

SCHOOL NAME



B. STUDIES

WITH N. TSHABALALA

WWW.BSTUDIES.CO.ZA

GRADE 10

**BUSINESS STUDIES – CONTROLLED TEST
MARCH 2023
MEMORANDUM**

MARKS: 100

TIME: 90 MINUTES

This memorandum consists of 16 pages, including cover.

www.bstudies.co.za

SECTION A**QUESTION 1 (COMPULSORY)**

1.1.

1.1.1. A ✓✓

1.1.2. B ✓✓

1.1.3. D ✓✓

1.1.4. C ✓✓

1.1.5. A ✓✓

(5 X 2) (10)

1.2.

1.2.1. market ✓✓

1.2.2. marketing ✓✓

1.2.3. lock-out ✓✓

1.2.4. cash ✓✓

1.2.5. internal ✓✓

(5 X 2) (10)

TOTAL SECTION A: [20]**SECTION B****QUESTION 2: BUSINESS ENVIRONMENTS**

2.1.

2.1.1. Business Environment	2.1.2. Motivation
Micro ✓	They have also had to employ more drivers with a motorbike licence. ✓
Market ✓	In the last six months, three other courier companies have opened and serve the same customers as RAM Couriers. ✓
Macro ✓	The recent hikes in interest rates have placed financial strain on the business. ✓
Sub-Max 3	Sub-Max 3 (6)

2.2. Highlight the purpose of the organisational structure. (4)

- It influences people's actions and attitudes. √√
- The culture determines how things are done. √√
- It is the "personality" of the business. √√
- Shared understanding of how things are done in a business. √√

2.3. Discuss suppliers as a component of the market environment. (4)

- Suppliers are individuals/agents who provide the raw materials, transport and other services to the business. √√
- The business needs inputs from suppliers to produce goods and services. √√
- Suppliers play an important role in the success or failure of a business e.g. consumers will purchase the product/services from another business if a supplier is unable to supply a particular product/services. √√
- Businesses usually choose suppliers provide the best quality of goods, correct quantity and deliver goods at the agreed upon times and at the best price. √√
- Producers and manufacturers are some examples of suppliers as they supply raw materials. √√

2.4. Assess the challenges of technology as a component of the macro environment. (6)

- Many businesses may not be able to succeed without internet connectivity. √√
- The availability of online shopping decreased the demand for some products from conventional street stores and service businesses. √√
- IT systems can be hacked by fraudsters. √√

[20]

QUESTION 3: BUSINESS OPERATIONS

3.1. **There are five basic management tasks. Name FOUR of them.** (4)

- Planning ✓
- Organising ✓
- Leadership ✓
- Controlling ✓
- Risk management ✓

3.2. **Discuss the difference between leadership and management.** (2)

Leadership	Management
Leaders inspires other people ✓	Managers ensures that tasks given to subordinates are completed ✓
People orientated ✓	Task orientated ✓
Uses motivational approach ✓	Uses Instructional approach ✓
A leader does not hold a managerial position ✓	Managers hold a managerial position in the business ✓
Leadership is the process of inspiring and influencing other to achieve business goals ✓	Management is the process of achieving business goals ✓
Influences human behaviour	Guides human behaviour
Communicates by means of interaction/behaviour/vision/value s/ charisma ✓	Communicates through management functions, e.g., line function. ✓
Leaders are born with natural/instinctive leadership skills ✓	A person becomes a manager because he/she is appointed in the position ✓
Lead by example/trust/respect ✓	Manage by planning/organising/leading and controlling ✓

3.3.

3.3.1. Advise Noxolo on the purpose of the purchasing function. (4)

- Manage stock to ensure sufficient levels of stock to carry out business operations. √√
- Continuously looking for the best/reputable suppliers. √√
- Regular make contact with other business departments to determine their needs. √√
- Send damaged goods back to the supplier and see to it that it is replaced. √√
- Receive confirmation that all goods were according to specifications and the price invoiced as the quoted price. √√
- Negotiate the best possible term of payment with suppliers. √√

3.3.2. Outline the activities of the purchasing function (4)

- Purchasers should have expert knowledge of the product they need to buy and about the market in which they operate. √√
- Find out the needs other business department. √√
- Look for suitable, new and better suppliers. √√
- Ensure that there is enough stock available for continuous production and sales. √√
- Place orders with suppliers and follow up on them. √√
- Ensure that ordered products are delivered on time. √√
- Send damaged products back to the suppliers and see to it that they are replaces. √√
- Buy the right amount of stock/quantity so that the business does not run out of stock. √√
- Buy goods from the best supplier, who supply the goods at the right time and place. √√
- Get the best price for the quality that the purchasing function requires. √√
- Keep the correct stock levels of stock on hand. √√
- Record the cost prices and selling prices of stock. √√

3.4. Name and explain **TWO** activities of the administration function. (6)

- **Collection of information** ✓

- Information is collected from both outside and inside the business. ✓✓
- Correct and reliable information should be available for meaningful decision making and to run the business successfully. ✓✓

(Sub-max 3)

- **Handling of information** ✓

- It is important for the administrative staff to handle information correctly to avoid making wrong decision based on wrong information. ✓✓
- The administration function is responsible for dealing with the following types of information:
 - Accounting Records-can be used to draw up financial statements and reports. Keep an up-to date all business transactions. ✓✓
 - Cost Accounting- determines whether the product can be sold at a competitive price considering the manufacturing or production costs. ✓✓
 - Budgets- a plan of estimated expenses and income for a specific period. ✓✓
 - Statistics-the collected and classified numerical data. ✓✓

(Sub-max 3)

- **Information Technology** ✓

- IT is the use of electronic equipment to assist with various administrative tasks. ✓✓
- Technology is used to both communicate and handle information and referred to as ICT (information and communication technology). ✓✓

(Sub-max 3)

[20]

QUESTION 4: MISCELLANEOUS OPERATIONS

4.1. Meaning of working capital. (1)

- Money pays for day-to-day activity, e.g., trading stock, raw materials, etc. ✓
- Finance the short-term capital of the business. ✓
- (Examples: money market, credit allowed by suppliers, short terms loans etc.)

4.2.

- 4.2.1. (2)
- Bank loans ✓
 - Government grants / Grants ✓

4.2.2. Angel funding (4)

- This is money offered by wealthy entrepreneurs to other businesses for a share in that business. ✓✓
- This is usually used at the start of a business and carries a high risk for the investor. ✓✓

4.3.

CASH PAYMENT	CREDIT PAYMENT	(4)
Cash payment refers to all payments made by cash/ cheque for business purchases ✓	Credit payment refers to all payments made by means of credit cards/on future date for business purchases. ✓	
Cash payment enable businesses to budget for stock purchases and avoid unnecessary delays ✓	Credit payment allows businesses to buy stock and pay on a future date. ✓	
Cash payers can qualify for cash discounts. ✓	The credit payer can pay more for goods due to interest added on credit purchases. ✓	

ENVIRONMENTS

4.4. Scenario: Most South Africans live in poverty.

4.4.1. Identify the macro environment feature from the scenario above. (1)

- Social / Socio-Economic / Social, cultural, and demographic environment ✓
- *Technological is acceptable.*

4.4.2. Describe the feature mentioned in QUESTION 4.4.1. (2)

Social

- The social environment involves people. ✓✓
- The cultural and social environment can be defined as the sum total of the languages/values/cultural norms/preferences/religions and beliefs. ✓✓
- The demographic environment refers to the composition of a country's inhabitants e.g. their age/residential areas/skill level/income level etc. ✓✓

Technological

- These factors include the development of new technological products and services. ✓✓
- The rise of information technology such computers and communication technology allows for a rapid flow of large amounts of digital information/ ICT. ✓✓

4.5. Describe *intermediaries* in the business sense. (2)

- The intermediaries of a business are all those businesses that play a role in distributing/promoting the goods and services to customers. ✓✓
- They bridge the gap between the manufacturer and the consumer. ✓✓
- They serve as a link the micro environment to the market environment. ✓✓
- Intermediaries make it easier for the consumer to access the product, by selling the product closer to the consumer's location. ✓✓

- Intermediaries often affect the final price of goods and services as they place a mark-up on the product before they sell it to consumers. ✓✓
- Many intermediaries/Agents receive a commission on the sale of products. ✓✓
- Some of the examples of intermediaries are:
 - Retailers, agents, and wholesalers
 - Financial institutions and insurance brokers. ✓✓

4.6. **Suggest TWO reasons why competition among businesses is beneficial to customers and the economy.** (4)

- Competition is beneficial to customers because it keeps prices down. ✓✓
- Competition also promotes innovation and encourages businesses to be more productive. ✓✓

[20]

TOTAL SECTION B: [40]

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

Layout/ Structure	Is there an introduction, body, proper paragraphs and a conclusion?	2
Analysis and interpretation	Is the candidate able to breakdown the question into headings/sub-headings/interpret it correctly to show understanding of what is being asked?	2
Synthesis	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide:</p> <p>No relevant facts: 0 (Two '-S')</p> <p>Some relevant facts: 1 (One '-S')</p> <p>Only relevant facts: 2 (No '-S')</p>	2
NB:	<p>1. If there is no '-S' allocated, award the maximum of TWO (2) marks.</p> <p>2. Where a candidate answers less than 50% of the question with relevant facts, no '-S' appears in the left margin. In this case award a maximum of ONE (1) mark.</p>	
Originality	Is there evidence of 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 content 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.
4. With effect from November 2017 a candidate will be awarded a maximum of ONE (1) mark for headings/sub-headings and ONE (1) mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.

SECTION C**QUESTION 5 – BUSINESS ENVIRONMENTS****Introduction**

- The micro-environment includes all the forces/events and circumstances that affects the business and its market environment. ✓
- This is the environment that is located outside the business. ✓
- The business cannot control this environment, but it can influence it. ✓
- It is also known as the external environment. ✓
- The macro environment is always developing and changing. ✓
- Businesses have no control over this environment as it poses challenges to businesses. ✓ (2)

Body**Challenges Posed by Features of The Macro Environment****Physical Environment**

- The physical location of a business has a large effect on the success of the business. ✓✓
- Manufacturing businesses dump their waste materials that impact negatively on the physical environment. ✓✓
- The awareness of pollution and environmental damage provide new challenges for businesses. ✓✓
- Some natural resources are scarce and expensive e.g., sources of energy are expensive. ✓✓
- The scarcity of natural resources has a negative impact on the production costs and results in high prices of goods and services. ✓✓

Max (10)

Legal And Political Environment

- An unstable government and poor relationship between the government and the business creates a negative political environment. ✓✓
- Some political decisions such as government levies, tax, interest rates and inflation influence businesses. ✓✓
- Changes in government salaries can have an impact on the spending patterns of consumers. ✓✓
- Businesses are affected by legislation such as the National Credit Act, Consumer Protection Act, Employment Equity Act, Basic Conditions of Employment Act etc. ✓✓

Max (10)

Economic Environment

- Economic changes affect business, if the rand becomes weaker, businesses are more likely to be able to export product successfully. √√
- If interest rates increase, it means the business will pay more monthly instalments to the bank for the loan taken. √√
- A high inflation will mean that consumers will have less money to spend on goods/services. √√
- If taxation goes up, businesses will be charged more on their profit, and people will have less money to spend on buying goods and services. √√
- If exchange rates influence trade international trade as it becomes expensive to buy raw materials and machinery from overseas. √√

Max (10)

The Relationship Between Micro, Market and Macro Environments

- A change in the macro environment may cause a change in the micro environment which may in turn, create a change in the market environment e.g. an increase in the rate of interest may lead to an increase in the production cost which may reduce consumer spending. √√
- A change in the economic environment may lead to a change in the technological environment and the way in which people spend money. √√
- The legal, political and institutional environment has a large impact on other business environments e.g. politics and laws affect the economic environment. √√
- The business has full control over all elements/features of the micro environment. √√
- The business has less/little control over the market environment but it can influence it. √√
- The business has no control over the macro environment but it must develop strategies to adapt to the challenges that are posed by this environment. √√

Max (10)

Conclusion

- The micro-environment includes all the forces/events and circumstances that affects the business and its market environment. √
- This is the environment that is located outside the business. √
- The business cannot control this environment but it can influence it. √
- It is also known as the external environment. √
- The macro environment is always developing and changing. √
- Businesses have no control over this environment as it poses challenges to businesses. √

(2)

(40)

QUESTION 6 – BUSINESS OPERATIONS

Since 1994, the South African government is implementing new strategies to protect the previously disadvantaged individuals from exploitation.

Introduction

- The NCA was introduced to provide both credit providers and credit applicants with clear guidelines regarding their rights and responsibilities. ✓
- This Act applies to all businesses that sell on credit. ✓

Purpose of the National Credit Act (NCA)

- Promotes the development of a credit market that is accessible to all South Africans. ✓✓
- Encourage responsible buying. ✓✓
- Avoidance of over-indebtedness and fulfilment of credit providers and consumers. ✓✓
- Address and correct imbalances in negotiating power between consumers and credit providers. ✓✓
- Discourage reckless credit granting by credit providers. ✓✓
- Educate consumers on making the right choice when applying for credit. ✓✓
- It gives guidelines within which the different kinds of credit transactions must take place in South Africa. ✓✓

Max (10)

Responsibilities of credit providers according to the NCA

- Credit providers should conduct a credit assessment on the consumers' affordability. ✓✓
- Check the most recent pay slip or bank statement to ensure the consumer has an income. ✓✓
- Check the consumer's monthly debt-repayment obligations in terms of credit agreements. ✓✓
- Take into account other expenses of the consumers. ✓✓
- Consider the consumer's debt-repayment history. ✓✓

Max (10)

The impact of the National Credit Act on businesses**Positives/Advantages**

- Lower bad debts resulting in better cash flow. ✓✓
- Protects business against non-paying consumers. ✓✓
- Increases cash sales as credit can only be granted to qualifying customers. ✓✓
- Prevents reckless lending by financial institutions. ✓✓

- Ensures that businesses settle their debts on time so that they can obtain good credit scores. √√
- Ensures that credit process is transparent e.g., both businesses and customers know their responsibilities. √√

AND/OR

Negatives/Disadvantages

- Businesses are forced to budget to keep more cash/have enough cash on hand for stock purchases. √√
- Businesses can no longer take the risk of selling poor quality goods at high prices. √√
- Businesses can no longer carry out credit marketing. √√
- Leads to loss of sales as many businesses may no longer qualify to buy on credit. √√
- Businesses can only buy limited stock as credit is not available resulting loss of customers. √√
- The Act complicates the purchasing process due to too much administration work in the credit providing process. √√
- The purchasing department must know the terms and conditions of credit granting and the National Credit Act. √√
- It may take longer to purchase goods and this could influence the overall efficiency of the business. √√
- The Act compels businesses to sell quality products or businesses may be forced to reimburse the consumer. √√

Max (10)

The inter-relationship of the components of the micro environment

MICRO ENVIRONMENT

- Businesses need managers to develop their vision, mission and objectives. √√
- The business vision and goals will also influence the business culture and its organisational structure. √√
- The financial function must ensure that sufficient funds are available to finance other business functions. √√
- The marketing function must identify consumer needs and advise the production function on products that need to be produced. √√
- The human resource's function must ensure that it recruits quality candidates who will add to the productivity of the business. √√

Max (10)

Conclusion

- The Act complicates the purchasing process due to too much administration work in the credit providing process. ✓
- The purchasing department must know the terms and conditions of credit granting and the National Credit Act. ✓
- It may take longer to purchase goods and this could influence the overall efficiency of the business. ✓
- The Act compels businesses to sell quality products or businesses may be forced to reimburse the consumer. ✓

(2)

TOTAL SECTION C: [40]**GRAND TOTAL: [100]**

COGNITIVE LEVELS ACCORDING TO BLOOM'S TAXONOMY			
	LEVEL 1	LEVEL 2	LEVEL 3
Required %	30%	50%	20%
Mark	30	50	20
SECTION A - COMPUSORY			
QUESTION 1			
1.1.	10		
1.2.	10		
SECTION B – CHOOSE 1			
QUESTION 2			
2.1.1.	3		
2.1.2.	3		
2.2.		4	
2.3.		4	
2.4.	2	4	
QUESTION 3			
3.1.	4		
3.2.		2	
3.3.1.		4	
3.3.2.		4	
3.4.		6	
QUESTION 4			
4.1.	1		
4.2.1.	2		
4.2.2.		4	
4.3.		4	
4.4.1.	1		
4.4.2.		2	
4.5.		2	
4.6.		4	
SECTION C – CHOOSE 1			
QUESTION 5			
		20	20
QUESTION 6			
		20	20
Actual	30	50	20
		TOTAL	100