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# **NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**JUNE 2025**

## **BUSINESS STUDIES P2 MARKING GUIDELINE**

**MARKS: 150**

This marking guideline consists of 29 pages.



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**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. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
2. 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.**

3. 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.)
4. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. 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.
6. 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.
7. In an indirect question, the theory as well as the response must be relevant and related to the question.
8. 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.



9. No additional credit must be given for repetition of facts. Indicate with an 'R'.
10. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 10.1 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.'* ✓
- 10.2 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.
11. 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:
- 11.1 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.
- 11.2 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.
12. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.



## 13. SECTION B

13.1 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).

13.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

13.3 If candidates are required to provide their own examples/views, brainstorm this to finalise alternative answers.

## 13.4 Use of the cognitive verbs and allocation of marks:

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

- Fact 2 marks (or as indicated in the marking guideline)
- Explanation 1 mark (two marks will be allocated in SECTION C)

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

13.4.2 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.

13.5 **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).**

## 14. SECTION C

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

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



14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, paragraphs 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/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/two/three 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 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:**
- 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.**





- 14.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 14.5 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'.
- 14.6 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
<b>TOTAL</b>	<b>40</b>

- 14.7 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.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 14.9 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.
- 14.10 14.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 14.10.2 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.
- 14.11 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    D √√  
       1.1.2    C √√  
       1.1.3    B √√  
       1.1.4    A √√  
       1.1.5    D √√ (5 x 2)    (10)
- 1.2    1.2.1    excess √√  
       1.2.2    transformational √√  
       1.2.3    Delphi technique √√  
       1.2.4    collaboration √√  
       1.2.5    unprofessional √√ (5 x 2)    (10)
- 1.3    1.3.1    J √√  
       1.3.2    H √√  
       1.3.3    E √√  
       1.3.4    G √√  
       1.3.5    F √√ (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 Examples of insurable risks**

- Theft ✓
- Fidelity insurance ✓
- Burglary ✓
- Money in transit ✓
- Fire ✓
- Natural disaster/storms/wind/rain/hail ✓
- Damage to/Loss of assets/vehicles/equipment/buildings/premises ✓
- Injuries on premises ✓
- Any other relevant answer related to examples of insurable risks.

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

(4 x 1) (4)

**2.2 Advantages of insurance for businesses**

- Transfers the risk from businesses/insured to insurance companies/an insurer. ✓✓
- Transfer of risk is subject to the terms and conditions of the insurance contract. ✓✓
- Protects businesses 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 the destruction of property through fire. ✓✓
- Business' 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 may 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 businesses from claims made by members of the public for damages that businesses are 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. (6)**

**2.3 Leadership styles from statements**

2.3.1 Charismatic ✓✓ (2)

2.3.2 Transactional ✓✓ (2)



**2.4 Leaders and followers' leadership theory**

- Teams achieve great results/set out organisational goals when there is a sense of understanding ✓ between the leader and the team of followers/employees. ✓
- Followers listen to what is expected of them/follow the instruction of the leader ✓ and are willing to work as a team towards the organisation's goals. ✓
- Followers easily accept/take responsibility ✓ when something doesn't work out/targets not achieved. ✓
- Leaders lead by example ✓ and reward/provide incentives for positive behaviour. ✓
- Leaders motivate employees to devise alternative strategies/ to be creative and innovative ✓ find more efficient ways to use available resources/increase productivity. ✓
- Followers might just trail along/stifle innovative and creativity/ by depending on leaders and other followers ✓ to pull them through the task. ✓
- Any other relevant answer related to the leaders and followers' leadership theory.

**Max. (6)****2.5 Types of preference shares from the scenario**

TYPES OF PREFERENCE SHARES	MOTIVATIONS
1. Non-participating/ ordinary preference shares ✓✓	Some shareholders bought shares that will allow them to get their original investment and unpaid dividends back upon liquidation. ✓
2. Non-cumulative preference shares ✓✓	Others chose shares that will not allow them to receive past dividends. ✓
Sub-max. (4)	Sub-max. (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 types of preference shares even if the quotes were incomplete.
  4. Do not award marks for the motivation if the types of preference shares were incorrectly identified.

**Max. (6)**

**2.6 Principles of insurance****2.6.1 Utmost good faith**

- Insured has to be honest in supplying details ✓ when entering in 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.

**Max. (4)****2.6.2 Insurable Interest**

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

**Max. (4)****2.7 Role of personal attitude in a successful leadership**

- Positive attitude releases leadership potential for personal growth. ✓✓
- 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. ✓✓
- 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 a successful leadership.

**Max. (6)**

**BREAKDOWN OF MARKS**

QUESTION 2	MARKS
2.1	4
2.2	6
2.3.1	2
2.3.2	2
2.4	6
2.5	6
2.6.1	4
2.6.2	4
2.7	6
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS ROLES****3.1 Practical examples of professional behaviour in the workplace**

- Good use of work time. ✓
  - Treating all people the same. ✓
  - Using polite language to colleagues. ✓
  - Keeping clients details confidential/Not using clients' information for personal gain. ✓
  - Taking responsibility for your actions. ✓
  - Exercising reasonable work morale. ✓
  - Any other relevant practical examples of professional behaviour in the workplace.
- (3 x 1) (3)

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

**3.2 Benefits 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. ✓✓
- Broadens the range of possible solutions when solving complex business problems. ✓✓
- Productivity increases as management/employees may quickly generate multiple ideas which utilises time/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/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 which leads to higher job satisfaction. ✓✓
- Managers/Employees have a feeling of great accomplishment, and they may 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 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. ✓✓
  - Businesses can continuously improve on product development by exploring new ways to enhance growth. ✓✓
  - Any other relevant answer related to the advantages of creative thinking in the workplace.
- Max. (6)**

### 3.3 Problem-solving technique

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

Brainstorming ✓✓ (2)

##### Motivation

AP requested their employees to make suggestions randomly aloud in a large group to solve their problem. ✓ (1)

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

**Max. (3)**

#### 3.3.2 Impact of brainstorming

##### Positives/Advantages

- Team members/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 positive impact/advantages of brainstorming as a problem-solving technique.

##### AND/OR

##### Negatives/Disadvantages

- Some team members may dominate ✓ the discussion. ✓
- Brainstorming may result in conflict ✓ due to differences in opinion. ✓
- Fear of criticism may prevent ✓ full participation in brainstorming sessions. ✓
- It may lead to 'group think'/some individuals ✓ may not give their opinions. ✓
- Brainstorming is time consuming ✓ as all stakeholders/employees may generate too many ideas which can delay decision making. ✓
- Any other relevant answer related to the negative impact/disadvantages of brainstorming as a problem-solving technique.

**Max. (6)**



## 3.4 Difference between ethical behaviour and professional behaviour

ETHICAL BEHAVIOUR	PROFESSIONAL BEHAVIOUR
- 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, etc. ✓
- Any other relevant answer related to ethical behaviour.	- Any other relevant answer related to professional behaviour.
Sub-max. (2)	Sub-max. (2)

- NOTE:**
1. The answer does not have to be in a 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 ethical or professional behaviour only.
- Max. (4)**

## 3.5 Conflict resolution steps

## 3.5.1 Conflict resolution steps from the scenario

- The management arranged a meeting between Jacob and Sipho. ✓
- They allowed for both employees the opportunity to express their opinions. ✓

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

**Max. (2)**



**3.5.2 Other steps in handling conflict in the workplace**

- Acknowledge that there is conflict ✓ between employers/employees/ parties in the workplace. ✓
- Identify the cause of the conflict ✓ to get clarity on its nature. ✓
- Arrange a time and place for negotiations ✓ where all employees involved are present. ✓
- Make the intentions/purpose for intervention/meeting clear ✓ so that parties involved may feel at ease. ✓
- Arrange a pre-negotiation meeting ✓ where workers/complainants will be allowed to state their case/views separately. ✓
- Conflicting parties may recognise that their views are different ✓ during the meeting. ✓
- Analyse the cause(s) of conflict ✓ by breaking it down into different parts. ✓
- Evaluate the views expressed ✓ and make an objective decision. ✓
- Blame shifting should be avoided ✓ and a joint effort should be made. ✓
- Direct conflicting parties ✓ towards finding/focusing on solutions. ✓
- Devise/Brainstorm possible ways ✓ of resolving the conflict. ✓
- Conflicting parties agree on criteria ✓ to evaluate the alternatives. ✓
- Select/Implement the best solution ✓ that will deal with the conflict. ✓
- Provide opportunities for parties ✓ to agree on the best solution. ✓
- Evaluate/Follow up on the implementation ✓ of the solution(s). ✓
- Monitor progress ✓ to ensure that the conflict has been resolved. ✓
- Source experts on handling conflict ✓ from outside the business. ✓
- Any other relevant answer related to other steps in handling conflict in the workplace.

- NOTE:**
1. Do not award marks for responses that were quoted in QUESTION 3.5.1.
  2. Accept the steps in any order.

**Max. (4)****3.6 Application of transparency as a King Code principle for good corporate governance**

- 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 could apply transparency as a King Code principle for good corporate governance.

**Max. (6)**

### 3.7 Ways in which businesses can deal with difficult employees in the workplace

- Get perspective from others who have experienced the same kind of situation to be able to understand difficult employees. ✓✓
- Act 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 person/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, instead of relying on e-mails/messaging/social media. ✓✓
- Help difficult employees to be realistic about the task at hand. ✓✓
- Remain calm and in control of the situation to get the person(s) to collaborate. ✓✓
- Treat people with respect, irrespective of whether they are capable/ competent or not. ✓✓
- Sometimes it may be necessary to ignore and only monitor a difficult person. ✓✓
- Identify and provide an appropriate support program to address areas of weakness. ✓✓
- Any other relevant answer related to ways in which businesses can deal with difficult employees.

**Max. (6)  
[40]**

**BREAKDOWN OF MARKS**

QUESTION 3	MARKS
3.1	3
3.2	6
3.3.1	3
3.3.2	6
3.4	4
3.5.1	2
3.5.2	4
3.6	6
3.7	6
<b>TOTAL</b>	<b>40</b>

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS VENTURES****4.1 Types of benefits paid out by UIF**

- Unemployment benefits ✓
- Illness/Sickness/Disability benefits ✓
- Maternity benefits ✓
- Adoption benefits ✓
- Dependents benefits ✓
- Any other relevant answer related to types of benefits paid out by UIF.

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

**4.2 Advantages of the autocratic leadership style**

- Quick decisions can be taken without consulting/considering followers/employees. ✓✓
- Work gets done in time/on schedule./The leader has certainty that decisions will be made timeously, without delays. ✓✓
- Line of command/communication is clear as it is top-down/followers know exactly what to do./There is no uncertainty regarding the source of instructions, which comes directly from the leader. ✓✓
- Direct supervision and strict control ensure high quality products/service. ✓✓
- Provides strong leadership which makes new employees feel confident/safe. ✓✓
- Works well in large companies where consultation with every employee is impractical. ✓✓
- Clear guidance can be given to low-skilled/inexperienced/new staff. ✓✓
- Any other relevant answer related to other advantages of the autocratic leadership style.

**Max. (6)**



## 4.3 Insurance

## 4.3.1 Insurance concept from the scenario

Average clause ✓✓

(2)

## 4.3.2 Calculation of average clause

$$\frac{\text{Insured amount}}{\text{Market value}} \times \text{Damages/Loss} \checkmark$$

$$\frac{\text{R500 000}}{\text{R800 000}} \checkmark \times \text{R300 000} \checkmark$$

$$= \text{R187 500} \checkmark\checkmark\checkmark\checkmark$$

- NOTE:**
1. Award full marks FOUR (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)



## 4.4 Differences between management and leadership

MANAGEMENT	LEADERSHIP
- Guides human behaviour. √√	- Influences human behaviour. √√
- Communicates through management functions such as the line function. √√	- Communicates by means of interaction/behaviour/vision/values/charisma. √√
- Administers plans/programs/ tasks to reach targets. √√	- Innovates/Encourages new ideas to increase productivity. √√
- Controls systems and procedures to get the job done. √√	- Inspires staff to trust and support each other. √√
- Focuses on how and when. √√	- Focuses on what and why. √√
- Focuses on the short/medium term. √√	- Focuses on the horizon/long term. √√
- A person becomes a manager because of the position in which he/she is appointed. √√	- Leaders are born with natural/instinctive leadership skills. √√
- Manages the process of getting things done by exercising responsibility. √√	- Guides/Leads people to become active participants. √√
- Managers have power because of the position of authority into which they are appointed. √√	- Leaders have power/influence because of his/her knowledge/skills/intelligence. √√
- Enforce rules on subordinates/Ensure that tasks are completed. √√	- Always trying to find more efficient ways of completing tasks. √√
- Instructional in their approach. √√	- Motivational/Inspirational in their approach √√
- Task-orientated. √√	- People-orientated. √√
- Manage by planning/organising/leading/controlling. √√	- Lead by example/trust/respect. √√
- Does things right. √√	- Does the right things. √√
- Any other relevant answer related to management	- Any other relevant answer related to leadership
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 management or leadership only.

Max. (4)



**BUSINESS ROLES****4.5 Problem-solving steps**

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

**NOTE: 1. Mark the first FOUR (4) only.****2. Accept steps in any order.****(4 x 1) (4)****4.6 Type of unethical business practice****4.6.1 Type of unethical business practice from the scenario**

Unfair advertising ✓✓

**(2)****4.6.2 Ways in which businesses could deal with unfair advertising as a type of unethical business practice**

- Businesses must know and understand the Code of Advertising as determined by the Advertising Standard Authority (ASA) ✓ and apply its regulations. ✓
- Businesses should be encouraged to keep their advertising fair ✓ and in line with the constitution. ✓
- Advertisements should be honest/legal ✓ and not abuse consumer's trust/lack of knowledge. ✓
- Advertisements should not contain anything that is discriminatory ✓/likely to cause offence/support act of violence. ✓
- Any other relevant answer related to ways in which businesses could deal with unfair advertising as a type of unethical business practice in the workplace.

**NOTE: Accept relevant facts if the type of unethical business practice was incorrectly identified as an answer in QUESTION 4.6.1.**

**Max. (4)****4.7 Ways in which businesses can create an environment that promotes creative thinking**

- 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/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. ✓
- Encourage employees ✓ to develop/come up with new/unique ideas/alternative ways of working/doing things. ✓
- Reward creativity ✓ by offering reward schemes to employees. ✓ / Introduce incentives for staff members ✓ who came up with useful creative ideas. ✓
- Respond enthusiastically ✓ to all ideas and never let anyone feel less important. ✓
- Make the working environment ✓ conducive to creativity/free from distraction/high noise levels. ✓
- Any other relevant answer related to ways in which businesses can create an environment that promotes creative thinking in the workplace.

**Max. (6)**

**4.8 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/promotes 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 such as 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 of embarrassment. ✓✓
- Employers and employees need to comply with legislation with regard to equal opportunities/human rights 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 that 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 by businesses.

**Max. (4)**  
**[40]**

#### BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2	6
4.3.1	2
4.3.2	4
4.4	4
4.5	4
4.6.1	2
4.6.2	4
4.7	6
4.8	4
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**





**SECTION C**

Mark the answers to the FIRST question only.

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

- Preference shareholders enjoy the preferential rights to dividends/ repayments over ordinary shares. ✓
- Sound knowledge of the factors to be considered when making investment decisions enables the investors to receive better returns on investment. ✓
- Fixed deposit is a popular form of investment as the risk is low in relation to other forms of investment. ✓
- The JSE is a formal market that regulates the activities of financial market in an orderly manner. ✓
- Any other relevant introduction related to the rights of preference shareholders/return on investment/investment term/period as factors to consider when making investment decisions/impact of fixed deposit as a form of investment/functions of JSE. (Any 2 x 1) (2)

**5.2 Rights of preference shareholders**

Shareholders have right to:

- Receive dividends regardless of how much profits are made. ✓✓
- Receive a fixed rate of return/dividend. ✓✓
- They are paid first/enjoy preferential rights to dividends. ✓✓
- They have a preferred claim on company assets in the event of bankruptcy/liquidation of the company. ✓✓
- Receive interim and annual reports. ✓✓
- They only have voting rights at the AGM under particular circumstances/for certain resolutions. ✓✓
- Cumulative shareholders must receive outstanding/accrued dividends from previous years. ✓✓
- Participating preference shareholders have the right to share in surplus profits. ✓✓
- Any other relevant answer related to the rights of preference shareholders.

**Max. (10)**

**5.3 Factors that should be considered when making investment decisions****5.3.1 Return on investment (ROI)**

- Refers to income from the investment, ✓ namely interest/dividends/increased capital growth on the original amount invested. ✓
- High/Low risk investments ✓ yield higher/lower returns. ✓
- The return should be expressed as net after-tax gains ✓ on the investment. ✓
- Generally, there will be a direct link ✓ between the risk and the return. ✓
- Returns can be in the form of capital gains ✓ where the asset appreciates in value over time. ✓



- The return on investment after the deduction of tax ✓ should be higher than the general increase in the initial cost of investment. ✓
- Any other relevant answer related to return on investment/ROI as a factor that should be considered when making investment decisions.

Sub-max. (8)

### 5.3.2 Investment term/period

- This refers to the duration of the investment ✓ which may influence the return on investment. ✓
- The investment period can be short/medium/long term ✓ depending on the nature of an investment option. ✓
- The investment period will depend ✓ on an investor's personal needs/goals. ✓
- The longer the investment period ✓ the higher the returns. ✓
- Short term investments enable investors to access ✓ their money on a short period if needed. ✓
- Any other relevant answer related to investment term/period as a factor that should be considered when making investment decisions.

Sub-max. (8)

**Max. (16)**

### 5.4 Impact of fixed deposits as a form of investment

#### Positives/Advantages

- 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. ✓
- 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. ✓
- It has a low risk ✓ as investors are guaranteed of the final payment. ✓
- Any other relevant answer related to the positive impact/advantages of fixed deposits as a form of investment.

**AND/OR**

#### Negatives/Disadvantages

- The investor cannot withdraw their funds ✓ before the maturity date. ✓
- Low returns ✓ compared to other investments. ✓
- May not outperform the effect of inflation ✓ over long term. ✓
- Any other relevant answer related to the negative impact/disadvantages of fixed deposits as a form of investment.

**Max. (12)**

**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 into productive economic activities. ✓✓
- Enhances job creation and increases economic growth/development. ✓✓
- Any other relevant answer related to the functions of the JSE.

**Max. (8)****5.6 Conclusion**

- In preference shares, voting rights are restricted to particular circumstances. ✓✓
- Choosing an investment opportunity should be informed by research findings gathered on various decisions factors made. ✓✓
- Investors are encouraged to invest in fixed deposits due to the flexibility of investment periods available to them. ✓✓
- JSE creates opportunity for the general public to participate in the economy of the country. ✓✓
- Any other relevant conclusion related to the rights of preference shareholders/return on investment/investment term/period as factors to consider when making investment decisions/impact of fixed deposit as a form of investment/functions of JSE.

(Any 1 x 2) (2)

**[40]**

**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max 32</b>
Rights of preference shareholders	10	
Factors that should be considered when making investment decisions: ○ Return on investment (ROI) ○ Investment period	16	
Impact of fixed deposit	12	
Functions of the JSE	8	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	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 (TEAM PERFORMANCE ASSESSMENT AND CONFLICT MANAGEMENT)****6.1 Introduction**

- Teamwork refers to several people working together effectively in order to reach a common goal. ✓
- Identifying the causes of conflict enables businesses to devise strategies to deal with conflict in the workplace. ✓
- A successful team go through different stages of development in order to become effective. ✓
- Business should deal with grievances and conflict as soon as they occur to avoid demotivating their employees. ✓
- Any other relevant introduction related to the characteristics of successful team performance/causes of conflict in the workplace/ norming/performing as stages of team development/differences between grievance and conflict. (Any 2 x 1) (2)



**6.2 Characteristics of successful team performance**

- Successful teams share a common goal as team members are part of the process of setting goals for the group. ✓✓
- There is a climate of respect/trust and honesty. ✓✓
- Share a set of team values and implement group decisions. ✓✓
- Successful teams have sound intra-team relations. ✓✓
- Teams value the contributions of individual members and reach consensus on differences. ✓✓
- Team members enjoy open communication and deal with items of conflict immediately. ✓✓
- Teams are accountable and members know the time frame for achieving their goals. ✓✓
- Teams pay attention to the needs of the individual team members. ✓✓
- Creates an environment where team members are given opportunities to develop so that team members grow and learn from the experience of working in a team. ✓✓
- Regular reviews of team processes and progress may detect/solve problems sooner. ✓✓
- Balance the necessary skills/knowledge/experience/expertise to achieve the objectives. ✓✓
- Any other relevant answer related to characteristics of successful team performance.

**Max. (10)****6.3 Causes of conflict in the workplace**

- Lack of proper communication/misunderstanding ✓ between management and workers. ✓
- Ignoring rules/procedures ✓ may result in disagreements/difference in opinions and conflict. ✓
- Management and/or workers may have different ✓ personalities/backgrounds. ✓
- Different values/levels of knowledge/skills/experience ✓ of managers/workers. ✓
- Little/no co-operation ✓ between internal and/or external parties/stakeholders. ✓
- Lack of recognition for good work ✓ such as a manager not showing appreciation for extra hours worked to meet deadlines. ✓
- Lack of employee development may increase frustration levels ✓ as workers may repeat errors due to a lack of knowledge/skills. ✓
- Unfair disciplinary procedures ✓ such as favouritism/nepotism. ✓
- Little/no support from management ✓ with regard to supplying the necessary resources. ✓
- Leadership styles used ✓ such as autocratic managers may not consider worker inputs. ✓
- Unrealistic deadlines/Heavy/Unfair workloads lead to stress ✓ resulting in conflict. ✓
- Lack of agreement on mutual matters ✓ such as remuneration/ working hours. ✓
- Unhealthy competition/Inter-team rivalry ✓ may cause workers to lose focus on team targets. ✓
- Constant changes ✓ can cause instability. ✓



- Lack of clarity ✓ regarding employee's roles/responsibilities. ✓
- Lack of commitment/distracted by personal objectives ✓ which may lead to an inability to meet pre-set targets. ✓
- Complaints/Criticism of performance/behaviour/attitudes may result in resentment ✓ between the employer and employee. ✓
- Poor organisation/leadership/procedures ✓ resulting to confusion regarding set targets. ✓
- Any other relevant answer related to the causes of conflict in the workplace.

**Max. (12)**

#### 6.4 Stages of team development

##### 6.4.1 Norming

- The conflict during the storming stage must be resolved ✓ to allow the team to move to the norming stage. ✓
- 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 as a stage of team development.

Sub-max. (8)

##### 6.4.2 Performing

- 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 performing as a stage of team development.

Sub-max. (8)

**Max. (16)**



## 6.5 Differences between grievance and conflict

GRIEVANCE	CONFLICT
- 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. ✓✓	- Can be resolved through following proper conflict resolution steps. ✓✓
- Offers employees a channel to express their dissatisfaction in the workplace. ✓✓	
- <b>Examples:</b> Discrimination/unfair treatment/poor working conditions. ✓	- <b>Examples:</b> Lack of trust/miscommunication/personality clashes/different values. ✓
- Any other relevant answer related to grievance.	- Any other relevant answer related to conflict.
Sub-max. (4)	Sub-max. (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 grievance or conflict only.
  4. Award ONE (1) mark each for an example of grievance and conflict.

Max. (8)

## 6.6 Conclusion

- Business should be well-conversant with the characteristics of a successful team. ✓✓
- Business that are well informed about the causes of conflict are able handle conflict effectively in the workplace. ✓✓
- Team members must assess themselves continuously in terms of their contribution in the team so that the set targets can be achieved. ✓✓
- An aggrieved employee should not be ignored as he/she can report the matter to higher authorities resulting in a bad image of the business. ✓✓
- Any other relevant conclusion related to the characteristics of successful team performance/causes of conflict in the workplace/ norming/performing as stages of team development/differences between grievance and conflict.

(Any 1 x 2)

(2)  
[40]



**QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max. 32</b>
Characteristics of successful team performance	10	
Causes of conflict in the workplace	12	
Stages of team performance: <ul style="list-style-type: none"> <li>○ Norming</li> <li>○ Performing</li> </ul>	16	
Differences between grievance and conflict	8	
Conclusion	2	
<b>INSIGHT</b>		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	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.

**TOTAL SECTION C: 40**

**GRAND TOTAL: 150**

