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SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

BUSINESS STUDIES P2

2022

MARKING GUIDELINE

MARKS: 150

This marking guideline consist of 28 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/Blue
Chief Marker:	Pink
Internal Moderator:	Orange
DBE Moderator:	Turquoise

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. 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 answers, provided by candidates, which relate to 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 sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation 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 guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS 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, 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 assessment 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 and refer to the DBE internal moderator to finalise the alternative answers in consultation with the UMALUSI external moderators.

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 guidelines)
- Explanation 1 mark (two marks will be allocated in Section C)

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, paragraphs 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: Option 1: Only relevant facts: 2 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) 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: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) 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: Some relevant facts: 1 mark (One '-S') Where a candidate writes FOUR sub-questions, but one/two/three sub-question(s) with irrelevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) 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 or two examples, not older than two (2) years, that are based on recent information, current trends and developments?	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 guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A**QUESTION 1**

- 1.1 1.1.1 B√√
 1.1.2 D√√
 1.1.3 C√√
 1.1.4 A√√
 1.1.5 B√√
- (5 x 2) **(10)**

- 1.2 1.2.1 Compensation Fund√√
 1.2.2 public√√
 1.2.3 decision-making√√
 1.2.4 health and safety representatives√√
 1.2.5 collaboration√√
- (5 x 2) **(10)**

- 1.3 1.3.1 F√√
 1.3.2 H√√
 1.3.3 I√√
 1.3.4 J√√
 1.3.5 A√√
- (5 x 2) **(10)**

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark the **FIRST TWO** answers only.

QUESTION 2: BUSINESS VENTURES**2.1 Examples of insurable risks**

- Theft✓
- Fidelity insurance✓
- Burglar✓
- Money in transit✓
- Fire✓
- Natural disaster/Storms/Wind/Rain/Hail✓
- Damage to/Loss of assets/vehicles/equipment/buildings/premises✓
- Injuries on premises✓
- Any other relevant answer related to the examples of insurable risks.

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

2.2 Advantages of Government/RSA Retail Savings Bonds

- Guaranteed returns, as interest rate is fixed for the whole investment period. ✓✓
- Interest rates are market related and attract more investors. ✓✓
- Interest can be received twice a year. ✓✓
- Investment may be easily accessible, as cash may be withdrawn after the first twelve months. ✓✓
- Low risk/Safe investment, as it is invested with the South African Government which cannot be liquidated. ✓✓
- It is an affordable type of investment for all levels of income earners including pensioners. ✓✓
- Retail bonds are easily/conveniently obtained electronically/from any Post Office/ directly from National Treasury. ✓✓
- No charges/costs/commissions payable on this type of investment. ✓✓
- Interest is usually higher than on fixed deposits. ✓✓
- Retail bonds are listed on the capital bond markets/on the JSE. ✓✓
- Investors younger than 18 years/Minors may invest with the help of a legal guardian, which encourages saving from a young age. ✓✓
- Any other relevant answer related to the advantages of Government/RSA Retail Savings Bonds as a form of investment.

Max (6)

2.3 Insurance

2.3.1 Average clause ✓✓

(2)**2.3.2 Calculation of average clause**Insured amount

Market value X Loss/Damage ✓

$$\frac{R400\,000}{R600\,000} \quad \checkmark \quad X \quad R90\,000 \checkmark$$

$$= R\,60\,000 \checkmark \checkmark \checkmark \checkmark$$

- NOTE:**
1. Award full marks (4) if the answer is correct and no workings are shown.
 2. If the formula and workings were shown correctly but the final answer is wrong, award a maximum of THREE (3) marks.
 3. If the answer and workings are incorrect, award a maximum of ONE mark for the formula.

Max (4)**2.4 Meaning of debentures as a type of investment opportunity**

- Debentures are issued to raise borrowed capital ✓ from the public. ✓
- The lender/debenture holder agrees to lend money ✓ to the company on certain conditions for a certain period. ✓
- Debenture holders are creditors, as the company is liable to repay ✓ the amount of the debentures. ✓
- Most types of debentures can be traded ✓ on the JSE. ✓
- Debenture holders receive annual interest payments ✓ based on the terms/number/ amount of debentures held. ✓
- Any other relevant answer related to the meaning of debentures as a type of investment opportunity.

Max (4)**2.5 Impact of the democratic leadership style on businesses****Positives/Advantages**

- The leader allows the employees to participate in the decision-making process, ✓ so they feel empowered/positive. ✓
- Staff gives a variety of ideas/inputs/feedback/viewpoints ✓ that can lead to innovation/improved production methods/increased sales. ✓
- Clear/Two-way communication ensures group commitment ✓ to final decision(s). ✓
- Authority is delegated which can motivate/inspire workers ✓ to be more productive. ✓
- Complex decisions can be made ✓ with inputs from specialists/skilled workers. ✓
- Any other relevant answer related to the positive impact/advantages of the democratic leadership style on businesses.

AND/OR

Negatives/Disadvantages

- Incorrect decisions may be made√ if staff is inexperienced/not fully informed. √
- Decision-making may be time consuming√ because stakeholders have to be consulted. √
- Employees may feel discouraged√ if their opinions/inputs is not considered. √
- Leaders can rely too much on the input of the followers√ and fail to make a final decision. √
- Not effective in times of crisis/when quick decisions√ need to be made. √
- Some employees only pretend to participate in decision making√ and their feedback may not always be accurate. √
- Any other relevant answer related to the negative impact/disadvantages of the democratic leadership style on businesses.

Max (6)**2.6. Presentation****2.6.1 Factors quoted from the scenario**

- She maintained eye contact with her audience throughout the presentation. √
- Mary also managed her time effectively in order to allow for questions. √

NOTE: 1. Mark the first TWO (2) only.**2. Only award marks for responses that are quoted from the scenario.****(2 x 1) (2)****2.6.2 Areas of improvement for the next presentation**

- Mary/The presenter should revise objectives√ that were not achieved. √
- Humour should be used√ appropriately. √
- Always be prepared to update/keep√ the information relevant. √
- Reflect on any problem/criticism√ and avoid it in future presentations. √
- Reflect on the time/length of the presentation√ to add/remove content. √
- Increase/Decrease the use of visual aids√ or replace/remove aids that did not work well. √
- Mary/The presenter should reflect on the logical flow of the format/slides/application√ of visual aids. √
- Analyse feedback from a presentation√ and incorporate/update/amend the presentation. √
- Any other relevant answer related to the areas of improvement that Mary/the presenter should consider for her next presentation.

Max (4)

2.7 Criteria contributing to the success and/or failure of a personal liability company

2.7.1	SUCCESS FACTORS	AND/OR	FAILURE FACTORS
Management	- Shareholders can vote for/appoint the most capable directors to manage their company. √√	-	- Some shareholders may not exercise their voting rights resulting in choosing the wrong person as a director. √√
	- Personal liability company is managed by a competent board of directors who may be experts in their fields. √√	-	- Directors may sometime act in their own interest, not in the company's best interest/which can hamper growth and profit maximization. √√
	- Quick decisions can be made even if there is only one director. √√	-	- Large management structure can result in decision-making taking time. √√
	- The management of the company can improve since directors are accountable to shareholders. √√	-	- Personal liability company and its shareholders are compelled to budget a larger amount for directors' remuneration to attract the best directors. √√
			- Directors' fees increase the company's expenses which reduces the cash flow/net profit. √√
	- Any other relevant answer related to how management could contribute to the success of a personal liability company.	-	- Any other relevant answer related to how management could contribute to the failure of a personal liability company.

Max (4)

2.7.2	SUCCESS FACTORS	AND/OR	FAILURE FACTORS
Legislation	- Procedures to form a personal liability company have been simplified by the new Companies Act 71 of 2008. √√		- Formation procedures are time consuming as many legal documents need to be prepared/ submitted. √√
	- Auditing of financial statements (if required), gives shareholders the assurance that the business is being properly managed and supports raising additional funds. √√		- Annual audit of financial statements (if required) is costly. √√
	- There is no longer a limit on the number of shareholders in the personal liability company. √√		- High formation/establishment costs require a large start-up capital. √√
	- A personal liability company can benefit from government programmes if they comply with the relevant legislation. √√		- If a personal liability company does not comply with legislation its licence maybe withdrawn by the Companies and Intellectual Property Commission (CIPC). √√
	- A company which complies with legislation builds a positive image and may attract investors. √√		
	- Has continuity of existence due to the legal personality of the company. √√		
	- The company and shareholders are separate entities, which may encourage more people to join the company. √√		- Lengthy registration requirements may delay the actual operation of the business and shareholders can loose on profitable opportunities. √√
	- Directors are forced to act responsibly and work harder to protect their personal assets. √√		- It is expensive to register a personal liability company which increases business expenses resulting in less profit. √√
	- Directors sign performance contracts which motivate them to act professionally and ethically. √√		- The drafting of directors' performance contracts may be time consuming, expensive and increase costs. √√
	- The rights and duties of shareholders are stipulated in the Companies Act, which minimises unethical and corrupt behaviour. √√		- Auditing is required only if the personal liability company meets the requisite tests for solvency and liquidity, which leads to extra auditing costs. √√
	May obtain government tenders as the PLC is properly registered in compliance with the Companies Act. √√		
	- Any other relevant answer related to how legislation could contribute to the success of a personal liability company.		- Any other relevant answer related to how legislation could contribute to the failure of a personal liability company.

Max (4)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. Mark either success AND/OR failure of EACH factor.

[40]
BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2	6
2.3.1	2
2.3.2	4
2.4	4
2.5	6
2.6.1	2
2.6.2	4
2.7.1	4
2.7.2	4
TOTAL	40

QUESTION 3: BUSINESS ROLES

3.1 Problem-solving steps

- Identify the problem. ✓
- Define the problem. ✓
- Identify possible solutions to the problem. ✓
- Select the most appropriate alternative. ✓
- Develop an action plan. ✓
- Implement the suggested solution/action plan. ✓
- Monitor the implementation of the solution/action plan. ✓
- Evaluate the implemented solution. ✓
- Any other relevant answer related to the problem-solving steps.

- NOTE:**
1. Mark the first TWO (2) only.
 2. Accept steps in any order.

(2 x 1) (2)

3.2 Problem-solving techniques from the statements

- 3.2.1 Brainstorming ✓✓
3.2.2 Delphi technique ✓✓

(4)

3.3 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 (6)

3.4 King code principles for good corporate governance

3.4.1 King code principles from the scenario

KING CODE PRINCIPLES	MOTIVATIONS
1. Transparency ✓✓	The directors and employees know the employment policies of the company. ✓
2. Accountability ✓✓	MC appointed Gobolo Auditors to audit their financial statements. ✓
Submax (4)	Submax (2)

- NOTE:**
1. **Mark the first TWO (2) only.**
 2. **The answer does not have to be in tabular format.**
 3. **Award marks for the King Code principles even if the motivations were incomplete.**
 4. **Do not award marks for the motivations if the King Code principles were incorrectly identified.**

Max (6)

3.4.2 Ways in which professional, responsible, ethical and effective business practice should be conducted

- Mission statement should include the values ✓ of equality/respect. ✓
- Businesses should treat all employees equally, ✓ regardless of their race/colour/age/gender/disability. ✓
- 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 ✓ 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. ✓
- 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 professional, responsible, ethical and effective business practice should be conducted.

Max (4)**3.5 Relationship between social responsibility and triple bottom line****Profit/Economic√**

- Triple Bottom line means that businesses should not only focus on profit/charge high prices, but should also invest in CSI projects. √
- Businesses should not make a profit at the expense of its community. √
- Any other relevant answer related to the relationship between social responsibility and profit/economic as a triple bottom line element.

Submax (2)

People/Social√

- Business operations should not have a negative impact on/exploit people/employees/customers/community. √
- Businesses should engage/invest in sustainable community programmes/projects that will benefit/uplift communities. √
- Improve the life style/quality of life of their human resources/employees. √
- Any other relevant answer related to the relationship between social responsibility and people/social as a triple bottom line element.

Submax (2)

Planet/Environment√

- Businesses should not exhaust resources/harm the environment for production/profit purposes. √
- They may support energy-efficient/eco-friendly products/production methods. √
- Recycle/Re-use waste such as packaging from recycled material. √
- Any other relevant answer related to the relationship between social responsibility and planet/environment as a triple bottom line element.

Submax (2)

Max (6)**3.6 Social and cultural rights****3.6.1 Social rights of employees from the scenario**

- education√
- clean water√

NOTE: 1. **Mark the first TWO (2) only.**
2. **Only award marks for responses that are mentioned in the scenario.**

(2 x 1) (2)

3.6.2 Ways to promote cultural rights in the workplace

- Provide the environment in which employees are free to use their own language✓ when interacting with others during their free time. ✓
- GM/Businesses should encourage employees to attend/participate✓ in cultural activities. ✓
- Allow employees to provide solutions to challenges✓ from their own cultural perspective. ✓
- Regular cultural information sessions will help employees✓ to respect each other's culture in the workplace. ✓
- Make provision for different cultures✓, such as food served in the canteen/entertainment at staff functions. ✓
- GM/Businesses should employ people✓ from various cultural backgrounds. ✓
- Employees should be trained✓ on cultural tolerance. ✓/Business policies should promote✓ cultural tolerance. ✓
- Any other relevant answer related to ways in which GM/businesses could promote cultural rights in the workplace.

Max (4)

3.7 Strategies to protect the environment and human health

- 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 such as safe disposal of waste/dumping of toxic waste. ✓✓
- Become involved in environmental awareness programmes. ✓✓
- 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 and promote occupational health. ✓✓
- Physical working conditions such as adequate lighting/ventilation should be available and functional. ✓✓
- Machines must be serviced/maintained regularly. ✓✓
- Educate employees about hygiene issues/Covid 19 regulations and guidelines. ✓✓
- Encourage employees to do regular health checks. ✓✓
- Conduct regular inspections on buildings and machinery to minimise potential dangers to human health. ✓✓
- Any other relevant answer related to strategies that businesses may use to protect the environment and human health.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	2
3.2	4
3.3	6
3.4.1	6
3.4.2	4
3.5	6
3.6.1	2
3.6.2	4
3.7	6
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES****4.1 Examples of non-verbal presentations**

- Tables ✓
- Graphs/bar graph/line graph/histogram/pie graph/charts ✓
- Diagrams ✓
- Illustrations/Pictures/Photographs/Scenarios/Models ✓
- Written/Business reports ✓
- Flip charts ✓
- Handouts/Print outs ✓
- Slide shows/PowerPoint ✓
- Any other relevant answer related to examples of non-verbal presentations.

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)****4.2 Difference between limited liability and unlimited liability**

LIMITED LIABILITY	UNLIMITED LIABILITY
- Losses are limited to the amount that the owner invested in the business. ✓✓	- The liability of the owner to pay debts/claims is not limited to the business only. ✓✓
- The owner's personal assets are protected against the debts of the business. ✓✓	- The owner's personal assets may be seized to pay for the debts of the business. ✓✓
- Applicable to forms of ownership/companies that have a separate legal entity/personality. ✓✓	- Applicable to forms of ownership/companies that do not have a separate legal entity/personality. ✓✓
- Any other relevant answer related to limited liability.	- Any other relevant answer related to unlimited liability.
Submax (2)	Submax (2)

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

Max (4)

4.3 Types of benefits paid out by the Unemployment Insurance Fund from statements

4.3.1 Maternity benefit√√

4.3.2 Adoption benefit√√

(4)**4.4 Advantages of PowerPoint**

- Graphic programmes have the capacity to convey ideas√ and support what the presenter says. √
- Easy to combine√ with sound/video clips. √
- Simple/Less cluttered slides√ may capture the interest of the audience. √
- Video clips can provide variety√ and capture the attention of the audience. √
- Variation of colour/background/sound immediately captures the attention of the audience√ and retains their interest throughout the presentation. √
- Slides can enhance the facts√ and summarise information. √
- PowerPoint slides can help to convey a large number of facts√ in a short time. √
- Any other relevant answer related to the advantages of PowerPoint as a type of visual aid.

Max (4)**4.5 Leadership styles**

4.5.1 Charismatic √√

(2)**4.5.2 Role of personal attitude in successful leadership**

- Positive attitude releases leadership potential. √√
- A leader's good attitude can influence the success of the business. √√
- Leaders must know their strengths and weaknesses to apply their leadership styles effectively. √√
- A great leader understands that the right attitude will set the right atmosphere. √√
- Leaders' attitude may influence employees'/teams' thoughts/behaviour. √√
- Leaders should model the behaviour that they want to see in team members. √√
- Successful leaders consider the abilities/skills of team members to allocate tasks/roles effectively. √√
- Enthusiasm produces confidence in a leader. √√
- A positive attitude is critical for good leadership because good leaders will stay with the task regardless of difficulties/challenges. √√
- Successful employees and leaders have a constant desire to work and achieve personal/professional success. √√
- Leaders with a positive attitude know that there is always more to learn/space to grow. √√
- Any other relevant answer related to the role of personal attitude in successful leadership.

Max (4)**BUSINESS ROLES****4.6 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. √√
- Management/Employees may keep up with fast changing technology. √√
- 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. √√
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max (4)**4.7 Team performance****4.7.1 Characteristics of successful team performance from the scenario**

- Team members have sound intra-team relations. √
- They also pay attention to the needs of individual team members. √

NOTE: 1. **Mark the first TWO (2) only.**
 2. **Only award marks for responses that are quoted from the scenario.**

(2 x 1) (2)**4.7.2 Performing as a stage of team development**

- Team members are aware of strategies√ and aims of the team. √
- They have direction√ without interference from the leader. √
- Processes and structures√ are set. √
- Leader's 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 the performing stage as one of the stages of team development.

Max (4)**4.8 Dealing with disability as a diversity issue**

- Businesses should provide employment opportunities√ for people who are physically challenged. √
- Employees should be trained on how to deal√ with colleagues with disabilities. √

- Businesses should be well informed on how to deal√ with physically challenged employees. √
- Accommodate people who are physically challenged√ by providing facilities/ramps for wheel-chairs. √
- Ensure that workers with special needs are not marginalised/feel excluded√ from workplace activities. √
- Policies and programmes should accommodate the needs√ of people with disabilities. √
- Create an organisational culture/climate that is conducive√ for people with disabilities. √
- Businesses should bring in external experts√ to help with disability and accommodation issues. √
- Focus on skills/work performance of an employee with disabilities√, rather than his/her disability/possible problems he/she may pose in future. √
- Any other relevant answer related to ways in which businesses could deal with disability as a diversity issue in the workplace.

Max (6)**4.9 Dealing with pricing of goods in rural areas as an unethical business practice**

- A business may lobby with other businesses in the area to convince government to improve infrastructure in rural areas. √√
- Charge fair and market related prices for goods and services. √√
- Avoid unethical business practices to attract customer loyalty. √√
- Investigate cost-effective ways of transporting products/Hire a large truck to combine deliveries to shop-owners in the same area. √√
- Work together with suppliers to share delivery costs to remote rural areas. √√
- Businesses can buy in bulk to get a discount to avoid charging high prices. √√
- Any other relevant answer related to ways in which businesses could deal with pricing of goods in rural areas as a type of unethical business practice.

Max (4)
[40]**BREAKDOWN OF MARKS**

QUESTION 4	MARKS
4.1	2
4.2	4
4.3	4
4.4	4
4.5.1	2
4.5.2	4
4.6	4
4.7.1	2
4.7.2	4
4.8	6
4.9	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Mark the **FIRST** question only.

QUESTION 5: BUSINESS VENTURES (INVESTMENT: SECURITIES)**5.1 Introduction**

- The simple interest and compound interest enables investors to cater for their investment needs and financial planning. ✓
- Fixed deposit is a popular form of investment as the risk is low in relation to other forms of investments. ✓
- Various types of shares offer different types of dividends and risks associated with them. ✓
- The JSE is a formal market that regulates the activities of the financial markets in an orderly manner. ✓
- Any other relevant introduction related to simple interest/compound interest/advantages of fixed deposit/types of shares/functions of the JSE.

Any (2 x 1) (2)

5.2 Differences between simple interest and compound interest

SIMPLE INTEREST	COMPOUND INTEREST
- Interest earned on the original amount and not on the interest accrued. ✓✓	- Interest earned on original amount invested, as well as interest earned in previous period(s). ✓✓
- The principal amount remains the same over the entire period of investment. ✓✓	- The principal amount grows with the addition of interest to it. ✓✓
- The interest is kept separate unless it is reinvested. ✓✓	- Interest is calculated on the higher principal amount and again added to it. ✓✓
- Yields less return on investment. ✓✓	- Yields high return on investment. ✓✓
- Total amount of interest earned on investment is less. ✓✓	- Total amount of interest earned on investment is high. ✓✓
- Any other relevant answer related to simple interest.	- Any other relevant answer related to compound interest.
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 simple or compound interest only.

Max (8)

5.3 Advantages of fixed deposit

- Interest is earned at a fixed rate ✓ regardless of changes in the economic climate. ✓
- The period of investment can be over ✓ a short/medium/long term. ✓
- Investors can choose the investment period ✓ that suits them. ✓
- The principal amount plus interest earned is paid out ✓ on the maturity date. ✓

- Ensures financial discipline as investors cannot withdraw their funds√ before the maturity date. √
- Investors earn a better return on investment√ than on an ordinary savings account. √
- The higher the principal amount/the longer the investment period√, the higher the interest rate offered by a financial institution. √
- Any other relevant answer related to the advantages of fixed deposit as a form of investment.

Max (10)**5.4 Types of shares****5.4.1 Ordinary shares√√**

- Ordinary shares only receive dividends√ when profit is made. √
- Normally the higher the net profit√, the higher the dividend. √
- Shareholders are the last to be paid√ if the company is declared bankrupt/liquidated. √
- Dividends vary from year to year according to profits made√ and are determined by the company/board of directors. √
- Shareholders have a right to vote√ at the Annual General Meeting/AGM. √
- Shareholders are paid last√ and receive dividends after the preference shareholders. √
- Any other relevant answer related to ordinary shares as a type of share.

Type (2)

Discussion (4)

Submax (6)

5.4.2 Preference shares√√

- Some of these types of preference shares receive dividends regardless√ of whether a profit is made. √
- Shareholders will receive their returns/dividends at a fixed rate√ even if the profit is large. √
- Shareholders have a preferred claim on company assets√ in the event of bankruptcy/liquidation. √
- These shares enjoy preferential rights√ to dividends/repayment over ordinary shares. √
- Dividends are payable according to the type√ of preference share. √
- Voting rights are restricted√ to particular circumstances/resolutions. √
- Cumulative preference shareholders will receive outstanding dividends√ from previous years. √
- Non-cumulative preference shareholders will not receive any outstanding dividends √ from previous years. √
- Redeemable preference shares can be redeemed/bought back√ at the option of the issuing company on a pre-determined future date. √
- Non-redeemable preference shares are only bought back when the company closes down√ for reasons other than bankruptcy. √
- Convertible preference shares are converted to ordinary shares√ after a fixed period/on the date specified when the preference shares were issued. √
- Non-convertible preference shares will not be converted√ into ordinary shares. √
- Any other relevant answer related to preference shares as a type of share.

Type (2)

Discussion (4)

Submax (6)

5.4.3 Founders' shares ✓✓

- Issued to the founders and incorporators/promoters ✓ of the company. ✓
- They receive dividends after ✓ all other shareholders were paid. ✓
- Any other relevant answer related to founder's shares as a type of share.

Type (2)
Discussion (4)
Submax (6)

5.4.4 Bonus shares ✓✓

- Payment in the form of shares ✓ to shareholders. ✓
- Issued as compensation ✓ for unpaid dividends. ✓
- Shareholders will own more shares ✓ and collect more dividends in the future. ✓
- Shareholders receive these shares ✓ without being required to pay for them. ✓
- Any other relevant answer related to bonus shares as a type of share.

Type (2)
Discussion (4)
Submax (6)

NOTE: Mark the first THREE (3) only.

Max (16)

5.5 Functions of the Johannesburg Securities Exchange/JSE

- Gives opportunities to financial institutions such as insurance companies investing 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 as shares can be sold at any time. ✓✓
- Facilitates electronic trading of shares/STRATE. ✓✓/Channels financial resources and facilitates trading. ✓✓
- Enhance job creation and increases economic growth/development. ✓✓
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange/JSE.

Max (12)

5.6 Conclusion

- The knowledge of simple interest and compound interest will allow an investor to do further research on the latest development in investment opportunities. ✓✓
- Investing in fixed deposit enables small and large investors to invest in this form of investment option due to the flexibility of the period of investment. ✓✓
- A better understanding of different types of shares may enable investors to choose the best type of investment. ✓✓

- Ordinary South African citizens have an opportunity to participate in the economy of the country by investing through the JSE. ✓✓
- Any other relevant conclusion related to simple interest/compound interest/advantages of fixed deposit/types of shares/functions of the JSE.

Any (1 x 2) (2)

[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between simple interest and compound interest	8	
Advantages of fixed deposits	10	
Types of shares	16	
Functions of the JSE	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

QUESTION 6: BUSINESS ROLES (SOCIAL RESPONSIBILITY AND CSR/CSI)

6.1 Introduction

- Businesses fulfil their social responsibility by considering the well-being of employees and addressing some socio-economic issues. ✓
- Businesses should identify corporate social investment projects that will address the needs of communities. ✓
- Corporate social responsibility enables businesses to consider the impact of their operation on both the internal and external stakeholders. ✓
- Businesses have to identify the needs of their employees so that they develop relevant strategies that are aimed at promoting their well-being. ✓
- HIV/Aids pose many challenges to businesses and may affect their sales and productivity. ✓
- Any other relevant introduction related to the purpose of CSI/impact of CSR/ employee well-being/ dealing with HIV/Aids.

Any (2 x 1) (2)

6.2 Purpose of corporate social investment/CSI

- CSI aims at contributing towards sustainable development of its immediate communities. √√
- CSI is enforceable by law and government requires business to make CSI contributions. √√
- CSI projects play a positive role in the development of communities. √√
- CSI reveals a business's attitude towards the community in which it operates. √√
- CSI projects are long-term investment. √√
- It is relevant to the South African context where socio-economic upliftment is such a priority. √√
- Any other relevant answer related to the purpose of CSI.

Max (8)**6.3 Impact of corporate social responsibility/CSR on businesses****Positives/Advantages**

- 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. √
- Businesses may have a competitive advantage√, resulting in good publicity/an improved reputation. √
- Promotes customer loyalty√ resulting in more sales. √
- CSR projects may be used as a marketing strategy√ to promote their products. √
- Businesses enjoy the goodwill/support√ of communities. √
- CSR projects promote teamwork√ within businesses. √
- CSR helps to attract investors√ because of increased profits/income/growth. √
- Gives businesses tax advantages√ such as tax reduction/-rebates. √
- Assists in solving socio-economic issues√ like poverty/unemployment. √
- The government is less likely to enforce issues through legislation√ to businesses that voluntarily participate in CSR 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 CSR 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/advantages of CSR on businesses.

AND/OR**Negatives/Disadvantages**

- Businesses may not be supported/Customers may not buy their products/services√ resulting in a decrease in sales. √
- Small and medium enterprises find it difficult√ to implement CSR programmes. √
- Detailed reports must be drawn up√, which can be time consuming. √
- Social spending reduces business/economic efficiency√, which makes it less competitive. √

- Social involvement is funded from business profits√ which could have been used to the benefit of customers/reduce prices. √
- CSR activities distract business focus√ from its core business functions. √
- Businesses finds it difficult√ to adhere to legislation governing CSR. √
- It can increase the financial risk√, as programmes cost money and may impact negatively on profits. √
- It is difficult to accurately measure√ the effectiveness of social investment. √
- It is not easy to determine the exact needs of the communities√, which may result in fruitless expenditure on CSR. √
- Most managers are not trained/lack experience√ to handle social programmes. √
- Employees may spend more time working on CSR projects√ instead of focusing on their core duties. √
- Providing goods/services that meet the needs of consumers is√ according to some stakeholders, already socially responsible. √
- Shareholders/Stakeholders may receive less dividends√, as some profits are spent on CSR. √
- Some shareholders/stakeholders might withdraw their support from the business√ as they feel that social issues should be the government's responsibility. √
- Any other relevant answer related to the negative impact/disadvantages of CSR on businesses.

Max (14)

6.4 Ways in which businesses can contribute time and effort in improving the well-being of employees

- Businesses should pay fair wages/salaries to the workers√ based on the nature of their work/the prevailing economic conditions in the market. √
- Pay fair bonuses, based on business earnings√, as acknowledgement for hard work and commitment. √
- Offer financial assistance in the case of any hardship√ caused by unexpected medical costs. √
- Working conditions should include safety/medical/canteen facilities/benefits√ such as housing/leave/retirement. √
- Businesses could offer annual physical/medical assessments√ to workers.√
- Make trauma debriefing/counselling/assistance/support programmes available√ to any employee who requires these services. √
- Start a nutritional programme√ so that employees can enjoy one meal per day to keep them in a healthy condition. √
- Encourage employees to stay fit and healthy√ by getting them involved in health activities to minimise stress/substance abuse/obesity. √
- Provide recreational facilities√ for employees. √
- Provide for employees' participation in decision-making√ that affects them. √
- Allow flexible working hours√ to enhance productivity. √
- Make childcare facilities available on the premises√ for working mothers in the business. √
- Give time to staff√ to get involved in projects they choose√/Allow staff to use some of the working hours√ to participate in the projects of their choice. √
- Businesses can provide transport for employees√ who work unusually long hours. √
- Establish coaching and mentoring programmes√ for junior employees. √
- Conduct team-building sessions√ to improve employees' morale. √

- Encourage employees to attend√ capacity-building workshops/training programmes/staff development programmes/team development programmes. √
- Any other relevant answer related to ways in which businesses can contribute time and effort in improving the well-being of employees.

Max (12)**6.5 Dealing with HIV/Aids as a socio-economic issue**

- Businesses should offer counselling programmes/train counsellors to support infected and affected persons/employees. √√
- Develop counselling programmes for infected/affected persons/employees. √√
- Conduct workshops on HIV/Aids programmes/campaigns. √√
- Roll out anti-retroviral (ARV) treatment programmes (ART) for the infected employees. √√
- Encourage employees to join HIV/Aids support groups. √√
- Develop strategies to deal with stigma and discrimination. √√
- Participate in the HIV/Aids prevention programmes implemented in the community. √√
- Support non-governmental organisations/community-based organisations/NPO HIV/Aids initiatives. √√
- Any other relevant answer related to ways in which businesses can deal with HIV/Aids as a socio-economic issue.

Max (12)**6.6 Conclusion**

- Businesses should form partnership with the government when engaging into CSI projects that require a huge capital investment. √√
- Businesses are obligated to implement CSR programmes that benefit communities and their operations. √√
- The contribution of businesses towards the well-being of employees may be perceived as good corporate governance and improves the employees' morale. √√
- The well-being of employees is vital for a business's sustainability/productivity in the market. √√
- The effort to address HIV/Aids should form part of the business CSR focus areas. √√
- Any other relevant conclusion related to the purpose of CSI/impact of CSR/employee well-being/dealing with HIV/Aids.

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

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Purpose of CSI	8	
Impact of CSR on businesses	14	
Ways businesses can contribute time and effort to the well-being of employees	12	
Dealing with HIV/Aids as a socio-economic issue	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: 40

GRAND TOTAL: 150