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PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

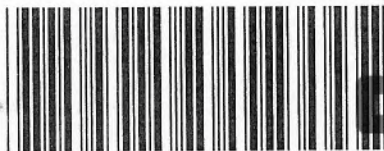
GRADE 12

BUSINESS STUDIES P2

SEPTEMBER 2023

MARKS: 150

TIME: 2 hours



EBSTDP2

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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 and covers TWO main topics:
 SECTION A : COMPULSORY
 SECTION B : Consists of THREE questions.
 Answer any TWO of the three questions in this 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 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 written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth 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	20
B: THREE direct/indirect-type questions CHOICE: Answer ANY TWO.	2	40	70
	3	40	
	4	40	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		150	120

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
8. You may use a 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 letters (A - D) next to the question numbers (1.1.1 - 1.1.5) in the answer book, for example 1.1.1. B.
- 1.1.1 This form of ownership is established by a group of people who agree to work together for their mutual economic benefit.
- A Cooperative
B Personal-liability company
C Private company
D Partnership
- 1.1.2 Joe invested R12 000 at Summer Bank at 13% simple interest per year. He will receive an amount of ... as interest at the end of 3 years.
- A R18 900
B R16 680
C R12 000
D R4 680
- 1.1.3 The ... clause is applied to determine the amount that the insurer will pay out, especially when goods are underinsured.
- A excess
B subrogation
C average
D reinstatement
- 1.1.4 During the ... stage, team members confront each other with different ideas.
- A adjourning
B norming
C performing
D storming
- 1.1.5 Ashiyo Dairy uses recyclable containers to package their dairy products in order to take care of ... as triple bottom line element.
- A profit
B planet
C people
D project



(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) 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.

dignity; founders; conflict; simple; professional;
bonus; compound; privacy; ethical; grievance

- 1.2.1 The holder of ... shares receive dividends after all other shareholders were paid.
- 1.2.2 Investors earn ... interest on original amount invested, as well as interest earned in previous periods.
- 1.2.3 Quake Limited respects employees' right to ... by not providing their personal information to others.
- 1.2.4 Management of Bulba Health Centre ensures that practitioners implement ... behavior by applying the code of conduct.
- 1.2.5 Workers at Stars Limited are always experiencing ... as they always disagree with each other.

(5 x 2) (10)



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- 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. 1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Debentures	A	willingness to co-operate in the team to achieve objectives
1.3.2	Unlimited liability	B	focuses on using routine thinking when solving problems
1.3.3	Collaboration	C	deliberate charity donation to lessen tax liability
1.3.4	Creative thinking	D	issued to raise borrowed capital from the public
1.3.5	Tax evasion	E	shareholders only lose capital invested to pay for the debts of the business
		F	focuses on exploring ideas when solving problems
		G	Issued to raise share capital from the public
		H	deliberate action to falsify financial statements to pay less tax
		I	shareholders' personal assets may be taken to pay for the debts of the business
		J	group critically evaluates alternative solutions

(5 X 2)

(10)

TOTAL SECTION A: 30



SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the **QUESTION NUMBER** of each question that you choose. The answer to **EACH** question must start on a **NEW** page, e.g. **QUESTION 2** on a new page, **QUESTION 3** on a **NEW** page.

QUESTION 2: BUSINESS VENTURES

- 2.1 Name any TWO examples of non-insurable risks. (2)
- 2.2 Outline the functions of the Johannesburg Security Exchange (JSE). (6)
- 2.3 Read the following scenario below and answer the questions that follow.

BLUE TAG CONSULTANTS (BTC)

Garth, an accounting officer at Blue Tag Consultants, presented his financial report during the Annual General Meeting held with shareholders. He considered the time frame for his presentation. Garth went to the venue to make sure the adequate equipment is there for the presentation. He also rehearsed to ensure a confident presentation.

- 2.3.1 Quote from the scenario above TWO factors that Garth considered when preparing for a presentation. (2)
- 2.3.2 Explain to Garth factors that must be considered while presenting. (6)
- 2.4 Discuss the advantages of a non-profit company. (6)
- 2.5 Read the following scenario below and answer the questions that follow.

CAT HAVEN (CH)


Collin, a purchasing manager at Cat Haven does not allow any of the new employees to order any raw materials. He also believe that this leadership style is the best.

- 2.5.1 Identify the leadership style that is applicable to the scenario above. (2)
- 2.5.2 Evaluate the advantages of the leadership style identified in QUESTION 2.5.1. (4)
- 2.6 Explain *investment period* as a factor that should be considered when making an investment decision. (6)
- 2.7 Advise the marketing manager on the advantages of using hand-outs during a presentation. (6)

[40]

QUESTION 3: BUSINESS ROLES

- 3.1 Name THREE types of unethical business practices. (3)
- 3.2 Outline the difference between *problem-solving* and *decision making*. (4)
- 3.3 Read the following scenario below and answer the questions that follow.



SMOOTH FURNITURE (SF)

Smooth Furniture wanted to change the designs of their new clothing range. Employees were requested to suggest new ideas in a large group without working individually. These ideas were used to inspire new thoughts. They also send out questionnaires to different furniture experts to seek their suggestions.

- 3.3.1 Identify TWO problem-solving techniques used by SF. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.3.1

PROBLEM SOLVING TECHNIQUES	MOTIVATIONS
1.	
2.	

- 3.2.2 Discuss the advantages of creative thinking in the workplace. (4)
- 3.4 Explain how team dynamics may be used to improve team performance in the business. (4)
- 3.5 Read the following scenario below and answer the questions that follow.

PULANI IT SERVICES (PIT)

Pulani IT Services does not have facilities for people who use wheelchairs. English is the only medium of communication allowed in the workplace, despite the fact that some employees do not understand or speak it. They also employ more females than males in the business. PIT lacks knowledge of the benefit of diversity in the workplace.

- 3.5.1 Identify THREE diversity issues that are referred to in the scenario above. (3)
- 3.5.2 Discuss benefits of diversity in the workplace. (6)
- 3.6 Explain the implication of equality, respect and dignity on businesses. (4)
- 3.7 Advise businesses on how they should handle grievance in the workplace. (6)

[40]



QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES**

- 4.1 Name any TWO types of preference shares. (2)
- 4.2 Outline the differences between *management* and *leadership*. (4)
- 4.3 Read the following scenario below and answer the question that follows.

MAKWEDI AND SIPHO TRADERS (MST)

Makwedi and Sipho Traders is a successful partnership, but the partners want to change to a form of ownership where it will be compulsory to audit financial reports.

- 4.3.1 Name a new form of ownership that will be suitable for MST. (2)
- 4.3.2 Discuss the advantages and disadvantages of the type of ownership identified in 4.3.1. (6)
- 4.4 Explain the role of personal attitude in successful leadership. (6)

BUSINESS ROLES

- 4.5 Name any TWO economic rights of employees. (2)
- 4.6 Identify the King Code principle of good governance represented by EACH statement below:
- 4.6.1 The management of Sanjeeb Property Agency Ltd have made sure all decisions taken by them are clear. (2)
- 4.6.2 Sanele Beauty Parlour have developed remedial programmes to protect the environment. (2)
- 4.7 Explain responsibilities of employers in promoting human health and safety in the workplace. (6)
- 4.8 Read the following scenario below and answer the questions that follow.

TSHABALALA CATERING (TC)

Tshabalala Catering provides catering services to government entities. Thomas, a well-experienced employee in the hospitality sector, refuses to take instructions from management. Carl, the supervisor at TC, accepts every idea from top management.

- 4.8.1 Identify TWO types of difficult personalities displayed by Thomas and Carl. (2)

Use the table below as a GUIDE to answer QUESTION 4.8.1

EMPLOYEES	TYPE OF DIFFICULT PERSONALITY
Thomas	
Carl	

- 4.8.2 Suggest ways in which businesses could deal with difficult people in the workplace. (6)
- TOTAL SECTION B: [40]**
- 80**

SECTION C

Answer any ONE in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question chosen. The answer to EACH question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW PAGE.

QUESTION 5: BUSINESS VENTURES (INSURANCE)

It is important that business know the impact of insurance and assurance on the businesses. Employer, employees and citizens are expected to contribute to compulsory insurance such as Unemployment Insurance Fund (UIF) and Road Accident Fund (RAF). It is necessary that the business always take the principles of insurance into account when claims are lodged. Every business needs insurance to make sure they are covered in full

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

- Outline the differences between *insurance* and *assurance*.
- Explain the following compulsory insurance:
 - Unemployment Insurance Fund (UIF)
 - Road Accident Fund (RAF) as compulsory insurance.
- Discuss THREE principles of insurance.
- Advise businesses on the importance of insurance

(40)

QUESTION 6 : BUSINESS ROLES (CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL INVESTMENT)

Businesses are required to be involve in Corporate Social Responsibility (CSR) and Corporate Social Investment (CSI) in order to impact their communities. They should develop strategies on dealing with socio-economic issues like HIV/AIDS and poverty. Businesses are also expected to contribute time and effort to improve the well-being of employees.

Write an essay on corporate social responsibility and corporate social investment in which you include the following aspects:

- Outline the differences between CSR and CSI.
- Explain the impact of CSR on communities.
- Discuss strategies on how businesses could deal with *HIV/Aids* and poverty as socio-economic issues.
- Suggest ways in which businesses could contribute time and effort to improve the well-being of their employees.

(40)

TOTAL SECTION C: [40]
GRAND TOTAL: 150

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GRADE 12

BUSINESS STUDIES P2

SEPTEMBER 2023

MARKING GUIDELINE

MARKS: 150

This marking guideline consists of 28 pages.



NOTES TO MARKERS

1. PREAMBLE

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

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

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

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

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

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)


5. The word 'Sub max' is used to facilitate the allocation of marks within a question or sub-question.

6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.

7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guideline. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of responses to questions is recommended in SECTION A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1  When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings.'√
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance, candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√

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

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

Cognitive verbs, such as:

- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, compare, distinguish, compare, tabulate, differentiate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.



14. SECTION B

14.1 If for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion.



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

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

14.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.

14.4 Use of the cognitive verbs and allocation of marks:

14.4.1 If the number of facts is 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 guidelines to facilitate mark allocation.

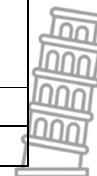
14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guidelines.

14.5 **ONE mark may be awarded for answers that are easy to recall, requires one-word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**

15. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40



15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, paragraphs and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S') Option 1: Only relevant facts: 2 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 mark (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark synthesis.	2
Originality	Is there evidence of one example per topic/subtopic based on recent information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

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

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/marketing guidelines to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained but continue reading for originality "O".
- 15.6 At the end of each essay, indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Fact	32 (max.)
L	2
A	2
S	2
O	2
TOTAL	40

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember headings and sub-headings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARKS BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy/✓where business aim to introduce new products✓ into existing markets.' ✓
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the memo, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A**QUESTION 1**

- 1.1 1.1.1 A ✓✓
 1.1.2 D ✓✓
 1.1.3 C ✓✓
 1.1.4 D ✓✓
 1.1.5 B ✓✓

(5 x 2) (10)

- 1.2 1.2.1 founders ✓✓
 1.2.2 compound ✓✓
 1.2.3 privacy ✓✓
 1.2.4 professional ✓✓
 1.2.5 conflict ✓✓

(5 x 2) (10)

- 1.3 1.3.1 D ✓✓
 1.3.2 I ✓✓
 1.3.3 A ✓✓
 1.3.4 F ✓✓
 1.3.5 H ✓✓

(5 x 2) (10)

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

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30



SECTION B**Mark only the FIRST TWO answers only.****QUESTION 2: BUSINESS VENTURES****2.1 Examples of non-insurable risks**

- Nuclear weapons/war✓
- Changes in fashion✓
- Improvement 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 TWO (2) only.**(2 x 1) (2)****2.2 Functions of the JSE:**

- Gives opportunities to financial institutions such as insurance companies investing their surplus funds in shares. ✓✓
- Serves as a barometer/indicator of economic conditions in South Africa. ✓✓
- Keeps investors informed by publishing share prices daily. ✓✓
- Acts as a link between investors and public companies. ✓✓
- Shares are valued and assessed by experts. ✓✓
- Small investors are invited to take part in the economy of the country through the buying/selling of shares. ✓✓
- Venture capital market is made possible on the open market. ✓✓
- Strict investment rules ensure a disciplined/orderly market for securities. ✓✓
- Raises primary capital by encouraging new investments in listed companies. ✓✓
- Mobilises the funds of insurance companies and other institutions. ✓✓
- Regulates the market for trading in shares. ✓✓
- Plans, researches and advises on investment possibilities. ✓✓
- Ensures that the market operates in a transparent manner. ✓✓
- Provides protection for investors through strict rules/legislation. ✓✓
- Encourages short-term investment as shares can be sold at any time. ✓✓
- Facilitates electronic trading of shares/STRATE. ✓✓/Channels financial resources and facilitates trading. ✓✓
- Enhance job creation and increases economic growth/development. ✓✓
- Any other relevant answer related to the functions of the JSE.

Max (6)

2.3 Presentation

2.3.1 Factors to be considered when preparing for presentation from the scenario

"He considered the time frame for his presentation." ✓

"He also rehearsed to ensure a confident presentation." ✓

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



2.3.2 Factors to be considered while presenting

- Establish credibility by introducing yourself ✓ as the presenter at the start. ✓
- Mention/Show the most important ✓ information first. ✓
- Make the purpose/main points of the presentation clear ✓ at the start of the presentation. ✓
- Use suitable ✓ section titles/headings/sub-headings/bullets. ✓
- Summarise the main points ✓ of the presentation to conclude the presentation. ✓
- Stand in a good position/upright, ✓ where the audience can clearly see the presenter/presentation. ✓
- Refrain from hiding ✓ behind equipment. ✓
- Capture listeners' attention/Involve the audience with a variety of methods. ✓
- Maintain eye contact ✓ with the audience. ✓
- Be audible ✓ to all listeners/audience. ✓
- Vary the tone of voice/tempo ✓ within certain sections to prevent monotony. ✓
- Make the presentation interesting ✓ with visual aids. ✓
- Do not rush or talk too slowly. ✓
- Keep the presentation short ✓ and simple. ✓
- Any other relevant answer related to factors to be considered during a presentation.

Max (6)

2.4 Advantages of a non-profit company

- The profits of NPCs are used solely for the primary objective ✓ of the organisation. ✓
- They provide social services ✓ to various communities, for example, Meals on Wheels provides food for needy people. ✓
- Contributions/Donations to NPC's are tax deductible ✓ and might prompt more donations from people/businesses. ✓
- The liability of the members ✓ is limited. ✓
- NPCs have continuity ✓ of existence. ✓
- Most of the income ✓ of a non-profit company is free from income taxes. ✓
- If they qualify, ✓ NPCs can receive grants. ✓
- Any other relevant answer related to advantages of a NPC.



Max (6)

2.5 Leadership**2.5.1 Leadership style from the scenario**

Autocratic leadership style ✓✓

(2)

2.5.2 Advantages of autocratic leadership style

- The leader is in a position to make quick decisions ✓, without consulting employees. ✓
- The leader has certainty that decisions will be made timeously ✓, without delays/work gets done on schedule. ✓
- There is no uncertainty regarding the source of instructions ✓, which comes directly from the leader. ✓
- Strict monitoring/control of production processes ✓ by the leader ensures quality products and services. ✓
- Clear/Consistent direction from the leader ✓, provides certainty to new employees. ✓
- The large workforce in certain businesses ✓ make it impractical to meet/consult with employees. ✓
- Concise/Clear guidance could be given ✓ to newly appointed/inexperienced staff. ✓
- Any other relevant answer related to advantages of autocratic leadership style.

NOTE: Accept relevant facts if the leadership style was incorrectly identified as an answer in QUESTION 2.5.1.

Max (4)**2.6 Investment period rate as a factor that should be considered when making an investment decision**

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

- Max (6)**2.7 Advantages of hand-outs during presentation**

- The presenter may attract the attention of the stakeholders/audience by providing them with useful hand-outs/flyers/brochures before the start of the presentation. ✓✓
- Important information about the presentation could be provided to the stakeholders/audience after the presentation. ✓✓
- Any new/additional information could effortlessly be included in subsequent copies of the hand-outs/flyers/brochures. ✓✓
- The information could be verified by comparing it with the PowerPoint presentation. ✓✓
- Any other relevant answer related to the advantages of hand-outs during a presentation.

Max (6)**[40]**



BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	2
2.2	6
2.3.1	2
2.3.2	6
2.4	6
2.5.1	2
2.5.2	4
2.6	6
2.7	6
TOTAL	40

QUESTION 3: BUSINESS ROLES

3.1 Types of unethical business practices:

- Unfair advertising
- Pricing of goods in rural areas
- Taxation/Tax evasion

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

3.2 Difference between problem-solving and decision making

PROBLEM-SOLVING	DECISION MAKING
<ul style="list-style-type: none"> - Problems can be solved by a group/ team which makes the process consultative. √√ - Alternative solutions are generated/ identified and critically evaluated. √√ - Process of analysing a situation to identify strategies to bring about change. √√ - Any other relevant answer related to problem-solving. 	<ul style="list-style-type: none"> - It is often done by one person/a member of senior management who makes the process authoritarian. √√ - Various alternatives are considered before deciding on the best one. √√ - It is part of the problem-solving cycle as decisions need to be taken in each step. √√ - Any other relevant answer related to decision making.
Submax 2	Submax 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 problem solving or decision-making only.



Max (4)

3.3 Problem-solving techniques

3.3.1 Problem-solving techniques from the scenario

 PROBLEM SOLVING TECHNIQUES	MOTIVATIONS
1. Brainstorming ✓✓	Employees were requested to suggest new ideas in a large group without working individually. ✓
2. Delphi technique ✓✓	They also send out questionnaires to different furniture experts to seek their suggestions. ✓
Submax 4	Submax 2

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

Max (6)

3.3.2 Advantages of creative thinking in the workplace

- Better, unique or unconventional ideas ✓ and 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 and employees may quickly generate multiple ideas that use time and money more effectively. ✓
- Managers and 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 and 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 and employees feel that they have contributed towards problem-solving. ✓
- Improves motivation ✓ amongst staff members. ✓
- Managers and employees have a feeling of great accomplishment ✓ and they will not resist or obstruct the process once they solved a problem and contributed towards the success of the business. ✓
- Management and employees may keep up ✓ with fast-changing technology. ✓
- Stimulates initiative from employees and 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 related to advantages of creative thinking in the workplace.

Max (4)

3.4 Ways in which team dynamics may improve team performance

- Team dynamic theories are used to explain the effectiveness✓ and importance of teamwork. ✓
- Tasks are allocated to team members consistent✓ with the role the team member performs within the team. ✓
- The skills/experiences/talent of the team member✓ determines the role that will be allocated to him/her. ✓
- Individuals are given the chance to perform optimally within the team✓, given the roles allocated to them. ✓
- Individuals within the team with similar skills/talents/experience✓ may compete for certain responsibilities/duties. ✓
- Team dynamic theories allow team leaders✓ to know the personality type of individuals and enable them to allocate tasks more effectively. ✓
- Disagreements amongst team members✓ may be reduced when team members specialise in their roles/tasks. ✓
- Any other relevant answer related to ways in which team dynamics may improve team performance.

Max (4)**3.5 Diversity****3.5.1 Diversity issues from the scenario:**

- Disability✓
- Language✓
- Gender✓

NOTE: Mark the first THREE (3) only.**- (3 x 1) (3)****3.5.2 Benefits of diversity in the workplace**

- Workforce diversity improves the ability of businesses✓ to solve problems/innovate/cultivate diverse markets. ✓
- Employee's value each other's diversity✓ and learn to connect/communicate across lines of difference. ✓
- Diversity in the workforce improves✓ morale/motivation. ✓
- Employees demonstrate greater loyalty to businesses✓ because they feel respected/accepted/understood. ✓
- Diversified workforce can give businesses a competitive advantage✓, as they can render better services. ✓
- Being respectful of differences/demonstrating diversity✓ makes good business sense/improves profitability. ✓
- Diverse businesses ensure that their policies/practices empower every employee✓ to perform at his/her full potential. ✓
- Stakeholders increasingly evaluate businesses✓ on how they manage diversity in the workplace. ✓
- Employees from different backgrounds✓ can bring different perspectives to businesses. ✓
- A diversified workforce stimulates debate✓ on new/improved ways of getting things done. ✓

- Employees represent various groups ✓ and are therefore better able to recognise customer needs/satisfy consumers. ✓
- Businesses with a diverse workforce are more likely to have a good public image ✓ and attract more customers. ✓
- Any other relevant answer related to the benefits of diversity in the workplace

Max (6)

3.6 **Implication of equality, respect and dignity on businesses**

- Businesses should treat all their employees equally ✓, regardless of their race/colour/age/gender/disability, etc. ✓
- All workers should have access to equal opportunities ✓/positions/ resources. ✓
- Mission statement should include values ✓ of equality/respect. ✓
- Treat workers with respect/dignity ✓by recognising work well done/the value of human capital. ✓
- Ensure that employees work in an environment ✓ that is conducive to safety/fairness/free from embarrassment. ✓
- 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. ✓
- 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. ✓
- Any other relevant answer related to implication of equality, respect and dignity on businesses.

Max (4)

3.7 **Handling grievance in the workplace**

- The complainant must verbally report the grievance to his/her supervisor. ✓✓
- The supervisor must resolve the grievance within 3 – 5 working days. ✓✓
- If the supervisor is unable to resolve the grievance, the complainant may take the grievance to the manager of the supervisor. ✓✓
- The grievance forwarded to the manager of the supervisor must be in writing. ✓✓
- The manager of the supervisor provides the complainant with a written reply in response to the written grievance. ✓✓
- The manager must invite all parties to the grievance to a meeting. ✓✓
- A record of the meeting must be recorded in the meeting's minutes and decisions made must be recorded on a formal grievance form. ✓✓
- Should the employee not be satisfied with the outcome of the meeting he/she could refer the matter to the highest level of management. ✓✓
- Top management should arrange a meeting with all relevant parties concerned. ✓✓
- Minutes of this meeting should be recorded, and the outcome must be recorded on a formal grievance form. ✓✓

- Should the employee still not be satisfied, he/she may refer the matter to the CCMA who will make a final decision on the matter. ✓✓
- The matter may also be referred to the Labour Court on appeal if the employee is not satisfied with the decision taken by the CCMA. ✓✓
- Any other relevant answer related to handling of grievances in the workplace.



Max (6)
[40]

BREAKDOWN OF MARKS

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

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 Types of preference shares

- Participating preference shares✓
- Non-participating preference shares✓/ Ordinary 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 TWO (2) only.

(2 x 1) (2)

4.2 Difference between management and leadership

MANAGEMENT	LEADERSHIP
- Manages processes by using their authority. ✓✓	- Leads by inspiring and motivating employees. ✓✓
- Instructional in their approach when dealing with employees. ✓✓	- Provides guidance and direction to employees. ✓✓
- Follows the plans to reach targets. ✓✓	- Promotes creativity to improve productivity levels. ✓✓
- Focuses on organisation targets. ✓✓	- Focuses on the vision and mission of the organisation. ✓✓
- Focuses on the processes involved in the production process. ✓✓	- Focuses on the potential of employees. ✓✓

- Controls the actions of employees. ✓✓	- Influences the actions of employees. ✓✓
- Administers plans as set out by top management ✓✓	- Can be creative/innovative when dealing with challenges. ✓✓
- Task-orientated, ensuring the job gets done. ✓✓	- People-orientated, thus putting employees first. ✓✓
- Management refers to the act of getting people together to accomplish desired goals and objectives using available resources efficiently and effectively. ✓✓	- Leadership refers to the process by which a leader guides, inspires, and influences the behaviour and work of employees in pursuit of the organisation's goals. ✓✓
- Any other relevant answer related to management.	- Any other relevant answer related to leadership.
Submax (2)	Submax (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)

4.3.1 Forms of ownership

Public company ✓✓

Max (2)

4.3.2 Advantages and disadvantages of public company:

ADVANTAGES	DISADVANTAGES
- The business has its own ✓ legal identity. ✓	- Companies must disclose ✓ all financial information to their shareholders. ✓
- It is easy to raise funds ✓ for growth through the sale of shares. ✓	- Audits are compulsory ✓ and a big amount is spent on financial audits. ✓
- A shareholder is only liable ✓ for the amount which is invested. ✓ /Shareholders have limited ✓ liability. ✓	- Stocks have to be traded publicly. ✓
- Shareholders can appoint ✓ a knowledgeable board of directors. ✓	- A full report must be submitted ✓ to the major shareholders each year. ✓
- Companies may buy ✓ and sell shares freely. ✓	- It is difficult and expensive to establish ✓ as the company is subjected to many legal requirements. ✓
- Shareholders can sell/transfer ✓ their shares freely. ✓	- The more shareholders ✓, the fewer dividends to each shareholder. ✓
- The public has access to the information ✓ and this could motivate them to buy shares from a company. ✓	- Shareholders may be allowed little or no input ✓ into the affairs of the company. ✓

- Additional shares can be raised ✓ by issuing more shares or debentures. ✓	- Due to legislation ✓, decisions take longer and there may be disagreements. ✓
- Strict regulatory requirements ✓ protect shareholders. ✓	- Financial affairs must be known publicly, ✓ and this information could be used to a competitors' advantage. ✓
- Any other relevant fact related to advantages of public company.	- Any other relevant fact related to disadvantages of public company.

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

Max (6)

4.4 Role of personal attitude in successful leadership

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

Max (6)

BUSINESS ROLES

4.5 Economic rights of employees

- Freedom from forced labour. ✓
- The right to accept or choose work. ✓
- Fair wages and equal pay for equal work. ✓
- The right to leisure and reasonable limitation of working hours. ✓
- Safe and healthy working conditions. ✓
- Join/Form trade unions ✓
- Right to participate in a legal strike. ✓

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.6 King Code principles of good governance from statements

4.6.1 Transparency ✓✓

4.6.2 Responsibility ✓✓

(4)**4.7 Responsibilities of employers in promoting human health and safety in the workplace**

- They must provide and maintain equipment ✓ that is safe for employees to use in order to perform their work. ✓
- Employers must have systems in place ✓ that ensure that there will be no harmful impact on the health and safety of workers. ✓
- They must provide personal protective clothing to workers ✓ and reduce or remove dangers in the workplace. ✓
- Employers must carefully monitor the production, processing, storage, transportation of materials or equipment ✓ to ensure that the workers' health is not compromised by hazardous substances. ✓
- Employers must know where potential dangers ✓ might be and take measures to eliminate or limit the harm, for example, the surface of the floor must not be slippery. ✓
- Workers must be informed or instructed and supervised ✓ to limit potential dangers to themselves, for example, emergency exit door signs should be visible to all employees. ✓
- Businesses must ensure that workers make use of equipment ✓ only under the supervision of a designated trained worker. ✓
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max (6)**4.8 Difficult personalities****4.8.1 Difficult personalities from the scenario**

Employees	Type of difficult personality
Thomas	Expert ✓
Carl	Over agree ✓

NOTE: Award marks for type of difficult personality if it is aligned to the correct employee only.

(2 x 2) (2)**4.8.2 Ways in which businesses can deal with difficult employees**

- 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/ 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 improvements should be given. √√
- Do not judge the person but try to understand him/her √√/Understand his/her intentions √ and why he/she reacts in a certain way. √√
- Keep communication channels open/encourage employees to communicate their grievances to management. √√
- Build rapport/sound relations by re-establishing personal connection with colleagues. √√
- Help difficult employees to be realistic about the task at hand √√/Be supportive of them √ and their issues. √√
- Remain calm and in control of the situation to get the person(s) to collaborate √√/Don't become difficult √ yourself. √√/Treat people with respect, irrespective of whether they are capable/competent or not √√/Don't try to change them, rather see where you can use them effectively. √√
- Sometimes it may be necessary to ignore and only monitor a difficult person √√/Take a step back and analyse the situation before you respond. √√
- Identify and provide an appropriate support programme to address areas of weakness. √√
- Any other relevant answer related to ways in which businesses can deal with difficult employees in the workplace.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2	4
4.3.1	2
4.3.2	6
4.4	6
4.5	2
4.6.1	2
4.6.2	2
4.7	6
4.8.1	2
4.8.2	6
TOTAL	40

TOTAL SECTION B: 80

SECTION C**Mark the FIRST question only.****QUESTION 5: BUSINESS VENTURES (PRESENTATION AND DATA RESPONSE)****5.1 Introduction**

- The insurance industry is a legal entity that is quite sophisticated. ✓
- It is important that both the insured and the insurer are familiar with the legal requirements and the jargon that is used to express certain occurrences within the industry. ✓
- Let's look at some of the common concepts that form part of the common language of the insurance industry. ✓
- Any other relevant introduction related to distinction between insurance and assurance/explanation of UIF and RAF/principles of insurance/importance of insurance.

Any (2 x 1) (2)**5.2 Distinction between insurance and assurance insurance.**

INSURANCE	ASSURANCE
- Based on the principle of indemnity. ✓✓	- Based on the principle of security/certainty. ✓✓
- The insured transfers the cost of potential loss to the insurer at a premium. ✓✓	- The insurer undertakes to pay an agreed sum of money after a certain period has expired/on the death of the insured person, whichever occurred first. ✓✓
- It covers a specified event that may occur. ✓✓	- Specified event is a certainty✓, but the time of the event is uncertain. ✓
- Applicable to short-term insurance. ✓✓	- Applicable to long-term insurance. ✓✓
Examples	Examples
- Property insurance✓ - Cash in transit - Theft - Burglary - Fire	- Life insurance✓ - Endowment policy - Retirement annuities
- Any other relevant answer related to insurance.	- Any other relevant answer related to assurance.

- 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 insurance or assurance only.

Max (8)**5.3 Compulsory insurance****5.3.1 Unemployment Insurance Fund (UIF)**

- The Unemployment Insurance Fund (UIF) was established to assist employees with financial aid ✓ should they become unemployed due to termination of the employment contract by the employer. ✓
- The UIF provided financial assistance for a limited period to the dependants of

- a deceased employee ✓ who was registered with the UIF. ✓
- The employer is required to register their employees with the UIF ✓ and to pay the levy of 2% of the employee's salary/remuneration to SARS every month. ✓
- The employee contributes 1% of his/her salary/remuneration ✓ towards the UIF. ✓
- The employer contributes an additional 1% of the employee's salary/remuneration ✓ towards the UIF fund. ✓
- The additional contributions of 1% by the employer ensures that the payment to the employee increases ✓, should he/she become unemployed. ✓
- Employees must work at least 24 hours a month ✓ before they are required to contribute towards the UIF fund. ✓
- Unemployed employees must register with the Department of Labour, ✓ and all valid claims will be processed by the UIF. ✓
- Unemployed workers may not claim from the UIF if they resign ✓ or gets dismissed from their jobs. ✓
- Any other relevant answer related to UIF.

Submax (8)

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

- The RAF/RABS is responsible for providing appropriate cover to all road users ✓ within the borders of South Africa. ✓
- The Fund compensates a person/people in accordance with the RAF/RABS Act for loss or damage ✓ wrongfully caused by driving a motor vehicle. ✓
- The RAF/RABS provides a social security safety net to the country and economy ✓ by making available compulsory social insurance cover to all South African road users. ✓
- The RAF/RABS indemnifies the wrongdoer from liability to any victim ✓ of a car accident. ✓
- Contributions to the RAF/RABS are collected by way of a levy on fuel ✓ used for road transportation. ✓
- The cover extends to all members of society including, pedestrians, owners, and drivers of motor vehicles, ✓ as well as their passengers. ✓
- The social insurance cover, however, does not extend to drivers of motor vehicles ✓ that are found to be negligent. ✓
- In the event of an accident, the RAF/RABS pays the medical and related services costs required ✓ to restore accident victims to health. ✓
- Accident victims/their families are compensated for the loss of income ✓ as a result of the accident. ✓
- Compensation is also paid by RAF/RABS for pain and suffering/loss of amenities of life/disability and disfigurement/funeral costs ✓ to families in circumstances where the victim of the accident sustains fatal injuries. ✓
- The amount that the victim of an accident may claim for loss of income is ✓ limited by legislation. ✓
- Any other relevant answer related to RAF.



- Submax (8)
Max (16)

5.4 Principles of insurance.**5.4.1 Indemnification/Indemnity** ✓✓

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

Heading (2)

Discussion (2)

Submax (4)

5.4.2 Security/Certainty ✓✓

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

- Heading (2)

- Discussion (2)

- Submax (4)

5.4.3 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.

- Heading (2)

- Discussion (2)

- Submax (4)

**5.4.4 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.

- Heading (2)
- Discussion (2)
- Submax (4)

NOTE: Mark the first THREE (3) only.

Max (12)



5.5 Importance of insurance for the business

- 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 and storm damage. ✓✓
- 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, for example, destruction of property through fire. ✓✓
- Businesses assets, for example, vehicles/equipment/buildings need to be insured against damage and/or theft. ✓✓
- Businesses are protected against the loss of earnings, for example, 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 the importance of insurance for the business.

Max 10

5.6 Conclusion

- (Insert statement on insurance or assurance.)
- Compulsory insurance refers to insurance that individuals/businesses are compelled to take out. ✓✓
- (Insert statement on principles of insurance.)
- Individuals/Businesses are legally obliged to insure against certain risks that may or may not occur. ✓✓
- Any other relevant conclusion related to distinction between insurance and assurance/explanation of UIF and RAF/principles of insurance/importance of insurance.



Any (1 x 2) (2)

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Distinguish between insurance and assurance insurance	8	
Unemployment insurance fund (UIF) and road accident fund (RAF).	16	
Principles of insurance.	12	
Importance of insurance for the business	10	
Conclusion	2	
INSIGT		8
Layout	2	
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.



QUESTION 6: BUSINESS ROLES (CSR and CSI)**6.1 Introduction**

- Businesses have an obligation towards all their stakeholders, and also towards the community. ✓
- They must maintain a balance between the economy and the environment, and also consider the well-being of others. ✓
- Businesses must also be actively involved in the community and look after the employees. ✓
- Any other relevant introduction that relates to differences between CSR and CSI/impact of CSR on communities/strategies to deal with HIV/AIDS and poverty/ways to contribute time and effort to improve the well-being of employees.

Any (2 x 1) (2)**6.2 Differences between CSR and CSI.**

CORPORATE SOCIAL RESPONSIBILITY (CSR)	CORPORATE SOCIAL INVESTMENT (CSI)
- The intention is to change business practices. ✓✓	- Actively committing money and resources to uplift the community. ✓✓
- The focus is on increasing image and profits. ✓✓	- The focus is on the upliftment of the community without a return on investment. ✓✓
- Ensure that all internal CSI policies/ Practices include stakeholders' interests/environmental issues. ✓✓	- Ensure that CSI projects are relevant to the needs of communities. ✓✓
- Often intended ✓ as a marketing initiative. ✓✓	- Intended to benefit and uplift communities through social development. ✓✓
- Projects are usually linked to the business, for example, a manufacturing business offering to train the unemployed. ✓✓	- Projects are external to the business and have a strong developmental approach. ✓✓
- Any other relevant explanation of CSR.	- Any other relevant explanation of CSI.
Submax (4)	Subamx (4)

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

Max (8)**6.2 Impact of CSR on communities.**

POSITIVES/ADVANTAGES FOR THE COMMUNITY	NEGATIVES/DISADVANTAGES FOR THE COMMUNITY
- The welfare of the community will improve because issues that the community members face will be	- Businesses are not always equipped to address social problems. ✓✓ - If community members become too

<p>attended to. ✓✓</p> <ul style="list-style-type: none"> - Skills development can take place, which will, in turn, increase the possibility of appointments of members of the community. ✓✓ - Developmental programmes which the business implements, will improve the entrepreneurial skills of communities. ✓✓ - The provision of bursaries increases the level of education and enables the community to apply for jobs. ✓✓ - Better educational and recreational facilities are established in poor communities. ✓✓ - Any other relevant explanation of CSR on communities advantages. 	<p>dependent on CSR programmes, they may struggle to make use of initiatives made available to them. ✓✓</p> <ul style="list-style-type: none"> - Businesses could be accused of discrimination if they don't manage the distribution of scarce resources well. ✓✓ - Some businesses only participate in CSR initiatives to raise profits and do not care for the community in which they operate. ✓✓ - If CSR programmes are not sustainable, they can harm the community. ✓✓ - Unless a needs analysis is performed, the program may not suit the real needs of the community. ✓✓ - Any other relevant explanation of CSR on communities disadvantages.
Submax (8)	Submax (8)

Max (16)

6.4 Strategies on how businesses could deal with HIV/Aids and poverty as socio-economic issues.

6.4.1 Strategies to deal with HIV/AIDS

- Participate in the existing HIV/AIDS prevention programmes ✓ implemented in the community. ✓
- Train/Hire counsellors to provide counselling ✓ to infected and affected persons/employees. ✓
- Develop counselling programmes ✓ for infected employees and their relatives. ✓
- Conduct workshops on HIV/AIDS programmes ✓ and support HIV/AIDS campaigns. ✓
- Roll out anti-retroviral (ARV) treatment programmes (ART) ✓ for the infected employees. ✓
- Encourage employees ✓ to join HIV/AIDS support groups. ✓
- Develop and implement strategies ✓ to deal with stigma and discrimination ✓.
- Support non-governmental organisational ✓ and community-based organisations on HIV/AIDS initiatives. ✓
- Any other relevant answer related to how businesses should deal with HIV/Aids as a socio-economic issue.

Submax (6)

6.4.2 Strategies to deal with poverty

- Donate money ✓ and/or food parcels to local NGOs. ✓
- Invest in infrastructure and housing programmes ✓ in the local area. ✓
- Offer the best volunteering programs ✓ to identify and attract potential employees. ✓
- Support poverty alleviation programmes ✓ that are offered by the government. ✓

- Invest in young starting businesses ✓ who can be a business competitor, buyer, or supplier. ✓
- Any other relevant answer related to how businesses should deal with poverty as a socio-economic issue.

Submax (6)

Max (12)

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

- Pay fair wages/salaries to the workers based on the nature of their work and the prevailing economic conditions in the market. ✓✓
- Pay fair bonuses – based on business earnings – as acknowledgement for hard work and commitment. ✓✓
- Provide recreational facilities for employees and encourage them to stay fit and healthy. ✓✓
- Include safety, medical, and canteen facilities as additional benefits employees can enjoy. Also include benefits like housing, leave and retirement packages. ✓✓
- Start a nutritional programme so that employees can enjoy one meal per day to keep them in a healthy condition. ✓✓
- Provide transport for employees who unusually work long hours. ✓✓
- Conduct team-building sessions to improve employees' morale. ✓✓
- Any other relevant answer related to ways in which businesses can contribute time and effort in improving the well-being of their employees

Max (10)

6.6 **Conclusion**

- Socio-economic issues are problems/challenges that emanate from certain aspects in the society and the economy.
- They have a negative influence on both communities and businesses.
- Any other relevant conclusion that relates to differences between CSR and CSI/impact of CSR on communities/strategies to deal with HIV/AIDS and poverty/ways to contribute time and effort to improve the well-being of employees.

Any (1 x 2) (2)

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differentiate between CSR and CSI.	8	
Explain the impact of CSR on communities.	16	
Strategies on how businesses could deal with HIV/Aids and poverty as socio-economic issues.	12	
Ways in which businesses can contribute time and effort in improving the well-being of their employees	10	
Conclusion	2	8
INSIGT		
Layout	2	
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40

GRAND TOTAL: 150

