

**HILLCREST HIGH SCHOOL
BUSINESS STUDIES
GRADE 10
NOVEMBER 2018
PAPER 2**

2 HOURS

150 MARKS

INSTRUCTIONS:

- This question paper consists of **THREE** sections, namely **SECTION A, SECTION B and SECTION C**.
 - SECTION A: **COMPULSORY**
 - SECTION B: Consists of **THREE** questions covering Topics dealing with **Business Ventures and Business Roles**.
Answer **ONLY TWO** questions from this section.
 - SECTION C: Consists of **TWO** essays covering Topics dealing with **Business Ventures and Business Roles**.
Answer **ONLY ONE** of the TWO questions from this section.
- Consider the time allocation for each question when answering.
- Read the instructions for each question carefully and answer only what is required.
- Number the answers correctly according to the numbering system used in this question paper.
- Except where other instructions are given, answers must be in full sentences.
- The mark allocation of each question will determine the length of your answer.
- Use the table below as a guide for marks and time allocation for each question.
- Sections A, B and C MUST be answered in the booklet provided.**

QUESTION	SECTION		MARKS	TIME
1	A:	Multiple choice questions, correct word, Matching columns	30	20 mins
2	B:	<u>THREE</u> direct questions. Answer ONLY <u>TWO</u> questions	40	35 mins
3			40	35 mins
4			40	35 mins
5	C:	<u>TWO</u> essay questions. Answer only <u>ONE</u> essay.	40	40 mins
6			40	40 mins
		TOTAL	150	120 minutes

Section A- COMPULSORY

Answer all questions

QUESTION 1

- 1.1 Four options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to the question number (1.1.1 – 1.1.10) in the ANSWER BOOK, for example 1.1.11 B.
- 1.1.1 A sustainable business is one that:
- A. does not have a negative impact on the environment or on society.
 - B. keeps operating for many years.
 - C. does not use local products.
 - D. does not use up natural resources.
- 1.1.2 The owner(s) of the following have limited liability.
- A. Sole proprietor
 - B. Close corporation
 - C. Partnerships
 - D. Varson & Son
- 1.1.3 This tool is most suitable to evaluate a potential business venture.
- A. PESTLE analysis
 - B. PORTERS Five Forces
 - C. SWOT analysis
 - D. None of the above
- 1.1.4 This helps a person in the workplace to prevent stress and stay in control.
- A. Professional image
 - B. High achievement
 - C. Teamwork
 - D. Time management
- 1.1.5 A market research instrument should:
- A. Be clear, concise and unambiguous.
 - B. Use only open-ended questions.
 - C. Be as detailed as possible to get accurate answers.
 - D. Use only yes/no type questions.
- 1.1.6 Is not an example of a problem-solving technique.
- A. Brainstorming
 - B. Mind mapping
 - C. The empty table technique
 - D. The SCAMPER technique

- 1.1.7 Problem solving involves the:
- A. investigation into and study of materials and sources to establish facts.
 - B. finding of an innovative solution to a particular problem.
 - C. combination of a number of concepts into a coherent whole.
 - D. plan of action.
- 1.1.8 Ethical business opportunities means to:
- A. sell products with no regard for the environment.
 - B. resell copies of original products.
 - C. be able to copy other products.
 - D. Not infringe on anyone's copyright.
- 1.1.9 is concerned with the relationship between the business and the external environment.
- A. Top level management
 - B. Middle level management
 - C. Lower level management
 - D. Employees
- 1.1.10 The triple bottom line refers to:
- A. making the biggest profit possible for the business's shareholders.
 - B. keeping all levels of a business happy.
 - C. measuring success economically, environmentally and socially.
 - D. measuring profits, losses and taxes. (20)
- 1.2 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.2.1 – 1.2.5) in the Answer Sheet.
- 1.2.1 A (community based/monetary based approach) is when the business assists community to better themselves through skill improvement programmes.
- 1.2.2 (Entrepreneur/Intrapreneur) is a person who is a manager within a company who turns an idea into a profitable finished product.
- 1.2.3 (Limited/Unlimited Liability) is when the owner(s) are personally responsible for all the debts of the business.
- 1.2.4 (Self-reflection/self-confidence) is an understanding of your feelings about aspects of your own performance, attitudes and behaviour.
- 1.2.5 (Processes/techniques) are specially developed ways of completing a task. (10)

[30]

SUB TOTAL SECTION A: 30 MARKS

SECTION B:
ANSWER ANY **TWO** QUESTIONS IN THIS SECTION.

QUESTION 2 – BUSINESS ROLES

2.1 Read the scenario below and answer the questions that follow.

Nandipha and Goba started their sweets wholesale business five years ago called ‘Sweeet Me Wholesalers’ (SMW). The business is showing good profits and workers work in harmony with each other. There is a good team spirit amongst the workers. SMW have also sponsored various activities in the community from which many of their employees come.

However, a new wholesaler selling groceries and sweets opened a few streets away and is offering more products to retailers. This is posing a threat to their business. Nandipha and Goba are concerned about the sustainability of their business. Profits are decreasing steadily and employees jobs are at risk.

2.1.1 Explain the guidelines that SMW can use to encourage creativity and solve business problems. (8)

2.1.2 Discuss ways in which creativity can increase productivity and profitability in a business like SMW. (6)

2.1.3 Name the **FOUR** steps to follow in brainstorming. (4)

2.1.4 Nandipha and Goba have had a major buyer returning a large amount of stock that were full of ants.
Advise them on the steps they should go about solving this problem. (7)

2.2.1 Describe **THREE** benefits of Corporate Social Responsibility (CSR) for businesses like SMW. (6)

2.2.2 Name and explain **THREE** reasons for the growing importance of CSR in business. (9)

[40]

QUESTION 3 – BUSINESS VENTURES

3.1 Read the scenario below and answer the questions that follow.

‘Bread Ahead’ is a successful bakery in Polokwane. The owner Omari Jabari is considering extending his product range to include wedding cakes and cakes for special occasions. Omari Jabari is concerned that there might not be a market for this new range.

- 3.1.1. Explain the importance of research to Omari Jabari. (8)
- 3.1.2 Name and explain any **THREE** research instruments that Omari can use to make decisions. (9)
- 3.1.3 When research is being conducted, certain information could be collected about your customers. Name and explain any **THREE**. (6)
- 3.2.1 When considering a business's location, important labour issues must be taken into consideration. Describe any **TWO** labour related issues that businesses should be aware of. (6)
- 3.2.2 Name the **TWO** parties involved in a Franchise Agreement and give an example of an existing franchise. (3)
- 3.2.3 Provide a brief description of an insurance agreement. (8)

[40]

QUESTION 4 – MISCELLANEOUS

- 4.1. Explain where entrepreneurs get their belief and ability to have confidence to be competent in anything they do. (6)
- 4.2.1 Mention **FOUR** aspects that partners should mention in their partnership agreement. (8)
- 4.2.2 Discuss **FOUR** disadvantages of a State-Owned Company. (8)
- 4.3 Complete the table below by providing **ONE** example for each of the following CSR initiatives. Write the letter only and the answer. Do not redraw the table. The first example has been done.

CSR initiative	Example
Community upliftment	Skills development programmes /awareness programmes for HIV/Aids
Caring for the environment	A
Sponsoring special programmes or sports	B
Special education efforts	C

(6)

- 4.4 Discuss the Delphi technique as a problem solving technique for businesses. (6)
- 4.5. Identify the following problem solving techniques.
- 4.5.1 This technique uses cards on which participants write down their responses. The cards are then collected and redistributed.

- 4.5.2 The pros and cons of the decided change are listed and each pro/con is given a numerical weighting.
- 4.5.3 This technique uses a chair with an imaginary person to listen to the problem. (6)

[40]

SUB TOTAL SECTION B: 80 MARKS

Section C: Essays

Answer only **ONE** of the TWO essay questions. Number your work clearly and as it appears in the question paper.

QUESTION 5 – BUSINESS ROLES

The success of a business depends on how teams can successfully work together despite influences that can affect team relations. Businesses can make use of criteria for assessing successful team performance.

With reference to the above quotation, discuss:

- Benefits of teamwork for workers
- Criteria for successful teamwork
- How to achieve better team performance
- Suggestions on how the team leader can assist the teams to achieve the goals (40)
- Situations that can cause poor teamwork

QUESTION 6 – BUSINESS VENTURES

You and your friend are interested in selling vetkoeks with fillings at the local taxi rank. You do not have the necessary start up cash. Your uncle Thiru Chetty is willing to assist you. Your uncle requires you to compile a business plan.

In an essay discuss

- Definition of a business plan
- Importance of business plans (40)
- What should be included in a business plan

SUB TOTAL SECTION C: 40 MARKS

PAPER TOTAL: 150 MARKS

GRADE 10 BUSINESS STUDIES

NOVEMBER EXAMINATIONS 2018

PAPER 2

MARKING GUIDELINES

MARKS: 150

TIME: 2 hours

Section A- COMPULSORY

Answer all questions

QUESTION 1

1.1

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

(20)

1.2

1.2.1	Community based ✓✓
1.2.2	Intrapreneur ✓✓
1.2.3	Unlimited ✓✓
1.2.4	Self-reflection ✓✓
1.2.5	Techniques ✓✓

(10)

[30]

SUB TOTAL SECTION A: 30 MARKS

SECTION B:

ANSWER ANY TWO QUESTIONS IN THIS SECTION.

QUESTION 2 – BUSINESS ROLES

2.1

2.1.1 Explain the guidelines that SMW can use to encourage creativity and solve business problems.

- Listen to other people's ideas. ✓✓
- Accept that it is possible to improve on anything. ✓✓
- Stop being negative. ✓✓
- Mix with people who are creative. ✓✓
- Ask yourself if this is the only way things can be done.

(8)

2.1.2 Discuss ways in which creativity can increase productivity and profitability in a business like SMW.

- Helping a business to respond to the threat of competition and to remain a leader in the field. ✓✓
- Leading to the development of better methods of production to save on costs (e.g. electricity in agriculture or computerised production control). ✓✓
- Allowing a business to extend its range of services (e.g. offering better customer service or credit facilities). ✓✓
- Helping a business to provide its clients with the best possible products or services, which improves client loyalty.

(6)

2.1.3 Name the **FOUR** steps to follow in brainstorming.

- Define the problem
- Select participants
- Inform participants
- Create a list of lead questions

(4)

2.1.4

Advise them on the steps they should go about solving this problem.

- Step 1: Act fast by trying to respond within 24 hours. ✓The longer it takes to solve a problem, the more costly it becomes.
- Step 2: Admit that there is a problem and do not act defensively. ✓
- Step 3: Show that you understand the problem. If the problem involves a customer, look at the problem through the customer's eyes. ✓
- Step 4: Identify the steps needed to solve the problem. When there is no instant solution, the business must have a plan of action and then carry it out. ✓
- Step 5: Keep stakeholders informed of the progress. People become anxious if they do not know what is happening. ✓

- Step 6: Be prepared to offer compensation for inconvenience and loss of time. ✓ (7)
- Step 7: Restore customer confidence for a good future relationship. ✓ Try to convince customers that you are taking steps to prevent the problem from happening again.

2.2.1 Describe **THREE** benefits of Corporate Social Responsibility(CSR) for businesses like SMW.

- Recruiting is easier as people are more willing to work for businesses that take CSR seriously. ✓✓
- Competition is easier as customers are more willing to support businesses with a strong sense of CSR. ✓✓
- Investors are more willing to invest in businesses that have a high CSR rating. ✓✓
- It improves the Triple Bottom Line reporting. (6)
- Community efforts are widely publicised which enhances the standing of the business in the community.

2.2.2 Name and explain **THREE** reasons for the growing importance of CSR in business.

- The role of government✓: Government cannot satisfy all the service delivery demands by itself (consider the recent protests)✓✓; it has to rely on others.
- Reporting✓: There is a growing demand for Triple Bottom Line reporting. ✓✓
- Customer interest✓: Customers purchase more readily from 'ethical' companies. ✓✓
- Growing investor pressure: Investors are changing the way they assess a company's performance and are paying more attention to ethical issues.
- Competitive labour markets: Employees are asking for more than salary and benefits; to hire and retain skilled employees, companies are being forced to improve working conditions.
- Supplier relations: Many companies are taking steps to ensure that their partners conduct themselves in a socially responsible manner, by introducing codes of conduct for their suppliers, to protect their own reputation. (9)

[40]

QUESTION 3 – BUSINESS VENTURES

3.1

3.1.1. Explain the importance of research to Omari Jabari.

- To become successful, entrepreneurs need to be resourceful, creative and hard working. ✓✓
- They also need to be willing to take calculated risks. ✓✓
- To know what the possible risks are, and to identify the needs and desires of customers, the entrepreneur needs to conduct research. ✓✓
- Research is a systematic investigation to find facts or to collect information. ✓✓
- Good quality research gives the entrepreneur information which allows him or her to make profitable decisions.
- If the entrepreneur does not carry out sufficient and complete research before starting the business, he or she runs the risk of loss.
- If the business does not meet the needs and desires of customers, the business will fail to perform as expected.

(8)

3.1.2 Name and explain any **THREE** research instruments that Omari can use to make decisions.

1. Using available information ✓ • Uses information already collected by others, so it avoids the collection process ✓✓ • Information needs to be located, accessed and used.
2. Observations ✓ • Behaviours are selected, watched and recorded ✓✓ • An observer watches with focus and attention and makes notes
3. Interviews ✓ • Responses are collected from an individual or group and may be recorded ✓✓ • One person (or group) leads the questioning and another person (or group) responds to the questions • There is a two-way exchange of information • Business situations provide opportunities for interviews with employers, customers, analysts and so on.
4. Questionnaires • A set of questions is prepared, typed up and circulated for completion • Respondents give answers in writing • May be included in a newspaper or magazine • May be direct (immediate) or responses may need to be mailed.
5. Focus group discussions • Group of about ten people invited to freely discuss a subject • Guided by a facilitator • Opportunity to comment on responses of others
6. Market surveys • Sample of respondents is chosen • Usually use questionnaires or interviews

(9)

3.1.3 When research is being conducted, certain information could be collected about your customers. Name and explain any **THREE**.

- Income ✓ – Higher earners would often like to be seen as forerunners. ✓
- Age groups ✓ – Customers' needs and desires might vary with age. ✓
- Level of education – Customers' needs and desires might vary with their level of education.

(6)

- Taste and preferences – People use cars, for example, to satisfy the desire for recognition.
- Social and cultural beliefs – Some cultures prohibit the consumption of certain foods which are acceptable to others, even though there may be a need or desire for them.

3.2.1 Describe any **TWO** labour related issues that businesses should be aware of.

- collective bargaining✓ – the process of negotiations between employers and trade unions to reach agreement regarding working conditions (hours, rates, health and safety, training) employment equity – ensuring employment for ‘disadvantaged’ people ✓✓
- child labour✓ – stopping the employment of minors (children under the age of 16) ✓✓
- minimum wage – prescribing the lowest payment workers must receive
- overtime – prescribing tariffs for overtime and maximum hours
- safety standards – ensuring workers are safe especially in ‘hazardous’ occupations
- other benefits – a number of other benefits, including medical, transport and canteen among others. (6)

3.2.2 Name the TWO parties involved in a Franchise Agreement and give an example of an existing franchise.

- Franchisor✓
- Franchisee✓
- Steers✓, McDonalds, BP, etc. (3)

3.2.3 Provide a brief description of an insurance agreement.

- Both the insurer and the insured will understand what is covered, for how much, and under what circumstances. ✓✓
- This agreement clarifies the inclusions and the exclusions, exceptions and compliance (requirements) applicable. ✓✓
- Insurance is one of the ways of transferring risk. ✓✓
- All businesses are exposed to risk, most of which can be transferred on the payment of a premium. ✓✓
- The insured business or person can claim payment or replacement of property from the insurer in the event of fire, theft, etc. according to the conditions stated in the contract.
- Such a precaution allows businesses to continue with operations when such eventualities occur. (8)

QUESTION 4 – MISCELLANEOUS

- 4.1. Explain where entrepreneurs get their belief and ability to have confidence to be competent in anything they do.
- Knowledge and experience of the market and industry, often gained before becoming their own boss. ✓✓
 - Self-reliance and a belief that they can solve any problems they come across. ✓✓
 - The belief that their success comes from their own efforts and that they can. ✓✓
- (6)
- 4.2.1 Mention **FOUR** aspects that partners should mention in their partnership agreement.
- What each partner will contribute towards the partnership, such as money, goods, labour, skills or specialised knowledge ✓✓
 - The name of the business and full names of all the partners ✓✓
 - How the profits and losses will be divided ✓✓
 - The procedure for ending the partnership. ✓✓
 - The purpose of the partnership must be to make a profit. Also all the partners
- Key words partnership – when two or more people work together for a common purpose. Must share in the profit of the partnership.
- (8)
- 4.2.2 Describe **FOUR** disadvantages of State-owned companies.
- Inefficiency results due to the size of the organisation. ✓✓
 - There is a lack of incentive for employees to perform if they are not given a share in the profit or other motivators such as productivity bonuses or accelerated promotion. ✓✓
 - Losses must be met by the taxpayer ✓✓
 - Political interference can occur. ✓✓
 - State-owned companies interfere with free market forces. ✓✓
 - There may be difficulties in finding someone to deal with complaints, although this factor is also applicable to any large organisation. ✓✓
- (8)
- 4.3
- | | |
|---|---|
| A | Sponsoring beach clean-ups ✓✓ / financing reforestation/ any suitable example |
| B | Financing trophies ✓✓ / sportswear with company logo/ financing school sports / any suitable answer |
| C | Adopting a school and providing for their needs ✓✓ / sponsoring computers/ financing science labs/ any suitable answer. |
- (6)
- 4.4 Discuss the Delphi technique as a problem solving technique for businesses.
- Helps to find out how people feel with the aim of reaching common ground. ✓✓
 - People are selected and their opinions are canvassed through questionnaires; ✓✓
- (6)

- from these responses a second questionnaire is compiled and sent out for rating. ✓✓
- Between two and five questionnaires may be used. It is an effective method but a huge administrative burden in the collection.

4.5.

4.5.1 This technique uses cards on which participants write down their responses. Cards are then collected and distributed.

- Nominal group technique ✓✓

4.5.2 The pros and cons of the decided change are listed and each pro/con is given a numerical weighting.

- Force-field analysis ✓✓

4.5.3 This technique uses a chair with an imaginary person to listen to the problem.

- Empty chair technique ✓✓

(6)
[40]

SUB TOTAL SECTION B: 80 MARKS

Section C: Essays

QUESTION 5 – BUSINESS ROLES

Introduction: The success of any team depends on the individual people who make up the team. ✓ If team members do not get on well together and lack motivation, the team will not succeed. ✓ Any suitable answer.

Benefits of teamwork for workers

- Teamwork encourages workers to increase their range of skills. ✓✓ (40)
- Teamwork gives employees more control over their jobs. ✓✓
- Team members are trained to handle a number of assembly jobs, so they work for about three hours before repeating a task. ✓✓

Criteria for successful teamwork

- Co-operation and commitment ✓
 - ❖ Members of a team have to co-operate with each other and co-ordinate their work in order to achieve business objectives. ✓✓
 - ❖ Committed teams are generally high- performance teams. Managers know that a team that works effectively will help to achieve the business's objectives.
- Trust and mutual respect ✓
 - ❖ The trust within a team can be influenced by the organisation's culture and the actions of management. ✓✓
 - ❖ Organisations that value openness and honesty are more likely to create trust.
- Good communication
 - ❖ Team leaders should build trust and develop open, honest communication between team members, and between the team and management.
- Participative leadership
 - ❖ When team leaders help team members to become inter-dependent, and allow them to be free to make decisions on their own and to support other members, this can enhance the effectiveness of the team.

How to achieve better team performance

- The team leader encourages members to make suggestions, for example for better working methods ✓✓
- The leader encourages members to discuss issues and problems affecting the team ✓✓
- The leader explains to members their precise duties and responsibilities ✓✓
- The leader stands up for the team
- There is good interaction with the team leader and among team members.

Suggestions on how the team leader can assist the teams to achieve the goals

- Welcome group member's initiatives. ✓✓
- Allow the team the opportunity to express new ideas. ✓✓
- Encourage independent attempts to solve problems. ✓✓
- Consult regularly with individual group members. ✓✓
- Be ready to change working structures and arrangements.

Situations that can cause poor teamwork

- Working conditions are bad. ✓✓
- Tasks and responsibilities are not equally distributed. ✓✓
- Duties are unpleasant and/or demanding. ✓✓
- Group members receive different pay. ✓✓
- There is little job security.

Conclusion: Good leaders build teams according to the needs of the business. ✓✓ Any suitable conclusion.

Facts	32
Layout	2
Analysis	2
Synthesis	2
Originality	2

QUESTION 6 – BUSINESS VENTURES

Introduction: All entrepreneurs should be able to put in writing their business idea. ✓
This will enable them to understand and for see any challenges. ✓ Any suitable introduction. (40)

Definition of business plan

- Business plan is a concise summary of the entire concept of the enterprise. It is prepared for presentation to any interested stakeholder. ✓✓

Importance of business plans

- Plans help entrepreneurs to set goals and objectives against which they can measure the success or failure of the business. ✓✓
- Plans help stakeholders to understand the role they play and will encourage them to contribute effectively. ✓✓ (2)
- Plans identify problems that may arise and help management to take steps to avoid these problems. ✓✓

Components of a business plan

- Cover page and index ✓: - this includes the name of the business, the date and the contact details of the owner. ✓✓ (6)
- Executive summary ✓: - this includes a summary of the entire business plan and is included to satisfy those who don't have the time to go through the entire plan in detail. ✓✓
- Description of the business ✓: - this includes the long-term objectives, the form of ownership , the business structure, description of the product/service and the legal requirements. ✓✓
- SWOT analysis ✓: - the business plan must include an analysis of the strengths, weaknesses, opportunities and threats. ✓✓
- Marketing plan ✓: - gives the details of the seven Ps of marketing. ✓✓
- Operations plan ✓: - this describes the daily operation of the business. ✓✓ If manufacturing business then must include the equipment, production method etc.
- Financial plan ✓: - includes details of how much capital is required, how it will be raised, recording. ✓✓ It could also include projected financial statements.
- Management plan ✓: - this plan outlines who will be charge of running the business as well as their skills of the entrepreneur and others in the business. ✓✓
- Legal requirements ✓: - the business plan also needs to show legal compliance. ✓✓
- Competition ✓: - this identifies any possible competitors to the business. ✓✓

Conclusion: Business plans should be updated regularly and allow for flexibility. ✓✓
Any suitable conclusion. (30)

Facts	32
Layout	2
Analysis	2
Synthesis	2
Originality	2

SUB TOTAL SECTION C: 40 MARKS

PAPER TOTAL: 150 MARKS

BUSINESS STUDIES
GRADE 10
NOVEMBER EXAMINATIONS 2018
BLOOMS TAXONOMY
PAPER 2

	LEVEL 1	LEVEL 2	LEVEL 3
SECTION A			
QUESTION 1.1	6	10	4
1.2	3	5	2
	9	15	6
SECTION B			
QUESTION 2			
2.1.1	2	4	2
2.1.2	2	4	
2.1.3	2	2	
2.1.4		3	4
2.2.1	3	1	2
2.2.2	3	6	
	12	20	8
QUESTION 3			
3.1.1	2	6	
3.1.2	3	6	
3.1.3	2		4
3.2.1	2	4	
3.2.2	1	2	
3.2.3	2	2	
	12	20	8
QUESTION 4			
4.1	2	4	
4.2.1	2	6	
4.2.2	2	2	4
4.3	2	4	
4.4	2		4
4.5	2	4	
	12	20	8
QUESTION 5	12	20	8
QUESTION 6	12	20	8

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