



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA



NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P2

COMMON TEST

JUNE 2022

Stanmorephysics.com

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of **THREE** sections.

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions. Answer any **TWO** of the three questions in the section.

SECTION C: Consists of **TWO** questions. Answer any **ONE** of the two questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

Note that **ONLY** the first **TWO** questions in **SECTION B** and the first question in **SECTION C** will be marked.

3. Number the answers correctly according to the numbering system used in this question paper. **NO** marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be full sentences.
5. Use the mark allocation and nature of each question to determine the length and the breath of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

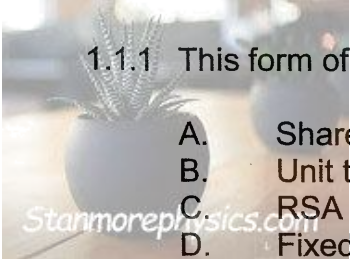
SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	30	30
B: THREE direct/indirect-type questions CHOICE: Answer ANY TWO	2	40	30
	3	40	30
	4	40	30
C: TWO essay-type questions CHOICE: Answer ANY ONE	5	40	30
	6	40	30
TOTAL		150	120

7. Begin the answer to **EACH** question on a **NEW** page, e.g. **QUESTION 1-** new page.
8. You may use non-programmable calculator.
9. Write neatly and legibly.

SECTION A: (COMPULSORY)**QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A-D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 This form of investment that requires the investor to be a South African citizen:

- 
- A. Shares
 - B. Unit trusts
 - C. RSA Retail Savings Bonds
 - D. Fixed deposits

1.1.2 One of the criterion for successful team performance is ...

- A. collaboration
- B. consequences
- C. conflict
- D. contradiction

1.1.3 Example of unprofessional business practice is ...

- A. treating all people equally.
- B. using polite language to colleagues.
- C. discussing clients' information with other suppliers.
- D. buying shares at a discounted value.

1.1.4 A grievance by an employee must be first reported to the...

- A. CCMA
- B. trade union
- C. senior management
- D. supervisor

1.1.5 The role of personal attitude in successful leadership is characterised by ...

- A. commanding subordinates to reach their maximum performance
- B. enthusiasm produces confidence in a leader
- C. individualism in a leader
- D. delegation of tasks to those perceived to be good

(5 x 2) (10)

1.2 Complete the following statements by using the words provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

leaders and followers theory, ethics, long term, leadership theories, risk, professionalism, short term, decision making, team dynamic theories, problem solving, transformational theory, return

1.2.1 ... refers to the chance that the investor takes when making an investment.

1.2.2 A description of internationally accepted standards that society has of people's conduct and levels of competence in the workplace is referred to as

1.2.3 An investment of a period of more than one year is called ... investment.

1.2.4 ... assists in allocating tasks according to the roles of individual members.

1.2.5 The application of ... theory is most suitable for a dynamic environment, where change could be drastic.

(5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A-J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g. 1.3.5 J.

COLUMN A	COLUMN B
1.3.1 Road Accident Benefit Scheme (RABS)	A. a leadership style that is applied which is based on the circumstances at a particular time
1.3.2 Situational leadership	B. this fund compensates workers financially for disability that may arise as a result of accidents while performing duties.
1.3.3 Capital Market	C. process of analysing a situation to identify strategies to bring about change
1.3.4 Creative thinking	D. an example of professional conduct of employees.
1.3.5 Sexual harassment	E. an avenue where companies and the government can raise long-term funds.
	F. the rate of return stays the same for the period of time.
	G. this fund pays compensation when a person is disabled/injured in a road accident.
	H. a leadership style that is applied when quick decisions needs to be made without consulting employees.
	I. the affected party is normally reluctant to report the incident due to fear of victimization.
	J. the ability to think of original, varied new ideas or new approaches.

(5 x 2) (10)

TOTAL SECTION A: T201



SECTION B

Answer ANY TWO questions from this section.

Clearly indicate the QUESTION NUMBER of each question that you choose.

QUESTION 2: BUSINESS VENTURES

- 2.1 Name any FOUR types of preference shares. (4)
- 2.2 Outline the advantages of unit trusts as a form of investment. (4)
- 2.3 Read the scenario below and answer the questions that follow:

Gertrude invested R50 000 in a fixed deposit for two years. The bank offered her interest at a rate of 15% per annum. She would earn interest on the original amount invested as well as interest accrued from previous periods.

- 2.3.1 State the type of interest applied by the bank. Motivate your answer by quoting from the scenario. (3)
- 2.3.2 Calculate the amount of interest Gertrude will receive after two years. Show all the workings (5)
- 2.4 Distinguish between *leadership* and *management*. (4)
- 2.5 Read the scenario below and answer the questions that follow.

SIMUNYE TRADERS (ST)

Daniel is a manager at Simunye Traders who encourages employees to contribute ideas to improve the sales and profit of the business. John is the owner who makes all the decisions on his own.

- 2.5.1 Name the leadership styles that is applied by Daniel and John. Motivate your answer by quoting from the scenario above. (6)

Use the table below as a GUIDE to answer QUESTION 2.5.1

	LEADERSHIP STYLE	MOTIVATION / QUOTE
DANIEL		
JOHN		

- 2.5.2 Discuss the impact of any ONE of the leadership style named in QUESTION 2.5.1 on ST. (4)
- 2.6 Explain the functions of the Johannesburg Securities Exchange. (4)
- 2.7 Recommend situations in which transactional leadership style can be applied in the workplace. (6)

[40]

QUESTION 3: BUSINESS ROLES

- 3.1 State FOUR examples of unfair advertising. (4)
- 3.2 Outline challenges pose by abuse of work time to businesses (4)
- 3.3 Read the scenario below and answer the questions that follow.

ZAMANI TECHNOLOGIES (ZT)

Zamani Technologies started a new business specialising in developing computer software and repairing of computers. The management at ZT treat workers with respect/dignity by recognising work well done. They also ensure that employees work in a work environment that is conducive to safety.

- 3.3.1 Identify the TWO ways in which professional, responsible, ethical and effective business practice have been conducted by ZT (2)
- 3.3.2 Explain other ways in which professional, responsible, ethical and effective business practice should be conducted. (8)
- 3.4 Describe *accountability* as a King Code principle of good corporate governance. (4)
- 3.5 Suggest strategies to deal with pricing of goods in rural areas. (4)
- 3.6 Read the scenario below and answer the questions that follow:

QUICK MEALS (QM)

QM specialises in selling fried fish and chips. Management has observed a decline in sales. Experts were requested to complete a questionnaire on how to solve their business problem. Employees were requested to work in groups and generate ideas.

- 3.6.1 Identify the TWO problem solving techniques that were applied by QM. Motivate your answer by quoting from the scenario.

Use the table below as a guide to answer QUESTION 3.4.1.

PROBLEM SOLVING TECHNIQUE	MOTIVATION / QUOTE
1.	
2.	

- 3.6.2 Discuss the positive impact of any ONE of the techniques identified in QUESTION 3.4.1 on QM. (4)
- 3.7 Advise businesses on the application of force field problem solving technique. (4)

[40]

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES**

- 4.1 State any THREE examples of non-insurable risks (3)
- 4.2 Read the scenario below and answer the questions that follow.

VALTRIN SUPPLIERS (VS)

The owners of Valtrin Suppliers were happy to notice a substantial increase in the bank balance on the 28 February 2022. They want to invest the surplus funds to increase financial stability. The form of investment must be easily converted into cash.

- 4.2.1 Identify the factor that the owners of VS should consider before making the investment. Motivate your answer by quoting from the scenario. (3)
- 4.2.2 Discuss risk as the other factor that the owners of VS should consider before making an investment decision. (4)
- 4.3 Explain the following types of shares:
- 4.3.1 Ordinary shares (4)
- 4.3.2 Bonus shares (4)
- 4.4 Suggest TWO reasons why the employees may prefer the laissez-faire or free-reign leadership style. (4)

BUSINESS ROLES

- 4.5 State any TWO practical examples of unauthorised use of workplace funds and resources (2)
- 4.6 Identify the type of unethical business practice in EACH statement below.
 - 4.6.1 Businesses that do not declare all their income to the South African Revenue Services (SARS). (2)
 - 4.6.2 Charging a higher amount for goods sold in the countryside (2)
- 4.7 Discuss how business can apply brainstorming as a problem-solving technique to address business related challenges. (4)
- 4.8 Recommend ways in which a business can create an environment that stimulates/promote creative thinking. (8)
[40]

TOTAL SECTION B: [80]



SECTION C

Answer any **ONE** question from this section.

NOTE: Clearly indicate the QUESTION NUMBER of the question chosen.

QUESTION 5: BUSINESS VENTURES (INSURANCE)

Businesses operate in a dynamic and risky environment. Management should have a clear understanding of over and underinsurance as well as the principles of insurance. Insurance is beneficial to businesses as it provides financial relief in times of unforeseen circumstances. Individuals should contribute to Unemployment Insurance Fund for them to enjoy different benefits.

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

- Differentiate between over and under-insurance
- Discuss the following principles of insurance:
 - Indemnification/Indemnity
 - Security / Certainty
- Discuss any FOUR types of benefits paid out by the Unemployment Insurance Fund.
- Recommend the importance / advantages of insurance to businesses.

[40]

QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM SOLVING)

Businesses may increase profit margins by solving complex problems and ensuring sound decision making. Creative thinking is beneficial and essential for business growth and stability. Businesses must follow necessary steps in solving complex problems. They must also take into consideration the impact of force field and nominal group problem solving techniques.

Write an essay on the following aspects of creative thinking and problem solving.

- Outline the differences between problem solving and decision making.
- Explain the advantages of creative thinking in the workplace.
- Discuss any FOUR steps in problem solving.
- Evaluate the impact of the following problem-solving techniques:
 - Force field
 - Nominal group

[40]

TOTAL SECTION C: [40]

GRAND TOTAL: 150



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**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

**BUSINESS STUDIES
COMMON TEST
MARKING GUIDELINE
JUNE 2022**

Stanmorephysics.com

MARKS: 150

This marking guideline consists of 30 pages.

NOTES TO MARKERS**PREAMBLE**

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking.
- (b) Facilitate the moderation of candidates' scripts at the different levels.
- (c) Streamline the marking process considering the broad spectrum of markers across the country.
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning.

1. Candidates' responses must in full sentences for SECTION 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 different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is issued
- 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 case where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of maximum 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 the 'max' in the breakdown of marks) on the right-hand side is to ensure the 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 side 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 'critical evaluate' can be expressed as follows:

10.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take 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, mention, 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, justify, 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 candidates' FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

NOTE: this applies only to questions where the number of facts is specified.

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

13.3 If candidates are required to provide their own examples/views, brainstorm this at memo discussions.

13.4 Use of the cognitive verbs and allocation of marks:

13.4.1 If the number of facts are specified, questions that require candidate 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.

13.4.2 If the number of facts requires 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 the scenario/case study. This applies to SECTION B and C in particular (where applicable).

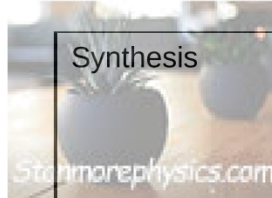
14. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, body and conclusion?	2
Analysis and interpretation	<p>Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?</p> <p>Marks must be allocated using this guide: All headings addressed: 1 (One 'A') interpretation (16 to 32 marks)</p>	2



<p>Synthesis</p>	<p>Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (Two -'S'). Some relevant facts: 1 (One -'S') Only relevant facts: 2 (No -'S')</p> <p>Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no -'S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.</p> <p>Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one-'S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.</p> <p>Option 2: Where a candidate answers less than 50% of the question with no relevant facts; two- 'S' appears in the left margin. Award a ZERO mark for synthesis</p>	
<p>Originality</p>	<p>Is there evidence of examples based on recent information, current trends and development?</p>	<p>2</p>
<p>TOTAL FOR INSIGHT: 8 TOTAL MARKS FOR FACTS: 32 TOTAL MARKS FOR ESSAY 8+ 32: 40</p>		

- NOTE: (1) No marks will be awarded for content repeated from the introduction and conclusion.
- (2) The candidate forfeits marks layout in 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 the 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
TOTAL	40

- 14.7 When awarding marks for facts, take notes of the sub-maximum indicated, especially if candidates do not make use of the same headings. Remember, headings and sub-headings are encouraged and contribute to insight (See MARK BREAKDOWN at the end of each question.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then she/he 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 guidelines.
- 14.10
- 14.10.1 Award TWO marks for complete sentences. Award ONE for phrases, incomplete sentences and vague answers.
- 14.10.2 With effect from November 2015, the TWO marks will not necessarily be 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 the 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 to the nature of question.

SECTION A: (COMPULSORY)

QUESTION 1**1.1 Multiple choice**

1.1.1 C✓✓

1.1.2 A✓✓

1.1.3 C✓✓

1.1.4 D✓✓

1.1.5 B✓✓

(5x2) (10)

1.2 Completing

1.2.1 risk ✓✓

1.2.2 professionalism ✓✓

1.2.3 long-term investment✓✓

1.2.4 team dynamic theory ✓✓

1.2.5 transformational theory ✓✓

(52) (10)

1.3 Matching

1.3.1 G✓✓

1.3.2 A✓✓

1.3.3 E/F✓✓

1.3.4 J✓✓

1.3.5 I✓✓

(5X2) (10)

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

QUESTION	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Answer any **TWO** questions from this Section.

QUESTION 2: BUSINESS VENTURES**2.1 Types of preference shares**

- Participating preference shares ✓
- Non-participating preference shares ✓
- Cumulative preference shares ✓
- Non-cumulative preference shares ✓
- Redeemable preference shares ✓
- Non-redeemable preference shares ✓
- Convertible preference shares ✓
- Non-convertible preference shares ✓

NOTE: Mark the FIRST four only

Max (4)

2.2 Advantages/positives of unit trust as a form of investment

- Managed by a fund manager ✓ who buys shares on the stock 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 investments, ✓ 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. ✓
- Any other relevant answer related to advantages of unit trusts

Max (4)

2.3 Type of interest / interest calculation:**2.3.1 Compound interest**

- She would earn interest on the original amount invested as well as interest accrued from previous periods. ✓(3)

2.3.2 Calculation of compound interest

$$\text{FORMULA} = P \times (1 + r)^n \checkmark$$

$$= R50\,000 \times (1 + 15/100)^2 \checkmark$$

$$= R50\,000 \times (1.15)^2 = R66\,125 \checkmark$$

$$\text{Total interest} = R66\,125 - R50\,000 \checkmark = R16\,125 \checkmark$$

Max (5)

NOTE: 1. Award full marks (5) if the final answer is correct but no workings are shown.

- 2. If formula and workings were shown correctly, but the final answer is wrong, award a maximum of three (3) marks.**
- 3. If workings and the final answer is incorrect, award one (1) mark for the formula.**

2.4 Distinction between leadership and management

LEADERSHIP	MANAGEMENT
Influences human behaviour. ✓	Guides human behaviour. ✓
Communicates by means of interaction ✓/behaviour/vision/values/charisma. ✓	Communicates through management functions ✓, e.g. line function. ✓
Innovates/Encourages new ideas ✓ to increase productivity. ✓	Administers plans/programs/tasks to reach targets. ✓
Inspires staff to trust and support each another. ✓	Controls systems and procedures to get the job done. ✓
Focuses on what and why. ✓	Focuses on how and when. ✓
Focuses on the horizon/long term. ✓	Focuses on the bottom line/short/ medium/long term. ✓
Leaders are born with natural ✓/ instinctive leadership skills. ✓	A person becomes a manager because of the position in which he/she is appointed. ✓
Guides/Leads people to become active participants. ✓	Manages the process of getting things done by exercising responsibility. ✓
Leaders have power/influence ✓ because of his/her knowledge/skills/intelligence. ✓	Managers have power because of the position ✓ of authority into which they are appointed. ✓

Always trying to find more efficient ways√ of completing tasks. √	Enforce rules on subordinates/Ensure that tasks are completed. √
Motivational/Inspirational in their approach √	Instructional in their approach. √
People orientated. √	Task orientated. √
Lead by example/trust/respect. √	Manage by planning/organising/ leading/control. √
Sub max (2)	Sub max (2)

Max (4)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. The distinction does not have to be linked but must be clear.
 3. Award a maximum of two (2) if the distinction is not clear/ Mark either leadership or management

2.5.1 Identification of leadership styles

	LEADERSHIP STYLE	MOTIVATION
DANIEL	Democratic/Participative/ Consultative √√	Daniel is a manager Simunye Traders who encourages employees to contribute ideas to improve the sales and profit of the business. √
JOHN	Autocratic √√	John is the owner who makes all the decisions on his own√
	Sub max (4)	Sub max (2)

Max

- (6) NOTE: 1** Do not award marks for motivation / quote if the leadership style is incorrect.
- 2.** Award marks for leadership style if the motivation / quote is incomplete.

2.5.2 Impact of leadership style

Democratic leadership style Impact of the democratic leadership style on businesses Positives/Advantages

- The leader allows the employees to participate in the decision-making process, √ so
- they feel empowered/positive. √
- Staff gives a variety of ideas√/inputs/feedback/viewpoints that can lead to
- innovation/improved production methods/increased sales. √

- Clear/Two-way communication ✓ ensures group commitment to final decision(s).
- Authority is delegated which can motivate/inspire workers to be more productive. ✓
- Complex decisions can be made ✓ with inputs from specialists/skilled workers. ✓ □ Any other relevant answer related to the positive impact / advantages of democratic □ leadership style.

AND/OR

Negatives/Disadvantages

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

OR

Autocratic leadership style:

Impact of the autocratic leadership style on businesses Positives/Advantages

- Quick decisions can be taken ✓ without consulting/considering followers/ employees. ✓
- Work gets done in time/on schedule. ✓
- Line of command/communication is clear ✓ as it is top-down/followers know exactly what to do. ✓
- Direct supervision and strict control ✓ ensure high quality products/service. ✓
- Any other relevant answer related to the positive impact / advantages of autocratic leadership style.

AND/OR

Negatives/Disadvantages

- Employees may feel discouraged ✓ if their opinions/inputs are not considered. ✓
- Experienced and skilled employees may leave the business ✓ as they feel undermined ✓
- Any other relevant answer related to the negative impact / disadvantages of autocratic leadership style.

Max (4)

2.6 Functions of the Johannesburg Securities 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 available ✓ on the open market. ✓
- Orderly market for securities ✓ serves as a disciplined market for securities. ✓
- Mobilises the funds of insurance companies ✓ and other institutions. ✓
- Raises primary capital ✓ by encourages 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. ✓
- Encourages short-term investment. ✓
- Facilitates electronic trading of shares/STRATE. ✓
- Any other relevant answer related to functions of Johannesburg Securities Exchange.

Max (4)**2.7 Situations in which transactional leadership style can be applied in the workplace**

When:

- The business wants to maximise employee performance. ✓✓
- Deadlines have to be met on short notice/under pressure. ✓✓
- Workers have a low morale. ✓✓
- The strategies/business structures do not have to change. ✓✓
- Productivity levels are very low/not according to targets. ✓✓
- Any other relevant answer related to situations in which transactional leadership style can be applied in the workplace.

Max (6)**[40]****BREAKDOWN OF MARKS**

QUESTION	MARKS
2.1	4
2.2	4
2.3.1	3
2.3.2	5
2.4	4

2.5.1	6
2.5.2	4
2.6	4
2.7	6
TOTAL	40

QUESTION 3: BUSINESS ROLES

3.1 Examples of unfair advertising.

- Giving goods deceptive names/False labelling. ✓
- Selling second hand goods as new goods. ✓
- Exaggerating the merits of the product/False promises ✓
- Using fine print to conceal important information. ✓
- Criticising competitor's goods. ✓
- Exploitations of children's lack of understanding. ✓
- Misuse of people with disabilities in advertisements. ✓
- Advertising that encourages violence. ✓
- Advertising goods at a very low price to attract customers but when the customer reaches the store the item is no longer there/Bait and switch. ✓
- Advertising a product showing additional items, but do not clearly state that these items are excluded. ✓
- Any other relevant answer related to examples of unfair advertising

NOTE: Mark the FIRST four only

Max (4)

3.2 Challenges posed by abuse of work time

- Decrease productivity and loss of profit ✓✓
- Business cannot meet deadlines, thus a backlog in production timeframes. ✓
- Wasting time costs money and lessens cash flow ✓✓✓
- Businesses can lose customers as they are fed-up of inferior service offered by employees who don't care/ neglect their duties. ✓✓
- Any other relevant answer related to challenge to businesses posed by abuse of work time poses

Max (4)

3.3.1 Ways in which professional, responsible, ethical and effective business practice have been conducted by ZT.

- The management at ZT treat workers with respect/dignity by recognising work well done. ✓
- They also ensure that employees work in a work environment that is conducive to safety. ✓

(2x1) (2)

3.3.2 Other ways in which professional, responsible, ethical and effective business practice should be conducted.

- Mission statement should include ✓ values of equality/respect. ✓
- Treat all their employees equally ✓, regardless of their race/colour/age/gender/disability etc. ✓
- All workers should have access ✓ to equal opportunities/positions/resources. ✓
- Plan properly ✓ and put preventative measures in place. ✓
- Pay fair wages/salaries ✓ which is in line with the minimum requirements of the BCEA/Remunerate employees for working overtime/during public holidays. ✓
- Refrain from starting a venture using other businesses' ideas ✓ that are protected by law. ✓
- Engage in ✓ environmental awareness programmes ✓/Refrain from polluting the environment ✓, e.g. by legally disposing of toxic waste. ✓
- Employers and employees need to comply with legislation ✓ with regard to equal opportunities/human rights in the workplace. ✓
- Businesses should develop equity programmes/promote strategies ✓ to ensure that all employees are treated equally regardless of status/rank/power. ✓
- 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 manner in which the task should be performed. ✓
- Any other relevant answer related to ways in which professional, responsible, ethical, and effective business practice should be conducted.

NOTE: Do not award marks for responses that are quoted from the scenario in QUESTION 3.3.1

Max (8)

3.4 Accountability as a King Code principle of good corporate governance.

- There must be regular communication√ between management and stakeholders. √
- Company should appoint internal and external auditors√ to audit financial statements. √
- The board should ensure that the company's ethics√ are effectively implemented. √
- Businesses should be accountable/ responsible√ for their decisions/actions. √
- Businesses should present accurate annual reports√ to shareholders at the Annual General Meeting (AGM). √
- Top management should ensure that other levels of management√ are clear about their roles and responsibilities to improve accountability √
- Any other relevant answer related to accountability as a King's Code principles for good corporate governance

Max (4)

3.5 Strategies to deal with pricing in rural areas

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

Max (4)

3.6.1 Problem solving technique / motivation



PROBLEM SOLVING	MOTIVATION / QUOTE
2. Brainstorming √√	Experts were requested to complete a questionnaire on how to solve their business problem. √
	groups and generate ideas. √
Sub max {4}	Sub max (2)

Max (6)

NOTE:1. Do not award marks for motivation / quote if the problem solving technique incorrect.

2. Award marks for problem solving technique if the motivation / quote is incomplete.

3.6.2 Impact of problem solving techniques

Positives / Advantages of Delphi technique

- Businesses may use a group of experts√ without bringing them together. √
- The experts will give the business clear ideas/solutions√ on how to improve on productivity/profitability. √
- Information received from experts√ can be used to solve complex business problems. √
- Experts may give honest/credible opinions√ as they do not have a direct/personal interest in the business. √
- Conflict may be avoided especially if all employees are knowledgeable√ and well qualified. √
- Dominating employees may not take over the process√ as they do not form part of the problem solving process. √
- It reduces noise levels in an office environment √since there is no group discussion. √
- Any other relevant answer related to the positive impact of Delphi technique on QM/ businesses.

OR Positive/Advantages of brainstorming

- 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/advantages of brainstorming.

Max (4)

3.7 Application of Force-Field Analysis

- Describe the current situation/problem and the desired situation. √√
- List all driving/pros and restraining/cons forces that will support and resist change. √√
- Allocate a score to each force using a numerical scale, where 1 is weak and 5 is strong. √√
- Weigh up the positives and negatives then decide if the project is viable. √√
- Choose the force with the highest score as the solution. √√
- If the project is viable, find ways to increase the forces for change.
- Identify priorities and develop an action plan. √√
- Any other relevant answer related to the application of force field analysis.

Max (4)

[40]

BREAKDOWN OF MARKS

QUESTION	MARKS
3.1	4
3.2	4
3.3.1	4
3.3.2	6
3.4.	4
3.5	4
3.6.1	6
3.6.2	4
3.7	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES****4.1 Examples of non-insurable risks**

- Nuclear weapons/war ✓
- Changes in fashion ✓
- Improvement/changes in technology ✓
- Irrecoverable debts ✓
- Financial loss due to bad management ✓
- Possible failure of a business ✓
- Shoplifting during business hours ✓
- Loss of income if stock is not received in time/Time that elapses between the ordering and delivery of goods. ✓
- Any other relevant answer related to examples of non-insurable risks

NOTE: Mark the FIRST three only

Any (3x1) (3)

4.2 Investment factor / motivation

4.2.1 Liquidity ✓✓ (2)

○ Motivation

- The form of investment must be easily converted into cash. ✓ (1)

4.2.2 Risk as an investment factor

- Shares have low/medium risk ✓ over a longer investment period. ✓
- Shares with higher risks ✓ have a greater potential for higher returns. ✓
- Ordinary shares have the highest risk ✓ as the investor may lose the full/part of the investment when the company is dissolved/bankrupt/liquidated. ✓
- Preference shareholders' risk is lower, ✓ as they have preferential claims on the assets of the liquidated company/may receive some compensation before ordinary shareholders. ✓
- Share prices are linked to factors that investors cannot control, ✓ e.g. economic conditions/ operational success of the company, etc. ✓
- Share prices are volatile/unstable/unpredictable/may increase/ decrease sharply ✓ within hours which contribute to the uncertainty of the value of an investment in shares on the short term. ✓
- Any other relevant answer related to the explanation of risk as a factor when making an investment decision.

Max (4)

4.3 Types of shares:

4.3.1 Ordinary shares

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

Max (4)

4.3.2 Bonus shares

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

Max (4)

4.4 Reasons why the employees may prefer the laissez-faire or free-reign leadership style.

- 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 suggested reasons as to why employees may prefer the laissez-faire or free-reign leadership style.

Max (4)

BUSINESS ROLES

4.5 Examples of unauthorised use of workplace funds and resources

- Employees who download music and movies using the business's resources
- An employee who uses business resources for his/her own personal gain.
- Any other relevant answer related to examples of unauthorised use of workplace funds and resources.

Any (2x1) (2)

4.6 Identification of the type of unethical business practice

4.6.1 Taxation/Tax evasion ✓✓

4.6.2 Pricing of goods in rural areas ✓✓

(4)

4.7 Application of Brainstorming as a problem-solving technique

- State/Define the business problem clearly, ✓ so that all participants/stakeholders understand the problem. ✓
- Members state possible causes ✓ of the business problems. ✓
- Set a time limit ✓ for each brainstorming session. ✓

- Record/Write ideas down, ✓ where all participants can see it. /Ideas may also be shared online during an E-brainstorming session. ✓
- Use each suggestion, ✓ to inspire new thoughts/ideas. ✓
- Do not judge/criticise/discuss the ideas, ✓ so that many ideas could be generated as quickly as possible. ✓
- All members of the group randomly ✓ make suggestions. ✓
- The group rates ideas according to its usefulness ✓/success/difficulty/cost to implement. ✓
- The group evaluates all ideas, ✓ and combines similar ones/draw up a refined list ✓
- Discuss a plan of action ✓ on how to implement the best ideas. ✓
- Any other relevant answer related to application of brainstorming as a problem solving technique.

Max (4)

4.8 Ways in which a business can create an environment that stimulates/promotes creative thinking.

- Emphasise the importance of creative thinking ✓ to ensure that all staff know that management want to hear their ideas.
- Encourage staff ✓ to come up with new ideas/opinions/solutions. ✓
- Make time for brainstorming sessions ✓ to generate new ideas, e.g. 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 swops within the organization ✓/studying how other businesses are doing things. ✓
- Encourage alternative ways of working/doing things. ✓
- Respond enthusiastically to all ideas ✓ and never let anyone feel less important. ✓
- Respond enthusiastically to all ideas ✓ and never let anyone feel less important. ✓
- Reward creativity with reward schemes for teams/individuals ✓ that come up with creative ideas. ✓
- Provide a working environment conducive ✓ to creativity, free from distractions. ✓
- Any other relevant answer related to ways in which a business can create an environment that stimulates/promotes creative thinking.

Max (6)**[40]**

BREAKDOWN OF MARKS

QUESTION	MARKS
4.1	3
4.2.1	3
4.2.2	4
4.3.1	4
4.3.2	4

4.4	4
4.5	2
4.6.1	2
4.6.2	2
4.7	4
4.8	8
TOTAL	40

TOTAL SECTION B:[80]

SECTION C

Mark **ONLY** the **FIRST** question in this section.

QUESTION 5: BUSINESS VENTURES (INVESTMENT: INSURANCE)

5.1 Introduction

- Insurance refers to cover for a possible event that may cause a specified loss/ damage. ✓
- An agreement whereby the insurer undertakes to indemnify the insured in the event of a specified loss/damage. ✓
- The insured has to pay a premium for specified losses/damages covered. ✓
- A contract between a person/business/insured requiring insurance cover and the insurance company/insurer bearing the financial risk. ✓
- For this contract to continue, the insured must pay the monthly premium to the insurer. ✓
- Any other relevant introduction over and under insurance/principles of insurance/benefits of UIF/importance of insurance.

(2x1) (2)

5.2 Differences between over and under-insurance

OVER-INSURANCE	UNDER-INSURANCE
<input type="checkbox"/> Over insurance is when the item is insured for more than ✓ the actual market value. ✓	<input type="checkbox"/> Occurs when property or assets are not insured ✓ for their full market value. ✓
<input type="checkbox"/> Businesses will not receive a pay-out larger than the value ✓ of the loss at market value. ✓	<input type="checkbox"/> The property/asset is insured for less than the current/actual value ✓ of the property/assets ✓

<input type="checkbox"/> This means that the extra money paid for the premiums \checkmark will not be paid out to the insurer if there is a claim for a loss. \checkmark	<input type="checkbox"/> If a business is insured for an amount that is under the actual market value of goods or service, \checkmark the insured/business will only be paid out for the amount that the goods/assets are insured for \checkmark
<input type="checkbox"/> The insurer usually applies the reinstatement clause \checkmark to calculate the amount of money that must be compensated to the insured if the goods/assets are over insured. \checkmark	<input type="checkbox"/> The insurer usually applies the average clause \checkmark to calculate the amount of money that must be compensated to the insured if the goods/assets are under insured \checkmark
<input type="checkbox"/> Any other relevant answer related to over insurance.	<input type="checkbox"/> Any other relevant answer related to under insurance.
Sub max (6)	Sub max (6)

Max (12)

- NOTE: 1. The answer does not have to be in tabular format.**
- 2. The differences do not have to be linked but clear.**
- 3. If the differences are not clear, award a maximum of six (6) marks for over insurance / under-insurance.**

5.3 Principles of insurance

5.3.1 Indemnification/Indemnity

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

- Any other relevant answer related to the principle of indemnification / indemnity

Sub-max (6)**5.3.2 Security / Certainty**

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

Sub-max (6)**Max (10)****5.4 The benefits of UIF****5.4.1 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. ✓
- Any other relevant answer related to unemployment benefits as a benefit of UIF.

Type of benefit (2)**Explanation (2)****Sub-max (4)****5.4.2 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. ✓
- Any other relevant answer related to illness/ sickness/ disability benefits as a benefit of UIF.

Type of benefit (2)**Explanation (2)****Sub-max (4)**

5.4.3 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. ✓
- Any other relevant answer related to maternity benefits as a benefit of UIF.

Type of benefit (2)
Explanation (2)
Sub-max (4)

5.4.4 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. ✓
- Any other relevant answer related to adoption benefits as a benefit of UIF.

Type of benefit (2)
Explanation(2)
Sub-max (4)

5.4.5 Dependents' benefits ✓✓

- Dependents 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. ✓
- Any other relevant answer related to dependents' benefits as a benefit of UIF.

NOTE: 1. Mark the first FOUR (4) types of benefits only.

- **2. Do not award marks for types of leave / leave provisions**

Type of benefit (2)
Explanation (2)
Sub-max (4)
Max (16)

5.5 The importance / advantages of insurance to 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 businesses against dishonest employees. ✓✓
- Protects businesses against losses due to death of a debtor. ✓✓
- Protects the business against theft/loss of stock and/or damages caused by natural disasters such as floods, storm damage, etc. ✓✓
- Protects businesses from claims made by members of the public for damages that the business is responsible for. ✓✓
- Businesses will be compensated for insurable losses, e.g. destruction of property through fire. ✓✓

- Businesses assets, e.g. vehicles/equipment/buildings need to be insured against damage and/or theft. ✓✓
- Businesses are protected against the loss of earnings, e.g. strikes by employees which result in losses worth millions. ✓✓
- 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. ✓✓
- Any other relevant answer related to importance / advantages of insurance to businesses

Max (8)**5.6 Conclusion**

- It is important to cover the actual value of the asset since both under and over insurance have negative consequences to him or her. ✓✓
- Employers have workshop their employees on the different benefits that are brought by UIF.
- Before the insured and insurer enter into the insurance contract, it is important for them to acquaint themselves with principles of insurance. ✓✓
- Compulsory insurance is governed by legislation/law and it is imposed on businesses ✓✓
- Any other relevant answer related to over and under-insurance/ principles of insurance/benefits of UIF/ importance of insurance to businesses

(1x2) (2)**[40]****QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

Details	Maximum	Total
Introduction	2	Max 32
Differences between over and underinsurance	12	
Principles of insurance	10	
Benefits of UIF	16	
Importance / advantages of insurance to businesses	8	
Conclusion	2	
INSIGHT		
Layout	2	
Analysis, interpretation	2	

Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

QUESTION 6 BUSINESS ROLES

6.1 Introduction

- Problem solving and decision making play an important role in addressing business challenges. ✓
- Solving problems requires businesses to apply creative and critical thinking skills. ✓
- Businesses must solve many problems as they confront the challenges of dynamic and complex business environments. ✓
- The business may use creative thinking techniques to solve business problems. ✓
- Any other relevant introduction related to differences between problem solving and decision making/benefits of creative thinking/problem solving steps/impact of force field and nominal group technique.

(2 x 1) (2)

6.2 Differences between problem solving and decision making

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

Max (8)

- NOTE: 1. The answer does not have to be in tabular format.**
- 2. The differences do not have to be linked but clear.**
- 3. If the differences are not clear, award a maximum of four (4) marks for problem solving/ decision making.**

6.3 Advantages of creative thinking in 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 utilise time and money more effectively.√
- Managers/Employees have more confidence√ as they can live up to their full potential.√
- Managers will be better leaders√ as they will be able to handle/manage change(s) positively and creatively.√
- Managers/Employees can develop a completely new outlook,√ which may be applied to any task(s) they may do.√
- Leads to more positive attitudes√ as managers/employees feel that they have contributed towards problem-solving.√
- Improves motivation√ amongst staff members.√
- Managers/Employees have a feeling of great accomplishment√ and they will not resist/obstruct the process√ once they solved a problem/contributed towards the success of the business.√
- Management/employees may keep up√ with fast-changing technology.√
- Stimulates initiative from employees/managers,√ as they are continuously pushed out of their comfort zone.√
- Creativity may lead to new inventions√ which improve the general standard of living.√
- Any other relevant answer relating to the advantages of creative thinking in the workplace.

Max (10)**6.4 Discussion of problem-solving steps****6.4.1 Identify the problem√√**

- Acknowledge that√ there is a problem. √
- Identify√ the exact problem. √
- Break down the problem into smaller parts√ that are easier solve separately. √

Step (2)

Discussion (2)

Sub max (4)

6.4.2 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.

Step (2)

Discussion (2)

Sub max (4)

6.4.3 Identify alternative solutions√√

- Identify all √different possible solutions.√
- Use creative thinking strategies√ to generate a wide range of solutions. √
- Focus on generating as many ways as possible√ through using creative thinking. √

- Collect as many ideas as possible ✓ and find the best idea/decide on one strategy to follow. ✓

Step (2)

Discussion (2)

Sub max (4)

6.4.5 Evaluate alternative solutions ✓✓

- Use critical evaluation and analytical skills ✓ to evaluate each solution. ✓
- Consider the advantages and disadvantages ✓ of each alternative solution. ✓

Step (2)

Discussion (2)

Sub max (4)

6.4.6 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. ✓

Step (2)

Discussion (2)

Sub max (4)

6.4.7 Formulate/Develop an action plan/strategy ✓✓

- Arrange the necessary resources ✓ and delegate tasks. ✓
- Establish a timeline for implementation ✓ and set deadlines. ✓

Step (2)

Discussion (2)

Sub max (4)

6.4.8 Implement the action plan ✓✓

- Carry out ✓ the planned actions/solution. ✓
- Communicate delegated tasks/deadlines to employees. ✓

Step (2)

Discussion (2)

Sub max (4)

6.4.9 Evaluate the solution/action plan ✓✓

- Assess whether the problem ✓ has been solved partially or entirely. ✓ □
Monitor/test the solution/action plan/strategy continuously.
- If problems emerge, they must recognise and re-formulate the problem ✓ for improved solutions in the future. ✓

Step (2)

Discussion (2)

Sub max (4)

NOTE: MARK THE FIRST FOUR STEPS ONLY

Max (14)

6.5 Impact of problem-solving techniques

6.5.1 Impact of the Force Field Analysis

Positives/Advantages

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

AND/OR

Negatives/Disadvantages

- It is time-consuming since the business must stabilise before more changes can be made. ✓✓
- Requires the participation of all business units. ✓✓
- The analysis developed is entirely dependent upon the skill level and knowledge of the group working on the analysis. ✓✓
- Any other relevant answer related to a negative impact/disadvantages of Force Field Analysis as problem-solving technique

Sub max (8)

6.5.2 Impact of Nominal Group Technique Positives/Advantages

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

AND/OR

Negatives/Disadvantages

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

Sub max (8)

Max (14)

6.6 Conclusion

- Businesses need to find ways to break out from routine thinking. √√
- Through problem-solving, alternative solutions are generated/identified and critically evaluated.√√
- Any other relevant conclusion related to social rights, equality, respect, dignity, creative thinking and problem-solving.

[40]

QUESTION 6 BREAKDOWN OF MARKS

DETAILS	MAX MARKS	TOTAL
Introduction	2	Max 32
Differences between problem solving and decision making	8	
Advantages of creative thinking	8	
Problem solving steps	14	
Impact of problem-solving techniques	14	
Conclusion	2	
INSIGHT		
Layout	2	Max 8
Application	2	
Synthesis	2	
Originality	2	

TOTAL SECTION C: 40

GRAND TOTAL: 150