# testpapers.co.za education

Lefapha la Thuto la Bokone Bophirima Noord-Wes Departement van Onderwys North West Department of Education **NORTH WEST PROVINCE** 

# **PROVINCIAL ASSESSMENT**

**GRADE 10** 

**BUSINESS STUDIES P1** 

**NOVEMBER 2019** 

**MARKING GUIDELINES** 

**MARKS: 150** 

These marking guidelines consist of 18 pages.

Copyright reserved

Please turn over

#### NOTES TO MARKERS

### PREAMBLE

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning
  - 2. Learners' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
  - 3. Comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct, but:
    - Uses a different expression from that which appears in the marking guideline
    - Comes from other sources
    - Original
    - A different approach is used

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

- 4. Take note of other relevant answers provided by candidate and allocate mark accordingly. (In case where the answer is unclear or indicate some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks)
- 5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
- 6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation purposes.
- 7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
- 8 In an indirect question, the theory as well as the response must be relevant and related to the question.
- 9. Incorrect numbering of question in SECTIONS A and B will be severely penalised. Therefore, correct numbering is strongly recommended in all sections.
- 10. No additional credit must be given for the repetition of facts. Indicate an 'R'.

- 11. Note that no marks will be awarded for indicating Yes/No in evaluation type questions requiring substantiation or motivation. (Applicable to SECTION B and C)
- 12. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
  - 12.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive** 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings.'√
  - 12.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√
  - **NOTE:** 1.The above could apply to 'analyse' as well. 2. Note the placing of the tick( $\sqrt{}$ ) in the allocation of marks.
- 13. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the memorandum and the context of each question.

Cognitive verbs, such as:

- 13.1 Advise, name, state, mention, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 13.2 Describe, explain, discuss, elaborate, justify, devise, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
- 14. Mark only the FIRST answer where candidates offer more than one answer for SECTION A and B.

#### 15. SECTION B

- 15.1 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 applies only to questions where the number of facts is specified.
- 15.2 If two facts are written in one sentence, award the candidate FULL credit.

Point 15.1 above still applies.

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

#### 15.4 Use of cognitive verbs and allocation of marks:

- 15.4.1 If the number of facts is specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:
  - Fact 2 marks (or as indicated in the memorandum)
  - Explanation 1 mark

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

- 15.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the memorandum.
- 15.5 ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTION B and C in particular (where applicable).

#### 16. **SECTION C**

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

Introduction	
Content	Maximum
Conclusion	32
Insight	8
TOTAL	40

16.2 Insight consists of the following components:

Layout/Structure	Is there an	introduction, a body and a conclusion?	2
Analysis and interpretation			2
Synthesis	Are there r based on t Marks to b No relevan Some relev	elevant decisions/facts/responses made he question? e allocated using this guide:	2
	Option 1:	Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.	
	Option 2:	Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	
	Option 3:	Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	
Originality		idence of examples, recent information, nds and developments?	2
			8
			32 40

NOTE: 1. No marks will be awarded for contents repeated from the introduction and conclusion.

- 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
- 3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.
- 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.
- 16.3 Indicate insight in the left-hand margin with a symbol, e.g. ('L, A, S and/or O')

- 16.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.
- 16.5 Mark all relevant facts until the SUB MAX/MAX mark in a sub-section has been attained. Write SUB MAX/MAX after maximum marks have been obtained.
- 16.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:
   L Layout, A Analysis, S Synthesis, O Originality as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
0	2
TOTAL	40

- 16.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same sub-headings. 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.)
- 16.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for insight.
- 16.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in he memorandum.
- 16.10 16.10.1 Award TWO marks for completed sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
  - 16.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks(√) will be separated and indicated next to each fact, e.g.
    'Product development is a growth strategy/where businesses aim to introduce new products into existing markets.'√
    This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 16.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the memo, will not necessarily apply to each question. This would also depend on the nature of the question.

#### **SECTION A**

#### **QUESTION 1**

1.1	1.1.1	D $\sqrt{\sqrt{1}}$
	1.1.2	В√√
	1.1.3	В√√
	1.1.4	C√√
	1.1.5	C√√

			. ,
1.2	1.2.1 1.2.2 1.2.3 1.2.4 1.2.5	Public relations $\sqrt[4]{}$ Data $\sqrt[4]{}$ Middle level $\sqrt[4]{}$ Lower level $\sqrt[4]{}$ Organogram $\sqrt[4]{}$	(10)
1.3	1.3.1 1.3.2 1.3.3 1.3.4 1.3.5	$ \begin{array}{llllllllllllllllllllllllllllllllllll$	(10)

[30]

(10)

#### TOTAL SECTION A: 30

#### **SECTION B (Answer any TWO questions from this section)**

#### **QUESTION 2: BUSINESS ENVIRONMENTS**

#### 2.1 Identify the sectors as described in the following statements:

- 2.1.1 Tertiary√√
- 2.1.2 Primary  $\sqrt{1}$
- 2.1.3 Secondary√√

#### (6)

#### 2.2 Tabulate FORMAL and INFORMAL SECTORS

FORMAL	INFORMAL
<ul> <li>Formal sectors are made up of registered businesses. √</li> <li>People and business enterprise in the formal sector are registered for tax. √</li> <li>The formal sector is also known as the primary economy. √</li> <li>This is because most goods are supplied by the formal section. √</li> <li>Consist of businesses like Mines, e.g. √</li> <li>Usually big businesses. √</li> </ul>	<ul> <li>The informal sector is made up of businesses that are not register. √</li> <li>These business enterprises do not pay tax, because they are not registered. √</li> <li>The informal sector is also known as the second economy. √</li> <li>Examples in this sector are street vendors, hawkers and car guards. √</li> <li>It is mainly a cash industry. √ Any other relevant answer to informal sector.</li> </ul>
• Ostally big businesses. V Sub max (3)	Sub ma

Any (3 x 2)(6)

2.3		
Management	Leadership	
A manager follows a process $$ in order to control $$ and direct operations and processes $$ to achieve a goal or vision according to principles $$ and values already set. $$	A leader inspires $\sqrt{1}$ people and sets aims $\sqrt{1}$ and goals $\sqrt{1}$ . A leader sets new visions. $\sqrt{1}$	
Sub max (4)	Sub max (4)	
	(8)	

# 2.4 **THREE elements of the macro-environment**

State and briefly described.

• Physical  $\sqrt{\sqrt{}}$ 

- Economic  $\sqrt{\sqrt{}}$  The interaction between businesses and government to meet consumer's need.  $\sqrt{\sqrt{}}$
- Technological  $\sqrt{\sqrt{}}$ Technological change and innovation, like computers and equipment.  $\sqrt{\sqrt{}}$
- Social  $\sqrt{\sqrt{}}$ Population, unemployment, HIV/AIDS and corruption which have an impact on businesses.  $\sqrt{\sqrt{}}$
- Legal and Political Preparation of legislation and regulation of laws in the economic and social functioning of the country.  $\sqrt{\sqrt{}}$
- International/Global  $\sqrt[]{}$ Events outside the borders/boundaries of South Africa has a direct influence on the economy and local businesses.  $\sqrt[]{}$
- Institutional  $\sqrt{\sqrt{}}$ Official and on-official procedures necessary for a business to operate legally and effectively.  $\sqrt{\sqrt{}}$

Element (2) Description (2) Any (3 x 4) (12)

#### • Note – Mark the first THREE

#### 2.5 **Define** *money laundering*.

Money laundering is the process whereby criminals invest the "dirty" profits from their crimes in legal businesses so that the money becomes "clean".  $\sqrt{\sqrt{}}$  By doing this it is easier for criminals to operate because it hides their criminal activities.  $\sqrt{\sqrt{}}$  (2)

#### 2.6 Evaluate the impact of HIV/AIDS on a business

The decease leads to a decrease in the productivity of the affected employee.  $\sqrt[]{}$ 

Trained workers die before they grow old  $\sqrt{}$ , causing greater staff turnover.  $\sqrt{}$ There is a decrease in demand due to a decrease in customers.  $\sqrt{\sqrt{}}$  (6)

[40]

Copyright reserved

(3 x 1) (3)

#### QUESTION 3: BUSINESS OERATIONS

#### 3.1.1 Levels of management.

- Top level management  $\sqrt{}$
- Middle level management  $\sqrt{}$
- Lower level management  $\sqrt{}$

#### 3.1.2 Four management tasks – manager

- Planning  $\sqrt{}$ Process of setting goals an making plans to achieve these goals.  $\sqrt{\sqrt{}}$
- Organising √ Refers to the way in which employees in an enterprise are arranged to carry out plans, responsibilities etc. √√
- Controlling  $\sqrt{}$  Making sure that tasks are carried out as planned.  $\sqrt{\sqrt{}}$
- Activating  $\sqrt{}$  Means to start doing the work that will enable an enterprise to achieve its goals.  $\sqrt{\sqrt{}}$
- Directing  $\sqrt{}$

Involves establishment of a productive working climate, supervising and making sure effective communication channels are in place.  $\sqrt{\sqrt{}}$ 

- Risk management  $\sqrt{}$  Identify risks and finding strategies to deal with risks.  $\sqrt{\sqrt{}}$ 

• NOTE – Mark the first THREE

(9)

#### 3.2 Distinguish between fixed capital and working capital.

FIXED CAPITAL	WORKING CAPITAL
<ul> <li>Capital used for assets which remain in the business with the purpose of earning an income. √</li> </ul>	<ul> <li>Capital used to cover the day to day running of the business. √</li> </ul>
- E.g. land, buildings, vehicles and equipment $$	<ul> <li>To purchase stock, materials, stationary, etc. √</li> </ul>
Sub max ( 2)	Sub max (2)
	Definition (2

Example (2)

[4]

#### 3.3 **Describe the following business functions**

#### 3.3.1 Human resources

\* Recruit and select suitable employees $\sqrt{}$ 

\* decide on appropriate remuneration  $\sqrt{}$ 

\* Develop skills of staff through training  $\sqrt{}$ 

\* Carry out human resource processes, including leave forms and pension payouts.  $\boldsymbol{\sqrt{}}$ 

### 3.3.2 Administration

- \* Paperwork such as processing of shapes $\sqrt{}$
- \* processing of data into information  $\sqrt{}$
- \* Setup reports

#### 3.3.3 Public relations

\* Public relations are involved in dealing with social, political and environmental issues  $\!$ 

- $^{*}$  establishing good relations between the public and the company $\sqrt{}$
- \* Investor and suppliers are also attracted by the feature $\sqrt{-1}$
- \* The feature improves investor, supplier, customer loyalty, and so on.  $\sqrt{}$

(3 x 4) (12)

 $(3 \times 2)(6)$ 

#### 3.4.1 THREE consumer rights in terms of the National Credit Act

- Right to apply for credit.  $\sqrt{\sqrt{}}$
- Right for fair credit marketing practices.  $\sqrt{\sqrt{}}$
- Right not to be discriminated against unfairly.  $\sqrt{\sqrt{1+1}}$
- Right to reasons for credit being refused.  $\sqrt{\sqrt{1+1}}$
- Right to receive a contract in a language that is understandable.  $\sqrt{\sqrt{}}$
- Right to a copy of the contract.  $\sqrt{\sqrt{}}$
- Right to debt counselling in case of debt that is too high.
- NOTE: MARK the first THREE

3.4.2 THREE responsibilities of credit providers in terms of the above-mentioned Act.

- To lend money in a responsible manner.  $\sqrt{\sqrt{}}$
- To ensure that consumers do not loan more than they can afford.  $\sqrt{\sqrt{}}$
- To ensure that full costs of the credit transaction are shown to the consumer, all costs and interest rates included.  $\sqrt[]{}\sqrt[]{}$
- To ensure that consumers understands the costs, risks and commitment of the credit agreement.  $\sqrt{\sqrt{}}$
- Not to use misleading advertisements.  $\sqrt{\sqrt{}}$
- Not to harass clients to apply for credit.  $\sqrt{\sqrt{}}$
- Not to raise the credit limit of consumers without their permission.  $\sqrt{\sqrt{1+1}}$
- NOTE: MARK the first THREE

(3 x 2)(6) [40]

(9)

#### **QUESTION 4: MISCELLANEOUS TOPICS**

#### **BUSINESS ENVIRONMENTS**

#### 4.1 FOUR components of the market-environment

CHALLENGES ENVIRONMENTS		CONTROL
Workers are complaining $$	Micro√	Full control $$
Some threatens to stop buying $$	atens to stop Market√	
Government expects $$	Macro√	No control $$

# 4.2 Briefly explain the inter-relation between the micro- (internal), market, macro-environments.

- Business enterprises are in constant interaction  $\sqrt{}$  with elements present in all three-business environments.  $\sqrt{}$
- An entrepreneur uses the factors of production  $\sqrt{}$  to produce a product or service.  $\sqrt{}$
- An entrepreneur aims to satisfy the needs of the consumer  $\sqrt{}$  in order to make a profit.  $\sqrt{}$
- During the process the entrepreneur is projected to challenges coming from amongst others,  $\sqrt{}$  competitors, a well as the Government.  $\sqrt{}$
- Entrepreneurs must deal with labour crisis,  $\sqrt{\rm demands}$  such as BEE  $\sqrt{\rm and}$  affirmative action.  $\sqrt{\rm }$
- Providing products and services  $\sqrt{}$  are therefore not a simple process that take place in isolation.  $\sqrt{}$
- It is a complicated process where many influences are present.  $\sqrt{}$
- A business exercises control over most of the elements  $\sqrt{}$  in the microenvironment.  $\sqrt{}$
- Example: a business cannot force consumers to buy their products, but it can influence consumers to competitive prices and advertising.  $\checkmark$
- A business can neither influence nor exercise control over the elements  $\sqrt{}$  of the macro-environment.  $\sqrt{}$
- A business must adapt to the challenges from the macro-environment  $\sqrt{}$  and formulate strategies to cope with these challenges.  $\sqrt{}$
- The three business environments are inter-related.  $\sqrt{}$

#### Max. (10)

#### 4.3 **Name any THREE sources of financing.**

- Short term Loans  $\sqrt{}$
- Angel funding  $\sqrt{}$
- Suppliers credit  $\sqrt{}$
- Shares √
- Debentures  $\sqrt{}$
- Asset base loans  $\sqrt{}$
- Lease account  $\sqrt{}$
- Overdrafts  $\sqrt{}$
- Reserve funds  $\sqrt{}$

#### NOTE: Mark the first THREE answers.

#### 13 NSC – Grade10 – Marking Guidelines

#### **BUSINESS OPERATIONS**

#### 4.4 Different methods to indicate the quality of a product.

#### 4.4.1 Trademarks

Are special signs, marks or name use by manufacturers to tell their products apart from other similar products and provide a 'promise of quality'.  $\sqrt{\sqrt{}}$  (2)

#### 4.4.2 Patents

Patent laws protect new inventions. In other words, if you invent a product and you think you can produce to sell, you can apply for a patent. If a patent is granted to your product, no one else may manufacture and sell the same product.  $\sqrt{\sqrt{}}$  (2)

#### 4.5 **Purpose of stock management**

- To know at all times how much of which product is available in the business.  $\sqrt[]{} \sqrt{}$
- To manage stock and to keep accurate records.  $\sqrt{\sqrt{}}$
- Records the cost prices and the selling prices of stock.  $\sqrt{\sqrt{1+1}}$
- To identify theft in the business.  $\sqrt{\sqrt{}}$
- To compare stock on te shelves with the stock list.  $\sqrt{\sqrt{}}$

#### 4.6 **Distinguish between quality control and quality assurance**.

#### Quality Control

-is the process put in place to ensure that the level of quality is achieved.  $\sqrt{\sqrt{1+1}}$ 

#### Quality Assurance

-is the process put in place to determine if the level of quality has been reached.  $\sqrt[]{4}$ 

#### 4.7 List the FOUR organisational resources.

Physical resources  $\sqrt{}$ Human resources  $\sqrt{}$ Financial resources  $\sqrt{}$ Technical resources  $\sqrt{}$ 

(4) **[40]** 

(6)

TOTAL SECTION B: 80

#### SECTION C

#### Answer ONE question from this section:

#### **QUESTION 5: BUSINESS ENVIRONMENTS**

#### • Introduction

- Organizations in South Africa are classified based on their business and economic activities.  $\checkmark$
- The formal sector is known as the primary economy. Most goods are supplied by the formal sector.  $\checkmark$
- The informal sector is also known as the secondary economy and is mainly a cash industry.  $\checkmark$
- Most informal sectors are not absorbed by the mainstream economy.  $\sqrt{}$
- Any other relevant introduction.  $\sqrt{}$

Max. (2)

#### • Explain informal sector

- Informal sector is all the businesses that are not formally registered.  $\sqrt{\sqrt{}}$
- Businesses in the informal sector are usually smaller than those in the formal sector.  $\sqrt{\sqrt{}}$
- Informal sector continues to contribute to economic growth by creating new jobs.  $\sqrt[]{} \sqrt{}$
- Informal businesses are also growing into formal businesses.  $\sqrt{\sqrt{}}$

Max. (4)

#### • Benefits/advantages of the informal sector

- Easy to enter the informal sector.  $\sqrt{\sqrt{}}$
- No formal education is needed to participate in the informal sector.  $\sqrt{\sqrt{}}$
- The informal sector provides jobs  $\sqrt{}$  ad an income to thousands of people.  $\sqrt{\sqrt{}}$
- People working in the informal sector gain  $\sqrt{}$  work experience  $\sqrt{}$  enables them to apply  $\sqrt{}$  for jobs in the formal sector.  $\sqrt{}$
- Participants in the informal sector get exposure to entrepreneurial skills.  $\sqrt[]{\sqrt{}}$
- People in the informal sector don't pay tax.  $\sqrt{\sqrt{}}$
- Any relevant answer related to the benefits/advantages of the informal sector.  $\sqrt{\sqrt{}}$

Max. (8)

• Difference between Private Sector and Public Sector

PRIVATE SECTOR	PUBLIC SECTOR
- Aims to meet both the needs	<ul> <li>Aims to meet the needs of society.</li> </ul>
and the wants of society. $\sqrt{}$	$\sqrt{}$
<ul> <li>Privately owned by</li> </ul>	- State-owned of state-run (known as
entrepreneurs. $\sqrt{}$	parastatals). $\sqrt{}$
- Profit driven institutions. $\sqrt{}$	- Generally non-profit organisations, with exceptions such as SAA and Denel. $\sqrt[]{}$
- Different forms of ownership	- State ownership or parastatals
such as sole proprietorship,	(state-run businesses). $\sqrt{}$
partnership, private company	

	and public company. $\sqrt{}$		
-	Provide everyday household commodities, such as food, clothing and cleaning materials. $\sqrt{}$	<ul> <li>Provide water and electricity as a need satisfying product. √√</li> </ul>	
-	Provide private refuse removal from companies, such as Wastetech. $\sqrt{}$	<ul> <li>Provide refuse removal as a collective service. √√</li> </ul>	
-	Any other relevant answer related to private sector.	- Any other relevant answer related to private sector.	
	Submax. (8)	Submax. (8)	

#### NOTE: - Differences must be clear. - If the difference is not clear, award a maximum of EIGHT (8) marks.

Max. (16)

# Discuss how the following components in the market environment affect the business

#### Customer

- No business can exist without customers, what consumers are.  $\sqrt{\sqrt{}}$
- Businesses need to know who their customers are and understand why they buy the goods and services the business provides.  $\sqrt{\sqrt{}}$
- There are various factors that influence consumers' buying behavior.  $\sqrt{\sqrt{1+1}}$

Max. (4)

#### Competitor

- Competitors are all the other businesses that provide similar products to the same target.  $\sqrt{\sqrt{}}$
- If a business's prices are high, poor quality products or poor service, customers will decide to support the competitor.  $\sqrt{\sqrt{}}$
- Businesses need to keep a close eye on their competitors in the market to see what a new customer will do to buy from him.  $\sqrt{\sqrt{}}$  Max (4)

#### Supplier

- If poor quality products are supplied to the business, the end product will be of poor quality and customers will not want to purchase the product  $\!\sqrt[]{}$
- Businesses must maintain good relationships with suppliers  $\sqrt{\sqrt{Max}}$  (4)

#### Conclusion:

- State-owned companies (MSBs) such as Transnet and Eskom, and government organizations, constitute the public sector.  $\sqrt{\sqrt{}}$
- South Africa has a mixed market economy with a high level of government intervention.  $\sqrt[]{}$  Max. (2)

[40]

#### **BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Explain informal sector	4	
Advantages of the informal sector	8	
Distinguish between the public sector and the	16	Max.
private sector		32
Components that influence business	12	
Conclusion	2	
INSIGHT		
Layout	2	
Analysis	2	8
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

#### QUESTION 6: (BUSINESS OPERATIONS)

#### Introduction:

Quality is the level of excellence that a business achieves.  $\sqrt{}$ Management is also responsible for the effective functioning of the various quality processes.  $\sqrt{}$  (2 x 1) (2)

#### Explain the importance of quality to a business.

- Quality is essential in every aspect of the business.  $\sqrt{\sqrt{}}$
- Ensure overall quality is achieved by keeping consumers happy.  $\sqrt{\sqrt{}}$
- Quality means knowing what to do and how to do it.  $\sqrt{\sqrt{}}$
- Businesses should continually try to improve the quality of the beech.  $\sqrt{\sqrt{}}$

Max (8)

# Quality indicator for the following business functions: Production function

- End products must be tested and regulated to ensure that minimum standards are met.  $\sqrt[]{} \sqrt{}$
- A legal body determines these standards e.g. SABS $\sqrt{\sqrt{}}$  Max (4)

#### Financial function

- For businesses to maximize their profits, it must ensure that money is purposefully used and not unnecessarily wasted.  $\sqrt{\sqrt{}}$
- Strict processes and systems  $\sqrt{\sqrt{}}$  should be used to increase productivity  $\sqrt{\sqrt{}}$  and reduce costs.  $\sqrt{\sqrt{}}$  Max (4)

#### General management

- Planning, organization, guidance and control processes  $\sqrt{}$  must be constantly run and monitored to ensure that all other quality control processes are followed.  $\sqrt{\sqrt{}}$
- Management must be responsible for preparing certain standards  $\sqrt{\sqrt{}}$  and requirements within the business.  $\sqrt{\sqrt{}}$  Max (4)

#### Advise the business by explaining any FIVE steps of the purchasing process.

#### **1.** Purchase request $\sqrt{\sqrt{}}$

There is usually one person in each department responsible for completing the request form.  $\checkmark$ 

#### **2.** Get information $\sqrt{\sqrt{}}$

Purchasing department gets information on the various goods available,  $\sqrt{}$  by making a telephone inquiry $\sqrt{}$  or looking at catalogs. They can also request quotes from suppliers.  $\sqrt{}$  Max (4)

#### 3. Select suitable supplier $\sqrt{\sqrt{}}$

Best provider is chosen by considering price  $\sqrt{2}$ , quality, delivery  $\sqrt{2}$  and after-sales service.  $\sqrt{2}$ 

#### 4. Place the order $\sqrt{\sqrt{}}$

The order can be placed in different ways eg. Fill in a written order form and fax/email $\sqrt{}$ Contact suppliers $\sqrt{}$ To approach a sales representative who visits the business $\sqrt{}$  Max (4)

#### 5. Follow $up\sqrt{\sqrt{}}$

The purchasing department must follow the order up $\sqrt{}$  to find out if it will be delivered on time $\sqrt{}$ . Max (4)

#### 6. Receive stock ordered $\sqrt{\sqrt{}}$

Goods are delivered with an invoice  $\sqrt{}$  and delivery note.  $\sqrt{}$  The quantity and price requested must be checked.  $\sqrt{}$  Quality of the goods must also be considered.  $\sqrt{}$ 

Max (4)

Max (4)

18 NSC – Grade10 – Marking Guidelines

### 7. Distribution of goods $\sqrt{\sqrt{}}$

# Goods are shipped or sent to the department that orders it. $\sqrt{\sqrt{1-1}}$

## 8. Pay suppliers and file documents $\sqrt{\sqrt{}}$

The financial department receives the instruction  $\sqrt{100}$  to pay the supplier. Copies of all documents must be filed.  $\sqrt{}$ **NOTE: - Mark the first FIVE** 

### **Conclusion:**

- Managers should reflect to ensure that plans have the planned outcomes, and are adjusted, if necessary.  $\sqrt{\sqrt{}}$
- Collaboration between different business functions is important to achieve quality optimally.  $\sqrt{\sqrt{}}$

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

#### **BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	
Explain the importance of quality to a business	8	
Quality indicator for the following business	12	Max.
functions:		
Production functions		
Financial function		
General management		
FIVE steps of the purchasing process	20	32
Conclusion	2	
INSIGHT		
Layout	2	
Analysis	2	8
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all

#### TOTAL SECTION C: 40 **GRANDTOTAL: 150**

Copyright reserved

Max (4)

Max (4) (5 x 4) (20)