

# 2023 SUBJECT WORKBOOK

## Grade 11



# BUSINESS STUDIES

A joint initiative between the Western Cape Education Department and Stellenbosch University.



## BROADCAST SESSIONS

### GRADE 11

### Business Studies Telematics Presentations

Session	Date	Time	Topic
1	Wednesday, 15 Feb 2023	16:00 – 17:00	Business environments Business sectors
2	Wednesday, 18 Oct 2023	15:00 – 16:00	Creative thinking & Problem solving

## BUSINESS ENVIRONMENTS

### Introduction

In Grade 10 you learned that a business operates in three different, but interrelated environments. These environments are micro, market and macro environments. For businesses to be successful, entrepreneurs need to constantly be aware of the challenges in the three business environments and come up with strategies to turn them into opportunities.

#### The micro-environment

The micro-environment is the internal business environment. It includes everything inside the business. All the internal affairs of the business are managed by the directors or the owners of the business. The micro-environment is also known as the internal operating system.

#### The market environment

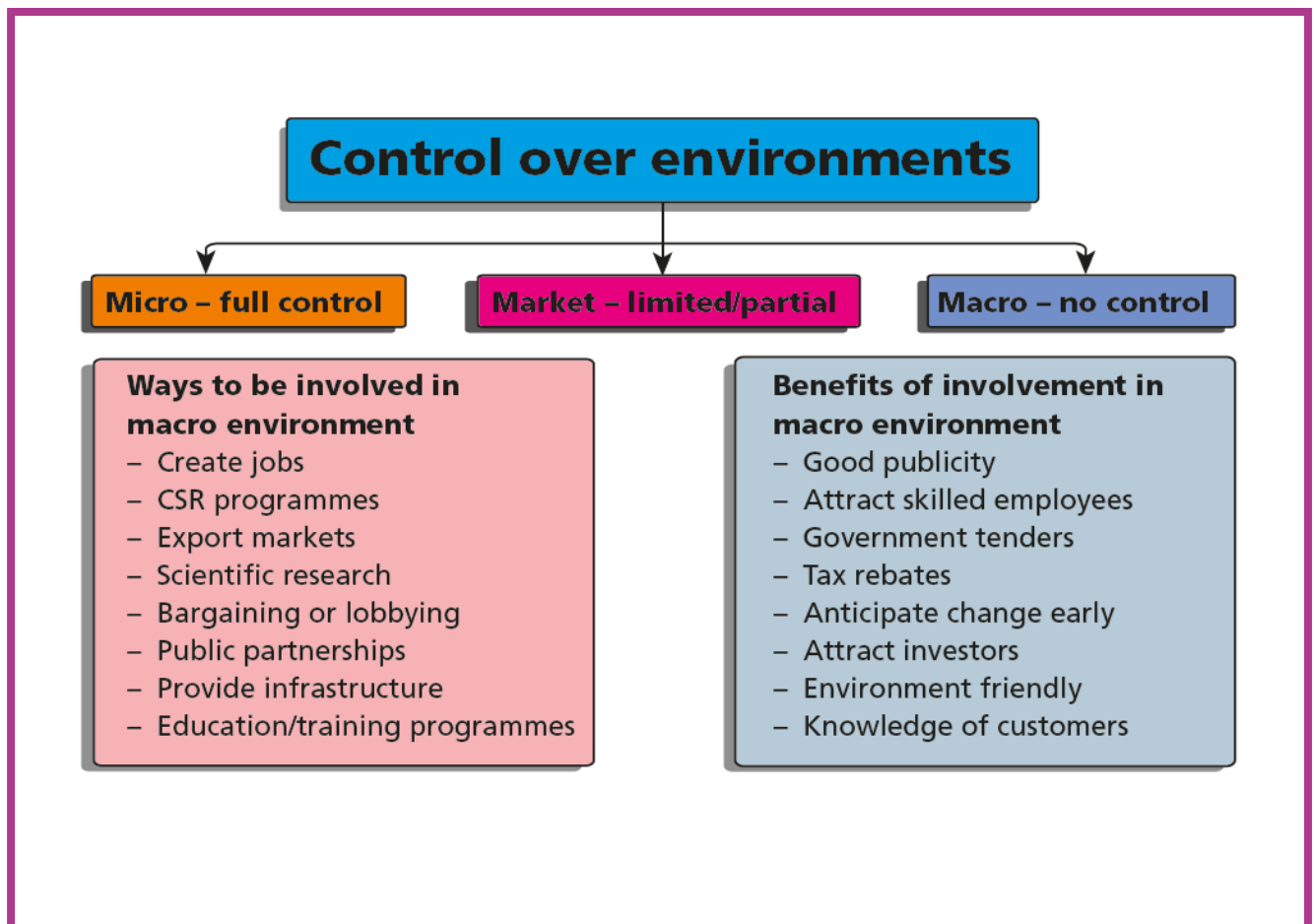
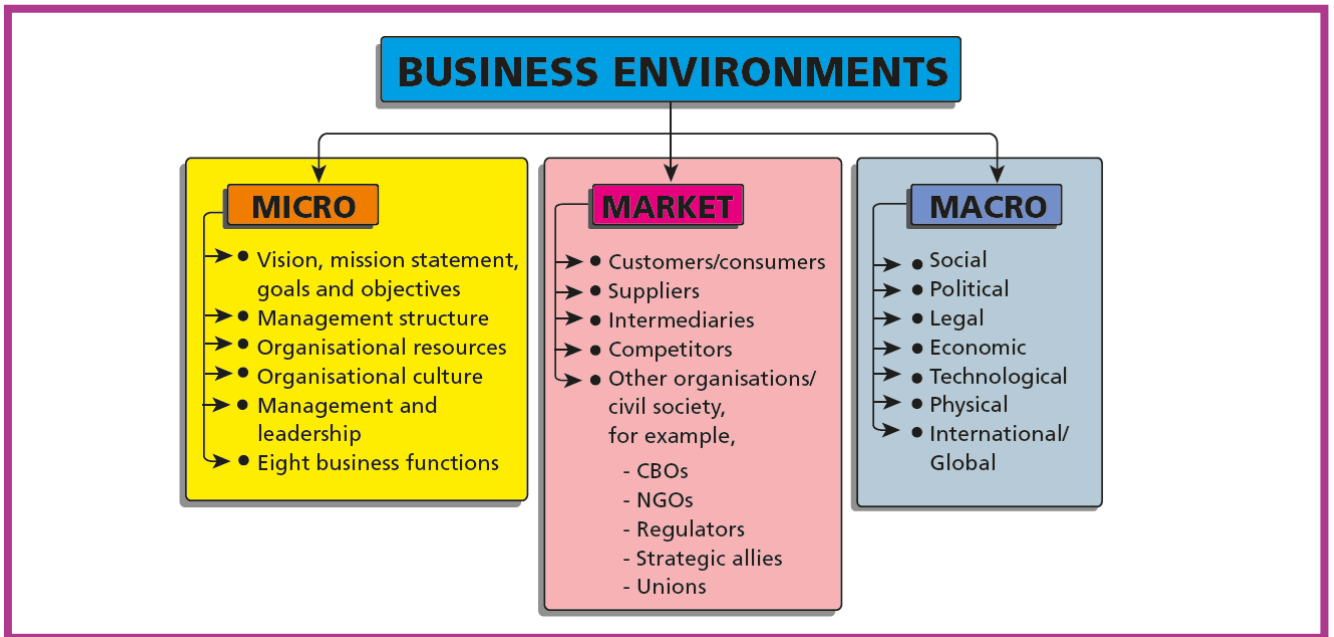
The market environment is the immediate external environment of the business.

#### The macro environment

The macro environment is the broad external environment of the business. A business has no control over the macro environment and so need to adapt to the challenges in this environment in order for them to succeed.



## SESSION 1: BUSINESS ENVIRONMENTS





## BUSINESS SECTORS

Business sectors consist of businesses that are grouped together and classified into primary, secondary, or tertiary sectors. Classification of businesses depends on the nature of the product or services offered.

The meaning of the primary, secondary and tertiary sectors

Sector	Meaning	Examples of Industries
<p><b>Primary</b></p>	<ul style="list-style-type: none"> <li>The primary sector deals with the extraction/collecting/cultivating of raw materials and natural resources.</li> <li>These natural resources include things such as livestock, fish, timber, coal and gold.</li> </ul>	<ul style="list-style-type: none"> <li>Agriculture</li> <li>Fishing</li> <li>Forestry</li> <li>Mining</li> </ul>
<p><b>Secondary</b></p>	<ul style="list-style-type: none"> <li>The secondary sector transforms the raw materials from the primary sector into finished or unfinished products.</li> <li>In this sector, the raw materials from the primary sector are converted into new products.</li> </ul>	<ul style="list-style-type: none"> <li>Manufacturing</li> <li>Construction</li> <li>Factories</li> <li>Electricity generation</li> </ul>
<p><b>Tertiary</b></p>	<ul style="list-style-type: none"> <li>The tertiary sector refers to industries that offer services to other businesses and consumers.</li> <li>This sector is also known as services industry, which exists to facilitate the transportation, distribution and sale of goods produced in the secondary sector.</li> </ul>	<ul style="list-style-type: none"> <li>Financing</li> <li>Hospitality</li> <li>Retailers</li> <li>Wholesalers</li> <li>Storage</li> <li>Tourism</li> <li>Transportation</li> </ul>

### Link/relationship between the primary, secondary and tertiary sector

The primary, secondary and tertiary sectors all work together to create an economic chain of production.

### ? Did you know

During the COVID-19 pandemic in 2020, businesses that were most negatively affected:

- in the primary sector were the mining/mineral industries
- in the secondary sector was the construction industry
- in the tertiary sector were the transport industry and most of the services industries such as retail trade and accommodation.



## BUSINESS SECTORS

### Forward Linkage:

The primary sector extracts the raw materials, the secondary sector transforms the raw materials into products, and the tertiary sector sells the products and supports the activities of the other two sectors. Business sectors are therefore **interrelated** and connected with each other.

### Backward linkage

The primary sector depends on the secondary sector for manufactured goods and the tertiary sector offering services to the secondary sector and to the primary sector.

### A New words

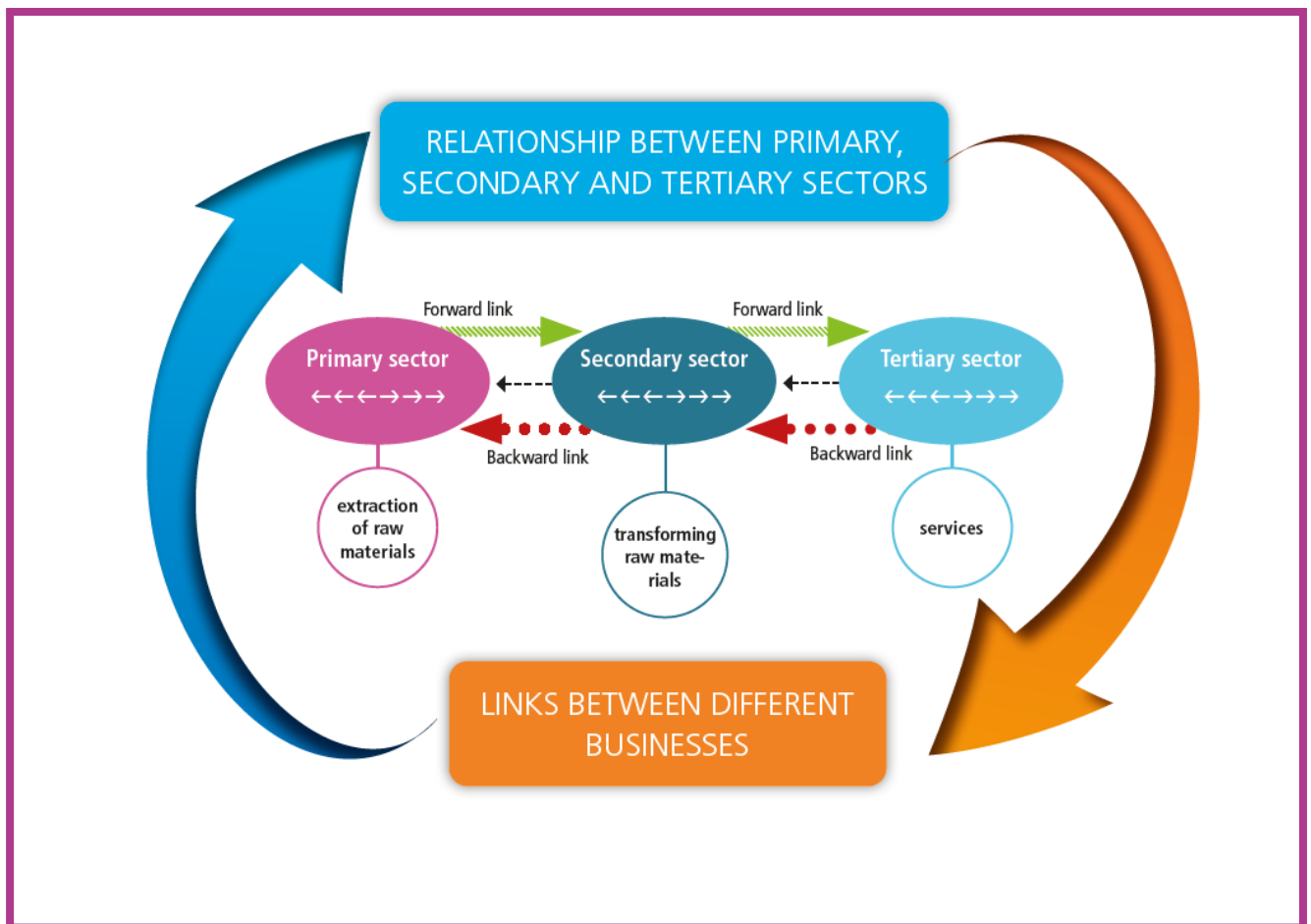
**interrelated** relate or connect to one another

### QR CODE

Click on the following link to watch the video on understanding business sectors and the relationship between the primary, secondary and tertiary sectors.



<https://www.youtube.com/watch?v=JJQOTGxqpyU>





## CONSOLIDATION

### QUESTION 1

1.1 Elaborate on the meaning of micro-environment. (4)

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

#### JOE'S SUPERMARKET (JS)

Joe's Supermarket employed a manager who lacked management skills. The increase in the minimum wages of employees that are enforced by legislation is making it difficult to make a profit. Recently a new 24-hour supermarket opened across the street from Joe's Supermarket.

1.2.1 Quote ONE challenge in each business environment from the scenario above that JS has to deal with. (3)

1.2.2 State the extent of control JS has over EACH business environment. (3)

### Question 2

2.1 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question numbers (1.1 to 1.5).

**coal ; extraction ; industries ; processing  
electricity generation ; primary ; construction  
hospitality ; services ; secondary**

2.1.1 The primary sector deals with ... of raw materials and natural resources.

2.1.2 ... is an example of an industry that offer services.

2.1.3 Natural resources include fish, timber and ...

2.1.4 The ... sector focuses on converting the raw materials into finished products.

2.1.5 The tertiary sector refers to industries that offer ... (5 × 2) (10)

### Question 3

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

#### ELEGANT FASHIONS (EF)

Elegant Fashions (EF) sells designer men and ladies clothing. EF buys clothing from Fayi Clothing Manufacturers (FCM). FCM acquires raw materials from Pecher Cotton Farms.

3.1.1 Identify THREE business sectors from the scenario above. Motivate your answer by quoting from the scenario. (6)

3.1.2 Discuss the relationship between the primary, secondary and tertiary sectors. (6)



## SESSION 2: CREATIVE THINKING & PROBLEM SOLVING

### Introduction

In Grade 10 we learned about several problem-solving techniques, which can be used to generate solutions for business problems and improve business practice.

In Grade 11 the focus will be on the application of the Force Field Analysis and the Delphi Technique. These techniques can be applied to come up with solutions for business problems.

### The meaning of creative thinking

Creative thinking is when people are able to think of new and original approaches and ideas to find solutions to challenges. Creative thinking is being resourceful by applying artistic and clever ideas to create something original or new.

### Routine thinking versus creative thinking

#### Routine thinking

- Is associated with a LEFT brain function where the focus is on logical thought and a methodical way of doing things.
- It is where consistent, normal thinking is applied to a specific situation.

#### Creative thinking

- Is associated with a RIGHT brain function where new ideas are generated.
- The focus is on being creative, using one's imagination, insight, art, and music awareness to find solutions to unique challenges



#### QR CODE

Routine thinking versus creative thinking



<https://www.youtube.com/watch?v=vqD3jpVas8g>

### Conventional solutions versus non-conventional solutions

#### Conventional solutions

- These are solutions that are believed and followed by everyone.
- These solutions are what most people expect and they appear to be normal.

#### Non-conventional solutions

- Non-conventional solutions are solutions that are not created as part of the norm, and which do not follow what is generally done or believed in.
- These solutions are creative and unique and are usually a result of creative thinking.



## CREATIVE THINKING

### Ways in which businesses can create an environment that stimulates creative thinking in the workplace

- Businesses must emphasise the importance of creative thinking to ensure that all staff know that their ideas will be heard.
- Inspire staff to come up with new ideas.
- Plan regular workshops so that brainstorming sessions can be held to generate new ideas.
- Ensure that communication channels remain open by placing suggestion boxes around the workplace.
- Train staff members to think creatively, to solve problems, use mind mapping and lateral thinking.

### The advantages of creative thinking in the workplace

- Creative thinking will lead to improved participation of staff members, which will ensure the generation of new ideas.
- The business will have competitive advantage over other businesses because of the unique strategies that are introduced.
- Businesses will be able to solve complex problems.
- As management and employees introduce and create many ideas, saving time and money for the business, productivity will increase.
- Managers and employees will demonstrate more confidence as they perform their duties.
- Managers will be inspired to lead their teams more efficiently.
- Managers and employees will apply their knowledge in a **collaborative** manner when performing their duties.
- The morale among staff members will be improved.

### **A** New words

**collaborative** refers to how different people work together to complete a task





## PROBLEM SOLVING

### Introduction:

Businesses use problem-solving as an instrument to determine if there are aspects within the business environment that needs to be changed. This is done so that there is better control over the business environment, and to ensure that if there is anything that needs to be corrected, the solutions are found and implemented as quickly as possible.

### The meaning of problem-solving

- Problem-solving is the process of studying a situation to find ways to bring about change.
- It involves collecting facts that include problem finding and problem shaping.
- Creative and logical skills need to be applied to find solutions to the identified problems.
- Alternative solutions should also be generated and evaluated in response to problems.
- Problems can be solved by an individual, a group, or a team member.

### Problem-solving techniques

#### Delphi Technique

The Delphi Technique is used to solve new and complex problems. A panel of experts who never meet each other face-to-face, comes up with creative solutions to problems without having to sit through long, drawn-out group meetings.

#### Force Field Analysis

Force Field Analysis is used for decision-making, especially when implementing **change management**. The analysis involves identifying the advantages and disadvantages of a decision for change.

### Application of Delphi-technique

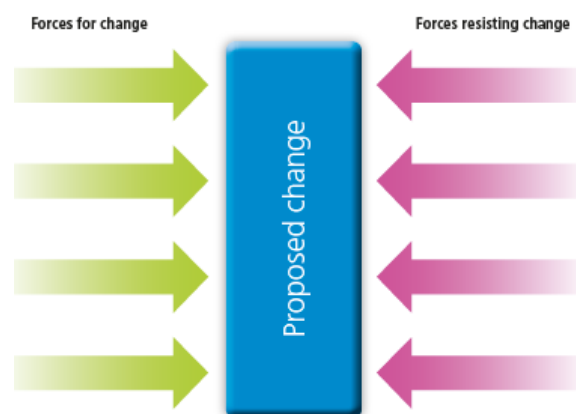




## PROBLEM SOLVING

### Application of Force-field Analysis

- The current situation or problem and the desired situation or solution are described.
- Identify what is going to happen if there is no action taken.
- All the driving forces and restraining forces that will support and resist change must be listed.
- The key restraining forces and their strengths should be discussed.
- The key driving forces and their strengths should be discussed.
- A score is allocated to each force using a numerical scale, where 1 is weak and 5 is strong.
- The positives and negatives are evaluated before deciding if the project is viable.
- Choose the force with the highest score as the solution to the problem.
- The restraining forces should be analysed to determine the best way of moving forward with them.
- Identify priorities and develop an action plan.



### Advantages of working with others to solve problems

- There are different perspectives to be considered because it could be difficult to be creative and innovative on your own.
- Access to a broader base of skills, knowledge, and experiences helps if you can get the opinion of others on a matter.
- More ideas can be **triggered** from other employees' ideas which can help the problem-solving process.
- It facilitates learning from one another when colleagues are able to teach or explain things to one another, especially when working in groups.
- Working together is encouraged to produce greater results.
- The workload decreases because everyone shares the problem and their experiences.



## CONSOLIDATION QUESTIONS

### Question 1

- 1.1 Define the meaning of creative thinking. (2)
- 1.2 Outline the differences between creative thinking and routine thinking. (4)
- 1.3 Read the scenario below and answer the questions that follow:

#### LEWIS DESIGNS (LD)

The employees of Lewis Designs want to use creative thinking when designing their products. LD ensures that there is a high morale among their employees. They also encourage their staff to solve complex problems. Management does not know how to create an environment that would stimulate creative thinking.

- 1.3.1 Quote TWO advantages of creative thinking in the workplace from the scenario above. (2)
- 1.3.2 Explain other advantages of creative thinking in the workplace. (6)
- 1.3.3 Recommend ways in which businesses can create an environment that stimulates creative thinking in the workplace. (8)

### Question 2

- 2.1 Read the scenario below and answer the questions that follow:

#### MPHO CARPETS (MC)

Mpho Carpets wants to improve the quality of their carpets. They requested a panel of experts to

- 2.1.1 Name the problem-solving technique used by MC. (2)
- 2.1.2 Advise businesses on how to apply the problem-solving technique identified in QUESTION 2.1.1 above. (6)



## CONSOLIDATION QUESTIONS

### QUESTION 3

3.1 Outline the differences between conventional and non-conventional solutions. (8)

3.2 Read the scenario below and answer the questions that follow:

#### CARLO'S BAKERY (CB)

The management of Carlo's Bakery is concerned about the decline in the sales of their cakes. CB encouraged their bakers to come up with new recipes for their cakes. They also came up with different ideas on how to bring their customers back. CB encouraged all their staff to work together to solve problems in the bakery.

3.2.1 Quote TWO ways in which Carlo's Bakery encouraged their staff to work together to solve problems in the bakery. (2)

3.2.2 Explain the advantages of working with others to solve problems in the workplace. (6)

3.3 Discuss the advantages of creative thinking in the workplace. (6)

### QUESTION 4

Read the preamble below and answer the essay question that follows:

Many businesses need to use creative thinking and problem-solving techniques such as the Force Field Analysis to respond to complaints from their customers. Some solutions require the use of routine thinking. Sometimes new and innovative solutions are required.

Write an essay on creative thinking in which you include the following aspects:

- Elaborate on the meaning of problem-solving.
- Differentiate between routine thinking and creative thinking.
- Explain the benefits of creative thinking in the workplace.
- Suggest ways in which businesses can apply the Force Field Analysis.

[40]

#### Acknowledgement of source:

2022 DBE Gr 11 Business Studies Learner book

#### Tip

- Give TWO facts for the introduction and ONE fact for the conclusion.
- The facts may either be based only on one or two of the four sub-questions as an introduction.
- The words "Introduction" and "Conclusion" must be written with content below each heading to avoid losing marks for the layout.
- When the number of facts is specified in the question, only those responses on the factors to be considered when choosing the form of ownership will be marked.
- Write all four headings according to the essay question.
- Attempt answering essay questions as they will be awarded marks for INSIGHT.
- The conclusion must be relevant to the essay question and responses must not be the same as the body or introduction.