



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

NOVEMBER 2016

**BUSINESS STUDIES
MEMORANDUM**

MARKS: 300

This memorandum consists of 37 pages.

NOTES TO MARKERS

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

NOTE: SECTION A:

- There are no alternative answers.
 - Each question has only one correct answer.
3. 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.)
 4. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
 5. 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.
 6. In an indirect question, the theory as well as the response must be relevant and related to the question.
 7. **Incorrect numbering of questions or sub-questions will be penalised. This is applicable to all the sections of the paper.**
 8. No additional credit must be given for repetition of facts. Indicate with an R.
 9. 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 memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

10. SECTION B

- 10.1 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 or use the word 'Cancel'.

NOTE: This only applies to questions where the number of facts is specified.

- 10.2 If two facts are written in one sentence, award the candidate FULL credit. Point 10.1 above still applies.
- 10.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.
- 10.4 **USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS**
- 10.4.1 Where the number of facts are specified questions that require candidates to 'explain/discuss/ describe' will be marked as follows:
- Heading 2 marks
 - Explanation 1 mark (or as indicated in the memorandum). The 'heading' and 'explanation' are given separately to facilitate mark allocation.
- 10.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.
- 10.5 **ONE mark will be awarded for answers that are easy to recall, requires one-word answers, or is quoted directly from scenario/case study. This applies to SECTIONS B and C in particular.**

11. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

- 11.2 Insight consists of the following components:

Layout/ Structure:	(Is there an introduction, body, proper paragraphs and a conclusion?)	2
Analysis and interpretation:	(Learners' ability to break down the question/interpret it correctly to show understanding of what is being asked.)	2
Synthesis:	(What parts of the question would you have included in the answer? Are there decisions made from a combination of relevant points?) Marks to be allocated using this guide: Mostly irrelevant facts/No relevant facts: 0 Some irrelevant facts/Some relevant facts: 1 No irrelevant facts/Only relevant facts: 2	2
Originality:	(Examples, recency of 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 allocated for layout, if the headings 'Introduction, Conclusion,' etc. in 'Insight' is not supported by an explanation.

- 11.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 11.4 The components of insight are indicated at the end of the suggested answer for each question.
- 11.5 Mark all the relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follow: (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

- 11.7 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 sub-headings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought.
(See MARK BREAKDOWN at the end of each question.)
- 11.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 11.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.
- 11.10 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

SECTION A (COMPULSORY)**QUESTION 1**

- 1.1 1.1.1 C ✓✓ lobbying.
 1.1.2 A ✓✓ copyright.
 1.1.3 D ✓✓ personal liability
 1.1.4 A ✓✓ Prospectus
 1.1.5 D ✓✓ All the above
 1.1.6 A ✓✓ achieve greater capital through synergy.
 1.1.7 B ✓✓ Total quality management
 1.1.8 D ✓✓ Labour Relations
 1.1.9 C ✓✓ Employment Contract
 1.1.10 C ✓✓ profit (10 x 2) (20)
- 1.2 1.2.1 secondary ✓✓
 1.2.2 co-operative ✓✓
 1.2.3 trade union ✓✓
 1.2.4 Globalisation ✓✓
 1.2.5 break-even ✓✓ (5 x 2) (10)
- 1.3 1.3.1 F ✓✓
 1.3.2 E ✓✓
 1.3.3 B ✓✓
 1.3.4 A ✓✓
 1.3.5 H ✓✓ (5 x 2) (10)

TOTAL SECTION A: 40

BREAKDOWN OF MARKS	
1.1	20
1.2	10
1.3	10
TOTAL	40

SECTION B**QUESTION 2: BUSINESS ENVIRONMENT**

- 2.1 2.1.1 Tertiary sector ✓ (1)
Motivation:
 Sell food to consumers./QFC is a restaurant. ✓✓ (2) (3)
- 2.1.2 Full control ✓✓ (2)
- 2.1.3 **Challenge for the businesses if business lacks vision and mission statement**
- Will lead to confusion ✓ of staff and stakeholders. ✓
 - Will be aimless ✓ and without direction. ✓
 - Unable to allocate ✓ resources appropriately. ✓
 - Struggles to establish ✓ an organisational culture. ✓
 - Without sense of direction ✓ business will struggle to succeed. ✓
 - Managers will not be able to provide meaningful guidance and leadership, ✓ will not know where the enterprise is headed. ✓
 - Any other relevant answer related to the lack of vision and mission statement. (Max. 6 x 1) (6)
- 2.2 2.2.1 **Reasons for extraordinary growth in micro-lending**
- South African banks taking uncalculated risks in favour of higher premiums. ✓
 - A correction of previous discrepancies in the South African credit industry. ✓ (2)
- 2.2.2 **Micro-lending**
- Granting of small loans to people ✓ who cannot get credit from banks. ✓
 - Individuals or businesses make loans of small sums of money available to individuals for short periods of time ✓ at interest rates that are much higher ✓ than those charged by commercial banks.
 - A form of credit that is available to people ✓ who would not normally qualify for credit. ✓
 - Any other relevant answer related to micro-lending. (Max 4 x 1) (4)
- 2.2.3 **Challenge of micro-lending to the business**
- Limited ✓ regulations of micro-lending. ✓
 - Individuals/Businesses pay unreasonably high levels of interest ✓ and cannot afford to repay the money. ✓
 - The loans come without training ✓ and many of the entrepreneurs are unskilled and inexperienced and their businesses fail. ✓
 - When micro-businesses fail, their suppliers are also affected ✓ since their sales decrease and they lose any amounts owed to them by the micro-business. ✓
 - Financial institutions also regard micro-lenders as a threat in the formal sector and will compete with them. ✓
 - Any other relevant answer related to the challenge of micro-lending to businesses. (Max 4 x 1) (4)

2.3 Sexual Harassment

2.3.1 Reason for firing manager for sexual harassment

- Sending sexually suggestive e-mails ✓ to a female employee. ✓
(2 x 1) (2)

2.3.2 Sexual Harassment

- Violation of basic human rights that normally happen when someone in power abuses his/her position, ✓ e.g. gesture/remark/action/suggestive behaviour which victimises the worker. ✓
- Sexual harassment is forbidden by law, ✓ e.g. any advances, gestures or remarks of sexual nature which victimises the individual/touching a person in a sexual manner. ✓
- The affected party is normally too scared to report the incident, ✓ due to fear of victimisation. ✓
- Manager promises an increase in salary or a promotion/*Quid pro quo* harassment ✓ in exchange for sexual favours. ✓
- Any other relevant answer related to discussing sexual harassment. (Max 4 x 1) (4)

2.3.3 Effects of sexual harassment

- Employees who have been victims of sexual harassment will experience a lack of concentration, ✓ anxiousness and lack of productivity. ✓
- Any other relevant answer related to the effects of sexual harassment. (Max 2 x 1) (2)

2.3.4 Ways for the business to address issues of sexual harassment

- Businesses must educate ✓ their employees in this regard. ✓
- Act against the guilty party ✓ by notifying the police. ✓
- Encourage victim ✓ to report the case. ✓
- Formulate a clear policy ✓ regarding sexual harassment. ✓
- Ensure compliance ✓ with the law. ✓
- Make others aware of the problem, of their own rights and the rights of others. ✓
- Create good working conditions ✓ where the employees' rights and dignity are respected. ✓
- Implement ✓ disciplinary procedures. ✓
- Implement clear ✓ complaint procedures. ✓
- Any other relevant answer related to ways in which businesses should address sexual harassment. (Max 5 x 2) (10)

2.4 2.4.1 Strike action ✓ (1)

2.4.2 Explanation of strike action

- Temporary collective refusal ✓ of employees to work. ✓
- A collective, organised cessation of work by employees ✓ to force the employers to accept their demands. ✓
- Any other relevant answer related to strike action. (2)

2.4.3 Samwu ✓/ South African Municipal Workers' Union ✓ (1)

2.4.4 Definition of a trade union

- An association ✓ of employees ✓ whose principal purpose is to regulate relations between employees and employers. ✓
- An organisation of employees ✓ that is controlled, paid for and run by employees to support and represent them. ✓
- An organisation that protects and lobbies for the rights of workers ✓ and represents their interests in negotiations with employers. ✓
- Any other relevant answer related to trade unions. (Max 3 x 1) (3)

2.4.5 Functions of a trade union

- 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.

NOTE: Mark the first FIVE only. (Max 5 x 2) (10)

2.5 2.5.1 Lock-out

- The employer locks the employees out ✓ of the workplace/not allowed onto the work premises. ✓
- The employers keep employees away ✓ from the workplace until they all agree on the terms and conditions for work to resume. ✓
- An action by the employer to pressurise employees to agree to the demands of the employer ✓ and to avoid vandalism. ✓
- Any other relevant answer related to a lock-out. (Max 2 x 1) (2)

2.5.2 Go-slow

- The employees still carry on with their work, ✓ but at a much slower pace than normal. ✓
- Any other relevant answer related to a go-slow. (Max 2 x 1) (2)

[60]

BREAKDOWN OF MARKS	
2.1.1	3
2.1.2	2
2.1.3	6
2.2.1	2
2.2.2	4
2.2.3	4
2.3.1	2
2.3.2	4
2.3.3	2
2.3.4	10
2.4.1	1
2.4.2	2
2.4.3	1
2.4.4	3
2.4.5	10
2.5.1	2
2.5.2	2
TOTAL	60

QUESTION 3: BUSINESS VENTURES**3.1 3.1.1 Entrepreneurial qualities**

- Determination to succeed. ✓
- Goal-orientation. ✓
- Focus on growth. ✓
- Self-belief. ✓
- Creativity and innovation. ✓
- Openness to change. ✓
- Self-motivation. ✓
- Competitiveness. ✓
- Self-improvement. ✓
- Perseverance. ✓
- Good management. ✓
- Risk calculation. ✓
- Responsibility. ✓
- Hard-working and energetic. ✓
- Desire for independence. ✓
- Good human relations or interpersonal skills. ✓
- Any other relevant answer related to entrepreneurial qualities.

NOTE: Mark the first FIVE only.**(Max 5 x 1) (5)****3.1.2 Success factors****(a) Sustainability**

- The business can continue to exist despite all the challenges ✓ and threats it is confronted with. ✓
- The business must be able to continue without damage to the environment ✓ and the community in which it operates. ✓
- The business must consider the triple bottom line ✓; managing the three P's: profits, people and planet. ✓
- The sustainable business are more successful, attract and retain employees more easily ✓ and experience less financial and reputation risk. ✓
- The business should involve stakeholders in joint decisions-making, ✓ and learning from customers, employees and the surrounding community. ✓
- The business should have environmental management systems in place ✓ to minimise the effects of business activities on the environment. ✓
- The business should analyse the environmental ✓ and social impacts of the products and services the business uses and produces. ✓
- The business should be transparent, which means being willing to reveal exactly what the business does ✓ and what it stands for. ✓
- Any other relevant answer related to sustainability as a success factor. (Sub max 4 x 1)(4)

(b) **Profitability**

- The business ✓ makes money. ✓
- The business manages money ✓ in such a way that sound return on investment can be guaranteed to investors. ✓
- The business attracts even more investors, ✓ which enables the business to expand its activities and to become even more profitable. ✓
- Any other relevant answer related to profitability as a success factor. (Sub max 4 x 1)(4)

(c) **Customer base**

- The business cannot make money ✓ if it does not have any costumers to sell its products to. ✓
- The business has a continuous customer base ✓ to sell their products to. ✓
- The business keeps on looking for ways ✓ to expand their consumer base. ✓
- The business should have a loyal customer base, ✓ by meeting the needs of the customer consistently and providing excellent service. ✓
- The business should keep a record of the people ✓ buying their products. ✓
- The business should collect ✓ the customers' contact details. ✓
- Any other relevant answer related to customer base as a success factor. (Sub max 4 x 1)(4)

(Max) (12)

3.1.3 Sources of funding

- Equity capital (own funds). ✓
 - Money the owners of a business invest in the business. ✓
 - Owner's savings. ✓
 - Shares issued. ✓
 - Retained profit. ✓

- Debt/loans. ✓
 - Money that has been borrowed. ✓
 - Loans from family or friends ✓ – the repayment agreement may be flexible and interest very low or none at all. ✓
 - Bank loans ✓ – the bank want some form of security, the business will be required to make regular interest payments on the loan. ✓
 - Mortgage ✓ – a particular type of bank loan that is used to buy property, usually a long-term loan and requires monthly repayments for the period of the loan. ✓
 - Debenture ✓ – the company borrows money from the public. ✓
The debenture hlders receive a fixed interest rate on their money for a fixed period of time. ✓ The company must repay the amount of money borrowed at the end of the agreed period. ✓
 - Lease or Hire purchase ✓ – involves monthly payments by the business for use of vehicles or equipment. ✓
 - Overdraft ✓ – a bank allows a business to take out more money than it has in its bank account. ✓
 - Trade credit ✓ – suppliers who provide goods and services to the business are often willing to wait a certain period for payment ✓

- Other sources. ✓
 - Grants ✓ – money made available by government for small developing businesses. ✓
 - Venture capital ✓ – wealthy business people who want to invest in promising small businesses in return for a profit share in the business. ✓
 - Angel funding ✓ – financing is given for an ownership share in the business at its start-up. ✓

- Any other relevant answer related to the sources of funding. Max (10)

3.2 3.2.1 Importance of a business plan

- Offers direction ✓ of a proposed business. ✓
- A written document which gives ✓ a comprehensive overview of a proposed business. ✓
- Explain the business objectives, ✓ how it will operate, how the finances, resources will be handled and what the business aims to achieve. ✓
- Used to check ✓ the performance of the business against set goals. ✓
- A tool used ✓ to sell or market the business. ✓
- To identify ✓ possible strengths, weaknesses, opportunities and threats. ✓
- Used to convince ✓ other people of the profitability of the business, such as applying for finance from a bank. ✓
- Any other relevant answer related to the importance of a business plan. (Max 3 x 2) (6)

3.2.2 Tools to transform business plan into action plan

- Timelines ✓ (1)
- A visual representation ✓ of chronological information. ✓
 - A way of displaying ✓ a list of events in date order. ✓
 - A simple tool that lists all the activities that need to be done ✓ and the date order in which they will be completed. ✓
 - Any other relevant answer related to timelines. (3 x 1)(3)
Sub max(4)

- Task analysis ✓ (1)
- Requires to evaluate ✓ the different tasks. ✓
 - Determine if tasks ✓ are dependent or parallel. ✓
 - Any other relevant answer related to task analysis ✓ (3 x 1)(3)
Sub max(4)

- Gantt charts or work breakdown structures ✓ (1)
- More sophisticated ✓ types of timelines that shows a work breakdown structure. ✓
 - Are bar charts or graphs ✓ that show the duration of each task against the progression of time. ✓
 - Used to identify what needs to be done ✓ by breaking a project down into smaller parts. ✓
 - Any other relevant answer related to gantt charts or work breakdown structures. (3 x 1)(3)
Sub max(4)

- Critical path analysis ✓ (1)
- Useful for calculating the minimum time ✓ needed for each task that determines the project finish date. ✓
 - Calculates the maximum time for the completion of a task ✓ and identifies tasks that can be delayed. ✓
 - A step-by-step technique ✓ for planning processes. ✓
 - It defines critical and non-critical tasks ✓ and the aim is to prevent time frame problems and process bottlenecks. ✓
 - Any other relevant answer related to critical path analysis.
- (3 x 1) (3)
Sub max (4)

- Project planning ✓ (1)
- A detailed description of all the activities ✓ that needs to be completed to execute a project successfully. ✓
 - Consists of the actual plan, ✓ the scheduling of the task ✓ and risk management to protect the business from financial disaster. ✓
 - Any other relevant answer related to project planning.
- (3 x 1) (3)
Sub max (4)

NOTE: Mark the first THREE only. 3 + (3 x 3) (12)

3.3 3.3.1 **Parties involved in franchise**

- Franchisor ✓
Franchisee ✓ (2 x 1) (2)

3.3.2 **Ways the franchisor assist the franchisee**

- The franchisee can receive ✓ training, equipment, marketing assistance, management guidance and assistance in finding a suitable location. ✓
 - Market research is done ✓ by the franchisor. ✓
 - Provide the franchisee with a working business model ✓ and products that are well known. ✓
 - Provide information ✓ on production, sales and marketing techniques and training. ✓
 - The business can communicate ✓ and share ideas with and receive support from other franchisees. ✓
 - Any other relevant answer related to the ways the franchisor assist the franchisee.
- (Any 3 x 2) (6)

3.3.3 Franchise agreement ✓ (1)

3.3.4 Payments stipulated in the franchise agreement

- Initial fee. ✓✓
- Monthly management fees. ✓✓
- Royalties on turnover. ✓✓
- Fees for machinery and equipment. ✓✓
- Fees for advertising. ✓✓
- Any other relevant answer related to the payments to the franchisor.

NOTE: Mark the first THREE only.

(Max. 3 x 2)

(6)
[60]

BREAKDOWN OF MARKS	
3.1.1	5
3.1.2	12
3.1.3	10
3.2.1	6
3.2.2	12
3.3.1	2
3.3.2	6
3.3.3	1
3.3.4	6
TOTAL	60

QUESTION 4: BUSINESS ROLES**4.1 4.1.1 Stressful work environment**

- Area/surrounding √ where work takes place is making people feel overwhelmed and overloaded. √
- People feel √ helpless, tired and can even make them ill. √
- The unsafe environment √ that a security company are exposed to √ would add to the stressful work environment.
- Any other relevant answer related to a stressful environment.

(Max 4 x 1) (4)

4.1.2 Working hours of a security guard can contribute to stress levels

- Long hours/shifts. √√
- Working hours at night. √√
- Any other relevant answer related to how working hours of a security guard can contribute to their stress levels.

(Max 2 x 2) (4)

4.1.3 Effect of stress on businessesAbsenteeism. √

- Stressed employees are more likely to miss work. √
- Lost productivity and replacement costs are a consequence of absenteeism. √
- Premature death among workers increase staff turnover and requires more regular recruitment and training √

Poor judgement. √

- Can lead to a high occurrence of accidents √

Grievances or complaints that lead to staff turnover. √

- Unresolved complaints can lead to registration and higher staff turnover. √
- Productive time is lost in the process of recruitment and training new employees. √
- A high staff turnover is not good for staff morale √

Conflict and interpersonal problems. √

- Interpersonal demands due to working with team members and supervisors are most significant cause of burnout √

Customer service problems. √

- Stressed and tired employees serving the public may lead to poor services and unhappy customers. √
- Loss of turnover and profitability √

Resistance to change. √

- As stress levels increase people are more likely to cling to the old way of doing things, even if it is not effective √

Any other relevant answer related to the effect of stress on businesses.

Max (12)

4.1.4 Steps in John Kotter's change model

- Establish a sense of urgency among employees to deal with change. ✓
- Management and employees must work together. ✓
- Create a clear vision for the business. ✓
- Communicate and explain the vision to all the employees. ✓
- Make it possible for all the employees to respond to the vision. ✓
- Plan and create short-term goals and successes. ✓
- Combine all improvements and produce even more change. ✓
- Make new approaches part of the business's standard procedures. ✓
- Any other relevant answer related to the steps in John Kotter's change model.

NOTE: Mark the first EIGHT only.

(Max 8 x 1) (8)

4.1.5 Reasons for resisting change

- Loss of security. ✓
Workers feel secure with what they know and a new manager or new technology may frighten them. ✓
- Fear of economic loss. ✓
Workers may disapprove of a new production process because they feel that it will lead to retrenchment. ✓
- Loss of power and control. ✓
Restructuring may change the amount of power some people have. ✓
- Reluctance to change old habits. ✓
New processes require a different mode of thinking. ✓
- Awareness of weakness in the proposed change. ✓
Employees resist change because they see that it may cause problems. ✓
- Peer pressure. ✓
Groups of people may pressurise others to resist change. ✓
- Timing and scope of change. ✓
Change should happen when people are receptive and well prepared for it. ✓
- Misunderstanding. ✓
People might resist because they do not fully understand. ✓
- Any other relevant answer related to the reasons for resisting change.

(Max 6 x 2) (12)

4.2 4.2.1 Identify Rene's problem

- Parents do not collect their children ✓ on time ✓

(2)

4.2.2 Problem-solving techniques

- Delphi technique. ✓
- Stepladder technique. ✓
- Force-field analysis. ✓
- Fishbone analysis/Cause-and-effect diagram. ✓
- Any other relevant answer related to problem solving techniques.

NOTE: Mark the first FOUR only. (Max 4 x 1) (4)

4.2.3 Creative thinking

- The process used to come up ✓ with new/fresh ideas. ✓
- Using lateral thinking ✓ solves problems through reasoning ✓ to find solutions ✓ that are not immediately obvious. ✓
- Any other relevant answer related to creative thinking.

(Max 4 x 1) (4)

4.2.4 Mental blocks

Internal blocks. ✓

- Blocks that are ruled by emotions, fear, judgements and reflections. ✓

Perceptual blocks. ✓

- Blocks that are obstacles that prevent people from seeing the problem clearly or finding a possible solution. ✓

Intellectual and expressive blocks. ✓

- Intellectual blocks - lead to poor strategies or plans to solve the problem. ✓
- Expressive blocks – mean that the ability to communicate ideas is difficult. ✓

Cultural blocks. ✓

- Blocks that imply that people do not want to go against their traditional beliefs. ✓

Environmental blocks. ✓

- Environmental blocks include the social and physical environment in which people live and work. ✓
- The social environment should be where there is honesty, trust and support. ✓
- Any other relevant answer related to mental blocks.

NOTE: Mark the first FIVE only.

Heading (1)
Explanation (1)
Max (10)
[60]

BREAKDOWN OF MARKS	
4.1.1	4
4.1.2	4
4.1.3	12
4.1.4	8
4.1.5	12
4.2.1	2
4.2.2	4
4.2.3	4
4.2.4	10
TOTAL	60

QUESTION 5: BUSINESS OPERATIONS

5.1 5.1.1 Select goods ✓✓ (2)

5.1.2 **Advantages of foreign marketing (importing)**

- Good or services that are essential or attractive to consumers but not available in South Africa can be obtained from other countries. ✓✓
- Goods or services that satisfy domestic needs or wants can be produced more cheaply or more efficiently by other countries, and therefore sold at lower prices. ✓✓
- Importing goods gives consumers a wider variety of choice. / This increases the standard of living. ✓✓
- Importing improves the quality of South African products / Local manufacturers are competing with international manufacturers and must make sure that their items are of a high standard. ✓✓
- Any other relevant answer related to the advantages of foreign marketing (importing). (Max 4 x 2) (8)

5.1.3 **Steps in product design**

Design and develop product idea ✓ (1)

- Identifying what needs consumers have and whether these needs are satisfied by current goods and services on the market. ✓ (Max 1 x 1)

Select and sift product ideas ✓ (1)

- After several ideas are generated, each idea must be evaluated ✓ and the best idea selected. ✓
- The best idea will not be necessarily be the cheapest. ✓ (Max 1 x 1)

Design and test the product idea ✓ (1)

- After the best idea for the new product has been selected, the design must be sketched and worked out on a little more detail. ✓
- The designer will come up with a basic 3D computer design that is detailed enough to ensure the idea will work. ✓
- This is the step where an idea is either given the green light or not. ✓ (Max 1 x 1)

Analyse the profitability of the product concept ✓ (1)

- This step will determine whether the money that is going to be invested in the product will be profitable or not. ✓ (Max 1 x 1)

Design and test the physical product ✓ (1)

- If research shows that the product is going to be profitable, then the product concept is transformed ✓ into an actual product and the product is made for the first time. ✓ (Max 1 x 1)

Test marketing ✓ (1)

- The reactions of the consumers are tested to determine how consumers feel about the product. ✓
- Customers being happy with the product will lead to a decision to go ahead and make the product. ✓

Any other relevant answer related to the steps in product design.

(Max 1 x 1) (1)

NOTE: Mark the first SIX only.

(Max 6 x 2) (12)

5.2 5.2.1 **Example of screening tests**

- Aptitude tests. ✓
- Intelligence tests. ✓
- Reasoning tests. ✓
- Personality tests. ✓
- Ability tests. ✓

NOTE: Mark the first TWO only.

(Max 2 x 1) (2)

5.2.2 **Content of employment contract**

- Name and address of the employer. ✓✓
- Name, ID, contact details of the employee. ✓✓
- Job title. ✓✓
- Duties of the job. ✓✓
- Salary details. ✓✓
- Leave details. ✓✓
- Termination of service and notice period. ✓✓
- Other issues. ✓✓
- Any other relevant answer related to the content of an employment contract.

NOTE: Mark the first FOUR only.

(Max 4 x 2) (8)

5.2.3 **Procedures of selecting and interviewing process**

Receiving documentation. ✓✓

- Applicants are required to submit an application form or a letter of application together with a curriculum vitae, certified personal documentation and proof of qualifications. ✓

Screening. ✓✓

- The applicants who do not meet the minimum requirements as stipulated in the advertisement are eliminated. ✓

Evaluation of CV and creating a short list. ✓✓

- CVs of the applicants who meet the minimum requirements for the vacant post will be evaluated. ✓
- The human resources manager will rank the applicant from the most suitable to least suitable. ✓
- The best candidates with the highest rank order are placed on a short list and unsuitable candidates are eliminated. ✓

Check information supplied in CV. ✓✓

- Human resources manager will check up on the qualifications and employment history. ✓
- Will also contact the referees given in the CV to verify the CV and learn more about the applicant. ✓

Conducting the interview. ✓✓

- A formal meeting between the candidate (interviewee), and the employer (interviewer). ✓
- During the interview the interviewees are given more information about the business and the candidate can ask questions about the business and the job. ✓
- The purpose of the interview is to get more information ✓ about the candidate by asking questions and to evaluate the candidate further. ✓

Assessments. ✓✓

- Depending on the type of job, applicants can be asked to complete certain assessments during the selection process before a final applicant is chosen. ✓
- These tests can be split between personality tests and aptitude or ability tests. ✓

Letter of appointment. ✓✓

- Once the most suitable candidate has been chosen, a written offer of employment must be made to the successful candidate. ✓

Any other relevant answer related to the procedures of selecting and interviewing process.

Heading (2)
 Explanation (1)
 Max (12)

5.3 Methods of advertising

- Print media. ✓
- Outdoor advertising. ✓
- Mobile advertising. ✓
- Broadcasting advertising. ✓
- Exhibit advertising. ✓
- Sponsorship advertising. ✓
- Online advertising. ✓
- Any other relevant answer related to the methods of advertising.

NOTE: Mark the first FOUR only. (Max 4 x 1) (4)

5.4 Pricing strategies

Cost-plus pricing. ✓✓

- Estimating how many products will be produced, then calculating the total cost of producing this output ✓ and finally adding a percentage mark-up for a profit. ✓

Penetration pricing. ✓✓

- Used when trying to enter a new market. ✓
- The product is sold at a low price and therefore the sales revenue may be low. ✓

Price skimming. ✓✓

- A product that is either a new invention or a new version of an old product ✓ is sold on the market at a high price. ✓
- People will pay this high price ✓ because of the newness of this product. ✓

Competitive pricing. ✓✓

- This involves putting prices ✓ in line with your competitors' price or just below their prices. ✓

Promotional pricing. ✓✓

- Used when you want to price the product at a low price ✓ for a set period to attract new customers. ✓

Differential pricing. ✓✓

- Used when different prices are set ✓ for different segments of the market. ✓

Prestige pricing. ✓✓

- Prices are artificially high ✓ to prove prestige or maintain a certain image. ✓
- The product is a status symbol. ✓

Odd pricing. ✓✓

- Used to give the impression ✓ that products are cheaper. ✓

Discount pricing. ✓✓

- Suppliers offer a discount off ✓ a price to encourage customers to purchase more of the goods. ✓

Any other relevant answer related to pricing strategies.

NOTE: Mark the first FOUR only.

Heading (2)
Explanation (1)
Max (12)
[60]

BREAKDOWN OF MARKS	
5.1.1	2
5.1.2	8
5.1.3	12
5.2.1	2
5.2.2	8
5.2.3	12
5.3	4
5.4	12
TOTAL	60

QUESTION 6: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

6.1 51% stake of JJ Brands in Braai Mexican Grill

6.1.1 JJ Brands will take-over (acquire) Braai Mexican Grill. ✓✓ (2)

6.1.2 Benefit of take-overs/acquisition

- Business receives tax advantage. ✓✓
- Elimination of competition. ✓✓
- Increase turnover. ✓✓
- New management team can replace inefficient managers or employees. ✓✓
- Any relevant answer related to the benefits of take-overs or acquisitions.

NOTE: Mark the first THREE only. Max (6)

6.2 Differentiate between *networking* and *lobbying*.

Networking	Lobbying
- Process of meeting new people ✓ and building mutual relationship. ✓	- Process of influencing ✓ legislation or parliamentary decision. ✓
- Involves building alliances ✓ for future purposes. ✓	- Acquiring public ✓ support for an issue. ✓
- Discovering ✓ of new business opportunity, job opportunity, etc. ✓	- Protest against the enforcement ✓ of the new law. ✓
- Any relevant answer related to networking.	- Any relevant answer related to lobbying.
Sub max (4)	Sub max (4)

NOTE: The differences must be clear. Max (8)

BUSINESS VENTURE

6.3 6.3.1 Visual aids

- Transparencies/slides/PowerPoint. ✓
- Tables, graphs. ✓
- Diagrams and illustrations. ✓
- Hand-outs. ✓
- Posters. ✓
- Flyers. ✓
- Organisation's structures. ✓
- Any other relevant answer related to visual aids used during a presentation.

NOTE: Mark the first THREE only. Max (3)

6.3.2 **Difference between verbal and non-verbal communication**

Verbal	Non-verbal
- Exchange information using oral presentation/spoken. √√	- Communicate by means of printed media. √√
- Information can be heard. √√	- Communication can be read. √√
- Information cannot be stored. √√	- Communication can be stored. √√
- Any other relevant answer related to verbal communication.	- Any other relevant answer related to non-verbal communication.
Sub max (2)	Sub max (2)

NOTE: The differences must be clear.

Max (4)

6.4 **Steps in report-writing**

- Analyse the problem. √
- Anticipate the audience and issues. √
- Prepare a work plan. √
- Do research in order to gather data. √
- Organise, analyse, interpret and illustrate the data. √
- Put together the first draft of the report. √
- Revise, proofread and evaluate the report. √
- Any other relevant answer related to the steps in report-writing.

NOTE: Steps need not to be in a specific order.

Max (7)

BUSINESS ROLES

6.5 6.5.1 Unprofessional √√

6.5.2 Unprofessional √√

6.5.3 Unethical √√

(3 x 2) (6)

6.6 Principles of professionalism

- Respect yourself and the dignity and rights of others √√ e.g. respecting other languages/cultures. √
- Respect the image of the business/your profession √√ e.g. adhere to the dress code of the business/profession. √
- Act with integrity/honesty/reliability √√ e.g. keep to working hours even if no other workers are around/do not use the business resources for personal gain. √
- Be committed to quality √√ and apply your skills and knowledge to the benefit of the business/society at large. √
- Adhere to confidentiality measures √√ by not disclosing sensitive information about customers/business. √
- Remain objective, act fairly and justly to all √√ without being biased or showing favouritism. √
- Continually improve/develop your skills and knowledge √√ e.g. attending refresher courses and seminars. √
- Share your knowledge by investing your time and expertise in junior staff members √√ e.g. uplifting/empowering others. √
- Any other relevant answer related to the principles of professionalism.

NOTE: Mark the first THREE only.

Heading	(2)
Discussion	(1)
Max	(9)

BUSINESS OPERATIONS

6.7 6.7.1 Violations

- Workers were not supplied with protective masks. √
- Lunch break is not in accordance with the law. √
- Diseases (lung infection) caused by paint fumes. √

NOTE: Mark the first TWO only.

(2 x 1) (2)

6.7.2 Compensation for Occupational Injuries and Diseases Act (No. 61 of 1997)/(COIDA) √

(1)

6.8 Purpose**6.8.1 Labour Relations Act**

- Makes provision for collective bargaining, ✓ e.g. during wage disputes. ✓
- Makes provision for settling labour disputes, ✓ e.g. unfair dismissal. ✓
- Makes provision for establishment of trade unions ✓ and employer's organisation. ✓
- Regulate the right to strike ✓ and the recourse to lock-out. ✓
- Provision for establishment ✓ of workplace forums. ✓
- Any other relevant answer related to the purpose of Labour Relations Act.

Max (6)

6.8.2 Employment Equity Act

- Achieve equity ✓ in the workplace. ✓
- Promote equal opportunity ✓ and fair treatment in the workplace. ✓
- Implement affirmative action ✓ to redress disadvantage in employment. ✓
- Ensure equal representation ✓ of all population groups in the workplace. ✓
- Prohibit unfair discrimination ✓ and unjust medical testing of employees. ✓
- Any other relevant answer related to the purpose of Employment Equity Act.

Max (6)
[60]

BREAKDOWN OF MARKS	
6.1.1	2
6.1.2	6
6.2	8
6.3.1	3
6.3.2	4
6.4	7
6.5	6
6.6	9
6.7.1	2
6.7.2	1
6.8.1	6
6.8.2	6
TOTAL	60

TOTAL SECTION B: 180

SECTION C**QUESTION 7: BUSINESS ENVIRONMENT****7.1 Introduction**

- South African businesses face a unique set of socio-economic challenges that impact on business operations. ✓
- All socio-economic issues present both challenges and opportunities for entrepreneurs. ✓
- Any other relevant introduction relating to socio-economic issues. **Max (2)**

7.2 Socio-economic issues

- Socio-economic issues include discrimination ✓ and poverty, ✓ inclusivity, ✓ unemployment, ✓ an unproductive labour force, ✓ HIV and Aids, ✓ gambling, ✓ piracy, ✓ counterfeiting, ✓ strikes, ✓ violence ✓ and crime. ✓
- Socio-economic issues are the difficulties that social ✓ and economic factors in the macro environment can cause to a business. ✓
- Any other relevant answer related to socio-economic issues. **Max (4)**

7.3 Economic crime

- An unlawful activity ✓ is committed through financial corruption or fraud rather than violence. ✓
- When someone benefits financially ✓ through any criminal activity that directly involves the misappropriation (misuse) of funds, such as fraud. ✓
- A crime committed by a person of high status ✓ during the course of doing his or her tasks. ✓
- Also known ✓ as white collar crime. ✓
- Any other relevant answer related to economic crime as a socio-economic issue. Sub max (4)

Illiteracy and lack of skills

- When people cannot ✓ read/write. ✓
- Cannot find candidates ✓ with adequate skills and experience. ✓
- Any other relevant answer related to illiteracy and lack of skills as a socio-economic issue. Sub max (4)

Unavailability of natural resources

- When there is a lack of the raw materials ✓ and other natural resources needed by the business. ✓
- Depletion ✓ of natural resources. ✓
- Any other relevant answer related to unavailability of natural resources as a socio-economic issue. ✓✓ Sub max (4)

Dumping

- A specific trade practice ✓ where a foreign manufacturer places large quantities of a product on a local market at extremely low prices. ✓
- The excess supplies are sold in another country ✓ at a much lower price. ✓
- Any other relevant answer related to dumping as a socio-economic issue. Sub max (4)

Max (14)

7.4 Challenges on business operations

Economic crime

- A business can lose money from fraud, corruption and internet scams. ✓✓
- Business owners who are involved in money laundering face criminal charges. ✓✓
- Loss of income if money has been stolen from a business. ✓✓
- Loss of jobs if a business closes down. ✓✓
- Any other relevant answer related to the challenges of economic crime on business operations.

NOTE: Mark the first FOUR only.

Sub max (8)

Illiteracy and lack of skills

- Difficult to find literate workers. ✓✓
- More difficult for workers to improve their skills. ✓✓
- Businesses have no choice but to appoint a candidate who lacks certain skills. ✓✓
- Lower the business's standards, management cannot expect the same quality of work from an unskilled employee as from skilled employee. ✓✓
- Training of employees is expensive and productivity is affected, takes time for a newly trained employee to learn the ropes of his/her new job. ✓✓
- Any other relevant answer related to the challenges of illiteracy and lack of skills on business operations.

NOTE: Mark the first FOUR only.

Sub max (8)

Unavailability of natural resources

- Businesses would not be able to produce things that have to be made out of such resources. ✓✓
- Businesses cannot continue with businesses operations if natural resources are depleted. ✓✓
- Businesses must develop and implement environmental policies. ✓✓
- Loss of productivity if business operations come to a halt due to unavailability of natural resources. ✓✓
- Any other relevant answer related to the challenges of unavailability of natural resources on business operations.

NOTE: Mark the first FOUR only.

Sub max (8)

Dumping

- The industry of the country on which the goods are dumped suffers from being suddenly undercut. √√
- Local businesses are unable to produce the same products at an equal or lower price. √√
- Consumers buy the dumped products and hurts local businesses as they are unable to sell their own products. √√
- Loss of income. √√
- Loss of opportunities. √√
- Loss of productivity. √√
- Holding of large quantities of unsold or redundant stock. √√
- Destroys the ability of local businesses to succeed in a very competitive market. √√
- Any other relevant answer related to the challenges of dumping on business operations.

NOTE: Mark the first FOUR only.

Sub max (8)

Max (28)**7.5 Conclusion**

- Socio-economic issues impact businesses negatively. √√
- Businesses should be aware of these issues to put strategies in place to combat them. √√
- Any other relevant conclusion relating to socio-economic issues and the impact on businesses.

Max (2)**BREAKDOWN OF MARKS**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Definition of socio-economic issues	4	
Socio-economic issues	14	
Challenges on business operations	28	
Conclusion	2	
INSIGHT		
Layout/Structure		2
Analysis/Interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

[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 8: BUSINESS VENTURES**8.1 Introduction**

- A form of ownership refers to the manner in which a business is structured, how it is managed, how it raises its capital and how it deals with profits and losses. ✓
- There is no ideal form of ownership. ✓
- The business person must examine all forms of ownership in light of their own needs and situation. ✓
- Any other relevant introduction relating to forms of ownership, partnerships and private companies. **Max (2)**

8.2 Form of ownership

Partnership ✓✓

(1 x 2) (2)

8.3 Disadvantages of a partnership

- No separate legal entity. ✓✓
- Partners are jointly and individually liable for the actions of the partners. ✓✓
- Profits must be shared with others. ✓✓
- Disagreements can occur because of shared decisions. ✓✓
- The partnership may have a limited life. ✓✓
- May end upon the withdrawal or death of a partner. ✓✓
- Any other relevant answer related to the disadvantages of a partnership. **Max (10)**

8.4 Advantages of a private company

- The private company does have a separate legal entity. ✓✓
- There is continuity of existence. ✓✓
- Shareholders have limited liability. ✓✓
- It is easy to raise capital. ✓✓
- There is a greater efficiency of management. ✓✓
- It is adaptable to both small and large business. ✓✓
- They are not required to file their annual financial statements with the Registrar of Companies. ✓✓
- Financial statements are not available to the general public. ✓✓
- All shareholders are directors, so that there is less need to seek shareholder approval for certain board decisions. ✓✓
- Any other relevant answer related to the advantages of a private company. **Max (10)**

8.5 Formation procedures of a private company

- Draw up a Memorandum of Incorporation (MOI). ✓✓
 - Containing the following:
 - Detail of incorporation. ✓
 - Number of directors and alternate directors. ✓
 - Share capital. ✓
 - Content of MOI. ✓
- File it together with a Notice of Incorporation. ✓✓
 - Containing the following:
 - Type of company. ✓
 - Incorporation date. ✓
 - Financial year end. ✓
 - Registered address. ✓
 - Company name. ✓
- Register Memorandum of Incorporation and Notice of Incorporation with CIPC. ✓✓

Steps to follow in forming a company

- Reservation of the company name and payment of fees with the Registrar of Companies. ✓✓
 - A certificate to commence business is submitted with the formation document. ✓✓
 - This is required by law before a company can trade or raise finance. ✓✓
 - The company needs to open a bank account. ✓✓
 - Register for income tax, value added tax (VAT) and employee withholding tax with the office of the local Receiver of Revenue (SARS). ✓✓
 - Register for unemployment insurance (UIF) with the Department of Labour. ✓✓
 - Register with the commissioner for Occupational Injuries and Diseases Act (COIDA). ✓✓
- Any other relevant answer related to formation of a private company.

Max (24)**8.6 Conclusion**

- The success or failure of a business operation can be influenced by their chosen form of ownership. ✓✓
- Any other relevant conclusion relating to forms of ownership, partnerships and private companies.

Max (2)**BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Identify form of ownership	2	
Disadvantages of a partnership	10	
Advantages of private company	10	
Formation procedures of private company	24	
Conclusion	2	
INSIGHT		
Layout/Structure		2
Analysis/Interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

[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 9: BUSINESS ROLES**9.1 Introduction**

- Conflict management is the process of planning to prevent conflict where possible and organising to resolve conflict where it does happen, as quickly and smoothly as possible. ✓
- Teamwork is essential to the success of businesses. ✓
- Teamwork encourages creativity and communication, and allows workers to share knowledge, experience and skills. ✓
- People working together complement one another and weaknesses are largely eliminated. ✓
- Any other relevant introduction related to conflict, causes of conflict and team development.

Max (2)**9.2 Conflict**

- Is a serious disagreement ✓ between people because of a difference in beliefs, values, morals or opinions. ✓
- Any other relevant answer related to explaining conflict.

Max (2)**9.3 Causes of conflict**

- Conflict as a result of personality clashes. ✓✓
- Ego problems and low self-esteem. ✓✓
- Underlying stress and tension. ✓✓
- Differences in values and beliefs. ✓✓
- Miscommunication. ✓✓
- Perceived breach of faith and trust. ✓✓
- Unresolved issues. ✓✓
- Poor management. ✓✓
- Unfair treatment in the workplace. ✓✓
- Unclear job roles. ✓✓
- Increase in workload. ✓✓
- Inadequate training. ✓✓
- Poor communication. ✓✓
- Poor work environment. ✓✓
- Lack of equal opportunities. ✓✓
- Bullying and harassment. ✓✓
- Change. ✓✓
- Lack of information needed to do jobs properly. ✓✓
- Stereotyping. ✓✓
- Inconsiderate behaviour. ✓✓
- Deadlines being missed or exceeded. ✓✓
- Company policy being ignored. ✓✓
- Any other relevant answer related to the causes of conflict.

NOTE: Mark the first SIX only.**Max (12)**

9.4 Stages of team development**Forming.** √√

- Getting to know each other. √
- The team members do not have clarity on the purpose, objectives and aim of the team and the role they need to play. √
- Members test the tolerance of the leader. √
- Any other relevant answer related to forming as a stage of team performance.

Sub max (4)

Storming. √√

- True character shows. √
- The team members fight for the roles they want to play. √
- Clarity of purpose is given, but plenty of uncertainties continue. √
- There may be power struggles for the position of the team leader. √
- Any other relevant answer related to storming as a stage of team performance.

Sub max (4)

Norming. √√

- Settling and reconciliation. √
- Team members form agreement and consensus. √
- Roles and responsibilities are clear and accepted. √
- Team makes big decisions. √
- Processes, working style and respect develop. √
- Conflict may occur, but commitment and unity are strong. √
- Any other relevant answer related to norming as a stage of team performance.

Sub max (4)

Performing. √√

- Working as a team towards goal. √
- Team members are aware of strategies and aims of the team and have direction without interference from the leader. √
- Processes and structures are set. √
- Leader delegates and oversees. √
- Conflict may appear, but is resolved quickly. √
- Any other relevant answer related to performing as a stage of team performance.

Sub max (4)

Max (16)

9.5 Belbin role theory

Cerebral roles. ✓

Planter. ✓

- The source of original ideas, creative and imaginative. ✓
- Can solve difficult problems. ✓
- Prefers to work away from the team ✓ because of their introverted nature. ✓
- Struggles to deal with criticism. ✓

Specialist. ✓

- Experts in their fields, highly focused and capable. ✓
- Driven by professional standards. ✓

Monitor-evaluator. ✓

- Sees all the options and judges accurately. ✓
- Breaks everything down into manageable chunks and has the ability to strategies. ✓
- Monitor-evaluators are analytical, ✓ strategic ✓ and unemotional. ✓
- They are good at analysing ✓ the ideas of other team members. ✓

Action roles. ✓

Shaper. ✓

- Gives shape to the team. ✓
- Looks for pattern in discussion. ✓
- Competitive, dynamic, achievement-driven and thrives under pressure. ✓
- Shapers challenge ✓ the team to improve. ✓
- They do not believe in quitting, ✓ even when the going gets tough. ✓

Implementer. ✓

- Turns decisions and strategies into manageable tasks. ✓
- Disciplined, reliable, practical and efficient. ✓
- Acts on ideas. ✓
- Implementers are people who get things done.

Completer-finisher. ✓

- Gives attention to detail. ✓
- Has high standards and motivates team to keep to due dates. ✓
- They ensure that the projects are completed thoroughly ✓ and are perfectionists. ✓

People roles. ✓

Co-ordinator. ✓

- Usually the chairperson/team leader. ✓
- Clarifies group objectives and sets agenda. ✓
- They are mature and confident, promotes decisions-making and delegates effectively. ✓
- They are rational thinkers ✓ who are capable of delegating work effectively. ✓

Team worker. ✓

- Sort out division and disruption in the team. ✓
- Co-operative, relationship-focused, sensitive and diplomatic. ✓
- A good listener who builds relationships and who dislikes confrontation. ✓
- They are responsible for ensuring that team members work together. ✓

Resource investigator. ✓

- Explores opportunities. ✓
- Goes out to bring in new ideas by networking with others. ✓
- Extrovert, enthusiastic, communicates and negotiates easily. ✓

- Any other relevant answer related to the Belbin role theory.

Max (16)**9.6 Conclusion**

- Managers need to be able to recognise and resolve conflict to promote co-operation and productivity. ✓✓
- Successes in a business context depends on how well team members work together with each other and combine their talents, skills and expertise to reach one common business goal. ✓✓
- Any other conclusion related to conflict, causes of conflict and team development.

Max (2)**BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Conflict	2	
Causes of conflict	12	
Stages of team development	16	
Belbin role theory	16	
Conclusion	2	
INSIGHT		
Layout/Structure		2
Analysis/Interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

[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 10: BUSINESS OPERATIONS**10.1 Introduction**

- Production is the process of making goods and services. ✓
- It is important that the business owner chooses the production system that will best suit the product. ✓
- Quality control is a system of checking and measuring ✓ the quality of manufactured goods and services against pre-determined standards, and keeping to these standards. ✓
- When machinery and equipment are used in a factory, the risk of accidents is high ✓
- Any other relevant introduction related to production, production systems, quality control and safe use of machinery. **Max (2)**

10.2 Batch production

- A system that produces a variety of almost similar goods ✓ in certain qualities. ✓
- Products are made in different batches. ✓
- Within each batch, all products are identical ✓ but batches are different from each other. ✓
- Any other relevant answer related to batch production. **Max (4)**

10.3 Characteristics of batch production

- Generalised or multi-purpose ✓ machines which are cheaper are used. ✓
- Multi-purpose machines can carry out a variety of tasks ✓ and the same machine can be used on different settings. ✓
- One batch of products must be completed ✓ before the next can be started. ✓
- A production line runs ✓ for a certain length of time and then the machines are stopped ✓ and reset before production can continue. ✓
- Needs continuity ✓ of demand. ✓
- If the demand changes, ✓ it would lead to overstocking of products. ✓
- Use less skilled labour, ✓ but the setting up of machinery may require more specialised skills. ✓
- Any other relevant answer related to the characteristics of batch production. **Max (12)**

10.4 Advantages of quality control

- Customer satisfaction is improved ✓ as the final goods and services meet quality standards and customer expectations. ✓
- This, in turn, leads to increased ✓ market share and profitability. ✓
- Production costs are kept low ✓ and wastage is reduced, ✓ because mistakes in the production process and faulty products are identified and corrected. ✓
- This leads to an increase in profitability. ✓
- Workers are motivated ✓ because they know what is expected of them. ✓
- This leads to improved ✓ productivity. ✓
- Poor performance ✓ can be corrected through training. ✓
- Efficient use of people's skills, ✓ abilities ✓ and time. ✓
- Better use of materials ✓ and equipment. ✓
- Plan ✓ and control more efficiently. ✓
- Constant improvement ✓ of products and services. ✓
- More likely to achieve ✓ company vision and goals. ✓

- Place products above those of competitors. ✓
- Improved employee skills and knowledge ✓ through constant training. ✓
- Any other relevant answer related to the advantages of quality control.

Max (18)**10.5 Requirements of safe use of 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 requirements of the safe use of machinery.

Max (12)**10.6 Conclusion**

- Choosing the correct production system, quality control and the safe use of machinery will determine the success of a manufacturing business. ✓✓
- Any other relevant conclusion related to production, production systems, quality control and the safe use of machinery.

Max (2)**BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Batch production	4	
Characteristics of batch production	12	
Advantages of quality control	18	
Requirements of safe use of machinery	12	
Conclusion	2	
INSIGHT		
Layout/Structure		2
Analysis/Interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

[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: 80
GRAND TOTAL: 300