



Province of the
EASTERN CAPE
EDUCATION



**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2022

**BUSINESS STUDIES P1
MARKING GUIDELINE**

MARKS: 150

This marking guideline consists of 31 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

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

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or sub 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 questions that require 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 is specified.
 2. The above also applies to responses in SECTION C. (where applicable)

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

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

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' may be marked as follows:

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

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

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

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

15. SECTION C

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

Introduction	Maximum: 32
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 with only 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 writes FOUR questions, but one sub-question of the question 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 examples 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 a 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.)
L	2
A	2
S	2
O	2
TOTAL	40

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought.

(See MARK BREAKDOWN at the end of each question.)

- 15.8 If the candidate identifies/interprets the question **INCORRECTLY**, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are 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 B ✓✓
 1.1.3 D ✓✓
 1.1.4 A ✓✓
 1.1.5 C ✓✓

(5 x 2) (10)

- 1.2 1.2.1 no control ✓✓
 1.2.2 merger ✓✓
 1.2.3 industrial relations ✓✓
 1.2.4 personal selling ✓✓
 1.2.5 interview ✓✓

(5 x 2) (10)

- 1.3 1.3.1 F ✓✓
 1.3.2 G ✓✓
 1.3.3 I ✓✓
 1.3.4 J ✓✓
 1.3.5 B ✓✓

(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 FIRST TWO answers only.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Examples of contemporary legislation that effects business operations

- Labour Relations Act √√
- National Credit Act √√
- Consumer Protection Act √√
- Employment Equity Act √√
- Skills Development Act √√
- Broad Based Black Economic Empowerment Act √√
- Compensation for Occupational Injuries and Diseases Act √√ / OHSA √√
- Basic Conditions of Employment Act √√
- Companies Act √√
- Any other relevant answer related to examples of contemporary legislation that may affect business operations.

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

2.2 Meaning of power relationships

- Power relations can be described as a measurement of a business’s ability √ to control its environment and the behaviour of other businesses. √
- A business forms relationships √ with its environment and markets. √
- The power that the business has on the environment √ determines the status it holds within its industry. √
- Any other relevant answer related to the meaning of power relationships.

Max. (4)

2.3 Ways in which businesses are adapting to challenges from the scenario

WAYS TO ADAPT TO CHALLENGES	MOTIVATIONS
1. Information management √√	Uma Manufacturers (UM) invested a large amount of capital into an information technology system to update their business operations. √
2. Organisation design and flexibility √√	UM changed how their business is structured to compete in a changing market. √
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 ways adapting to challenges even if the quotes were incomplete.
 4. Do not award marks for the motivations if the ways adapting to challenges were incorrectly identified.

Max. (6)

2.4 Link between the primary, secondary and tertiary sector

- The primary sector depends on the secondary sector ✓ for manufactured goods such as machinery/equipment/fertilisers. ✓
- The primary sector is dependent on the tertiary sector ✓ for its customer needs. ✓
- The primary sector depends on other primary sectors ✓ for raw materials/feed e.g. a farmer may require seeds from another farm. ✓
- The secondary sector processes the raw materials obtained from the primary sector into more useful products. ✓
- The secondary sector depends on the primary sector ✓ for raw materials and products. ✓
- The secondary sector depends on other secondary industries for manufactured products needed to be used in the manufacturing of their product. ✓
- Secondary sector needs the tertiary sector ✓ to sell their processed or manufactured goods and also for services such as banks, insurance, transport and communication. ✓
- The tertiary sector depends on the primary sector ✓ for raw materials that do not need processing by the secondary sector. ✓
- The tertiary sector depends on the secondary sector ✓ for manufactured goods such as office machines/office furniture/stationery etc. ✓
- Any other relevant answer related to the link between the primary, secondary and tertiary sector.

Max. (4)

2.5 Challenges of the market environment

2.5.1 Shortage of supply of stock

- Any shortage ✓ can have a seriously negative effect on production and profits. ✓
- Dissatisfied customers can damage the reputation ✓ and threaten the future of the business. ✓
- Poor stock control by the business ✓ will result in customers not getting their orders/products needed. ✓
- Country-wide labour strikes in the manufacturing industry ✓ will result in orders/products not reaching consumers. ✓
- Raw material may be unavailable ✓ due to droughts and interruptions. ✓
- Any other relevant answer related to shortage of supply as a challenge in the market environment.

Max. (4)

2.5.2 Changes in customer behaviour

- Changes in customer behaviour means that products/services no longer suit the target market ✓ and sales decrease. ✓
- Consumers' preferences and tastes can change ✓ as fashions change and as technology advances. ✓
- Keeping up with changes in consumer tastes and demand ✓ by doing research/finding ways to influence consumer demand/conducting advertising campaigns adds to the challenge. ✓
- Any other relevant answer related to changes in consumer behaviour as a challenge in the market environment.

Max. (4)**2.6 Ways businesses are involved in the macro environment****2.6.1 Ways businesses are involved in the macro environment from the scenario**

- Anela Shoes (AS) expanded their businesses to other African countries by opening a store in Botswana. ✓
- They are also spending money on research in the development of their shoes. ✓

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)**

2.6.2 **Other ways that businesses can be involved in the macro environment**

- Collective bargaining/lobbying, ✓ representatives of business community use opportunity to discuss matters of mutual interest with government officials. ✓
- Private-public partnership, ✓ business can enter into mutually beneficial partnerships with the government and business can benefit from government policies. ✓
- Privately owned services to the community or country ✓ business make use of a government owned assets (harbour) and decide to keep the area clean (service). ✓
- Job creation ✓, by businesses will receive a subsidy or tax reduction and have more trained workers. ✓
- Increased involvement in social responsibility initiatives ✓ business gets involved in socio-economic issues through training and communication in the workplace project. ✓
- Government tenders ✓ offered by the government and in response businesses will submit a formal offer to supply specified goods and services. ✓
- Working within the laws and regulations ✓ set up by the government can assist businesses to prosper/set up contracts. ✓
- Taking advantage of economic changes ✓ such as seasonal price changes/changes in exchange rate/government tax breaks. ✓
- Preventing environmental damage ✓ by being sustainable and environmentally aware. ✓
- Moving towards more environmentally friendly products ✓ such as solar-powered geysers, lights and environmentally friendly cleaning products. ✓
- Any other relevant answer related to the ways in which businesses can be involved in the macro environment.

NOTE: Do not award marks for responses that were quoted from the scenario in QUESTION 2.6.1.

Max. (4)

2.7 Advantages of businesses that are involved in the macro environment

- Preventing environmental change/damage ✓ by being sustainable and environmentally aware/decreasing carbon footprint. ✓
- Entering global markets, using the internet, ✓ increases markets and can source cheaper/better raw materials internationally. ✓
- Knowing peoples age, gender, customs, traditions and preferences ✓ will make it easier for businesses to appeal to people. ✓
- Laws regulate industries, control trade with other countries ✓ and protect industries, consumers and employees. ✓
- Businesses are aware of the impact of foreign exchange currency and taxes ✓ are flexible in supplying the products and services relevant to the current economic situation. ✓
- Keeping up with the latest technology ✓ ensures reaching the largest possible market. ✓
- Ensures that the business keep abreast/work within ✓ policies, laws and regulations that govern businesses. ✓
- The business can more accurately predict ✓ future events, threats and opportunities that may arise. ✓
- Any other relevant answer related to the advantages of businesses that are involved in the macro environment.

Max. (6)

2.8 Ways in which businesses can overcome competition in the market

- Offering different products and services than the competitors to satisfy the customer's needs and wants. √√
- Offering more personal services by being responsive to the customer's needs/expectations. √√
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. √√
- Charging lower prices than that of the other businesses. √√
- Selling products of a superior quality/new products/services that the customers might be interested in. √√
- Well trained/knowledgeable staff members that create a better working atmosphere. √√
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. √√
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/inviting. √√
- Keeping up with developments in the sector of the business sector, following consumer trends/investing in new technology. √√
- Improving customer services and ensuring client satisfaction. √√
- Any other relevant answer related on ways in which businesses can overcome competition in the market.

**Max. (4)
[40]**

BREAKDOWN OF MARKS	
QUESTION 2	MARKS
2.1	2
2.2	4
2.3	6
2.4	4
2.5.1	4
2.5.2	4
2.6.1	2
2.6.2	4
2.7	6
2.8	4
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS**3.1 Factors influencing pricing**

- Input costs ✓
- Demand for the product ✓
- Target market ✓
- Type of product ✓
- Pricing technique used to determine the price. ✓
- Competitive and substitute products ✓
- The economic climate and availability of goods and services ✓
- Forms of markets ✓
- Any other relevant answer related to factors influencing pricing.

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

3.2 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. ✓✓
- Helps build brand familiarity. ✓✓
- 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. ✓✓
- Any other relevant answer related to the requirements of a good trademark.

Max. (6)**3.3 Types of intermediaries from statements**

3.3.1 Retailer ✓✓

3.3.2 Agent ✓✓

(2 x 2) (4)

3.4 Total Quality Management as part of quality management systems

- 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 organisation ✓ from top management to general workers. ✓
- Businesses strive to get it right the first time ✓ by implementing the elements of TQM. ✓
- 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. (6)

3.5 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 PR function to an outside agency ✓ to take advantage of their specialised knowledge. ✓
- The PR department builds good relationships ✓ with representatives of the media and 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 PR 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. (6)

3.6 Salary determination methods from a scenario

SALARY DETERMINATION METHODS	MOTIVATIONS
1. Piecemeal ✓✓	Abie gets paid R5000 for each set of financial statements he completes. ✓
2. Time-related ✓✓	Isa gets paid R380/hour for performing her duties. ✓
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 salary determination methods even if the quotes were incomplete.
 4. Do not award marks for the motivations if the salary determination methods were incorrectly identified.

Max. (6)

3.7 Recruitment procedure

- The human resource manager (HRM) should evaluate the job/prepare a job analysis, ✓ that includes the job specification/job description. ✓
- The human resources manager (HRM) should prepare the job description ✓ in order to identify recruitment needs. ✓
- HRM should indicate the job specification/key performance areas ✓ to attract suitable candidates. ✓
- Choose the method of recruitment, e.g. internal/external, ✓ to reach/target the suitable applicants/candidates. ✓
- Vacancies can be internally advertised ✓ via internal e-mail/word of mouth/posters/ staff notices. ✓
- External recruitment should be considered ✓ if internal recruitment was unsuccessful. ✓
- If the external recruitment is done, the relevant recruitment method should be selected, ✓ e.g. recruitment agencies, tertiary institutions, newspapers, ✓ etc.
- The advertisement should be prepared with the relevant information ✓, e.g. the name of the company, contact details, contact person ✓, etc.
- Place the advertisement in the selected media ✓ that will ensure that the best candidates apply. ✓
- Any other relevant answer related to the recruitment procedure.

Max. (6)

3.8 Legal requirements of the employment contract

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

Max. (4)
[40]

BREAKDOWN OF MARKS	
QUESTION 3	MARKS
3.1	2
3.2	6
3.3	4
3.4	6
3.5	6
3.6	6
3.7	6
3.8	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****4.1 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: Mark the first TWO (2) only.

(2 x 1) (2)

4.2 Challenges of the micro environment**4.2.1 Challenges of the micro environment from the scenario**

- The managers at BT lack adequate management skills. ✓
- Difficult employees also make the daily running of the business a challenge. ✓

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.2.2 Other challenges of the micro environment

- Lack of vision and mission ✓
- Unions ✓
- Strikes and go slows ✓
- Skills shortages among employees ✓
- High employee turnover ✓
- Employee absenteeism ✓
- Any other relevant answer related to other challenges of the micro environment.

NOTE: 1. Mark the first TWO (2) only.**2. Do not award marks for responses that were quoted from the scenario in QUESTION 4.2.1****Max. (2)**

4.3 Purpose of the LRA

- 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. ✓
- Provide 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. (6)

4.4 Hedging against inflation as a type of lobbying

- The business use hedging by buying bonds, shares, property or buying precious metals like gold ✓ to protect capital from the effects of inflation. ✓
- Businesses invest surplus fund ✓ so that its value grows at a faster rate than inflation. ✓
- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
- Any other relevant answer related to hedging against inflation as a type of lobbying.

Max. (4)

4.5 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. ✓✓
- Influence its suppliers by signing long term contracts. ✓✓
- Create new uses for a product by finding new customers. ✓✓
- Influence regulators through lobbying and bargaining. ✓✓
- Initiate bargaining sessions between management and unions. ✓✓
- Influence its owners' using information contained in annual reports. ✓✓
- Negotiate strategic alliance agreement through contractual processes. ✓✓
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

Max. (4)

BUSINESS OPERATIONS

4.6 Aspects that must be considered during production planning

- Planning ✓
- Routing ✓
- Loading
- Scheduling ✓

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.7 Purpose of induction as a human resources activity

- 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/reduce insecurity/anxiety/fear. ✓
- 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 efficient/productive. ✓
- Communicate business policies ✓ regarding ethical/professional conduct/procedures/employment contract/conditions of employment, ✓ etc.
- Any other relevant answer related to the purpose of induction as a human resources activity.

Max. (6)

4.8 Stages of the product design

4.8.1 Stage of the product design from the scenario

Design and development of product ideas ✓✓ (2 x 1) (2)

4.8.2 Other stages of the product design that would be followed

- Selecting and sifting ✓ of product ideas/ Idea screening. ✓
- Development and testing of the product concept ✓ which should happen before a product is developed. ✓
- Analysis of the profitability ✓ of the product concept ✓/Business analysis. ✓
- Design and test ✓ the physical product ✓/a real product is made for the first time. ✓
- Consumer responses must be tested ✓ using a small sample of the product/Market testing. ✓
- Technical implementation ✓/Systems and processes are put in the production planning and control process. ✓
- Commercialisation ✓/The product is launch and marketing/advertising campaigns implemented. ✓
- New product pricing ✓/The product is priced and forecasts worked out. ✓
- Any other relevant answer related to the other stages of the product design that would be followed.

NOTE: Do not award marks for responses that were quoted from the scenario in QUESTION 4.8.1.

Max. (6)

4.9 **Placement procedure as a human resource activity**

- Businesses should outline the specific responsibilities of the new position, including the expectations/skills required for this position. √√
- Determine the successful candidate's strengths/weaknesses/interests/skills by subjecting him/her to a range of psychometric tests. √√
- Determine the relationship between the position and the competencies of the new candidate. √√
- Any other relevant answer related to the placement procedure as a human resource activity.

Max. (4)
[40]

BREAKDOWN OF MARKS	
QUESTION 4	MARKS
4.1	2
4.2.1	2
4.2.2	2
4.3	6
4.4	4
4.5	4
4.6	2
4.7	6
4.8.1	2
4.8.2	6
4.9	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Mark the **FIRST** question only.

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

- A trade union is an employee organisation controlled, run and paid for by its members to represent workers in negotiations with their management. ✓
- Strikes is a refusal to work by two or more employees in an effort to pressurise employers to give in to their demands. ✓
- Ethical misconduct is any behaviour by employees of the business that is not consistent with the values of the business. ✓
- Piracy is unauthorised use/reproduction or copying of original music, films, books or computer software, patent rights and trademarks without the consent of the rightful owner. ✓
- Any other relevant introduction related to the function of trade unions/negative impact of strikes/types of ethical misconduct/solutions to piracy.

(Any 2 x 1) (2)

5.2 Functions of trade unions

- Protecting the interest of workers. ✓✓
- Representing the interest of 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 strikes as a socio-economic issue on businesses

- Strike actions may lead to production losses ✓ and decline in sales. ✓
- Businesses may be forced to close down operations ✓ after strike actions. ✓
- May lead to unhealthy working relationships ✓ between management and workers. ✓
- May force businesses to retrench some of its skilled workers ✓ to recover from losses. ✓
- Strikes leads to loss of productivity ✓ and decreases economic growth. ✓
- Loss of revenue ✓ and financial loss on business operations. ✓
- Looting, destruction of business property/infrastructure ✓ and intimidation of non-striking workers. ✓
- Employees can lose their pay ✓ with the 'no work no pay' rule applied by the business. ✓
- Businesses has to hire employees to replace striking workers ✓ and increases the training costs of new employees. ✓
- Businesses may lose market shares/customers to competitors ✓ during the period of a strike. ✓
- The image/reputation of the business ✓ might be damaged. ✓
- The supplies of goods and services ✓ are interrupted. ✓
- Prices sometimes increase ✓ to offset the costs incurred by the strike. ✓
- Scares off ✓ potential investors. ✓
- Any other relevant answer related to the impact of strikes as a socio-economic issue on businesses.

Max. (12)

5.4 Types of ethical misconduct

Sexual harassment ✓✓

- Sexual harassment in the workplace involves unwelcome or unwanted conduct ✓ of a sexual nature from someone at work ✓
- It causes discomfort ✓ and unhappiness at the workplace. ✓
- The victim may be severely traumatised ✓ and affect other employees. ✓
- Any other relevant answer related to sexual harassment as a type of ethical misconduct.

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

Corruption ✓✓

- Refers to any act of dishonesty ✓ such as bribery/theft/collusion/kickbacks etc. ✓
- It occurs when two parties enter into an illegal ✓ but mutually beneficial agreement. ✓
- Any other relevant answer related to corruption as a type of ethical misconduct.

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

Mismanagement of funds ✓✓

- The mismanagement of funds refers to the wrongful use of funds ✓ that do not belong to a person/employee e.g. irregular expenses. ✓
- This involves dishonest activities in which a person entrusted with authority in a business ✓ abuses his/her position of trust in order to achieve some personal gain. ✓
- Any other relevant answer related to mismanagement of funds as a type of ethical misconduct.

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

NOTE: Mark the first THREE (3) only.

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

Sub-max. (6)

Trademark

- 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. ✓
- 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 trade mark. ✓
- Any other relevant answer related to a trademark as a solution to piracy.

Sub-max. (6)

Max. (12)

5.6 Conclusion

- Trade unions are involved in ways to address poverty reduction, job creation and ways to create more equitable income and wealth distribution. √√
- Strikes represent the final stage of dispute/disagreement between management and employees and should be avoided at all costs. √√
- The types of ethical misconduct that occur inside the business that also present threats and challenges to businesses. √√
- The negative impact of piracy on businesses makes it necessary for businesses to implement solutions to piracy to prevent loses of sales and income in the future. √√
- Any other relevant conclusion related to the function of trade unions/negative impact of strikes/types of ethical misconduct/solutions to piracy.

(Any 1 x 2) (2) [40]

QUESTION 5: BREAKDOWN OF MARKS

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Functions of trade unions	10	
Negative impact of strikes on businesses	12	
Types of ethical misconduct	12	
Solutions to piracy: o Patent o Trademark	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 (PRODUCTION FUNCTION)**6.1 Introduction**

- Production planning refers to setting goals for the production department and establishing policies/programmes and procedures to achieve these goals. ✓
- Controlling of each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2 x 1) (2)

6.2 Advantages of production planning

- Production planning allows a business to ensure that every machine and worker is used to their full capacity. ✓✓
- Business can ensure that it has the correct amount of supplies and stock/inventory control at a given time. ✓✓
- Improved inventory control reduces wastage and unnecessary storage cost. ✓✓
- Production planning will prevent time being wasted and increases the number of final products thus increasing productivity. ✓✓
- Production planning process involves quality checks which will improve quality. ✓✓
- Any other relevant answer related to the advantages of production planning.

Max. (10)

6.3 Aspects that must be considered during production control

Dispatching ✓✓

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

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

Following up or controlling ✓✓

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

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

Inspection ✓✓

- Inspection involves the checking of the quality ✓ of the process and the final product. ✓
- It is done at regular intervals during the production process ✓ as well as at the end. ✓
- Inspection methods ✓ include the random selection of products/viewing/sampling and testing the product. ✓
- Legal and regulatory processes are also checked ✓ to ensure that the necessary standards are met. ✓
- Any other relevant answer related to inspection as an aspect that must be considered during production control.

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

Corrective action ✓✓

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

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

NOTE: Mark the first THREE (3) only.

Max. (12)

6.4 Purpose of Occupational Health and Safety Act

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

Max. (12)

6.5 Precautionary measure businesses should take when handling machinery

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

Max. (12)

6.6 Conclusion

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

(Any 1 x 2) (2)
[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Advantages of production planning	10	
Aspects that must be considered during production control	12	
Purpose of the Occupational Health and Safety Act	12	
Precautionary measures that businesses should take when handling machinery	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