



Province of the
EASTERN CAPE
EDUCATION

Iphondo leMpuma Kapa: Isebe leMfundo
Provinsie van die Oos Kaap: Departement van Onderwys
Porafensie Ya Kapa Botjhabela: Lefapha la Thuto

NATIONAL SENIOR CERTIFICATE

GRADE 11

NOVEMBER 2024

BUSINESS STUDIES P1 MARKING GUIDELINE

MARKS: 150

This marking guideline consists of 27 pages.

NOTES TO MARKERS

1. 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

For marking and moderation the following colours are recommended:

Marking:	Red
School moderation:	Green
District moderation:	Orange
Provincial moderation:	Purple

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
 - Uses a different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used

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

4. Take note of other relevant answers provided by candidates related to a specific 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 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max.' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max.' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
 - 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings.'* ✓
 - 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings, ✓ because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'* ✓
- NOTE:**
 1. The above could apply to '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 used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

 - 12.1 Advise, name, state, outline, motivate, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
 - 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C in questions that require only one answer.

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 are specified.
2. The above also applies to responses in SECTION C (where applicable).

14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

14.3 If candidates are required to provide their own examples/views, brainstorm this to finalise alternative answers. You can consult the subject advisor for approval.

14.4 Use of the cognitive verbs and allocation of marks:

14.4. 1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' it may be marked as follows:

- Fact 2 marks (or as indicated in the marking guideline)
- Explanation 1 mark (two marks will be allocated in SECTION C)

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

14.4. 2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.

14.5 **ONE mark may be awarded for answers that are easy to recall, requires one-word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**

15. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: Only relevant facts: 2 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR subquestions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	2
Originality	Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

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

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB-MAX/MAX mark in each subsection has been attained. Write SUB-MAX/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.)
S	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 assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, ✓ where businesses aim to introduce new products into existing markets.' ✓
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A**QUESTION 1**

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

- 1.2 1.2.1 lock-out ✓✓
 1.2.2 psychographics ✓✓
 1.2.3 penetration ✓✓
 1.2.4 loading ✓✓
 1.2.5 UIF ✓✓
- (5 x 2) (10)

- 1.3 1.3.1 D ✓✓
 1.3.2 E ✓✓
 1.3.3 J ✓✓
 1.3.4 I ✓✓
 1.3.5 G ✓✓
- (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

SECTION B

Mark the the **FIRST TWO** answers only.

QUESTION 2: BUSINESS ENVIRONMENTS**2.1 Types of business sectors**

- Primary sector ✓
- Secondary sector ✓
- Tertiary sector ✓

NOTE: Mark the first TWO (2) sectors only.

(2 x 1) (2)

2.2 Advantages of networking

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

Any other relevant answer related to the advantages of networking.

Max. (6)

2.3 Challenges of the market environment

- 2.3.1
- All Sports, is a new sport shop, and is becoming popular with HS customers. ✓
 - Happy Sticks' main supplier sometimes deliver orders late. ✓

NOTE: Only award marks for the first TWO quotes.

Max. (2)

2.3.2 Ways in which businesses can overcome competition in the market

- Businesses must ensure that they produce unique/differentiated goods or services for the target market to satisfy the customer needs and wants. ✓✓
- Businesses need to provide more personalised services by being responsive to their customer's needs/wants/expectations. ✓✓
- Goods/services must be priced lower than competitor's goods/services in the market. ✓✓
- Businesses must produce/sell high-quality/new goods/services that the customers might be interested in. ✓✓
- Create a positive image/publicity through regular engagements in community development projects. ✓✓
- Businesses must improve on customer service and ensure client satisfaction. ✓✓

- Businesses must create a positive image/outlook by regularly renovating their premises and improving their systems. ✓✓
- Businesses must undertake good marketing campaigns by using promotional ideas such as posters or campaigns on social media that will draw the attention of the target market. ✓✓
- Businesses must offer low-cost extras such as improved credit terms and loyalty schemes. ✓✓
- Businesses must ensure that they have well-trained/knowledgeable and dedicated employees that create a better working atmosphere. ✓✓
- Keeping up with developments in the business sector, following consumer trends/investing in new technology. ✓✓

Any other relevant answer related to ways in which businesses can overcome competition in the market.

Max.

(4)

2.4 Projects that can be undertaken by businesses as part of social responsibility

- Businesses must allow employees to get involved ✓ in social development programmes. ✓
- Businesses must protect the environment ✓ and participate in community upliftment programmes. ✓
- Engage in environmentally friendly campaigns ✓ such as recycling or re-using scarce resources. ✓
- Businesses must support less fortunate people, by providing donations ✓ to charity organisations. ✓
- They can also engage in economic development ✓ and provide education on HIV/AIDS awareness programmes. ✓
- Involvement in community education/Build schools in communities. ✓/ Offer bursaries to needy students/Donate old computers to less privileged schools/Provide/Support adult education and training ✓ in the local community. ✓
- Teach entrepreneurial ✓ skills ✓/Offer support to individuals ✓ starting new business ventures. ✓
- Conduct skills ✓ development ✓/job creation projects/Offering ✓ bricklaying courses. ✓
- Sponsor art and cultural programmes, ✓ such as school choirs. ✓
- Support youth programmes, ✓ such as sport/recreational activities. ✓

Any other relevant answer related to the projects that can be undertaken by businesses as part of social responsibility.

Max.

(6)

2.5 Socio-economic issues

- 2.5.1 Lack of skills ✓✓
Illiteracy ✓✓

NOTE: Mark the first TWO (2) only. (4)

2.5.2 Negative impact of socio-economic issues from the scenario

Lack of skills

- The Businesses cannot find candidates ✓ with adequate skills and experience. ✓
- Unskilled employees could spend considerable time seeking assistance ✓ to perform their work. ✓
- Businesses end up appointing a candidate who lacks certain skills ✓ resulting in poor products and services. ✓
- Training employees is expensive, ✓ and productivity will be affected as it takes time for newly trained employees to learn his/her new jobs. ✓
- The cost of labour becomes expensive ✓ as some businesses recruit candidates from abroad. ✓
- Lead to errors ✓ and have to repeat tasks/correct a task. ✓
- Business may require to increase budget ✓ for skills development. ✓

Any other relevant answer related to the impact of lack of skills on businesses.

OR

Illiteracy

- Business sometimes needs to employ people ✓ even though they do not have the correct skills. ✓
- Training of these employees can be very costly, ✓ and the business suffers a financial loss. ✓
- Employees without the correct skills can also be the cause of accidents in the workplace ✓ and this could impact on the image of the business. ✓
- Difficult to market products to people ✓ who cannot read or write. ✓
- Businesses may find it difficult to enter into written contracts with illiterate individuals.
- Little to no literacy skills puts people at a disadvantage ✓ when trying to find employment/when trying to learn a new skill. ✓
- High levels of illiteracy in communities may force businesses to contribute towards educational programmes ✓ to minimise its impact. ✓
- There is a strong link between unemployment and illiteracy ✓ as businesses cannot employ people who cannot read or write. ✓

Any other relevant answer related to the impact of illiteracy on businesses.

Max. (4)

2.6 Types of lobbying

2.6.1 Hedging against inflation

- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
 - Businesses invest surplus fund so that its value grows ✓ at a faster rate than inflation. ✓
 - The business uses hedging by buying bonds, shares, property or buying precious metals like gold to protect capital ✓ from the effects of inflation. ✓
 - It is a method that businesses try to reduce the risk ✓ when unsure about possible price fluctuations. ✓
 - Hedging against inflation by investing surplus funds/money ✓ in investments with intrinsic value such as gold/property. ✓
- Any other relevant answer related to the hedging against inflation.

Max. (4)

2.6.2 Influencing supervisory body/regulators

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

Max. (4)

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

- Businesses need to be flexible by getting involved in research/development so that they can continue to operate. √√
- Influencing their suppliers by signing long term contracts for their raw materials at fixed prices. √√
- Influencing their customer base by creating new uses for a product, taking customers away from competitors, finding new customers and convincing them they need the new product. √√
- Influencing regulators through lobbying and bargaining and can influence their owners using information contained in annual reports. √√
- Initiating bargaining sessions between management and unions. √√
- Influencing their owners using information contained in annual reports. √√
- Negotiate strategic alliance agreement through contractual processes. √√

Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

Max. (4)
[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	2
2.2	6
2.3.1	2
2.3.2	4
2.4	6
2.5.1	4
2.5.2	4
2.6.1	4
2.6.2	4
2.7	4
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS**3.1 TWO aspects during production control**

- Dispatching ✓
- Following up ✓
- Inspection ✓
- Corrective Action ✓

NOTE: Mark the first TWO (2) aspects only.

(2 x 1) (2)

3.2 Importance of pricing

- The pricing process needs to consider flexibility/discount/territory/life cycle status/allowance. ✓✓
- Pricing affects the number of products that an enterprise is able to sell, which in turn, affects profitability. ✓✓
- The price of a product can influence the consumers' attitude towards the product or the brand. ✓✓
- If the price is believed to be too high, fewer consumers may buy the product. ✓✓
- If the price is too low, consumers may perceive the goods as being of poor quality. ✓✓
- The pricing policy should explain when and to whom discounts will be granted. ✓✓
- The price of a product must make provision for transport costs and VAT. ✓✓
- Low sales result in stockpiles of unsold product that have to be stored and not repaying the cost of manufacturing that product. ✓✓

Any other relevant answer related to the importance of pricing.

Max. (4)

3.3 3.3.1 Components of the marketing communication policy

- Sales promotion ✓
- Personal selling ✓

NOTE: Only mark the first TWO (2) components.

(2 x 1) (2)

3.3.2 Role of public relations in publicity

- Public relations aim to present a favourable image of the business ✓ and its products or service. ✓
- Many businesses outsource the public relation function to an outside agency ✓ to take advantage of their specialised knowledge. ✓
- The public relations department builds good relationships ✓ with representatives of the media and the press. ✓
- They keep the media informed of news about product launches ✓ and opening of new factories or shops for the attention of the public. ✓
- The public relation function supports marketing efforts to establish ✓ and build a brand identity. ✓

Any other relevant answer related to the role of public relations in publicity.

Max. (4)

3.4 Precautionary measures that businesses should take when handling machinery

- Familiarise employees with safety procedures. ✓✓
- Develop a culture of safety in the workplace. ✓✓
- All machinery and equipment must be correctly installed and safe to use. ✓✓
- Workers must be properly trained on how to use machinery and must be informed about the risks when using the machinery. ✓✓
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. ✓✓
- Workers need to wear protective clothing/gear such as overalls/ hard hats/ safety helmets/masks/heavy-duty safety boots/welding goggles when working with machinery and equipment. ✓✓

Any other relevant answer related to precautionary measures that businesses should take when handling machinery. **Max.** (4)

3.5 Total Quality Management as part of quality management system

- It is a management philosophy that seeks to integrate ✓ all organisational functions such as marketing/finance/customer services, etc. ✓
- The focus is on improving the quality of products and services ✓ in order to satisfy the needs of customers. ✓
- Total Quality Management refers to all aspects of quality ✓ within the business. ✓
- It is the responsibility of everyone in the organization, ✓ from top management to general workers. ✓
- Businesses strive to get it right the first time ✓ by implementing the elements of Total Quality Management. ✓
- It is a thought revolution in management, ✓ where the entire business is operated with customer orientation in all business activities. ✓

Any other relevant answer related to total quality management (TQM) as a part of quality management systems. **Max.** (4)

3.6 Methods of recruitment from the scenario

Components of the job analysis from the scenario

3.6.1

METHOD OF RECRUITMENT		MOTIVATIONS
1.	Internal recruitment ✓✓	They placed an advert on the business's noticeboard for a new secretary. ✓
2.	External recruitment ✓✓	TF also advertised the vacancy in the local newspaper. ✓
Sub-max. (4)		Sub-max. (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. The answer does not have to be in tabular format.
 3. Award marks for the recruitment methods even if the quotes were incomplete.
 4. Do not award marks for the motivations if the method of recruitment was incorrectly identified.

Max. (6)

3.6.2 TWO salary determination methods

Piecemeal ✓✓

- Workers are paid according to the number of items/units produced/action performed. ✓
 - Workers are not remunerated for the number of hours worked, regardless of how long it took to complete the items. ✓
 - Mostly used in factories particularly in the textile/technology industries. ✓
- Any other relevant answer related to piecemeal as salary determination method.

Method (1)
Description (2)
Sub-max (3)

Time-related ✓✓

- Workers are paid for the amount of time they spend at work/on a task. ✓
 - Workers with the same experience/qualifications are paid on salary scales regardless of the amount of work done. ✓
 - Many private and public sector businesses use this method. ✓
- Any other relevant answer related to time-related as salary determination method.

Method (1)
Description (2)
Sub-max (3)

Max. (6)

3.7 Purpose of induction

- Introduce new employees to management/colleagues ✓ to establish relationships with fellow colleagues at different levels. ✓
- Create opportunities for new employees ✓ to experience/explore different departments. ✓
- Explain safety regulations and rules, ✓ so that new employees will understand their role/responsibilities in this regard. ✓
- Communicate information ✓ about the products/services. ✓
- Allow new employees the opportunity to ask questions ✓ that will put them at ease. ✓
- Make new employees feel welcome by introducing them ✓ to their physical workspace. ✓
- Give new employees a tour/information ✓ about the layout of the building/office. ✓
- Improve skills ✓ through in-service training. ✓
- Familiarise new employees ✓ with the organisational structure/their supervisors. ✓
- Ensure that employees understand their roles/responsibilities ✓ so that they will be more productive. ✓
- Communicate business policies ✓ regarding ethical and professional conduct. ✓

Any other relevant answer related to the purpose of induction.

Max. (4)

3.8 Requirements of a good trademark

- Trademarks must be attractive and promote the product. ✓✓
- Make it easy for consumers to recognise the product. ✓✓
- Easy to recognise, remember and pronounce. ✓✓
- Must suit the product. ✓✓
- Suitably designed for the target market. ✓✓
- Must be different from its competitors. ✓✓
- Must promote the image of the enterprise. ✓✓
- Link the product to its promotion strategy. ✓✓
- Draw the attention of consumers. ✓✓
- A good trademark helps build brand familiarity. ✓✓
- A good trademark can be registered according to the requirements of the Trade Marks Act. ✓✓

Any other relevant answer related to the requirements of a good trademark

Max. (4)
[40]

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	4
3.6.1	6
3.6.2	6
3.7	4
3.8	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****4.1 FOUR components of the macro environment**

- Physical/Natural environment ✓
- Economic environment ✓
- Social/Cultural/Demographic environment ✓
- Technological environment ✓
- Legal environment ✓
- Political environment ✓
- International/Global environment ✓
- Institutional environment ✓

NOTE: Only mark the first FOUR (4) components.

(4 x 1) (4)

4.2 Reasons why businesses lobby

- Businesses lobby to change laws like child labour laws, clean air and water laws and municipal regulations. ✓✓
- The views of lobby groups are important and make a difference by giving solutions to business challenges. ✓✓
- Lobbying advances what the business must deliver on and builds public trust. ✓✓
- Lobbying helps to find solutions to emerging generic challenges. ✓✓
- Businesses lobby their regulator or supervisory body in order to try influence prices, policies, regulations and other decisions made by the regulator or the supervisory body. ✓✓

Any other relevant answer related to the reasons why businesses lobby.

Max. (4)**4.3 4.3.1 Way in which businesses can form a power relationship**

- Strategic alliance /Partnership agreements ✓✓

(2)

4.3.2 Persuasion of large investors ✓✓

- If a business has a powerful investor, it can often benefit from the relationship by gaining credit more easily and negotiating better deals from suppliers. ✓
- Businesses invite powerful influential people to sit on their board of directors and gain valuable advice from these people. ✓
- Having such a powerful person as part of the business may also have a positive influence on the reputation and image of the business. ✓

Any other relevant answer related to persuasion of large investors as a way businesses can form power relationships.

Way (2)
Description (1)
Sub-max (3)

Max. (6)

Company representatives' influence ✓✓

- This representative fulfils an important function in trying to persuade investors to invest in a particular business practice. ✓
- People will make decisions based on the company's image, personality, communication style and power of persuasion. ✓
- Businesses must invest time and energy to recruit the right person for this job. ✓

Any other relevant answer related to company representatives' influence as a way businesses can form power relationships.

Way (2)

Description (1)

Sub-max (3)

NOTE: Only mark the first TWO ways.

Max. (6)

4.4 Information management as a way to help businesses to adapt to challenges

- Information must be found/recorded/stored/easily retrieved and effectively used. ✓✓
- Businesses need to implement an effective information management system which is accessible and useful to all staff. ✓✓
- Information must be managed efficiently and a system must be put in place so that the relevant staff can easily access it. ✓✓
- Large capital should be invested into information technology (IT) systems to update business operations. ✓✓
- Modern IT solutions enable businesses to satisfy customer needs more efficiently. ✓✓
- Any other relevant answer related to information management as a method to adapt to challenges of the business environments.

Max. (4)

BUSINESS OPERATIONS

4.5 Pricing technique

- 4.5.1 Promotional pricing ✓✓ (2)
- 4.5.2 Price Skimming ✓✓ (2)

4.6 Importance of product development

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

Max. (6)

4.7 Reasons why manufacturers may prefer to make use of direct distribution

- Manufacturers have control over the product ✓ and marketing. ✓
 - They achieve better end-user prices ✓ as there are no intermediary costs. ✓
 - The business does not need to share its profit margin ✓ with intermediaries. ✓
 - There is direct contact with target market ✓ for feedback and improvements. ✓
 - Sales staff provide customer information ✓ for future market research. ✓
 - Selling through the internet allows smaller businesses to market their products ✓ all over the world. ✓
 - Businesses websites can serve as both a distribution method ✓ and a promotion method. ✓
 - Well trained sales staff are able to promote products effectively ✓ and establish good relationships with customers. ✓
 - Suitable intermediaries may not be available/Intermediaries may not be willing to sell ✓ the particular product on behalf of the manufacturer. ✓
- Any other relevant answer related to the reasons manufacturers may prefer to make use of direct distribution.

Max. (6)

4.8 Reasons why businesses must manage safety in the workplace

- Workplace accidents can result in injuries and deaths, and can result in possible financial trouble for the business. ✓✓
- The publicity of workplace accidents will negatively impact a business' image. ✓✓
- Regular or serious workplace accidents may even cause investors to withdraw their money and invest it in another company. ✓✓
- Employees may lose confidence in the business and leave it to join safer companies. ✓✓
- Potential employees may decide not to accept a job offer at a business where many accidents have occurred. ✓✓

Any other relevant answer related to why businesses need to manage safely in the workplace.

Max. (4)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2	4
4.3.1	2
4.3.2	6
4.4	4
4.5.1	2
4.5.2	2
4.6	6
4.7	6
4.8	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Mark the answers to the FIRST question only.

QUESTION 5: BUSINESS ENVIRONMENTS (SOCIO-ECONOMIC ISSUES)**5.1 Introduction**

- A trade union is a group of employees who associate together in a particular industry such as mining/steelworks/etc. with the purpose of protecting the rights of their members. ✓
- Piracy is the unauthorised use/reproduction of another person's original work. ✓
- Effective solutions to piracy will minimise the negative effect of piracy on businesses. ✓
- The LRA follows the principle of collective bargaining and puts structures in place with which disputes in the workplace can be settled. ✓

Any other relevant introduction related to roles of trade unions/negative impact of piracy on businesses/three solutions to piracy and purpose of the labour relations act.

(Any 2 x 1) (2)

5.2 Functions of trade unions

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

Any other relevant answer related to the functions of trade unions.

Max. (10)

5.3 Negative impact of piracy

- It can undermine the music/movie industry ✓ as they lose money. ✓
 - Drives up the prices of products ✓ in order to compensate for the loss in sales. ✓
 - Leads to job losses ✓ in the industry. ✓
 - The music industry feels reluctant to develop new talents ✓ as the element of risk is too high. ✓
 - May cause damage to the value ✓ of the businesses. ✓
 - The businesses lose out on sales and income ✓ which in turn threatens industry. ✓
 - Unlawful copying and streaming of movies and television series ✓ lead to a decline in the sales and profits for the business. ✓
 - Artists may see no value in producing a new set of music or movies ✓ because of the reduced sales. ✓
 - This may affect the artist's and producer's ✓ productivity levels. ✓
- Any other relevant answer related to the negative impact of piracy.

Max. (12)

5.4 Solutions to piracy

Patent ✓✓

- A patent prevents other businesses/people not to produce ✓ and sell the same product/ specific service. ✓
 - Businesses can take out a patent for new inventions ✓ and include a sample of their invention with application. ✓
 - They must register a patent ✓ with the patent office in South Africa. ✓
 - The invention must comply ✓ with Patent Act No. 57 of 1978. ✓
 - They can bring legal proceedings ✓ against anyone who produces/sells the invention. ✓
- Any other relevant answer related to copyright as a solution to piracy.

Solution (2)
Description (2)
Sub-max (4)

Trademarks ✓✓

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

Solution (2)
Description (2)
Sub-max (4)

Copyright ✓✓

- Businesses can sue someone ✓ who infringes the copyright. ✓
 - They can also sue someone who sells or distributes works ✓ that he/she knew were infringements of copyright. ✓
 - They can take legal action ✓ against people who copy their products. ✓
- Any other relevant answer related to copyright as a solution to piracy.

Solution (2)

Description (2)

Sub-max (4)

Max.

12

5.5 Purpose of Labour Relations Act

- Provides a framework where the employees, trade unions and employers work together to discuss matters relating to employment, e.g. wages, conditions of employment. ✓✓
 - Promotes orderly negotiations and employee participation in decision-making in the workplace. ✓✓
 - Promotes resolution of labour disputes, through the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA). ✓✓
 - Promotes fair employment practices. ✓✓
 - Provides a framework/structure for labour relations between employer and employees. ✓✓
 - Provides simple procedures for the registration of trade unions and employers' organisations. ✓✓
 - Regulates the rights of trade unions and facilitates collective bargaining. ✓✓
 - Regulates the effectiveness of bargaining councils and statutory councils. ✓✓
 - Allows workplace forums where employees may participate in decision-making. ✓✓
 - Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes through statutory conciliation, mediation and arbitration. ✓✓
 - Endorses the right to strike against retrenchments, and facilitates labour disputes. ✓✓
 - Clarifies the transfer of contracts of employment procedures. ✓✓
 - Establishes Labour Courts and Labour Appeal Courts to deal with labour issues. ✓✓
 - Provide fair labour practice between the employer and employee. ✓✓
 - Deals with strikes and lockouts and workplace forums. ✓✓
 - Establishes workplace forums to promote the interest of all employees in the workplace whether they belong to the trade union or not. ✓✓
 - Advances economic development/social justice/labour peace to ensure the workplace maintain the basic rights of employees. ✓✓
- Any other relevant answer related to the purpose of the Labour Relations Act.

Max. (12)

5.6 Conclusion

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

Any other relevant conclusion related to roles of trade unions/negative impact of piracy on businesses/the solutions to piracy and purpose of the labour relations act.

(Any 1 x 2)

(2)
[40]

QUESTION 5: BREAKDOWN OF MARKS

DETAILS	MAXIMUM	TOTAL
Introduction	2	Maks. 32
Functions of trade unions	10	
Negative impact of piracy	12	
Solutions to piracy	12	
Purpose of the Labour Relations Act	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met

Allocate 0 marks where requirements are not met at all.

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**6.1 Introduction**

- The employer must be clear about the nature of the work to be performed so that an appropriate job description and job specification can be prepared. ✓
- An interview is a conversation between a job candidate and the relevant managers of a business enterprise. ✓
- The purpose of the selection process is to choose applicants who are most likely to succeed in the advertised position. ✓
- An employment contract is a legal document that regulates the terms and conditions of employment between the employer and the employee. ✓
- Any other relevant introduction related to the differences between a job description and job specification/selection procedure/role of interviewer during the interview/legal requirements of an employment contract.

(Any 2 x 1) (2)

6.2 Outline the difference between *job description* and *job specification*.

JOB DESCRIPTION	JOB SPECIFICATION
- Describes duties and responsibilities of a specific job. ✓✓	- Describes the minimum acceptable personal qualities/skills/qualifications needed for the job. ✓✓
- Written description of the job and its requirements. ✓✓	- Written description of specific qualifications/skills/experience needed for the job. ✓✓
- Describes key performance areas/tasks for a specific job e.g. job title/working conditions/ relationship of the job with other jobs in the business, etc. ✓✓	- Describes key requirements for the person who will fill the position, e.g. formal qualifications/willingness to travel/work unusual hours, etc. ✓✓
Any other related answer relevant to job description.	Any other related answer relevant to job specification
Sub-max. (4)	Sub-max (4)

- NOTE:**
1. The answer does not have to be in a tabular format.
 2. The differences do not have to link but must be clear.
 3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either job description or job specification only.

Max. (8)

6.3 Selection procedure

OPTION 1

- Determine fair assessment criteria ✓ on which selection will be based. ✓
- Applicants must submit ✓ the application forms/curriculum vitae and certified copies of personal documents/IDs/proof of qualifications. ✓
- Sort the received documents/CVs ✓ according to the assessment/selection criteria. ✓
- Screen/Determine which applications meet the minimum job requirements ✓ and separate these from the rest. ✓
- Preliminary interviews are conducted ✓ if many suitable applications were received/to identify suitable applicants. ✓
- Reference checks/Vetting process should be made ✓ to verify the content of CVs/regarding work experience/criminal records/qualifications. ✓
- Compile a shortlist ✓ of potential candidates identified. ✓
- Shortlisted candidates may be subjected to various types of selection tests ✓ such as skills tests. ✓
- Invite shortlisted candidates ✓ for an interview. ✓
- A written offer is ✓ made to the selected candidate. ✓
- Inform unsuccessful applicants about the outcome ✓ of their application. ✓
- Some adverts indicate the deadline ✓ for informing only successful candidates. ✓

Any other relevant answer related to the selection procedure as a human resource activity.

OR

OPTION 2

- Receive documentation, ✓ such as application forms and sort it according to the criteria of the job. ✓
 - Evaluate CVs ✓ and create a shortlist. ✓/Screen ✓ the applicants. ✓
 - Check information in the CVs ✓ and contact references. ✓
 - Conduct preliminary sifting interviews ✓ to identify applicants who are not suitable for the job, although they meet all requirements. ✓
 - Assess/Test candidates ✓ who have applied for senior positions/to ensure the best candidate is chosen. ✓
 - Conduct interviews ✓ with shortlisted candidates. ✓
 - Offer employment in writing ✓ to the selected candidate(s). ✓
- Any other relevant answer related to the selection procedure as a human resource activity.

NOTE: The procedure may be in any order.

Max. (12)

6.4 Role of the interviewer during interview

- Introduce members of the interviewing panel ✓ to each candidate/ interviewee. ✓
- Make the interviewee ✓ feel at ease. ✓
- Explain the purpose of the interview ✓ to the panel and the interviewee. ✓
- Record interviewees' responses ✓ for future reference. ✓
- Do not misinform/mislead ✓ the interviewee. ✓
- Avoid discriminatory/controversial types of questions, ✓ such as asking a female candidate about family planning/having children. ✓
- Provide an opportunity for the interviewee ✓ to ask questions. ✓
- Close the interview by thanking the interviewee ✓ for attending the interview. ✓

Any other relevant answer related to the role of the interviewer during the interview.

Max. (14)

6.5 Legal requirements of employment contract

- Employment contract may not contain any requirements that are in conflict with the BCEA. ✓✓
- Both the employer and employee must sign the contract. ✓✓
- Aspects of the employment contract can be re-negotiated during the course of employment. ✓✓
- The employer and employee must be satisfied with the conditions in the employment contract. ✓✓
- Neither employee nor employer may unilaterally change aspects of the employment contract. ✓✓
- The employment contract should include a code of conduct and a code of ethics. ✓✓
- The employer must explain the terms and conditions of the employment contract to the employee.
- The employment contract should set out clearly the conditions of employment, duties and responsibilities of Employee. ✓✓
- The remuneration package including benefits must be clearly indicated. ✓✓
- The Employer must allow the Employee to read through the contract before it is signed. ✓✓

Any other relevant answer related to the legal requirements of an employment contract.

Max. (12)

6.6 Conclusion

- Appointing the right person can help the business to reach its objectives and be profitable. ✓✓
- The HR manager and the manager of the specific department are directly involved in selecting suitable candidates from all the applicants. ✓✓
- The interviewer creates an opportunity for the interviewer to determine the suitability of the candidate's suitability for the job. ✓✓
- The employer is not allowed to offer the employee less than what the BCEA stipulates. ✓✓

Any other relevant conclusion related to the differences between job description and job specification/selection procedure/role of interviewer during the interview/legal requirements of an employment contract.

(Any 1 x 2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Job description and job specification	8	
Selection procedure	12	
Role of interviewer during the interview	14	
Legal requirements of employment contract	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40
GRAND TOTAL: 150