



Education and Sport Development

Department of Education and Sport Development
Departement van Onderwys en Sportontwikkeling
Lefapha la Thuto le Tlhabololo ya Metshameko

NORTH WEST PROVINCE

GRADE 10

BUSINESS STUDIES

PAPER 1

JUNE 2019

MEMORUNDUM

MARKS: 100
DURATON 1 HOUR

This memo consists of 15 Pages



NOTES TO MARKERS

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

NOTE: SECTION A:

 - There are no alternative answers.
 - Each question has only one correct answer.
3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
4. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts.
6. In an indirect question, the theory as well as the response must be relevant and related to the question.
7. Incorrect numbering of questions or sub-questions will be **SEVERELY PENALISED**. This is applicable to all the sections of the paper.
8. No additional credit must be given for repetition of facts. Indicate with an R.
9. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
- 10 **SECTION B**
10. 1 If, for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

NOTE: This only applies to questions where the number of facts is specified.
10.2 If two facts are written in one sentence, award the candidate FULL credit.
Point 10.1 above still applies.

- 10.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.

10.4 Use of the cognitive verbs and allocations of marks:

10.4.1 Where the numbers of facts are specified questions that require candidates to 'explain/discuss/ describe' will be marked as follows:

- Heading 2 marks □
- Explanation 1 mark (or as indicated in the memorandum). The 'heading' and 'explanation' are given separately to facilitate mark allocation.



10.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.

10.5 **ONE mark will be awarded for answers that are easy to recall, requires one-word answers, or is quoted directly from scenario/case study. This applies to SECTIONS B and C in particular.**

11. SECTION C

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

Introduction	Maximum 32
Content	
Conclusion	
Insight	8
TOTAL	40

11.2 Insight consists of the following components:

Layout/Structure	(Is there an introduction, body, proper paragraphs and a conclusion?)	2
Analysis and interpretation	Is the candidate able to break down the question into headings/sub-headings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide. All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks); 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (Zero/No '-S') NB: Option 1: If there are no '-S' indicated, award the maximum TWO (2) marks. Option 2: Where a candidate answer 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.	2
Originality	Is there evidence of examples, recent information, current trends and developments?	2
	TOTAL FOR INSIGHT:	8
	TOTAL MARKS FOR FACTS:	32
	TOTAL MARKS FOR ESSAY (8+32)	40

- NOTE:
1. No marks will be awarded for contents repeated from the introduction and conclusion.
 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated
 3. No marks will be allocated for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.

11.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O')

11.4 The breakdown of marks is indicated at the end of the suggested answer/marketing guidelines to each question.

11.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write 'SUBMAX'/'MAX' after maximum marks have been obtained.

11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality)

11.7

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

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

11.9 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.

11.10 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.

11.11.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

SECTION A

QUESTION 1

- 1.1 1.1.1 C ✓✓
1.1.2 D ✓✓
1.1.3 C ✓✓
1.1.4 A ✓✓
1.1.5 B ✓✓ (5×2) (10)
- 1.2 1.2.1 Tertiary ✓✓
1.2.2 Intermediaries ✓✓
1.2.3 Production ✓✓
1.2.4 CPA ✓✓
1.2.5 Borrowed capital ✓✓ (5×2) (10)

TOTAL SECTION A: (20)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20

SECTION B

Mark the FIRST TWO answers only

QUESTION 2: BUSINESS ENVIRONMENTS (MICRO)

2.1

- 2.1.1 Vision ✓✓
- 2.1.2 Mission ✓✓
- 2.1.3 Organisational resources ✓✓
- 2.1.4 Organisational culture ✓✓

(4×2) (8)

2.2 **Difference between management and leadership**

LEADERSHIP	MANAGEMENT
– Influences human behaviour ✓✓	– Guides human behaviour ✓✓
– People orientated ✓✓	– Task orientated ✓✓
– Does the right things ✓	– Does things right ✓
– Inspires staff to trust ✓ and support each other ✓	– Controls systems ✓ and procedures to get the job done ✓
– Motivational/inspirational in their approach ✓✓	– Instructional in their approach ✓✓
Any other answer relevant to leadership	Any other answer related to management
Sub max (3)	Sub max (3)

NOTE: 1. The answer does not have to be in a tabular form but the distinction must be clear.

2. Award maximum of THREE (3) marks if the distinction is not clear .

2.3 **The purpose of organisational structure**

- It influences the way people in the organisation interact with each other ✓ as well as the way they interact with stakeholders. ✓
- It determines the positions ✓ of authority of staff in relation to each other. ✓
- The placement of staff within departments ✓ and their role and powers is set out in an organogram. ✓
- Any other relevant answer related to the purpose of the organisational structure.

Max (6)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
2.1	8
2.2	6
2.3	6
TOTAL	20



QUESTION 3: BUSINESS ENVIRONMENTS (SECTORS/MARKET)

3.1 Meaning of market environment

- Market environment- sits outside the business,√ this means that it is external to the business. √ **Max (2)**

3.2 Reasons why NGO and CBO`s form part of the market environment

- Organisations from the civil society√ also influence business. √
- Civil society is made up of those organisations, other than government√ and commercial businesses, which tackle social problems. √
- These organisations include non-profit organisations such as non-governmental organisations√, charities and community-based organisations. √
- NGOs and CBOs forms part of the market environment, √ they employ workers, supply and consume goods and service and can act as intermediaries. √
- Any other relevant answer related to the reasons why NGOs and CBOs form part of the market environment.

Max (8)
(1)

3.3.1 Secondary sector. √

3.3.2

Challenges	Business environment	Extent of control
Their personal assistant and site manager always knock off early from work√	Micro √	Full control√
Their preferred supplier always delivers materials late√	Market √	No control but can be influenced√
The business has stopped its operations due to heavy rainfall and floods. √	Macro √	No control√
Sub max (3)	Sub max (3)	Sub max (3)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
3.1	2
3.2	8
3.3.1	1
3.3.2	9
TOTAL	20

QUESTION 4: MISCELLENOUS TOPICS (BUSINESS SECTORS)

4.1

4.1.1 Definition of tertiary sector

- Tertiary sector – distribute goods and render services. ✓✓

Max (2)

4.1.2 Differentiation between formal and informal sector

Formal	Informal
- Legally ✓registered for taxation✓	- Not registered✓ for taxation✓
- Fall within the main stream✓ of the economy✓	- Falls outside the main stream✓ of the economy✓
- Not easy to enter this sector✓ as businesses have to be legally registered✓	- Easy to enter✓ this sector ✓
- Employees are protected in many ways✓ such as: UIF, disability funds, injured on duty funds. ✓	- Employees are not protected✓ and can be exploited. ✓
Sub max (2)	Sub max (2)

INTERRELATIONSHIP BETWEEN THE ENVIRONMENTS

4.2 Description of the interrelation between the micro and market environments

- A poor vision and culture in an organisation✓ can affect its service✓.
- Poor marketing and poor control over the sale of stock✓ can affect the sales and growth of the business. ✓
- Business and consumers affect components of the micro✓ through changes in consumer habits. ✓
- Businesses and suppliers influence the micro✓ through availability of suppliers. ✓
- Businesses and intermediaries affect components of the micro✓ through change in price. ✓
- Any other relevant answer related to description of the interrelation between micro and market environments.

Max (4)

4.3 Reason why competition poses a challenge to businesses

- Different competitors try to outdo each other✓ based on the price and the product.✓
- The business competes with others for the same customers✓ so they end up with a smaller market share. ✓
- Customers turn to shop around for lesser prices✓ and puts pressure on businesses.✓
- Substitute products create competition for the business✓ because they are cheaper in prices and offer alternatives,✓ substitute products satisfy the same needs.✓
- If businesses are at the stage of competition✓ it usually results in price wars✓ e.g. if they are of the same size and capacity, resources, sell related products, etc ✓
- Any other relevant related to the challenges of competition on businesses.

Max (3)

BUSINESS FUNCTIONS

4.4.1 Consumer protection act/ CPA ✓

- Their customers are not allowed to return wrong meal orders made by cashiers. ✓✓

Max (3)

4.4.2 Purpose of Consumer protection Act no 68 of 2008

- CPA promotes and advance the social and economic welfare of consumers in South Africa ✓ by establishing a legal framework for a consumer market that is fair, accessible and sustainable for consumers. ✓
- It promotes ✓ fair business practice. ✓
- It aims at improving consumer awareness ✓ and encouraging responsible and informed consumer choices and behaviour. ✓
- Any other relevant answer related to the purpose of Consumer protection Act.

Max (4)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
4.1.1	2
4.1.2	4
4.2	4
4.3	3
4.4.1	3
4.4.2	4
TOTAL	20

TOTAL SECTION B: 40

SECTION C

Mark only the first ONE (1) question.

QUESTION 5: BUSINESS ENVIRONMENTS (MACRO)

5.1 Introduction

The macro environment refers to the challenges and influences that present themselves from outside the business. . ✓

Business has no control over the challenges and influences from the macro environment. . ✓

The macro environment can influence the business directly or indirect as it changes continuously. . ✓

Any other relevant introduction related to macro environment. (2x1) (2)

5.2 Purpose of National Credit Act

- Encourages responsible borrowing, ✓ avoidance of over indebtedness and fulfilment of financial obligations by consumers. ✓
- It promotes the development of a credit market ✓ that is accessible to all South Africans. ✓
- Discourages reckless credit granting by providers ✓ and contractual default by consumers. ✓
- To provide both credit providers and credit applicants ✓ with clear guidelines regarding the rights and responsibilities. ✓
- Any other relevant answer related to the purpose of National credit Act.

Max (6)

5.3 Components of macro environment

Economic environment

The economic environment of a business consists of a number of different elements ✓ such as interest rates, exchange rates, inflation, ✓ etc

The economic environment depends ✓ on the economic system of a country ✓

Economic changes in the macro-environment affect businesses, ✓ for example if the rand becomes stronger against foreign currencies ✓, business pay less to import raw materials. ✓

The economic environment includes all economic factors of a country ✓ including the strengths of its currency against other currencies. ✓

Economic factors have a large effect on ✓ consumer buying and spending ✓

Any other relevant answer related to economic environment.

Max (6)

Technological environment

- The technological environment includes new technological tools, ✓ machines or production processes to perform business activities ✓.
- Technology brings constant innovation ✓ and change to the business environment ✓
- Technology has introduced new products, ✓ new production techniques and methods of marketing. ✓
- The technological environment also has had an impact on the speed of production ✓ and the quality of products ✓.
- Technological progress is generally good for economies ✓ and economic growth. ✓
- Any other relevant answer related to technological environment.

Max (6)



Legal and political

- The political environment includes the system of government that is in place as well ✓ and policies of the political parties. ✓
- Government put these policies in place to ensure that consumers, society and businesses are protected against corruption ✓, favouritism and unfair labour practise ✓
- Politics affect every business, ✓ especially in South Africa. ✓
- Political change and instability can have an impact ✓ on global impressions of a country. ✓
- Political instability ✓ can discourage foreign investors and buyers ✓.
- Any other relevant answer related to legal and political environment.

Max (6)

5.4 Role of the government in the institutional environment within a business context

5.4.1 Government as a consumer/buyer ✓✓

- The government consumes ✓ goods and services from the business. ✓
- Private businesses provide government with tools /equipment ✓ that are needed to operate such as computers/furniture ✓ etc.
- A cut in spending on government hospitals has a major impact on businesses ✓ that provide the government with medical equipment. ✓
- Any other relevant answer related to the role of the government as a consumer/buyer.

Max (6)

5.4.2 Government as an employer ✓✓

- The government supports the growth of businesses ✓ by creating jobs in different ways. ✓
- It provides training opportunities ✓ that enable businesses to employ skilled/qualified people. ✓
- Any other relevant answer related to the role of the government as an employer.

Max (6)

5.4.3 Government as a supplier ✓✓

- The government supplies goods and services ✓ to public and private businesses. ✓
- Most of these goods and services are paid ✓ for by taxes. ✓
- The government also provides legal and technical assistance ✓ such as legal aid/quality insurance/statistical information ✓ etc.
- It provides essential services such as electricity/sanitation ✓ which are important for the smooth running of any business. ✓
- Any other relevant answer related to the role of the government as a supplier.

Max (6)

5.5 Advise business on the inter-relationship within the macro environment.

- In the legal environment laws are put together and passed by government ✓ and the government is controlled by ruling party ✓.
- Inter-relationships are also found between the international, globalization, ✓ and technological environment. ✓
- Many businesses start by importing ✓ and exporting their goods or services. ✓

- The social, cultural and demographic environment are inter-related√ because demographic influence society and communities, and each society develops its own culture. √
- Communities influence the physical environment√ and government ensures that proper laws are in place to protect the environment. √

Max (6)

Conclusion

- Businesses should have a clear understanding of the components/elements of the macro environment to plan properly for necessary control measures. √√
- Implementing strategies to address challenges in the macro environment will maximise productivity and effectiveness in the business. √√
- Any other relevant conclusion related to the macro environment.

Max (2)
[40]

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
The purpose of National Credit Act	8	
Details of the following components of macro environment		
Economic environment	6	
Technological environment	6	
Legal and political environment	6	
The institutional environment with reference to FOUR roles of government in businesses	6	
Advise business on the inter-relationship within the macro environment	6	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.



QUESTION 6 BUSINESS OPERATIONS (QUALITY)

Mark only the first ONE (1) question.

Introduction

6.1

- Total quality relates to products that totally satisfy customers' needs and expectations in every respect on a continuous basis. ✓
- Business functions and employees activities must be properly managed to ensure quality goods and services. ✓
- Quality management should not just be an inspection process, but become part of the culture of the business. ✓
- Any other relevant introduction related to quality.

Max (2)

6.2 Tabulate between quality control and quality assurance

Quality control	Quality assurance
Inspection of the final product✓ to ensure that it meets the required standards. ✓	Carried out during and after the production process✓ to ensure required standards have been met at every stage of the process. ✓
Includes setting targets/measuring performance✓ and taking corrective measures. ✓	Ensure that every process is aimed at targeting product right first time✓ and prevent mistakes from happening again. ✓
Any other relevant answer to quality control.	Any other relevant answer to quality control.
Sub max (4)	Sub max (4)

NOTE: The answer does not have to be in tabular format.

The distinction must be clear.

6.3 Discuss the correlation between management and the success of the business.

- The success of business and all the functions within it✓ depends on quality management. ✓
- Management must build on the strengths of the business✓ and minimize or solve the problems that results in weaknesses. ✓
- The success of the business is based on quality, experience✓ and competence of the management. ✓
- Quality decision and performance contribute significantly✓ to the achievement of the business objectives, ✓
- Good quality management practice will also ensure successful business results✓ because it will ensure that customers' needs are satisfied. ✓
- Any other relevant answer related to the correlation between management and the success of the business

Max (8)



6.4 Outline quality indicators of the following business function

Human resource function

- Good recruitment policy√ that attracts best candidates. √
- Fair √and equitable selection process√
- Fair remuneration packages√ that are related to the industry√
- Offer performance incentives√ for staff to enhance productivity. √

Max (8)

Administration function

- Fast and reliable data capturing√ and processing systems. √
- Make reliable information√ available to the management on time. √
- Make relevant information available√ for quick decision making. √
- Handle complains√ quickly and effectively. √
- Use modern technology√ efficiently. √
- All systems√ and processes are documented. √

Max (8)

General management

- Develop effective√ strategic plans/goals. √
- Learn about/understand changes√ in the business environment√
- it is an ongoing basis√.
- Set direction√ and establish priorities for the business√.
- Communicate shared vision, √ mission and values effectively. √
- Set an example of expected behavior√ in terms of ethics as well as productivity. √
- Ensures that employees have necessary resources√ to do their work/allocate resources effectively. √

Max (8)

6.5 Advise Kenny fruits and vegetable store on the THREE methods of carrying out public relations.

Media√- it includes newspapers, magazines, television and radio.

Brochures√- are an excellent way of distributing information in a cost-effective way. √√

Direct contact√- networking has become a very popular form of public relations. √√

Social responsibility√- businesses can show social responsibility by improving the quality of life of the community that they serve. √√

Neat entrance and friendly reception√- it will have a positive effect on potential customers. √√

Website√- it can be used as an effective public relation tool. √√

Exhibitions√- are the good places to introduce people to your business or product. √√

Max (8)



Conclusion

- Although quality is important in both small and large businesses, large businesses are more likely to have a formal quality control/ management systems that functions well. ✓✓
- It is important that large businesses have proper systems for managing quality. ✓✓
- Any other relevant conclusion related to quality.

Max (2)
[40]

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
Difference between quality control and quality assurance.	8	
The correlation between management and the success of the business.	8	
The quality indicators of the following business function. <ul style="list-style-type: none"> ○ Human resources function ○ Administration function ○ General management 	8 8 8	
Advise Kenny fruits and vegetable store on the FOUR methods of carrying out public relations	8	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40

GRAND TOTAL: 100

