



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

BUSINESS STUDIES

GRADE 11

2018 - NOVEMBER EXAMINATION

EXAMINER : R NAIDOO
MODERATOR : R GOVENDER

MARKS : 300
DURATION : 3 hrs

This question paper consists of 13 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the question

1. This question paper consists of THREE sections :

- SECTION A : **COMPULSORY**
- SECTION B : **CONSISTS OF FIVE QUESTIONS**
CHOOSE ANY THREE QUESTIONS FROM THIS SECTION
- SECTION C : **CONSISTS OF FOUR QUESTIONS**
CHOOSE ANY TWO QUESTIONS FROM THIS SECTION

2. Read the instructions carefully for each question and take particular note of what is required.

3. Number the answers correctly according to the numbering system used in the question paper.

4. Except where the instructions are given, answers must be in full sentences.

5. Use the mark allocation and the nature of each question to determine the length of an answer.

6. **START EACH QUESTION ON A NEW PAGE.**

7. Use the table below as a guideline for marks and time allocation when answering each question and **TICK** the questions that you have chosen

SECTION	QUESTION	MARKS	TIME
A. COMPULSORY	ONE	40	24 min.
B. Five direct Questions. CHOOSE ANY THREE QUESTIONS	TWO	60	36 min.
	THREE	60	36 min.
	FOUR	60	36 min.
	FIVE	60	36 min.
	SIX	60	36 min.
C. ESSAY Questions CHOOSE ANY TWO QUESTIONS	SEVEN	40	24 min.
	EIGHT	40	24 min.
	NINE	40	24 min.
	TEN	40	24 min.
TOTAL		300	180 min. (3hrs)

SECTION A: COMPULSORY

QUESTION ONE : (40 marks)

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter next to the question number. E.G 1.1.11 B

1.1.1 Challenge of the micro environment :

- A Competition
- B Lack of vision and mission
- C Changes in consumer behaviour
- D Political changes

1.1.2 _____ lending refers to granting small loans to people who cannot get credit from banks.

- A Micro
- B Market
- C Macro
- D Primary

1.1.3 Intermediaries operate in the _____ sector of the economy.

- A market
- B primary
- C secondary
- D tertiary

1.1.4 Business _____ is often defined as managing the triple bottom line.

- A success
- B sustainability
- C profitability
- D productivity

1.1.5 A partnership has _____

- A limited liability and limited continuity
- B unlimited liability and unlimited continuity
- C limited liability and unlimited continuity
- D unlimited liability and limited continuity

1.1.6 An advantage of using own funds as a source of funding for a business :

- A No interest is paid on the funds
- B Low interest is paid on the funds
- C Low interest can be negotiated
- D No interest is paid in the first year

P.T.O.../1.1.7

- 1.1.7 The _____ theory argues that business processes need to be improved in order to deal effectively with change.
- A Kaizen model
 B John Kotter's change model
 C Total quality management
 D Business process re-engineered
- 1.1.8 The Belbin's role theory is organised in three categories, namely _____
- A cerebral, action and co-ordinator
 B cerebral, action and people
 C planter, specialist and monitor-evaluator
 D shaper, implementer and completer-finisher.
- 1.1.9 The _____ Act protects employees from unfair working conditions in the workplace.
- A Basic Conditions of Employment
 B Employment Equity
 C Labour Relations
 D Compensation for Occupational Injuries and Diseases
- 1.1.10 _____ is the calculation to see how many units a business must make and sell before a profit is made.
- A Profit
 B Total cost
 C Cost per unit
 D Break even analysis

(10 x 2) = 20

1.2 Complete the following statements by using the word(s) in the list below. Write only the word(s) in the answer book.

Acquisition	Belbin's Role	Letter of appointment
Ten	Alliance	Jungian
Employment contract	Eight	Mortgage loan

- 1.2.1 An _____ takes place when one business buys some or all of another business.
- 1.2.2 _____ are loans used to finance the purchase of property.
- 1.2.3 _____ team dynamics theory is based on the four functional types, namely thinking, feeling, sensation and intuition.
- 1.2.4 Employees can only work a maximum of _____ hours of overtime a week.
- 1.2.5 _____ is a written offer of employment made to the successful candidate.

(5 x 2) = 10

P.T.O.../1.3

1.3 Match the terms in Column A with the correct description in Column B. Write only the correct letter next to the question number. E.g 1.3.6 J

COLUMN A	COLUMN B
1.3.1 Strategic alliance agreement	A An example of group consensus
1.3.2 Bank overdraft	B An example of power relations
1.3.3 Conflict	C The movement between countries of more and more people, goods, capital and ideas.
1.3.4 Globalisation	D Elimination of unfair discrimination
1.3.5 Internal recruitment	E Short term loan from a bank
	F Finding employees from outside the business
	G An example of zoning
	H A disagreement between people
	I Long term loan from a bank
	J Finding employees from inside the business.

(5 x 2) = 10

TOTAL SECTION A : 40

P.T.O.../SECTION B

SECTION B

This section consists of FIVE QUESTIONS. Choose ANY THREE QUESTIONS from this section. START EACH QUESTION ON A NEW PAGE.

QUESTION TWO : BUSINESS ENVIRONMENTS

2.1 Identify the term from the textbox for the statements/descriptions below.

Lobbying
Merger

Acquisition
Alliance

Takeover
BEE

- 2.1.1 Is an agreement between businesses to pool their expertise.
2.1.2 It is a specific type of acquisition.
2.1.3 When two businesses join together to function as a new business.
2.1.4 Is a process where a business intentionally sends out a representative to influence high-level decision-makers.
2.1.5 Is a form of affirmative action that businesses must comply with when employing and promoting people. (5)

2.2 Read the scenario below and answer the questions that follow

RELIABLE COMPUTERS (RC)

RC specialises in the manufacturing of quality computers in Mtubatuba. Their suppliers are often unable to deliver parts on time. The unfavourable exchange changes rates increased costs of production. Management feels time spent on improving employees skills is a waste as it decreases profitability.

- 2.2.1 Identify the business sector in which RC operates. Motivate your answer by quoting from the scenario above. (3)
- 2.2.2 Identify RC's challenges according to the scenario and then classify them into the THREE(3) Business environments. State the extent of control RC has over each business environment. Draw the table below in the ANSWER BOOK to present your answer. (9)

CHALLENGE	BUSINESS ENVIRONMENT	EXTENT OF CONTROL
(a)		
(b)		
(c)		

2.3 'The PESTLE Analysis is one of the tools used in environmental scanning to overcome challenges.'

- 2.3.1 Identify the business environment to which the PESTLE Analysis belong to. (1)
2.3.2 State any FOUR(4) challenges of the environment identified in 2.3.1 (4)
2.3.3 List the components of the PESTLE Analysis (6)

2.4 'Globalisation is the process where regional economies form a global economy. Although Globalisation offers many advantages, it also presents many challenges.'

- 2.4.1 Explain FIVE(5) challenges of Globalisation (10)

P.T.O.../2.5

2.5 Identify the SEVEN(7) criteria on the BEE Scorecard which is used to rate business on being BEE Compliant (7)

2.6 Read the scenario below and answer the questions based on it

Big Bear Ranch is a cattle farm in Limpopo. They recently opened the OneStop Meat Butchery which manufactures their own sausages. All Needs Stores sells a wide range of products to both business and customers

2.6.1 Identify the business sectors which the various business enterprises mentioned above belong to. Motivate your answer by quoting from the scenario. Copy and complete the table below. (9)

	BUSINESS SECTOR	REASON
BIGBEAR RANCH		
ONESTOP MEAT BUTCHERY		
ALL NEEDS STORE		

2.6.2 Explain the business links/interrelationship between each sector. (6)

TOTAL : [60 marks]

QUESTION THREE : (BUSINESS VENTURES)

3.1 Identify the FORM OF OWNERSHIP referred to in each of the descriptions below:

3.1.1 Profits are shared according to the members percentage interest in the business.

3.1.2 Pay dividends to shareholders and is listed on the JSE.

3.1.3 A group of people joining together to share resources and infrastructure.

3.1.4 Owners are jointly and severally liable for the debts of the business.

3.1.5 Owner takes all profits and is responsible for all debts. (5)

3.2 Read the scenario below and answer the questions that follow

SISAYA (PTY) LTD

Sisay owns a manufacturing business called SISAYA (PTY) LTD. Due to business growth and the need for more capital, he decided to change his form of ownership. He registered his new form of ownership as SISAYA LTD.

3.2.1 Identify the new form of ownership that Sisay registered. Motivate your answer by quoting from the scenario above. (3)

3.2.2 Tabulate FIVE(5) differences between his old form of ownership (SISAYA (PTY)LTD) and his new form of ownership (SISAYA LTD) (10)

3.3 'The marketing manager of Broadway Bank has been invited to make a presentation on their new marketing strategies.'

3.3.1 Identify any THREE(3) visual aids that can be used to enhance the presentation. (3)

3.3.2 Discuss the factors that need to be considered before making a presentation. (10)

P.T.O.... /3.4

3.4 Study the GANTT CHART below and answer the questions that follow

ACTIVITIES	WK 1	WK 2	WK 3	WK 4	WK 5	WK 6	WK 7
BRICKWORK							
ROOFING							
PLASTERING							
ELECTRICAL							
PLUMBING							

3.4.1 What is the projected completion date? (1)

3.4.2 How long will the brickwork take? (1)

3.4.3 How long will the roofing take? (1)

3.4.4 Explain what is a GANTT CHART? (2)

3.4.5 Explain the benefits of an ACTION PLAN (8)

3.4.6 Is there a period when more than one activity is taking place? Identify and explain this type of activity (4)

3.5 State SIX(6) factors to consider when setting up a business (6)

3.6 'In every business there is always ways to do things better, cheaper and more effective.'
Explain the action plan that can be used on the following areas for improvement :

3.6.1 Debt collection

3.6.2 Stock Control

3.6.3 Marketing (6)

TOTAL : [60 marks]

QUESTION FOUR : (BUSINESS ROLES)

4.1 State the problem-solving technique represented in each of the statements below:

4.1.1 Carl gives his employees the opportunity to suggest ideas randomly which are then written on a flipchart.

4.1.2 The management of Tony's Consulting have listed the forces for and the forces against changing their business structure.

4.1.3 The employees of Shoba Fashions have been requested to quietly generate as many ideas as possible and then to share them with the others.

4.1.4 The director of Jimmy's Financial Services pretends to be sitting with someone when he makes his own decisions. (8)

P.T.O.../4.2

4.2 Read the scenario below and answer the questions that follow

Unleash Creativity in your Business

Make your organisation work better by encouraging creativity amongst everyone in the business.

Establish an environment which allows staff to be more involved in choosing the tasks that they will be undertaking or at least how they will fulfil them. A staff member will become more creative when he/she takes ownership of the task. It is vital that no ideas are crushed. Office hours are flexible so staff may choose their own working hours, as long as they meet their deadlines.

Leading entrepreneurs will never say NO to an idea. They will encourage and grow ideas to suit the business.

Make time for creativity. Lack of finance, lack of resources, poor working conditions, low morale and lack of skilled employees hampers creativity

- 4.2.1 Quote a strategy from the scenario above that shows how creativity is encouraged. (2)
- 4.2.2 State any FOUR(4) barriers, from the scenario, which may prevent a business from engaging in Creative Thinking (4)
- 4.3 Describe THREE(3) benefits of social investment for companies (6)
- 4.4 Explain FIVE(5) steps that management should follow when resolving conflict in the workplace (10)
- 4.5 'If stress is not managed effectively, it can get out of control, decrease productivity and cause staff health issues.'
- 4.5.1 List FIVE(5) causes of stress in the workplace (5)
- 4.5.2 Identify FIVE(5) ways to manage stress (5)
- 4.6 'Industrial Relations is a term that refers to the relationship between employers and employees and their representative bodies.'
- 4.6.1 Identify the ACT that outlines the relationship between employer and employee. (2)
- 4.6.2 List FOUR(4) forms of Industrial Action that employees and employers can embark on. (4)
- 4.6.3 Discuss the role of trade unions in the workplace. (10)
- 4.7 State FOUR(4) ways in which professional, responsible and ethical business practice should be conducted (4)

TOTAL : [60 marks]

QUESTION FIVE : (BUSINESS OPERATIONS)

- 5.1 List the SEVEN(7) P's of marketing (7)
- 5.2 Identify the marketing activity that applies to each of the following statements :
- 5.2.1 The safekeeping of products until the consumers need them.
- 5.2.2 Obtaining reliable information about the consumers to which the business is selling its products.
- 5.2.3 Covering the business against losses the business might suffer because of human, physical and economic. (6)

P.T.O.../5.3

5.3 Differentiate between ADVERTISING and PUBLICITY. Provide an example for each. (6)

5.4 'Branding distinguishes the goods of one manufacturer from another.'

5.4.1 What is a brand mark? (2)

5.4.2 Distinguish between PRIVATE LABEL BRANDS and MANUFACTURER BRANDS and give an example for each. (6)

5.5 Read the scenario below and answer the questions based on it

RED TIN (PTY) LTD

Red Tin (Pty)Ltd manufactures large numbers of identical tins using a mass production system. They use single-purpose machines. The machines need to be balanced so that there is continuous flow of goods and effective use of the floor space in the factory.

5.5.1 Identify FOUR(4) characteristics of mass production from the scenario above. (4)

5.5.2 Explain the advantages of MASS PRODUCTION (10)

5.5.3 Recommend precautionary measures that RED TIN (Pty)Ltd should take with machinery (6)

5.6 Explain the difference between PIECEMEAL and TIME-RELATED salary determination system (4)

5.7 Identify THREE(3) employee benefits a company may offer (3)

5.8 Recommend ways in which business can comply with the Occupational Health and Safety Act (Act No. 85 of 1993) (6)

TOTAL : [60 marks]

QUESTION SIX : (MISCELLANEOUS)

BUSINESS ENVIRONMENTS

6.1 List Porter's Five Forces (10)

6.2 State how businesses form Power Relations (4)

BUSINESS VENTURES

6.3 Read the scenario below and answer the questions based on it

MEGA TRADERS

Mega Traders uses flyers to advertise their products to the public. Dube is the owner and his main reasons for the use of flyers is that it is inexpensive and he can design the flyers himself.

6.3.1 Quote TWO(2) reasons, from the scenario, why Dube decided to use flyers to advertise Mega Traders products to the public . (2)

6.3.2 Mention THREE(3) guidelines that Dube should keep in mind when composing a flyer. (6)

6.4 Discuss the advantages of LEASING. (6)

P.T.O.../BUSINESS ROLES

BUSINESS ROLES

6.5 Identify the stage of team development which is applicable to each of the following statements below

- 6.5.1 During this stage the team members get to know each other.
- 6.5.2 The stage where the true character starts to show.
- 6.5.3 Team members are motivated and are working together. (6)

6.6 Identify the socio-economic issue which is applicable to each scenario below :

- 6.6.1 An increase in the price of fuel, fertiliser and agricultural products.
- 6.6.2 Mr Green sends sexual images to a female colleague.
- 6.6.3 Only the owner of intellectual property has the right to produce and copy.
- 6.6.4 Sometimes other countries will bring their excess, cheap products to the South African markets.
- 6.6.5 NUMSA affiliated members refuse to work in an effort to pressure employers to give in to their demands. (10)

BUSINESS OPERATIONS

6.7 List FOUR(4) components of the marketing communication policy. (4)

6.8 State THREE(3) types of packaging. (3)

6.9 Read the scenario below and answer the questions that follow

CLEAR WATER LTD

Clear Water Ltd bottles and distributes bottled water. The total cost to produce 10 000 bottles of water is R40 000.

Calculate the following :

- 6.9.1 Production cost per bottle (3)
- 6.9.2 Selling price per bottle if they want to make 40% profit on cost price (3)
- 6.9.3 Profit if they sell all 10 000 bottles (3)

TOTAL : 60

TOTAL SECTION B : 180

P.T.O.../SECTION C

SECTION C - ESSAY

Answer **ANY TWO QUESTIONS** from this section. Start each question on a **NEW PAGE**.

QUESTION SEVEN : (BUSINESS ENVIRONMENTS)

Innovation changes the world. Think of something as simple as the shape of Toilet Duck or disposable pepper grinders. Think of mobile phones. Brands like Apple and Virgin have built their businesses on the idea that change can be very, very good for business. Our ability to adapt and evolve to a changing environment will propel us forward. Business are faced by many challenges from all three environments. These environments change constantly and new challenges present themselves all the time.

Bearing this statement in mind, you are required to :

- Identify any FIVE(5) Challenges in the **Micro environment** and explain how business can adapt to each challenge
- Identify any THREE(3) Challenges in the **Market environment** and explain how business can adapt to each challenge
- Explain any THREE(3) Challenges posed by technological advances
- Discuss any TWO(2) Solutions to Piracy

[40 marks]

QUESTION EIGHT : (BUSINESS VENTURES)

SNOWY BAKERY

Rick and Jacob have been running a bakery for the past five years. They both agree that they want to expand their business. Rick suggests that they open more branches in other towns. Jacob thinks it would be better to register their business as a franchise. They decided that they need more information about a franchise business.

Snowy Bakery contacted you as an independent business advisor to provide them with more information. Your report must include the following :

- Elaborate on the meaning of a franchise
- Explain the advantages and disadvantages of a franchise
- Discuss the TWO parties involved in a franchise
- Advise Snowy Bakery on the contractual obligations of a franchise

[40 marks]

P.T.O.../QUESTION NINE

QUESTION NINE : (BUSINESS ROLES)

TINY TOTS MANUFACTURERS (TTM)

Cameron is the manager of Tiny Tots Manufacturers (TTM). He has noticed that many conflicts have been experienced by many of his staff over the last few weeks.

After much investigation in to the problem, he has found that the cause of the conflicts arose from workload due to the recent retrenchment and lack of communication.

Cameron wants to enlighten/train his supervisors on how to deal with the problem. He has decided to do the following:

- List the steps to the problem-solving cycle.
- Identify any FIVE(5) characteristics of difficult people.
- Explain ways in which supervisors can approach/deal with the difficult people/staff you have identified.
- Discuss the steps to the grievance procedure.

[40 marks]

QUESTION TEN : BUSINESS OPERATIONS

Joe is the human resource manager of Spring Water Ltd. He is responsible for the selection and induction of new employees. Spring Water Ltd has to appoint a new bookkeeper within the confines of the Employment Equity Act (EEA) (Act no. 55 of 1998)

As a human resource consultant/specialist, address the following aspects :

- Briefly outline the contents that should appear in the employment contract
- Mention the advantages of an induction programme.
- Explain the recruitment process that Joe must follow when appointing the new bookkeeper
- Discuss the selection process that Joe must follow in order to find the most suitable candidate

[40 marks]

TOTAL SECTION C : 80

GRAND TOTAL : 300

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NAME : <i>MEMO + SUGGESTED ANSWERS</i>
GR./DIV.

FOR EDUCATORS USE ONLY :

QUESTION	TICK THE QUESTION ANSWERED	MARKS	LEARNER'S MARK
ONE		40	
TWO		60	
THREE		60	
FOUR		60	
FIVE		60	
SIX		60	
SEVEN		40	
EIGHT		40	
NINE		40	
TEN		40	
MODERATOR			
CHECKER			

SECTION A
QUESTION ONE

1.1

1.1.1	B	✓✓
1.1.2	A	✓✓
1.1.3	D	✓✓
1.1.4	B	✓✓
1.1.5	D	✓✓
1.1.6	A	✓✓
1.1.7	A	✓✓
1.1.8	B	✓✓
1.1.9	A	✓✓
1.1.10	D	✓✓

20

1.2

1.2.1	ACQUISITION	✓✓
1.2.2	MORTGAGE LOAN	✓✓
1.2.3	JUNGAN	✓✓
1.2.4	TEN	✓✓
1.2.5	LETTER OF APPOINTMENT	✓✓

10

1.3

1.3.1	B	✓✓
1.3.2	E	✓✓
1.3.3	H	✓✓
1.3.4	C	✓✓
1.3.5	J	✓✓

10

40
40

SECTION B

QUESTION TWO

2.1

- 2.1.1 Alliance ✓
- 2.1.2 Takover ✓
- 2.1.3 Merger ✓
- 2.1.4 Lobbying ✓
- 2.1.5 BEE ✓

5

2.2

2.2.1 Secondary Sector. ✓✓

"RC specialises in the manufacturing of quality computers in Mtubatuba. ✓

3

2.2.2

CHALLENGE	BUSINESS ENVIRONMENT	EXTENT OF CONTROL
(a) Suppliers are often unable to deliver parts on time ✓	Market ✓	Partial control ✓
(b) The unfavourable exchange rates increased costs of production ✓	Macro ✓	No control ✓
(c) Management feels time spent on improving employee skills is a waste as it decreases profitability. ✓	Micro ✓	Full control ✓

9

2.3

2.3.1 Macro environment ✓

1

2.3.2 CHALLENGES IN THE MACRO ENVIRONMENT

- Changes in income levels ✓
- Political changes ✓
- Contemporary legal legislation ✓
- Micro lending ✓
- Globalisation
- Social values and Demographics
- Socio-economic issues
- Technological advances

ANY $4 \times 1 = 4$

2.3.3 Political; Economic; Social; Technological; Legal; Environmental

6

2.4

2.4.1 CHALLENGES OF GLOBALISATION

- A level of competition that disadvantages some developing countries ✓
- Countries taking loans that they struggle to pay back ✓
- Strong nations advancing their interests at the cost of weaker nations ✓
- Foreign investors taking advantage of exchange rates at the cost of locals ✓
- Financial crisis spreading all over the globe ✓
- The rapid spread of dangerous diseases
- The spread of invasive alien plants and animals

10

2.5 PILLARS OF BBBEE

- Ownership ✓
- Management ✓
- Employment equity ✓
- Skills development ✓
- Preferential procurement ✓
- Enterprise development ✓
- Socio-economic development ✓

7

2.6

2.6.1

	BUSINESS SECTOR	REASON
BIGBEAR RANCH	Primary ✓✓	BigBear Ranch is a cattle farm. ✓
ONESTOP MEAT BUTCHERY	Secondary ✓✓	OneStop Meat Butchery manufactures their own sausages. ✓
ALL NEEDS STORE	Tertiary ✓✓	AllNeeds Stores sells a wide range of products to business and customers ✓ <u>9</u>

2.6.2 LNKS BETWEEN EACH SECTOR

- The primary sector is dependent on the secondary sector for equipment and on the tertiary sector for services. ✓
- The secondary sector is dependent on the primary sector for raw materials and on the tertiary sector for services. ✓
- The tertiary sector is dependent on the secondary sector for technology such as office equipment and vehicles. ✓

6

TOTAL : 60

QUESTION THREE

3.1

- 3.1.1 Close corporation ✓
- 3.1.2 Public Company ✓
- 3.1.3 Co-operatives ✓
- 3.1.4 Partnership ✓
- 3.1.5 Sole Trader ✓

5

3.2

- 3.2.1 Public Company. ✓✓
"He registered his new form of ownership as SISAYA LTD." ✓

3

3.2.2

SISAYA (PTY) LTD	SISAYA LTD
<ul style="list-style-type: none">• Private company ✓• Name ends with (Pty) Ltd ✓• Not listed on the JSE ✓• Does not issue a prospectus and does not invite the public to buy shares ✓• Min. 1 director ✓	<ul style="list-style-type: none">• Public company ✓• Name ends with Ltd ✓• Listed on the JSE ✓• Issues a prospectus and invites the public to buy shares ✓• Min. 3 director ✓

10

3.3

3.3.1 EXAMPLES OF VISUAL AIDS

- Overhead projector ✓
- Data projector ✓
- Flip charts ✓
- Whiteboard
- Interactive whiteboard
- Video conferencing

ANY 3

3.3.2 FACTORS TO CONSIDER BEFORE A PRESENTATION

- Who is your audience? ✓ *Who is the target market?*
- Where will the presentation take place? ✓
- Which part of the information will be of particular interest to the recipients? ✓
- How can you arrange the material so that it is easily understood? ✓
- How long will the presentation be? ✓
- Will it be verbal or done in another form? ✓
- What aids can be used to make the presentation more meaningful? ✓

Ticks have to be split, because of cognitive verb used. Each point needs to be fully explained.

10

3.4

3.4.1 GANTT CHART

- An illustration of the duration of different activities on one timeline. ✓

2

3.4.2 BENEFITS OF AN ACTION PLAN

- Allows projects to achieve a specified time frame. ✓
- Allows the person responsible for achieving particular goals to be organised. ✓
- Acts as a control measure as it sets a standard to which performance can be measured against. ✓
- Activities can be prioritised according to its importance. ✓

8

- 3.4.3 Week 7 ✓ 1
- 3.4.4 5 weeks ✓ 1
- 3.4.5 4 weeks ✓ 1
- 3.4.6 Yes. //
 Parallel Activities. ✓
 Activities can be done at the same time as other activities are being carried out. ✓ 4

3.5 FACTORS TO CONSIDER WHEN SETTING UP BUSINESS

- Size of the business ✓
- The training needed for staff ✓
- The culture, morals and ethics of the business ✓
- The approach to customer service ✓
- The risk associated with the business ✓
- The macro environment ✓
- The constant need for market research 6

3.6

3.6.1 DEBT COLLECTION

- Consider a new debt collection system and payment cycle. ✓

3.6.2 STOCK CONTROL

- A new software computer programme to help control the flow of stock. ✓

3.6.3 MARKETING

- Make use of other marketing methods, such as a website ✓ 6

TOTAL : 60

QUESTION FOUR

4.1

- 4.1.1 Brainstorming ✓✓
- 4.1.2 Force Field Analysis ✓✓
- 4.1.3 Nominal Group Technique ✓✓
- 4.1.4 Empty Chair Technique ✓✓

8

4.2

4.2.1 "Establish an environment which allows staff to be more involved in choosing the tasks that they will be undertaking or at least how they will fulfil them." ✓✓ 2

4.2.2 Lack of finance; resources; poor working conditions; low morale; lack of skilled employees. ✓✓✓✓✓✓ 4

4.3 BENEFITS OF SOCIAL INVESTMENT

- Upliftment programmes can alleviate poverty ✓✓
- Establishment of a social network in communities which increases the social integration of the business in these communities. ✓✓
- Gaining of the trust of investors ✓✓
- Increasing of the appeal as an employer ✓
- Promotion of the communities in which they are active. ✓

3x2 = 6

4.4 STEPS TO CONFLICT RESOLUTION

- Set the scene by listening and summarising the problem ✓
- Gather information by listening to each party during a meeting ✓
- Establish a common understanding of the problem and identify the causes of the problem ✓
- Brainstorm possible solutions ✓
- Find and negotiate a solution with both parties that can be implemented. ✓

10

4.5

4.5.1 CAUSES OF STRESS

- Work overload ✓
- Unrealistic targets ✓
- Lack of power or influence ✓
- Long working hours ✓
- Lack of finances, human resources or physical resources ✓
- Changes in job description
- Changes in technology
- Inadequate training

ANY 5

4.5.2 WAYS TO MANAGE STRESS

- Be aware of what creates stress for you ✓
- Predict stressful situations and make changes where possible ✓
- Apply good time-management skills ✓
- Set realistic goals and targets ✓
- Avoid conflict ✓
- Get enough sleep
- Eat healthy meals
- Exercise regularly
- Find an alternative relaxation technique
- Follow a balanced lifestyle

5

4.6

4.6.1 Labour Relations Act (LRA) ✓✓

2

4.6.2 FORMS OF INDUSTRIAL ACTION

- Go -slow ✓
- Picketing ✓
- Strikes ✓
- Lockouts ✓

4

4.6.3 ROLE OF TRADE UNIONS

- Protect the interest of its members ✓
- Advancing the interests of its members ✓
- Negotiating agreements with employers on pay and working conditions ✓
- Providing legal and financial advice
- Providing benefits and education facilities to its members ✓

10

4.7 PROFESSIONAL, RESPONSIBLE AND ETHICAL BUSINESS

- Treat all employees equally ✓✓
- Pay fair wages ✓
- Don't start a business at the expense of another business ✓
- Pay tax regularly ✓
- Business actions must be transparent to all stakeholders
- Business must be accountable for their decisions

4

TOTAL : 60

QUESTION FIVE

5.1 7 P's OF MARKETING

- Price ✓
- Place ✓
- Product ✓
- Promotion ✓
- People ✓
- Process ✓
- Physical environment ✓

7

5.2

5.2.1 Storage ✓✓

5.2.2 Locating the consumer/Market research ✓✓

5.2.3 Insurance ✓✓

6

5.3

ADVERTISING	PUBLICITY
<ul style="list-style-type: none">• Is a paid and non-personal marketing communication tool ✓✓• EXAMPLE : adverts on TV, Internet ✓ <p style="text-align: right;"><u>3</u></p>	<ul style="list-style-type: none">• Is a free non-personal form of communication that business can receive through mass media ✓✓• EXAMPLE : a newspaper reports a company dumping waste in the river. ✓ <p style="text-align: right;"><u>3</u></p>

6

5.4

5.4.1 BRAND MARK

- Is the unique symbol or logo. ✓✓

2

5.4.2

PRIVATE LABEL BRANDS	MANUFACTURER BRANDS
<ul style="list-style-type: none">• Are produced and solely owned by the retailer ✓✓• E.G. SPAR BRAND ✓	<ul style="list-style-type: none">• Are controlled and produced by manufacturers and sold through different retailers ✓✓• E.G. KOO ✓

6

5.5

5.5.1

- Manufactures large numbers of identical tins ✓
- Use single-purpose machines ✓
- The machines need to be balanced so that there is a continuous flow of goods ✓
- Effective use of the floor space in the factory. ✓

4

5.5.2 ADVANTAGES OF MASS PRODUCTION

- Products are manufactured at a lower cost of production per unit ✓
- Division of labour is possible ✓
- Handling of materials are restricted ✓
- The production control process is simple ✓
- Labourers can specialise in certain tasks ✓

10

5.5.3 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 of 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, safety helmets, masks and gloves when working with machinery and equipment. 6
- Develop a culture of safety in the workplace
- Familiarise employees with safety procedures

5.6

PIECEMEAL ✓✓	TIME-RELATED ✓✓
• Is work where the employee is paid for the number of items he /she completes ✓✓	• Is where the employee is paid for the number of hours worked. ✓✓ <u>4</u>

5.7 EMPLOYEE BENEFITS

- Medical aid ✓
- Pension ✓
- Travel allowance ✓
- Cellphone allowance
- UIF contributions 3

5.8 COMPLIANCE WITH OCCUPATIONAL HEALTH AND SAFETY ACT

- The Act requires every business to establish and maintain a safe work environment. ✓✓
- The Act outlines the duty and the role of the safety representative of the business. ✓✓
- The Act specifies that in the event of a dangerous situation, employees must be informed and precautionary measures must be put in place. ✓✓
- All employees must co-operate and must follow the instructions given by the safety representative.
- Employees are also expected to report any unsafe situations to the safety representative. 6

TOTAL : 60

QUESTION SIX

BUSINESS ENVIRONMENTS

6.1 PORTER'S FIVE FORCES

- Power of buyers ✓✓
- Power of suppliers ✓✓
- Threat of new entry ✓✓
- Threat of substitution ✓✓
- Competitive rivalry ✓✓

10

6.2 POWER RELATIONS

- Strategic alliance agreements ✓
- Persuasion of large investors ✓
- Influence of a company representative ✓
- Employee empowerment ✓

4

BUSINESS VENTURES

6.3

- 6.3.1 He can design the flyers himself ✓
It is inexpensive ✓

2

6.3.2 FACTORS TO CONSIDER WHEN COMPOSING A FLYER

- Know your audience - design the flyer to suit them ✓✓
- Use a catchy headline to attract attention ✓✓
- Keep message simple, mentioning only crucial information ✓✓
- Use legible fonts and easy to read language
- Use "you" in the message to establish direct contact
- Proofread the copy several times

6

6.4 ADVANTAGES OF LEASING

- The lessor is usually a specialist in the field ✓
- Technicians are always on standby to offer advice and training. ✓
- Maintenance is carried out by qualified personnel on a regular basis, according to the contract. ✓
- The reputation of the company that leases the asset is at stake and it will ensure that the lessee receives the best after-sales service.
- Leasing costs are tax deductible.
- The asset is used only until it is needed or until the end of the lease term.
- It is easier to find finance for a lease agreement than for the purchasing of an expensive asset, due to huge costs.

6

BUSINESS ROLES

6.5			
6.5.1	Forming stage	✓✓	<u>6</u>
6.5.2	Storming	✓✓	
6.5.3	Performing	✓✓	
6.6			
6.6.1	Inflation	✓✓	<u>10</u>
6.6.2	Sexual harassment	✓✓	
6.6.3	Copyright	✓✓	
6.6.4	Dumping	✓✓	
6.6.5	Strikes	✓✓	

BUSINESS OPERATIONS

6.7 COMPONENTS OF COMMUNICATION POLICY

- Sales promotion ✓
- Advertising ✓
- Publicity ✓
- Personal selling ✓

4

6.8 TYPES OF PACKAGING

- Speciality packaging ✓
- Kaleidoscope packaging ✓
- Re-usable packaging ✓
- Multiple packaging/combination packaging
- Packaging for double use

6.9

6.9.1 PRODUCTION COST PER BOTTLE

$$40\ 000 / 10\ 000 = \underline{\mathbf{R4\ per\ bottle}}$$

3

6.9.2 SELLING PRICE PER BOTTLE

$$\begin{aligned} R4 \times \frac{40}{100} &= R1,60 \\ R4 + R1,60 &= \underline{\mathbf{R5,60}} \end{aligned}$$

3

6.10 PROFIT

$$R1,60 \times 10\ 000 = \underline{\mathbf{R16\ 000}}$$

OR

$$10\ 000 \times R5,60 = R56\ 000 - R40\ 000 = R16\ 000$$

3

TOTAL :60

SECTION C

QUESTION SEVEN : BUSINESS ENVIRONMENTS

7.1 INTRODUCTION

- The micro environment has the most impact on a business and is also the environment that the business has the most control over. ✓
- Business is faced with challenges from the micro, market and macro environment and has to adapt to these challenges. ✓

2

7.2 CHALLENGES IN THE MICRO ENVIRONMENT AND BUSINESS'S ADAPTATION

CHALLENGE	BUSINESS ADAPTATION
DIFFICULT EMPLOYEES ✓/✓	<ul style="list-style-type: none">• Understand that this is often as a result of unhappiness and frustration. ✓• Improve conditions where possible and motivate workers.
LACK OF VISION AND MISSION ✓/✓	<ul style="list-style-type: none">• Establish clear strategic goals to give purpose that directs their use of resources, as well as their corporate culture. ✓
LACK OF ADEQUATE MANAGEMENT SKILLS ✓/✓	<ul style="list-style-type: none">• Ensure that management undergoes constant training and development in specific tasks as well as interpersonal skills ✓
TRADE UNIONS ✓/✓	<ul style="list-style-type: none">• Communicate with trade unions and be aware of the legal rights of their workers. ✓
STRIKES AND GO-SLOWS ✓/✓	<ul style="list-style-type: none">• Deal with employees' dissatisfaction as this could disrupt daily operations. ✓
OUTDATED GOALS	<ul style="list-style-type: none">• Test that organisational goals are relevant to the market and macro environments.
LACK OF TASK-SPECIFIC SKILLS	<ul style="list-style-type: none">• Ensure that workers are trained and their skills are kept up-to-date with industry developments
INCREASED DEPARTMENTALISATION	<ul style="list-style-type: none">• Business functions become separate departments as a business grows. Ensure that these departments communicate and work together towards organisational goals
SUB MAX (10)	SUB MAX (10)

MAX: 20

7.3 CHALLENGES IN THE MARKET ENVIRONMENT AND BUSINESSES' ADAPTATION

CHALLENGE	BUSINESS ADAPTATION
COMPETITION ✓✓	<ul style="list-style-type: none"> Be aware of competitors and their prices, influences and operations. ✓ Consider the potential impact of competitors raising or lowering prices and put strategies in place to ensure that they do not lose customers
SHORTAGES OF SUPPLY ✓✓	<ul style="list-style-type: none"> Ensure that there are adequate supplies to carry out their functions. ✓
CHANGES IN CONSUMER TASTES AND HABITS ✓✓	<ul style="list-style-type: none"> Be aware of and understand and adjust to changes in demand and the behavioural patterns of consumers. ✓
DEMOGRAPHICS AND PSYCHOGRAPHICS ✓✓	<ul style="list-style-type: none"> Be aware of the diversity of the market, and the cultural and social influences on the choices people make. ✓
SOCIO-CULTURAL FACTORS ✓✓	<ul style="list-style-type: none"> Be aware of the social trends and influential campaigns that promote buying. ✓
AWARENESS OF MARKET	<ul style="list-style-type: none"> Advertise the good or service through appropriate channels
REGULATORS ✓ SUB MAX 6	<ul style="list-style-type: none"> Conform to the requirements of regulations in their industry. ✓

SUB MAX (6)
MAX (12)

7.4 CHALLENGES OF TECHNOLOGICAL ADVANCES

- Technological advances has led to job losses ✓✓
- An increase in pollution ✓✓
- Has resulted in expensive investments ✓✓

max. 6

7.5 SOLUTIONS TO PIRACY

COPYRIGHT ✓✓

- Refers to the exclusive rights granted to the creator of an original work. ✓
- Copying of copyrighted work is illegal as the government wants to protect the copyright holder and to prevent organised crime. ✓

Sub Max (4)

PATENTS ✓✓

- Is an exclusive right granted to an inventor for a limited period of time. ✓
- It means the inventor can use or sell the patented product or process and other people cannot. ✓

Sub Max (4)

TRADEMARKS ✓✓

- Is a symbol, name or expression that shows the product comes from a particular manufacturer. ✓ This differentiates them from other products produced by other manufacturers. ✓

Sub Max (4)

Max (8)

7.6 CONCLUSION

- The closer the environment to the business, the more impact it has on the business and the greater the control that the business has over it. ✓✓ 2

BREAKDOWN OF MARK ALLOCATION

Details	Max	Total
Introduction	2	Max 32
Challenges of the micro environment and business adaptation	20	
Challenges of the market environment and business adaptation	12	
Challenges in technological advances	6	
Solutions to piracy	8	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

QUESTION EIGHT : BUSINESS VENTURES

8.1 INTRODUCTION

- Other than starting a business from scratch or buying a business outright, there are different ways of acquiring a business such as buying a franchise or leasing. ✓
- These need to be carefully investigated and researched to minimise risk. ✓

2

8.2 MEANING OF FRANCHISE

- Franchising is the creation of an ongoing relationship where a franchisor sells the right to use business concept that is already being used elsewhere to a franchisee for use in a particular area. ✓✓
- A franchise is a right granted to an individual or group to market a business's goods or services within a certain area. ✓✓

4

8.3 ADVANTAGES OF A FRANCHISE

- Lower initial start up cost needed. ✓
- It is easier to obtain finance. ✓ The reputation of the franchise helps secure finance from banks. ✓
- The business will be able to use a recognised brand name and trademark. ✓
- The franchisor gives the business support in the form of training, setting up the business, how to operate the business and advice. ✓
- The business can communicate and share ideas with and receive support from other franchisees in the network. ✓
- Reduced financial and business risk. ✓
- Accounting records have to be audited giving the business financial credibility.
- Running costs are lower due to centralised buying by the franchisor.
- Any other relevant answer related to the advantages of a franchise.

SUB MAX. 12

8.4 DISADVANTAGES OF A FRANCHISE

- The cost may be higher than expected. ✓
- The initial costs of buying the franchise as well as royalties and the business may have to agree to buy products from the franchise. ✓
- There may be restrictions in the franchise agreement on how you can operate the business. ✓
- The franchisor may go out of business. ✓
- Other franchisees could give the brand a bad name/reputation. ✓
- It may be difficult to sell the business together with the franchise. ✓
- A percentage of sales is usually shared with the franchisor. ✓
- Any other relevant answer related to the disadvantages of a franchise.

SUB MAX. 12

MAX. 24

8.5 PARTIES INVOLVED IN A FRANCHISE

FRANCHISOR ✓✓

- The party who owns the rights and trademarks of a business and which grants the rights to operate a branch of the business to another party in exchange for a fee and a portion of the profits. ✓

SUB MAX. 4

FRANCHISEE ✓✓

- The party who pays for a franchise in fees and a portion of the profits/ the person buying the franchise. ✓

SUB MAX. 4

MAX. 8

8.6 **CONTRACTUAL IMPLICATIONS OF A FRANCHISE**

- The contract is between the franchisor and the franchisee ✓✓
- The franchisee receives a licence to sell the goods or services in a specific area for a specific period of time. ✓✓
- The franchisee is obligated to follow the policies of the franchisor and the franchisor has responsibilities to the franchisee ✓✓
- The franchisee either pays a flat fee or a share of the profits ✓✓
- The franchise agreement also stipulates the pricing policy and the initial training of the franchisee and staff ✓✓
- Any other relevant answer related to the contractual implications of a franchise.

MAX: 10

8.7 **CONCLUSION**

- A franchise remains one of the most successful ways to start a business. ✓✓
- Any other relevant conclusion relating to a franchise.

2

BREAKDOWN OF MARK ALLOCATION

Details	Max	Total
Introduction	2	Max 32
Meaning of Franchise	4	
Advantages and disadvantages of a franchise	24	
Parties	8	
Contractual implications	10	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

QUESTION NINE : BUSINESS ROLES

9.1 INTRODUCTION

- Conflict is a state of struggle or disagreement over an issue. ✓
- Managers need to ensure that conflict between employees does not impact on the productivity of the business. ✓

2

9.2 STEPS TO THE PROBLEM-SOLVING CYCLE

- Identify the problem ✓✓
- Define the problem ✓✓
- Formulate the strategy ✓✓
- Decide to implement the strategy ✓✓
- Allocate resources ✓✓
- Monitor the solving of the problem ✓✓
- Evaluate to what extent the problem has been solved ✓✓

14

9.3 DEALING WITH DIFFICULT PEOPLE

CHARACTERISTIC	WAYS TO APPROACH THE PERSON
• LAZY ✓✓	<ul style="list-style-type: none"> • Give them short tasks with tight deadlines ✓ • Constantly follow up on their progress ✓
• NEGATIVE/INSECURE ✓✓	<ul style="list-style-type: none"> • Constantly reinforce the positive ✓ • Motivate them and praise them for good work ✓
• WITHDRAWN ✓✓	<ul style="list-style-type: none"> • Find opportunities for them to work in teams ✓ • Link them with team members that are outgoing and inclusive ✓ • Give tasks that do not involve being the centre of attention ✓
• INDISCRETE(GOSSIP) ✓✓	<ul style="list-style-type: none"> • Ensure that you do not share confidential information with them ✓ • Reinforce the importance of discretion and confidentiality ✓
• INDECISIVE ✓✓	<ul style="list-style-type: none"> • Give short tasks with tight deadlines ✓ • Constantly follow up on their progress ✓ • Give very few options for selection ✓ • Avoid open-ended questions ✓
• AGGRESSIVE	<ul style="list-style-type: none"> • Address their behaviour in a mature and professional way. • Do not confront them in front of others • Try to show them how their aggression affects others
• RESISTANT TO CHANGE	<ul style="list-style-type: none"> • Make them see the positive in the change • Give them time to process each step of the change process
• MANIPULATIVE	<ul style="list-style-type: none"> • Give short tasks with tight deadlines to limit opportunity for manipulation • Constantly follow up on their progress • Give few options for selection
• DISORGANISED	<ul style="list-style-type: none"> • Give short tasks with tight deadlines • Give clear instructions and follow up on progress
• OVERLY CRITICAL MAX. 10	<ul style="list-style-type: none"> • Constantly reinforce the positive • Motivate and praise them for good work MAX. 10

9.5 **GRIEVANCE PROCEDURE**

- Explain the grievance to the team leader, manager or supervisor who should work hard to resolve the problem within a few days.
- If the grievance is not resolved, set up a meeting with the head of Human Resource department.
- The HR department should deal with the problem within 10 days.
- If the grievance is still not resolved, a formal grievance form must be completed in writing.
- A formal hearing will be held with relevant parties.
- If the grievance is still not resolved, the employee can take the matter to CCMA and lodge a dispute.
- If still not resolved, matter can be taken to Labour Court.

max. 12

9.6 **CONCLUSION**

- Listening respectfully and remaining calm and trying to understand the reason for people's behaviour are some of the guidelines to follow when dealing with difficult people.

2

BREAKDOWN OF MARK ALLOCATION

Details	Max	Total
Introduction	2	Max 32
Steps to the problem-solving cycle	14	
Characteristics of difficult people	10	
Ways to approach difficult people	10	
Grievance procedure	12	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

QUESTION TEN : BUSINESS OPERATIONS

10.1 INTRODUCTION

- The human resource manager is responsible for recruiting and appointing competent and skilled employees ✓
- It is important that the HR manager follows correct and fair procedures in recruiting, selecting and interviewing. ✓
- Any other relevant introduction

2

10.2 CONTENTS IN AN EMPLOYMENT CONTRACT

- The personal details of the employee ✓
- The details of the business or employer ✓
- The title of the position ✓
- A description of what the job entail ✓
- The hours and conditions of work ✓
- The salary package
- The benefits
- The overtime arrangements
- The leave the employee is entitled to
- How to terminate the contract

max. 5

10.3 ADVANTAGES OF AN INDUCTION PROGRAMME

- It allows new employees to settle in quickly and become productive and efficient employees ✓✓
- It increases motivation and enthusiasm ✓✓
- It reduces staff turnover, lateness and absenteeism ✓✓
- It develops leadership and guidance ✓✓
- It ensures that all rules and regulations are known and understood
- It reduces the need for long-term training and skills development

max. 8

10.4 RECRUITMENT PROCEDURE

Analysing the job ✓✓	• Create a job description and specify the characteristics and skills the applicant will require ✓
Deciding on the recruitment source ✓✓	• Decide whether the company wants to fill the position through internal or external recruitment ✓
Composing the advertisement ✓✓	• Include the type of person needed, the skills required, how to apply and the closing date of application ✓
Placing the advertisement ✓✓ SUB. MAX. 8	• Advertisements can be placed in appropriate places ✓ SUB. MAX. 4

max. 12

10.5 SELECTION PROCEDURE

Gathering and reading applications ✓	<ul style="list-style-type: none"> The applicants' skills must be compared to those required by the advertisement ✓
Comparing a shortlist ✓	<ul style="list-style-type: none"> The interviewer should decide on the most suitable applicants ✓
Conducting a preliminary interview and relevant tests ✓	<ul style="list-style-type: none"> Medical, personality and/or skills-based tests may be conducted ✓
Conducting the main interview ✓	<ul style="list-style-type: none"> The interviewer and the interviewee have the chance to ask more in-depth questions ✓
Choosing the most appropriate candidate ✓	<ul style="list-style-type: none"> The interviewer must identify the person best suited for the advertised job ✓
Consulting contactable referees and checking other references ✓	<ul style="list-style-type: none"> Checks must be performed to confirm character, skills and qualifications as provided by the best applicant ✓
Offering the job to the chosen candidate ✓	<ul style="list-style-type: none"> An offer letter is sent to the applicant who has been chosen ✓

SUB MAX. 7

SUB. MAX. 14

MAX. 21

10.6 CONCLUSION

- The goals and objectives of businesses cannot be achieved without qualified and skilled employees. ✓✓
- Any other relevant conclusion.

2

BREAKDOWN OF MARK ALLOCATION

Details	Max	Total
Introduction	2	Max 32
Contents of an employment contract	5	
Advantages of an induction programme	8	
Recruitment procedure	12	
Selection procedure	21	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

