



**kzn education**

Department:  
Education  
KWAZULU-NATAL

**NATIONAL SENIOR CERTIFICATE**

**GRADE 11**

**BUSINESS STUDIES  
SEPTEMBER 2018**

**MARKS:100**

**TIME: 1 HOUR**

**This question paper consists of 7 pages.**

**INSTRUCTIONS AND INFORMATION**

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions

Answer any TWO of the THREE questions in this section.

SECTION C: Consists of TWO questions

Answer ONE of the TWO questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.
3. Number the answers correctly according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>20</b>	<b>10 minutes</b>
<b>B: THREE direct/indirect- type questions CHOICE (Answer any TWO)</b>	<b>2</b>	<b>20</b>	<b>10 minutes</b>
	<b>3</b>	<b>20</b>	<b>10 minutes</b>
	<b>4</b>	<b>20</b>	<b>10 minutes</b>
<b>C: TWO essay-type questions CHOICE (Answer any ON essays.)</b>	<b>4</b>	<b>40</b>	<b>30 minutes</b>
	<b>5</b>	<b>40</b>	<b>30 minutes</b>
<b>TOTAL</b>		<b>100</b>	<b>60 minutes</b>

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.5), choose the answer and write the correct alphabet ONLY

1.1.1 Which one of the following is part of the distribution policy?

- A Advertising
- B Intermediaries
- C Promotion
- D Price determination

1.1.2 Goods that are produced locally and sold to other counties are known as ...

- A import
- B durable
- C non-durable
- D export

1.1.3 A point where the business is neither making a profit or a loss.

- A Breakpoint
- B Recession
- C Break-even
- D Pick-even

1.1.4 Which one of the following factors may influence price determination?

- A Risk bearing
- B Product design
- C Input costs
- D Consumer's need

1.1.5 Social development is characterised by provision of... for communities.

- A housing
- B jobs
- C infrastructure
- D employment

**(5x2) [10]**

- 1.2** Choose a description from COLUMN B that matches term in COLUMN A.  
Write only the letter (A-J) next to the question number (1.3.1-1.3.5) in the ANSWER BOOK, for example 1.3.6 H.

COLUMN A	COLUMN B
1.3.1 Civil society	A. group of people with a common vision of meeting an identified need in the community.
1.3.2 Grading	B .an activity within production function.
1.3.3 Publicity	C. conducted by businesses to influence competition.
1.3.4 Market research	D. stands for South African Bearer of Standards.
1.3.5. SABS	E.conducted by businesses to locate the consume..
	F. an activity within a marketing function.
	G.stands for South African Bureau of Standards.
	H. is paid for by the business
	I.collective group of volunteers which include professionals, cultural and religious bodies, NPO;s and CBO's.
	J. is not paid for by the business.

(5X2) (10)

**TOTAL: SECTION [20]**

**SECTION B**

Answer ANY TWO questions in this section.

**NOTE** Clearly indicate the QUESTION NUMBER of each question that you choose.  
: The answer to EACH question must start on a NEW page, for example QUESTION 2 on a NEW page, QUESTION 3 on a NEW page, et cetera.

**QUESTION 2: BUSINESS ROLES**

- 2.1 Elaborate on the meaning of the term corporate social responsibility. (4)
- 2.2 Explain the role of businesses towards contributing to the social and economic development of their communities. (6)
- 2.3 Read the scenario below and answer the questions that follow.

**DIBENG NPC**

Dibeng NPC is a non-profit organisation which operates within Durban areas. The main function of this business is to make a difference to people's lives through provision of food parcels to orphans.

- 2.3.1 Identify the role played by Dibeng NPC in the social development of communities. Motivate your answer by quoting from the scenario above. (3)
- 2.3.2 Suggest other roles that Dibeng NPC can play in the economic development of communities. (7)

**[20]****QUESTION 3: BUSINESS OPERATIONS**

- 3.1 List any TWO aspects of the production function. (2)
- 3.2 Explain the differences between mass and batch production systems.. (8)
- 3.3 Read the scenario below and answer the questions that follow.

**HOPE BAKERY (HP)**

Hope Bakery specialises in the production of breads. The total production costs of the business include rent for factory, electricity bill, salaries for employees and telephone bill.

- 3.3.1 Identify TWO examples of fixed and variable costs for HP Bakery. Support your answer by quoting from the scenario above. (8)
- 3.3.2 Advise HP on the correct formula for calculating the unit cost of production. (2)

**[20]**

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ROLES**

- 4.1 Elaborate on the meaning of the term community based organisations (4)
- 4.2 Explain the role of individuals within the business community. (6)

**BUSINESS OPERATIONS**

- 4.3 Discuss the following production planning steps.
- 4.3.1 Routing (2)
- 4.4.2 Scheduling (2)
- 4.4 Read the scenario below and answer the questions that follow.

**OTEE CHEMICALS (OC)**

Otee Chemicals specialises in the manufacturing of industrial chemicals. OC is compelled by the law to ensure that its workplace is free of hazards such as dangerous machinery, organisms and chemicals which may cause harm to employees.

- 4.4.1. Name the Act that OC must adhere to in the scenario above. (2)
- 4.4.2 Recommend ways in OC can ensure factory safety in the workplace. (4)

**[20]****TOTAL:SECTION B [40]**

**SECTION C**

Answer ONE question in this section.

**NOTE** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, for example QUESTION 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

**QUESTION 7: BUSINESS VENTURES**

Qualities of an entrepreneur play a major role in successful business management. Some entrepreneurs do not achieve their goals due to lack of risk taking, perseverance and good management.

Refer to the statement above and write an essay on the following aspects:

- Define an entrepreneur.
- Discuss the qualities of an entrepreneur illustrated in the statement above.
- Explain other qualities of an entrepreneur.
- Advise businesses on the meaning of THREE key success factors .

[40]

**QUESTION 8: BUSINESS OPERATIONS**

Product policy as an aspect of marketing function includes product development, design, packaging and trademarks. Businesses are also expected to determine prices for goods and services offered.

With reference to the statement above write an essay on the following aspects.

- Describe steps involved in developing a product.
- Explain the importance of using a trade mark.
- Suggest ways in which businesses can meet the requirements of a good packaging.
- Advise businesses on the importance of pricing.

[40]

**TOTAL SECTION C: 80**







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**MARKING GUIDELINES**

**MARKS: 100**

**These marking guidelines consist of 17 pages.**

NOTES TO MARKERS			
<b>PREAMBLE</b>			
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	
	Senior Marker:	Green	
	Deputy Chief Marker:	Brown/Black/Blue	
	Chief Marker:	Pink	
	Internal moderator:	Orange	
	DBE Moderator:	Turquoise	
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: <ul style="list-style-type: none"> <li>• uses a different expression from that which appears in the marking guidelines</li> <li>• comes from another source</li> <li>• original</li> <li>• a different approach is used</li> </ul> <b>NOTE:</b> 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. <b>Positive:</b> <i>'COIDA eliminates time and costs spent v on lengthy civil court proceedings.'</i> v		
	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. <i>'COIDA eliminates time and costs spent v on lengthy civil court proceedings v, 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.'</i> v		
	<b>NOTE:</b>	1 The above could apply to 'analyse' as well.		
		2 Note the placing of the tick (v) 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, <i>such as:</i>			
	13.1	Advise, name, state, mention, outline, motivate, recommend, suggest, ( <i>list not exhaustive</i> ) 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, distinguish, differentiate, justify, devise, analyse, evaluate, critically evaluate ( <i>list not exhaustive</i> ) 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.	<b>SECTION B</b>			
14.1	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'.  <b>NOTE:</b> This applies only to questions where the number of facts is specified.			
14.2	If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.			
14.3	If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.			
14.4	<b>Use of the cognitive verbs and allocation of marks:</b>			
	14.4.1	If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows: <ul style="list-style-type: none"> <li>• Fact 2 marks (or as indicated in the marking guidelines)</li> <li>• Explanation 1 mark</li> </ul> The 'fact' and 'explanation' are given separately in the marking guidelines to facilitate mark allocation.		
	14.4.2	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.		
14.5	<b>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 in particular (where applicable).</b>			
15.	<b>SECTION C</b>			
15.1	The breakdown of the mark allocation for the essays is as follows:			

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

15.2	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) Interpretation (16 to 32 marks) (1)		<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: Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.  Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.  Option 3: Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.		<b>2</b>
Originality	Is there evidence of examples, 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>

<b>NOTE:</b>	<b>1.</b>	<b>No marks will be awarded for contents repeated from the introduction and conclusion.</b>	
	<b>2.</b>	<b>The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.</b>	
	<b>3.</b>	<b>No marks will be allocated for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.</b>	
	<b>4.</b>	<b>With effect from November 2017 a candidate will be awarded a maximum of ONE (1) mark for headings/sub-headings and ONE (1) mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.</b>	

15.3	Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').	
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15.4	The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.		
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15.5	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.		
15.6	At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.		

CONTENT	MARKS
Facts	<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>

15.7	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.)		
15.8	If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.		
15.9	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.		
15.10	Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.		
15.11	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 BvV 1.1.2 DvV 1.1.3 CvV 1.1.4 CvV 1.1.5 AvV 1.1.10 BvV	(10 x 2)	<b>(20)</b>
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1.2	1.2.1 IvV 1.2.2 FvV 1.2.3 JvV 1.2.4 EvV 1.2.5 GvV	(5 x 2)	<b>(10)</b>
<b>TOTAL SECTION A:</b>			<b>20</b>

**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
<b>1.1</b>	<b>10</b>
<b>1.2</b>	<b>10</b>
<b>TOTAL</b>	<b>20</b>

**SECTION B**

Mark **ONLY** the **FIRST TWO** answers.

**QUESTION 2: BUSINESS ROLES****2.1 Meaning of corporate social responsibility**

- An obligation by a business to pursue sound long term goals for society.√√
- Long term commitment by businesses to always act ethically/to contribute to economic development in order to improve the quality of life of their employees, their families, their local communities and society in general.√√
- The way companies manage their business resources/processes to impact positively on society.√√
- An ethical way of doing business in the interest of both the business and the wider community.√√
- A willingness to act in accordance with legislation that requires community upliftment/employee development.√√
- Refers to strategies used by business to take responsibility for their impact on society and the environment.√√
- It is not a single action, but rather an approach to doing business that guides all decision-making in the firm.√√
- Any other relevant answer related to the description/definition of CSR.

**Max (4)****2.2. The role of businesses towards contributing to the social and economic development of their communities.**

- Businesses should develop and implement programmes√ aimed at addressing social/economic needs of communities. √
- Businesses should allocate necessary budget√ to cater for Corporate social investment initiatives. √
- Businesses should form partnerships with other stakeholders√ dealing with social/economic development programmes for communities. √
- Businesses should provide for more employment opportunities. √
- Any other relevant answer related businesses role towards social/economic development of communities

**Max (6)****2.3.1****Identification**

- To make a difference to people's lives√√ **(2)**
- **Motivation**
- through provision of food parcel.to orphans. √ **(1)**



**2.3.2 Other businesses role towards economic development of communities**

- Provide for more job creation. √√
- Develop and implement skills development programmes. √√
- Provide for learnerships programmes√√.
- Contribute towards infrastructure development. √√
- Offer bursary scheme programmes to enhance skills growth amongst communities. √√
- Any other relevant answer related to changes in income level as a challenge of the macro-environment.

**Max (7)  
[20]**

**QUESTION 3: BUSINESS OPERATIONS**

**3.1 Aspects of production**

- Systems√
- Production planning√
- Safety management √
- quality control√
- production costs√

**NOTE: Mark the first TWO (2) only**

**(2x1) (2)**

**3.2 Differences between a mass and batch production systems**

MASS	BATCH
<ul style="list-style-type: none"> <li>- Mass production allows for large volumes to be produced√ in a short period of time. √</li> <li>- A specialised single purpose machinery is used in mass production.</li> <li>- Standardised products are produced in large quantities.</li> <li>- Any other relevant answer related to mass production.</li> </ul> <p style="text-align: right;">Sub max (6)</p>	<ul style="list-style-type: none"> <li>- Batch allows for small batches to be produced√ in a short period of time. √</li> <li>- A multi-purpose machinery is used in batch production.</li> <li>- Unique product/group of similar products are produced in batches.</li> <li>- Any other relevant answer related to batch production.</li> </ul> <p style="text-align: right;">Sub max (4)</p>

**NOTE: 1. The answer have to be in tabular format, but the distinction must be clear.**

**2. Award a maximum of TWO (6) marks if the difference is not clear/  
Mark either a mass or a batch production only.**

**Max (8)**

**3.3.1 Identification of fixed and variable costs**

FIXED COSTS	VARIABLE COSTS
rent for factory√√	electricity bill√√
salaries for employees√√	telephone bill√√
Sub max (4)	Sub max (4)

**NOTE: Do not allocate marks for responses that are not quoted from the scenario.**

**Max (8)**

- **Unit cost formula**
- Total cost of production√ divided by number of units produced.√

**(2)****TOTAL Mark [20]****QUESTION 4: Miscellaneous****4.1 Meaning of community based organisations**

- Groups that provide social services at local community levels.√√
- Represent communities/significant segment of a community and work to meets specified needs.√√
- Work at local levels to build equality across society in all streams.√√
- Any other relevant answer related to the meaning of community based organisations.

**Max (4)****4.3. The role of individuals within the business community**

- Individuals should offer their skills to individuals√ who cannot afford to pay. √
- Share their knowledge and expertise√ for the benefit community members. √
- Dedicate time and efforts to projects√ planned for community development. √
- Ensure that act if individuals√ do not harm the society/environment. √
- Conduct research on future programmes√ beneficial to community development.√
- Any other relevant answer related to the role of individuals within the business community.

**Max (8)****4.3 Production planning steps****4.3.1 Routing**

- Routing involves planning the route that products will go through during production process. √
- The path that raw materials need to follow√ during the production process. √
- Used to establish the best and cheapest way to sequence√ production activities.√
- Any other relevant answer related to routing.

**Max (2)****4.3.2 Scheduling**

- Scheduling involves working out time required to complete an activity√ during the production process. √
- Involves assigning date, time and duration per each planned activity.
- Any other relevant answer related to scheduling.

**Max (2)**

**4.4.1 Identification of the Act**

- Occupational Health and Safety Act, Act 85 of 1993)

**(2)****4.4.2 Ways to ensure factory safety in the workplace**

- The physical factory facilities should meet specific requirements outlined by law.
- Regular safety inspections should be conducted.
- Protective clothing should be provided to all employees.
- Fire escapes and fire fighting materials should be provided and visible to all employees.
- Provision of ventilation/lightning/ablution facilities/first aid kits for hygiene purposes.

**Max (4)****TOTAL MARK [20]**

**SECTION C**

**Mark only the first answer in this section.**

**QUESTION:5 BUSINESS VENTURES****5.1 Introduction**

- Entrepreneurs play a major role in the development of the country's economy. ✓
- Businesses need to embrace entrepreneurial qualities to remain competitive. ✓
- Entrepreneurs who possess good qualities can be able to run their businesses successfully and profitable. ✓
- Key success factors serve as conditions for measuring business goals achievements. ✓
- Any other relevant introduction related to definition of an entrepreneur/qualities of an entrepreneur/key success factors. (2x1) (2)

**5.2 Definition of an entrepreneur**

- An entrepreneur is a person who sets up a business /takes financial risk with the aim of making a profit. ✓✓
- A person who is able to combine the four factors of production into a unity. ✓✓
- A person with a capacity to start/manages/organises a business venture. ✓✓
- A person who is self-employed and also provide employment opportunities for others.
- Any other relevant answer related to the definition of an entrepreneur.

**Max (4)****5.3 Qualities of an entrepreneur****5.3.1 Risk- taking**

- Entrepreneur should take calculated risks ✓ with greater possibility of yielding positive outcome for the business. ✓
- Risk taking should be based on sound market research ✓ and viable business plan. ✓
- Entrepreneur should put necessary measures in place ✓ to minimise the negative impact of some business risks. ✓
- A successful entrepreneur weighs up the risks involved ✓ before making a decision. ✓
- Any other relevant answer related to risk-taking as a quality of an entrepreneur.

Sub max (2)

**5.3.2 Perseverance**

- Perseverance means to keep on trying ✓ until you reach your goals. ✓
- Perseverance means believing in your abilities ✓ to succeed as an entrepreneur. ✓
- Entrepreneur should be willing to persevere longer ✓ than anyone else. ✓
- Entrepreneur should have the courage to persist ✓ in the face of adversity and disappointments. ✓
- Successful entrepreneurs will go through several attempts ✓ to achieve business goals. ✓
- Any other relevant answer related to perseverance as a quality of an entrepreneur.

Sub max (2)

### 5.3.3 Good management and leadership skills

- Entrepreneur must have an ability to plan/organise/control/lead√ to build a successful business.√
- Entrepreneur must be able to inspire others√ to believe in his/her vision. √
- Entrepreneur should maintain overall control√ of business activities/operations.√
- Final decision-making in the business should remain √ the responsibility of an entrepreneur. √
- Any other relevant answer related to good management and leadership skills as a quality of an entrepreneur.

Sub max (2)

**Max (6)**

## 5.4 Other qualities of an entrepreneur

### 5.4.1 Confidence in one's ability to succeed√√

- An entrepreneur must believe in his/her capabilities to build a successful business. √
- A clear understanding of one's strengths and weaknesses is a key to success. √
- Self-confidence can lead to optimism which may motivate others in the business. √
- Any other relevant answer related to confidence in one's ability to succeed as a quality of an entrepreneur.

Quality (2)

Explanation (1)

Sub max (3)

### 5.4.2 High levels of energy√√

- An entrepreneur should demonstrate high energy levels in dealing with entrepreneurial activities. √
- High levels of energy will assist an entrepreneur to meet set business targets. √
- An entrepreneur with high energy levels can easily overcome stress/ reduce stress levels. √
- Any other relevant answer related to high levels of energy as a quality of an entrepreneur.

Quality (2)

Explanation (1)

Sub max (3)

### 5.4.3 Passion

- An entrepreneur should be passionate about/love his/her business. √
- An entrepreneur must dedicate all time and efforts towards ensuring business growth and success. √
- An entrepreneur with passion can motivate and encourage others to work harder. √
- Any other relevant answer related to passion as a quality of an entrepreneur.

Quality (2)

Explanation (1)

Sub max (3)

**5.4.4 Big dreams with clear vision**√√

- An entrepreneur must set a clear vision for the business. √
- Setting clear vision may contribute towards running a sustainable business enterprise. √
- Entrepreneur's dreams and vision must be well communicated to all employees. √
- Any other relevant answer related to big dreams with clear vision as quality of an entrepreneur.

Quality (2)  
Explanation (1)  
Sub max (3)

**5.4.5 Exceptional organisational skills**√√

- An entrepreneur should possess high levels of administrative/time management skills. √
- Exceptional organisational skills can assist in managing day to day business activities. √
- An entrepreneur should utilise his/her organisational skills to improve business performance. √
- Any other relevant answer related to exceptional organisational skills as a quality of an entrepreneur.

Quality (2)  
Explanation (1)  
Sub max (3)

**5.4.6 High degree of commitment**√

- An entrepreneur should dedicate all efforts in achieving business goals despite difficulties. √
- Must work hard and show willingness towards business success. √
- An entrepreneur should sacrifice/spend more time working towards building his/her business. √
- Any other relevant answer related to high degree of commitment as a quality of an entrepreneur.

Quality (2)  
Explanation (1)  
Sub max (3)

**5.4.7 Flexibility (Ability to adapt quickly)**√√

- An entrepreneur must be able to adapt quickly to constantly changing business environment. √
- Must develop necessary plans to assist in managing change within the business. √
- Must implement and monitor changes to enhance business growth. √
- Any other relevant answer related to flexibility as a quality of an entrepreneur.

Quality (2)  
Explanation (1)  
Sub max (3)

**5.4.8 Willpower to overcome obstacles**√√

- An entrepreneur must be able to identify possible business obstacles. √
- Must utilise his/her strengths to overcome any obstacle within the business. √
- Any other relevant answer related to willpower to overcome obstacles as a quality of an entrepreneur.

Quality (2)  
 Explanation (1)  
 Sub max (3)  
 Max (24)

**5.4 Key success factors****5.4.1 Sustainability**√√

- Sustainability is a business ability to keep on operating over a period of time. √
- Meeting the needs of the present without compromising the ability of future generations. √
- The concept of sustainability is composed of profits/ planet and people/ triple bottom line. √
- Any other relevant answer related to the meaning of the term sustainability

Sub max (3)

**5.4.2 Profitability**√√

- Profitability is the ability of a business to earn a profit. √
- Profitability is a measure of how much profit businesses make. √
- Profit margins are used to measure business profitability. √
- Any other relevant answer related to the meaning of the term profitability.

Sub max (3)

**5.4.3 Customer base**√√

- A customer base is the people to whom a business sells its products/services. √
- Encompasses a broad range of customers which businesses want to target. √
- Consists of customers who frequently buy from the business. √
- Any other relevant answer related to the meaning of the term customer base.

Sub max (3)

**Max (12)**

**5.5 Conclusion**

- Entrepreneurs who possess all the necessary qualities can effectively manage their businesses. √√
- Entrepreneurs should have a clear understanding of key factors used to measure success in the business. √√
- Any other relevant conclusion related to definition of an entrepreneur/ qualities of an entrepreneur/key success factors.

**Max (2)**

**[40]**

**QUESTION 6: BUSINESS OPERATIONS****6.1 Introduction**

- Continuous product development is essential for every business. ✓
- Businesses use trademarks in a form of symbols/designs on their manufactured products. ✓
- Businesses must ensure that their packaging meets the necessary requirements. ✓
- Businesses must put in place necessary measures for price determination. ✓
- Any other relevant introduction related to product development/trademarks/packaging/pricing.

(2x1) (2)

**6.2 Steps in product development**

- Idea generation ✓
- Idea screening ✓
- Concept testing
- Business analysis ✓
- Product development ✓
- Test marketing ✓
- Commercialisation ✓
- Review of market performance ✓
- Any other relevant answer related to steps in product development.

**Max (8)****6.3 Importance of a trademark**

- Distinguishes products ✓ from those of the competitors. ✓
- Provides protection to the owner ✓ by ensuring exclusive rights to use. ✓
- Protects customers ✓ against inferior substitute goods. ✓
- Consumers purchasing decisions are influenced by trademarks ✓ and the reputation such brands represent. ✓
- Businesses use trademarks to convey their intellectual and attributes ✓ to consumers ✓
- Allows the business to effectively utilise the internet and social media.
- Trademark is a valuable asset for any business.
- Any other relevant answer related to the importance of trademarks.

Max (12)

**6.4 Requirements of good packaging**

- Must suit the product. ✓✓
- Must be eye catching and attract the attention of the consumer. ✓✓
- Must be suitably designed to meet the demands of the target market. ✓✓
- Must promote the image of the business. ✓✓
- Must be environmentally friendly. ✓✓
- Must be easy to handle/distribute/use. ✓✓
- Must distinguish the products from those of the competitors. ✓✓
- Must be suitable for display purposes. ✓✓
- Any other relevant answer related to the requirements of good packaging.

Max (14)



**6.4 Importance of pricing**

- Price is a monetary value attached to a product/service. √√
- Price can determine the success and failure of a product/service. √√
- Pricing assist businesses to set up/establish their profit margins. √√
- Pricing has an impact on business's sales volume. √√
- May assist businesses to position themselves in the market. √√
- May serve as a marketing strategy to attract more customers. √√
- Any other relevant answer related to the contractual obligations of franchising

Max (12)

**6.6 Conclusion**

- Continuous product development may assist businesses to expand their product range √√
- Trademarks protect both manufacturer and the consumer against illegal goods. √√
- A good packaging may be used as a strategy to increase sales. √√
- Pricing may have positive/negative impact on business's profitability. √√
- Any other relevant conclusion related to franchising/outsourcing/leasing

Max (2)

**[40]**

