



**Western Cape  
Government**

Education

**FOR YOU**

**BUSINESS STUDIES  
GRADE 12**

**TRIAL EXAMINATION  
PAPER 2**

**20 SEPTEMBER 2023  
VERSION 2**

**MARKS: 150**

**TIME: 2 HOURS**

*Stanmorephysics*

**EXAMINER:  
METRO SOUTH EDUCATION DISTRICT**


**MODERATOR:  
METRO CENTRAL EDUCATION DISTRICT**

**This question paper consists of 10 pages.**

### INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- 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.

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

Note that ONLY the answers to the first TWO questions selected in SECTION B and the answers to the FIRST question selected in SECTION C will be marked.

- 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.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

| SECTION  | QUESTION | MARKS      | TIME               |
|--|----------|------------|--------------------|
| <b>A: Objective-type questions<br/>COMPULSORY</b>                                  | <b>1</b> | <b>30</b>  | <b>20 minutes</b>  |
| <b>B: THREE direct/indirect-type<br/>questions<br/>CHOICE:<br/>Answer any TWO.</b> | <b>2</b> | <b>40</b>  | <b>70 minutes</b>  |
|  | <b>3</b> | <b>40</b>  |                    |
|  | <b>4</b> | <b>40</b>  |                    |
| <b>C: TWO essay-type questions<br/>CHOICE:<br/>Answer any ONE.</b>                 | <b>5</b> | <b>40</b>  | <b>30 minutes</b>  |
|  | <b>6</b> | <b>40</b>  |                    |
| <b>TOTAL</b>   |          | <b>150</b> | <b>120 minutes</b> |

- Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
- You may use a non-programmable calculator.
- 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 number (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 Investors provide ... as a type of investment opportunity to new prospective businesses who are starting out in the industry.

- A managed portfolios
- B venture capital
- C 32-day notice deposits
- D retirement annuities

1.1.2 Montague Wholesalers, which has a market value of R1 000 000, was recently damaged by fire. The cost of repairs for damages to the building amounted to R300 000. Montague Wholesalers was insured for R800 000.

The amount for repairs that will be paid out by the insurer according to the average clause will be ...

- A R37 500
- B R270 000
- C R240 000
- D R300 000

1.1.3 The autocratic leadership style is best applied in situations when the ...

- A business experiences crises and emergencies.
- B leader requires different perspectives from employees.
- C business promotes teamwork in the workplace.
- D leader uses their charm to influence employees.

1.1.4 Claremont Accountants deal with ... as a socio-economic issue by providing anti-retroviral treatment programmes to infected employees.

- A poverty
- B unemployment
- C crime
- D HIV/AIDS

1.1.5 Businesses address privacy as a human right in the workplace by ...

- A preventing any form of religious discrimination.
- B protecting the personal information of their employees.
- C promoting open communication channels between all stakeholders.
- D preventing employees from engaging in degrading work.

(5 × 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.

conflict ; shareholders ; division of profits ; before ; problem-solving;  
decision making ; during ; debenture holders ; grievance ; taxation

- 1.2.1 During the liquidation process ... receive repayments before any other stakeholders.
- 1.2.2 Factors such as establishing credibility and capturing the attention of the audience takes place ... the presentation.
- 1.2.3 Mihle Construction Ltd obtained government tenders due to timeous payments made to the South African Revenue Services. This refers to ... as a criterion that contributes to the success of a public company.
- 1.2.4 Lodging formal complaints by employees due to work related issues is known as a ...
- 1.2.5 The employees of Pravin Agriculture participated in ... by generating solutions and critically evaluating them.

(5 × 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. 1.3.6 K.

| COLUMN A                   | COLUMN B   |
|----------------------------|--|
| 1.3.1 Bonus shares         | A achieved by appointing internal and external auditors to audit financial statements    |
| 1.3.2 Road Accident Fund   | B issued to the incorporators of the company after all other shareholders have been paid |
| 1.3.3 Overhead projector   | C effective visual aid during times when computers malfunction                           |
| 1.3.4 Accountability       | D used to encourage robust discussions in large groups                                   |
| 1.3.5 Force-field analysis | E achieved by conducting transactions openly and honestly                                |
|                            | F contributions to this fund are paid in the form of fuel levies                         |
|                            | G effective visual aid in combining sound and video clips                                |
|                            | H contributions to this fund are paid by employers to cover work related accidents       |
|                            | I issued to shareholders as compensation for unpaid dividends                            |
|                            | J used to compare supporting and opposing factors when implementing change               |

(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 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 leadership theories. (2)
- 2.2 Outline the characteristics of non-profit companies. (4)
- 2.3 Read the scenario below and answer the questions that follow.

**MODISE PROPERTIES (MP)**

Modise Properties has been guaranteed that they would be placed in the same position in the event of any damage to their assets. They disclosed all the required information with Silver Insurers before signing the insurance contract. MP has also conducted research on the importance of insurance for businesses.

2.3.1 Identify TWO principles of insurance applicable to MP. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.3.1.

| PRINCIPLES OF INSURANCE | MOTIVATIONS |
|-------------------------|-------------|
| 1.                      |             |
| 2.                      |             |

- 2.3.2 Describe the importance of insurance for businesses. (4)
- 2.4 Explain how the following criteria can contribute to the success and/or failure of a private company.
  - 2.4.1 Capital (4)
  - 2.4.2 Legislation (4)
- 2.5 Discuss mutual funds/stokvels including their risk factors, as a type of investment opportunity. (6)



2.6 Read the scenario below and answer the questions that follow.

**GQEBERHA MARKETING (GM)**

Ismail, the advertising manager at Gqeberha Marketing, included graphics to complement the text on the slides of his presentation. He created hyperlinks for quick access to videos. GM requested Ismail to infuse humour appropriately in his next presentation. Ismail will also be required to handle feedback in a non-aggressive and professional manner.

2.6.1 Quote TWO aspects considered by Ismail when designing a multimedia presentation. (2)

2.6.2 Recommend ways in which Ismail, as a presenter, can handle feedback in a non-aggressive and professional manner. (4)

2.7 Advise businesses on the role of personal attitude in successful leadership. (4)  
**[40]**



**QUESTION 3: BUSINESS ROLES**

- 3.1 List any FOUR types of difficult personalities in the workplace. (4)
- 3.2 Elaborate on the meaning of *ethical behaviour*. (4)
- 3.3 Identify the diversity issue that Booyesen Architecture (BA) deals with in EACH of the following statements.
- 3.3.1 BA has employed interpreters in order for all employees to understand information communicated during staff meetings. (2)
- 3.3.2 Wheelchair ramps are visible throughout BA to cater for employees with special needs. (2)
- 3.4 Describe any TWO elements of the triple bottom line. (6)
- 3.5 Advise businesses on the impact of the nominal group technique. (4)
- 3.6 Read the scenario below and answer the questions that follow.

**SANDILE INDUSTRIES (SI)**

Sandile Industries provides the necessary personal protective clothing to all employees. The employees of SI take responsibility for their own health and safety in the workplace. SI has requested an urgent meeting with all health and safety representatives. The correct systems are in place at SI to ensure that there is no harmful impact on the health and safety of employees.

- 3.6.1 Quote TWO ways in which SI promotes human health and safety in the workplace. (2)
- 3.6.2 Explain the roles of the health and safety representatives in protecting the workplace environment. (4)
- 3.7 Discuss ways in which businesses can contribute time and effort in improving the well-being of communities. (6)
- 3.8 Suggest ways in which businesses can create an environment that promotes creative thinking in the workplace. (6)

**[40]**





**QUESTION 4: MISCELLANEOUS TOPICS**  
**BUSINESS VENTURES**

- 4.1 State TWO benefits of the Unemployment Insurance Fund (UIF) as a type of compulsory insurance. (2)
- 4.2 Outline the difference between *limited liability* and *unlimited liability*. (4)
- 4.3 Read the scenario below and answer the question that follows.

**SALAMA LOGISTICS (SL)**

Rosland, the training manager at Salama Logistics, uses a system of rewards and punishments for employees to reach business goals. Karabo, the CEO, has delegated tasks to the most experienced staff members to improve overall efficiency at SL.

Identify TWO leadership styles applicable to SL. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.3.

| LEADERSHIP STYLES | MOTIVATIONS |
|-------------------|-------------|
| 1.                |             |
| 2.                |             |

- 4.4 Explain the impact of *flip charts* as a type of visual aid. (4)
- 4.5 Advise businesses on the functions of the Johannesburg Securities Exchange (JSE). (4)

**BUSINESS ROLES**

- 4.6 Name TWO social rights of employees in the workplace. (2)
- 4.7 Outline the purpose of corporate social responsibility (CSR). (6)
- 4.8 Explain any TWO problem-solving steps. (6)
- 4.9 Read the scenario below and answer the questions that follow.

**KRUGER CONSULTANTS (KC)**

Kruger Consultants has identified that employees have been using the petty cash and vehicles of KC without permission. KC is in the process of dealing with this unprofessional business practice.

- 4.9.1 Identify the unprofessional business practice applicable to KC. (2)
- 4.9.2 Recommend ways in which KC can deal with the unprofessional business practice identified in QUESTION 4.9.1. (4)

**[40]**

**TOTAL SECTION B [80]**

**SECTION C**

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question.  
The answer to the 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 (INVESTMENT: SECURITIES)**

Businesses are required to examine the differences between simple interest and compound interest as it influences their return on investment. They also consider other factors when making investment decisions in order to derive the maximum benefit from the forms of investment they choose. Businesses should understand the rights of ordinary shareholders as it has a direct implication on how dividends are paid.

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

- Outline the differences between *simple interest* and *compound interest*.
- Explain THREE factors that should be considered when making investment decisions other than return on investment (ROI).
- Discuss the impact of the following forms of investment:
  - Government/RSA retail savings bonds
  - Fixed deposits
- Advise businesses on the rights of ordinary shareholders.

[40]

**QUESTION 6: BUSINESS ROLES (TEAM PERFORMANCE ASSESSMENT AND CONFLICT MANAGEMENT)**

Successful businesses analyse team dynamic theories in order to improve their team performance. The criteria for successful team performance, as well as the stages of team development influence the extent to which teams develop and achieve their goals. Businesses are also required to follow the correct steps in handling conflict in the workplace.

Write an essay on team performance assessment and conflict management in which you include the following aspects:

- Outline the importance of team dynamic theories in improving team performance.
- Explain THREE criteria for successful team performance.
- Discuss the following stages of team development:
  - Storming
  - Performing
  - Adjourning
- Advise businesses on how they should handle conflict in the workplace.

[40]



**TOTAL SECTION C [40]**

**GRAND TOTAL [150]**



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# **WESTERN CAPE EDUCATION DEPARTMENT**

## **BUSINESS STUDIES GRADE 12**

### **TRIAL EXAMINATION PAPER 2 VERSION 2 2023**

### **MARKING GUIDELINE**

### **MARKS: 150**

### **TIME: 2 HOURS**



This marking guideline consists of 29 pages.

**NOTES TO MARKERS****PREAMBLE**

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

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

1. For marking and moderation purposes, the following colours are recommended:

|                      |            |
|----------------------|------------|
| Marker:              | Red        |
| Senior Marker:       | Green      |
| Deputy Chief Marker: | Black/Blue |
| Chief Marker:        | Pink       |
| Internal Moderator:  | Orange     |
| DBE Moderator:       | Turquoise  |

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
  - Uses a different expression from that which appears in the marking guideline
  - Comes from another credible source
  - Original
  - A different approach is used


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

4. Take note of other responses provided by candidates, that are relevant within the context of a particular question, and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Submax' 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 sub-totals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings.'* ✓
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings ✓, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'* ✓
- NOTE:** 1. The above could apply to 'analyse' as well.  
2. Note the placing of the tick (✓) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.
- Cognitive verbs, such as:
- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessment is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

14. **SECTION B**

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

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

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

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers and consult with the Internal Moderator at DBE for approval.

14.4 **Use of the cognitive verbs and allocation of marks:**

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

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

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

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

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


15. **SECTION C**

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

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



15.2 Insight consists of the following components:

|  |  |           |
|--|--|-----------|
| Layout/Structure   | Is there an introduction, a body, and a conclusion?  | <b>2</b>  |
| Analysis and interpretation<br> | Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?<br><br>Marks to be allocated using this guide:<br>All headings addressed: 1 (One 'A')<br>Interpretation (16 to 32 marks): 1 (One 'A')  | <b>2</b>  |
| Synthesis  | Are there relevant decisions/facts/responses made based on the questions?<br>Option 1: <b>Only relevant facts: 2 marks (No '-S')</b><br>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.<br>Option 2: <b>Some relevant facts: 1 mark (One '-S')</b><br>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.<br>Option 3: <b>Some relevant facts: 1 mark (One '-S')</b><br>Where a candidate answers FOUR sub-question, 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.<br>Option 4: <b>No relevant facts: 0 marks (Two '-S')</b><br>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. | <b>2</b>  |
| Originality  | Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments?  | <b>2</b>  |
| <b>TOTAL FOR INSIGHT:</b>  |  | <b>8</b>  |
| <b>TOTAL MARKS FOR FACTS:</b>  |  | <b>32</b> |
| <b>TOTAL MARKS FOR ESSAY (8 + 32):</b>   |  | <b>40</b> |

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

15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').



- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality “O”.
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

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



**SECTION A**

**QUESTION 1**

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



(5 x 2) (10)

- 1.2 1.2.1 debenture holders ✓✓
- 1.2.2 during ✓✓
- 1.2.3 taxation ✓✓
- 1.2.4 grievance ✓✓
- 1.2.5 problem-solving ✓✓

(5 x 2) (10)

- 1.3 1.3.1 I ✓✓
- 1.3.2 F ✓✓
- 1.3.3 C ✓✓
- 1.3.4 A ✓✓
- 1.3.5 J ✓✓

(5 x 2) (10)

**TOTAL SECTION A: 30**

**BREAKDOWN OF MARKS**

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



**SECTION B**

Mark the **FIRST TWO** answers only.

**QUESTION 2: BUSINESS VENTURES**

**2.1 Leadership theories**

- Leaders and followers theory ✓
- Situational leadership theory ✓
- Transformational/Transitional leadership theory ✓

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

**(2 x 1) (2)**

**2.2 Characteristics of non-profit companies**

- The main aim of NPCs is to provide a service, rather than making a profit. ✓✓
- NPCs are funded by donations and foreign funding. ✓✓
- The name of the company must end with the abbreviation/letters/suffix NPC. ✓✓
- All profits must be used for the primary objective of the NPC. ✓✓
- NPCs must prepare a Memorandum of Incorporation. ✓✓
- Qualifying NPCs are granted tax-exempt status. ✓✓
- NPCs have an unlimited continuity/perpetual lifespan. ✓✓
- Any other relevant answer related to the characteristics of non-profit companies.

**Max (4)**

**2.3 Principles of insurance and importance of insurance for businesses**

**2.3.1 Principles of insurance from the scenario**

| PRINCIPLES OF INSURANCE         | MOTIVATIONS  |
|---------------------------------|--|
| 1. Indemnification/Indemnity ✓✓ | Modise Properties has been guaranteed that they would be placed in the same position in the event of any damage to their assets. ✓ |
| 2. Utmost good faith ✓✓         | They disclosed all the required information with Silver Insurers before signing the insurance contract. ✓                          |
| 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 principles of insurance even if the motivations were incomplete.
  4. Do not award marks for the motivations if the principles of insurance were incorrectly identified.

**Max (6)**

**2.3.2 Importance of insurance for businesses**

- Transfers the risk from the business/insured ✓ to an insurance company/insurer. ✓
- Transfer of risk is subject to the terms and conditions ✓ of the insurance contract. ✓
- Protects businesses against theft/loss of stock and/or damages ✓ caused by natural disasters such as floods/storm damage. ✓
- Businesses will be compensated for insurable losses ✓ such as the destruction of property through fire. ✓
- Businesses assets such as vehicles/equipment/buildings ✓ need to be insured against damage and/or theft. ✓

- Businesses are protected against the loss of earnings ✓ such as strikes by employees which may result in losses worth millions. ✓
- Protects businesses against ✓ dishonest employees. ✓
- Life insurance can be taken on the life of partners in a partnership ✓ to prevent unexpected loss of capital. ✓
- Should the services of key personnel be lost due to accidents/death, ✓ the proceeds of an insurance policy can be paid out to the business/beneficiaries. ✓
- Replacement costs for damaged machinery/equipment are very high, ✓ therefore insurance can reduce/cover such costs. ✓
- Protects businesses from claims made by members of the public ✓ for damages for which businesses are responsible. ✓
- Protects businesses against losses ✓ due to death of a debtor. ✓
- Any other relevant answer related to the importance of insurance for businesses.

**Max (4)**

**2.4 Criteria that contribute to the success and/or failure of a private company**

| 2.4.1          | SUCCESS FACTORS  | AND/OR | FAILURE FACTORS  |
|----------------|--|--------|--|
| <b>Capital</b> | - Large amount of capital can be raised ✓ since there is no limit on the number of shareholders. ✓                       |        | - It cannot grow into a very large business ✓ since it cannot invite the public to buy shares. ✓                   |
|                | - The company can access long term capital ✓ and therefore has good long term growth opportunities. ✓                    |        | - Restrictions on transferability of shares ✓ may not attract financially strong investors. ✓                      |
|                | - Even though shares are not freely transferable ✓, large private companies can raise considerable amounts of capital. ✓ |        | - Large amounts of capital cannot be obtained ✓ as capital contribution is only limited to private shareholders. ✓ |
|                | - Any other relevant answer related to the contribution of capital to the success of a private company.                  |        | - Any other relevant answer related to the contribution of capital to the failure of a private company.            |

**Max (4)**



| 2.4.2              | SUCCESS FACTORS   | AND/OR | FAILURE FACTORS  |
|--------------------|---|--------|--|
| <b>Legislation</b> | - Procedures to form a private company ✓ have been simplified by the new Companies Act 71 of 2008. ✓  |        | - Formation procedures are time consuming/complicated/ expensive ✓, as many legal documents need to be prepared/submitted. ✓                           |
|                    | - Limited liability allows for greater risk taking ✓, which may lead to growth of the business. ✓   |        | - High formation/establishment expenses ✓ require a large start-up capital. ✓  |
|                    | - Auditing of financial statements (if required) ✓, gives shareholders the assurance that the business is being properly managed and supports raising additional finance. ✓ |        | - Annual audit of financial statements (if required) ✓ is costly. ✓  |
|                    | - There is no longer a limit ✓ on the number of shareholders in a private company. ✓  |        | - If a private company does not comply with legislation ✓, its licence maybe withdrawn by the Companies and Intellectual Property Commission (CIPC). ✓ |
|                    | - A private company can benefit from government programmes ✓ if they comply with the relevant legislation. ✓  |        |  |
|                    | - Personal liability of shareholders ✓ does not affect the company's assets. ✓  |        |  |
|                    | - Any other relevant answer related to the contribution of legislation to the success of a private company.   |        | - Any other relevant answer related to the contribution of legislation to the failure of a private company.  |

**Max (4)**

**2.5 Mutual funds/stokvels including their risk factors**  
**Mutual funds/stokvels**

- It is an informal savings scheme ✓ to which a relatively small group of people contribute. ✓ / Stokvels are established by a small group of people ✓ who informally/voluntarily make contributions into a savings fund. ✓
- Each member takes a turn to draw from the scheme/fund/stokvels ✓ for their own personal gain. ✓
- It encourages people to save ✓ each month for a specific goal/reason. ✓
- Banking fees are shared by the members ✓, resulting in low cost of investment per member. ✓
- In times when it is difficult to get bank loans ✓, stokvels pay-outs may come in handy. ✓
- A stokvel is usually managed by a trustworthy chairman/treasurer, ✓ who will be responsible for keeping records and managing the bank account. ✓
- Members usually discuss how the money will be invested ✓ and agree on the risks they are willing to take. ✓
- Any other relevant answer related to mutual funds/stokvels as a type of investment opportunity.

**Submax (4)**

**Risk factors**

- Schemers who claim to be running stokvels may actually be running illegal pyramid schemes ✓ and pay-outs may not be possible as cash has run out/members may lose their savings. ✓
- Members could be contributing to an illegal financial scheme ✓ and could lose all the money they contribute. ✓
- The possibility exists that a member would be unable ✓ to contribute his/her monthly savings. ✓
- The investment is linked to low risk, ✓ and the money of the investors are relatively safe. ✓
- Any other relevant answer related to the risk factors of mutual funds/stokvels as a type of investment opportunity.

Submax (2)

**NOTE: 1. A submax of 4 marks is allocated to the discussion of mutual funds/stokvels.**

**2. A submax of 2 marks is allocated to the discussion of the risk factors.**

Max (6)

## 2.6 Aspects to consider when designing a multimedia presentation and ways in which presenters can handling feedback in a non-aggressive and professional manner

### 2.6.1 Aspects to consider when designing a multimedia presentation from the scenario

- Ismail, the advertising manager at Gqeberha Marketing, included graphics to complement the text on the slides of his presentation. ✓
- He created hyperlinks for quick access to videos. ✓

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

**2. Only award marks for responses that are quoted from the scenario.**

(2 × 1) (2)

### 2.6.2 Handling feedback in a non-aggressive and professional manner

- Ismail/Presenters should stand throughout the feedback session. ✓✓
- Be polite/confident/courteous/calm when responding to questions. ✓✓
- Ensure that each question/comment is clearly understood before responding/rephrase questions if uncertain. ✓✓
- Presenters should first listen and then respond. ✓✓
- Provide feedback as soon as possible after the question was asked or after the session. ✓✓
- Be direct/honest/sincere when responding to questions. ✓✓
- Use simple language to support the examples used in the presentation. ✓✓
- Keep answers short and to the point. ✓✓
- Apologise/acknowledge errors/mistakes if pointed out by the audience. ✓✓
- Encourage questions from the audience. ✓✓
- Always address the question and not the person. ✓✓
- Acknowledge good questions to motivate the audience to ask more questions. ✓✓
- Presenters should not involve themselves in a debate when responding to questions. ✓✓
- Presenters should not avoid the questions if they do not know the answer, but rather promise feedback on it. ✓✓
- Address the full audience and not only the person who posed the question. ✓✓

- Any other relevant answer related to the ways in which presenters could handle feedback in a non-aggressive and professional manner.

**Max (4)**

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

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

**Max (4)**

**BREAKDOWN OF MARKS**

| QUESTION 2   | MARKS     |
|--------------|-----------|
| 2.1          | 2         |
| 2.2          | 4         |
| 2.3.1        | 6         |
| 2.3.2        | 4         |
| 2.4.1        | 4         |
| 2.4.2        | 4         |
| 2.5          | 6         |
| 2.6.1        | 2         |
| 2.6.2        | 4         |
| 2.7          | 4         |
| <b>TOTAL</b> | <b>40</b> |



**QUESTION 3: BUSINESS ROLES**

**3.1 Types of difficult personalities in the workplace**

- Complainer ✓
- Indecisive ✓
- Over-agree ✓
- Negativity ✓
- Expert ✓
- Quiet ✓
- Aggressive ✓

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

**(4 x 1) (4)**

**3.2 Meaning of ethical behaviour**

- Refers to the principles ✓ of right and wrong/acceptable in society. ✓
- Conforms to a set of values ✓ that are morally acceptable. ✓
- Forms part of a code of conduct ✓ to guide employees to act ethically. ✓
- Focuses on developing a moral compass ✓ for decision making. ✓
- Involves following the principles of right and wrong ✓ in business activities/practices/dealings. ✓
- Any other relevant answer related to the meaning of ethical behaviour.

**Max (4)**

**3.3 Diversity issues from statements**

3.3.1 Language ✓✓

**(2)**

3.3.2 Disability/Physically challenged/People living with a disability ✓✓

**(2)**

**3.4 Elements of the triple bottom line**

**Profit/Economic ✓✓**

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

Element (2)  
Description (1)  
Submax (3)

**People/Social ✓✓**

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

Element (2)  
Description (1)  
Submax (3)

**Planet/Environment ✓✓**

- Businesses should not exhaust resources/harm the environment for production/profit purposes. ✓
- They may support energy-efficient/eco-friendly products/production methods. ✓
- Recycle/Re-use waste such as packaging from recycled material. ✓





- Any other relevant answer related to planet/environment as an element of the triple bottom.

Element (2)  
Description (1)  
Submax (3)  
**Max (6)**

**3.5 Impact of the 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 clarifies a large amount 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 the positive impact/advantages of the nominal group technique.

**AND/OR**

**Negatives/Disadvantages**

- It minimises discussion, and thus does not allow for 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, as each member must make a presentation. ✓✓
- It is hard to implement it effectively with large groups unless very carefully planned beforehand. ✓✓
- Requires extended advance 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 the negative impact/disadvantages of the nominal group technique.

**Max (4)**

**3.6 Responsibilities of employers in promoting health and safety in the workplace and the roles of the health and safety representatives in protecting the workplace environment**

**3.6.1 Ways in which businesses promote health and safety in the workplace**

- Sandile Industries provides the necessary personal protective clothing to all employees. ✓
- The correct systems are in place at SI to ensure that there is no harmful impact on the health and safety of employees. ✓

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

**2. Only award marks for responses that are quoted from the scenario.**

**(2 × 1) (2)**

**3.6.2 Roles of the health and safety representatives in protecting the workplace environment**

- Ensure that protective clothing ✓ is provided/available to all workers. ✓
- Identify potential dangers ✓ in the workplace. ✓



- Initiate/Promote/Maintain/Review measures ✓ to ensure the health and safety of workers. ✓
- Check/Monitor the effectiveness of health and safety measures ✓ with management. ✓
- Ensure that all equipment ✓ that is necessary to perform the work is provided/ maintained regularly. ✓
- Promote safety training ✓ so that employees may avoid potential dangers/act pro-actively ✓ Ensure that dangerous equipment ✓ is used under the supervision of trained/qualified workers. ✓
- Ensure that workers' health and safety is not endangered ✓ by hazards resulting from production/processing/storage/transportation of material/equipment. ✓
- Work together with the employer, to investigate any accidents/complaints from the workers ✓ concerning health and safety in the workplace. ✓
- Ensure that employers comply ✓ with COIDA. ✓
- Any other relevant answer related to the roles of health and safety representatives in protecting the workplace environment.

**Max (4)**

**3.7 Contribution of time and effort in improving the wellbeing of the community**

- Business should improve the general quality of life of their community ✓, such as invest in education. ✓
- Ensure that the products they supply ✓ do not harm consumers/the environment. ✓
- Refrain from engaging in illegal/harmful practices ✓ such as employing children under the legal age/selling illegal substances. ✓
- Make ethically correct business decisions ✓, such as not engaging in unfair/misleading advertising. ✓
- Donate money to a community project/run a project ✓ to uplift the community. ✓
- Provide recreational/sport facilities ✓ to promote social cohesion/healthy activities. ✓
- Any other relevant answer related to ways in which businesses could contribute time and effort in improving the wellbeing of the community.

**Max (6)**

**3.8 Ways in which businesses can create an environment that promotes creative thinking in the workplace**

- Emphasise the importance of creative thinking to ensure that all staff know that management wants to hear their ideas. ✓✓
- Make time for brainstorming sessions to generate new ideas such as regular workshops/build on one another's ideas. ✓✓
- Place suggestion boxes around the workplace and keep communication channels open for new ideas. ✓✓
- Train staff in innovative techniques/creative problem-solving skills/mind-mapping/lateral thinking. ✓✓
- Encourage job swops within the organisation. ✓✓ /Study how other businesses are conducting business operations. ✓✓
- Encourage alternative ways of working/doing things. ✓✓
- Reward creativity by offering reward schemes to employees. ✓✓ /Introduce incentives for staff members who came up with useful creative ideas. ✓✓
- Respond enthusiastically to all ideas and never let anyone feel less important. ✓✓
- Make the working environment conducive to creativity/free from distraction/high noise levels. ✓✓
- Any other relevant answer related to ways in which businesses can create an environment that promotes creative thinking in the workplace.

**Max (6)**



**BREAKDOWN OF MARKS**

| <b>QUESTION 3</b> | <b>MARKS</b> |
|-------------------|--------------|
| <b>3.1</b>        | <b>4</b>     |
| <b>3.2</b>        | <b>4</b>     |
| <b>3.3.1</b>      | <b>2</b>     |
| <b>3.3.2</b>      | <b>2</b>     |
| <b>3.4</b>        | <b>6</b>     |
| <b>3.5</b>        | <b>4</b>     |
| <b>3.6.1</b>      | <b>2</b>     |
| <b>3.6.2</b>      | <b>4</b>     |
| <b>3.7</b>        | <b>6</b>     |
| <b>3.8</b>        | <b>6</b>     |
| <b>TOTAL</b>      | <b>40</b>    |



**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS VENTURES**

**4.1 Benefits of the Unemployment Insurance Fund (UIF)**

- Unemployment benefits ✓
- Illness/Sickness/Disability benefits ✓
- Maternity benefits ✓
- Adoption benefits ✓
- Dependants' benefits ✓
- Any other relevant answer related to benefits of the Unemployment Insurance Fund (UIF) as a type of compulsory insurance.

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

**(2 x 1) (2)**

**4.2 Difference between limited liability and unlimited liability**

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

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

**Max (4)**

**4.3 Leadership styles from the scenario**

| LEADERSHIP STYLES                               | MOTIVATIONS  |
|---|--|
| 1. Transactional leadership style ✓✓            | Rosland, the training manager at Salama Logistics, uses a system of rewards and punishments for employees to reach business goals. ✓ |
| 2. Laissez-faire/free reign leadership style ✓✓ | Karabo, the CEO, has delegated tasks to the most experienced staff members to improve overall efficiency at SL. ✓                    |
| 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 leadership style even if the motivations were incomplete.
  4. Do not award marks for the motivations if the leadership styles were incorrectly identified.

**Max (6)**

4.4 **Impact of flip charts**

**Positives/Advantages**

- Mainly used for a small audience ✓ to note down short notes/ideas. ✓
- Very effective in brain storming sessions ✓ as suggestions are summarised or listed. ✓
- In a sales pitch it may be useful during the feedback session ✓ to summarise main facts/aspects that the presenter needs to follow up. ✓
- Any other relevant answer related to the positive impact/advantages of flip charts as a type of visual aid.

**AND/OR**

**Negatives/Disadvantages**

- There may not be enough time during the presentation to make written notes ✓, so some ideas may not be listed. ✓
- Handwriting may be illegible/untidy ✓ which may negatively impact on the professional image/presentation. ✓
- It may not always be possible to prepare flip charts before the presentation ✓, so it can become cluttered/ chaotic. ✓
- Any other relevant answer related to the negative impact/advantages of flip charts as a type of visual aid.

**Max (4)**

4.5 **Functions of the Johannesburg Securities Exchange/JSE**

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

**Max (4)**

**BUSINESS ROLES**

**4.6 Social rights of employees in the workplace**

- Access to clean water ✓
- Education ✓
- Protection ✓
- Health care ✓

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

**(2 x 1) (2)**

**4.7 Purpose of CSR**

- CSR aims at creating a safe working environment for employees. ✓✓
- CSR programmes are internal programmes that businesses use to comply with laws and ethics. ✓✓
- Businesses seek to promote public interest and do away with harmful practices without the need for any formal legislation. ✓✓
- Business operations address Triple bottom line through CSR programmes by considering its impact on people, profit and planet. ✓✓
- Key areas of concern are protecting the environment, the wellbeing of employees from the community and civil society in general. ✓✓
- CSR programmes and activities the business undertakes to contribute positively to the community in which the business operates. ✓✓
- CSR may take the form of a monetary donation to support local organisations. ✓✓
- Any other relevant answer related to the purpose of corporate social responsibility/CSR.

**Max (6)**

**4.8 Problem-solving steps**

**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. ✓
- Any other relevant answer related to identify the problem as a problem-solving step.

Step (2)

Explanation (1)

Submax (3)

**Define the problem ✓✓**

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

Step (2)

Explanation (1)

Submax (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. ✓



- Any other relevant answer related to identify alternative solutions as a problem-solving step.

Step (2)  
Explanation (1)  
Submax (3)

**Evaluate alternative solutions ✓✓**

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

Step (2)  
Explanation (1)  
Submax (3)

**Choose the best solution ✓✓**

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

Step (2)  
Explanation (1)  
Submax (3)

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

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

Step (2)  
Explanation (1)  
Submax (3)

**Implement the action plan ✓✓**

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

Step (2)  
Explanation (1)  
Submax (3)

**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. ✓
- Any other relevant answer related to evaluate the solution/action plan as a problem-solving step.

Step (2)  
Explanation (1)  
Submax (3)

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

**Max (6)**

4.9 **Unprofessional business practices**

4.9.1 **Unprofessional business practice from the scenario**

Unauthorised use of workplace funds and resources ✓✓

**NOTE: NO other wording/phrasing can be accepted as an answer.**

(2)

4.9.2 **Ways in which businesses can deal with unauthorised use of workplace funds and resources**

- KC/The business must conduct regular audits. ✓✓
- KC/The business must identify risk areas/vulnerable areas. ✓✓
- KC/The business must limit the number of employees having access to business funds/assets. ✓✓
- KC/The business must implement/introduce fraud prevention strategies. ✓✓
- KC/The business must educate employees about the impact of fraud. ✓✓
- Fraud prevention should be a collective responsibility of businesses and workers. ✓✓
- Clear policies should be in place so that employees are aware of what is considered to be fraud. ✓✓
- The business should set up systems in the organisation for reporting fraud and corruption. ✓✓
- Any other relevant answer related to ways in which businesses can deal with unauthorised use of workplace funds and resources as an unprofessional business practice.

**NOTE: No marks can be allocated for ways to deal with any other alternative unprofessional or unethical business practice accept the correct answer identified in QUESTION 4.9.1.**

**Max (4)**

**BREAKDOWN OF MARKS**

| QUESTION 4   | MARKS     |
|--------------|-----------|
| 4.1          | 2         |
| 4.2          | 4         |
| 4.3          | 6         |
| 4.4          | 4         |
| 4.5          | 4         |
| 4.6          | 2         |
| 4.7          | 6         |
| 4.8          | 6         |
| 4.9.1        | 2         |
| 4.9.2        | 4         |
| <b>TOTAL</b> | <b>40</b> |

**TOTAL SECTION B: 80**





**SECTION C**

**Mark the FIRST answer only.**

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

**5.1 Introduction**

- Investors are required to investigate the differences between simple interest and compound interest as it has a direct impact on the forms of investments chosen/the extent to which investors may earn a lower/higher return. ✓
- Investors should have sound/efficient knowledge of the factors that must be considered when making investment decisions in order to derive the maximum benefits from their investment. ✓
- Government/RSA retail savings bonds and fixed deposits are forms of investment that can be used by investors as a passive form of income. ✓
- Ordinary shareholders are required to gain insight into their various rights in order to exercise them appropriately/correctly. ✓
- Any other relevant introduction related to the differences between simple interest and compound interest/factors that should be considered when making investment decisions/impact of Government/RSA retail savings bonds and fixed deposits as forms of investment/rights of ordinary shareholders.

**Any (2 x 1) (2)**

**5.2 Differences between simple interest and compound interest**

| <b>SIMPLE INTEREST</b>   | <b>COMPOUND INTEREST</b>  |
|--|---|
| - Interest earned on the original amount and not on the interest accrued. ✓✓     | - Interest earned on original amount invested, as well as interest earned in previous period(s). ✓✓ |
| - The principal amount remains the same over the entire period of investment. ✓✓ | - The principal amount grows with the addition of interest to it. ✓✓                                |
| - The interest is kept separate unless it is reinvested. ✓✓                      | - Interest is calculated on the higher principal amount and again added to it. ✓✓                   |
| - Yields less return on investment. ✓✓   | - Yields high return on investment. ✓✓  |
| - Total amount of interest earned on investment is less. ✓✓                      | - Total amount of interest earned on investment is high. ✓✓   |
| - Any other relevant answer related to simple interest.                          | - Any other relevant answer related to compound interest.   |
| Submax (6)   | Submax (6)  |

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

**Max (12)**



**5.3 Factors that should be considered when making investment decisions**

**5.3.1 Risk ✓✓**

- Refers to the chance that the invested amount may be reduced in value/lost in total over a period of time, ✓ due to unforeseen circumstances. ✓
- The higher the potential return, ✓ the higher the risk of a potential loss. ✓
- Example: Investing in shares has a higher risk ✓ than investing in a fixed deposit. ✓
- Any other relevant answer related to risk as a factor that should be considered when making investment decisions.



Factor (2)  
Explanation (2)  
Submax (4)

**5.3.2 Investment term/period ✓✓**

- This refers to the duration of the investment ✓ which may influence the return on investment. ✓
- It can be short/medium/long term ✓ depending on the nature of an investment option. ✓
- The investment period will depend ✓ on an investor's personal needs/goals. ✓
- Any other relevant answer related to investment term/period as a factor that should be considered when making investment decisions.

Factor (2)  
Explanation (2)  
Submax (4)

**5.3.3 Inflation rate ✓✓**

- People are affected by a high inflation rate, ✓ because their money/purchasing power decreases. ✓
- The return on investment ✓ should be higher than the inflation rate. ✓
- Inflation has a positive effect on some investments ✓ such as property/shares where the income will increase as inflation increases. ✓
- Any other relevant answer related to inflation rate as a factor that should be considered when making investment decisions.

Factor (2)  
Explanation (2)  
submax (4)

**5.3.4 Taxation ✓✓**

- Refers to a compulsory payment ✓ made by citizens to the government. ✓
- A good investment ✓ will yield good after-tax returns. ✓
- Income tax implications must be considered ✓ in order to ensure a high net after-tax return. ✓
- Tax rates are not necessarily the same ✓ for different investments. ✓
- Any other relevant answer related to taxation as a factor that should be considered when making investment decisions.



Factor (2)  
Explanation (2)  
Submax (4)

**5.3.5 Liquidity ✓✓**

- An amount could be invested in a type of investment ✓ that can easily be converted to cash. ✓
- It is used to describe the ease and speed ✓ with which investors can convert an investment into cash. ✓

- Example: an investment in a savings account/unit trust will be easier to convert into cash ✓ than an investment in a fixed deposit which is usually deposited for a fixed period of time. ✓
- Any other relevant answer related to liquidity as a factor that should be considered when making investment decisions.



Factor (2)  
Explanation (2)  
Submax (4)

**NOTE:** 1. Mark the first THREE (3) only.  
2. Do not award marks for return on investment (ROI).

**Max (12)**

**5.4 Impact of the forms of investment**

**5.4.1 Government/RSA retail savings bonds**

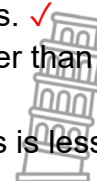
**Positives/Advantages**

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

**AND/OR**

**Negatives/Disadvantages**

- Retail bonds cannot be ceded to banks ✓ as security for obtaining loans. ✓
- A minimum of R1 000 must be invested ✓, which may be difficult for some small investors to accumulate. ✓
- Retail bonds are not freely transferable ✓ amongst investors. ✓
- Investors need to have valid SA identification/should be older than 18 years ✓ which may discourage foreigners/young people to invest. ✓
- Penalties are charged for early withdrawals ✓, if the savings is less than 12 months old. ✓
- Any other relevant answer related to the negative impact/disadvantages of RSA Retail Savings Bonds/Government Retail Bonds on investors.



Submax (6)

### 5.4.2 Fixed deposits

#### Positives/Advantages

- Interest is earned at a fixed rate ✓ regardless of changes in the economic climate. ✓
- The period of investment ✓ can be over a short/medium/long term. ✓
- Ensures financial discipline ✓ as investors cannot withdraw their funds before the maturity date. ✓
- Investors can choose the investment period ✓ that suits them. ✓
- Investors earn a better return on investment ✓ than on an ordinary savings account. ✓
- Principal amount plus interest earned is paid out ✓ on the maturity date. ✓
- It has a low risk ✓ as investors are guaranteed of the final payment. ✓
- The higher the principal amount/The longer the investment period, ✓the higher the interest rate offered by a financial institution. ✓
- Any other relevant answer related to the positive impact/advantages of fixed deposits as a form of investment.

#### AND/OR

#### Negatives/Disadvantages

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

Submax (6)

**Max (12)**

### 5.5 Rights of ordinary shareholders

- The shareholders have a right to receive notice of and attend the Annual General Meetings of the company. ✓✓
- The shareholders have the right to participate and vote at the Annual General Meetings of the company. ✓✓
- Attend the Annual General Meeting to learn about the company's performance. ✓✓
- The shareholder must be allowed to vote for the directors of the company. ✓✓
- Full disclosure must be made to the shareholders by providing them with copies of all financial reports. ✓✓
- If a company is declared bankrupt/insolvent, the shareholders have claims on the assets of the company after the creditors and preference shareholders. ✓✓
- Any other relevant answer related to the rights of ordinary shareholders.

**Max (10)**

### 5.6 Conclusion

- The type of interest rate may impact on the financial health/viability of investors and therefore investors should understand how simple interest and compound interest differs. ✓✓
- Investors should gain deeper insight into the factors that they consider when making investment decisions as it plays a critical/crucial role in the successful outcomes of different forms of investment. ✓✓
- Government/RSA retail savings bonds and fixed deposits are excellent forms of investment which can be used to create a positive investment climate/savings culture as the investor does not require large amounts of financing for these investments. ✓✓
- Ordinary shareholders take greater financial risks when purchasing ordinary shares as there is no guarantee that they will receive dividends and therefore need to exercise their rights correctly to derive the benefits thereof. ✓✓

- Any other relevant conclusion related to the differences between simple interest and compound interest/factors that should be considered when making investment decisions/impact of Government/RSA retail savings bonds and fixed deposits as forms of investment/rights of ordinary shareholders.

Any (1 x 2) (2)



**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

| DETAILS   | MAXIMUM | TOTAL             |
|---|---------|-------------------|
| Introduction  | 2       | <b>Max<br/>32</b> |
| Differences between simple interest and compound interest   | 12      |                   |
| Factors that should be considered when making investment decisions  | 12      |                   |
| Impact of the following forms of investment:<br>○ Government/RSA retail savings bonds<br>○ Fixed deposits | 12      |                   |
| Rights of ordinary shareholders.  | 10      |                   |
| Conclusion  | 2       |                   |
| <b>INSIGHT</b>  |         | <b>8</b>          |
| Layout  | 2       |                   |
| Analysis/Interpretation   | 2       |                   |
| Synthesis   | 2       |                   |
| Originality/Examples  | 2       |                   |
| <b>TOTAL MARKS</b>  |         | <b>40</b>         |

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.



**QUESTION 6: BUSINESS ROLES (TEAM PERFORMANCE ASSESSMENT AND CONFLICT MANAGEMENT)**

**6.1 Introduction**

- Understanding team dynamic theories forms a(n) critical/essential part in creating a thriving/successful/productive/efficient work environment, as it allows managers to provide role clarification when dividing tasks appropriately. ✓
- Businesses/Managers strive to understand and implement the various criteria for successful team performance in order to maintain/establish/create successful teams. ✓
- A sound understanding of the stages of team development is a requirement for successful teams to work collectively towards team outcomes. ✓
- Managers are responsible for identifying/resolving/not avoiding conflict but rather handling conflict in a constructive manner in the workplace. ✓
- Any other relevant introduction related to the importance of team dynamic theories in improving team performance/criteria for successful team performance/storming, performing and norming stages of team development/handling conflict in the workplace.

**Any (2 x 1) (2)**

**6.2 Importance of team dynamic theories in improving team performance**

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

**Max (10)**

**6.3 Criteria for successful team performance**

**6.3.1 Interpersonal attitudes and behaviour ✓✓**

- Members have a positive attitude ✓ of support and motivation towards each other. ✓
- Good/Sound interpersonal relationships ✓ will ensure job satisfaction/increase productivity of the team. ✓
- Members are committed/passionate ✓ towards achieving a common goal/ objectives. ✓
- Team leader acknowledges/gives credit to members ✓ for positive contributions. ✓
- Any other relevant answer related to interpersonal attitudes and behaviour as a criterion for successful team performance.

Criterion (2)  
Explanation (2)  
Submax (4)

**6.3.2 Shared values/Mutual trust and support ✓✓**

- Shows loyalty/respect/trust towards team members ✓ despite differences. ✓
- Shows respect for the knowledge/skills ✓ of other members. ✓
- Perform team tasks with integrity/pursuing responsibility/meeting team deadlines ✓ with necessary commitment to team goals. ✓
- Any other relevant answer related to shared values/mutual trust and support as a criterion for successful team performance.

Criteria (2)  
Discussion (2)  
Submax (4)

**6.3.3 Communication ✓✓**

- A clear set of processes/procedures for teamwork ✓ ensures that every team member understands his/her role. ✓
- Efficient/Good communication between team members ✓ may result in quick decisions. ✓
- Quality feedback improves ✓ the morale of the team. ✓
- Open/Honest discussions ✓ lead to effective solutions of problems. ✓
- Continuous review of team progress ✓ ensures that team members can rectify mistakes/act pro-actively to ensure that goals/targets are reached. ✓
- Any other relevant answer related to communication as a criterion for successful team performance.

Criterion (2)  
Explanation (2)  
Submax (4)

**6.3.4 Co-operation/Collaboration ✓✓**

- Clearly defined realistic goals are set ✓, so that all members know exactly what is to be accomplished. ✓
- Willingness to co-operate as a unit ✓ to achieve team objectives. ✓
- Co-operate with management ✓ to achieve team/business objectives. ✓
- Agree on methods/ways to get the job done effectively ✓ without wasting time on conflict resolution. ✓
- All members take part ✓ in decision making. ✓
- A balanced composition of skills/knowledge/experience/expertise ✓ ensures that teams achieve their objectives. ✓
- Any other relevant answer related to collaboration as a criterion for successful team performance.

Criterion (2)  
Explanation (2)  
Submax (4)

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

**Max (12)**

**6.4 Stages of team development  
Storming**

- Teams go through a period of unease/conflict ✓ after formation. ✓
- Different ideas from team members will compete ✓ for consideration. ✓
- Team members open up to each other ✓ and confront each other's ideas/perspectives. ✓
- Tension/struggle/arguments occur and upset the team members ✓, there may be power struggles for the position of team leader. ✓
- In some instances storming can be resolved quickly ✓ while in others the team never leaves this stage. ✓
- Many teams fail during this stage ✓ as they are not focused on their task. ✓
- This phase can become destructive for the team ✓/will negatively impact on team performance, if allowed to get out of control. ✓
- This stage is necessary/ important ✓ for the growth of the team. ✓
- Some team members tolerate each other ✓ to survive this stage. ✓



- Any other relevant answer related to storming as a stage of team development.

Submax (4)

### Performing

- Team members are aware of strategies ✓ and aims of the team. ✓
- They have direction ✓ without interference from the leader. ✓
- Processes and structures ✓ are set. ✓
- Leaders delegate ✓ and oversee the processes and procedures. ✓
- All members are now competent, autonomous ✓ and able to handle the decision-making process without supervision. ✓
- Differences among members are appreciated ✓ and used to enhance the team's performance. ✓
- Any other relevant answer related to the performing as a stage of team development.

Submax (4)

### Adjourning

- The focus is on the completion ✓ of the task/ending the project. ✓
- Breaking up the team may be traumatic ✓ as team members may find it difficult to perform as individuals once again. ✓
- All tasks need to be completed ✓ before the team finally dissolves. ✓
- Any other relevant answer related to adjourning as a stage of team development.

Submax (4)

Max (12)

## 6.5 Handling conflict in the workplace

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

Max (12)

## 6.6 Conclusion

- Managers are required to investigate various team dynamic theories so that they are better equipped to deal with the emotional/behavioural forces that influence team performance. ✓✓

- Continuous commitment by managers/team players/stakeholders in implementing the criteria for successful team performance contributes positively towards improving overall team performance. ✓✓
- Leaders/Managers are required to understand the various stages of team development in order to improve overall efficiency within teams which results in achieving overall business goals. ✓✓
- Businesses are required to respond promptly to conflict in the workplace as it is essential in creating a positive work environment/improving productivity/enhancing communication. ✓✓
- Any other relevant conclusion related to the importance of team dynamic theories in improving team performance/criteria for successful team performance/storming, performing and norming stages of team development/handling conflict in the workplace.

Any (1 x 2) (2)

**QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

| DETAILS  | MAXIMUM | TOTAL             |
|--|---------|-------------------|
| Introduction   | 2       | <b>Max<br/>32</b> |
| Importance of team dynamic theories in improving team performance  | 10      |                   |
| Criteria for successful team performance   | 12      |                   |
| Stages of team development: <ul style="list-style-type: none"> <li>○ Storming</li> <li>○ Performing</li> <li>○ Adjourning</li> </ul> | 12      |                   |
| Handling conflict in the workplace   | 12      |                   |
| Conclusion   | 2       |                   |
| <b>INSIGHT</b>   |         | <b>8</b>          |
| Layout   | 2       |                   |
| Analysis/Interpretation  | 2       |                   |
| Synthesis  | 2       |                   |
| Originality/Examples   | 2       |                   |
| <b>TOTAL MARKS</b>   |         | <b>40</b>         |

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

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

