higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N5

(Second Paper)

17 November 2023

This marking guideline consists of 6 pages.

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SECTION B

QUESTION 1

1.1
- Malls
- Shopping complex
- CBD
- Town
- Townships (Any 4 × 1) (4)

1.2 1.2.1. The Covid-19 lockdown had a significant impact on its trading performance✓✓ turnaround plan✓✓ (4)

1.2.2
- Owner of brands including Game, Makro and Builders Warehouse
- It is a retail business (2 × 2) (4)

1.2.3
- Accelerating initiative i.e., cost reset project
- Group restructure into wholesale (2 × 2) (4)

1.2.4
- Prudent cash flow
- Applying for available tax incentive relief
- Aggressive pursuing cost reduction
- Payment obligation to suppliers and employees (4)

1.3 Candidate must use discretion when determining the items/activities on the programme.

Heading:✓
Venue:✓
Date:✓
MC/Guest speaker✓

Students must pair the activity/item with the specific time.✓✓ (2 × 6)
(Marks will not be awarded if student mentioned only item/activity without time.) (16)

1.4
- Problem awareness
- Definition of the problem
- Establish decision criteria
- Develop alternative solutions
- Analyse the data
- Decide/Take action
- Follow up on the decision

(Any relevant example using the case study) (7 × 2) (14)
[50]

QUESTION 2

2.1
- The right to act
- Entitlement to act
- Provides the power to apply (Any 1 × 2) (2)

2.2
- Workaholics✓
  Managers who hard workers and the love doing their job. Putting in long hours and working over the weekend.✓✓

- Risk of failure✓
  Managers who fear failure could make them bad managers or could cost the business a lot of money if mistakes occurred.✓✓

- Workers lack the ability to do the task✓
  The managers' lack of training and clearly guiding subordinates in certain task make them afraid to delegate.✓✓

- Satisfaction from doing the job yourself✓
  Certain types of tasks require a lot attention to detail. This create passion and satisfaction, which makes difficult for the manager to trust that the subordinate could be as passionate and follow instructions.✓✓ (4 × 3) (12)

2.3 The structure clearly shows how the different roles,✓ responsibilities✓ and power✓ are assigned to positions✓ in the business. (4)

2.4 2.4.1
- The COIDA had to accommodate the lockdown regulation as set out by the Disaster Management Act.
- Candidate will be given marks for showing how lockdown regulations impacted on employees
- Who contracted the Corona virus
- Who were at high risk of getting the virus (Any 2 × 1)

2.4.2
- The UIF had to accommodate the lockdown regulations as set out by the Disaster Management Act .
- Candidate will be given marks for showing how lockdown regulations impacted on employees' compensation schemes for:
  - payment for ill-health
  - pregnancy
  - retrenchment
  - unemployment (Any 2 × 1)

(2 × 2) (4)

2.5
- Environment – plant trees, don't use plastic bags
- Community – built schools, donate to social programmes
- Employees – create jobs, offer bursaries
- Customers – excellent service (4 × 3) (12)

2.6
- Human resources ✓ – staff, human talent, labour ✓✓✓
- Financial resources✓ – money, borrowed capital, loans investment✓✓✓
- Physical resources✓ – land, plant and equipment, machinery✓✓✓
- Technological recourses✓ – production processes, inventions, patents✓✓✓

(4 × 4) (16)
[50]

QUESTION 3

3.1 $\frac{\text{Net profit before tax}}{\text{Total assets}} \times \frac{100}{1}$ ✓✓

$\frac{56\ 500 \times 100}{720\ 000}$ ✓✓

7.85%✓✓ (6)

3.2 Yes✓✓
- Commercial banks give more than 5% on the investment
- Investment banks give less than 5% on the investment
- Investing in shares on the JSE do not give such good interest in times of Covid-19. (3 × 2 + 2) (8)

3.3 $\frac{\text{Current assets – stock}}{\text{Current liabilities}}$ ✓✓

$\frac{240\ 000 - 11\ 000}{160\ 000}$ ✓✓

0.8:1✓✓

No✓✓

The business will not be able to pay its debt.✓✓

The ratio is below 1.✓✓

The ratio is unfavourable.✓

Credit sales are 940 000 × 50% = 470 000✓

Account receivables = $\frac{\text{Credit sales}}{\text{Debtors}}$ ✓

$\frac{470\ 000}{85\ 000}$ ✓✓

5.5 times✓✓

Average collection period = $\frac{365}{\text{Debtors turnover rate}}$✓

$\frac{365}{5.5}$✓✓

66,36 days✓✓ (24)

3.4
- It assists in approaching financial institutions to obtain a loan.
- It helps to set objectives and goals for measuring the success or failure of the business against these.
- It identifies problems that may arise.
- It determines whether the business idea is viable.
- It determines whether there is a market for the intended product.
- It helps to identify opportunities and threats and be aware of strengths and weaknesses.
- It helps to determine the amount required for the start-up. (Any 6 × 1) (6)

3.5
- First offence: Verbal warning
- Second offence: Written warning
- Third offence: Final written warning
- Fourth offence : Dismissal (Any 3 × 2) (6)

[50]

QUESTION 4

4.1 False (2)

4.2 Step 1: Application
Step 2: Initial interview
Step 3: Psychological tests
Step 4: Employment interview
Step 5: Getting final approval/Approval by supervisor
Step 6: Physical examination
Step 7: Induction/Orientation

(Any relevant example using the case study 7 × 2)
(Student should be given ONE mark for the orderly layout of the process.)
(Give marks for explanation; not just naming the steps.) (15)

4.3
- Prevention cost
- Appraisal cost
- Internal failure cost
- External failure cost (4 × 2) (8)

4.4 The nature of operations management is to create value for customers by transforming inputs into outputs that will satisfy their needs. (3)

4.5

PRODUCTS	SERVICES
• Tangible✓	• Intangible ✓
• Do not require customer interaction✓	• Require interaction with customer✓
• Last longer✓	• Do not last long; are perishable✓
• Can be store easily for repeated use✓	• Cannot be stored to use again✓

(10)

4.6
- Define the effective performance.
- Measure current performance in relation to established standards.
- Inform subordinate and jointly formulate a diagnosis.
- Select a remedial action activity.
- Re-evaluate performance after time interval.
- Continue or discontinue the remedial action.

(Any relevant example using the case study 6 × 2) (12)
[50]

TOTAL: 150