



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA



**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

BUSINESS STUDIES P2

Stanmorephysics **COMMON TEST**

JUNE 2024

Stanmorephysics.com

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

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

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

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

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

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

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

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

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

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

1.1.1 The...is an amount that the insured must pay when a claim is lodged:

- A. excess
- B. premium
- C. book value
- D. interest

1.1.2 This form of investment chosen by Amos, is managed by a fund manager who buys shares from the Johannesburg Security Exchange:

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

1.1.3 This type of investment opportunity is issued to public to raise capital.

- A. Managed portfolio
- B. 32-days notice account
- C. fixed deposit
- D. debentures

1.1.4 The business must help the... to make the decision or solve the problem.

- A. complainer
- B. aggressive
- C. indecivenesss
- D. expert

1.1.5 Creative thinking in the workplace means ... to solve business problems.

- A. generating innovative ideas
- B. allowing one employee
- C. using old ways
- D. generating innovative ideas

(5 x 2) (10)

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

Delphi; ethical behaviour; reinstatement; dividends; instruction;
communication; professional behaviour; average; nominal group;
interest

- 1.2.1 A reward paid out to shareholders on the profits of the business is known as ...
- 1.2.2 The stipulation of ... is applicable when the insurer will replace lost or damaged property or goods.
- 1.2.3 The ... technique provides employees with time to think about the question in silence before responding.
- 1.2.4 Anthony, the team leader provides quality feedback to improve the morale of the team members. This is an example of ... as a criterion for successful team performance.
- 1.2.5 Tilt Services conforms to a set of values that are morally acceptable. This is in line with ...

(5 x 2) (10)

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

COLUMN A	COLUMN B
1.3.1 Unfair Advertising	A. legal means to reduce the burden of tax
1.3.2 Capital gain	B. depends on workers embracing change
1.3.3 Adoption benefits	C. alternative solutions are generated and critically evaluated
1.3.4 Road Accident Fund	D. fund to compensate employees for injuries and diseases incurred at work
1.3.5 Decision-making	E. selling an asset that has increased in value
	F. only one parent/partner may claim.
	G. fund to compensate drivers of vehicles against claims by persons injured in vehicle accidents
	H. selling an asset lower than its original price
	I. alternatives are considered before choosing the best one
	J. Some advertisements are discriminatory

(5 x 2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions from this section.

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

QUESTION 2: BUSINESS VENTURES

- 2.1 Name any FIVE types of preference shares. (5)
- 2.2 Outline the advantages of unit trusts as a form of investment. (6)
- 2.3 Read the scenario below and answer the questions that follow:

Lerato invested R100 000 in a fixed deposit for three years. The bank offered her interest at a rate of 15% per annum. She would earn interest on the original amount invested as well as interest accrued from previous periods.

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

NAIDOO SUPPLIERS (NS)

Themba is a manager at Naidoo Suppliers. Themba motivates employees to contribute creative ideas to improve the sales and profit of the business. Cathy, as the owner of the business, makes all the decisions on his own.

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

Use the table below as a GUIDE to answer QUESTION 2.5.1

	LEADERSHIP STYLE	MOTIVATION / QUOTE
THEMBA		
CATHY		

- 2.5.2 Discuss the impact of any ONE of the leadership style named in QUESTION 2.5.1 on ST. (6)
- 2.6 Explain the functions of the Johannesburg Securities Exchange. (6)

[40]

QUESTION 3: BUSINESS ROLES

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

SHAIK TECHNOLOGIES (ST)

Shaikh Technologies is specialising in developing computer softwares and computers repairs. ST management plan properly and put preventative measures in place. ST always uses fair advertising. The mission statement of ST includes values of equality/respect.

- 3.3.1 Quote TWO ways in which professional, responsible, ethical and effective business practices have been conducted by ST (2)
- 3.3.2 Explain OTHER ways in which professional, responsible, ethical and effective business practice should be conducted. (6)
- 3.4 Describe how businesses apply *transparency* as a King Code principle of good corporate governance. (6)
- 3.5 Suggest strategies to deal with pricing of goods in rural areas. (4)
- 3.6 Read the scenario below and answer the questions that follow:

MANDLA DESIGNS (MD)

Mandla Designs sells its designer clothes and sneakers overseas. Recently, there has been a drop in sales though. MD management has brought in experts to complete a questionnaire on how to solve their business problem. Moreover, the group employees evaluated all ideas and combined the similar ones.

- 3.6.1 Identify the TWO problem solving techniques that were applied by MD. Motivate your answer by quoting from the scenario. (6)
- Use the table below as a guide to answer QUESTION 3.4.1.

PROBLEM SOLVING TECHNIQUE	MOTIVATION / QUOTE
1.	
2.	

- 3.6.2 Discuss the positive impact of any ONE of the problem-solving techniques identified in QUESTION 3.4.1 on MD. (4)
- 3.7 Recommend ways businesses can create an environment that promotes creative thinking in the workplace. (4)

[40]

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES**

- 4.1 State THREE theories of management and leadership (3)
- 4.2 Read the scenario below and answer the questions that follow.

PANDORA MINING (PM)

Pandora Mining exports gold to northern Asia where profits are good at this time of the year. They are thinking of doing investments offshore. The form of investment must be easily converted into cash.

- 4.2.1 Identify the factor that the owners of PM are considering as they make the decision to invest offshore. Motivate your answer by quoting from the scenario. (3)
- 4.2.2 Discuss the *investment period* as the other factor that the owners of PM should consider before making an investment decision. (4)
- 4.3 Explain the following types of shares (4)
- 4.3.1 Ordinary shares (4)
- 4.3.2 Bonus shares (4)
- 4.4 Suggest to business the positive impact of laissez-faire/free-reign leadership style. (4)

BUSINESS ROLES

- 4.5 State any TWO practical examples of unauthorised use of business funds and resources. (2)
- 4.6 Identify the type of unethical business practice in EACH statement below.
- 4.6.1 Businesses that do not declare all their income to the South African Revenue Services (SARS). (2)
- 4.6.2 Charging a higher amount for goods sold outside major cities. (2)
- 4.7 Discuss how businesses can apply force field analysis as a problem-solving technique to solve complex business problems. (6)
- 4.8 Recommend ways in which a business can create an environment that stimulates/promote creative thinking. (6)

[40]**TOTAL SECTION B: [80]**

SECTION C

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

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

QUESTION 5: BUSINESS VENTURES (INVESTMENT: INSURANCE)

Businesses must differentiate between over and under insurance. It is important for all businesses to have insurance. Indemnification and utmost good faith are principles of insurance that are very significant. The Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) is compulsory insurance which businesses must be aware of.

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

- Outline differences between over and under-insurance
- Explain the importance of insurance for businesses.
- Discuss the following principles of insurance
 - Indemnification
 - Utmost good faith
- Advise businesses on the Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance.

[40]

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

Businesses must educate their employees on the characteristics of successful team performance. All teams undergo different stages of team development. The management and employees must be well conversant with the correct procedure to deal with grievances in the workplace before it occurs. Businesses should follow necessary steps in handling conflict in the workplace.

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

- Outline characteristics of successful team performance.
- Explain any THREE stages of team development.
- Discuss the correct procedure to deal with grievances in the workplace.
- Advise businesses on how they should handle conflict in the workplace.

[40]

TOTAL SECTION C: (40)

GRAND TOTAL:150



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

FINAL

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

**BUSINESS STUDIES P2
MARKING GUIDELINES
JUNE EXAMINATION**

JUNE 2024

MARKS: 150

This marking guideline consists of 28 pages.

NOTES TO MARKERS**PREAMBLE**

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

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

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

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

3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In case where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of maximum two marks)
4. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by the 'max' in the breakdown of marks) on the right-hand side is to ensure the consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
6. Subtotals to questions must be written in the right-hand side margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
7. In an indirect question, the theory as well as the response must be relevant and related to the question.
8. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

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

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

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

Cognitive verbs, such as:

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

13. SECTION B

13.1 If for example, FIVE facts are required, mark the candidates' FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

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

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

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

13.4 Use of the cognitive verbs and allocation of marks:

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

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

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

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

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

14. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, body and conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks must 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? 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 or two examples not older than two (2) years that are based on recent information, current trends and development?	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 content repeated from the introduction and conclusion.
- (2) The candidate forfeits marks layout in the words INTRODUCTION and CONCLUSION are not stated.
- (3) No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.
- 14.3 Indicate insight in the left-hand margin with a symbol e.g. (L, A, S, and/or O)
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/markings guideline to each question.
- 14.5 Mark all the relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O"
- 14.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L- Layout, A- Analysis, S- Synthesis, O- Originality) as in the table below:

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

- 14.7 When awarding marks for facts, take notes of the sub-maximum indicated, especially if candidates do not make use of the same headings. Remember, headings and sub-headings are encouraged and contribute to insight (See MARK BREAKDOWN at the end of each question.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then she/he may still obtain marks for layout.
- 14.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.

14.10



14.10.1

Award TWO marks for complete sentences. Award ONE for phrases, incomplete sentences and vague answers.

14.10.2

With effect from November 2015, the TWO marks will not necessarily at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, where businesses aim to introduce new products into existing markets'

This will be informed by the nature and context of the question, as well as the cognitive verb used.

14.11 With the effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessary apply to each question. This would also depend to the nature of question.



Stanmorephysics.com

SECTION A: (COMPULSORY)**QUESTION 1****1.1 Multiple choice questions**

1.1.1 A ✓✓

1.1.2 C ✓✓

1.1.3 D ✓✓

1.1.4 C ✓✓

1.1.5 A/D ✓✓

(5 x 2) (10)

1.2 Completion of sentences

1.2.1 dividends ✓✓

1.2.2 reinstatement ✓✓

1.2.3 nominal group ✓✓

1.2.4 communication ✓✓

1.2.5 ethical behaviour ✓✓

(5 x 2) (10)

1.3 Match columns

1.3.1 J ✓✓

1.3.2 E ✓✓

1.3.3 F ✓✓

1.3.4 G ✓✓

1.3.5 I ✓✓

(5 x 2) (10)

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

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

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

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

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

NOTE: Mark the first FIVE (5) only.

(5 x 1)(5)

2.2 Positives/Advantages of unit trusts as a form of investment.

- Managed by a fund manager who buys shares on the stock exchange/JSE. ✓✓
- Easy to cash in when an investor needs money. ✓✓
- A small amount can be invested per month. ✓✓
- Generally, beats inflation on the medium/long term. ✓✓
- Safe investments, as it is managed according to rules and regulations. ✓✓
- The investor has a variety to choose from/a wider range of shares from lower to higher degrees of risk. ✓✓
- Easy to invest in, as investors simply complete a few relevant forms or invest online. ✓✓
- Fluctuations in unit trust rates of return are often not so severe because of diversity of the investment fund. ✓✓
- Offer competitive returns in the form of capital growth and dividend distribution. ✓✓
- Fund managers are knowledgeable/experts/reliable/trustworthy as they are required to be accredited to sell unit trusts. ✓✓
- Lowers the potential risk, allows more people to invest in the fund. ✓✓
- Any other relevant answer related to positives/Advantages of unit trusts as a form of investment.

Max (6)

2.3 The type of interest applied from the scenario:

2.3.1 Compound interest ✓✓

(2)**Motivation from the scenario:**

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

(1)**2.3.2 Calculation of compound interest:****Option 1**

Year 1: R100 000 X 15% = R15 000

YEAR 2: R100 000 + R15 000 = R115 000 x 15% = R17 250

Total interest: R32 250 ✓✓✓✓

Option 2 $I = P \times (1 + r)$ ✓ $= R100\,000 (1 + 15\%)^2$ ✓ $= R132\,250$ ✓ $= R132\,250 - R100\,000$ ✓ $= R32\,250$ ✓✓✓✓**Max (4)****NOTE: 1. Award full marks (4) if the answer is correct and no workings are shown.****2. If formula and workings were shown correctly, but the final answer is wrong, award a maximum of THREE (3) marks.****3. If the workings and the answer are incorrect, award a maximum of ONE mark for the correct formula.****2.4 Differences between *leadership* and *management***

LEADERSHIP	MANAGEMENT
– Influences ✓ human behaviour. ✓	– Guides ✓ human behaviour. ✓
– Communicates by means of interaction ✓ / behaviour / vision / values / charisma. ✓	– Communicates through management functions, ✓ – e.g., line function. ✓
– Innovates / Encourages new ideas ✓ to increase productivity. ✓	– Administers plans / programs / tasks ✓ to reach targets. ✓
– Inspires staff to trust and support ✓ each another. ✓	– Controls systems and procedures ✓ to get the job done. ✓
– Focuses on what ✓ and why. ✓	– Focuses on how ✓ and when. ✓
– Focuses on the horizon ✓ / long term. ✓	– Focuses on the bottom line ✓ / short / medium / long term. ✓
– Leaders are born ✓ with natural / instinctive leadership skills. ✓	– A person becomes a manager because of the position ✓ in which he / she is appointed. ✓

– Guides/Leads people ✓ to become active participants. ✓	– Manages the process of getting things done ✓ by exercising responsibility. ✓
– Leaders have power/influence ✓ because of his/her knowledge/skills/intelligence. ✓	– Managers have power because of the position of authority ✓ into which they are appointed. ✓
– Always trying to find more efficient ways ✓ of completing tasks. ✓	– Enforce rules on subordinates ✓ / Ensure that tasks are completed. ✓
– Motivational/Inspirational ✓ in their approach ✓	– Instructional ✓ / I in their approach. ✓
– People ✓ orientated. ✓	– Task ✓ orientated ✓
– Lead by example ✓ / trust/respect. ✓	– Manage by planning ✓ / organising/ leading/control. ✓
– Does ✓ the right things ✓	– Does ✓ things right ✓
– Any other relevant answer related to leadership.	– Any other relevant answer related to management
Sub Max (2)	Sub Max (2)

NOTE:

1. The answer does not have to be in tabular.

2. The differences do not have to link but must be clear.

3. Award a maximum of TWO marks if the differences are not clear. / Mark
either leadership or management only. **Max (4)****2.5 Leadership styles****2.5.1 The leadership styles from the scenario**

	LEADERSHIP STYLE	MOTIVATION / QUOTE
CATHY	Democratic ✓✓	Cathy is a manager at Naidoo Suppliers who motivates employees to contribute creative ideas to improve the sales and profit of the business. ✓
THEMBA	Autocratic ✓✓	Themba is the owner who makes all the decisions on his own. ✓
	Sub max (4)	Sub max (2)

NOTE: 1 The answer does not have to be in tabular format.

2. Award marks for the correct identification of the leadership style even if the motivation is incorrect/incomplete.

Max (6)

2.5.2 Impact of democratic leadership style on businesses:

Positives/Advantages

- The leader allows the employees to participate in the decision-making process, ✓ so they feel empowered/positive. ✓
- Staff gives a variety of ideas/inputs/feedback/viewpoints that can lead to innovation ✓/improved production methods/increased sales. ✓
- Clear/Two-way communication ensures group commitment ✓ to final decision(s). ✓
- Authority is delegated which can motivate/inspire workers ✓ to be more productive. ✓
- Complex decisions can be made with inputs ✓ from specialists/skilled workers. ✓

AND/OR

Negatives/Disadvantages

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

OR

Impact of the Autocratic Leadership style on businesses

Positives/Advantages

- Quick decisions can be taken without consulting/considering followers/ employees.
- Work gets done in time/on schedule.
- Line of command/communication is clear ✓ as it is top-down/followers know exactly what to do. ✓
- Direct supervision and strict control ✓ ensure high quality products/service. ✓
- Provides strong leadership which makes new employees ✓ feel confident and safe. ✓
- Works well in large companies ✓ where consultation with every employee is impractical. ✓
- Clear guidance can be given ✓ to low-skilled/inexperienced/new staff. ✓

AND/OR

Negatives/Disadvantages

- Leaders and followers may become divided and may not agree on ways ✓ to solve problems. ✓
- Workers can become demotivated if their opinions ✓/ideas are not considered. ✓
- De-motivated workers impact negatively ✓ on productivity. ✓

- New/Creative/Cost reducing ideas may not be used✓/implemented/never be considered.✓
- Followers may feel that they are not valued resulting in high absenteeism✓/high employee turnover. ✓
- Experienced/Highly skilled workers will resist an autocratic leadership style✓ because it results in slow growth/low participation/less creativity. ✓
- Any relevant answer related to impact of autocratic leadership style on businesses

Max (6)

2.6 Functions of the Johannesburg Securities Exchange (JSE)

- Gives opportunities to financial institutions✓ such as insurance companies to invest their funds in shares. ✓
- Serves as a barometer/indicator of economic conditions✓ in South Africa. ✓
- Keeps investors informed on share prices✓ by publishing the share prices daily. ✓
- Acts as a link between investors✓ and public companies. ✓
- Shares are valued and assessed✓ by experts. ✓
- Small investors are invited to take part in the economy of the country✓ through the buying/selling of shares. ✓
- Venture capital market is made available✓ on the open market. ✓
- Orderly market for securities✓ serves as a disciplined market for securities. ✓
- Mobilises the funds of insurance companies✓ and other institutions. ✓
- Regulates the market✓ for dealing with shares. ✓
- Plans, researches✓ and advises on investment possibilities. ✓
- Ensures that the market operates✓ in a transparent manner. ✓
- Provides protection for investors ✓through strict rules/legislation. ✓
- Encourages short-term investment✓ 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. ✓
- Raises primary capital✓ by encouraging new investments in listed companies ✓
- Any other relevant answer related to functions of the Johannesburg Securities Exchange (JSE)

Max (6)

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	5
2.2	4
2.3.1	3
2.3.2	6
2.4	4
2.5.1	6
2.5.2	6
2.6	6
TOTAL	40

QUESTION 3: BUSINESS ROLES**3.1 Examples of unfair advertising**

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

NOTE: 1. Mark the first FOUR (4) only.**(4 x 1) (4)****3.2 Challenges pose by abuse of work time to businesses.**

- It may result in employees' often abusing work time. ✓✓
- Abuse of work time could result in losing customers or not meeting deadlines. ✓✓
- Wasting time costs, the business money and affects productivity. ✓✓
- Abuse of work time results in a decline in profits which could damage the financial wealth of the business. ✓✓
- Effective customer services may not be rendered resulting in the negative image of the business. ✓✓
- Any other relevant answer related to challenges pose by abuse of work time to businesses.

Max (4)**3.3 Ways in which professional, responsible, ethical and effective business practice should be conducted****3.3.1 Quotation of ways in which professional, responsible, ethical and effective business practice have been conducted by ST in scenario.**

- ST management plan properly and put preventative measures in place. ✓
- The mission statement of ST includes values of equality/respect. ✓
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practice have been conducted by ST in scenario above

Sub max (2)

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

- Treat workers with respect/dignity ✓ by recognising work well done. ✓
- Treat all their employees equally, ✓ regardless of their race/colour/age/gender/disability etc. ✓
- All workers should have access to equal opportunities ✓ /positions/resources. ✓
- Pay fair wages/salaries which is in line with the minimum requirements of the BCEA ✓ /Remunerate employees for working overtime/during public holidays. ✓

- Ensure that employees work in a work environment that is conducive to safety✓ / Fairness/free from embarrassment. ✓
- Refrain from starting a venture using other businesses' ideas✓ that are protected by law. ✓
- Engage in environmental awareness programmes /Refrain from polluting the environment, ✓ e.g. by legally disposing of toxic waste. ✓
- Employers and employees need to comply with legislation with regard to equal opportunities✓ /human rights in the workplace. ✓
- Businesses should develop equity programmes/promote strategies to ensure that all employees are treated equally✓ regardless of status/rank/power. ✓
- Training/Information/Business policies should include issues such as diversity✓ / discrimination/harassment. ✓
- Employers should respond swiftly and fairly to reported incidents of discrimination✓ in the workplace. ✓
- Orders/Tasks should be given respectfully and allow the recipient✓ /employee to have a say in the manner in which the task should be performed. ✓
- Business decisions and actions must be clear✓ /transparent to all stakeholders. ✓
- Businesses should be accountable /responsible for their decisions✓ and actions/ patent rights. ✓
- Hire honest/trustworthy accountants/financial officers✓ with good credentials. ✓
- Regular/Timeous payment✓ of taxes ✓
- Draw up a code of ethics✓/conduct. ✓
- On-going development ✓and training for all employees. ✓
- Performance management systems✓/Appraisals should be in place. ✓
- Adequate internal controls✓ /monitoring/evaluation. ✓
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practice have been conducted by ST Sub max (6)

3.4 **Transparency as a King Code principle of good corporate governance.**

- Decisions/Actions must be clear✓ to all stakeholders. ✓
- Staffing and other processes should be open✓ and transparent. ✓
- Employees/Shareholders/Directors should be aware of the employment policies✓ of the business. ✓
- Auditing and other reports must be accurate/ available✓ to shareholders/employees. ✓
- Regular audits should be done✓ to determine the effectiveness of the business. ✓
- Business deals should be conducted openly✓ so that there is no hint/sign of dishonesty/corruption. ✓
- Businesses should give details of shareholders' voting rights✓ to them before/at the Annual General Meeting (AGM). ✓
- The board of directors must report on both the negative and positive impact of the business✓ on the community/environment. ✓
- The board should ensure that the company's ethics✓ are effectively implemented. ✓
- Any other relevant answer related to transparency as a King Code principle of good corporate governance

Max (6)

3.5 **Strategies to deal with pricing of goods in rural areas.**

- Work together with suppliers to share delivery costs to remote rural areas. ✓✓
- Businesses can buy in bulk to get a discount to avoid charging high prices. ✓✓
- Charge fair/market related prices for goods and services. ✓✓

- A business may lobby with other businesses in the area to convince government to improve infrastructure in the rural area. ✓✓
- Investigate cost-effective ways of transporting products/Hire a large truck to combine deliveries to shop owners in the same area. ✓✓
- Avoid unethical business practices to attract customer loyalty. ✓✓
- Any other relevant answer related to strategies to deal with pricing of goods in rural areas.

Max (4)**3.6 Problem solving techniques****3.6.1 Problem solving techniques that were applied by MD from the scenario**

PROBLEM SOLVING TECHNIQUE	MOTIVATION / QUOTE
1. Delphi technique ✓✓	MD management has brought in experts to complete a questionnaire on how to solve their business problem. ✓
2. Brainstorming ✓✓	Moreover, the group employees evaluated all ideas and combined the similar ones. ✓

NOTE: 1. The answer does not have to be in a tabular format.**2 Award full marks for identification of the problem solving technique even if the motivation is incorrect/incomplete.****Max (6)****3.6.2 IMPACT OF PROBLEM SOLVING TECHNIQUES****Positive/advantages of Delphi technique:**

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

OR**Positives/advantages of brainstorming**

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

Max (4)

Please Turn Over

3.7 Ways in which a business can create an environment that stimulates/promote creative thinking

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

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2.	4
3.3.1	2
3.3.2	6
3.4	6
3.5	4
3.6.1	6
3.6.2	4
3.7	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURE

4.1 Leadership theories

- Situational leadership ✓
- Leaders and followers ✓
- Transitional/Transformational leadership ✓
- Any other relevant answer related to leadership theories.

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

4.2 Investment decision

4.2.1 Liquidity ✓✓

(2)

Motivation: The form of investment must be easily converted into cash. ✓

(1)

NOTE: Do not award mark for motivation if the identification is incorrect.

4.2.2 Investment period as factor that the owners of PM should consider before 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 as factor that the owners of PM should consider before making an investment decision

Max (4)

4.3 Types of shares

4.3.1 Ordinary shares

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

Sub max (4)

4.3.2 Bonus shares

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

Sub max (4)

Max (8)

4.4 Positives/ Advantages of Laissez-Faire Leadership style on businesses

- Workers/Followers are allowed to make decisions on their own work/ methods. ✓✓
- Leader motivates workers by trusting them to do things themselves/on their own. ✓✓
- Subordinates have maximum freedom and can work independently. ✓✓
- Subordinates are experts and know what they want/can take responsibility for their actions. ✓✓
- Suitable for coaching/mentoring to motivate employees to achieve more/better things. ✓✓
- Authority is delegated, which can be motivating/empowering to competent workers'/increase productivity. ✓✓

- It can be empowering for competent followers as they are completely trusted to do their job. ✓✓
- Individual team members may improve/develop leadership skills. ✓✓
- Any other relevant answer related to Laissez-Faire Leadership style on businesses

Max (4)**BUSINESS ROLES****4.5 Examples of unauthorized use of business funds and resources**

- Employees who download music and movies using the business resources ✓
- An employee who uses business resources for his or her personal gain. ✓
- Any other relevant answer related to examples of abuse of work time.

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)****4.6 Type of unethical business practice in EACH statement.**

4.6.1 Taxation/Tax evasion. ✓✓

(2)

4.6.2 Pricing of goods in rural areas. ✓✓

(2)**4.7 Application of Force-Field Analysis**

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

Max (6)**4.8 Ways in which a business can create an environment that stimulates/promote creative thinking.**

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

- Provide a working environment conducive to creativity, free from distractions. ✓✓
- Any other relevant answer related to ways in which a business can create an environment that stimulates/promote creative thinking.

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

QUESTION 4	MARKS
4.1	4
4.2	6
4.3.1	4
4.3.2	4
4.4	4
4.5	2
4.6	4
4.7	6
4.8	6
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Answer **ONE** question in this section.

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

- Businesses must be aware of the impact of over-insurance/under-insurance on the final claim. ✓
- Insurance for businesses is important as a precautionary measure for safe guarding business assets. ✓
- Indemnification and utmost good faith are significant principles of insurance which are guiding insurance companies. ✓
- The Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) is one of the compulsory insurance which could not be ignored since it is governed by law. ✓
- Any other relevant introduction related to differences between over and under-insurance / the importance of insurance for businesses / principles of insurance indemnification like utmost good faith/ the Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance **Any (2 x 1) (2)**

5.2 Differences between over and under-insurance

OVER-INSURANCE	UNDER-INSURANCE
– Property/Assets that are insured for more than their value. ✓✓	– Property/Assets that are not insured for their full market value. ✓✓
– The insurer can choose to reinstate the insured. ✓✓	– The insurer will implement the average clause to determine the amount that will be paid. ✓✓
– Businesses will not receive a pay-out larger than the value of the loss at market value. ✓✓	– Businesses will only be paid out for the amount that the goods/assets are insured for. ✓✓
– Any other relevant answer related to over insurance	– Any other relevant answer related to under-insurance
– Sub max (4)	– Sub max (4)

NOTE:

1. The answer does not have to be in tabular format.
2. The differences do not have to link but must be clear.
3. Award a maximum of **FOUR** marks if the differences are not clear. / Mark either under-insurance or over-insurance only. **Max (8)**

5.3 Advantages/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 dishonest employees. ✓
- Protects businesses against losses✓ due to death of a debtor. ✓
- Protects the business against theft/loss of stock and/or damages caused by natural disasters✓ such as floods, storm damage, etc. ✓
- Protects businesses from claims made by members of the public✓ for damages that the business is responsible for. ✓
- Businesses will be compensated for insurable losses, ✓ e.g., destruction of property through fire. ✓
- Businesses assets, e.g., vehicles/equipment/buildings need to be insured✓ against damage and/or theft. ✓
- Businesses are protected against the loss of earnings, ✓ e.g., strikes by employees which result in losses worth millions. ✓
- Life insurance can be taken on the life of partners in a partnership✓ to prevent unexpected loss of capital. ✓
- Should the services of key personnel be lost due to accidents/death, ✓ the proceeds of an insurance policy can be paid out to the business/beneficiaries. ✓
- Replacement costs for damaged machinery/equipment are very high, ✓ therefore insurance can reduce/cover such costs. ✓
- Any other relevant answer related to advantages/Importance of insurance for businesses.

Max (12)

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/Indemnity principle.

Sub-max (6)

5.4.2 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.

Sub-max (6)

Max (12)

5.5 Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance.

- RAF/RABS insures road-users against the negligence of other road users. ✓✓
- The RAF/RABS provides compulsory cover for all road users in South Africa, which include South African businesses. ✓✓
- Drivers of business vehicles are indemnified against claims by persons injured in vehicle accidents. ✓✓
- RAF/RABS is funded by a levy on the sale of fuel/diesel/petrol. ✓✓
- The amount that can be claimed for loss of income is limited by legislation. ✓✓
- The next of kin of workers/ breadwinners who are injured/killed in road accidents, may claim directly from RAF/RABS. ✓✓
- Injured parties and negligent drivers are both covered by RAF/RABS. ✓✓
- The injured party will be compensated, irrespective of whether the negligent driver is rich/poor/insured/uninsured. ✓✓
- RABS aims to provide a benefit scheme that is reasonable/equitable/affordable/sustainable, etc. ✓✓
- RABS aims to simplify/speed up the claims process as victims of road accidents no longer have to prove who caused the accident. ✓✓
- RABS enables road accident victims' speedy access to medical care as delays due to the investigation into accidents has been minimised. ✓✓
- Any other relevant answer related to the RAF/RABS as a compulsory insurance.

Max (14)

5.6 Conclusion

- It is advisable for insurers to differentiate between over and under-insurance so that they can pay monthly premiums in line with the actual value of an asset. ✓✓
- Management must emphasize on the importance of insurance for businesses in order to conscientious all stakeholders about it. ✓✓
- Principles of insurance such as indemnification and utmost good faith are the basis of an insurance since spell out how the insurance works. ✓✓
- Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance must be followed by businesses as per stipulations because it is administered by law. ✓✓
- Any other relevant conclusion related to the differences between over and under-insurance/ advantages/importance of insurance for businesses / principles of insurance such as indemnification and utmost good faith /Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance

Any (1 x 2) (2)

**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differentiate between over and under-insurance	8	
Importance of insurance for businesses	12	
Principles of insurance: <ul style="list-style-type: none"> Indemnification principle Utmost good faith principle 	12	
Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) as compulsory insurance.	14	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	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 (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)**6.1 Introduction**

- Successful teams contribute positively towards growth and stability of the business. ✓
 - Team leaders should understand that all teams undergo various stages of team development before they become functional. ✓
 - The correct procedures to deal with grievances serve as a guide to effective conflict management in the workplace. ✓
 - Conflict forces businesses to follow necessary steps for specific resolutions. ✓
 - Any other relevant introduction related to the characteristics of successful team performance/ stages of team development/ the conflict resolution steps/ the correct procedures to deal with grievance
- Any (2 x 1)(2)**

6.2 Characteristics of successful team performance:

- Successful teams share a common goal as team members are part of the process of setting goals for the group. ✓✓
- There is a climate of respect/trust and honesty. ✓✓
- Share a set of team values and implement group decisions. ✓✓
- Successful teams have sound intra-team relations. ✓✓
- Teams value the contributions of individual members and reach consensus on differences. ✓✓

- Team members enjoy open communication and deal with items of conflict immediately. ✓✓
- Teams are accountable and members know the time frame for achieving their goals. ✓✓
- Teams pay attention to the needs of the individual team members. ✓✓
- Creates an environment where team members are given opportunities to develop so that team members grow and learn from the experience of working in a team. ✓✓
- Regular reviews of team processes and progress may detect/solve problems sooner. ✓✓
- Balance the necessary skills/knowledge/experience/expertise to achieve the objectives. ✓✓
- Any other relevant answer related to the characteristics of successful team performance.

Max (12)

6.3 Stages of team development: Forming stage ✓✓

- Individuals gather information and impressions about each other and the scope of the task ✓ and how to approach it. ✓
- Teams are comfortable ✓ and polite with each other during this stage. ✓
- People focus on being busy with routines, such as team organisation ✓ e.g. who does what, when to meet each other, etc. ✓
- Any other relevant answer related to forming stage.

Stage (2)
Description (2)
Sub max (4)

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; ✓ 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 stage.

Stage (2)
Description (2)
Sub max (4)

Norming/Settling/reconciliation ✓✓

- The conflict during the storming stage must be resolved✓ to allow the team to move to the norming stage. ✓
- Team members come to an agreement✓ and reach consensus. ✓✓
- Roles and responsibilities are clear✓ and accepted. ✓
- Processes/working style and respect develop✓ amongst members. ✓
- Team members have the ambition to work✓ for the success of the team. ✓
- Conflict may occur, but commitment✓ and unity are strong. ✓
- Any other relevant answer related to norming/settling/reconciliation stage.

Stage (2)
Description (2)
Sub max (4)

Performing stage/Working as a team towards a goal ✓✓

- 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✓
- The process involves in achieving the goals are adhered to ✓ and team members appreciate the contributions of fellow team members. ✓
- Individual team members collectively work✓ towards the goals of the team. ✓
- Any other relevant answer related to performing stage.

Stage (2)
Description (2)
Sub max (4)

Adjourning/Mourning stage ✓✓

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

Stage (2)
Description (2)
Sub max (4)

NOTE: Mark the first THREE stages (3) only

Max (12)

6.4 Correct procedures to deal with grievances.

- An aggrieved employee must verbally report the incident/grievance✓ to his/her supervisor/manager✓
- Supervisor/manager needs to resolve the issue✓ within 3 to 5 working days. ✓
- Should the employee and supervisor not be able to resolve the grievance, ✓ the employee may take it to the next level of management. ✓
- The employee may move to a more formal process✓ where the grievance must be lodged in writing/completes a grievance form. ✓
- The employee must receive a written reply ✓ in response to the written grievance. ✓
- A grievance hearing/meeting must be held ✓ with all relevant parties present. ✓

- Minutes of the meeting must be recorded, ✓ and any resolution passed must be recorded on the formal grievance form. ✓
- Should the employee not be satisfied, ✓ then 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 filed/recorded, ✓ and the outcome/decision must be recorded on the formal grievance form. ✓
- Should the employee still not be satisfied ✓, he/she may refer the matter to the CCMA who will take a final decision on the matter. ✓
- The matter can be referred to Labour Court/Labour Appeal Court/Constitutional Court on appeal ✓ if the employee is not satisfied with the decision taken by the lower courts. ✓
- Any other relevant answer related to the correct procedures to deal with grievance

NOTE: The steps can be in any order

6.5 Conflict resolution steps.

- 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 the conflict resolution steps

NOTE: The steps can be in any order

Max 12

Max (10)

6.6 Conclusion

- Businesses must use the characteristics of successful team performance when evaluating their teams. ✓✓
- It is advisable that businesses must take note of the stages involved in team development in order to guide and support team members. ✓✓
- Business policy/strategy assists businesses to resolve conflicts in a dignified manner. ✓✓
- Businesses should have correct procedures to deal with grievances in the workplace to avoid unnecessary labour disputes. ✓✓
- Any other relevant conclusion related to characteristics of successful team performance/ stages of team development/conflict resolution steps/techniques/ correct procedures to deal with grievance

Any (1 x 2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Characteristics of successful team performance	12	
Stages of team development	12	
Conflict resolution steps/techniques	12	
Correct procedures to deal with grievance	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	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 MARKS: 150