



# education

---

Department:  
Education  
North West Provincial Government  
**REPUBLIC OF SOUTH AFRICA**

**PROVINCIAL ASSESSMENT**

**GRADE 11**

**BUSINESS STUDIES P1  
NOVEMBER 2024  
MARKING GUIDELINES**

**MARKS: 150**

**These marking guidelines consist of 28 pages.**

**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

1. For marking and moderation purposes, the following colours are recommended:  
Marker: Red  
Departmental head: Green  
External moderator: Orange
2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. Comprehensive marking guidelines have 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 guidelines
  - Comes from another source
  - 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 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.)
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 answers to questions or sub questions 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 repetition of facts. Indicate with an ' R'.
11. Note that no marks will be awarded for indicating Yes/No in evaluation type questions requiring substantiation or motivation. (Applicable to SECTIONS 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 (√) 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 marking guidelines and the context of each question.

Cognitive verbs, *such as:*

- 13.1 Advise, name, state, mention, outline, motivate, 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, compare, distinguish, differentiate, 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 B and C questions that require one answer.

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 14.1 above still applies.

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

15.4 **Use of the 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 marking guidelines)
Explanation	1 mark

The 'fact' and 'explanation' are given separately in the marking guidelines 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 marking guidelines.

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 SECTIONS B and C (where applicable).**

16. **SECTION C**

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

Introduction	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>

16.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body and a conclusion?	<b>2</b>
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')	<b>2</b>
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 (No '-S')  Option 1: <b>Only relevant facts: 2 marks (No '-S')</b> Where a candidate answers 50% or more (two to four sub questions) of the questions with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.  Option 2: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum on (1) mark for synthesis.  Option 3: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no-relevant facts; one '-S' appears in the left margins. Award a maximum of ONE (1) mark for synthesis  Option 4: <b>No relevant facts: 0 mark (Two '-S')</b> Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO-mark for synthesis.	<b>2</b>
Originality	Is there evidence of one or two examples, not older that two (2) years that are based on recent information, current trends and developments?	<b>2</b>
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>
<b>TOTAL MARKS FOR ESSAY (8 + 32):</b>		<b>40</b>

- 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.**

- 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/marketing guidelines to each question.
- 16.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection 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.

<b>CONTENT</b>	<b>MARKS</b>
Facts	<b>32 (max.)</b>
L	<b>2</b>
A	<b>2</b>
S	<b>2</b>
O	<b>2</b>
<b>TOTAL</b>	<b>40</b>

- 16.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and 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.)
- 16.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 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 the marking guidelines.
- 16.10 16.10.1 Award TWO marks for complete 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 marking guidelines, 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 C√√
- 1.1.2 D√√
- 1.1.3 C√√
- 1.1.4 B√√
- 1.1.5 A√√

(5 x 2 ) (10)

1.2

- 1.2.1 dumping √√
- 1.2.2 vision√√
- 1.2.3 merger√√
- 1.2.4 inspection√√
- 1.2.5 SABS √√

(5 x 2 ) (10)

1.3

- 1.3.1 G√√
- 1.3.2 J√√
- 1.3.3 F√√
- 1.3.4 A√√
- 1.3.5 C√√

(5 x 2 ) (10)

**TOTAL SECTION A: 30**

### BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
<b>TOTAL</b>	<b>30</b>

**SECTION B****Mark the FIRST TWO answers only.****QUESTION 2: BUSINESS ENVIRONMENTS****2.1 Components of micro environment**

- Vision and mission ✓
- Management skills ✓
- Resources ✓
- Employees ✓
- Goals and objectives ✓
- Culture ✓

**NOTE: Mark the first TWO (2) only.****(2 x 1) (2)****2.2 Purpose of the Labour Relations Act**

- Provides a framework where the employees, trade unions and employers work together to discuss matters relating to employment, such as wages, conditions of employment. ✓✓
- Promotes orderly negotiations and employee participation decision making in the workplace. ✓✓
- Promotes resolution of labour disputes. ✓✓
- Promotes fair employment practices. ✓✓
- Outlines the relationship between employees and employers. ✓✓
- Provides simple procedures for the registration of trade unions employers' organisations. ✓✓
- Regulates the rights of trade unions and facilitates collective bargaining. ✓✓
- Regulates the effectiveness of bargaining councils and statutory councils. ✓✓
- Establishes workplace forums to promote the interest of all employees in the workplace whether they belong to the trade union or not. ✓✓
- Allows workplace forums where employees may participate in decision making. ✓✓
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes through statutory conciliation, mediation and arbitration. ✓✓
- Endorses the right to strike against retrenchments and facilitates labour disputes. ✓✓
- Clarifies the transfer of contracts of employment procedures. ✓✓
- Establishes Labour Courts and Labour Appeal Courts to deal with labour issues. ✓✓
- Any other relevant answer related to the purpose of LRA.

**Max (6)**



**2.3 Macro environment**

**2.3.1 Challenges of macro environment from the scenario**

<b>CHALLENGES</b>	<b>MOTIVATIONS</b>
Political ✓✓	The government has increased import duty on the textile items. ✓
Social ✓✓	Many customers have lost their jobs due to COVID-19 related issues. ✓
Submax (4)	Submax (2)

- NOTE**
- 1. Mark the first TWO (2) only.**
  - 2. Award marks for the challenges even if the motivations were incomplete.**
  - 3. Do not award marks for motivations if the challenges were incorrectly identified.**

**Max (6)**

**2.3.2 Ways in which businesses can be involved in the macro environment**

- Influencing suppliers ✓ by signing long term contracts. ✓
- Creating new uses for a product ✓ by finding new customers. ✓
- Influencing regulators ✓ through lobbying and bargaining. ✓
- Initiating bargaining sessions ✓ between management and unions. ✓
- Influencing its owners ✓ using information contained in annual reports. ✓
- Negotiating strategic alliance agreement ✓ through contractual processes. ✓
- Knowing government regulations ✓ and operating within them. ✓
- Keeping up with new technologies ✓ to improve production and marketing. ✓
- Lowering its impact ✓ on the environment. ✓
- Entering the global market ✓ by using the internet to source suppliers and customers. ✓
- Working within the law ✓ to set up contracts. ✓
- Taking advantage of economic changes ✓ such as exchange rate, tax breaks. ✓
- The business can stay informed about the challenges ✓ and developments in the macro environment and can adapt to challenges quickly. ✓
- Entering the global market by using the internet ✓ to source suppliers and customers ✓
- Working within the law can assist the business ✓ to set up contracts. ✓
- Getting involved in research/development ✓ so that they can continue to operate. ✓
- Any other relevant answer related to ways in which businesses can be involved in the macro environment.

**Max (4)**

**2.4 Advantages of networking**

- Businesses can attract new customers ✓ resulting to increased market share and profitability. ✓
- Networking can be an excellent source of new perspectives ✓ and business ideas. ✓
- Allows managers to build new businesses relationships ✓ and generate new business opportunities. ✓

- Plays a role in the marketing ✓ and expansion of a business. ✓
- Assists businesses in making ✓ future business decisions. ✓
- Businesses can gain support ✓ when representation to various authorities is planned. ✓
- Any other relevant answer related to the advantages of networking

**Max (4)****2.5 Functions of trade unions**

- Improves conditions ✓ of employment. ✓
- Ensures that all employees are treated equally ✓ in the workplace. ✓
- Representing the interest of general society ✓ and minority groups through media and negotiations. ✓
- Influencing government ✓ decisions. ✓
- Representing employees ✓ corporately and individually. ✓
- Improving material benefits ✓ of their members. ✓
- Establishing minimum economic ✓ and legal conditions/influencing economic policy and law. ✓
- Playing a role as moral institutions that will uplift the weak ✓ and oppressed and give them the dignity and justice they deserve. ✓
- Protecting workers from unfair labour practices ✓ and unfair dismissal. ✓
- Take legal action on behalf of members ✓ when necessary. ✓
- Any other relevant answer related to the functions of trade unions.

**Max (4)****2.6 Socio-economic issues****2.6.1 Identification of socio-economic issues**

- Crime ✓✓
- Inflation ✓✓

**NOTE: Mark only the first TWO (2) answers.****(2 x 2) (4)****2.6.2 Impact of lack of skills on the businesses**

- Businesses cannot find candidates ✓ with adequate skills and experience. ✓
- Businesses end up appointing a candidate who lacks certain skills ✓ resulting in poor products and services. ✓
- Training employees is expensive, and productivity will be affected ✓ as it takes time for newly trained employees to learn his/her new jobs. ✓
- The cost of labour becomes expensive ✓ as some businesses recruit candidates from abroad. ✓
- Any other relevant answer related to lack of skills on the businesses.

**Max (4)****2.7 Ways in which businesses can overcome competition in the market**

- Management must ensure that the business differentiates itself from the competitors by tapping into what the customer wants. ✓✓

## Grade 11 – Marking Guidelines

- Offering more personal services by being responsive to the customer's needs/ expectations. √√
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. √√
- Charging the lower prices√ than that of the other businesses. √√
- Selling products of a superior quality/new products/services that the customers might be interested in. √√
- By being the best employer that has well trained/knowledgeable staff members that create a better working atmosphere. √√
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. √√
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/ inviting. √√
- Keeping up with developments in the business sector, following consumer trends/investing in new technology. √√
- Improving on customer services and keeping them happy. √√
- Any other relevant answer related to ways in which businesses can overcome competition in the market.

**Max (6)**  
**[40]**

**BREAKDOWN OF MARKS**

<b>QUESTION 2</b>	<b>MARKS</b>
<b>2.1</b>	<b>2</b>
<b>2.2</b>	<b>6</b>
<b>2.3.1</b>	<b>6</b>
<b>2.3.2</b>	<b>4</b>
<b>2.4</b>	<b>4</b>
<b>2.5</b>	<b>4</b>
<b>2.6.1</b>	<b>4</b>
<b>2.6.2</b>	<b>4</b>
<b>2.7</b>	<b>6</b>
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS OPERATIONS**

**3.1 Marketing activities**

- Standardisation and grading ✓
- Storage ✓
- Transport ✓
- Financing ✓
- Risk-bearing ✓
- Buying and selling ✓

**NOTE: Mark the first FOUR (4) only.**

**(4 x 1) (4)**

**3.2 The role of intermediaries in the distribution process**

- Finding and locating buyers on behalf of the producer. ✓✓
- Help in promoting the product. ✓✓
- Intermediaries are specialists in selling, so the producer may be able to reach a wider audience. ✓✓
- They can achieve greater sales by using intermediaries. ✓✓
- The producer may not have the expertise or resources necessary to sell directly to the public. ✓✓
- The intermediary may be able to provide more efficient distribution logistics, for such. transporting the product to various points of sale. ✓✓
- Overall distribution costs may be lower using an intermediary than if the business undertook distribution itself, even when the intermediary's commission is taken into account. ✓✓
- Any other relevant answer related to the role of intermediaries in the distribution process.

**Max (4)**

**3.3 Consumer goods**

**3.3.1 Types of consumer goods from the scenario**

<b>TYPE OF CONSUMER GOODS</b>	<b>MOTIVATIONS</b>
Speciality ✓✓	AE sell branded jewellery. ✓
Convenience ✓✓	They also provide quality bread to all customers. ✓
Submax (4)	Submax (2)

- NOTE:**
1. **Mark the first TWO (2) only.**
  2. **Award marks for the type of consumer goods even if the motivations were incomplete.**
  3. **Do not award marks for motivations if the types of consumer goods were incorrectly identified.**

**Max (6)**

**3.4 Importance of product development**

- Product design needs to be designed to suit ✓ the needs of the customers. ✓
- If the product design does not suit the target market, ✓ there will be very little demand for the product. ✓
- Businesses need to develop new products ✓ in order to replace older products in stage 4 when the sale declines. ✓
- Businesses are able to remain competitive ✓ because they are always on a lookout for ways to improve their products. ✓
- Products become different ✓ from those of the competitors. ✓
- Any other relevant answer related to the importance of product development.

**Max (6)**

**3.5 Difference between piecemeal and time-related salary methods**

<b>PIECEMEAL</b>	<b>TIME-RELATED</b>
- Workers are paid according to the number of items/ units produced /action performed.	- Workers are paid for the amount of time they spend at work/on a task.
- Workers are not remunerated for the number of hours worked, regardless of how long it takes them to make the items	- Workers with the same experience/qualifications are paid on salary scales regardless of the amount of work done.
- Mostly used in factories particularly in the textile/technology industries.	- Many private and public sector businesses use this method
- Any other relevant answer related to piecemeal.	- Any other relevant answer related to time-related
Sub max (2)	Sub max (2)

- NOTE**
1. The answer does not have to be in tabular format.
  2. The differences do not have to link, but must be clear.
  3. Award a maximum of TWO (2) marks if the differences are not clear / Mark either piecemeal or time-related.

**Max (4)**

**3.6 Recruitment methods**

**3.6.1 Recruitment methods from the scenario**

Internal recruitment ✓✓

**(2)**

**3.6.2 Recruitment procedure**

- The human resource manager determines the job needs ✓ in the business/identify vacancies. ✓
- Prepare the Job description ✓ and Job specification. ✓
- Determine the key performance areas ✓ of the job. ✓
- Choose the recruitment method ✓ such as internal or external method of recruitment. ✓
- Vacancies can be internally advertised ✓ via internal email/word of mouth/ posters/staff notices. ✓

- If internal recruitment was unsuccessful, ✓ consider external recruitment. ✓
- The advertisement should be prepared with the relevant information, ✓ such as the name of the company, contact details, contact person. ✓
- Place the advertisement in the appropriate media that will ensure that the best candidates apply. ✓
- Any other relevant answer related to recruitment procedure.

**NOTE: The procedure can be in any order.**

**Max (4)**

**3.7 Effectiveness of personal selling in promoting a business product**

- Personal selling can be made telephonically but are usually face to face ✓ and offer the most flexible means of delivering a promotional message. ✓
- Done by experienced salesperson who develop charisma ✓ and become skilled in getting people to pay attention to them. ✓
- It is very effective especially in the case of expensive industrial goods ✓ such as machinery, shopping goods, stoves/fridges/cell phones . ✓
- Involves a very personal touch ✓ with specific attention giving to customer's needs and requirements. ✓
- Most effective way to build relationships between the salesperson and the customer. ✓
- It is also a very good way of maintaining good relationships ✓ and ensuring on-going business and sales. ✓
- The sales person can adjust his/her message ✓ to be more attractive to the person listening. ✓
- Any other relevant answer related to the effectiveness of personal selling in promoting a business product.

**Max (4)**

**3.8 Legal requirements of the employment contract**

- The employer and employee must both sign the contract. ✓✓
- Employer and employee must agree to any changes to the contract. ✓✓
- No party may unilaterally change aspects of the employment contract. ✓✓
- The remuneration package/including benefits must be clearly indicated. ✓✓
- It may not contain any requirements that are in conflict with the BCEA. ✓✓
- The employment contract should include a code of conduct and code of ethics. ✓✓
- Aspects of the employment contract can be renegotiated during the course of employment. ✓✓
- The employer must explain the terms and conditions of the employment contract to the employee. ✓✓
- Conditions of employment/duties/responsibilities of the employees must be stipulated clearly. ✓✓
- All business policies, procedures and disciplinary codes/rules can form part of the employment contract. ✓✓
- The employer must allow the employee to thoroughly read through the contract before it is signed ✓✓
- Any other relevant answer related to legal requirements of the employment contract.

**Max (6)  
[40]**

**BREAKDOWN OF MARKS**

<b>QUESTION 3</b>	<b>MARKS</b>
<b>3.1</b>	<b>4</b>
<b>3.2</b>	<b>4</b>
<b>3.3.1</b>	<b>6</b>
<b>3.4</b>	<b>6</b>
<b>3.5</b>	<b>4</b>
<b>3.6.1</b>	<b>2</b>
<b>3.6.2</b>	<b>4</b>
<b>3.7</b>	<b>4</b>
<b>3.8</b>	<b>6</b>
<b>TOTAL</b>	<b>40</b>

**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

**4.1 Challenges of the market environment**

- Competition ✓
- Shortage of supply ✓
- Changes in consumer behaviour ✓
- Demographics and psychographics ✓
- Socio-cultural factors ✓

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

**4.2 Projects undertaken by businesses as part of social responsibility**

- Businesses must allow employees to get involved in social development. ✓✓
- Managers must protect the environment and participate in community upliftment programs. ✓✓
- Environmentally friendly campaigns ✓✓
- Making donations to charity organisations ✓✓
- Engaging in economic development ✓✓
- Charity community projects ✓✓
- HIV and Aids awareness programs ✓✓
- Any other relevant answer related to the projects that can be undertaken by businesses as part of social responsibility

**Max (6)**

**4.3 Identifying solutions to piracy**

**4.3.1 Solutions to piracy from the scenario**

<b>TYPE OF CONSUMER GOODS</b>	<b>MOTIVATION</b>
1. Patent ✓✓	PS is worried that other businesses would copy their design, so they registered their new invention ✓
2. Trademark ✓✓	They also used a very special symbol to enable customers to identify them. ✓
Sub-max (4)	Sub-max (2)

- Note:**
1. Mark the first TWO (2) only.
  2. The answer does not have to be in tabular format.
  3. Award marks for the solutions to piracy even if the motivations are incomplete.
  4. Do not award marks for the motivations if the solutions to piracy were incorrectly identified.

**Max (6)**

**4.4 Benefits of being involved in macro environment**

- The business can more accurately predict future events, threats and opportunities that may arise. ✓✓



## Grade 11 – Marking Guidelines

- The business can contribute to a healthier, more skilled and productive workforce. √√
- It can protect natural resources and meet consumer needs in a sustainable way. √√
- The business can contribute to wealthier consumers. √√
- Reduced industrial conflict and increase productivity. √√
- The business can accurately promote a cause that is a concern to the society. √√
- The business can contribute its expertise and resources that can influence the public opinion. This is called advocacy. √√
- Any other relevant answer related to the benefits of being involved in the macro environment.

**Max (4)****BUSINESS OPERATIONS****4.5 Types of packaging**

- Packaging for immediate use/Unit packaging √
- Packaging for double use √
- Packaging for resale √
- Kaleidoscopic/Frequently changing packaging √
- Speciality packaging √
- Combination packaging √

**NOTE: Mark the first FOUR (4) only.****(4 x 1) (4)****4.6 Selection procedure as a human resources activity****OPTION 1**

- Determine fair assessment criteria on which selection will be based. √√
- Applicants must submit the application forms/curriculum vitae and certified copies of personal documents/IDs/proof of qualifications. √√
- Sort the received documents/CVs according to the assessment/selection criteria. √√
- Screen/Determine which applications meet the minimum job requirements and separate these from the rest. √√
- Preliminary interviews are conducted if many suitable applications were received. √√
- Reference checks should be made to verify the content of CVs such as contacting previous employers to check work experience. √√
- Compile a shortlist of potential candidates identified. √√
- Shortlisted candidates may be subjected to various types of selection tests such as. skills tests. √√
- Invite shortlisted candidates for an interview. √√
- A written offer is made to the selected candidate. √√
- Inform unsuccessful applicants about the outcome of their application./Some adverts indicate the deadline for informing only successful candidates. √√
- Any other relevant answer related to the selection procedure as a human resource activity.

**OR**

**OPTION 2**

- Receive documentation such as application forms and sort it according to the criteria of the job. √√
- Evaluate CVs and create a shortlist/Screen the applicants. √√
- Check information in the CVs and contact references. √√
- Conduct preliminary sifting interviews to identify applicants who are not suitable for the job, although they meet all requirements. √√
- Assess/Test candidates who have applied for senior positions/to ensure the best candidate is chosen. √√
- Conduct interviews with shortlisted candidates. √√
- Offer employment in writing to the selected candidate(s). √√
- Any other relevant answer related to the selection procedure as a human resource activity. (4)

**NOTE: The procedure may be in any order. Max**

#### 4.7 Compliance with OHSA

##### 4.7.1 TWO ways in which WC complies with the Occupational Health and Safety Act.

- WC ensures that their first aid boxes are always available. √
- They also make fire extinguishers available in the workplace. √

**NOTE: 1. Mark the first TWO (2) only.  
2. Only award marks for responses that were quoted from the scenario. (2 x 1) (2)**

##### 4.7.2 Other ways in which WC can comply with the Act.

- Provide workers with protective gear to protect themselves √ against potentially dangerous equipment. √
- Machinery must be maintained √ at regular intervals and repaired promptly. √
- Develop and distribute the health and safety policy √ to employees. √
- Review existing health and safety procedures √, equipment and staff training. √
- Appoint a health and safety officer √ at the workplace. √
- Maintain √ an accident register. √
- Establish health and safety committees √ consisting of representatives from both management and staff. √
- Any other relevant answer related to ways in which WC can comply to the Act

**NOTE: Do not award marks for responses that are quoted from the scenario in QUESTION 4.7.1. Max (4)**

**4.8 Precautionary measures that business should take when handling machinery**

- Familiarise employees with safety procedures. √√
- Develop a culture of safety in the workplace. √√
- All machinery and equipment must be correctly installed and safe to use. √√
- Workers must be properly trained on how to use machinery and must be informed about the risks when using the machinery. √√
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. √√
- Workers need to wear protective clothing/gear such as overalls/ hard hats/ safety helmets/masks/heavy-duty safety boots/welding goggles when working with machinery and equipment. √√
- Hard hats should be always worn on construction sites. √√
- Any other relevant answer related to Precautionary measures that business should take when handling machinery

**Max (4)  
[40]**

**BREAKDOWN OF MARKS**

<b>QUESTION 4</b>	<b>MARKS</b>
<b>4.1</b>	<b>4</b>
<b>4.2</b>	<b>6</b>
<b>4.3.1</b>	<b>6</b>
<b>4.4</b>	<b>4</b>
<b>4.5</b>	<b>4</b>
<b>4.6</b>	<b>6</b>
<b>4.7.1</b>	<b>2</b>
<b>4.7.2</b>	<b>4</b>
<b>4.8</b>	<b>4</b>
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**

**SECTION C****Mark the FIRST question only****QUESTION 5: BUSINESS ENVIRONMENT (ADAPTING TO THE CHALLENGES OF THE BUSINESS ENVIRONMENTS)****5.1 Introduction**

- Lobbying is a strategic effort undertaken by organisations to influence public policy or government decisions in favour of specific interest. ✓
- Lobbying ensures that different voices are heard. ✓
- Different types of lobbying practices are used to form effective power relationships in businesses. ✓
- Power relations play a crucial role in shaping interactions and outcomes in large organisations and companies. ✓
- Any other relevant introduction related to the meaning of lobbying/reasons why businesses lobby/types of lobbying/ways businesses can form power relations.

**Any (2 x 1) (2)****5.2 Meaning of lobbying**

- Lobbying refers to the process of trying to influence legislation ✓ or parliamentary decision making. ✓
- It involves acquiring public support ✓ for an issue such as children or animal rights. ✓
- It is an organised process where individuals, business and organisations use their influence ✓ to change government policy. ✓
- Lobbying specifically applies to lawmakers and government officials ✓ and it is a participatory approach to government. ✓
- It is done by various people ✓ with similar motives, beliefs or commercial positions. ✓
- Any other relevant answer related to the meaning of lobbying.

**Max (8)****5.3 Reasons why businesses lobby**

- Businesses lobby their regulator or supervisory body in order to try influence prices, policies, regulations and other decisions made by the regulator or the supervisory body. ✓✓
- Businesses or people lobby or change laws like, child labour laws, clean air and water laws, municipal regulations. ✓✓
- Their views are important and heard, thus making a difference and giving solutions to business challenges. ✓✓
- Lobbying advances businessmen's cause and builds public trust. ✓✓
- Any other relevant answer related to the reasons why business lobby.

**Max (8)**

## 5.4 Three types of lobbying

### 5.4.1 Hedging against inflation √√

- Businesses use hedging to protect their financial investments √ by spreading the risk. √
- Businesses invest surplus fund √ so that its value grows at a faster rate than inflation. √
- They can hedge against inflation by investing their surplus assets/money √ in investments with intrinsic value such as gold/oil/property. √
- The business use hedging by buying bonds, shares, property or buying precious metals like gold √ to protect capital from the effects of inflation. √
- It is a method that businesses try to reduce the risk √ when unsure about possible price fluctuations. √
- Any other relevant answer related to hedging against inflation as a type of lobbying.

**Type (2)**  
**Discuss (4)**  
**Submax(6)**

### 5.4.2 Bargaining sessions between management and unions √√

- These sessions enable employees to negotiate with employers √ as a group to protect employees' rights. √
- Bargaining sessions prevent labour strikes √ and provide critical information to people in power. √
- Businesses make sure that their representatives are trained/skilled √ to negotiate own their behalf. √
- The purpose of bargaining sessions is to find a win-win situation √ for all parties. √
- Management will try to convince the union to accept its proposal √ and the union will try to persuade management to accept their demands. √
- Businesses need to be fair/transparent √ to establish trust and good communication with unions. √
- Any other relevant answer related to bargaining sessions between management and unions as a type of lobbying.

**Type (2)**  
**Discuss (4)**  
**Submax(6)**

### 5.4.3 Influencing supervisory body/regulators √√

- There are large number of supervisory bodies and regulators who operate in the business environment.
- Businesses take an active role in professional bodies.
- Through their membership/advocacy/submissions they may be able to influence changes to existing regulations.
- Businesses influence and negotiate with these regulators to protect their own sustainability.

- It is in the best of interest of businesses to adhere to the guidelines and restrictions of these bodies.
- Any other relevant answer related to influencing supervisory body/regulators as a type of lobbying.

**Type (2)**  
**Discuss (4)**  
**Submax(6)**

**NOTE Mark the first THREE (3) only**

**Max (18)**

## 5.5 Ways business can form power relations

### 5.5.1 Persuasion of large investors

- If a business has a powerful investor, the business can often benefit from the relationship so that it can gain credit more easily and better deals from suppliers. √√
- Businesses invite powerful influential people to sit on their board of directors in order to get advice from those people. √√
- Having such power as part of the business may have a positive influence on the reputation and image of the business. √√
- If a business has a large/powerful investor, the business can gain credit more easy/get better deals from suppliers. √√
- Any other relevant answer related to the ways businesses can use Persuasion of large investors to form power relations.

**Sub max (6)**

### 5.5.2 Company representatives' influence

- This representative fulfils an important function in trying to persuade investors to invest in a particular business practice. √√
- People will make decisions based on the company's image, personality, communication style and power of persuasion. √√
- Businesses must invest time and energy to recruit the right person for this job. √√
- Any other relevant answer related to the ways businesses can use company representatives' influence to form power relations.

**Submax (6)**

**Max (12)**

## 5.6 Conclusion

- Lobbying plays a significant role in the business environment as companies seek to influence government and policy decisions that impact their operations. √√
- Businesses lobby to safeguard their interest, shape regulations and gain competitive advantages. √√
- Understanding different types of lobbying highlights the diverse methods companies use to exert influence. √√
- Strategies to form power relations further amplify a business ability to impact key decisions and establish long term influence. √√

- Any other relevant conclusion related to the meaning of lobbying/reasons why businesses lobby/types of lobbying/ways businesses can form power relations.

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

**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
<b>Introduction</b>	<b>2</b>	<b>Max 32</b>
Meaning of <i>lobbying</i>	<b>8</b>	
Reasons why businesses lobby	<b>8</b>	
Three types of lobbying	<b>18</b>	
Ways to form power relations	<b>12</b>	
<b>Conclusion</b>	<b>2</b>	
<b>Insight</b>		<b>8</b>
<b>Layout</b>	<b>2</b>	
<b>Analysis</b>	<b>2</b>	
<b>Synthesis</b>	<b>2</b>	
<b>Originality</b>	<b>2</b>	
<b>TOTAL MARKS</b>		<b>40</b>

**QUESTION 6: BUSINESS OPERATIONS (MARKETING FUNCTION)****6.1 Introduction**

- Pricing is the easiest of all the marketing variables to influence but it is amongst the most complex decisions to make. ✓
- Various pricing techniques can be used to determine the final prices of products. ✓
- The factors that influence pricing of products should be well understood by all stakeholders in the business to allow for the application of the pricing structure chosen. ✓
- Businesses make use of sale promotions by using various marketing methods that are aimed at improving consumer demand in particular products/services of the business. ✓
- Any other relevant introduction related to the importance of pricing/pricing techniques/factors that influence pricing/purpose of sale promotions.

**Any (2 x 1) (2)****6.2 Importance of pricing**

- It defines the value of the product in terms of production costs and customer use. ✓✓
- It is a tangible price point that lets customers know whether the product will be worth their time and investment. ✓✓
- The pricing process needs to consider flexibility/discount/territory/life cycle status/allowance. ✓✓
- The price of a product can influence the consumers' attitude towards the product or the brand. ✓✓
- Pricing affects the number of products that an enterprise is able to sell, which in turn, affects profitability. ✓✓
- Pricing too high may have a negative impact/decrease in sales. ✓✓
- If the price is too low, consumers may perceive the product as being of poor quality. ✓✓
- The price of a product must make provision for transport costs. ✓✓
- The price of a product should take the VAT into account. ✓✓
- The pricing policy should explain when and to whom discounts will be granted. ✓✓
- Low sales result in stockpiles of unsold product that have to be stored and not repaying the cost of manufacturing that product. ✓✓
- Any other relevant answer related to the importance of pricing.

**Max (12)**



### 6.3 Pricing techniques

#### 6.3.1 Cost-based pricing

- Cost-based pricing is the practice of setting prices ✓ based on the cost of the goods or services being sold. ✓
- A profit percentage or fixed profit figure is added to the cost of an item, ✓ which determines the price at which it will be sold. ✓
- The costs of production and supply are calculated, ✓ and a suitable profit margin is added to determine the selling price. ✓
- Any other relevant answer related to cost-based pricing as a pricing technique.

**Submax (6)**

#### 6.3.2 Competition based pricing

- Competition-based pricing is a pricing method that involves setting prices ✓ in relation to the prices of competitors. ✓
- This approach is also called going rate pricing ✓ or competitive pricing. ✓
- The more competition in the market, ✓ the lower prices are likely to be. ✓
- If the price is set at a higher level than competitors, ✓ consumers may be convinced that the product is better in terms of quality and usefulness. ✓
- Any other relevant answer related to competition-based pricing as a pricing technique.

**Submax (6)**

**Max (12)**

### 6.4 Factors that influence pricing

#### 6.4.1 Input costs ✓✓

- The higher the input costs, ✓ the higher the final price. ✓
- An increase in transport ✓ could increase the final price. ✓
- Any other relevant answer related to the input costs as a factor that influence pricing.

**Method (2)**

**Explanation (2)**

**Submax (4)**

#### 6.4.2 Demand for the product ✓✓

- The higher the demand for a product ✓ the higher the production volume. ✓
- The lower the input costs, ✓ the lower the final price. ✓
- Any other relevant answer related to the demand for the product as a factor that influence pricing.

**Method (2)**

**Explanation (2)**

**Submax (4)**

**6.4.3 Target market** √√

- The income level of the target market √ could influence the price of a product. √
- Any other relevant answer related to the target market as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

**6.4.4 Type of product** √√

- Luxury products can be priced higher√ than necessities. √
- Any other relevant answer related to the type of product as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

**6.4.5 Pricing technique used to determine the price** √√

- Promotional pricing could be lower √ than demand-oriented pricing. √
- Any other relevant answer related to the pricing technique used to determine the price as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

**6.4.6 Competitive and substitute products** √√

- If there are similar products that could replace a product, √ a high price may result in a loss of sales to the substitute. √
- If the price and demand for complementary goods increase, √ the other product may increase at the same rate, for example, prices of computers and keyboards may increase at the same time. √
- Any other relevant answer related to the competitive and substitute products as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

**6.4.7 The economic climate and availability of goods and services** √√

- When there is a shortage of a certain product, √ people are prepared to pay more for it. √
- Any other relevant answer related to the economic climate and availability of goods and services as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

**6.4.8 Forms of markets**√√

- The following forms of markets will affect the pricing:
- Perfect competition -√ The number of buyers and sellers is very large.√
- Products are similar and there are many substitute products, √ for example, shares traded on the JSE. √

## Grade 11 – Marking Guidelines

- Monopolistic competition - ✓ There are many suppliers/sellers. ✓
- Each supplier has his/her brand of a particular product, ✓ for example, restaurants such as McDonalds/Burger King/Steers, and so on. ✓
- Oligopoly - ✓ Only a few suppliers/sellers control the prices of products. ✓
- Products are homogenous/same, ✓ for example, MTN, Vodacom / Cell C. ✓
- Monopoly - ✓ Only one supplier/seller controls prices and products. ✓
- Profit margins are usually higher ✓ because consumers do not have any alternatives such as Eskom. ✓
- Any other relevant answer related to the forms of markets as a factor that influence pricing.

**Method (2)**  
**Explanation (2)**  
**Submax (4)**

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

**Max (12)**

### 6.5 Purpose of sale promotions

- Increase and improve the number of products and services sold to customers and increase the sales of products of the business. ✓✓
- Inform existing and new potential customers about the products and services of the business. ✓✓
- Build long-lasting relationships with customers. ✓✓
- Persuade immediate purchases with potential customers. ✓✓
- Determine which sales promotion methods work the best at reaching the target market. ✓✓
- Provide customers with products and services equal to the value promoted in marketing communication. ✓✓
- Remind the target market about current and new products and the availability thereof. ✓✓
- Reconnect with the existing target market. ✓✓
- Improve overall brand awareness of the business with existing and new potential customers. ✓✓
- Improve customer loyalty with existing and new potential consumers. ✓✓
- Activate dormant customers to purchase products and services. ✓✓
- Introduce new products or to extend the product life cycle. ✓✓
- Any other relevant answer related to the purpose of sale promotions.

**Max (10)**

### 6.6 Conclusion

- The correct pricing of product/services determines the sales and success of the business in the long-run. √√
- The many different pricing techniques available to businesses allows for the use of a combination of these techniques. √√
- Businesses need to carefully considers all the factors that influence their pricing to ensure that their success is not short lived. √√
- The use of sale promotions needs to be well-researched to ensure that the smaller profit margin per item does not negatively affect the profitability of the business. √√
- Any other relevant conclusion related to the importance of pricing/pricing techniques/factors that influence pricing/purpose of sale promotions.

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

### QUESTION 6: BREAKDOWN OF MARKALLOCATION

DETAILS	MAXIMUM	TOTAL
<b>Introduction</b>	<b>2</b>	<b>Max 32</b>
Importance of pricing	<b>12</b>	
Pricing techniques: o Cost-based pricing o Competition based	<b>12</b>	
Factors that influence pricing	<b>12</b>	
Purpose of sale promotions	<b>10</b>	
<b>Conclusion</b>	<b>2</b>	
<b>Insight</b>		<b>8</b>
<b>Layout</b>	<b>2</b>	
<b>Analysis</b>	<b>2</b>	
<b>Synthesis</b>	<b>2</b>	
<b>Originality</b>	<b>2</b>	
<b>TOTAL MARKS</b>		<b>40</b>