Province of the

**EASTERN CAPE**

EDUCATION

**NATIONAL**

**SENIOR CERTIFICATE**

**GRADE 11**

**NOVEMBER 2010**

|  |
| --- |
| **BUSINESS STUDIES**  **MEMORANDUM** |

**MARKS: 300**

**TIME: 3 hours**

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| --- |
| This memorandum consists of 22 pages. |

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| **NOTES TO EDUCATORS:** | | | |
|  | | | |
| 1. | Candidate’s responses must be in full sentences for Section B and C depending on the nature of the question. | |  |
|  |  |  |  |
|  | Full sentence √√ (2)  Words/phrases √ (1) | |  |
|  |  |  |  |
| 2. | A comprehensive memorandum 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 memorandum. * Comes from another source. * Is correct and original. * Relates to another applicable LO or AS. | |  |
|  |  |  |  |
| 3. | Please take careful note of other relevant answers provided by candidates and allocate marks accordingly. | |  |
|  |  |  |  |
| **4.** | **SECTION B** | |  |
|  |  |  |  |
| 4.1 | If, for example, FIVE facts are required, mark the candidates FIRST FIVE responses and ignore the rest of the responses. | |  |
|  |  |  |  |
| 4.2 | If two facts are written in one sentence, award the candidate FULL credit. | |  |
|  |  |  |  |
| 4.3 | In questions that require candidates to “name/list”, the answers of the candidates can be in phrases and not necessarily in full sentences. | |  |
|  |  |  |  |
| **5.** | **SECTION C** | |  |
| 5.1 | The breakdown of the mark allocation for essays is as follows:   |  |  |  | | --- | --- | --- | | Introduction | 3 | Maximum 32 | | Content | Minimum 27 | | Conclusion | 2 | | Insight | 8 |  | | **Total marks** | **40** |  | | |  |
| 5.2 | INSIGHT CONSISTS OF THE FOLLOWING COMPONENTS | | |
|  | |  |  | | --- | --- | | **L**ayout/Structure (Is there an introduction, body using proper paragraphs and conclusion/is there a logical flow/link in the discussion?) | 2 | | **A**nalysis and interpretation (Did the learner break down the question to show understanding of what is being asked?) | 2 | | **S**ynthesis (Did the learner put together only the relevant parts to the question?) | 2 | | **O**riginality: (Has the learner been able to illustrate the concepts with examples, preferably his/her own? Originality in approach, ideas and responses. Current trends and developments.) | 2 | | **TOTAL FOR INSIGHT:**  **TOTAL MARKS FOR FACTS:**  **TOTAL MARKS FOR ESSAY (8+32):** | **8**  **32**  **40** | | |  |

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| 5.3 | Indicate insight in the left-hand margin with a symbol e.g. (“L,A,S and/or O”) | |  |
|  |  |  |  |
| 5.4 | The components of insight are indicated at the end of the suggested answer for each question. Note: The components may vary for each question. | |  |
|  |  |  |  |
| 5.5 | Mark all relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained. | |  |
|  |  |  |  |
| 5.6 | At the end of each essay, indicate the allocation of marks for facts and marks for insight as follows: [L (layout/structure) and/or A (analysis)/S (synthesis)/O (originality) as in the table below].   |  |  | | --- | --- | | **CONTENT** | **MARKS** | | Facts | 32 | | L | 2 | | A | 2 | | S | 2 | | O | 2 | | **Total marks** | **40** | | |  |
|  |  | The mark allocation for insight may vary for each essay. |  |
|  |  |  |  |
| 5.7 | When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same sub-headings. Remember, headings and sub-headings are encouraged and contribute to insight (Structuring/logical/flow/sequencing) and indicate clarity of thought. (See BREAKDOWN of MARKS at the end of each question.) | |  |
|  |  |  |  |
| 5.8 | If the candidate identifies/interprets the question **incorrectly**, then he/she can still obtain marks for insight. | |  |
|  |  |  |  |
| 5.9 | If a different approach is used by candidates ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum. | |  |
|  |  | |  |
| 6. | Take particular note of the repetition of facts. Indicate with an ‘R’. | |  |
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| 7. | Sub-totals to questions must be written in the right margin. Only the total for each question should appear in the left margin next to the appropriate question. | |  |
|  |  | |  |
| 8. | Allocate TWO marks for complete sentences. Allocate ONE mark for phrases, incomplete sentences and vague answers. | |  |
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| **SECTION A**  **QUESTION 1** | | |  |
|  |  |  |  |
| 1.1 | 1.1.1 | B√√ |  |
|  |  |  |  |
|  | 1.1.2 | C√√ |  |
|  |  |  |  |
|  | 1.1.3 | A√√ |  |
|  |  |  |  |
|  | 1.1.4 | D√√ |  |
|  |  |  |  |
|  | 1.1.5 | C√√ |  |
|  |  |  |  |
|  | 1.1.6 | A√√ |  |
|  |  |  |  |
|  | 1.1.7 | B√√ |  |
|  |  |  |  |
|  | 1.1.8 | C√√ |  |
|  |  |  |  |
|  | 1.1.9 | A√√ |  |
|  |  |  |  |
|  | 1.1.10 | D√√ (10x2) | (20) |
|  |  |  |  |
| 1.2 | 1.2.1 | F (xenophobia) √√ |  |
|  |  |  |  |
|  | 1.2.2 | D (overheads) √√ |  |
|  |  |  |  |
|  | 1.2.3 | B (stress) √√ |  |
|  |  |  |  |
|  | 1.2.4 | A (competitors) √√ |  |
|  |  |  |  |
|  | 1.2.5 | C (dividends) √√ (5x2) | (10) |
|  |  |  |  |
| 1.3 | 1.3.1 | micro-environment√√ |  |
|  |  |  |  |
|  | 1.3.2 | factors of production√√ |  |
|  |  |  |  |
|  | 1.3.3 | dumping√√ |  |
|  |  |  |  |
|  | 1.3.4 | lobbying√√ |  |
|  |  |  |  |
|  | 1.3.5 | Founding Statement√√/CK 1 √√ (5x2) | (10) |
|  |  |  |  |
|  |  | **TOTAL SECTION A:** | **40** |
|  |  |  |  |

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| **SECTION B**  **QUESTION 2** | | | |
|  |  |  |  |
| 2.1 | 2.1.1 | * HIV/Aids will reduce the human resource of the business due to deaths from it and other related diseases.√√ * Increased absenteeism of infected employees.√√ * Lower productivity of workers.√√ * Lower physical ability of workers resulting in daily targets not being met.√√ * Delays in orders because of stock shortages.√√ * Increased staff recruitment and training costs.√√ * Quality of products/services might be poorer because of inexperienced workers.√√ * HIV/Aids related deaths reduce the number of consumers, resulting in a lower demand for goods and services.√√ * High staff turnover.√√ * High costs (time & money) of training and educating employees about the risks and management of HIV/Aids.√√ * Reluctance to sell on credit to high-risk consumers.√√ * Many smaller businesses will close down while others downscale (retrench) to cut costs.√√   (Any other relevant answer) (Any 5x2) | (10) |
|  |  |  |  |
|  | 2.1.2 | * Formulate an advocacy campaign on the use of ARVs.√√ * Keep employees’ ARVs at a central point within the business, monitor and control consumption.√√ * Put a system in place to monitor the blood cell count.√√ * Make use of educational programmes on HIV/Aids management.√√ * Form support groups and motivate co-workers to counsel one another.√√ * Get HIV/Aids counsellors to visit the business.√√ * Monitor absenteeism and follow it up.√√ * Business must supply ARV medicine to the employees.√√ * Convince workers that they will earn more in wages than the monthly temporary disability grant.√√   (Any other relevant answer) (Any 5x2) | (10) |
|  |  |  |  |
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| 2.2 | 2.2.1 | Contractual implications of outsourcing:   * Nature of the activities that need to be completed or accomplished.√√ * Specify the tasks, e.g., removal of waste.√√ * The duration of the contract.√√ * All the duties and the responsibilities of both parties.√√ * A clause that prohibits the business from disclosing any trade secrets of the business outsourcing.√√ * Payment terms and conditions.√√ * The right to terminate the agreement early, subject to the payment of a penalty.√√ * An option to terminate the agreement for breach of contract.√√ * A clause which prohibits the outsourcer from working for a competitor.√√   (Any other relevant answer) (Any 5x2) | | (10) |
|  |  |  | |  |
|  | 2.2.2 | Advantages of outsourcing:   * Businesses are able to reduce the size of their workforce.√√ * The business acquires the services of experts in a field.√√ * Reduced training and other personnel costs.√√ * Smaller businesses are able to benefit from long term contracts with big businesses.√√ * Managers are able to concentrate on their core business activities.√√ * Purchasing of certain equipment and machinery will not be necessary/Savings on capital investment.√√ * Saving on business insurance.√√ * Saving on employees in those departments that are outsourced.√√ * Saving on rent.√√   (Any other relevant answer) (Any 5x2) | | (10) |
|  |  |  | |  |
|  | 2.2.3 | Benefits of franchising:   * Financial risk is reduced, as the franchise is an already established business.√√ * Continuous assistance from the franchisor to the franchisee.√√ * Franchisee and his/her staff receive training.√√ * It is easier to acquire finance, as it is an established business concept.√√ * Franchisor may assist with funding for start-up costs.√√ * Risk of failure is reduced.√√ * Product/service is marketed by the franchisor.√√ * The franchisee does not have to be an expert in that particular industry.√√ * Franchisees benefit from lower costs due to centralized buying.√√ * Good financial recordkeeping practices and expert advice.√√ * Funds are more available for an existing franchise than for a new business.√√   (Any other relevant answer) (Any 5x2) | | (10) |
|  |  |  | |  |
| 2.3 | Characteristics of a entrepreneur  Entrepreneurs are:   * Adaptable√- can adapt easily to any situation/circumstance.√ * Risks takers√- takes calculated business risks.√ * Determined√- to reach goal/be successful/try again.√ * Creative√- has creative business ideas/problem solving.√ * Committed√- will carry his/her plan/idea through no matter what.√ * Innovative√- finding solutions to challenges/make a plan.√ * Goal orientated√- sets him/her business goals to achieve.√ * Independent√- a self starter/not dependant on others.√ * Positive√- focus on good/rather than negative.√ * Quick learners√- show understanding/intelligent.√ * Hardworking√- works long hours.√ * Visionaries√- sees something that others don’t/new ideas/thinking.√ * Competitive√- a need to be competitive/wants to be the best.   (Any other relevant answer) | | |  |
|  |  | | **1 mark for characteristic; 1 mark for explanation**  (Any 5x2) | (10) |
|  |  | |  | **[60]** |
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| **QUESTION 3** | | | |
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| 3.1 | 3.1.1 | 60 000 (OS) √+40 000 (P) √=100 000 - 30 000 √ (CS) = **R70 000** √√ | (5) |
|  |  |  |  |
|  | 3.1.2 | 70 000 **(√)** +75 000√ = **R145 000** √√ | (4) |
|  |  |  |  |
|  | 3.1.3 | 1 500 √+7 000 √+400 √ = **R8 900** √√ | (5) |
|  |  |  |  |
|  | 3.1.4 | 660 √+3 500 √+2 000 √+1 500 √ = **R7 660** √√ | (6) |
|  |  |  |  |
|  | 3.1.5 | 145 000 **(√)**+16 560 **(√)** = **R161 560** √√ | (4) |
|  |  |  |  |
|  | 3.1.6 | 161 560 **(√)**  400√  = **R403,90**√√ | (4) |
|  |  |  |  |
|  |  | **(√)** **If these amounts are incorrect award mark to learner according to his/her calculations, if correct**  **If correct totals/answers only- award full marks**. |  |
|  |  |  |  |
| 3.2 | - It is the point where revenue is equal to costs.√√ **or** The point where the business makes neither a profit nor a loss. | | (2) |
|  |  |  |  |
| 3.3 | 3.3.1 | Soccer jersey sales: April – June 2010 |  |
|  | √√ | Bar Graph  √√  √√  √√  √√ | (10) |
|  |  |  |  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 3.3.2 | Analysis   |  |  |  |  | | --- | --- | --- | --- | | April Sales | R105 014√√ | 26%√√ | Sales starting to pick up before the soccer world cup.√√ | | May Sales | R231 032√√ | 56%√√ | A boom in sales in the last month before world cup.√√ | | June Sales | R72 702√√ | 18%√√ | Tournament is in progress. Soccer jersey orders stopped.√√ | | TOTAL | R408 748 | 100% |  |   **(Accept other correct version of/and relevant analysis)** | (18) |
|  |  |  |  |
|  |  |  |  |
|  | 3.3.3 | 525,07x100  130  = R403,90√√ each  **2 or 0 marks** | (2) |
|  |  |  | **[60]** |
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| **QUESTION 4** | | | | | |
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| 4.1 | 4.1.1 | Tight deadlines....   * When a number of work-related tasks must be completed in close succession to each other.√   Strategies....   * Plan ahead/thoroughly.√√ * Plan available time well.√√ * Do tasks that are due soon, first - prioritise tasks. √√ * Start a task in advance- do not wait till the last moment.√√   (Any other relevant answer) **Explanation 1 mark**  **Strategies 2x2 marks** | | | (5) |
|  |  |  | | |  |
|  | 4.1.2 | Loss of business property to fire …   * An untimely fire destroys the building, assets or administrative records of a business.√   Strategies …   * Ensure sufficient insurance cover.√√ * Make back-ups of documents/records.√√ * Use a fire-proof safe to store valuables/records.√√ * Have fire fighting equipment readily available.√√ * Implement fire preventative measures.√√   (Any other relevant answer) **Explanation 1 mark**  **Strategies 2x2 marks** | | | (5) |
|  |  |  | | |  |
| 4.2 | 4.2.1 | **State the problem/challenge**: The planned coal mine.√√ | | | (2) |
|  |  |  | | |  |
|  | |  |  | | --- | --- | | **Forces against the coal mine (Disadvantages)** | **Forces for the coal mine**  **(Advantages)** | | Shortage of skilled labour√√ | Mine will provide training and skills for locals.√√ | | Tourism will be negatively affected.√√ | Mine will create employment opportunities.√√ | | Large capital outlay√√ | Improved health and educational facilities- clinic and school will be built.√√ | | Spread of diseases like lung infections.√√ | Municipality will assist with infrastructure.√√ | | Possible increase in socio-economic challenges.√√ | Local residents will earn income and improve standard of living.√√ | | Air/environmental pollution√√ | Economic growth for the area.√√ | | | | | |
|  |  | | (Any 4 forces for and 4 forces against x2) | (16) | |
|  | **NOTES** -Forces for and against need not to be linked.   * Candidate’s responses need not be in a tabular form. | | |  | |

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|  | **Weighting**:   * Assign a score to each advantage and disadvantage e.g. – a 1 to 5 scale, where 1 will mean weak and 5 strong.√√ * Add the scores√√ * Make a decision on the viability of the project based on weighted scores.√√ * To improve the probability of success tries to reduce the forces against and increase the forces for.√√   (Any 2 facts in weighing process x2)  **\***Award 4 marks if learner did the actual weighting.(correctly) | | (4) |
|  | MAX. | | (20) |
|  |  |  |  |
|  | 4.2.2 | Recommendation: Commence with the mine.√  Reasons: Poverty alleviation√√  Creation of employment opportunities√√  Increased living standard√√  (Any other relevant reason)  **NOTE:** Recommendation without reason- no marks |  |
|  |  | **OR** |  |
|  |  | Recommendation: Do not commence with the mine.√  Reasons: Pollution√√  Spread of disease√√  Loss of tourists√√  (Any other relevant reason)  **NOTE:** Recommendation without reason- no marks  **Recommendation (1)**  **Reasons(2x2) (4)** | (5) |
|  |  |  |  |
| 4.3 | 4.3.1 | Alliances:   * An agreement between businesses leading to mutual benefits.√√   Benefit:   * Business is more competitive.√√ * Can respond better to challenges.√√ |  |
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|  | 4.3.2 | Information management:  The gathering, handling, processing, presentation and distribution of business related information/Getting the right information to the right person, at the right place and at the right time.√√  Benefit:   * Enables the business to act pro-actively when dealing with challenges.√√ * Leads to informed staff.√√ * Better decision-making.√√ |  |
|  |  |  |  |
|  | 4.3.3 | Takeovers:   * Is where one company buys another company with similar business activities. √√ * May be friendly or hostile. √√   Benefit:   * Elimination of competition.√√ * Increased turnover/sales.√√ * More efficient management.√√ * Taxation advantages.√√ |  |
|  |  | **Explanation** (1x2) (2)  **Benefit** (1x2) (2)  (3x4) | (12) |
|  |  |  |  |
| 4.4 | - Listening skills/listen attentively.√√  - Stay calm/control emotions.√√  - Try to understand all parties point of view- insight.√√  - Set ground rules.√√  - Focus on the real issues.√√  - Stay objective- objectivity.√√  (Any other relevant answer) (Any 4x2) | | (8) |
|  |  |  |  |
| 4.5 | 4.5.1 | South African Bureau of Standards.√ (1x1) | (1) |
|  |  |  |  |
|  | 4.5.2 | - Promote standardisation and quality of products.√√  - Provides training regarding standardisation.√√  - Testing of products.√√  - Certifies the quality of products.√√  - Develop technical standards and regulations.√√  - Promotes design excellence.√√ (Any 2x2) | (4) |
|  |  |  | **[60]** |
|  |  |  |  |
|  |  | **TOTAL SECTION B:** | **180** |

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| **SECTION C**  **QUESTION 5** | | | | |
|  |  | |  |  |
| 5.1 | **Introduction**   * Business enterprises operates in economic sectors.√ * There are three sectors namely, primary, secondary and tertiary.√ * Each sector has its own role in the economy.√ (3x1) | | | (3) |
|  |  | |  |  |
| 5.2 | **Business Sectors** | | |  |
|  |  |  | |  |
|  | 5.2.1 | Primary Sector√   * This is where extraction, cultivation or collection of natural resources takes place.√√ * Supply raw and unprocessed natural resources for further processing.√√ * P.G. Bison cuts down trees to get timber logs.√√ * They use machinery and tools manufactured by the secondary sector.√√ * Some logs will be supplied to sawmills to be processed as timber for the building industries and some will be passed on to furniture factories.√√ * P.G. Bison will supply some logs directly to the end consumer, e.g. Telkom.√√ * P.G. Bison may also supply directly to enterprises in the tertiary sector, e.g. hardware stores.√√ * The tertiary sector is involved in financing the operations in the primary sector, e.g. Lorries for transport of logs.√√ Heading 1   (Any 5x2) **Max.** | | (11) |
|  |  |  | |  |
|  | 5.2.2 | Secondary Sector√   * This sector consists of manufacturing and construction industries.√√ * It involves the processing of raw materials extracted from the primary sector.√√ * Goods made in this sector are either finished or semi-finished products.√√ * The logs/wood from the sawmills are now processed into building materials and furniture.√√ * The factories use machines and tools produced by other secondary sector enterprises.√√ * These machines and tools were sold to the factories by retailers in the tertiary sector.√√ * The tertiary sector will also provide finance for the factories to purchase the machinery and tools needed.√√ * Legal and accounting services will be rendered by the tertiary sector. √√ | |  |
|  |  | Heading 1  (Any 5x2) **Max**. | | (11) |

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| --- | --- | --- | --- | --- |
|  | 5.2.3 | Tertiary Sector√   * Finished goods are transferred to the tertiary sector where services are rendered to the consumers. √√ * This sector consists of distributors (wholesalers and retailers) as well as services such as financial services (banks) and personal services (hairdressers).√√ * The furniture retailers buy furniture from the factories in the secondary sector.√√ * They then sell the furniture to the consumers.√√ * In this process, they use the services rendered by other tertiary enterprises, e.g. transport and financing.√√ * The furniture and hardware shops are in this sector.√√ | |  |
|  |  |  | |  |
|  |  | Heading 1  (Any 4x2) **Max**. | | (9) |
|  |  |  | |  |
| 5.3 | **Diagram** | | |  |
|  | | | |  |
| ✓  Supply manufactured goods to the  Supply raw material to the  ✓  Tertiary Sector  Secondary Sector  Primary Sector    ✓  ✓  ✓  ✓  Supply raw materials to the  (Any 11x1) (11) **MAX.** (8)  Supply finished goods/services to the  ✓  ✓  Supply manufactured goods to the  Supply finished goods/services to the  ✓  ✓  ✓ | | | | |
| 5.4 | **Conclusion** | | |  |
|  |  | |  |  |
|  | * There is great interdependence between the sectors as they complement one another in their activities.√ * There will be no economic activities without the interaction between all three economic sectors.√√   (Any relevant conclusion) (2x1) | | | (2) |
|  |  | |  | **[40]** |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Breakdown of mark allocation**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Details** | **Maximum** | **Reduced to** | **Sub-Total** | **Total** | | Introduction |  |  | **3** | **Max 32** | | Primary Sector | 17 | Max.11 | **39** | | Secondary Sector | 17 | Max.11 | | Tertiary Sector | 13 | Max. 9 | | Diagram | 11 | Max. 8 | | Conclusion |  |  | **2** | | **INSIGHT\*(LASO)** |  |  |  |  | | Layout |  |  |  | **2** | | Analysis |  |  |  | **2** | | Synthesis |  |  |  | **2** | | Originality |  |  |  | **2** | | **TOTAL MARKS** |  |  |  | **40** | |

**\*LASO – For each component:**

**Allocate 2 marks if all requirements are met.**

**Allocate 1 mark if only some requirements are met.**

**Allocate 0 marks where requirements are not met at all.**

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| **QUESTION 6** | | | |  |
|  |  |  | |  |
| 6.1 | **Introduction** | | |  |
|  |  |  | |  |
| * Choosing a suitable form of business enterprise is a challenge for most entrepreneurs.√ * It is important to compare the different forms of ownership with each other.√ * One way of doing this is to focus on the benefits and challenges of each form of ownership and compare them with each other.√ * The type of business will also influence the decision. √ (Any 3x1) | | | | (3) |
|  |  | |  |  |
| 6.2 | **Comparison of a Company vs. a Close Corporation** | | |  |
|  |  |  | |  |
|  | 6.2.1 | Benefits of a private company. | |  |
|  |  | * Have unlimited continuity.√√ * Shareholders have limited liability.√√ * Transfer of ownership is easy through selling of shares.√√ * Do not have to publish financial statements- privacy of financial matters.√√ * Ownership and management are separated- is a legal entity.√√ * Capable and qualified directors can be appointed to manage the business.√√ * Suitable to both small and large businesses.√√ (Any 4x2) | | (8) |
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|  | 6.2.2 | Benefits of a close corporation.   * Members have limited liability.√√ * Is a separate legal entity.√√ * Have unlimited continuity.√√ * Formation is easy and inexpensive.√√ * Management is relatively easy.√√ * Ownership can be easily transferred.√√ (Any 4x2) | (8) |
|  |  |  |  |
|  | 6.2.3 | Challenges of a private company.   * Financial records are subject to annual audits.√√ * Capital is limited to a maximum of 50 shareholders.√√ * Members of the public may not be invited to buy shares.√√ * Subject to legal requirements.√√ * Complicated/expensive establishment procedures.√√ (Any 4x2) | (8) |
|  |  |  |  |
|  | 6.2.4 | Challenges of a close corporation.   * Close corporation pays tax and members pay dividend tax. (only with big CCs)√√ * Capital limited to 10 members.√√ * Must appoint an accounting official.√√ (3x2) | (6) |
|  |  |  |  |
| 6.3 | **Contents of Articles of Association**√√  - Kind of shares/certificates and rights.√√  - Meetings and meeting procedures/voting rights.√√  - Financial records, end of financial year/where records will be held.√√  - Number of directors and remuneration.√√  - Dividends and method of payment.√√ (Heading 1x2) (2)  (Any 4x2)**Max** | | (8) |
|  |  |  |  |
| 6.4 | **Conclusion**   * The biggest difference between companies and close corporations are in their membership and establishment procedures.√ * The bigger the business the more likely that the entrepreneur will start a private company. (Any 2x1) | | (2) |
|  | | | **[40]** |

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| **Breakdown of mark allocation**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Details** | **Maximum** | **Reduced to** | **Sub-Total** | **Total** | | Introduction |  |  | **3** | **Max 32** | | Benefits of a P/Company | 14 | Max. 8 | **38** | | Benefits of a CC | 12 | Max. 8 | | Challenges of P/Company | 10 | Max. 8 | | Challenges of a CC | 6 | Max. 6 | | Articles of Association | 10 | Max. 8 | | Conclusion |  |  | **2** | | **INSIGHT\*(LASO)** |  |  |  | | Layout |  |  |  | **2** | | Analysis |  |  |  | **2** | | Synthesis |  |  |  | **2** | | Originality |  |  |  | **2** | | **TOTAL MARKS** |  |  |  | **40** | |

**\*LASO – For each component:**

**Allocate 2 marks if all requirements are met.**

**Allocate 1 mark if only some requirements are met.**

**Allocate 0 marks where requirements are not met at all.**

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| **QUESTION 7** | | | | |
|  |  |  | |  |
| 7.1 | **Introduction**   * A team is a group of individuals who works together towards the achievement of a common goal.√ * Each employee is a member of a team and needs to fulfil a special role.√ * Some teams work well together, while others are less effective.√ (3x1) | | | (3) |
|  |  | |  |  |
| 7.2 | **Team dynamics theory** | | |  |
|  |  |  | |  |
|  | 7.2.1 | Belbin theory | |  |
|  |  | * Developed by Dr. Meredith Belbin.√√ * He identified nine team roles.√√ (Any 1x2) * *The Shaper*√   This member has drive and passion.√√  They start things in the team.√√  Are dominant and impatient.√√   * *The Implementer*√   Is the practical organiser that puts systems and processes in place.√√  They draw graphs, schedules and draft plans.√√  Are goal orientated.√√   * *The Completer/Finisher*√   This member identifies flaws and gaps and keeps the team on schedule.√√  They ensure projects are completed thoroughly and on time- according to deadlines.√√  This team member is not always popular.√√   * *The Co-ordinator*√   They are team leaders. √√  They are focused and can judge people well.√√  They ensure that all team members contribute to discussions and decisions of the team.√√  They are rational thinkers capable of delegating work effectively.√√   * *The Team Worker*√   They keep the team together. √√  Ensures that interpersonal relationships within the team are maintained.√√  They are supportive, diplomatic, encourage and display understanding.√√  They are reliable and popular, but not competitive.√√   * *The Resource Investigator*√   Is the networker/liaison officer for the group. √√  They negotiate for resources and explore alternative options.√√  They are extroverts and the most popular team member. √√  Are not original and can be distracted easily from the task. √√   * *The Planter*√   They are the most intelligent member of the team.√√  A creative, imaginative and a source of new ideas.√√ They solve difficult problems.√√  Is an introvert.√√  They hate criticism and sometimes withdraw.√√   * *The Monitor/Evaluator*√   They ensure quality*.*√√  Analyse the ideas of other team members.√√  They are strategic, unemotional and less involved with other team members.√√   * *The Specialist*√   Possess specialised knowledge that is required to complete the task.√√  Role/Heading x1  Explanation x2  (9x3)  **Maximum** | | (2)  (27)  **(29)** |

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|  | 7.2.2 | | Successful teams...   * Is correctly composed.√√ * Have clearly defined team goals.√√ * Have realistic team goals.√√ * Display mutual respect between team members.√√ * Display mutual trust between team members.√√ * Have team members that support each other. * Have team members that is committed to the team/success.√√ * Good relations within the team.√√ * Give opportunities for individual development.√√ * Have good team leaders.√√ * Is accountable to a higher authority.√√ * Have good communication within the team. √√ (Any 5x2) | (10) |
|  |  | |  |  |
| 7.3 | **Conclusion**   * Teamwork contributes to the success of a business.√ * The management of a business should place more emphasis on teamwork.√ (Any 2x1) | | | (2) |
|  | | | | **[40]** |
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| **Breakdown of mark allocation**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Details** | **Maximum** | **Reduced to** | **Sub-Total** | **Total** | | Introduction |  |  | **3** | **Max 32** | | Belbin theory | 73 | Max. 29 | **39** | | Success factors | 24 | Max. 10 | | Conclusion |  |  | **2** | | **INSIGHT\*(LASO)** |  |  |  |  | | Layout |  |  |  | **2** | | Analysis |  |  |  | **2** | | Synthesis |  |  |  | **2** | | Originality |  |  |  | **2** | | **TOTAL MARKS** |  |  |  | **40** | |

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| **QUESTION 8** | | |  |
|  |  |  |  |
| 8.1 | **Introduction**   * Product policy is the first policy instrument of the marketing mix.√ * The product policy determines the physical appearance of the product.√ * It includes product development, design, packaging and trademark.√ (3x1) | | (3) |
|  |  |  |  |
| 8.2 | **The product policy** | |  |
|  |  |  |  |
|  | 8.2.1 | The product mix/development√   * Product mix consists of the products/services supplied by the business.√√ * Product range is one or more products with an own design, packaging and trademark.√√ * Product range consists of one or more products known as the product lines.√√ * Width refers to the number of product lines within the product range, e.g. Koo jams, Koo canned fruit and Koo canned vegetables.√√ * Depth refers to the number of different product items within each product line, e.g. Koo strawberry jam, apple jam and peach jam.√√ * Types of consumer goods: * Convenience goods√- is everyday products, e.g. toothpaste.√√ * Select goods√- only bought after careful consideration, e.g. television sets.√√ * Speciality goods√- are more expensive and only bought after considerable time and effort, e.g. motor cars.√√ * Personal services - are delivered according to the needs of the client, e.g. medical services. √√   Heading (1)  Discussion (12)  **Maximum** | (10) |
|  |  |  |  |
|  | 8.2.2 | Product design√  Steps in product design   * Development of product ideas according to consumer needs.√√ * Selection and sifting of product ideas.√√ * Design and testing of the product concept.√√ * Analyse the profitability of the product concept.√√ * Design and testing of the physical product.√√ * Test marketing.√√ * Commercialisation of the product.√√   **Accept any order**  Heading (1)  (Any 4x2)  **Maximum** | (8) |
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|  | 8.2.3 | Packaging√   * Requirements: * Protect and facilitate handling of the product√√ * Be eye-catching and attract the immediate attention of the consumer.√√ * Be designed for the target market.√√ * Be different from that of competitors.√√ * Promote the image of the business.√√ * Help to promote marketing and sales.√√ * Suit the product.√√ * Be suitable for display purposes.√√   Heading (1)  (Any 3x2) | (6) |
|  |  |  |  |
|  |  | Forms of packaging.   * Speciality packaging:√   Packaging that promotes the elegance of the product e.g. perfume bottles.√√   * Packaging for double use:√   Packaging that can be used again e.g. a plastic ice-cream container.√√   * Re-usable packaging: √   Packaging that can be used for the same purpose again e.g. ink cartridge for a printer.√√   * Combination packaging√   Packing two related products together e.g. a shirt and a tie.√√   * Immediate consumption packaging√   The product is packaged such that once the package is opened, it can be used immediately e.g. sweets.√√   * Continually changing packaging (kaleidoscopic packaging)√   The packaging continually changes to reflect different themes e.g. breakfast cereal.√√   * Unique packaging√ * The consumer buys the product mainly to obtain the container e.g. attractive glass container with bath salts.√√   (Any 4x3) | (12) |
|  |  |  |  |
|  |  | Labelling.√   * Provide information about the product.√√ * There are legal requirements to which labelling must comply.√√   Heading (1)  (Any 1x2) | (2) |
|  |  |  |  |
|  |  | **Maximum** | (18) |

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|  | 8.2.4 | Trademark.√   * Is a special design, device or stamp on a product indicating that it was made by a specific manufacturer. √√ |  |
|  |  |  |  |
|  |  | Requirements for trademarks:   * Make it easy to identify the product.√√ * Ensure a uniform standard and quality of products.√√ * Guarantee better products because of competition amongst various trademarks.√√ * Form the basis of the marketing campaign and strategy of the business.√√ * Create loyalty amongst consumers.√√ * Must not be misleading, irritating or poor language usage.√√ * Reflect the utility and value of the product.√√ * Must be different from those of competitors.√√ * Must be adaptable to packaging and labelling requirements√√ * Must be easy to register with the registrar of trademarks.√√   Heading (1)  (Any 5x2) (10)  **Maximum** | (8) |
|  |  |  |  |
| 8.3 | **Conclusion**   * The final product is a result of arduous effort, time, money and research.√ * Further adjustments might be necessary to adapt to consumer behaviours and competition.√ (2x1) | | (2) |
|  |  |  | **[40]** |

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| **Breakdown of mark allocation**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Details** | **Maximum** | **Reduced to** | **Sub-Total** | **Total** | | Introduction |  |  | **3** | **Max 32** | | Product mix/development | 23 | 10 | **44** | | Steps in product design | 14 | 8 | | Packaging | 43 | 18 | | Trade marks | 23 | 8 | | Conclusion |  |  | **2** | | **INSIGHT\*(LASO)** |  |  |  |  | | Layout |  |  |  | **2** | | Analysis |  |  |  | **2** | | Synthesis |  |  |  | **2** | | Originality |  |  |  | **2** | | **TOTAL MARKS** |  |  |  | **40** | |

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| --- | --- |
| **TOTAL SECTION C:** | **80** |
|  |  |
| **TOTAL MARKS:** | **300** |