELINES

This marking guideline consists of 30 pages.

Copyright reserved

Downloaded from Stanmorephysics.com

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

1. For marking and moderation purposes, the following colours are recommended:

Marker:	Red
Senior Marker:	Green
Deputy Chief:	Orange
Chief Marker:	Pink
Internal Moderator:	Black/Blue
DBE Moderator:	Turquoise

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

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

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

Stanmorephysics.com

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

4. Take note of other answers, provided by candidates, which relate to a particular question 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 'Submax' 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.

Copyright reserved

Downloaded from Stanmorephysics.com

8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub-questions is recommended in SECTION A and SECTION B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

10. No additional credit must be given for repetition of facts. Indicate with an 'R'.

11. The differentiation between 'evaluate and critically evaluate can be explained as follows:

    11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g., **Positive:** COIDA '*eliminates time and costs spent✓ on lengthy civil court proceedings.*' ✓

    11.2 When 'critically evaluate' is used, candidates are expected to respond in either positive/negative manner or take a neutral (positive and negative) manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g., COIDA eliminates time and costs spent on lengthy civil court proceedings, ✓ because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.' ✓

    NOTE: 1. The above could apply to 'analyse 'as well
    2. Note the placing of the tick (✓) in the allocation of marks.

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

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

    12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate *(list not exhaustive*), require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure the assessment 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.

Copyright reserved

Downloaded from Stanmorephysics.com

14. SECTION B

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

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 above still applies.

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre and refer to the DBE internal moderator to finalise the alternative answers in consultation with the UMALUSI external moderators.

14.4 **Use of the cognitive verbs and allocation of marks:**

14.4.1 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 (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, require one-word answers or are quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**

15. SECTION C

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

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

Downloaded from Stanmorephysics.com

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, paragraphs and a conclusion?	**2**
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	**2**
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: **Only relevant facts: 2 marks (No '-S')** Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award a 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/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 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 irrelevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	**2**
Originality	Is there evidence of one or two examples, not older than two (2) years, that are based on recent information, current trends and developments?	**2**
	TOTAL FOR INSIGHT: TOTAL MARKS FOR FACTS: **TOTAL MARKS FOR ESSAY (8 + 32):**	**8** **32** **40**

NOTE:
1. **The candidate must respond to at least any TWO of the four sub-questions in the INTRODUCTION and at least ONE of the four sub-questions in the CONCLUSION. Verbatim quoting of definitions/facts from credible sources is strongly discouraged.**
2. **No marks will be awarded for content repeated from the introduction and conclusion.**
3. **The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
4. **No marks will be awarded for layout if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

Copyright reserved

Downloaded from Stanmorephysics.com

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

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

15.9 If a different approach is used by candidates, ensure that the answers are 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.

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION A

QUESTION 1

1.1
1.1.1 B √√
1.1.2 B √√
1.1.3 D √√
1.1.4 C √√
1.1.5 A √√

(5 x 2) **(10)**

1.2
1.2.1 twenty-one √√
1.2.2 Skills Development √√
1.2.3 redundant √√
1.2.4 recruitment √√
1.2.5 threat √√

(5 x 2) **(10)**

1.3
1.3.1 J √√
1.3.2 E √√
1.3.3 H √√
1.3.4 A √√
1.3.5 D √√

(5 x 2) **(10)**

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION B

Mark the FIRST TWO questions only.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 **Forces of Porter's Five Forces model**

- Bargaining power of suppliers/Power of suppliers √
- Bargaining power of buyers/Power of buyers √
- Threats/Barriers to new entrants to the market √
- Competitive rivalry/Power of competitors √
- Threat of substitution/substitutes √

NOTE: Mark the first FOUR only.

(4 x 1) (4)

2.2 **Advantages of diversification strategy**

- Increases sales/revenue/income and business growth. √√
- Improves the business brand/image/brand awareness of the business. √√
- Reduces the risk of relying on one product for sales/revenue/income. √√
- Businesses gain more technological capabilities through product modifications. √√
- Diversification into a number of industries or product lines can help create a balance during economic fluctuations/Sustained profitability from different product lines during times of fluctuating economic activities. √√
- Businesses produce more output using fewer inputs, as one factory may be used to manufacture more products. √√
- Enables businesses to retain their competitive advantage by meeting the needs of current/new customers/expanding into new unexplored markets. √√
- Allows businesses to remain relevant/functional/operational in a dynamic business environment. √√
- Any other relevant answer related to the advantages of diversification strategies.

Max (4)

2.3 **PESTLE factor**

2.3.1 **PESTLE factor from the scenario**

Technological √√ **(2)**

2.3.2 **Ways in which businesses can deal with the challenges posed by the technological factors**

- Continuous research on the latest available technology /equipment in the market. √√
- Train existing/appoint new employees to maintain/use new equipment. √√
- Compare prices/select suitable suppliers for new equipment at reasonable prices. √√
- Businesses must be geared for online trading/e-commerce. √√

Downloaded from Stanmorephysics.com

- Any other relevant answer related to the ways businesses can deal with technology as a factor in the PESTLE model.

NOTE: Accept relevant facts even if the PESTLE factor was incorrectly identified in QUESTION 2.3.1.

Max (4)

Stanmorephysics.com


Stanmorephysics.com

Downloaded from Stanmorephysics.com

2.4 **Types of intensive strategies**

Market penetration √√
- New products penetrate an existing market at a lower price, until it is well known to the customers and then the price increases. √
- Businesses focus on selling existing products into existing markets to increase their market share. √
- Businesses use market research on existing clients to decide on how to improve their marketing mix. √
- Aggressive marketing campaigns, such as reducing prices, are used to attract potential/existing clients. √
- Embark on an intense advertising campaign to increase awareness of the products and customer loyalty. √
- Employ more sales staff to improve sales/services. √
- Any other relevant answer related to market penetration as a type of intensive strategy.

Strategy (2)
Explanation (1)
Submax (3)

Market development √√
- It is a growth strategy where businesses aim to sell their existing products in new markets. √
- Businesses target consumers in a potential market that is outside its normal target market. √
- Increasing sales of existing products by finding new ways to develop new markets. √
- Prices are restructured/reviewed to cater for customers/consumers of all income levels. √
- Any other relevant answer related to market development as a type of intensive strategy.

Strategy (2)
Explanation (1)
Submax (3)

Product development √√
- It is a growth strategy where businesses aim to introduce new products into existing market/modify an existing product √
- Businesses generate new ideas/develop new products/services. √
- Businesses conduct test marketing/market research to establish whether new products will be accepted by existing customers. √
- New products may be different/of a higher quality than those of competitors. √
- Any other relevant answer related to product development as a type of intensive strategy.

Strategy (2)
Explanation (1)
Submax (3)

NOTE: Mark the first TWO (2) only.

Max (6)

Downloaded from Stanmorephysics.com

2.5 **The Employment Equity Act**

2.5.1 **Name of the Act from the scenario** **(2)**
Employment Equity Act (EEA) √√

2.5.2 **Actions regarded as non-compliance by the EEA**
- Not employing a young woman √ because she would want to have children in future. √
- Refusing to employ a person √ because he/she has strong religious beliefs/has a disability. √
- Doing HIV testing √ unless justified by the Labour Court. √
- Denying people access to the workforce √ based on gender/race/culture/etc. and treating them unfairly. √
- Any other relevant answer related to the actions regarded as non-compliance by the Employment Equity Act.

Max (4)

2.6 **Funding of SETAs**
- Skills Development levies paid by employers√ to SARS as a collecting agency for the government. √
- The different SETAs receive 80% of the levy for organisational Expenses, √ and the remaining 20% is paid to the National Skills Fund. √
- Donations/Grants received √ from the public/businesses/CSI programmes. √
- Surplus funds received√ from government institutions. √
- Funds received √ from rendering their services. √
- Employers who have a salary bill that exceeds R500 000 per annum, √ should pay one per cent (1%) of their annual salaries as a levy. √
- Any other relevant answer related to funding of SETAs.

Max (6)

Stanmorephysics.com

Downloaded from Stanmorephysics.com

2.7 **Differences between BEE and BBBEE**

Black Economic Empowerment (BEE)	Broad-Based Black Economic Empowerment Act (BBBEE)
- A government policy √ that may not always be enforced. √	- An Act that is enforced √ /must be complied with by businesses. √
- Benefitted only a few √ previously disadvantaged people in the economy. √	- Encourages a wider group of previously disadvantaged people, √ which includes black women, people who are physically challenged, youth, and people in rural areas, to participate in the economy. √
- This resulted in a few previously disadvantaged individuals √ sharing in the wealth of the economy. √	- Aims to distribute the country's wealth √ across a broader spectrum of society. √
- Focused only on three pillars √ that did not include all previously disadvantaged people. √	- Focuses on five pillars, which include all sectors of society, √ especially the previously disadvantaged people and previously disadvantaged communities. √
Submax (2)	**Submax (2)**

NOTE: 1. The answer does not have to be in tabular format.
2. The differences do not have to link but must be clear.
3. Award a maximum of TWO (2) marks if the differences are not clear/Mark either BEE or BBBEE only.

Max (4)

2.8 **Steps in strategy evaluation**

- Examine the underlying basis of a business strategy. √√
- Look forward and backwards into the implementation process. √√
- Compare the expected performance with the actual performance. √√
- Determine the reasons for deviations and analyse these reasons. √√
- Take corrective action so that deviations may be corrected. √√
- Set specific dates for control and follow-up. √√
- Draw up a table of advantages and disadvantages of a strategy. √√
- Decide on the desired outcome as envisaged when strategies were implemented. √√
- Consider the impact of the strategic implementation in the internal and external environments of the business. √√
- Any other relevant answer related to the steps in strategy evaluation.

NOTE: Accept steps in any order.

Max (4)
[40]

Downloaded from Stanmorephysics.com

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2	4
2.3.1	2
2.3.2	4
2.4	6
2.5.1	2
2.5.2	4
2.6	6
2.7	4
2.8	4
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS

3.1 **Sources of external recruitment**

- Recruitment agencies √
- Billboards √
- Printed media, for example, newspapers/flyers/magazines/ posters √
- Electronic media, for example, radio/TV √
- Social media/Social networks/Internet/Business websites √
- Walk-ins √
- Headhunting √
- Professional associations √
- Networking √
- Educational/Training institutions √

NOTE: Mark the first TWO (2) only.

Max (2)

Stanmorephysics.com

3.2 **The role of the interviewer before the interview**

- Book and prepare the venue for the interview. √√
- Inform all shortlisted candidates about the date and place of the interview. √√
- Set the interview date and ensure that all interviews take place on the same date, if possible. √√
- Notify all panel members conducting the interview about the date and place of the interview. √√
- The interviewer should develop a core set of questions based on the skills/knowledge/ability required. √√
- Check/read the application/verify the CV of every candidate for anything that may need to be explained. √√
- Plan the programme for the interview and determine the time that should be allocated to each candidate. √√
- Any other relevant answer related to the role of the interviewer before the interview.

Max (4)

Downloaded from Stanmorephysics.com

3.3 **Advantages of induction**

3.3.1 **Advantages of induction from the scenario**

- DM ensures that its new employees settle in quickly and work effectively. √
- The business also makes sure that new employees understand workplace rules and restrictions. √

NOTE: 1. Mark the first TWO (2) only.
2. Only award marks for responses that are quoted from the scenario.

(2 x 1) (2)

3.3.2 **Other advantages of induction**

- New employees may establish relationships √ with fellow employees at different levels. √
- Make new employees feel at ease in the workplace, √ which reduces anxiety/insecurity/fear. √
- The results obtained during the induction process √ provide a base for focused training. √
- Increases quality of performance/productivity, √ which promotes the effective use of working methods/resources. √
- Minimises/Decreases the need for ongoing training √ and development. √
- Employees will be familiar with organisational structure, √ such as who their supervisors/low-level managers are. √
- Opportunities are created for new employees √ to experience/explore different departments. √
- New employees will understand their roles/responsibilities √ concerning safety regulations and rules. √
- New employees will know the layout of the building/factory/offices where everything is √ which saves production time. √
- Company policies regarding conduct/procedures/safety and security/employment contract/conditions of employment/working hours/leaves √ are communicated. √
- Realistic expectations for new employees, √ as well as the business are created. √
- New employees may feel part of the team, √ resulting in positive morale/motivation. √
- Employees may have a better understanding of business policies √ regarding ethical/professional conduct/procedure/CSR. √
- Reduces the staff turnover √ as new employees have been inducted properly. √
- Learn more about the business so that new employees understand their roles/responsibilities √ in order to be more efficient. √
- Any other relevant answer related to the other advantages of induction.

NOTE: Do not award marks for responses that are quoted from the scenario in QUESTION 3.3.1

Max (4)

Downloaded from Stanmorephysics.com

3.4 **The link between salary determination and the BCEA**

- The BCEA outlines legalities, such as the employment contract, √ which may affect salary determination. √
- Payment of salaries should be based on whether the employee is permanent √ or employed on a fixed contract. √
- The BCEA sets out conditions that ensure fair labour √ and human resources practices. √
- According to the BCEA, businesses may use different remuneration methods √ to pay their employees. √
- Businesses are supposed to deduct income tax (PAYE) √ from the employees' taxable salaries. √
- The BCEA also regulates the minimum wage rates per sector, √ and the business must therefore ensure that remuneration reflected in the employment contract is not below the minimum wage. √
- Any other relevant answer related to the link between salary determination and the BCEA.

Max (4)

3.5 **The legal requirements of an employment contract**

- The employer and employee/Both parties √ must sign the contract. √
- Employer and employee must agree √ to any changes to the contract. √
- No party may unilaterally change aspects√ of the employment contract. √
- The remuneration package/including benefits √ must be clearly indicated. √
- The employment contract may not contain any requirements √ that are in conflict with the BCEA. √
- The employment contract can be renegotiated √ during the course of employment. √
- The employer must explain the terms and conditions √ of the employment contract to the employee. √
- Conditions of employment/duties/responsibilities of the employees √ must be stipulated clearly. √
- All business policies/procedures/disciplinary codes/rules √ must form part of the employment contract. √
- The employer must allow the employee √ to thoroughly read through the contract before it is signed. √
- The employment contract should include a code of conduct √ and code of ethics. √
- Any other relevant answer related to the legal requirements of an employment contract.

Max (6)

Downloaded from Stanmorephysics.com

3.6 **Business functions and their quality indicators**

BUSINESS FUNCTION	MOTIVATIONS
Purchasing function √√	BCL usually buys high-quality materials in bulk at the lowest prices from reliable suppliers. √
General management function √√	The business also has a systematic strategic plan in place when making decisions. √
Submax (4)	Submax (2)

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

Max (6)

3.7 **Plan step of the PDCA model**

- The business should identify the problem and develop a plan √ for improvement to processes and systems. √
- Answer questions √ such as 'what to do' and 'how to do it'. √
- Plan the new method and approach √ to improve the quality of their products. √
- The plan must be logical/sequential √ for implementers to understand it. √
- Any other relevant answer related to how businesses can apply the plan step of the PDCA model to improve the quality of products.

Max (6)

3.8 **Ways TQM can reduce the cost of quality**

- Introduce quality circles to discuss ways of improving the quality of work/workmanship. √√
- Schedule activities to eliminate duplication of tasks. √√
- Share responsibility for quality output amongst management and workers. √√
- Train employees at all levels, so that everyone understands their role in quality management. √√
- Develop work systems that empower employees to find new ways of improving quality. √√
- Work closely with suppliers to improve the quality of raw materials/inputs. √√
- Improve communication about quality challenges/deviations, so that everyone can learn from experience. √√
- Reduce investment in expensive, but ineffective inspection procedures in the production process. √√
- Implement proactive maintenance programmes for equipment/to reduce/eliminate breakdowns. √√
- Any relevant answers related to ways in which TQM reduce the cost of quality.

Max (6)
[40]

Downloaded from Stanmorephysics.com

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	2
3.2	4
3.3.1	2
3.3.2	4
3.4	4
3.5	6
3.6.1	6
3.7	6
3.8	6
TOTAL	40



Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 **Provisions of the Basic Conditions of Employment Act/BCEA**

- Regulation of working time/Ordinary hours of work/overtime/meal Intervals/Sunday work/Public holidays √
- Leave/annual/sick/maternity/parental/paternity/family responsibility √
- Termination of employment √
- Prohibition of employment of children and forced labour √
- Particulars of employment and remuneration √
- Any other relevant answer related to the provisions of the BCEA.

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

4.2 **Consumer rights in terms of CPA from statements**

4.2.1 Right to accountability from suppliers. √√ **(2)**

4.2.2 Right to disclosure and information. √√ **(2)**

4.3 **Meaning of Learnerships**

- Theoretical/practical training opportunities √ that can lead to a recognised qualification. √
- Structured learning programme completed during work hours √ for a specified period of time. √
- Agreement between a learner/trainee, employer √ and training provider. √
- May include employment for a specified period √ after learnership is completed. √
- Includes a training course with learning material √ as well as practical work experience. √
- Any other relevant answer related to the meaning of learnership.

Max (4)

4.4 **Ways in which businesses can comply with the NCA**

- Conduct a credit check with a registered credit bureau √ and/or consult the National Credit Register. √
- Register the business √ with the National Credit Regulator (NCR) √
- Submit an annual compliance report √ to the National Credit Regulator (NCR). √
- Conduct an affordability assessment √ to ensure the consumer can meet their obligation. √
- Comply with the necessary procedures √ regarding the provisions of the Financial Intelligence Centre Act (FICA) √
- Verify the identity of clients, report suspicious transactions/train staff √ on their obligations in terms of FICA. √
- Offer applicants √ pre-agreement statements. √
- Disclose all costs of the loan √/No hidden costs √ should be charged/ added. √
- Businesses must have procedures in place √ to comply with the provisions of the Financial Intelligence Centre Act (FICA). √

Copyright reserved

Downloaded from Stanmorephysics.com

- Credit providers must have procedures in place √ to comply with the provisions of the Financial Intelligence Centre Act (FICA). √
- Any other relevant answer related to ways in which businesses can comply with the NCA.

Max (6)

4.5 **The strategic management process**

Option 1

- Have a clear vision, a mission statement, and measurable/ realistic objectives in place. √√
- Identify opportunities/weaknesses/strengths/threats by conducting environmental scanning/situational analysis. √√
- Use tools available for environmental scanning, which may include a SWOT analysis/Porter's Five Forces model/PESTLE analysis/ industrial analysis tools. √√
- Formulate alternative strategies to respond to the challenges. √√
- Develop/Create (an) action plan(s), including the tasks to be done/ deadlines to be met/resources to be procured, etc. √√
- Implement selected strategies by communicating them to all stakeholders/organising the business's resources/motivating staff. √√
- Continuously evaluate/monitor/measure strategies to take corrective action. √√
- Any other relevant answer related to the strategic management process.
-

OR

Option 2

- Review/Analyse/Re-examine their vision/mission statements. √√
- Conduct an environmental analysis using models such as PESTLE analysis/Porter Five Forces Model/SWOT analysis. √√
- Formulate a strategy, such as a defensive/retrenchment strategy. √√
- Implement a strategy, using a template such as an action plan. √√
- Control/Evaluate/Monitor the implemented strategy to identify gaps/deviations in implementation. √√
- Take corrective action to ensure goals/objectives are met. √√
- Any other relevant answer related to the strategic management process.

NOTE: Steps can be in any order

Max (4)

Downloaded from Stanmorephysics.com

BUSINESS OPERATIONS

4.6 **Aspects that must be included in the employment contract**

- Personal details of the employee √
- Details of the business/employer, such as the name and address √
- Job title/Position √
- Job description, such as duties/responsibilities and working conditions √
- Job specification, such as formal qualifications and willingness to travel √
- Date of employment/Commencement of employment √
- Place where employee will spend most of his/her working time √
- Hours of work, such as normal time and overtime √
- Remuneration such as weekly or monthly pay √
- Benefits/Fringe benefits/Perks/Allowances √
- Leave such as sick/maternity/annual/adoption leave √
- Employee deductions, such as compulsory/non-compulsory √
- Duration/Period of employment contract/Details of termination/ Expiry date of employment contract √
- Probation period √
- Signatures of both the employer and employee √
- List of documents that form part of the contract, such as appointment letter/code of conduct/ethics √
- Disciplinary policy, such as rules/disciplinary procedure for unacceptable behaviour √
- Any other relevant answer related to the aspects of the employment contract.

NOTE: Mark the first FOUR (4) only **Max (4)**

4.7 **Placement procedure**

- The business should outline specific responsibilities/expectations √ of the employee's new position. √
- Determine the employee's strengths/weaknesses/skills/interests √ by subjecting him to various psychometric tests. √
- Determine the relationship/similarities between the expectations of the position √ and the competencies of the new employee/ candidate. √
- Any other relevant answer related to the placement procedure.

Max (6)

Downloaded from Stanmorephysics.com

4.8 **Quality concepts from the scenario**

QUALITY CONCEPTS	MOTIVATIONS
1. Quality assurance √√	The business also ensures checks are carried out during and after the production process. √
2. Quality control √√	TP ensures that quality is met by inspecting whether the final product meets the required standards. √
Submax (4)	Submax (2)

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

Max (6)

4.9 **Impact of total quality management/TQM if poorly implemented by businesses**

- Setting unrealistic deadlines that may not be achieved. √√
- Employees may not be adequately trained, resulting in poor quality products. √√
- Decline in productivity, because of stoppages. √√
- Businesses may not be able to make necessary changes to products/services to satisfy the needs of customers. √√
- Businesses' reputation/image may suffer because of poor quality/defective goods. √√
- Customers will have many alternatives to choose from, and the impact could be devastating to businesses. √√
- Investors might withdraw investment if there is a decline in profits. √√
- Decline in sales as more goods are returned by unhappy customers. √√
- High staff turnover, because of poor skills development. √√
- Undocumented/Uncontrolled quality control processes/systems could result in errors/deviations from pre-set quality standards. √√
- Any other relevant answer related to the impact of TQM if poorly implemented.

Max (4)
[40]

Downloaded from Stanmorephysics.com

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2.1	2
4.2.2	2
4.3	4
4.4	6
4.5	4
4.6	4
4.7	6
4.8.1	6
4.9	4
TOTAL	**40**



Copyright reserved

Downloaded from Stanmorephysics.com

SECTION C

Mark the FIRST answer ONLY

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

5.1 **Introduction**

- The Labour Relations Act is put in place to promote fair labour practices in the workplace. √
- The Labour Relations Act establishes the framework for industrial relations in South Africa. √
- The Act may have a huge impact on running the activities of the business, and businesses have to implement this Act to avoid paying large amounts in penalties. √
- Businesses have a legal obligation to protect the rights of employees, as they are held responsible for their actions. √
- Businesses that comply with the Labour Relations Act can prevent heavy penalties, which may contribute to a financial loss in the long run. √
- Any other relevant introduction related to the purpose of the LRA/impact of the LRA on businesses/Employees' rights in terms of LRA/ways in which businesses can comply with the LRA.

Any (2 x 1) (2)

5.2 **Purpose of the Labour Relations Act**

- Promotes collective bargaining at the workplace/sectoral level. √√
- Promotes fair labour practices between employers and employees. √√
- Promotes workplace forums to accommodate employees in decision-making. √√
- Provides for the right to lock out by the employer as a reaction to lengthy strikes. √√
- Promotes simple procedures for the registration of trade unions and employer organisations. √√
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) Labour Courts and Labour Appeal Courts for dispute resolutions. √√
- Provides a framework/structure for labour relations between employers and employees, trade unions and employer organisations. √√
- Clarifies the transfer of employment contracts between the existing and new employers. √√
- Advances/social justice/economic development/labour peace, which ensures that the workplace maintains the basic rights of employees. √√
- Any other relevant answer related to the purpose of the LRA.

Max (12)

Downloaded from Stanmorephysics.com

5.3 **Impact of the Labour Relations Act**

Positives/Advantages

- Employers and employees have guidelines √ regarding correct and fair dismissal procedures. √
- Provides mechanisms √ such as statutory councils/collective bargaining/CCMA. √
- Employers are entitled to compensation from the Labour Court √ if they suffered damages because of unprotected strikes. √
- Promotes a healthy relationship √ between the employer and employees. √
- Protects the rights of businesses and employers √ in labour-related issues. √
- Promotes quick and less expensive √ labour dispute
- resolutions. √
- Workplace forums can add value to businesses √ if they function properly. √
- Protect employers who embark on lawful lockouts √ when negotiations between parties fail, and employees participate in strike action. √
- LRA provides for the principles of collective bargaining √ and puts structures in place with which disputes in the workplace can be settled. √
- Provides specific guidelines for employers √ on correct and fair disciplinary procedures. √
- Provides sound dispute resolution through consensus √ between organised labour, businesses and the state. √
- Any other relevant answer related to the positive impact/ Advantages of LRA on businesses.

AND/OR

Negatives/Disadvantages

- The LRA may reduce global competitiveness √ due to lower workplace productivity. √
- Productivity may decrease significantly √ if employees engage in trade union activities during work hours. √
- Costs of labour increase √ because of legal strikes. √
- Employers may not get a court interdict √ to stop a strike. √
- Employers may have to disclose information √ about workplace issues to union representatives that could be the core of their competitive advantage. √
- Employers may not dismiss employees at will, √ as procedures have to be followed. √
- Many employees take advantage of the right to strike √ without acknowledging their responsibilities. √
- Many employees and employers do not understand/respect √ the Labour Relations Act. √
- Strike actions always result in loss of production, √ which employers may not claim. √
- Some trade unions may not promote the mandate of their members but embark on industrial action, √ which is harmful to labour relations between employers and employees. √

Downloaded from Stanmorephysics.com

- Some businesses may feel that the LRA gives employees too much power √ as it creates lengthy procedures, e.g. consulting with workplace forums. √
- Labour disputes and bargaining council processes become disruptive/time-consuming √ and can lead to a decrease in productivity in businesses. √
- The implementation of the LRA may be very costly and time-consuming √ especially the dispute resolution process. √
- Decrease profitability of businesses √ because of a decline in productivity and sales. √
- Businesses may lose their competitive advantage √ because important information, which could be leaked to competitors, is often disclosed to trade union members during collective bargaining. √
- The employment of legal specialists and labour consultants increases √ the costs of the business. √
- Any other relevant answer related to the negative impact/ disadvantages of LRA. **Max (16)**

5.4 **Rights of employees in terms of the Labour Relations Act/LRA**

Employees have the right to:

- Join a trade union √ of their choice √
- Embark on legal strikes √ as a remedy for grievances √
- Refer unresolved workplace disputes √ to the CCMA √
- Refer unresolved CCMA disputes √ to the Labour Court on appeal √
- Request trade union representatives to assist/represent employees √ in the grievance/disciplinary hearing √
- Trade union representatives may take a reasonable time off work with pay √ to attend to trade union duties √
- Establish a workplace forum where a business has 100 or more employees √ to resolve work-related issues √
- Any other relevant answer related to the rights of employees in terms of the Labour Relations Act/LRA. **Max (10)**

5.5 **Ways in which businesses can comply with the Labour Relations Act/LRA**

- Fairness should be promoted, and employees should not be unfairly/illegally dismissed. √√
- Allow/Support the establishment of workplace forums. √√
- Any agreements made during collective bargaining should not be ignored/breached by employers. √√
- Businesses must allow employees to form trade unions/participate in union activities/legal strikes. √√
- Disclose all relevant information required by trade union representatives to do their jobs effectively. √√
- Display a summary of the LRA in the workplace where it is visible to all employees. √√
- Any other relevant answer related to ways in which businesses can comply with the LRA. **Max (8)**

Downloaded from Stanmorephysics.com

5.6 **Conclusion**

- The Labour Relations Act aims to regulate the issue of fairness, not only in termination but during employment too. √√
- The impact of LRA encourages both the employer and employee to discuss important labour-related issues and engage in consultation and joint decision-making. √√
- The Act ensures that businesses adhere to and respect the rights of employees to avoid severe penalties. √√
- Significant progress has been made with more businesses that comply with the Labour Relations Act. √√
- Any other relevant conclusion related to the purpose of the LRA/impact of the LRA on businesses/Employees' rights in terms of the LRA/ways in which businesses can comply with the LRA.

(2 x 1) (2)

BREAKDOWN OF MARKS

Details	**Maximum**	**Total**
Introduction	2	
Purpose of LRA	12	
Impact of LRA	16	**Max 32**
Rights of employees in terms of LRA	10	
Ways to comply with the LRA	8	
Conclusion	2	
Insight		
L - Layout		2
A – Analysis		2
S – Synthesis		2
O - Originality		2
TOTAL		**40**

[40]

Stanmorephysics.com

Downloaded from Stanmorephysics.com

QUESTION 6: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)

6.1 **Introduction**

- A good quality management system may allow businesses to continuously review their quality processes that are aimed at producing quality products. √
- Elements of TQM encourage managers and employees to focus on the quality of performance in whatever they do. √
- Quality circles enable businesses to put operational systems and guidelines in place aimed at achieving high customer satisfaction. √
- Through TQM, businesses ensure that they focus on implementing ways to reduce the cost of quality. √
- Any other relevant introduction related to the benefits of a good quality management system/the impact of continuous improvement of processes and systems/monitoring and evaluation of quality processes/the role of quality circles/ways in which TQM can reduce the cost of quality in the business.

Any (2 x 1) (2)

6.2 **Benefits of a good quality management system**

- 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. √√
- Increased market share/more customers improve profitability. √√
- Improves business image as there are fewer defects/returns. √√
- Any other relevant answer related to the benefits of a good management system.

Max (12)

6.3 **Impact of TQM elements**

6.3.1 **Positives/Advantages of continuous improvement of processes and systems in large business**

- Large businesses have more resources √ to check on the quality performance in each unit. √
- Enough capital resources are available for new equipment √ required for processes and systems. √
- Large businesses have a person √ dedicated to the improvement of processes and systems. √
- Willing to take risks on/try new processes and systems √ because they can absorb the impact of losing money. √

Downloaded from Stanmorephysics.com

- They can afford to use the services of the quality circles √ to stay ahead of their competitors. √
- Any other relevant answer related to positive impact/ advantages of continuous improvement of processes and systems.

Submax (8)

6.3.2 **Positive/Advantages of monitoring and evaluating quality processes in large businesses**

- Prevents product defects √ and minimises wastage/customer complaints. √
- Good quality checks/procedures minimise the replacement/ breakdown of equipment/machinery √ on a regular basis. √
- May be equipped √ to get things done right the first time. √
- Improve performance √ and maintain high-quality standards. √
- Improve current and future management √ of quality outputs/ outcomes/impact. √
- Provide clear indication about quality aspects √ that are contributing to the achievement of goals/targets. √
- Modify interventions √ that may improve the efficient use of resources. √
- Support management to acquire information √ needed to make informed decisions about processes. √
- Cost of production is reduced √ as deviations from set standards can be corrected. √
- Strategies are revised √ in order to improve the quality of the product and services/business image. √
- Allows for quality control checks √ and procedures at key points. √
- Key performance indicators are carefully selected √ to monitor and evaluate the outcome. √
- Benchmarking is used to find best practices √ in order to determine the competitive position of the business. √
- Quality circles meet on regular basis √ to evaluate the progress in terms of quality. √
- Continuous research is conducted on latest developments √ to ensure that TQM planning is up to date. √
- Any other relevant answer related to positive impact/ advantages of monitoring and evaluating quality processes in large businesses.

Submax (8)
Max (16)

6.4 **Roles of quality circles**

- Solve problems related to quality √ and implement improvements. √
- Investigate problems √ and suggest management solutions. √
- Ensure that there is no duplication of activities/tasks in the workplace. √
- Make suggestions for improving systems and processes √ in the workplace. √
- Improve the quality of products/services/productivity √ through regular reviews of quality processes. √

Downloaded from Stanmorephysics.com

- Monitor/Reinforce strategies to improve √ the smooth running of business operations. √
- Increase employees' morale and motivation √ to boost their spirit in achieving organisational goals. √
- Contribute towards the improvement √ and development of the organisation. √
- Create harmony and high performance √ in the workplace. √
- Increase the demand for products/services √ of the business. √
- Build a healthy workplace relationship √ between the employer and the employee. √
- Reduce costs of redundancy and wasteful efforts √ in the long run. √
- Improve employee loyalty and commitment √ to the organisational goals. √
- Improve employees' communication √ at all levels of the business. √
- Develop a positive attitude/sense of involvement √ in the decision-making processes of the services offered. √
- Any relevant answers related to the roles of quality circles as part of continuous improvement to processes and systems.

Max (10)



Downloaded from Stanmorephysics.com

6.5 **How quality of performance of the financial function can contribute to the success of the business.**

- Effective financial planning enables the business to set realistic budgets and financial goals, which guide decision-making. √√
- Proper control of income and expenditure helps the business to minimise waste and unnecessary costs. √√
- Accurate financial record-keeping ensures that the business complies with legal and tax requirements, avoiding penalties and fines. √√
- Sound cash flow management ensures that the business can meet its short-term obligations and continue operating smoothly. √√
- Regular financial analysis helps management to identify trends, risks and opportunities for growth. √√
- Efficient management of assets ensures that resources are used productively and not misused or stolen. √√
- Good financial control builds investor and stakeholder confidence, making it easier to attract funding. √√
- Effective costing and pricing strategies help the business to remain competitive while still making a profit. √√
- Monitoring financial performance enables corrective action to be taken when deviations occur. √√
- A high-quality financial function supports long-term sustainability and improves overall business performance. √√
- Any other relevant conclusion related to how quality of performance of the financial function can contribute to the success of the business.

Max (8)

6.6 **Conclusion**

- Continually improving the business's procedures and processes enables the business to obtain advantages of a good quality management system. √√
- Continuous improvement of processes and systems should be an ongoing process that focuses on improving the systems of the business and considers the customers' changing needs. √√
- Monitoring and evaluation of quality processes allow the business to keep track of activities and identify potential problems. √√
- Quality circles are important in the business because they assist management in resolving problems and improving production. √√
- The quality of performance of the financial function will contribute to the quality of products in the business. √√
- Any other relevant conclusion related to the benefits of a good quality management system/the impact of continuous improvement of processes and systems/monitoring and evaluation of quality processes/the role of quality circles/ how quality of performance of the financial function can contribute to the success of the business.

Max (2)

Downloaded from Stanmorephysics.com

BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	2	
Benefits of a good quality management system	12	
Positive impact of the following TQM elements • Continuous improvement of processes and systems • Monitoring and evaluation of quality processes	16	**Max 32**
Role of quality circles as part of continuous improvement of processes and systems	10	
Quality indicators within financial function	8	
Conclusion	2	
Insight		
L – Layout	2	
A – Analysis/Interpretation	2	**8**
S – Synthesis	2	
O – Originality/Examples	2	
TOTAL MARKS		**40**

TOTAL SECTION C: 40
GRAND TOTAL: 150



Copyright reserved