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**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**JUNE 2023**

**BUSINESS STUDIES P2  
MARKING GUIDELINE**

**MARKS: 150**

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This marking guideline consists of 37 pages.

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## NOTES TO MARKERS

### 1. 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

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 relevant answers provided by candidates 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 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 to finalise alternative answers.

### 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	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body and a conclusion?	<b>2</b>
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')	<b>2</b>
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: <b>Only relevant facts: 2 marks (No '-S')</b> 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: <b>Some relevant facts: 1 mark (One '-S')</b> 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: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate writes FOUR questions, but one sub-question of the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: <b>No relevant facts: 0 marks (Two '-S')</b> 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.	<b>2</b>
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?	<b>2</b>
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>
<b>TOTAL MARKS FOR ESSAY (8 + 32):</b>		<b>40</b>

- NOTE:**
- No marks will be awarded for contents repeated from the introduction and conclusion.
  - The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
  - 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 SUB-MAX./MAX. mark in a subsection has been attained. Write SUB-MAX./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.

<b>CONTENT</b>	<b>MARKS</b>
Facts	<b>32 (max.)</b>
L	<b>2</b>
A	<b>2</b>
S	<b>2</b>
O	<b>2</b>
<b>TOTAL</b>	<b>40</b>

- 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 A ✓✓
- 1.1.2 D ✓✓
- 1.1.3 B ✓✓
- 1.1.4 D ✓✓
- 1.1.5 C ✓✓ (5 x 2) (10)
- 1.2 1.2.1 Reinstatement ✓✓
- 1.2.2 RSA Retail Savings Bonds ✓✓
- 1.2.3 Unfair ✓✓
- 1.2.4 Force-field analysis ✓✓
- 1.2.5 indecisive person ✓✓ (5 x 2) (10)
- 1.3 1.3.1 H ✓✓
- 1.3.2 F ✓✓
- 1.3.3 G ✓✓
- 1.3.4 J ✓✓
- 1.3.5 I ✓✓ (5 x 2) (10)

**TOTAL SECTION A: 30****BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
<b>TOTAL</b>	<b>30</b>



**SECTION B**

Mark the answers to the **FIRST TWO** questions only.

**QUESTION 2: BUSINESS VENTURES****2.1 Types of investment opportunities**

- Mutual funds/Stokvel ✓
- Managed portfolio ✓
- Venture capital ✓
- 32-day notice account ✓
- Debentures ✓
- Endowment/Retirement annuities ✓
- Any other relevant answer related to the types of investment opportunities.

**NOTE: Mark the first FOUR (4) only.** (4 x 1) (4)

**2.2 Leadership styles from the scenario**

2.2.1 Democratic leadership style ✓✓

2.2.2 Charismatic leadership style ✓✓ (4)

**2.3 Situational leadership theory**

- Different leadership characteristics ✓ are needed for different situations. ✓
- The task/situation dictates the leadership style that should be applied ✓, so leaders are adaptable/flexible/self-assured. ✓
- Effective application of this theory may enable leaders ✓ to accomplish their goals. ✓
- Relationships between leaders and employees ✓ are based on mutual trust/respect/loyalty/integrity/honesty. ✓
- Leaders have the ability to analyse the situation ✓ and get the most suitable people in the right positions to complete tasks successfully. ✓
- Leaders analyse group members/objectives/time constraints, ✓ then adopt a suitable/relevant leadership style. ✓
- The success of this theory depends on the kind of relationship ✓ that exists between the leader and followers/subordinates/employees. ✓
- May lead to conflict ✓ when leaders use different leadership styles/when managing employees in different situations. ✓
- Any other relevant answer related to the situational leadership theory.

Max. (6)

## 2.4 Investment

### 2.4.1 Types of shares from the scenario

TYPES OF SHARES	MOTIVATIONS
1. Preference shares ✓✓	Some shareholders bought shares that will allow them to receive fixed dividends. ✓
2. Ordinary shares ✓✓	Others bought shares that allowed them to only receive dividends when profit is made. ✓
Sub-max. (4)	Sub-max. (2)

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

Max. (6)

### 2.4.2 Functions of Johannesburg Security Exchange

- Gives opportunities to financial institutions ✓ such as insurance companies to invest their funds in shares. ✓
- Serves as a barometer/indicator ✓ of economic conditions in South Africa. ✓
- Keeps investors informed ✓ on share prices by publishing the 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. ✓
- Mobilises the funds of insurance companies ✓ and other institutions. ✓
- Raises primary capital ✓ by encouraging new investments in listed companies. ✓
- Regulates the market ✓ for dealing with 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. ✓
- Enhance job creation ✓ and increases economic growth/ development. ✓
- Facilitates electronic trading ✓ of shares/STRATE. ✓
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange (JSE).

Max. (4)

## 2.5 Advantage of unit trusts as a form of investment

- Managed by a fund manager ✓ who buys shares on Johannesburg Securities Exchange /JSE. ✓
- Easy to cash in ✓ when an investor needs money. ✓
- A small amount ✓ can be invested per month. ✓
- Generally, beats inflation ✓ on the medium/long term. ✓
- Safe investment, ✓ as it is managed according to rules and regulations. ✓
- The investor has a variety to choose from/a wider range of shares ✓ from lower to higher degrees of risk. ✓
- Easy to invest in, ✓ as investors simply complete a few relevant forms or invest online. ✓
- Fluctuations in unit trust rates of return are often not so severe ✓ because of diversity of the investment fund. ✓
- 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 unit trusts as a form of investment.

Max. (4)

## 2.6 Insurance

### Calculation of average clause

2.6.1 Average clause ✓✓ (2)

2.6.2  $\frac{\text{Amount insured}}{\text{Market value}} \times \text{Amount of damages}$  ✓

$$\frac{R300\ 000}{R600\ 000} \times R50\ 000 \checkmark$$

$$= R25\ 000 \checkmark\checkmark\checkmark\checkmark$$

**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)

**2.7 Situation in which the autocratic leadership style can be applied**

Autocratic leadership style can be applied when:

- There are crisis situations, such as in the case of unforeseen challenges/accidents. √√
- All the information is available to solve the problem. √√
- There is a crisis/urgent situation, e.g. after an accident/meeting tight deadlines. √√
- Employees are motivated and the leader has already earned the trust of the followers. √√
- Dealing with employees who are not cooperative. √√
- Employees are new/not fully trained. √√
- Any other relevant answer related to the situations in which the autocratic leadership style can be applied in the workplace.

Max. (6)  
[40]

**BREAKDOWN OF MARKS**

<b>QUESTION</b>	<b>MARKS</b>
<b>2.1</b>	<b>4</b>
<b>2.2.</b>	<b>4</b>
<b>2.3.</b>	<b>6</b>
<b>2.4.1</b>	<b>6</b>
<b>2.4.2</b>	<b>4</b>
<b>2.5.</b>	<b>4</b>
<b>2.6.1</b>	<b>2</b>
<b>2.6.2</b>	<b>4</b>
<b>2.7</b>	<b>6</b>
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS ROLES****3.1 Examples of ethical business practices**

- Treating all employees equally. ✓
- Using fair advertising. ✓
- Paying fair wages. ✓
- Not using child labour. ✓
- Business deals are conducted openly. ✓
- Adopting codes of good ethical practice ✓
- Operating within the law. ✓
- Not engaging in illegal business practices ✓
- Ensuring that the environment is not polluted. ✓
- Establishing corporative social responsibility initiatives. ✓
- Encouraging employees to adopt ethical behaviour. ✓
- Clients and employees' information is not disclosed/used for the benefit of the business. ✓
- Shareholders and employees' personal interest and business interest do not conflict with one another. ✓
- Any other relevant answer related to example of ethical business practices.

**NOTE: Mark the first FOUR (4) only.**

(4 x 1) (4)

**3.2 Difference between grievance and conflict**

<b>GRIEVANCE</b>	<b>CONFLICT</b>
- When an employee is unhappy/ has a problem/complaint in the workplace. ✓✓	- Clash of opinions/ideas/viewpoints in the workplace. ✓✓
- It is when an/a individual/group has a work-related issue. ✓✓	- Disagreement between two or more parties in the workplace. ✓✓
- It is a formal complaint which requires employees to follow a grievance procedure. ✓✓	
- Offers employees a channel to express their dissatisfaction in the workplace. ✓✓	
- Any other relevant answer related to grievance.	- Any other relevant answer related to conflict.
Sub-max. (2)	Sub-max. (2)

- 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 if the differences are not clear/Mark either conflict or grievance only.

Max. (4)

### 3.3 Problem-solving

#### 3.3.1 Problem-solving techniques from the scenario

Nominal-group technique ✓✓ (2)

#### Motivation

KC requested employee to divide themselves into smaller groups and silently generate ideas on how the product can be improved. ✓ (1)

**NOTE: Do not award marks for the motivations if the problem-solving technique is incorrectly identified.**

Max. (3)

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

- Encourage alternative ways ✓ of working/doing things. ✓
- Emphasise the importance of creative thinking ✓ to ensure that all staff know that management wants to hear their ideas. ✓
- Make time for brainstorming sessions to generate new ideas, ✓ such as regular workshops generate more ideas/build on one another's ideas. ✓
- Place suggestion boxes around the workplace ✓ and keep communication channels open for new ideas. ✓
- Train staff ✓ in innovative techniques/creative problem-solving skills/mind-mapping/ lateral thinking. ✓
- Encourage job swaps ✓ within the organisation. ✓/Study how other businesses ✓ are doing things. ✓
- Reward creativity with reward schemes ✓ for teams/individuals that come up with creative ideas. ✓
- Respond enthusiastically to all ideas ✓ and never let anyone feel less important. ✓
- Provide a working environment to creativity, ✓ free from distractors. ✓
- Any other relevant answer related to how businesses can create an environment that promotes creative thinking in the workplace.

Max. (4)

#### 3.4 Advantages of brainstorming in solving complex business problems

- People get ideas from others ✓ and build on them. ✓
- Stimulates creative thinking ✓ in the workplace. ✓
- Better solutions are developed ✓ through collective contributions. ✓
- Combinations of ideas/improvements ✓ can be chosen after all the ideas have been written down. ✓
- Employees are motivated ✓ as they are allowed to contribute to problem-solving. ✓
- Any other relevant answer related to the advantages of brainstorming in solving complex business problems.

Max. (6)

### 3.5 Stages of development

#### 3.5.1 Stages of development from the scenario

STAGES OF DEVELOPMENT	MOTIVATIONS
1. Storming √√	Zuko always question the other member's ideas which causes conflict. √
2. Performing √√	However, all team members are aware of the strategies and aims of the teams. √
Sub-max. (4)	Sub-max. (2)

- NOTE:**
1. Mark the first TWO (2) only.
  2. Award marks for the stage of development even if the motivation is incomplete.
  3. Do not award marks for motivation if the stage of development were incorrectly identified.
  4. Accept responses in any order.

**Max. (6)**

#### 3.5.2 Other stages of team development

##### Forming √√

- Individuals gather information/impressions about each other/the scope of the task and how to approach it. √
- This is a comfortable stage to be in as the work has not yet started. √
- Individuals focus on being busy with routine tasks, such as team organisation/who does what/when to meet each other. √
- Individuals are motivated by the desire/drive to be accepted by fellow team members. √
- Team members can determine how each one, as an individual, will respond under pressure. √
- Any other relevant answer related to forming as a stage in team development.

Stage (2)  
Explanation (1)  
Sub-max. (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 in team development.

Stage (2)  
Explanation (1)  
Sub-max. (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 in team development.

Stage (2)  
Explanation (1)  
Sub-max. (3)

- NOTE:**
1. Mark the FIRST stage only.
  2. Do not mark storming and performing stage.

Max. (3)



**3.6 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. ✓
- 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. (6)

### 3.7 Ways to deal with difficult employees in the workplace

- Get perspective from others who have experienced the same kind of situations, to be able to understand difficult employees. √√
- Act as pro-actively if possible, as a staff/personnel problem is part of a manager's responsibilities. √√
- Regular meetings with supervisors/departmental heads should help to identify difficult/problem behaviour. √√
- Ask someone in authority for their input into the situation. √√
- Identify the type of personality which is creating the problem. √√
- Meet privately with difficult employees, so that there are no distractions from other employees/issues. √√
- Make intentions and reasons for action known, so that difficult persons/people feel at ease. √√
- Employees should be told what specific behaviours are acceptable by giving details about what is wrong/unacceptable and also an opportunity to explain their behaviour. √√
- A deadline should be set for improving bad/difficult behaviour. √√
- The deadline date should be discussed with the difficult employee and his/her progress should be monitored/assessed prior to the deadline. √√
- Guidelines for improvement should be given. √√
- Do not judge the person, but try to understand him/her/Understand his/her intentions and why he/she reacts in a certain way. √√
- Keep communication channels open/Encourage employees to communicate their grievances to management. √√
- Build rapport/sound relations by re-establishing personal connection with colleagues. √√
- Help difficult employees to be realistic about the task at hand √/Be supportive of them and their issues. √√
- Remain calm and in control of the situation to get the person(s) to collaborate √/Do not become difficult yourself. √√
- Treat people with respect, irrespective of whether they are capable/competent or not/Do not try to change them, rather see where you can use them effectively. √√
- Sometimes it may be necessary to ignore and only monitor a difficult person/Take a step back and analyse the situation √ before you respond. √√
- Identify and provide an appropriate support programme to address areas of weakness. √√
- Any other relevant answer related to ways in which the business could deal with difficult employees in the workplace.

**NOTE:** 1. Do not accept strategies to deal with difficult personalities.  
2. Do not accept punitive measures.

(4)  
[40]

**BREAKDOWN OF MARKS**

<b>QUESTION 3</b>	<b>MARKS</b>
3.1	4
3.2	4
3.3.1	3
3.3.2	4
3.4	6
3.5.1	6
3.5.2	3
3.6	6
3.7	4
<b>TOTAL</b>	<b>40</b>

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS VENTURES****4.1 Factors that should be considered when making investment decision**

- Return on investment ✓
- Risk ✓
- Investment term/period ✓
- Inflation rate ✓
- Taxation ✓
- Liquidity ✓

**NOTE: Mark the first FOUR (4) only.**

(4 x 1) (4)

**4.2 Compound interest calculation****Option 1**Year 1:  $R150\,000 \times 12\% = R18\,000$  ✓Year 2:  $R168\,000 \times 12\% = R20\,160$  ✓Total interest =  $R38\,160$  ✓✓✓✓**Option 2** $P \times (1 + r)^n$  ✓ $R150\,000 \times (1 + 12/100)^2$  ✓ $R150\,000 \times (1,12)^2 = R188\,160$  ✓Total interest =  $R188\,160 - R150\,000$  $= R38\,160$  ✓**NOTE: 1. Award full marks (4) if the answer is correct and no working are shown.****2. If formula and workings are shown correctly, but the final answer is wrong, award a maximum of THREE (3) marks.****3. If the workings and the answer are incorrect, award a maximum of ONE mark for the correct formula.**

Max. (4)

**4.3 Role of personal attitude in successful leadership**

- Positive attitude releases ✓ leadership potential for personal growth. ✓
- A leader's good ✓ can influence the success of the business. ✓
- Leaders must know their strengths and weaknesses ✓ to apply their leadership styles effectively. ✓
- Great leaders understand 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 ✓ and inspires them to work even harder. ✓
- 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. (6)

#### 4.4 Impact of Laissez-faire/Free-reign on businesses

##### 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. Max. (6)

**BUSINESS ROLES****4.5 Criteria for successful team performance**

- Interpersonal attitudes and behaviour ✓
- Shared values / Mutual trust and support ✓
- Communication ✓
- Co-operation / Collaboration ✓
- Any other relevant answer related to the criteria for successful team performance.

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

**4.6 Problem-solving steps****4.6.1. Problem-solving steps from the scenario**

- The management of Khulula Steel Manufacturing provided a solution to a production problem by identifying the problem first. ✓
- Thereafter KSM identified alternative solutions to their problem. ✓

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

**4.6.2 Other problem-solving steps****Define the problem** ✓✓

- Name the problem by stating exactly what the problem is. ✓
- Find different ways of defining the problem. ✓
- Define the possible causes of the problem. ✓
- The nature of the problem must be precise. ✓
- Gather as much information as possible to establish the cause of the problem. ✓
- Any other relevant answer related to the definition of the problem as a problem-solving step.

Step (2)  
 Description (1)  
 Sub-max. (3)

**Evaluate alternative solutions** √√

- Use critical evaluation and analytical skills to evaluate each solution. √
- Consider the advantages and disadvantages of each alternative solution. √
- Any other relevant answer related to evaluate alternative solutions as a problem-solving step.

Step (2)  
Description (1)  
Sub-max. (3)

**Choose the best solution** √√

- Set criteria for the best solution, in terms of aspects such as time/cost/risk involved. √
- Identify which solution will be used. √
- The best solution should match the size and the resources of the business. √
- If the solution is not appropriate, the business should go back to defining the problem. √
- Any other relevant answer related to choose the best solution as a problem-solving step.

Step (2)  
Description (1)  
Sub-max. (3)

**Formulate/Develop an action plan/strategy** √√

- Arrange the necessary resources and delegate tasks. √
- Establish a time line for implementation and set deadlines. √
- Any other relevant answer related to formulate/develop an action plan/strategy as a problem-solving step.

Step (2)  
Description (1)  
Sub-max. (3)

**Implement the action plan** √√

- Carry out the planned actions/solution. √
- Communicate delegated tasks/deadlines to employees. √
- Any other relevant answer related to implement the action plan as a problem-solving step.

Step (2)  
Description (1)  
Sub-max. (3)

**Evaluate the solution/action plan** √√

- Assess whether the problem has been solved partially or entirely. √
- Monitor or test the solution/action plan/strategy continuously. √
- If problems emerge, they must recognise and re-formulate the problem for improved solutions in the future. √
- Any other relevant answer related to evaluate the solution as a problem-solving step.

Step (2)  
Description (1)  
Sub-max. (3)

- NOTE:** 1. **Mark the first TWO (2) only.**  
2. **Do not award marks for responses that were quoted in QUESTION 4.5.1**

Max (6)

**4.7 Challenges posed by pricing of goods in rural areas as a type of unethical business practice to businesses**

- Some businesses in the rural areas exploit their customers √ by adding much more than necessary to their prices. √
- Some consumers in rural areas have little economic power √ and are vulnerable to exploitation. √
- Business may form monopolies in rural areas √ and increase their prices unilaterally. √
- It may be common practice to pay higher prices √ for goods of inferior quality in rural areas. √
- Business may experience decline in sales √ due to high cost added to the price of the final product. √
- Any other relevant answer related to on how pricing of goods in rural areas as a type of unethical businesses practice pose challenges to businesses.

Max. (6)

**4.8 Importance of team dynamic theories**

- Team dynamic theories explain how effective teams work/operate. √√
- Businesses are able to allocate tasks according to the roles of team members. √√
- Team members can maximise performance as tasks are allocated according to their abilities/skills/attributes/personalities. √√
- Team members with similar strengths may compete for team tasks/responsibilities that best suit their abilities/competencies. √√
- Theories assist team leaders to understand the personality types of team members so that tasks are assigned more effectively. √√
- Conflict may be minimised when team members perform different roles. √√
- Any other relevant answer related to the importance of team dynamic theories in improving team performance.

Max. (4)



**BREAKDOWN OF MARKS**

<b>QUESTION 4</b>	<b>MARKS</b>
4.1	4
4.2.1	4
4.3	6
4.4	6
4.5	2
4.6.1	2
4.6.2	6
4.7	6
4.8	4
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**

**SECTION C**

Mark the answer to the FIRST question only.

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

- Businesses have a legal obligation to take out compulsory insurance whereas businesses have no obligation to take out non-compulsory insurance. ✓
- Insurance can be beneficial to businesses when an unexpected event occurs. ✓
- The principle of insurance can be regarded as legal and binding to both the insured and the insurer. ✓
- The insurance policies are regulated/governed by basic principles that should be applied by both the insurer and the insured. ✓
- UIF offers short-term financial assistance to workers when they become unemployed or are unable to work due to illness, maternity or adoption leave. ✓
- Any other relevant introduction related to the difference between compulsory and non-compulsory insurance/importance of insurance/principles of insurance/types of benefit paid out by the Unemployment Insurance Fund.

(Any 2 x 1) (2)

## 5.2 Differences between compulsory and non-compulsory insurance

<b>COMPULSORY INSURANCE</b>	<b>NON-COMPULSORY INSURANCE</b>
- Required by Law/there are legal obligations for it to be taken out and paid for. √√	- Is voluntary/the insured having a choice whether to enter into an insurance contract. √√
- It is regulated by Government and does not require insurance contracts/brokers. √√	- Insured will enter into a legal insurance contract with the insurer, who may be represented by an insurance broker. √√
- Payment is in the form of a levy/contribution paid into a common fund from which benefits may be claimed under certain conditions. √√	- Monthly/Annual payments/premiums that must be paid in order to enjoy cover for a nominated risk. √√
<b>Examples</b>	<b>Examples</b>
- UIF, RAF and Compensation Fund/COIDA √√	- Short-term insurance/Multi-peril insurance (theft, fire, etc.) Long term insurance/Life insurance √√
- Any other relevant answer related to compulsory insurance.	- Any other relevant answer related to non- compulsory insurance.
Sub-max. (4)	Sub-max. (4)

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

Max. (8)

### 5.3 Importance 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. ✓
- Businesses will be compensated for insurable losses, ✓ such as destruction of property through fire. ✓
- Businesses assets, such as vehicles/equipment/buildings need to be insured ✓ against damage and/or theft. ✓
- Businesses are protected against the loss of earnings, ✓ such as 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. (14)

#### 5.4 Principles of insurance

##### **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 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.

Principle (2)  
Discussion (2)  
Sub-max. (4)

##### **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 predetermined 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.

Principle (2)  
Discussion (2)  
Sub-max. (4)

**Utmost good faith** √√

- Insured has to be honest in supplying details √ when entering into an insurance contract. √
- Both parties/insurer and insured must disclose √ all relevant facts. √
- Insured must disclose everything √ that may affect the extent of the risk. √
- Details/Information supplied when claiming √ should be accurate/true. √
- Any other relevant answer related to utmost good faith as a principle of insurance.

Principle (2)  
 Discussion (2)  
 Sub-max. (4)

**Insurable interest** √√

- Insured must prove that he/she will suffer a financial loss √ if the insured object is damaged/loss/cease to exist. √
- An insurable interest must be expressed √ in financial terms. √
- Insured must have legal relationship √ with the insured object in the contract. √
- Any other relevant answer to insurable interest as a principle of insurance.

Principle (2)  
 Discussion (2)  
 Sub-max. (4) (4)

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

Max. (12)

## 5.5 Types of benefit paid out by the Unemployment Insurance Fund

### Unemployment benefits ✓✓

- Employees, who become unemployed/retrenched due to restructuring/an expired contract, may claim within six months after becoming unemployed. ✓✓
- Unemployed employees may only claim, if they contributed to UIF. ✓✓
- Unemployed employees enjoy these benefits until the allocated funds are exhausted. ✓✓
- If a worker voluntarily terminates his/her contract, he/she may not claim. ✓✓
- No tax is payable on unemployment benefits. ✓✓
- The UIF Act has also been amended and extends to parents who do not qualify for maternity leave, including fathers.
- The UIF Act pays unemployment insurance benefits up to 10 days which is in line with the BCEA. ✓✓

Sub-max. (4)

### Illness benefits/Sickness/Disability ✓✓

- Employees may receive these benefits if they are unable to work for more than 14 days without receiving a salary/part of the salary. ✓✓
- Employees may not claim these benefits if they refuse medical treatment. ✓✓

Sub-max. (4)

### Maternity benefits

- Pregnant employees receive these benefits for up to 4 consecutive months. ✓✓
- If an employee had a miscarriage, she can claim for up to six weeks/42 days. ✓✓

Sub-max. (4)

### Adoption benefits ✓✓

- Employees may receive these benefits if they adopt a child younger than two years. ✓✓
- Employees who take unpaid leave/may receive part of their salary while caring for the child at home. ✓✓
- Only one parent/partner may claim. ✓✓

Sub-max. (4)

### Dependants' benefits ✓✓

- Dependants may apply for these benefits if the breadwinner, who has contributed to UIF dies. ✓✓
- The spouse of the deceased may claim, whether he/she is employed or not. ✓✓

Sub-max. (4)

**Temporary Employer/Employee Relief Scheme (TERS) √√**

- All employers and employees who are registered with the Department of Employment and Labour can apply for this relief. √√
- The scheme applies to employers who cannot pay their workers and employees who will not get paid during the period of the lockdown. √√
- This also applies to employees who have been forced to take leave as a result of the coronavirus outbreak. √√

Sub-max. (4)

- Any other relevant answer related to the types of benefits paid out by Unemployment Insurance Fund/UIF.

Max. (12)

**5.6 Conclusion**

- Compulsory and non-compulsory insurance reduces the financial risk of businesses when they comply with the requirements. √√
- Insurance allows businesses to recover from losses suffered after an unexpected event took place. √√
- Businesses that are well conversant with the principles of insurance are able to renew their insurance contracts. √√
- The principles of insurance enable businesses to understand the importance of honesty to avoid claims being rejected. √√
- Employers and employees must ensure that contributions are paid to the Unemployment Insurance Fund (UIF) or the South African Revenue Services (SARS). √√
- Any other relevant conclusion to the difference between compulsory and non-compulsory insurance/ importance of insurance/ principles of insurance/ types of benefit paid out by the Unemployment Insurance Fund.

(Any 1 x 2) (2)

**[40]**



**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

<b>DETAILS</b>	<b>MAXIMUM</b>	<b>TOTAL</b>
Introduction	2	<b>Max. 32</b>
Differences between <i>compulsory and non-compulsory insurance</i>	8	
Importance of insurance	14	
Principles of insurance	12	
Types of benefit paid out by the UIF	12	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality	2	
<b>TOTAL MARKS</b>		<b>40</b>

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 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)****6.1 Introduction**

- Ethical and professional behaviour means that the highest legal and moral standards are upheld when dealing with stakeholders. ✓
- Many businesses have a Code of Conduct that outlines the expected behaviour for their employees to avoid unprofessional business practices. ✓
- Professional, responsible, ethical and effective business practice ensures good corporate governance and attract investors. ✓
- The King Code principles serve as a guideline on how businesses can conduct themselves ethically and professionally. ✓
- Any other relevant introduction related to the differences between ethical and professional behaviour/challenges pose by types of unprofessional business practices/ways in which professional, responsible, ethical and effective business practice should be conducted/application of transparency as a King Code principle.

(Any 2 x 1) (2)

**6.2 Differences between *ethical* and *professional* behaviour**

<b>ETHICAL BEHAVIOUR</b>	<b>PROFESSIONAL BEHAVIOUR</b>
- Refers to the principles of right and wrong/acceptable in society. ✓✓	- Refers to what is right/wrong/acceptable in a business. ✓✓
- Conforms to a set of values that are morally acceptable. ✓✓	- Set of standards of expected behaviour. ✓✓
- Forms part of a code of conduct to guide employees to act ethically. ✓✓	- Applying a code of conduct of a profession or business. ✓✓
- Focuses on developing a moral compass for decision making. ✓✓	- Focuses on upholding the reputation of a business/profession. ✓✓
- Involves following the principles of right and wrong in business activities/practices/dealings. ✓✓	- Includes guidelines on employees' appearance/communication/attitude/responsibility. ✓✓
- Any other relevant answer related to ethical behaviour.	- Any other relevant answer related to professional behaviour.
Sub-max. (6)	Sub-max. (6)

- NOTE:**
1. The answer does not have to be in a tabular format.
  2. The difference does not have to link, but must be clear.
  3. Award maximum marks SIX (6) if the difference is not clear/Mark either ethical or professional behaviour.

Max. (12)

### 6.3 Challenges posed by types of unprofessional business practices to businesses

#### 6.3.1 Sexual harassment

- A victim may be severely traumatised ✓ and this may affect other employees' emotionally. ✓
- The affected party is normally reluctant to report the incident ✓ due to fear of victimisation which can reduce productivity. ✓
- Businesses could lose female employees ✓ and attract/retain less female applicants. ✓
- Sexual harassment causes discomfort/humiliation ✓ and negatively affects work relations in the workplace. ✓
- The affected party may stay away ✓ regularly from work. ✓
- Any other relevant answer related to how sexual harassment as a type of unprofessional business practice can pose challenges to businesses.

Sub-max. (4)

#### 6.3.2 Unauthorised use of workplace funds and resources

- Fraud increases the cost of doing business ✓ and undermine the competitiveness of a business. ✓
- Discourages investors as fraud ✓ and corruption increases the risk of investment. ✓
- The business can experience substantial loss ✓ if it goes unchecked. ✓
- Any other relevant answer related to how unauthorised use of workplace funds and resources as a type of unprofessional business practice can pose challenges to businesses.

Sub-max. (4)

#### 6.3.3 Abuse of work time

- It may result in employees' often ✓ abusing work time. ✓
- Abuse of work time could result in losing customers ✓ or not meeting deadlines. ✓
- Wasting time costs the business money ✓ and affects productivity. ✓
- Abuse of work time results in a decline in profits ✓ which could damage the financial wealth of the business. ✓
- Any other relevant answer related to how abuse of work time as a type of unprofessional business practice can pose challenges to businesses.

Sub-max. (4)

Max. (12)

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

- Mission statement ✓ should include the values of equality/respect. ✓
- Businesses should develop equity programmes ✓/promote strategies to ensure that all employees are treated equally regardless of status/rank/power. ✓
- 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 are 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. ✓
- 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. ✓
- All workers should have access to equal ✓ opportunities/positions/resources. ✓
- Ensure that employees work in a work environment that is conducive ✓ to safety/fairness/free from embarrassment. ✓
- Employers and employees need to comply with legislation ✓ with regard to equal opportunities/human right in the workplace. ✓
- Training/Information/Business policies ✓ should include issues such as diversity/discrimination/harassment. ✓
- Employers should respond swiftly ✓ and fairly to reported incidents of discrimination in the workplace. ✓
- Orders/Tasks should be given respectfully ✓ and allow the recipient/employee to have a say in the way the task should be performed. ✓
- 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. (14)

**6.5 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. (8)

**6.6 Conclusion**

- A business code of ethics/conduct will improve relationships and eliminate unethical business practices. ✓✓
- Employees who do not adhere to the code of ethics/conduct should face disciplinary actions. ✓✓
- Awareness of the types of unprofessional business practices may enable businesses to take precautionary measures and prevent negative publicity. ✓✓
- Businesses must continuously conduct research on how they could act professionally, responsibly, ethically and effectively. ✓✓
- The King Code principles can be applied to all entities, private and public sectors. ✓✓
- Any other relevant conclusion related to the differences between ethical and professional behaviour/challenges pose by types of unprofessional business practices/ways in which professional, responsible, ethical and effective business practice should be conducted/application of transparency as a King Code principle.

(Any 1 x 2) (2)

**[40]**

**QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

<b>DETAILS</b>	<b>MAXIMUM</b>	<b>TOTAL</b>
Introduction	<b>2</b>	<b>Max. 32</b>
Differences between ethical and professional behaviour	<b>12</b>	
Challenges posed by types unprofessional business practices to businesses: <ul style="list-style-type: none"> <li>○ Sexual harassment</li> <li>○ Unauthorised use of workplace funds and resources.</li> <li>○ Abuse of work time</li> </ul>	<b>12</b>	
Ways in which professional, responsible, ethical and effective business practice should be conducted	<b>14</b>	
Application of transparency as a King Code principle	<b>8</b>	
Conclusion	<b>2</b>	
<b>INSIGHT</b>		<b>8</b>
Layout	<b>2</b>	
Analysis/Interpretation	<b>2</b>	
Synthesis	<b>2</b>	
Originality	<b>2</b>	
<b>TOTAL MARKS</b>		<b>40</b>

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.

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**