



**EXAMINATIONS AND ASSESSMENT CHIEF DIRECTORATE**

Home of Examinations and Assessment, Zone 6, Zwelitsha, 5600

REPUBLIC OF SOUTH AFRICA, Website: [www.ecdoe.gov.za](http://www.ecdoe.gov.za)

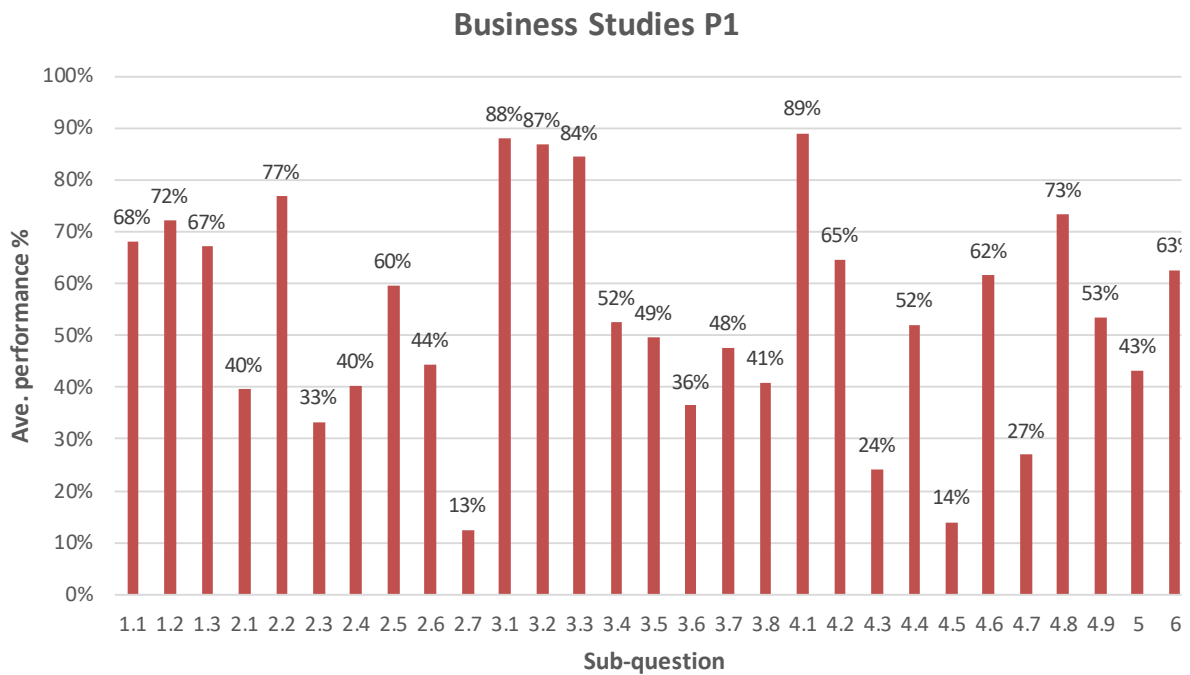
**2023 NSC CHIEF MARKER'S REPORT**

<b>SUBJECT</b>	<b>BUSINESS STUDIES</b>		
<b>QUESTION PAPER</b>	1		
<b>DURATION OF QUESTION PAPER</b>	2 HOURS		
<b>PROVINCE</b>	EASTERN CAPE		
<b>DATES OF MARKING</b>	4 DECEMBER 2023 - 19 DECEMBER 2023		

**SECTION 1: (General overview of Learners Performance in the question paper as a whole)**

- The total number of candidates that wrote NSC Business Paper 1 November 2023 Examination in the Province of the Eastern Cape is 27 899 (27 513 in 2022).
- The performance of the candidates in Business Studies P1 November 2023 has improved compared to 2022.
- The average for the 100 recorded scripts in the Rasch analysis improved from 55% in 2022 to 59% in 2023.
- **Performance per question based on the 100 scripts in the Rasch analysis:**

<b>Exam</b>	National Senior Certificate 2023
<b>Date</b>	Nov-23
<b>Grade</b>	12
<b>Paper</b>	Business Studies P1



**Performance per question based on the 100 scripts in the Rasch analysis:**

- The performance of the candidates in P1 ranges from moderate to excellent.
- Question 3, 4 and 6 were the popular questions and most learners obtained average to excellent marks in these questions.
- Questions 2 and 5 were not popular and most candidates performed poorly in these questions.
- Candidates forfeited marks because of vague and incomplete sentences.

**SECTION A**

- Candidates performed well in Section A with an average of 69% compared to the 63% in 2022, according to the randomly selected 100 scripts recorded.
- No unfair questions were detected in Question 1.

**SECTION B**

- The candidates' performances in Section B varied from low to high.
- Questions 3 and 4 were the popular questions. Only a few candidates answered Question 2.
- The performance of candidates in the questions in Section B according to the randomly selected 100 scripts recorded is:

- **Question 2**

Performance ranges from 13% in Question 2.7 to 77% in Question 2.2.

- **Question 3**

Performance ranges from 36% in Question 3.6 to 88% in Question 3.1.

- **Question 4**

Performance ranges from 14% in Question 4.5 to 89% in Question 4.1.

### **SECTION C**

- Question 6 was the popular question and some candidates obtained excellent marks in this question.
- The performance of candidates in the questions in Section C according to the randomly selected 100 scrips recorded is:
  - **Question 5 (Business Environments) – 43% and Question 6 (Business Operations) – 63%.**
- There is an improvement in the layout of the essay question compared to previous years.
- Very few candidates obtained the Originality marks.
- Candidates forfeited marks for the Introduction (2 marks) and Conclusion (2 marks) as these sentences were vague or repeated from the preamble of the Question Paper. The sentences in the introduction and conclusion were not linked to the four sub-questions of the essay and marks were forfeited.

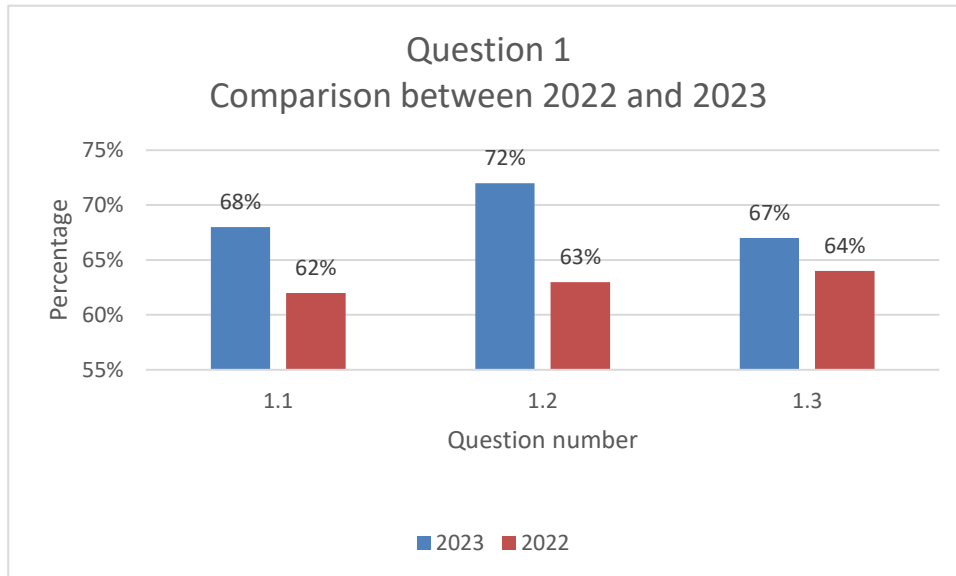
## SECTION 2: Comment on candidates' performance in individual questions

### SECTION A

#### QUESTION 1

**(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?**

- Question 1 was well answered.
- The candidates' performance ranges from moderate to excellent.
- Overall, the performance in Question 1 improved.
- Based on the 100 recorded scripts:



**(b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.**

- Few learners responded with TWO responses e.g. B or C and forfeited marks because they can only have ONE response.
- Some learners find it difficult to answer the multiple-choice questions.
- Question 1.1.1: Identifying the Act outlining the minimum requirements for the employment contract: some candidates selected B (EEA) instead of the BCEA (C)
- Question 1.1.3: Identifying the social factor of PESTLE analysis: some selected employees are unskilled to operate new equipment (C) instead of "customers are unable to afford their products due to low-income levels" (A).
- Question 1.1.5: Businesses implement the TQM element of continuous skills development when using the human resources department to address training needs (B). Only half of the candidates could respond correctly to this question.
- Question 1.2.1: Although internships is not part of the curriculum some candidates selected internships instead of learnerships.
- Question 1.2.2: They responded with the distractor weakness instead of threat. Weaknesses are part of the micro-environment and the challenge of the increased petrol price is from outside the business and therefore the answer must be threat.

- Question 1.2.3: Learners do not understand the difference between BEE and BBBEE and could therefore not answer this question. Most responded with BBBEE Act instead of BEE. Some did not copy correctly from the question paper and wrote BBE and forfeited marks.
- Question 1.3.2: Human resources development strategy links to (H) improves the supply of skills which directly benefit the country.

**(c) Provide suggestions for improvement in relation to Teaching and Learning**

- Learners will be penalized when they respond with TWO answers in any of the sub-questions in Section A. See note number 3 in the notes to markers.
- Learners must know that for all the questions in Questions 1.2 and 1.3 there are always a right answer and a distractor. They must try and identify the distractor to eliminate it from the list in order not to use it as an answer in one of the other questions.
- During the term learners must do activities answering the three types of short questions that can be asked.

**(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.**

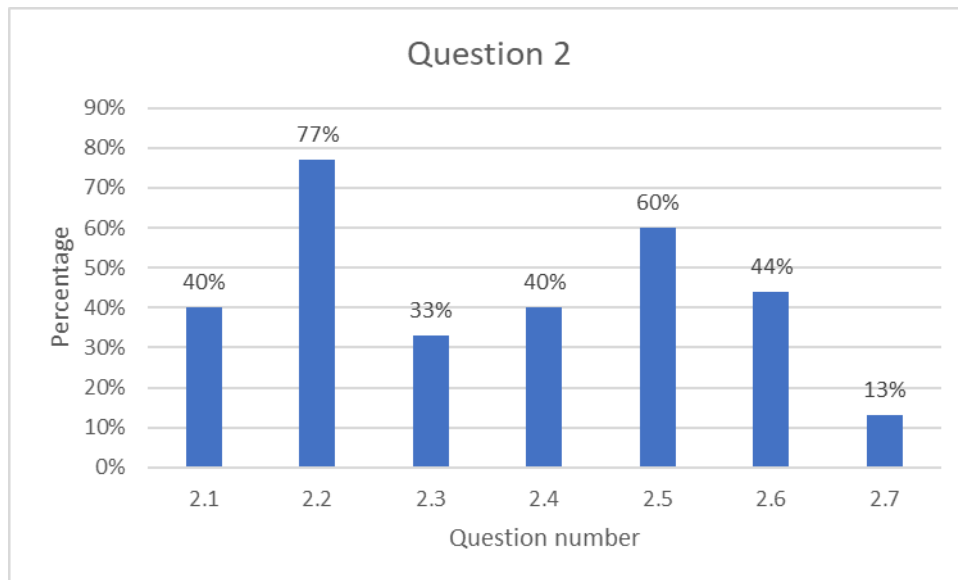
- In Question 1.2 learners must choose words as they are from the information box provided and not change it e.g. BEE and not BEE Act.
- Learners must answer all the questions in Section A and not leave blank spaces as it will not disadvantage them if the answer is wrong.

## SECTION B

### QUESTION 2

(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

- Very few learners chose Question 2 and the question was not well answered.
- Performances range from poor to moderate.
- Performance in the 100 recorded scripts:



(b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

#### 2.1 Four consumer rights as stipulated in the CPA:

- ~ Some candidates explained the consumer right instead of stating the right in full.
- ~ To return goods is not a right but an explanation of the Right to Choose.
- ~ Some candidates responded with Human Rights, although the topic Human Rights is part of Paper 2.
- ~ They also responded with the Consumer Rights according to the NCA.

#### 2.2.1 Quote THREE challenges from the scenario

- ~ Candidates are still NOT quoting full sentences and as a result forfeited 3 marks.

#### 2.2.2 Classify the challenges according to the THREE business environments

- ~ Some learners could not link the challenge to the Business environment.

#### 2.3 Rights of employers in terms of the LRA

- ~ Some learners explained the rights of employees instead of employers.
- ~ Some learners did not answer this question because recent legislation is a difficult topic for learners.

#### 2.4 The purpose of the Employment Equity Act

- ~ Instead of giving the purpose of the Act they forfeited marks because they referred to the impact of the Act.

~ Some referred to the purpose of the LRA.

### **2.5.1 Identify the type of defensive strategy**

~ Some learners could not identify "Divestiture" and therefore also forfeited the marks for the motivation. Some responded with "Liquidation".

### **2.5.2 Steps in strategy evaluation**

~ Some learners responded with the steps in problem-solving or strategic management process.

### **2.6 Implications of any TWO pillars of BBBEE**

~ Candidates gave explanations of the pillars of BBBEE as an act and did not explain the implications of the pillars.

~ Some candidates could only name the pillars but could not explain the implications.

### **2.7 Ways in which businesses can deal with the challenges that are posed by the economic factors of the PESTLE analysis**

~ Learners did not only respond with ways to deal with challenges posed by the economic factors, but responded with ways to respond to any PESTLE factor.

~ Some learners did not respond to this question and forfeited the marks.

## **(c) Provide suggestions for improvement in relation to Teaching and Learning**

- Learners must study the Consumer Rights as stipulated in the CPA. Textbooks must be updated to have the new rights according to the Amended CPA, as the old ones will not be accepted in future.
- If candidates have to "Quote" it is important to quote a full sentence.
- Learners must be able to link challenges to the Business Environment – this content is also taught in Grade 10 and 11. In future "Can Influence" as extent of control for the market environment will not be accepted.
- Learners must be aware that the rights of the employees and employers are different. Teachers must make them aware of this.
- **Implication** of the BBBEE pillars means what the business must do, or the barriers the business will face when implementing the pillars. Implications for the business is different from impact. Impact means the learner must respond with advantages and disadvantages while implication means the action the business must take.
- Teachers encourage learners to read the whole question and to focus on important words e.g. deal with challenges, economic. Learners must read with understanding to respond in the right manner to questions.

## **(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.**

- In question 2.2 the use of the table is not compulsory, but it is advisable to use the table when answering this type of question. The learner will be able to link the different parts of the question easier.

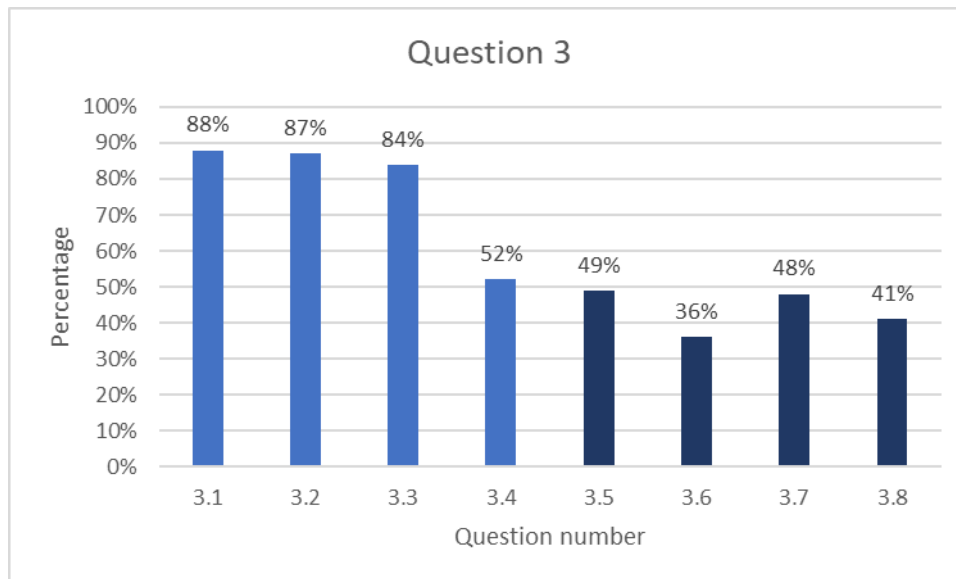
- The extent of control must be emphasized in Grade 10 so that learners can understand this part of the work and get these easy marks in the final examination.
- Learners must understand the question before responding. They are careless and misread the questions and then respond incorrectly.
- Teachers must explain the different action verbs to the learners so that learners can be able to respond in the correct manner, e.g., state is different from Identify.
- Specific terminology used in questions must also be explained to the learners e.g. Discuss the impact – then the learner must discuss advantages and disadvantages. Discuss the implications means what the business must do to comply and what will be the barriers that will make it difficult for the business implement the pillar.



### QUESTION 3

#### (a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

- Candidates performed well in this question although there are some sub-questions where candidates are still struggling e.g. 3.4, 3.5, 3.6 and 3.8.
- In general, learners were well prepared for the Human Resources questions but still struggled with some of the Quality questions.
- Quality is a difficult topic and learners struggle to express themselves in this topic.
- Performance of the 100 scripts recorded:



**Human Resources - Questions 3.1 – 3.4**

**Quality of Performance – Questions 3.5 – 3.8**

#### (b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

##### **3.1 Four aspects that should be included in an employment contract**

- ~ Although this is an easy question, some learners could not get the full complement of marks (4 marks) because they responded with the legal requirements of an employment contract.

##### **3.2 The difference between piecemeal and time-related**

- ~ Some learners do not know the meaning of piecemeal and time-related and can therefore also not differentiate. Some responded with vague sentences, and it is not clear from their statements that they are referring to the payment of workers.

##### **3.3.2 The role of the interviewee during the interview**

- ~ Learners responded with the role of the interviewer.

##### **3.4 Impact of fringe benefits on businesses**

- ~ Learners did not respond with advantages and disadvantages but instead responded with examples of fringe benefits.
- ~ Some learners also referred to the advantages of fringe benefits for the employee and not

the business.

- ~ The impact of internal recruitment was also offered as responses.

### **3.5 Meaning of quality control**

- ~ Candidates explained quality assurance or quality management instead of quality control.
- ~ They could not elaborate on the meaning to obtain the maximum marks (4 marks).

### **3.6 Quality of performance of the production function**

- ~ Candidates responded with a definition of production and did not focus on the “how” part. How the production function can do their job to better the performance of the function and contribute to quality in the business.
- ~ Some candidates responded with quality indicators of the purchasing function.

### **3.7 Identify total quality management elements and motivate answer.**

- ~ Candidates could not identify the elements of TQM and forfeited marks for the motivation as well. They responded with business functions and not the TQM elements.

### **3.8 Role of quality circles as part of continuous improvement to processes and systems.**

- ~ Candidates do not have an in-depth knowledge of the roles of quality circles. They give general statements in relation to TQM. They also responded with answers to question 4.9, (The ways in which TQM can reduce the cost of quality) instead of the roles of quality circles.
- ~ Candidates also only focused on the last part of the question and discussed the impact of the TQM element, continuous improvement to processes and systems.

## **(c) Provide suggestions for improvement in relation to Teaching and Learning**

- Learners must understand the concepts e.g., interviewer and interviewee to prevent confusion.
- Focus on how the eight business functions can contribute to the success of the business.
- Various classwork activities daily should be administered to learners, give feedback and learners must do corrections afterwards.
- Familiarize learners with the different types of questions e.g., scenario questions by explaining what is expected of them when answering the questions. The teacher also needs to explain how learners must approach the questions before answering it. Make learners aware that in some scenarios there can be a distractor.
- Intensive revision will help learners not to confuse the different concepts and to understand the questions.
- Identify the keywords in the quality concepts e.g. Keywords for quality control: final product, consistently, checking raw material, setting targets, corrective action. Keywords for quality management: Techniques, accountability, achieve consistency. Learners must then be able to build sentences around these keywords.
- Learners must know the elements in full e.g. Adequate financing and capacity. They lose marks when they only give half the concept e.g. Adequate financing. Always consult the

exam guidelines to ensure learners know the full concepts.

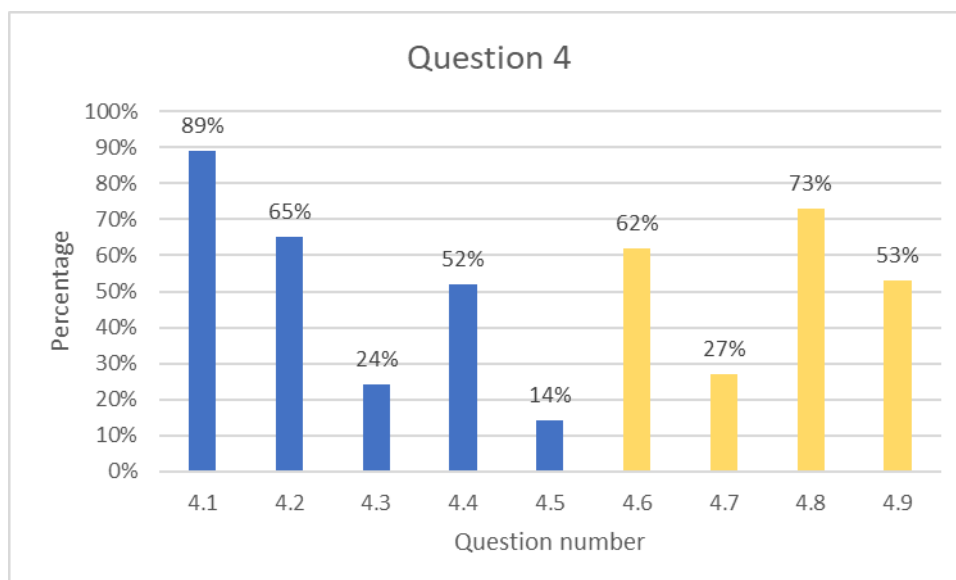
**(d) Describe any other specific observations relating to responses of learners and comment that are useful to teachers, subject advisors, teacher development etc.**

- Educators must clearly indicate to learners what content must be studied for Paper 1 and Paper 2. Some candidates responded with information from Paper 2.
- Teachers must use the same type of questions during the year in all tasks and tests.
- Use the Diagnostic report to identify problem areas.
- Teach according to the exam guidelines and ATP, to ensure learners get the right information.
- Teachers must use the latest marking guideline to update notes and take note of bullets that are outdated or bullets that were changed.
- Learners must rather write their responses in bullet format than in paragraphs. They must avoid using vague and incomplete sentences.
- They tend to generalize their answers as they do not grasp the content.
- Learners must not join two statements together e.g.:  
3.4 Attractive fringe benefits packages √ will result in higher profitability. x  
instead of two sentences:
  - Attractive fringe benefits packages √ may result in higher employee retention. √
  - And Improves productivity √ resulting higher profitability. √
- Learner must also not turn a negative impact into a positive impact.
- When dealing with quality the explanation of the quality concepts, TQM elements and the quality indicators of the business functions must be explained and assessed.
- Learners to only provide the required number of answers when asked to identify from the scenario, as only the first answer in each instance will be marked. See note number 13 in notes to markers.
- When the number of facts is stated e.g. Question 3.1 State FOUR aspects that should be included in an employment contract, then only the first FOUR answers will be marked. Candidates are wasting time by stating more. Please see notes 14.1 and 14.2 in notes to markers.
- Subject advisors can assist by doing continuous on-site visits to support new or struggling teachers.
- Encourage learners to make use of e-learning programmes, Youtube channels and Telematic videos.
- Educators can prepare a question-by-question analysis after every assessment so that their SIP can be meaningful.

## QUESTION 4

**(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?**

- Some candidates performed average in this question and others performed poorly.
- The questions on Business Environments were poorly answered as compared to the questions on Business Operations.



**Business Environments: Question 4.1 – 4.5**

**Business Operations: Question 4.6 – 4.9**

**(b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.**

### **4.1 Name TWO business sectors**

~ Although this topic is part of the Grade 10 – 12 content, some learners could still not answer this question correctly.

### **4.2 Identify the leave provision as stipulated in the BCEA**

~ Learners could not identify the family responsibility leave and forfeited marks. They responded with annual leave or only family leave.

### **4.3 Funding of SETAs**

~ They responded with the functions of SETAs and not the funding of SETAs. They answered in vague incomplete sentences e.g. Donations by Government.

~ Candidates also use the funding of UIF 1% from worker and 1% from employer to explain the funding of SETAs. Employees do not contribute to the Skills Development Levy.

### **4.4 TWO types of integration strategies**

~ Learners still experience difficulty with business strategies. They do not know the different kind of strategies and could not obtain any marks for this question.

~ Some could only list the strategies but could not explain the strategies.

### **4.5 Ways in which businesses can comply with the National Credit Act**

- ~ The responded with the rights of the consumers or answered in vague and incomplete sentences.
- ~ Some discussed the impact instead of the ways to comply with the NCA.

#### **4.6 Purpose of induction**

- ~ The candidates referred to the benefits and contents of induction program and not to the purpose of induction. Some candidates also explained the selection procedure instead of the purpose of induction.

#### **4.7 Explain the placement procedure as a HR activity**

- ~ Candidates responded with the meaning of placement or the selection procedure.
- ~ Instead of explaining the placement procedure, learners explained a job description.

#### **4.8.2 Other benefits of a good quality management system**

- ~ Some candidates rephrased the quotes and forfeited the marks.

#### **4.9 Ways in which TQM can reduce the cost of quality**

- ~ Candidates cannot differentiate between the *Ways in which TQM can reduce the cost of quality* and the *Roles of quality circles*. They therefore swapped the responses of 3.8 and 4.9.
- ~ Some learners responded with the benefits of a good quality management system or referred to the impact of TQM if poorly implemented.

### **(c) Provide suggestions for improvement in relation to Teaching and Learning**

- Make use of past papers from different provinces to prepare learners for different types of questions that can be asked on a section.
- Learners must be encouraged to always answer in full sentences unless stated otherwise.
- Teachers need to train learners on how to read and analyse a question before responding.
- Learners must know the different strategies e.g., Integration and Intensive strategies. Give learners key concepts to identify and remember the different strategies, e.g., Integration means "combining with other business in the supply chain" so you can either combine with suppliers (backward integration), distributors (forward integration) or competitors (horizontal integration).
- Learners need to acquire a thorough understanding of strategies.e

### **(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.**

- Learners must follow instructions e.g. start each new question on a new page.
- Learner must follow the same examination instructions from Grade 10 to ensure they do what is expected from them in Grade 12.
- Update notes/textbooks regularly to ensure learners study the right content.
- Assist new teachers to understand what is expected for Business Studies learners.
- Arrange marking training sessions for teachers to make them aware of the principles that

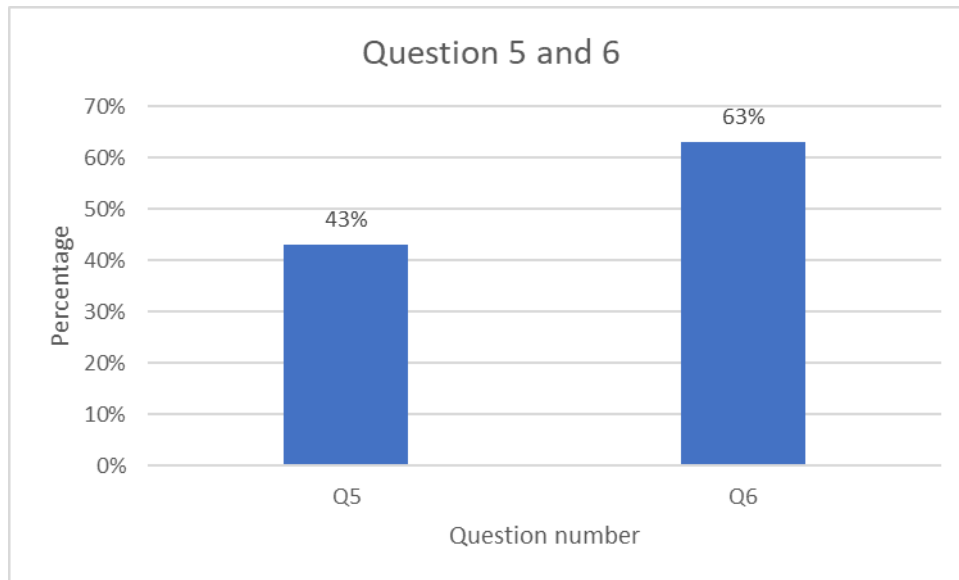
will apply at the end of the year. Candidates can then get use to the way their answers will be marked and will know where the focus must be.

## SECTION C

### QUESTION 5

(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

- This question was not a popular choice amongst learners and most of those who attempted it performed poorly.
- Only a few learners could obtain good marks in this question.



(b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

#### 5.1 Introduction

~ Learners struggled to get marks for the introduction and in some cases copied the preamble in the question paper.

#### 5.2 The strategic management process

~ Learners responded with general sentences. Some responded with the steps in strategy evaluation.

~ Some responded with the problem-solving steps although problem-solving is part of Paper 2.

~ Learners must only study option 1 or option 2 as answer. They tend to repeat themselves when they study both and forfeited marks. Refer to note 10 in the Notes to markers.

#### 5.3 Application of Power of buyers and Power of competitors

~ Candidates only describe the different forces and could not apply the forces, or they merely define the concept buyer and competitor.

~ They do not apply the force but give recommendations on what the business must do.

#### 5.4 Types of intensive strategies

~ Learners could only list and not explained the strategies.

~ Learners discuss the diversification strategies or integration strategies.

**(c) Provide suggestions for improvement in relation to Teaching and Learning**

- Teachers must enforce the right layout of an essay from Grade 10. They have to let the learners practice to write introductions and conclusions so that learners know what to do in Grade 12.
- Teachers must refer to note 15 in the marking guideline's note to markers for the correct allocation of insight marks (LASO).

**(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.**

- Teachers must ensure that learners are aware of the layout of the question paper and how to select the questions that will be good for them.
- Make sure that learners understand the specific Business Studies terminology.
- Make use of videos to show learners the theory part – for some learners the inner working of a business is difficult to understand. Videos and illustrations will give them a picture of the concept.
- The layout and structures of the essay improved over the years. Areas of concern are the formulation of an introduction and conclusion and obtaining of originality marks.
- The teachers must help learners to practice essay writing and specific attention must be given to the formulation of an introduction and conclusion.
- Learners must only use black or blue ink no pencil, pink, green, orange or brown ink can be used especially when they write headings. As per departmental regulation NO highlighter can be used.

**QUESTION 6**

**(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?**

- Question 6 was a popular question and most learners performed better than in previous years. Most learners obtained good marks in answering this essay.

**(b) Why were the questions poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.**

**6.2 Differences between quality management and quality performance**

- ~ They responded with an explanation of quality control and quality assurance instead of with an explanation of quality management and quality performance.
- ~ Learners struggled to express themselves and only responded with vague incomplete sentences.

**6.3 Application of the PDCA model**

- ~ Some learners could not explain how businesses can apply the PDCA model to improve



the quality of their products. They could only write the meaning of the letters of the abbreviation (PDCA). They forfeited marks because they could not apply the model.

#### **6.4 The impact of TQM if poorly implemented by business**

- ~ They discussed the role of quality circles although this question requires negative responses and not any positive responses.
- ~ Some learners rephrased the advantages of TQM and write it as impact if poorly implemented. Learners must not write general statements but must respond with the content they studied.

#### **6.5 Quality indicators of the Marketing and Administration functions**

- ~ The last sub-question about the quality indicators in marketing and administration was poorly answered.
- ~ In some cases they responded with answers relating to the production and purchasing function and not the marketing function.
- ~ They explained the function instead of the quality indicators for the specific functions.

#### **(c) Provide suggestions for improvement in relation to Teaching and Learning**

- The teachers must explain the layout of an essay and how learners will approach the question.
- Understanding of the verbs will also assist learners to know how to approach the answer.
- Originality examples must be brainstormed in the classroom. Make the learners aware of what is happening in the world that relate to the theory in Business Studies.

#### **(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.**

- Markers must assist other teachers in their districts with the marking principles and the content of the addendum, e.g. which responses will not be accepted anymore.
- Subject advisors must assist teachers with:
  - Development and application of scenarios.
  - Essay questions – how to formulate these and mark allocation.
  - Addressing content gaps in workshops.
  - Interpretation of the Examination Guidelines and Chief Marker's Report.
  - Interpretation of the Diagnostic Report regarding the addendum and outdated responses.