

SA's Leading Past Year

Exam Paper Portal



You have Downloaded, yet Another Great
Resource to assist you with your Studies 😊

Thank You for Supporting SA Exam Papers

Your Leading Past Year Exam Paper Resource Portal

Visit us @ www.saexampapers.co.za



**SA EXAM
PAPERS**



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

**NSC 2019
MEO 2019
SC CANDIDATES**

GRADE 12

BUSINESS STUDIES

NOVEMBER 2020

MARKING GUIDELINE

MARKS: 300

This marking guideline consist of 53 pages.

NOTES TO MARKERS**PREAMBLE**

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
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. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:

- Uses a different expression from that which appears in the marking guideline
- Comes from another credible source
- Original
- A different approach is used

NOTE: There is only ONE correct answer in SECTION A.

4. Take note of other responses provided by candidates, that are relevant within the context of a particular question, 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 subquestion.
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 and moderation 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 guideline. 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. Correct numbering of responses to questions is recommended in SECTION A and B. However, if the numbering is incorrect follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

11.1 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. **Positive:** *'COIDA eliminates time and costs spent\ on lengthy civil court proceedings.\'*

11.2 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. *'COIDA eliminates time and costs spent\ on lengthy civil court proceedings\, 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.\'*

NOTE: 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (\) in the allocation of marks.

12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

12.1 Advise, name, state, outline, motivate, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.

12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, justify, devise, analyse, evaluate, critically evaluate (*list not exhaustive*) 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.

13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

14. **SECTION 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.

NOTE: 1. This applies only to questions where the number of facts is specified.
2. The above also applies to responses in SECTION C. (where applicable)

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 and consult with the Internal Moderator at DBE for approval.

14.4 **Use of the cognitive verbs and allocation of marks:**

14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- Fact 2 marks (or as indicated in the marking guideline)
- Explanation 1 mark

The 'fact' and 'explanation' are given separately in the marking guideline 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 guideline.

14.5 **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).**

15. **SECTION C**

15.1 The breakdown of the mark allocation for the essays is as follows:

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
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.	2
Originality	Is there evidence of one example per topic/subtopic based on recent information, current trends and developments not older than one (1) year?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

- NOTE:**
- 1. No marks will be awarded for contents repeated from the introduction and conclusion.**
 - 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
 - 3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').

15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.

- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality “O”.
- 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	32 (max.)
L	2
A	2
S	2
O	2
TOTAL	40

- 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 guideline.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy✓, where businesses aim to introduce new products into existing markets.'✓
This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guideline, 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 D✓✓
- 1.1.2 B✓✓
- 1.1.3 B✓✓
- 1.1.4 A✓✓
- 1.1.5 C✓✓
- 1.1.6 D✓✓
- 1.1.7 B✓✓
- 1.1.8 C✓✓
- 1.1.9 D✓✓
- 1.1.10 A✓✓ (10 x 2) (20)
- 1.2 1.2.1 SWOT✓✓
- 1.2.2 video✓✓
- 1.2.3 quiet✓✓
- 1.2.4 PDCA✓✓
- 1.2.5 recruitment✓✓ (5 x 2) (10)
- 1.3 1.3.1 G✓✓
- 1.3.2 F✓✓
- 1.3.3 J✓✓
- 1.3.4 I✓✓
- 1.3.5 H✓✓ (5 x 2) (10)

TOTAL SECTION A: 40**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	20
1.2	10
1.3	10
TOTAL	40

SECTION B

Mark the FIRST THREE answers only.

QUESTION 2: BUSINESS ENVIRONMENTS**2.1 Defensive Strategies**

- 2.1.1 Liquidation ✓✓
- 2.1.2 Retrenchment ✓✓
- 2.1.3 Divestiture/Divestment ✓✓

(6)**2.2 Business Environments/extent of control**

BUSINESS ENVIRONMENTS	EXTENT OF CONTROL
1. Micro ✓	Full control ✓
2. Market ✓	Partial/Some/Limited/Less/Little control ✓
3. Macro ✓	No control ✓
Submax (3)	Submax (3)

NOTE: 1. Mark the first THREE (3) business environments only.

- 2. Award full marks for the business environment even if the extent of control is incorrect.**
- 3. The extent of control must be linked to the business environment.**
- 4. The business environments can be in any order.**

Max (6)**2.3 Purpose of LRA**

- Provides a framework/structure for labour relations between employers/employees/trade unions/employers organisations. ✓✓
- Promotes/Facilitates collective bargaining at the workplace/at sectorial level. ✓✓
- Promotes workplace forums to accommodate employees in decision making. ✓✓
- Provides for the right to lock-out by the employer as recourse to lengthy strikes. ✓✓
- Promotes fair labour practice between the employers and employees. ✓✓
- Promotes simple procedures for the registration of trade unions/employer organisations. ✓✓
- Clarifies the transfer of employment contracts between the existing and new employers. ✓✓
- Advances economic development/social justice/labour peace to ensure that the workplace maintains the basic rights of employees. ✓✓
- Establishes the Commission for Conciliation, Mediation and Arbitration/CCMA for dispute resolutions. ✓✓
- Establishes Labour Courts and Labour Appeal Courts. ✓✓
- Any other relevant answer related to the purpose of the LRA.

Max (8)

2.4 Business strategies**2.4.1 Porter's Five Forces model from the scenario**

PORTER'S FIVE FORCES	MOTIVATION
1. Threat/barriers of new entrants to the market✓✓	She only needed a small amount of capital to start her business.✓
2. Power of suppliers✓✓	Sam Wholesalers is the only provider in the area from whom she buys her baking ingredients.✓
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Do not award marks for the motivation if the forces were incorrectly identified.
 3. Award marks for the forces even if the quote is incomplete.

Max (6)**2.4.2 Strategic management process****OPTION 1**

- PUC should have a clear vision, a mission statement✓/measurable/realistic objective in place. ✓
- Tools available for environmental scanning may include✓ a SWOT-/ PESTLE analysis /industrial analysis tools. ✓
- Formulate alternative strategies✓ to respond to the challenges.✓
- Develop (an) action plan(s) ✓, including the tasks to be done/deadlines to be met/ resources to be procured✓, etc.
- Implement selected strategies by communicating it✓ to all stakeholders/organising business resources/motivating staff.✓
- PUC should continuously evaluate/monitor/measure strategies✓ in order to take corrective action.✓
- Any other relevant answer related to how the strategic management process can be applied.

OR**OPTION 2**

- PUC should review✓ their vision statement.✓
- Conduct an environmental analysis using models✓ such as SWOT/PESTLE. ✓
- Analyse/Re-examine✓ their mission statement.✓
- Formulate a strategy✓, such as a defensive/retrenchment strategy.✓
- Implement a strategy✓, using a template such as an action plan.✓
- Control/Evaluate/Monitor the implemented strategy✓ to identify gaps/deviations in implementation.✓
- PUC should take corrective action✓ to ensure goals/objectives are met.✓
- Any other relevant answer related to how the strategic management process can be applied.

NOTE: Do not award marks for 'environmental scanning'.**Max (6)**

2.5 Types of diversification strategies**Concentric diversification** ✓✓

- The business adds a new product or service that is related to existing products and which will appeal to new customers. ✓
- Occurs when a business wants to increase its product range and markets. ✓
- Any other relevant answer related to concentric diversification as a diversification strategy.

Strategy (2)
Discussion (1)
Submax (3)

Horizontal diversification ✓✓

- The business adds new products or services that are unrelated to existing products, but which may appeal to existing customers. ✓
- Occurs when a business acquires or merges with a business that is at the same production stage, but it may offer a different product. ✓
- Any other relevant answer related to horizontal diversification as a diversification strategy.

Strategy (2)
Discussion (1)
Submax (3)

Conglomerate diversification ✓✓

- The business adds new products or services that are unrelated to existing products which may appeal to new groups of customers. ✓
- Conglomerate diversification means that a business grows into new products, services and markets. ✓
- Any other relevant answer related to conglomerate diversification as a diversification strategy.

Strategy (2)
Discussion (1)
Submax (3)
Max (6)

NOTE: Mark the first TWO (2) only.

2.6 Consumer Protection Act**2.6.1 Consumer rights from the scenario**

CONSUMER RIGHTS	MOTIVATION
1. Right to choose ✓✓	They allow customers to shop around for the best price. ✓
2. Right to fair value/good quality and safety/Right to fair/just/reasonable terms and conditions ✓✓	Customers are also given a written warranty with their purchases. ✓
Submax (4)	Submax (2)

NOTE: 1. Mark the first TWO (2) only.

2. Do not award marks for the motivation if the consumer rights were incorrectly identified.

3. Award marks for the consumer rights even if the quote is incomplete.

Max (6)

2.6.2 Disadvantages of the CPA on a business

- CT/A business has to replace/repair faulty items/refund money✓ if the fault occurs within six months after purchase.✓
- Confidential business information✓ may become available to competitors.✓
- Consumers can take advantage of a business✓ and return goods when it is not necessary to do so.✓
- Processes and procedures required by CPA✓ can be expensive and time consuming.✓
- CT/A business may feel unnecessarily burdened✓ by legal processes.✓
- Penalties for non-compliance✓ may be very high.✓
- Staff need to be trained/Legal experts need to be consulted✓, which can increase costs.✓
- Many business documents need to be simplified/revamped at extra cost✓, as consumers have a right to receive contracts in simple/understandable language.✓
- Administration costs increase✓, as legal contracts need to be worded in plain language/pitched at the level of the consumer.✓
- A business may need insurance✓ against claims from consumers✓/Provisions in the Act increase the risks✓ for unforeseen claims and law suits.✓
- Supply chain management in stock levels will have to change✓, as defective goods have to be replaced within six months at the request of the customer.✓
- Information technology systems need to be improved✓ as the retailer must keep more detailed records of interactions with consumers/be able to report to the National Consumer Commission.✓
- Any other relevant answer related to the disadvantages of CPA on a business.

Max (4)**2.7 Leave provisions of the BCEA****Annual leave✓✓**

- Workers are entitled to twenty-one (21) consecutive days annual leave per year or one day for every seventeen (17) days worked✓, one (1) hour for every seventeen (17) hours worked. ✓
- An employer can only pay a worker in lieu/instead of granting leave✓ if that worker leaves the job/ terminates the employment contract. ✓
- Annual leave must be granted within six (6) months✓ after the leave cycle ended. ✓
- Any other relevant answer related to annual leave as a provision of the BCEA.

Leave provision (2)

Discussion (1)

Submax (3)

Sick leave✓✓

- Employees are entitled to thirty (30) days/six (6) weeks paid sick leave in a three (3) year/thirty six (36) months cycle.✓
- One (1) day paid sick leave for every twenty six (26) days worked during the first six (6) months of employment.✓
- A medical certificate may be required before paying an employee who is absent for more than two (2) consecutive days/who is frequently absent.✓
- Thereafter, they may take all thirty (30) days sick leave, provided they meet the legal requirements.✓
- Any other relevant answer related to sick leave as a provision of the BCEA.

Leave provision (2)

Discussion (1)

Submax (3)

Maternity leave✓✓

- Pregnant employees are entitled to four (4) consecutive months' leave.✓
- Pregnant employees may not be allowed to perform work that is hazardous to the unborn child.✓
- The starting date is usually any time from four (4) weeks before the expected date of birth or on advice of a doctor/midwife.✓
- Any other relevant answer related to maternity leave as a provision of the BCEA.

Leave provision (2)

Discussion (1)

Submax (3)

Parental leave✓✓

- An employee who is a parent is entitled to ten (10) consecutive day's parental leave after the birth of his/her child irrespective of gender.✓
- *Parental leave* is unpaid but the employee/parent may claim from the Unemployment Insurance Fund/UIF. ✓
- The employer must be informed/notified at least one month before the expected due date of birth. ✓
- *Adoption leave* is applicable to the adoption of a child below the age of two (2) years. ✓
- One parent of the adopted child is entitled to ten (10) weeks adoption leave to take of the child, while the other parent is entitled to ten (10) consecutive day's normal parental leave. ✓
- *Commissioning parental leave* is only applicable to surrogate motherhood where one parent is entitled to ten (10) weeks commissioning parental leave to take of the child, while the other parent is entitled to ten (10) consecutive day's normal parental leave. ✓
- Any other relevant answer related to parental leave as a provision of the BCEA.

Leave provision (2)

Discussion (1)

Submax (3)

Family responsibility leave✓✓

- Employees are entitled to three to five (3 to 5) days paid leave per year on request in the event of the death of the employee's spouse/life partner/parent/adoptive parent/ grandparent/child/adoptive child/grandchild/sibling.✓
- An employer may require reasonable proof, before granting this leave.✓
- Any other relevant answer related to family responsibility leave as a provision of the BCEA.

Leave provision (2)

Discussion (1)

Submax (3)

NOTE: Mark the first TWO (2) only.**Max (6)**

2.8 Ways in which businesses can comply with the EEA

- Businesses should guard against discriminatory appointments.√√
- Assess the racial composition of all employees, including senior management.√√
- Ensure that there is equal representation of all racial groups in every level of employment.√√
- Clearly define the appointment process, so that all parties are well informed.√√
- Ensure that diversity/inclusivity in the workplace is achieved.√√
- Prepare an employment equity plan in consultation with employees.√√
- Compile employment equity plans that indicate how they will implement affirmative action.√√
- Ensure that affirmative action measures promote diversity in the workplace.√√
- Implement the employment equity plan.√√
- Implement affirmative action measures to redress disadvantages experienced by designated groups/Accommodate people from different designated groups.√√
- Submit the employment equity plan to the Department of Labour.√√
- Assign one or more senior managers to ensure implementation and monitoring of the employment equity plan.√√
- Eliminate barriers that have an adverse impact on designated groups.√√
- Regularly report to the Department of Labour on progress in implementing the plan.√√
- Display a summary of the Act where employees can clearly see/have access to the document.√√
- Conduct medical/psychological tests fairly to employees/when deemed necessary/Use certified psychometric tests to assess applicants/employees to ensure that suitable candidates are appointed. √√
- Ensure that the workplace represents the demographics of the country at all levels.√√
- Restructure/Analyse current employment policies/practices/procedures to accommodate designated groups.√√
- Retrain/Develop/Train designated groups through skills development programmes.√√
- Employees must be paid equal for work of equal value. √√
- Any other relevant answer related to ways in which businesses can comply with the EEA.

Max (6)**[60]****BREAKDOWN OF MARKS**

QUESTION 2	MARKS
2.1	6
2.2	6
2.3	8
2.4.1	6
2.4.2	6
2.5	6
2.6.1	6
2.6.2	4
2.7	6
2.8	6
TOTAL	60

QUESTION 3: BUSINESS VENTURES**3.1 Types of shares**

- Ordinary shares✓
- Preference shares✓
- Founders' shares✓
- Bonus shares✓

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

3.2 Aspects to be consider when designing a multi-media presentation

- Start with the text✓✓
- Select the background✓✓
- Choose images that may help to communicate the message✓✓
- Include/Create graphics✓✓
- Add special effects/sound/animation✓✓
- Create hyperlinks to allow quick access to other files/documents/video clips✓✓
- Use legible font and font size✓✓
- Keep slides/images/graphs/font simple✓✓
- Make sure there are no spelling errors✓✓
- Use bright colours to increase visibility✓✓
- Structure information in a logical sequence✓✓
- Limit the information on each slide✓✓
- Any other relevant answer related to aspects to be considered when designing a multi-media presentation.

Max (6)

3.3 Presentation**3.3.1 Examples of visual aids from the scenario**

- Handouts✓
- Graphs✓
- Tables✓

NOTE: 1. Mark the first THREE (3) only.

2. Only award marks for examples that are given in the scenario.

(3 x 1) (3)

3.3.2 Factors to consider when preparing for a presentation

- Phiwe should establish a clear purpose/intentions/objectives✓ and main points of the presentation.✓
- Main aims✓ captured in the introduction/opening statement of the presentation.✓
- Information presented✓ should be relevant and accurate.✓
- Fully conversant✓ with the content/objectives of the presentation.✓
- Background/diversity/size/pre-knowledge of the audience✓ to determine the appropriate visual aids.✓
- Prepare a rough draft of the presentation✓ with a logical structure/format with an introduction, body and conclusion.✓
- The conclusion must summarise the key facts✓ and how it relates to the objectives/shows that all aspects have been addressed. ✓
- Create visual aids✓ that will consolidate the information/facts to be conveyed to the audience. ✓
- He should find out about the venue for the presentation✓, e.g. what equipment is available/appropriate/availability of generators as backup to load shedding.✓

- Consider the time frame✓ for the presentation, e.g. fifteen minutes allowed. ✓
- Phiwe should rehearse✓ to ensure a confident presentation/effective use of time management.✓
- Prepare for the feedback session✓, by anticipating possible questions/comments.✓
- Any other relevant answer related to the factors to consider when preparing for a presentation.

NOTE: Do not award marks for examples of visual aids that were mentioned in QUESTION 3.3.1.

Max (6)

3.4 Meaning of average clause

- A stipulation set by the insurer which is applicable when property/goods✓ is under insured/insured for less than its market value.✓
- The insurer will pay for insured loss/damages✓ in proportion to the insured value.✓
- This means that the insured is responsible for✓ a part of the risk that is not insured.✓
- The insured amount is divided by the market value of the insured item✓ and multiplied by the total value/amount of the damages/loss.✓
- Insurance companies apply the following formula to determine the amount to be paid out to the insured:

$$\frac{\text{Amount insured}}{\text{Value of insured item}} \} \checkmark \times \text{Amount of damages}\checkmark$$

- Any other relevant answer related to the meaning of the average clause.

Max (6)

3.5 Distinction between leadership and management

LEADERSHIP	MANAGEMENT
<ul style="list-style-type: none"> - Influences√ human behaviour.√ - Communicates by means of√ interaction/behaviour/vision/values/charisma.√ - Innovates/Encourage new ideas√ to increase productivity.√ - Inspires staff √ to trust and support each another.√ - Focuses on what and why.√ - Focuses on the horizon/long term.√ - Leaders are born with natural/instinctive√ leadership skills.√ - Guides/Leads people√ to become active participants.√ - Leaders have power/influence√ because of his/her knowledge/skills/ intelligence.√ - Always trying to find more efficient ways√ of completing tasks.√ - Motivational/Inspirational in their approach √ - <i>People-orientated.</i> √ - Lead by example/trust/respect √ - Does the right things√ - Any other relevant answer related to leadership. 	<ul style="list-style-type: none"> - Guides√ human behaviour.√ - Communicates through√ management functions, e.g. line function.√ - Administers plans/programs/tasks√ to reach targets.√ - Controls systems and procedures√ to get the job done.√ - Focuses on how and when.√ - Focuses on the bottom line/short/medium/long term.√ - A person becomes a manager because of the position√ in which he/she is appointed.√ - Manages the process of getting things done√ by exercising responsibility.√ - Managers have power because of the position of authority√ into which they are appointed.√ - Enforce rules on subordinates√/Ensure that tasks are completed.√ - Instructional in their approach.√ - <i>Task-orientated.</i> √ - Manage by planning/organising/leading/control. √ - Does things right√ - Any other relevant answer related to management.
Submax (2)	Submax (2)

NOTE: 1. The answer does not have to be in tabular format.
 2. The distinction does not have to link, but must be clear.
 3. Award a maximum of TWO (2) marks if the distinction is not clear/Mark either leadership or management only.

Max (4)

3.6 Leadership style from the scenario

3.6.1 Laissez-faire/free-reign√√

(2)

Motivation:

Jannie allows his team to work independently as long as they comply with his business policy.√

(1)

NOTE: 1. Do not award marks for the motivation if the type of leadership style was incorrectly identified.
 2. Award marks for the leadership style even if the quote is incomplete.

Max (3)

3.6.2 Impact of laissez-faire/free-reign

Positives/ Advantages

- Workers/Followers are allowed to make decisions✓ on their own work/methods.✓
- Subordinates have maximum freedom✓ and can work independently.✓
- Leader motivates workers✓ by trusting them to do things themselves/on their own.✓
- Authority is delegated✓, which can be motivating/empowering to competent workers/increase productivity.✓
- Subordinates are experts✓ and know what they want/can take responsibility for their actions.✓
- Suitable for coaching/mentoring✓ to motivate employees to achieve more/better things.✓
- It can be empowering for competent followers✓ as they are completely trusted to do their job.✓
- Individual team members✓ may improve/develop leadership skills.✓
- Any other relevant answer related to the positive impact/advantages of a laissez-faire/free-reign leadership style on businesses.

AND/OR

Negatives/ Disadvantages

- Lack of clear direction/leadership✓ may be demotivating to employees.✓
- Employees can be held responsible for their own work✓ which may lead to underperformance.✓
- Could lead to conflict✓ when some team members act as leaders/dictate to other team members.✓
- Workers are expected to solve✓ their own conflict situations.✓
- Productivity may be compromised✓ with a lack of tight control over workers not meeting deadlines.✓
- Productivity might be low✓, if employees lack the necessary knowledge or skills.✓
- Any other relevant answer related to the negative impact/disadvantages of laissez-faire/free-reign leadership style on businesses.

NOTE: Accept relevant facts if the leadership style was incorrectly identified as an answer in Question 3.6.1.

Max (6)

3.7 Functions of the JSE

- Gives opportunities to financial institutions✓, e.g. insurance companies invest their surplus funds in shares.✓
- Serves as a barometer/indicator✓ of economic conditions in South Africa.✓
- Keeps investors informed✓ by publishing share prices daily.✓
- Acts as a link✓ between investors and public companies.✓
- Shares are valued✓ and assessed by experts.✓
- Small investors✓ are invited to take part in the economy of the country through the buying/selling of shares.✓
- Venture capital market✓ is made possible on the open market.✓
- Strict investment rules✓ ensure a disciplined/orderly market for securities.✓
- Raises primary capital✓ by encouraging new investments in listed companies.✓
- Mobilises the funds✓ of insurance companies and other institutions.✓
- Regulates the market✓ for trading in shares.✓
- Plans, researches and advises✓ on investment possibilities.✓

- Ensures that the market✓ operates in a transparent manner.✓
- Provides protection for investors✓ through strict rules/legislation.✓
- Encourages short-term✓ investment.✓
- Facilitates electronic trading✓ of shares/STRATE.✓
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange/JSE.

Max (8)**3.8 Advantages of a state-owned company**

- Profits may be used to finance✓ other state departments/social programmes/ reduce taxes. ✓
- Jobs are created✓ for all skills levels.✓
- Offer essential services✓ which may not be offered by the private sector.✓
- Prices are kept reasonable✓ to make services affordable to more citizens.✓
- Wasteful duplication of services✓ is eliminated.✓
- Planning can be co-ordinated✓ through central control.✓
- Any other relevant answer related to the advantages of a state-owned company.

Max (6)**3.9 Success and/or failure of a partnership**

3.9.1	SUCCESS	AND/OR	FAILURE
Management	- Partners are actively involved in management and may use the ideas of other partners.✓✓		- Decision making can be time consuming as all partners have to be in agreement.✓✓
	- Partners have access to expertise of other partners when difficult decisions have to be made.✓✓		- Some management tasks may be neglected, as one partner may leave it to others to complete.✓✓
	- Not all partners need to be actively involved in management and would rather appoint competent managers.✓✓		- Partners may disagree on how to run the business, which may lead to tension between them.✓✓
			- Partners are agents of the partnership and bad management decisions may be forced onto other partners.✓✓
			- Different personalities/opinions could lead to conflict/disagreements.✓✓
	- Any other relevant answer related to the contribution of management to the success of a partnership.		- Any other relevant answer related to the contribution of management to the failure of a partnership.

Max (4)

3.9.2	SUCCESS	AND/OR	FAILURE
Legislation	- Easy and cheap to establish, as partners must draw up partnership agreement.√√	- Unlimited liability/partners are jointly and severally liable for the debts of the business.√√	
	- Partners are more motivated to make a business successful as their personal possessions are at risk.√√	- If one partner dies or retires, the remaining partners need to draw up a new agreement.√√	
	- No regulatory requirements regarding the name of the business. √√	- Oral agreements between partners can cause conflict between partners.√√	
	- Only subjected to the provisions of the Income Tax Act as compared to companies.√√	- A partnership is not a legal entity and cannot sue or be sued.√√	
	- Any other relevant answer related to the contribution of legislation to the success of a partnership.	- Any other relevant answer related to the contribution of legislation to the failure of a partnership.	

NOTE: 1. The answer does not have to be in tabular format.

2. Award marks for either success and/or failure of each factor.

**Max(4)
[60]**

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2	6
3.3.1	3
3.3.2	6
3.4	6
3.5	4
3.6.1	3
3.6.2	6
3.7	8
3.8	6
3.9.1	4
3.9.2	4
TOTAL	60

QUESTION 4: BUSINESS ROLES**4.1 Causes of conflict in the workplace**

- Differences in backgrounds/cultures/values/beliefs/language✓
- Limited business resources✓
- Different goals/objectives for group/individuals✓
- Personality differences between group/individuals✓
- Different opinions✓
- Unfair workload✓
- Ill-managed stress✓
- Unrealistic expectations/deadlines ✓
- Poor organisation/leadership/administrative procedures and systems✓
- Confusion about scheduling/deadlines✓
- Ignoring rules/procedures✓
- Misconduct/Unacceptable behaviour✓
- High/Intense competition/Competitiveness✓
- Poor communication✓
- Unclear responsibilities✓
- Distracted by personal objectives✓
- Constant changes in the workplace✓
- Unfair treatment of workers/Favouritism by management/Discrimination✓
- Lack of trust amongst workers✓
- Any other relevant answer related to the causes of conflict in the workplace.

NOTE: 1. Mark the first FOUR (4) only.**(4 x 1) (4)****4.2 Correct procedure to deal with grievances**

- An aggrieved employee must verbally report the incident/grievance to his/her supervisor/manager✓✓.
- Supervisor/manager needs to resolve the issue within three to five (3 to 5) working days.✓✓
- Should the employee and supervisor not be able to resolve the grievance, the employee may take it to the next level of management.✓✓
- The employee may move to a more formal process where the grievance must be lodged in writing/completes a grievance form.✓✓
- The employee must receive a written reply in response to the written grievance.✓✓
- A grievance hearing/meeting must be held with all relevant parties present.✓✓
- Minutes of the meeting must be recorded and any resolution passed must be recorded on the formal grievance form.✓✓
- Should the employee not be satisfied, then he/she could refer the matter to the highest level of management.✓✓
- Top management should arrange a meeting with all relevant parties concerned.✓✓
- Minutes of this meeting should be filed/recorded and the outcome/decision must be recorded on the formal grievance form.✓✓
- Should the employee still not be satisfied, he/she may refer the matter to the CCMA who will make a final decision on the matter.✓✓
- The matter can be referred to the Labour Court on appeal if the employee is not satisfied with the decision taken by the CCMA.✓✓
- Any other relevant answer related to the correct procedure to deal with grievances in the workplace.

NOTE: The procedure may be in any order.**Max (8)**

4.3 Team performance

4.3.1 Criteria for successful teams

CRITERIA	MOTIVATION
1. Shared values/Mutual trust and support√√	They appreciate the knowledge and skills of other team members.√
2. Communication√√	Reshma, a team leader, always provides quality feedback to improve the morale of the team.√
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Do not award marks for the motivation if the criteria were incorrectly identified.
 3. Award marks for the criteria even if the quote is incomplete. **Max (6)**

4.3.2 Stages of team development

Forming√√

- Individuals gather information and impressions about each other and the scope of the task and how to approach it.√
- This is a comfortable stage to be in.√
- People focus on being busy with routines, such as team organisation e.g. who does what, when to meet each other, √ etc.
- Any other relevant answer related to forming as a stage of team development.

Stage (2)

Explanation (1)

Submax (3)

Storming√√

- Teams go through a period of unease/conflict after formation.√
- Different ideas from team members will compete for consideration.√
- Team members open up to each other and confront each other's ideas/perspectives.√
- Tension/struggles/arguments occur and upset the team members/there may be power struggles for the position of team leader.√
- In some instances storming can be resolved quickly; in others the team never leaves this stage.√
- Many teams fail during this stage as they are not focused on their task.√
- This phase can become destructive for the team/will negatively impact on team performance, if allowed to get out of control.√
- This stage is necessary/important for the growth of the team.√
- Some team members tolerate each other to survive this stage.√
- Any other relevant answer related to storming as a stage of team development.

Stage (2)

Explanation (1)

Submax (3)

Norming/Settling/Reconciliation✓✓

- Team members come to an agreement and reach consensus.✓
- Roles and responsibilities are clear and accepted.✓
- Processes/working style and respect develop amongst members.✓
- Team members have the ambition to work for the success of the team.✓
- Conflict may occur, but commitment and unity are strong.✓
- Any other relevant answer related to norming/settling/reconciliation as a stage of team development.

Stage (2)
Explanation (1)
Submax (3)

Performing/Working as a team towards a goal✓✓

- Team members are aware of strategies and aims of the team.✓
- They have direction without interference from the leader.✓
- Processes and structures are set.✓
- Leaders delegate and oversee the processes and procedures.✓
- All members are now competent, autonomous and able to handle the decision-making process without supervision.✓
- Differences among members are appreciated and used to enhance the team's performance.✓
- Any other relevant answer related to performing/working as a team towards a goal as a stage of team development.

Stage (2)
Explanation (1)
Submax (3)

Adjourning/Mourning✓✓

- The focus is on the completion of the task/ending the project.✓
- Breaking up the team may be traumatic as team members may find it difficult to perform as individuals once again.✓
- All tasks need to be completed before the team finally dissolves.✓
- Any other relevant answer related to adjourning/mourning as a stage of team development.

Stage (2)
Explanation (1)
Submax (3)

NOTE: Mark the first TWO (2) only.

Max (6)

4.4 Positive impact of CSI on businesses

- May attract experienced employees/increase the pool of skilled labour✓ which could increase productivity.✓
- Positive/Improved image as the business looks after employees✓/conducts itself in a responsible way.✓
- A business may have a competitive advantage✓, resulting in good publicity/an improved reputation.✓
- Promotes customer loyalty✓ resulting in more sales.✓
- CSI projects may be used as a marketing strategy✓ to promote their products.✓
- The business enjoys the goodwill/support✓ of communities.✓
- CSI projects promote teamwork✓ within businesses.✓
- CSI helps to attract investors✓ because of increased profits/income.✓
- Gives businesses tax advantages✓ such as tax reduction/-rebates.✓
- The government is less likely to enforce issues through legislation✓ to businesses that voluntarily participate in CSI projects✓.
- Employees feel as if they are making a difference✓ in working for the business.✓
- It helps to retain staff/lower staff turnover✓ as employees' health and safety are considered.✓
- Improves the health of its employees✓ through focused CSI projects.✓
- Businesses become more community-based by working closely✓ with the community to roll out skills development projects.✓
- Any other relevant answer related to the positive impact of CSI on businesses.

Max (8)**4.5 Responsibilities of employees in promoting human health and safety in the workplace**

- Workers should take care of their own health✓ and safety in the workplace.✓
- Co-operate and comply with the rules and procedures✓, e.g. wear prescribed safety clothing.✓
- Report unsafe/unhealthy working conditions✓ to the relevant authorities/management.✓
- Report accidents✓ to the employer as soon as possible.✓
- Workers should use prescribed✓ safety equipment.✓
- Take reasonable care✓ of their own safety.✓
- Inform the employer of any illness✓ that may affect their ability to work.✓
- Any other relevant answer related to the responsibilities of employees in promoting human health and safety in the workplace.

Max (6)

4.6 Unethical business practices**4.6.1 Types of unethical business practises from the scenario**

TYPES OF UNETHICAL BUSINESS PRACTICES	MOTIVATIONS
1. Abuse of work time√√	The therapists of Vuka Wellness Spa occasionally spend time on personal issues during office hours.√
2. Unauthorised use of workplace funds and resources√√	Anne, the financial manager, uses the business's petty cash without permission to pay for her personal expenses.√
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Do not award marks for the motivation if types of unethical business practices were incorrectly identified.
 3. Award marks for types of unethical business practices even if the quote is incomplete.

Max (6)**4.6.2 Ways in which business practices could be conducted in a professional, responsible, ethical and effective manner**

- Mission statement should include the values of equality/respect.√√
- VWS/Businesses should treat all employees equally, regardless of their race/colour/age/gender/disability,√√ etc.
- Treat workers with respect/dignity by recognising work well done/the value of human capital. √√
- Plan properly and put preventative measures in place.√√
- Pay fair wages/salaries which is in line with the minimum requirements of the BCEA/Remunerate employees for working overtime/during public holidays.√√
- Engage in environmental awareness programmes/Refrain from polluting the environment, e.g. by legally disposing of toxic waste.√√
- Refrain from starting a venture using other businesses' ideas that are protected by law.√√
- Business decisions and actions must be clear/transparent to all stakeholders.√√
- VWS/Businesses should be accountable /responsible for their decisions and actions/ patent rights.√√
- Hire honest/trustworthy accountants/financial officers with good credentials.√√
- Regular/Timeous payment of taxes.√√
- Draw up a code of ethics/conduct.√√
- On-going development and training for all employees.√√
- Performance management systems/Appraisals should be in place.√√
- Adequate internal controls/monitoring/evaluation.√√
- Any other relevant answer related to ways in which business practices could be conducted in a professional, responsible ethical and effective manner.

Max (6)

4.7 Application of transparency as a King Code principle

- Decisions/Actions must be clear✓ to all stakeholders.✓
- Staffing and other processes✓ should be open and transparent.✓
- Employees/Shareholders/Directors should be aware✓ of the employment policies of the business.✓
- Auditing and other reports must be accurate/available✓ to shareholders/employees.✓
- Regular audits should be done✓ to determine the effectiveness of the business.✓
- Business deals should be conducted openly✓ so that there is no hint/sign of dishonesty/corruption.✓
- Businesses should give details of shareholders' voting rights to them✓ before/at the Annual General Meeting (AGM).✓
- The board of directors must report on both the negative and positive impact✓ of the business on the community/environment.✓
- The board should ensure that the company's ethics✓ are effectively implemented.✓
- Any other relevant answer related to how businesses can apply transparency as a King Code principle for good corporate governance.

Max (4)**4.8 Ways in which businesses could promote social rights in the workplace**

- Businesses should ensure that employees have access to clean water/social security.✓✓
- Encourage employees/Provide opportunities for skills training/basic education.✓✓
- Register workers with the UIF to provide adequate protection in the event of unemployment/illness.✓✓
- Encourage employees to participate in special events, e.g. World Aids day.✓✓
- Provide health care services by establishing site clinics to give employees access to basic medical examinations.✓✓
- Any other relevant answer related to ways in which businesses could promote social rights in the workplace.

**Max (6)
[60]****BREAKDOWN OF MARKS**

QUESTION 4	MARKS
4.1	4
4.2	8
4.3.1	6
4.3.2	6
4.4	8
4.5	6
4.6.1	6
4.6.2	6
4.7	4
4.8	6
TOTAL	60

QUESTION 5: BUSINESS OPERATIONS**5.1 Sources of internal recruitment**

- Internal e-mails/Intranet/web sites to staff✓
- Word of mouth✓
- Business newsletter/circulars✓
- Internal/management referrals✓
- Notice board of the business✓
- Internal bulletins✓
- Recommendation of current employees✓
- Head hunting within the business/organisational database✓
- Any other relevant answer related to sources of internal recruitment.

NOTE: Mark the first FIVE (5) only.

(5 x 1) (5)

5.2 Screening as part of the selection procedure

- Check application documents✓ against the requirements of the job.✓
- Candidates who meet the minimum requirements✓ are separated from others.✓
- Do background/credit/reference checks of applicants✓ who qualify for the job.✓
- Prepare a shortlist✓ of suitable candidates after screening.✓
- Any other relevant answer related to the meaning of screening as part of the selection procedure.

Max (4)

5.3 Placement procedure

- Businesses should outline the specific responsibilities of the new position, including the expectations/skills required for this position.✓✓
- Determine the successful candidate's strengths/weaknesses/interests/skills by subjecting him/her to a range of psychometric tests.✓✓
- Determine the relationship between the position and the competencies of the new candidate.✓✓
- Any other relevant answer related to the placement procedure as an activity of the human resource function.

Max (4)

5.4 Fringe benefits**5.4.1 Examples of fringe benefits from the scenario**

- Medical aid✓
- Pension fund✓
- Housing allowance✓

NOTE: 1. Mark the first THREE (3) only.

2. Only award marks for examples that are given in the scenario.

(3 x 1) (3)

5.4.2 Impact of fringe benefits on a business**Positives/Advantages**

- IC/A business offers attractive fringe benefit packages✓ which may result in higher employee retention/reduces employee turnover.✓
- Attracts qualified/skilled/experienced employees✓ who may positively contribute towards the business goals/objectives.✓
- It increases employee satisfaction/loyalty✓ as they may be willing to go the extra mile.✓
- Improves productivity✓ resulting in higher profitability.✓
- IC/A business saves money✓ as benefits are tax deductible.✓
- Fringe benefits can be used as leverage✓ for salary negotiations.✓
- Any other relevant answer related to the positive impact/advantages of fringe benefits on IC /a business.

AND/OR**Negatives/Disadvantages**

- Fringe benefits are additional costs✓ that may result in cash flow problems.✓
- Administrative costs increase✓ as benefits need to be correctly recorded for tax purposes.✓
- Decreases business profits✓, as incentive/package/remuneration costs are higher.✓
- It can create conflict/lead to corruption✓ if allocated unfairly.✓
- Workers only stay with the business for fringe benefits✓, and may not be committed/ loyal to the tasks/business.✓
- IC/A business which offers employees different benefit plans may create resentment✓ to those who receive less benefit resulting in lower productivity.✓
- A business which cannot offer fringe benefits✓ fails to attract skilled workers.✓
- IC/A business has to pay advisors/attorneys✓ to help them create benefit plans that comply with the law.✓
- Errors in benefit plans✓ may lead to costly lawsuits/regulatory fines.✓
- Any other relevant answer related to the negative impact/disadvantages of fringe benefits on IC/a business.

Max (8)**5.5 Salary determination methods****Piecemeal✓✓**

- Workers are paid according to the number of items/units produced/action performed.✓
- Workers are not remunerated for the number of hours worked, regardless of how long it takes them to make the items.✓
- Mostly used in factories particularly in the textile/technology industries.✓
- Any other relevant answer related to piecemeal as a salary determination method.

Method (2)

Explanation (1)

Submax (3)

Time-related✓✓

- Workers are paid according to the amount of time/hours they spend at work/on a task.✓
- Workers with the same experience/qualifications are paid on salary scales regardless of the amount of work done.✓
- Many private and public sector businesses use this method.✓
- Any other relevant answer related to time-related as a salary determination method.

Method (2)
Explanation (1)
Submax (3)

NOTE: Mark the first TWO (2) only.

Max (6)

5.6 Business functions from statements

5.6.1 General management function✓✓

5.6.2 Purchasing function✓✓

(4)

5.7 Distinction between quality control and quality assurance

QUALITY CONTROL	QUALITY ASSURANCE
<ul style="list-style-type: none"> - System that ensures the desired quality is met✓ by inspecting the final product.✓ - Ensure that finished products✓ meets the required standards.✓ - Process of ensuring that products are consistently manufactured✓ to high standards.✓ - Checking raw materials/employees/machinery/workmanship/products✓ to ensure that high standards are maintained.✓ - Any other relevant answer related to quality control. 	<ul style="list-style-type: none"> - Checks carried out during✓ and after the production process.✓ - Ensure that required standards✓ have been met at every stage of the process.✓ - Processes put in place to ensure that the quality of products/services/systems adhere to pre-set standards✓ with minimal defects/delays/shortcomings.✓ - Ensuring that every process is aimed to get the product “right the first time”✓ and prevent mistakes from happening.✓ - Any other relevant answer related to quality assurance.
Submax (2)	Submax (2)

NOTE: 1. The answer does not have to be in tabular format.
2. The distinction does not have to link, but must be clear.
3. Award a maximum of TWO (2) marks if the distinction is not clear/Mark either quality control or quality assurance only.

Max (4)

5.8 Quality management**5.8.1 Ways TQM can reduce the cost of quality from the scenario**

- Exclusive Restaurant Limited ensures that all their activities are well scheduled to avoid the duplication of tasks.✓
- Their chefs are regularly sent on advanced cooking courses to learn more about healthy cooking methods.✓

NOTE: 1. Mark the first TWO (2) only.

2. Only award marks for responses that are quoted from the scenario.

(2 x1) (2)

5.8.2 Other ways in which TQM can reduce the cost of quality

- Introduce quality circles/small teams of five to ten employees✓, who meet regularly to discuss ways of improving the quality of their work.✓
- Share responsibility for quality output✓ amongst management and workers.✓
- Develop work systems that empower employees✓ to find new ways of improving quality.✓
- Work closely with suppliers✓ to improve the quality of raw materials/inputs.✓
- Improve communication about the quality challenges/deviations✓, so that everyone can learn from past experiences.✓
- Reduce investment on expensive✓, but ineffective inspection procedures in the production process.✓
- Implement pro-active maintenance programmes✓ for equipment/machinery to reduce/eliminate breakdowns.✓
- Any other relevant answer related to other ways in which TQM can reduce the cost of quality.

NOTE: Do not award marks for responses quoted in QUESTION 5.8.1.

Max (6)

5.9 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.✓
- The business may achieve 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 may result✓ in business growth/expansion.✓
- Improved business image✓, as there are less defects/faulty products/returns.✓
- Any other relevant answer related to the benefits of a good quality management system.

Max (8)

5.10 Impact of total client/customer satisfaction on large businesses**Positives/Advantages**

- Businesses use market research/customer surveys✓ to measure/monitor customer satisfaction/analyse customers' needs.✓
- Continuously promote✓ a positive company image.✓
- May achieve a state of total customer satisfaction, if businesses follow sound business practices✓ that incorporate all stakeholders.✓
- Strive to understand and fulfil customer expectations✓ by aligning cross-functional teams across critical processes.✓
- Ensures that cross-functional teams understand their core competencies✓ and develop/strengthen it.✓
- May lead to higher customer retention/loyalty✓ and businesses may be able to charge higher prices.✓
- Businesses may be able to gain access✓ to the global market.✓
- May lead to increased✓ competitiveness/profitability.✓
- Any other relevant answer related to the positive impact/advantages of total client/customer satisfaction on large businesses.

AND/OR**Negatives/Disadvantages**

- Employees who seldom come into contact with customers✓ often do not have a clear idea of what will satisfy their needs.✓
- Monopolistic companies have an increased bargaining power✓ so they do not necessarily have to please customers.✓
- Not all employees✓ may be involved/committed to total client/customer satisfaction.✓
- Any other relevant answer related to the negative impact/disadvantages of total client/customer satisfaction on large businesses.

Max (6)
[60]

BREAKDOWN OF MARKS

QUESTION 5	MARKS
5.1	5
5.2	4
5.3	4
5.4.1	3
5.4.2	8
5.5	6
5.6	4
5.7	4
5.8.1	2
5.8.2	6
5.9	8
5.10	6
TOTAL	60

QUESTION 6: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****6.1 Pillars of BBBEE****OPTION 1**

- Ownership✓
- Management control✓
- Skills development✓
- Enterprise and supplier development✓
- Socio economic development✓

OR**OPTION 2**

- Ownership✓
- Management✓
- Employment Equity✓
- Skills development✓
- Enterprise development ✓
- Supplier development/Preferential procurement✓
- Socio economic development/Corporate social investment✓

NOTE: Mark the first THREE (3) only.**(3 x 1) (3)****6.2 Intensive strategies****6.2.1 Type of intensive strategy from the scenario**

Market development✓✓

(2)**Motivation**

The management of CW opened a branch in Mpumalanga due to the high demand for bottled water.✓

(1)

NOTE: 1. Do not award marks for the motivation if the type of intensive strategy was incorrectly identified.

2. Award marks for the type of intensive strategy even if the quote is incomplete.

Max (3)**6.2.2 Advantages of intensive strategies for a business**

- Increased market share reduces the business's vulnerability to actions of competitors.✓✓
- Increase in sales/income/profitability due to variety of advertising campaigns.✓✓
- Improved service delivery may improve business image.✓✓
- CW/A business may have more control over the prices of products/services.✓✓
- Gain customer loyalty through effective promotion campaigns.✓✓
- Decrease in prices may influence customers to buy more products.✓✓
- Regular sales to existing customers may increase.✓✓
- Eliminate competitors and dominate market prices.✓✓
- Enables CW/a business to focus on markets/well researched quality products that satisfy the needs of customers.✓✓
- Any other relevant answer related to the advantages of intensive strategies for CW as a business.

NOTE: Mark the first TWO (2) only.**(2 x 2) (4)**

6.3 Steps when evaluating strategies

- Examine the underlying basis of a business strategy.√√
- Look forward and backwards into the implementation process.√√
- Compare the expected performance with the actual performance. √√
- Determine the reasons for deviations and analyse these reasons.√√
- Take corrective action so that deviations may be corrected.√√
- Set specific dates for control and follow up.√√
- Draw up a table of the advantages and disadvantages of a strategy.√√
- Decide on the desired outcome.√√
- Consider the impact of the strategic implementation in the internal and external environments of the business.√√
- Any other relevant answer related to the steps when evaluating strategies.

NOTE: Accept steps in any order.**Max (6)****BUSINESS VENTURES****6.4 Characteristics of a sole proprietor**

- Owned and managed by one person. √√
- The owner has a personal interest in the management/services that is rendered.√√
- Easy to establish as there are no legal formalities in forming the business.√√
- There are no legal requirements regarding the name of the business.√√
- The owner has unlimited liability/The owner is personally liable for the debt of the business.√√
- Limited capacity for expansion due to insufficient capital√√.
- The business has no legal personality and therefore has no continuity/Continuity depends on the life and health of the owner. √√
- Any other relevant answer related to the characteristics of a sole proprietor.

NOTE: Mark the first TWO (2) only.**(2 x 2) (4)****6.5 Investment decisions and types****6.5.1 Factors to be considered when making investment decisions from the scenario**

FACTORS	MOTIVATION
1. Investment term/period√√	Andile invested R1 000 in the RSA Retail Savings bonds for 36 months based on his personal needs.√
2. Return on investment/ROI√√	He will receive interest twice a year.√
Submax (4)	Submax (2)

NOTE: 1. Mark the first TWO (2) only.**2. Do not award marks for the motivation if investment decision factors were incorrectly identified.****3. Award marks for investment decision factors even if the quote is incomplete.****Max (6)**

6.5.2 Advantages of investing in unit trusts

- Managed by a fund manager✓ who buys shares on the Johannesburg Stock Exchange/JSE.✓
- The investor has a variety to choose from/a wider range of shares✓ from lower to higher degrees of risk.✓
- Safe investments✓, as it is managed according to rules and regulations.✓
- A small amount✓ can be invested per month.✓
- Easy to invest in✓, as investors simply complete a few relevant forms or invest online.✓
- Easy to cash in✓ when an investor needs money.✓
- Fluctuations in unit trust rates of return are often not so severe✓ because of diversity of the investment fund.✓
- Generally beats inflation✓ on the medium/long term.✓
- Offer competitive returns✓ in the form of capital growth and dividend distribution.✓
- Fund managers are knowledgeable/experts/reliable/trustworthy✓ as they are required to be accredited to sell unit trusts.✓
- Lowers the potential risk✓, allows more people to invest in the fund.✓
- Any other relevant answer related to the advantages of investing in unit trusts.

Max (4)**BUSINESS ROLES****6.6 Economic rights of employees in the workplace**

- Free from forced labour✓
- Free to accept or choose work✓
- Fair wages/Equal pay for work of equal value✓
- Reasonable limitation of working hours✓
- Fair labour practice. ✓
- Safe and healthy working conditions✓
- Join, form trade unions✓
- Right to participate in a legal strike✓
- Any other relevant answer related to the economic rights of employees in the workplace.

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)****6.7 Diversity issues from statements**

6.7.1 Race✓✓

6.7.2 Disability/Physically challenged/People living with disability✓✓

6.7.3 Language✓✓

(6)

6.8 Ways in which businesses can protect the environment and human health in the work place

- Laws and regulations should be adhered to✓ so that profits are not generated at the expense of the environment.✓
- Pollution and other environmental issues should always be considered in all business activities✓, e.g. safe disposal of waste/dumping of toxic waste✓, etc.
- Become involved✓ in environmental awareness programs.✓
- The environment can be protected✓ by altering production techniques in favour of cleaner and greener technologies.✓
- Water for human consumption✓ should be tested before it is used.✓
- Promote nature conservation✓ by looking after natural resources.✓
- Minimise pollution✓, by re-using, reducing and recycling.✓
- Reduce consumption of goods/services✓ which are environmentally unfriendly.✓
- Register/Engage with recognised institutions/bodies✓ that promote green peace.✓
- Physical working conditions✓ should always be worker friendly, safe/promote occupational health.✓
- Physical working conditions✓, e.g. adequate lighting/ventilation should be available/functional.✓
- Machines must be serviced/maintained regularly✓ to avoid break-downs.✓
- Educate employees✓ about hygiene issues.✓
- Encourage employees✓ to do regular health checks.✓
- Any other relevant answer related to ways in which businesses can protect the environment and human health in the workplace.

Max (6)**BUSINESS OPERATIONS****6.9 Quality indicators of the production function**

- Provide high quality services/products according to specifications.✓✓
- The production/operating processes of a business should be done correctly through proper production planning and control.✓✓
- Products and services should be produced at the lowest possible cost to allow for profit maximisation.✓✓
- Businesses should clearly communicate the roles and responsibilities to the production workforce.✓✓
- Products must meet customers' requirements by being safe, reliable and durable.✓✓
- Businesses should have good after-sales services and warranties.✓✓
- Empower workers so that they can take pride in their workmanship.✓✓
- Get accreditation from the SABS/ISO 9001 to ensure that quality products are being produced.✓✓
- Specify the product or service standards and take note of the factors that consumers use to judge quality.✓✓
- Monitor processes and find the root causes of production problems.✓✓
- Implement quality control systems to ensure that quality products are consistently being produced.✓✓
- Utilise machines and equipment optimally.✓✓
- Accurately calculate the production costs.✓✓
- Select the appropriate production system e.g. mass/batch/jobbing.✓✓
- Any other relevant answer related to the quality indicators of the production function.

NOTE: Mark the first TWO (2) only.**(2 x 2) (4)**

6.10 Impact of TQM if it is poorly implemented by businesses

- Setting unrealistic deadlines√ that may not be achieved.√
- Employees may not be adequately trained√ resulting in poor quality products.√
- Decline in productivity√, because of stoppages.√
- Businesses may not be able to make necessary changes of products/services√ to satisfy the needs of customers.√
- Business reputation/image may suffer√ because of poor quality/defective goods.√
- Customers will have many alternatives to choose from√ and the impact could be devastating to businesses.√
- Investors might withdraw investment√, if there is a decline in profits.√
- Decline in sales√ as more goods are returned by unhappy customers.√
- High staff turnover√, because of poor skills development.√
- Undocumented/Uncontrolled quality control systems/processes√ could result in errors/ deviations from pre-set quality standards.√
- Any other relevant answer related to the impact of TQM if it is poorly implemented by businesses.

Max (4)**6.11 Distinction between job description and job specification**

JOB DESCRIPTION	JOB SPECIFICATION
- Describes duties/responsibilities of a specific job√/Summary of the nature/type of the job.√	- Specifies the minimum acceptable personal qualities√/skills/qualifications needed for the job.√
- Written description of the job√ and its requirements.√	- Written description of specific qualifications√/skills/experience needed for the job.√
- Describes key performance areas/tasks for a specific job√, e.g. job title/working conditions/relationship of the job with other jobs in the business, √ etc.	- Describes key requirements of the person who will fill the position,√ e.g. formal qualifications/willingness to travel/work unusual hours, √ etc.
- Any other relevant answer related to job description.	- Any other relevant answer related to job specification.
Submax (4)	Submax (4)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. The distinction does not have to link, but must be clear.
 3. Award a maximum of FOUR (4) marks if the distinction is not clear/Mark either job description or job specification.

Max (8)**[60]**

BREAKDOWN OF MARKS

QUESTION 6	MARKS
6.1	3
6.2.1	3
6.2.2	4
6.3	6
6.4	4
6.5.1	6
6.5.2	4
6.6	2
6.7	6
6.8	6
6.9	4
6.10	4
6.11	8
TOTAL	60

TOTAL SECTION B: 180

SECTION C

Mark the first TWO (2) questions only.

QUESTION 7: BUSINESS ENVIRONMENTS (LEGISLATION)

7.1 Introduction

- SETAs are responsible for identifying skills shortages and develop strategies to overcome these challenges.✓
- The Skills Development Act was developed in response to the demand for redress and equity.✓
- The SDA aims to link learning to the demands of the labour market.✓
- Businesses should make an effort to comply with this Act to avoid penalties.✓
- The government will be able to implement the National Skills Development Strategy without inputs from trade unions and employer organisations.
- Any other relevant introduction related to the role of SETAs/purpose of the National Skills Development Strategy/impact of SDA/practical ways to comply with the SDA.

Any (2 x 1) (2)

7.2 Role of SETAs in supporting the SDA

- Develop sector skills plans in line with the National Skills Development Strategy.✓✓
- Draw up skills development plans for their specific economic sectors.✓✓
- Approve workplace skills plans and annual training reports.✓✓
- Allocate grants to employers, education and training providers.✓✓
- Pay out grants to companies that are complying with the requirements of the Skills Development Act.✓✓
- Monitor/Evaluate the actual training by service providers.✓✓
- Promote and establish learnerships/learning programmes.✓✓
- Identify suitable workplaces for practical work experience.✓✓
- Register learnership agreements/learning programmes.✓✓
- Provide training material/programmes for skills development facilitators.✓✓
- Provide accreditation for skills development facilitators.✓✓
- Oversee training in different sectors of the South African economy.✓✓
- Collect levies and pay out grants as required.✓✓
- Report to the Director General.✓✓
- Any other relevant answer related to the role of SETAs in supporting the SDA.

Max (14)

7.3 Purpose of the National Skills Development Strategy/NSDS

- Increase access to programmes√ that train people.√
- Promote the public FET college system that has programmes to meet the skills needed√ by SETA's/ local/regional/provincial/national organisations.√
- Address the low level of language and mathematical skills√ among the youth and adults.√
- Make better use√ of workplace-based skills development.√
- Encourage/support√ small business/community-training groups/NGO's/worker-initiated training initiatives.√
- Increase the skills of the public sector√ to improve service delivery.√
- Build √career/vocational guidance/training centres.√
- Guides work√ of SETA's /the use of the National Skills Fund.√
- Sets out the responsibilities√ of other education and training stakeholders.√
- Provides for the participation√ of government/organised business/organised labour. √
- Improves social development √ through economic development. √
- Any other relevant answer related to the purpose of the NSDS.

Max (8)**7.4 Impact of the Skills Development Act on businesses
Positives/Advantages**

- Increases the number of skilled employees√ in areas where these skills are scarce.√
- Trains employees√ to improve productivity in the workplace.√
- Increases global√ competitiveness.√
- On-going skills development/learning/acquisition of new skills are encouraged√ to sustain the improvement of skills development.√
- Increases investment in education and training√ in the labour market.√
- Increases the return on investment√ in education and training.√
- Improves employment opportunities√ and labour movement.√
- Self-employment√ and entrepreneurship are promoted.√
- Workplace discrimination√ can be addressed through training.√
- Workplace is used as an active learning environment√ where employees can gain practical job experience.√
- Businesses may claim back some of the costs of training√ as a refund from relevant SETA's.√
- Improves quality products/service delivery √as business employ more skilled workers. √
- Any other relevant answer related to the positive impact/advantages of the SDA on businesses.

AND/OR

Negatives/Disadvantages

- The SDA process is prescriptive/requires a large amount of paperwork/administration✓ which can cost time/money.✓
- Skills Development Levy could be an extra burden✓ to financially struggling businesses.✓
- It may be monitored/controlled by government departments✓ that do not have education/training as their key priorities.✓
- Many courses offered by companies may not have unit standards✓ that relate to the course content.✓
- Many service providers that offer training services✓ are not SAQA accredited.✓
- Many businesses may not support✓ this government initiative.✓
- Implementation of the SDA can be difficult✓ to monitor and control.✓
- Employees are expected to attend learnerships during work hours✓ which could affect the production process/productivity.✓
- Costly for businesses to employ a person✓ to implement/manage/control learnerships.✓
- The time/money spent on improving employee skills is wasted✓ if they leave the business.✓
- Only companies with a staff payroll over R500 000 per annum✓ can claim the Skills Development levy.✓
- Any other relevant answer related to the negative impact/disadvantages of the SDA on businesses.

Max (16)**7.5 Ways in which businesses can comply with the SDA**

- Businesses/Employers who collect PAYE should register with the relevant SETAs.✓✓
- One per cent (1%) of an employer's payroll has to be paid over to the SETA.✓✓
- Businesses should register with SARS in the area in which their business is classified (in terms of the SETA).✓✓
- Employers should submit a workplace skills plan and provide evidence that it was implemented.✓✓
- Businesses with more than 50 employees must appoint a skills development facilitator.✓✓
- Assess the skills of employees to determine areas in which skills development are needed.✓✓
- Encourage employees to participate in learnerships and other training programmes.✓✓
- Provide all employees with the opportunity to improve their skills.✓✓
- Any other relevant answer related to ways in which businesses can comply with the SDA.

Max (8)

7.6 Conclusion

- SETAs were established to ensure that the workplace training and skills development are approved by the South African Qualifications Authority (SAQA).√√
- The Skills Development Act plays an important role in contributing to the economic growth of the country.√√
- This Act makes provision for the establishment and effective implementation of SETAs, NSDS and HRDS.√√
- A labour inspector could order a business to stop operating should the business be found guilty of non-compliance.√√
- Any other relevant conclusion related to the role of SETAs/purpose of the National Skills Development Strategy/impact of SDA/practical ways to comply with the SDA.

Any (1 x 2) (2)
[40]

QUESTION 7: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Roles of SETAs	14	
Purpose of the National Skills Development Strategy	8	
Impact of SDA on business	16	
Practical ways to comply with SDA	8	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 8: BUSINESS VENTURES (INVESTMENT AND PRESENTATION)**8.1 Introduction**

- Insurance is a contract between a person/business/insured requiring insurance cover and the insurance company/insurer bearing the financial risk.✓
- Business needs to know which risks are insurable/non-insurable in order to make the right decision.✓
- The principle of insurance provides a framework for a good insurance contract.✓
- The law requires businesses to contribute to compulsory insurance on behalf of employees.✓
- Insurance can be beneficial to businesses when an unexpected event occurs.✓
- Any other relevant introduction related to insurable and non-insurable risks/principles of insurance/compulsory insurance and advantages of insurance.

Any (2 x 1) (2)**8.2 Differences between insurable and non-insurable risks**

INSURABLE RISKS	NON-INSURABLE RISKS
- Risks that insurance companies would insure depending on the likelihood of an event.✓✓	- Risks that insurance companies would not insure due to high cost/risks./Risks remain the responsibility of the business.✓✓
- Any other relevant answer related to the meaning of insurable risks.	- Any other relevant answer related to the meaning of non-insurable risks.
- Examples <ul style="list-style-type: none"> - Theft✓ - Fidelity insurance✓ - Burglary✓ - Money in transit✓ - Fire✓ - Natural disaster/Storms/Wind/Rain/Hail✓ - Damage to/Loss of assets/vehicles/equipment/buildings/premises✓ - Injuries on premises✓ 	- Examples <ul style="list-style-type: none"> - Losses caused by war.✓ - Most risks occurring between placing orders and receiving goods.✓ - Changes in fashion. ✓ - Possible failure of a business✓ - Losses caused by marketing malpractices by the business. ✓ - Advancement in technology/new machinery invention. ✓ - Irrecoverable debts✓ - Shoplifting during business hours✓
- Any other relevant example of insurable risks.	- Any other relevant example of non-insurable risks.
Submax (4)	Submax (4)

NOTE: 1. The answer does not have to be in tabular format.**2. The differences do not have to link, but must be clear.****3. Award a maximum of TWO (2) marks for examples under each risk.****4. Award a maximum of FOUR (4) marks if differences are not clear/Mark either insurable or non-insurable risks only.****Max (8)**

8.3 Principles of insurance**8.3.1 Indemnity/Indemnification**

- Usually applies to short term insurance✓, as the insured is compensated for specified/proven harm/loss.✓
- Insurer agrees to compensate the insured for damages/losses specified in the insurance contract✓, in return for premiums paid by the insured to the insurer.✓
- Protects the insured against the specified event✓ that may occur.✓
- Pay-outs from insurance companies/insurer will only be made✓; if there is proof that the specified event took place/if the insured can prove the amount of the loss/damage.✓
- The amount of indemnification/compensation is limited to the amount of provable loss/damage✓, even if the amount in the policy/insurance contract is higher.✓
- The insured must be placed in the same position✓ as before the occurrence of the loss/damage/The insured may not profit from insurance.✓
- Any other relevant answer related to indemnity/Indemnification as a principle of insurance.

Submax (6)

8.3.2 Security/Certainty

- Applies to long-term insurance✓ where the insurer undertakes to pay out an agreed upon amount in the event of loss of life.✓
- A predetermined amount will be paid out✓ when the insured reaches a pre-determined age/or gets injured due to a predetermined event.✓
- Aims to provide financial security✓ to the insured at retirement/dependents of the deceased.✓
- Any other relevant answer related to security/certainty as a principle of insurance.

Submax (6)

Max (12)**8.4. Types of compulsory insurance****Unemployment Insurance Fund/UIF ✓✓**

- The UIF provides benefits to workers who have been working✓ and become unemployed for various reasons.✓
- Businesses contribute 1% of basic wages towards the UIF✓, therefore reducing the expense of providing UIF benefits themselves.✓
- Employees contribute 1%✓ of their basic wage to UIF.✓
- The contribution of businesses towards UIF✓ increases the amount paid out to employees that become unemployed.✓
- All employees who work 24 hours or more per month✓ are required to be registered for UIF/contribute to the UIF.✓
- It is an affordable contribution that makes it possible for businesses✓ to appoint substitute workers in some instances.✓
- The business cannot be held responsible for unemployment cover✓ as the UIF pays out to contributors directly/dependants of deceased contributors.✓
- Businesses are compelled to register their employees with the fund✓ and to pay contributions to the fund.✓
- Any other relevant answer related to UIF as a type of compulsory insurance.

Identification (2)

Discussion (4)

Submax (6)

Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS)✓✓

- RAF insures road-users against the negligence✓ of other road users.✓
- The RAF/RABS provides compulsory cover for all road users in South Africa✓, which include South African businesses.✓
- Drivers of business vehicles are indemnified✓ against claims by persons injured in vehicle accidents.✓
- RAF/RABS is funded by a levy✓ on the sale of fuel/diesel/petrol.✓
- The amount that can be claimed for loss of income✓ is limited by legislation.✓
- The next of kin of workers/breadwinners who are injured/killed in road accidents✓, may claim directly from the RAF/RABS.✓
- Injured parties and negligent drivers✓ are both covered by RAF.✓
- The injured party will be compensated✓, irrespective of whether the negligent driver is rich/poor/insured/uninsured.✓
- RABS aims to provide a benefit scheme✓ that is reasonable/equitable/affordable/sustainable✓, etc.
- RABS aims to simplify/speed up the claims process✓ as victims of road accidents no longer have to prove who caused the accident.✓
- RABS enables road accident victims speedy access to medical care✓ as delays due to the investigation into accidents has been minimised.✓
- Any other relevant answer related to RAF/RABS as a type of compulsory insurance.

Identification (2)

Discussion (4)

Submax (6)

Compensation for Occupational Injuries and Diseases/COIDA/Compensation Fund ✓✓

- The fund covers occupational diseases✓ and workplace injuries.✓
- Compensates employees for injuries and diseases✓ incurred at work.✓
- Compensation paid is determined✓ by the degree of disablement.✓
- The contribution payable is reviewed every few years✓ according to the risk associated with that type of work.✓
- All employers are obliged to register with the compensation fund✓ so that employees may be compensated for accidents and diseases sustained in the workplace.✓
- The fund covers employers for any legal claim✓ that workers may bring against them.✓
- Employers are required to report all accidents within 7 days✓ and occupational diseases within 14 days to the Compensation Commissioner.✓
- Employers are responsible for contributing towards the fund✓ and may not claim money back from employees/deduct contributions from wages.✓
- In the event of the death of an employee as a result of a work related accident/disease✓, his/her dependant(s) will receive financial support.✓
- Employees do not have to contribute✓ towards this fund.✓
- Employees receive medical assistance✓ provided there is no other party/medical fund involved.✓
- Any other relevant answer related to COIDA/compensation fund as a type of compulsory insurance.

Identification (2)

Discussion (4)

Submax (6)

NOTE: Mark the first THREE (3) only**Max (18)**

8.5 Advantages of insurance for businesses

- Transfers the risk from the business/insured to an insurance company/insurer.√√
- Transfer of risk is subject to the terms and conditions of the insurance contract.√√
- Protects the business against theft/loss of stock and/or damages caused by natural disasters such as floods, storm damage√√, etc.
- Businesses will be compensated for insurable losses, e.g. destruction of property through fire.√√
- Businesses assets, e.g. vehicles/equipment/buildings need to be insured against damage and/or theft.√√
- Businesses are protected against the loss of earnings, e.g. strikes by employees which result in losses worth millions.√√
- Protects businesses against dishonest employees.√√
- Life insurance can be taken on the life of partners in a partnership to prevent unexpected loss of capital.√√
- Should the services of key personnel be lost due to accidents/death, the proceeds of an insurance policy can be paid out to the business/beneficiaries.√√
- Replacement costs for damaged machinery/equipment are very high, therefore insurance can reduce/cover such costs.√√
- Protects the business from claims made by members of the public for damages that the business is responsible for.√√
- Protects businesses against losses due to death of a debtor.√√
- Any other relevant answer related to the advantages of insurance for businesses.

Max (8)**8.6 Conclusion**

- The insurance agreement should take into consideration the risks applicable to each situation.√√
- Compulsory insurance reduces the financial risk of businesses when they comply with the requirements.√√
- Businesses that are well conversant with the principles of insurance are able to renew their insurance contracts.√√
- Any other relevant conclusion related to insurable and non-insurable risks/principles of insurance/compulsory insurance and advantages of insurance.

Any (1 x 2) (2)**[40]**

QUESTION 8: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between <i>insurable</i> and <i>non-insurable</i> risks and examples of each	8	
Principles of insurance: ○ Indemnity/Indemnification ○ Security/Certainty	12	
Types of compulsory insurance	18	
Advantages of insurance	8	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 9: BUSINESS ROLES (PROBLEM-SOLVING AND CREATIVE THINKING)**9.1 Introduction**

- Decision making forms part of the problem-solving process as it enables businesses to find suitable solutions to problems.✓
- Businesses may apply creative thinking techniques to solve business problems.✓
- Businesses need to find ways to break away from routine thinking.✓
- Problem-solving techniques enable businesses to develop strategies to deal with challenges.✓
- Creative thinking enables businesses to find new ways of doing things.✓
- Any other relevant introduction related to decision making/problem-solving /force-field analysis/nominal group technique/advantages of creative thinking/ways to promote creative thinking.

Any (2 x 1) (2)**9.2 Differences between decision making and problem-solving**

DECISION MAKING	PROBLEM-SOLVING
- It is often done by one person/a member of senior management✓ which makes it authoritarian.✓	- Problems can be solved by a group/team✓ or an individual team member.✓
- Various alternatives are considered✓ before choosing the best one.✓	- Alternative solutions are generated/identified✓ and critically evaluated.✓
- It is part of the problem solving cycle✓ as decisions need to be made in each step.✓	- Process of analysing a situation✓ to identify strategies to bring about change.✓
- Any other relevant answer related to decision making.	- Any other relevant answer related to problem-solving.
Submax (4)	Submax (4)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. The differences do not have to link, but must be clear.
 3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either decision making or problem solving only.

Max (8)

9.3 Impact of the problem-solving techniques on businesses**9.3.1 Impact of the Force-field analysis****Positives/Advantages**

- It provides a visual summary of all the various factors√ supporting and opposing a particular idea.√
- Employees feel included√ and understood.√
- Employees develop√ and grow with the business.√
- Informed decisions can be made√ as forces for and against are critically evaluated.√
- Enables businesses to strengthen the driving forces√ and weaken the restraining forces.√
- Businesses are able to have an idea of the timeline required√ and the requirements of additional resources.√
- Any other relevant answer related to the positive impact/advantages of the force-field analysis on businesses.

AND/OR**Negatives/Disadvantages**

- It is time consuming√ since the business must stabilise before more changes can be made.√
- Requires the participation√ of all business units.√
- The analysis developed is entirely dependent upon the skill level and knowledge√ of the group working on the analysis.√
- Any other relevant answer related to the negative impact/disadvantages of the force-field analysis on businesses.

Submax (8)

9.3.2 Impact of the nominal group technique**Positives/Advantages**

- It provides time to think about the question in silence√ before responding.√
- Each team member/director has a chance to participate√ without interference from other team members.√
- Voting on the ideas is anonymous√ and may be more reliable/honest.√
- Everyone in the group is given an opportunity to contribute to the discussion√, while avoiding the likelihood of one person dominating the group process.√
- Enables the group to generate and clarifies a large amount of ideas quickly√, and democratically prioritises them.√
- It encourages participants to confront issues√ through constructive problem-solving.√
- Strong technique for preventing conformity√ to group pressure.√
- Any other relevant answer related to the positive impact/advantages of the nominal group technique on businesses.

AND/OR

Negatives/Disadvantages

- It minimises discussion✓, and thus does not allow the full development of ideas.✓
- Ideas/Inputs made by members may not converge✓ and cannot lead to the same solution(s).✓
- Suggestions may not be as creative✓ as when a group throws ideas around. ✓
- It is time consuming✓, as each member must make a presentation.✓
- It is hard to implement it effectively with large groups✓ unless very carefully planned beforehand.✓
- Requires extended advance preparation✓, which means that it cannot be a spontaneous technique.✓
- Good ideas can be voted out✓ because its potential cannot be developed further.✓
- Small groups limit participation✓ and are pre-selected.✓
- Any other relevant answer related to the negative impact/disadvantages of the nominal group technique on businesses.

Submax (8)

Max (16)**9.4 Advantages of creative thinking in the workplace**

- Better/Unique/Unconventional ideas/solutions✓ are generated.✓
- May give the business a competitive advantage✓ if unusual/unique solutions/ideas/strategies are implemented.✓
- Complex business problems✓ may be solved.✓
- Productivity increases as management/employees may quickly generate multiple ideas✓ which utilises time and money more effectively.✓
- Managers/Employees have more confidence✓ as they can live up to their full potential.✓
- Managers will be better leaders✓ as they will be able to handle/manage change(s) positively and creatively.✓
- Managers/Employees can develop a completely new outlook✓, which may be applied to any task(s) they may do.✓
- Leads to more positive attitudes✓ as managers/employees feel that they have contributed towards problem solving.✓
- Improves motivation✓ amongst staff members.✓
- Managers/Employees have a feeling of great accomplishment✓ and they will not resist/obstruct the process once they solved a problem/contributed towards the success of the business.✓
- Managers/employees may keep up with fast changing technology✓ which may lead to an increased market share.✓
- Stimulates initiative from employees/managers✓, as they are continuously pushed out of their comfort zone.✓
- Creativity may lead to new inventions✓ which improves the general standard of living/attract new investors.✓
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max (12)

9.5 Ways in which businesses can create an environment that promotes creative thinking

- Businesses must emphasise the importance of creative thinking to ensure that all staff know that their ideas will be heard.√√
- Make time for brainstorming sessions to generate new ideas, e.g. regular workshops/follow up sessions to build on one another's ideas.√√
- Place suggestion boxes around the workplace and keep communication channels open for new ideas.√√
- Businesses should train staff in innovative techniques/creative problem-solving skills/mind-mapping/lateral thinking.√√
- Encourage job swaps within the organisation/studying how other businesses are doing things.√√
- Encourage alternative ways of working/doing things.√√
- Respond enthusiastically to all ideas and never let anyone feel less important.√√
- Reward creativity with reward schemes for teams/individuals that come up with creative ideas.√√
- Provide a working environment conducive to creativity, free from distractions.√√
- Any other relevant answer related to ways in which businesses can create an environment that promotes creative thinking in the workplace.

Max (10)**9.6 Conclusion**

- Problem-solving and creative thinking skills allow businesses to make informed decisions and identify future business opportunities.√√
- Businesses must know how to apply the problem-solving techniques in order to select relevant techniques to deal with problems that arise.√√
- Creative thinking enables businesses to adapt quickly to constant changes in the market.√√
- A business environment that promotes creative thinking is able to develop employees' creative thinking skills.√√
- The Force-field analysis enables businesses to make informed decisions before major changes are initiated.√√
- The Nominal group technique enables businesses to obtain inputs from all employees, resulting in best decision making.√√
- Any other relevant conclusion related to decision making/problem-solving /force-field analysis/nominal group technique/advantages of creative thinking/ways to promote creative thinking.

**Any (1 x 2) (2)
[40]**

QUESTION 9: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between <i>decision making</i> and <i>problem-solving</i>	8	
Impact of the following problem-solving techniques: ○ Force-field analysis ○ Nominal group technique	16	
Advantages of creative thinking	12	
Ways in which businesses can promote creative thinking	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 10: BUSINESS OPERATIONS (HUMAN RESOURCES)**10.1 Introduction**

- The employment contract can be terminated for various reasons.✓
- External recruitment enables businesses to employ people whose skills and qualifications are in line with the requirements of the job.✓
- The interviewer is responsible for planning and administering of the interview process.✓
- The aim of induction is to introduce the new employee to the job/the new environment.✓
- Any other relevant introduction related to the reasons for termination of an employment contract/impact of external recruitment/role of the interviewer while preparing for an interview/benefits of induction.

Any (2 x 1) (2)**10.2 Reasons for the termination of an employment contract**

- The employer may dismiss✓ an employee for valid reason(s), e.g. unsatisfactory job performance, misconduct, ✓ etc.
- Employer may no longer have work✓ for redundant employees/cannot fulfil the contract/is restructuring.✓
- The employer may retrench some employees✓ due to insolvency/may not be able to pay the employees.✓
- Employees decided to leave✓ by resigning voluntarily for better job opportunities.✓
- An employee may have reached✓ the pre-determined age for retirement.✓
- Incapacity to work✓ due to illness/injuries. ✓
- The duration of the employment contract✓ expires/comes to an end✓.
- By mutual agreement✓ between the employer and employee. ✓
- Any other relevant answer related to reasons for the termination of an employment contract.

Max (8)**10.3 Impact of external recruitment on a business****Positives/Advantages**

- New candidates bring new talents/ideas/experiences/skills✓ into the business.✓
- HCE/A business has a larger pool of candidates✓ to choose from.✓
- There is a better chance of getting a suitable candidate with the required skills/qualifications/competencies✓ who do not need much training/development which reduce costs.✓
- It may help HCE/a business to meet affirmative action✓ and BBBEE targets.✓
- Minimises unhappiness/conflict amongst current employees✓ who may have applied for the post.✓
- Any other relevant answer related to the positive impact/advantages of external recruitment on a business.

AND/OR

Negatives/Disadvantages

- External sources of HCE/a business can be expensive✓, e.g. recruitment agencies' fees/advertisements in newspapers/magazines.✓
- The selection process may not be effective✓ and an incompetent candidate may be chosen.✓
- Information on CV's/referees✓ may not be reliable.✓
- Recruitment process takes longer/is more expensive✓ as background checks must be conducted.✓
- New candidates generally take longer to adjust✓ to a new work environment.✓
- In-service training may be needed which decreases productivity of HCE/a business✓ during the time of training.✓
- Many unsuitable applications can slow down✓ the selection process.✓
- Any other relevant answer related to the negative impact/disadvantages of external recruitment on a business.

Max (14)**10.4 Role of the interviewer while preparing for an interview**

- The interviewer should develop a core set of questions✓ based on the skills/knowledge/ability required.✓
- Check/read the application/verify the CV✓ of every candidate for anything that may need to be explained.✓
- Book and prepare✓ the venue for the interview.✓
- Set the interview date✓ and ensure that all interviews take place on the same date, if possible.✓
- Inform all shortlisted candidates✓ about the date and place of the interview.✓
- Plan the programme for the interview✓ and determine the time that should be allocated to each candidate.✓
- Notify all panel members conducting the interview✓ about the date and place of the interview.✓
- Any other relevant answer related to the role of the interviewer while preparing for an interview.

Max (12)**10.5 Benefits of induction**

- Allows new employees to settle in quickly and work effectively.✓✓
- Ensures that new employees understands the rules and restrictions in the business.✓✓
- New employees may establish relationships with fellow employees at different levels.✓✓
- Make new employees feel at ease in the workplace, which reduces anxiety/insecurity/fear.✓✓
- The results obtained during the induction process provide a base for focussed training.✓✓
- Increases quality of performance/productivity.✓✓
- Minimises the need for on-going training and development.✓✓
- Employees will be familiar with organisational structures, e.g. who are their supervisors/low level managers.✓✓
- Opportunities are created for new employees to experience/explore different departments.✓✓
- New employees will understand their role/responsibilities concerning safety regulations and rules.✓✓
- New employees will know the layout of the building/factory/offices/where everything is, which saves production time.✓✓

- Learn more about the business so that new employees understand their roles/responsibilities in order to be more efficient.√√
- Company policies are communicated, regarding conduct and procedures/safety and security/employment contract/conditions of employment/working hours/leave.√√
- Realistic expectations for new employees as well as the business are created.√√
- New employees may feel part of the team resulting in positive morale and motivation.√√
- Employees may have a better understanding of business policies regarding ethical/professional conduct/procedures/CSR.√√
- Reduces the staff turnover as new employees have been inducted properly. √√
- Any other relevant answer related to the benefits of induction.

Max (12)**10.6 Conclusion**

- Businesses must follow the correct procedures when terminating an employment contract.√√
- External recruitment enables businesses to attract the most suitable candidate to apply for the vacancy.√√
- Employees are the most important resource in any business and its success is strongly influenced by a good interview process.√√
- A good induction programme enables new employees to have a basic understanding of what is expected in the new job/position.√√
- Any other relevant conclusion related to the reasons for termination of an employment contract/impact of external recruitment/role of the interviewer while preparing for an interview/benefits of induction.

**Any (1 x 2) (2)
[40]****QUESTION 10: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Reasons for the termination of an employment contract	8	
Impact of external recruitment on a business	14	
Role of the interviewer while preparing for an interview	12	
Benefits of induction	12	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 80
GRAND TOTAL: 300**