 Province of the

EASTERN CAPE

EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**HOME SCHOOLING SELF-STUDY ANSWER SHEET**

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| **SUBJECT** | **BUSINESS STUDIES** | **GRADE** | **12** | **DATE** | **17/06/2020** |
| **TOPIC** | **BUSINESS ENVIRONMENT & BUSINESS ROLES** | **TERM 1**  **REVISION** | **X** | **TERM 1 - 2 CONTENT** | **X** |

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| **QUESTION 1: BUSINESS ENVIRONMENT** | | |  |
| SCE DBE/2018 | | |  |
|  |  | |  |
| 1.1 | **Business strategy** | |  |
|  | 1.1.1 | Forward integration/Vertical integration/Integration√√ |  |
|  | 1.1.2 | Market penetration/Intensive√√ |  |
|  | 1.1.3 | Concentric diversification/Diversification√√ | (6) |
|  |  |  |  |
| 1.2 | Distinguish between product development and market development. | |  |
|  | |  |  | | --- | --- | | **PRODUCT DEVELOPMENT** | **MARKET DEVELOPMENT** | | * Businesses generate new ideas√ and develop a new product or service. √ | * A process of exploring/finding/ searching new markets√ for existing products.√ | | * The introduction of a new product or service√ into existing markets. √ | * Businesses sell their existing products√ to new markets√/ Involves targeting consumers in a potential market√ that is outside its normal target market.√ | | * A business may need to acquire new technology√ to develop new products.√ | * Business must research√ the market it wants to enter.√ | | * They improve/change the packaging of current products√ so that they look and seem different and appeal to the market.√ | * They change the way the products are distributed√ to reach a different market.√ | | * Example: A cell phone manufacturer designs a new phone√ that can also be used to make internet phone calls. √ | * Example: Finding new markets√ in other towns and cities.√ | | Any other relevant answer related to product development. | Any other relevant answer related to market development. | | Sub max (3) | Sub max (3) | | | (6) |
|  |  | |  |
| 1.3 | **Impact of the Labour Relations Act on businesses.** | |  |
|  | **Positives/Advantages** | |  |
|  | * LRA provides for the principles of collective bargaining√ and puts structures in place with which disputes in the workplace can be settled. √ * Promotes a healthy relationship√ between the employer and employees. √ * Provides specific guidelines for employers√ on correct and fair disciplinary procedures. √ * Employers and employees have guidelines√ regarding correct and fair dismissal procedures. √ * Provides mechanisms√ such as statutory councils/collective bargaining/ CCMA. √ * Labour disputes are settled quicker√ and are less expensive. √ * Provides protection for employers√ who embark on lawful lock-outs. √ * Employers are entitled to compensation from the Labour Court√ if they suffered damages as a result of unprotected strikes. √ * Workplace forums can add value to businesses√ if it functions properly. √   Any other relevant answer related to the positive impact/advantages of the LRA on businesses  **AND/OR**  **Negatives/Disadvantages**   * Employers may have to disclose information about workplace issues to union representatives√ that could be the core of their competitive advantage. √ * Employers may not dismiss employees at will√, as procedures have to be followed. √ * Some businesses may feel that the LRA gives employees too much power√ as it creates lengthy procedures, e.g. consulting with workplace forums. √ * Employers may not get a court interdict√ to stop a strike. √ * Strike actions always result in loss of production√ for which employers may not claim. √ * Some trade unions may not promote the mandate of their members√ but embark on industrial action, which is harmful to labour relations between employers and employees. √ * Many employees and employers√ do not understand/respect the Labour Relations Act. √ * Labour disputes and bargaining council processes become disruptive/ time-consuming√ and can lead to a decrease in productivity in businesses. √ * Many employees take advantage of the right to strike√ without acknowledging their responsibilities. √   Any other relevant answer related to the negative impact/disadvantages of the LRA on businesses.  NOTE: Award a maximum of TWO (2) marks if the impact is on trade unions only. | | (8) |
|  |  | | **[20]** |
|  |  | |  |
|  | | |  |
|  | **BUSINESS OPERATIONS** | |  |
| 1.4 | **Aspects to be included in an induction programme.** | |  |
|  | * Safety regulations and rules. √ * Overview of the business. √ * Information about the business products/services. √ * Meeting with senior management who will explain the company’s vision/values/job descriptions/daily tasks. √ * Tour of the premises/Introduction to key people and close colleagues. √ * Conditions of employment, e.g. working hours/leave application process/ disciplinary procedures√, etc. * Administration details on systems/processes/logistics. √ * Discussion of the employment contract and conditions of service. √ * Discussion of personnel policies, e.g. making private phone calls/using the internet√, etc. * Discussion on employee benefits. √ * Corporate social responsibility programmes. √   Any other relevant answer related to aspects that should be included in the induction program. **NOTE: Mark the first SIX (6) only.** (6 x 1) | | (6) |
| 1.5 | **Quality of performance** | |  |
|  | 1.5.1 | **Results of poor implementation of TQM from the scenario**   * NGC received poor publicity due to the low quality of some products. √ * Their profits also declined resulting in investors withdrawing their money. √   **NOTE: 1. Mark the first TWO (2) only.**  **2. Only allocate marks for responses that are quoted from the scenario.**  **(2x1)** | (2) |
|  |  |  |  |
|  | 1.5.2 | **Impact if TQM is poorly implemented by businesses** |  |
|  |  | * Lack of training/skills development√ may lead to poor quality products. √ * Decline in sales√, as returns from unhappy customer's increase. √ * Decline in productivity√, because of stoppage. √ * High staff turnover√, because of poor skills development. √ * Unrealistic deadlines√ may not be achieved. √ * Businesses may not be able to make/afford the necessary changes√ that will satisfy customers' needs. √ * Loss of customers√ may lead to bankruptcy/closure. √ * Undocumented quality control systems/processes√ could result in error/deviations from pre-set quality standards. √   Any other relevant answer related to the impact if TQM is poorly implemented by businesses.  **NOTE: Do not allocate marks for responses that are quoted in QUESTION 1.5.1.**  **Max** | (6) |
| 1.6 | **Benefits of a good quality management system.** | |  |
|  | * Effective customer services are rendered, resulting in increased customer satisfaction. √√ * Time and resources are used efficiently. √√ * Productivity increases through proper time management/using high quality resources. √√ * Products/Services are constantly improved resulting in increased levels of customer satisfaction. √√ * Vision/Mission/Business goals may be achieved. √√ * Business has a competitive advantage over its competitors. √√ * Regular training will continuously improve√ the quality of employees’ skills/knowledge. √√ * Employers and employees will have a healthy working relationship resulting in happy/productive workers. √√ * Increased market share and profitability. √√   Any other relevant answer related to the benefits of a good quality management system. **Max** | | (6) |
|  |  | | **[20]** |
|  | **TOTAL** | | **[40]** |