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phondo leMpuma Kapa: Isebe leMfundo rovinsie van die Oos Kaap: Department van Onderwys orsfanse Va Kapa Botlabelet | Istopha la Thuto

NATIONAL SENIOR CERTIFICATE





MARKS: 150

TIME: 2hours

This question paper consists of 9 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO 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 two questions in this section.

2. 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.

- 3. Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
- 4. Except where other instructions are given, answers must be written in full sentences.
- 5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as 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	2	40	70
questions	3	40	
CHOICE (Answer any TWO.)	4	40	
			Resident
C: TWO essay-type questions	5	40	20
CHOICE (Answer any ONE.)	6	40	
TOTAL		150	120

- 7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 new page, QUESTION 2 new page, et cetera.
- 8. 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. Write down the question number (1.1.1–1.1.5), choose the answer and write a letter (A–D) of your choice in the ANSWER BOOK.
 - 1.1.1 A company that is incorporated for financial gain for its shareholders is called...
 - A Non-profit company
 - B Profit company
 - C Personal company
 - D Legal company
 - 1.1.2 The owners of a ...stand to lose their personal assets if the business becomes insolvent.
 - A private company
 - B close cooperation
 - C partnership
 - D non-profit company
 - 1.1.3 The fire that destroyed schools in the local area caused a ... for the department as many learners are at home.
 - A change
 - B stress
 - C natural event
 - D crisis
 - 1.1.4 Creative thinking in the workplace means ... to solve business problems.
 - A using old ways
 - B generating innovative ideas
 - C using routine thinking
 - D allowing one employee
 - 1.1.5 ABEZ Traders did not declare all their income to the South African Revenue Service. This is an example of a ... decision.
 - Anngood physics.com
 - B moral
 - C bad
 - D right

(5X2) (10)

1.2 Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK. Each word should only be used ONCE.

lessee; ethics; transparency; conventional; problem-solving; conduct; lessor; non-conventional; audit; change management.

- 1.2.1 A process where an organisation's accounts are checked to make sure its financial operations are honest is called...
- 1.2.2 Someone who grants a lease to someone else is referred to as a ...
- 1.2.3 The process of studying a situation to find ways to bring about change is referred to as ...
- 1.2.4 The ... solutions are believed to be followed by everyone.
- 1.2.5 Demani Trading applied a code of ... when they employed suitable people to fill a vacant position.

(5X2) (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 number (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6

000)	Ť	
COLUMN A			COLUMN B
1.3.1	Limited liabilities	Α	comply with the South African Bureau of
4.00	No. of Section 2		Standards
1.3.2	Notice of incorporation	В	Businesses should ensure that full
			disclosure is made when required.
1.3.3	Royalties	С	the full legal responsibility that business
			owners and partners assume for all
			business debts
	Stanmorephysics.com		
1.3.4	Globalisation	D	payments made to the person for an asset
			purchased.
1.3.5	Transparancy	E	contains information on the type of company
1.3.3	Trasparency		contains information on the type of company and numbers of directors
			and numbers of directors
		F	comply with international standards of
			quality
			quanty
		G	payments made to the owner or the creator
			of an asset for its use.
		Н	contains rules and regulations of the
			company.
		1	The loss of the business will not exceed the
			amount invested in the business by the
			business owner.
		J	Businesses should ensure that some
		J	information is kept confidential all the time.
		No.	information is represented an the time.

(5X2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions in this section.

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

QUESTION 2: BUSINESS VENTURES

2.1	Elaborate on the meaning of franchising.		

2.2 Outline the characteristics of a sole trader. (6)

2.3 Read the scenario below and answer the questions that follow:

Stanmorephysics.conKHARNS ESTATES (KE)

Kharns Estates (KE) is a real estate business that buys and renovates properties. KE buys properties and allows the user to utilise the property with regular payment according to their contract. Recently, KE also bought an existing block of offices. They hired a local builder from outside the business to do renovations that were traditionally performed in-house by the company's staff.

2.3.1 Identify TWO business avenues applied by KE. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer 2.3.1.

BUSINESS AVENUES	MOTIVATIONS
1.	
2.	

(6)

2.3.2 Explain the reason why entrepreneurs may decide to purchase an existing business.

(4)

2.4 Explain the advantages of franchising as a business avenue.

(6)

2.5 Distinguish between partnership and personal liability company

(4)

2.6 Explain the challenges of establishing a company over other forms of ownership.

(6)

2.7 Suggest contractual implications of leasing.

(6)

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[40]

QUESTION 3: BUSINESS ROLES

- 3.1 State FOUR causes stress in the workplace (4)
- 3.2 Outline the advantages of creative thinking in the workplace. (6)
- 3.3 Read the scenario below and answer questions that follow:

ELON ACCOUNTANTS (EA)

Elon Accountants (EA) specialise in bookkeeping services. Employees use their skills and ability in their area of expertise for the good of organisation, and the environment. Their employees work and conduct themselves with honesty, and according to accepted standards of professional conduct and the law.

Identify TWO principles of professionalism and ethics that EA is displaying. Motivate by quoting from the scenario above.

Use the table as a GUIDE to answer QUESTION 3.3.1

PRINCIPLES OF PROFESSIONALISM AND ETHICS	MOTIVATIONS	
1.		
2.		(6)

- 3.4 Explain the difference between professionalism and ethics. (4)
- 3.5 Discuss how businesses can apply the following problem-solving techniques to solve complex business problems:
 - 3.5.1 Delphi technique (4)
 - 3.5.2 Force field analysis (4)
- 3.6 Explain the advantage of working with others to solve problems. (6)
- 3.7 Recommend ways in which professional, responsible, ethical and effective business (6) practices should be conducted.

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

- 4.1 Elaborate on the meaning of a state-owned company. (4)
- 4.2 Outline the characteristics of a private company. (6)
- 4.3 Define the following concepts:
 - 4.3.1 initial public offer (2)
 - 4.3.2 secondary offering (2)
- 4.4 Advise business on contractual implications of franchising. (6)

BUSINESS ROLES

- 4.5 Mention any TWO internal causes of change (2)
- 4.6 Differentiate between routine thinking and creative thinking (4)
- 4.7 Read the scenario below and answer questions that follow:

EDING TECHNOLOGIES (ET)

Eding Technologies (ET) manufactures different types of ICT gadgets. ET has scheduled dates to deliver the gadgets to different local high schools. Their business is operating in an area in which electricity is a challenge.

Identify TWO examples of crisis from the scenario. Motivate your answer by quoting from the scenario above.

Use the table below as a guide to answer QUESTION 4.7

EXAMPLES OF CRISIS	MOTIVATIONS	
1.		
2.		(6)

- 4.8 Explain the advantages of ethical business ventures. (4)
- 4.9 Recommend ways in which businesses can create an environment that stimulates creative thinking in the workplace.

(4) **[40]**

TOTAL SECTION B: 80

SECTION C

Answer 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 (BENEFITS OF A COMPANY OVER OTHER FORMS OF OWNERSHIP)

Businesses should consider some aspects to include in a prospectus and the legal requirements regarding the name of the company. There are benefits of establishing a company over other forms of ownership. It is important for businesses to follow a certain procedure when forming a company.

Write an essay on forms of ownership in which you include the following aspects:

- Outline the aspects that must be included in their prospectus
- Explain the legal requirements of the name of the company
- Discuss the benefit of establishing a company over other forms of ownership
- Recommend the procedure for the formation of companies.

[40]

QUESTION 6: BUSINESS ROLES (STRESS AND CRISIS MANAGEMENT)

Stress affects employees' performance in the workplace; therefore, it is important for a business to create an environment in which employees are able to manage it. Businesses and people should be able to deal with major changes in their environment and be aware that change within a business environment is inevitable.

Write an essay on stress and crises management in which you include the following aspects:

- Outline on the meaning of stress.
- Explain the importance of stress management in the workplace
- Discuss FOUR major changes that businesses and people can deal with.
- Suggest ways businesses can deal with change in the workplace.

[40]

Stanmorephysics.com **TOTAL SECTION C: 40**

GRAND TOTAL: 150

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MARKS: 150

This marking guideline consists of 24 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: Brown

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 relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, partmarks should be awarded, for example, one mark instead of the maximum of two marks.)
- The word 'Sub-max' is used to facilitate the allocation of marks within a question or subquestion.
- 6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the righthand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
- 7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking 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.

- 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.
- 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:
 - 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: 'The autocratic leadership style provides strong leadership √ which makes new employees feel confident and safe '√.
 - 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., 'The autocratic leadership style provides strong leadership√ which makes new employees feel confident and safe √, as expectations/roles are clearly explained to avoid confusion'.√

NOTE:

- 1. The above could apply to 'analyse' as well.
- 2. Note the placing of the tick ($\sqrt{}$) 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.
- Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
- 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 the 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	Maximum:	
Content	32	
Conclusion		
Insight	8	
TOTAL	40	

15.2 Insight consists of the following components:

Layout/Structure	Is there an int	roduction, paragraphs and a conclusion?	2
Analysis and interpretation	headings/sublunderstanding Marks to be a All headings a Interpretation	idate able to break down the question into ubheadings/interpret it correctly to show ing of what is being asked? e allocated using this guide: s addressed: 1 (One 'A') on (16 to 32 marks): 1 (One 'A')	
Synthesis	Are there rele questions?	vant decisions/facts/responses made based on the	2
Stanmo	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 subquestions, 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 for synthesis	
Originality		nce of one or two examples, not older than two (2) based on recent information, current trends and s?	2
		TOTAL FOR INSIGHT:	8
		TOTAL MARKS FOR FACTS: TOTAL MARKS FOR ESSAY (8 + 32):	32 40

NOTE: 1. No marks will be awarded for contents repeated from the introduction and conclusion.

- 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
- 3. No marks will be 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 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".
- 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.

MARKS	
32(max)	
sics.com 2	
2	
2	
2	
40	
	32(max) Sics.com 2 2 2 2

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and 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 ($\sqrt{}$) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy $\sqrt{}$, where businesses aim to introduce new products into existing markets.' $\sqrt{}$

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

**ECTION: 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 QUESTIMM depend on the nature of the question.

		The state of the s	
1.1	4990	B√√	
	1.1.2	C VV	
	1.1.3	D $\sqrt{}$	
	1.1.4	B√√	
	1.1.5	C VV	
			(5X2) (10)
1.2	1.2.1	audit √√ //	, , , ,
	1.2.2	lessor √√	
	1.2.3	problem-solving √√	
	1.2.4	conventional √√	
	1.2.5	ethics √√	
			(5X2) (10)
1.3	1.3.1	1 Ny hmorephysics.com	
	1.3.2	E√√	
	1.3.3	G√√	
	1.3.4	F√√	
	1.3.5	B√√	
			(5)(0) (40)

(5X2) (10)

TOTAL SECTION A: 30

SECTION B QUESTION 2

Mark the FIRST TWO answers only.

2.1 The meaning of franchising.

- Franchising is a licence to use the name, idea, $\sqrt{}$ and processes of an existing business in a specific geographic area. $\sqrt{}$
- A franchise is an agreement between a franchisor $\sqrt{\ }$ and a franchisee. $\sqrt{\ }$
- According to a franchise agreement, the franchisee obtains the right from the franchisor $\sqrt{}$ to use the name and trademark of the franchisor and to sell the franchisor's products. $\sqrt{}$
- A franchise serves as a marketing and distribution system √ for franchisors. √
- Any other relevant answer related to the meaning of franchising.

Max (2)

2.2 Characteristics of a sole trader.

- A sole trader is a business that is owned and managed by one person $\sqrt{\sqrt{}}$
- Legally there is no separation between the business and the individual running it√√
- The sole proprietorship does not pay tax; the owner pays tax in their own capacity $\sqrt{\sqrt{}}$
- The profit made by the sole proprietorship is added to any other income earned by the owner and SARS then calculates the amount payable $\sqrt{}$
- If the business is facing legal action, the owner is held liable/ legally responsible for the debts of the business $\sqrt{}$
- There are no legal and administrative formalities in the formation of a sole trader $\sqrt{\sqrt{}}$
- Business has unlimited liability and the private possessions of the owner can be used to pay the debts of the business $\sqrt{}$
- Any other relevant answer related to characteristics of a sole trader.

Max (6)

2.3

2.3.1 Business avenues from the scenario

BUSINESS AVENUE	MOTIVATION
1.Leasing√√	KE buys properties and allows the user to utilise the property with regular payment according to their contract. $$
2.Outsourcing √√	They hired a local builder from outside the business to do renovations that were traditionally performed in-house by the company's staff.
Submax (4)	hysics.com Submax (2)

NOTE:

- 1. The answer does not have to be in tabular format.
- 2. Award marks for the business avenues even if the motivations were incomplete.
- 3. Do not award marks for motivation if the business avenues were incorrectly identified.

Max (6)

2.3.2 The reasons why entrepreneurs may decide to purchase an existing business

- An established business should not take up too much time to set up $\sqrt{}$ as all the requirements needed to run the business is already in place. $\sqrt{}$
- An established business should have an existing customer base $\sqrt{}$ because people are creatures of habit. $\sqrt{}$
- The market research has already been done for an existing business $\sqrt{\ }$, so the new owner can use that information to inform any future plans. $\sqrt{\ }$
- If you purchase an existing business the owner may often be willing to stay on for an agreed amount of time√ to mentor and guide the incoming owner. √
- An existing business already has customers and continued cash flow√. By comparison, a start-up can take a long time to attract new customers and become cash positive.√
- Many existing companies have three or more years of profitable financials that makes it easier to secure financing√ either from a traditional bank, government organisation, or venture capitalist. √
- Having trained staff in place $\sqrt{\ }$ can ensure a smooth transfer and contribute to the success of the business. $\sqrt{\ }$
- When an entrepreneur buys an existing business√, it can increase its market position.√
- Any other relevant answer related to the reasons why entrepreneurs choose to purchase an existing business.

Max (4)

2.4 Advantages of franchising as a business avenue.

- Forms of financing that are not available to the public $\sqrt{}$ are often available to franchisees.
- Purchasing a franchise could be cheaper √ than starting your own business. √
- A business is based on a proven idea $\sqrt{\ }$ and the product and service are tried and tested. $\sqrt{\ }$
- Reduced √ long-term financial risk. √
- Management advice is often provided √ so it is not necessary to be a business expert. √
- Franchises often offer √ entrepreneurial help. √
- Established suppliers give bulk discounts √ as they form part of a larger group. √
- Businesses are able to use \sqrt{a} recognised brand name and registered trademark. \sqrt{a}
- The systems, operations and services √ are well established. √
- Franchise agreements dictate how you run the business, $\sqrt{}$ so there may be little room for creativity. $\sqrt{}$
- There are usually restrictions $\sqrt{}$ on where you operate, the products you sell and the suppliers you use. $\sqrt{}$
- Franchises often have an established reputation √ and image, proven management and work practices, access to national advertising and ongoing support. √
- Franchises offer the independence of a small business ownership √ supported by the benefits of a big business network √
- You do not necessarily need business experience √ to run a franchise √
- Franchisors usually provide the training you need $\sqrt{}$ to operate their business model $\sqrt{}$
- Franchises have a higher rate of success √ than start-up businesses. √
- The marketing and advertising costs can be shared, $\sqrt{}$ so they are lower than for a non-franchised business. $\sqrt{}$
- There is often access to group support from other franchisees $\sqrt{\ }$ and a network of communication and legal advice. $\sqrt{\ }$

- An operational franchise is an established business √ so there is less financial risk. √
- Franchisees and their staff receive training and support √ from the franchisor. √
- Banks will more likely grant financial assistance √ to an established business. √
- The product is already well known in the market, √which guarantees sales and good return√
- Franchisees benefit from lower costs √ due to centralised buying by the franchiser √
- Any other relevant answer related to the advantages of franchising.

Max (6)

2.5 Difference between partnership and personal liability company

P/	ARTNERSHIP	P	ERSONAL LIABILITY COMPANY
-	No specific requirements √ in terms of the name. √	4.7	The name must end $$ with the word, Inc. $$
3 4	It is formed by two √ or more partners. √	-	Formed by one $$ or more shareholders. $$
-	Owned √ by partners. √	-	Owned √ by shareholders. √
-	Partners contribute √ capital/skills/assets.√	=	Shares issued $\sqrt{}$ to the founders promoters. $\sqrt{}$
-	Partners share profits $$ according to the partnership agreement. $$	-	Profits paid in dividends, $\sqrt{according}$ to number of shares owned.
3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	Formed by legal agreement between partners √ and usually a partnership agreement/partnership article is signed. √	~ <u>-</u>	File Memorandum of Incorporation (MOI) with the Companies √ and Intellectual Property Commission (CIPC). √
¥0	Partners are usually involved in the management $$ of the business. $$	-	The business is managed by a board of directors $$ who may be professionals in their fields. $$ At least one director. $$
-	Partners have unlimited liability√/Partners are jointly and severally liable for the debts of the business.√	-	Shareholders have limited liability. $$ The PLC and its directors, past and present, are jointly liable for any debts and liabilities incurred. $$
	No continuity $\sqrt{ {\rm If}\>}$ one partner dies or retires, the remaining partners need to draw up a new agreement. $\sqrt{ {\rm If}\>}$		Continuity√ – if one shareholder dies/retires, the company will still continue to exists.√
	Partners pay tax $$ in their personal capacity. $$	-	Subjected to double taxation√ /Companies and shareholders are taxed separately.√
T.S	Any other relevant answer related to a partnership.	-	Any other relevant answer related to a personal liability company.
_	Sub-max. (2)	1	Sub-max. (2

NOTE: 1. The answer does not have to be in tabular format, but, differences must be clear.

2. Award a maximum of FOUR (4) marks if differences are not clear/ Mark either partnerships or personal liability company only.

Max (4)

2.6 Challenges of establishing a company over other forms of ownership.

- The owners of the company have more liability. $\sqrt{}$ Directors might not have a personal stake in the company. $\sqrt{}$
- If directors change, $\sqrt{}$ there might be a difference in the continuity of management. $\sqrt{}$
- Directors may not have a personal interest in the business, $\sqrt{\ }$ and this could prevent the business from gaining help to maximise growth and profits. $\sqrt{\ }$
- There may be a conflict between the owners of the company $\sqrt{\ }$ and the management in control. $\sqrt{\ }$
- Politics can get in the way and directors are appointed √ for the wrong reasons. √
- A company may cease to exist√ if it is deregistered by CIPC. √
- Directors who do not have a personal interest in the business√ might not attract investors.
- The limited liability aspect of the company generates more paperwork√ in the registration process. √
- When directors change, √ there could be a lack of continuity in management. √
- Companies have more taxation √ requirements. √
- The more shares there are √ the less profit per share. √
- A company must submit a detailed report to all stakeholders $\sqrt{}$ at the end of each financial year. $\sqrt{}$
- A large amount of money is spent on financial audits $\sqrt{\ }$ and accounting fees because of government regulations. $\sqrt{\ }$
- Companies must disclose all financial information, $\sqrt{\ }$ and this could provide their competitors with an unfair advantage. $\sqrt{\ }$
- State-owned companies often deliver non-profitable services $\sqrt{}$ that lead to the government losing money through business. $\sqrt{}$
- Any other relevant answer related to challenges of establishing a company over other forms of ownership.

Max (6)

2.7 Contractual implications of leasing.

- The lessee has the right to occupy the asset for example a property. $\sqrt{\sqrt{}}$
- The right to use the asset for example a delivery van $\sqrt{\sqrt{}}$
- To keep the asset in good order. √√
- To pay the fees or rent on time $\sqrt{\sqrt{}}$
- Not to make alterations or changes without the consent of the lessor. $\sqrt{\sqrt{}}$
- The lessor has the responsibility to maintain the premises in good condition. $\sqrt{\sqrt{}}$
- Where an asset needs to be insured the lease agreement will stipulate it. $\sqrt{\sqrt{}}$
- Any other answer related to the contractual implications of leasing. $\sqrt{\sqrt{}}$

Max (6)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Causes of stress in the business environment

- Work overload/unrealistic targets. √
- A lack of power or influence with no authority in their work. √
- Long working hours/extended/very odd working hours. $\sqrt{}$
- Badly designed shift systems/change in the organisational structure, policy, process. √
- Lack of finances, human resources/physical resources. √
- Changes in job description √
- Confrontations and conflicts or difficulties due to lack of communication. √
- Lack of participation in decision-making √
- Inadequate training √
- Any other relevant answer related to causes of stress in the business environment.

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

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3.2 Advantages of creative thinking in the workplace.

- Creative thinking will lead to improved participation of staff members, which will ensure the generation of new ideas. $\sqrt{\sqrt{}}$
- The business will have competitive advantage over other businesses because of the unique strategies that are introduced. $\sqrt{}$
- Businesses will be able to solve complex problems. √√
- As management and employees introduce and create many ideas, saving time and money for the business, productivity will increase. $\sqrt{}$
- Managers and employees will demonstrate more confidence as they perform their duties. $\sqrt{\downarrow}$
- Managers will be inspired to lead their teams more efficiently. √√
- Managers and employees will apply their knowledge in a collaborative manner when performing their duties. $\sqrt{\sqrt{}}$
- The morale among staff members will be improved. √√
- Leads to a more positive attitude as managers and employees feel that they have contributed towards problem-solving. $\sqrt{}$
- Creative thinking will ensure that managers and employees stay abreast of the latest developments in technology. $\sqrt{\sqrt{\ }}$
- Managers and employees will be more creative as they are challenged to work outside of their comfort zones. √√
- Creativity may lead to new inventions, which will improve the general standard of living.
 √√
- Managers and employees will feel that they have contributed towards problem-solving. $\sqrt{\downarrow}$
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max (6)

3.3 Principles of professionalism and ethics from the scenario

PRINCIPLES OF PROFESSIONALISM AND ETHICS	MOTIVATIONS
1.Competency √√	Employees use their skills and ability in their area of expertise for the good of organisation, and the environment.
2.Integrity √√	Their employees work and conduct themselves with honesty, and according to accepted standards of professional conduct and the law. $\sqrt{}$
Submax (4)	Submax(2)

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

- 2. Award marks for the principles of professionalism and ethics even if the quote is incomplete.
- 3. Do not award marks for motivation if the principles of professionalism and ethics were incorrectly identified.

Max (6)

3.4 Differences between professionalism and ethics

PROFESSIONALISM	ETHICS
Set of standards √ of expected behaviour.	Conforms to a set of values √ that are morally
$\sqrt{}$	acceptable. √
Forms part of a Code of Conduct √ to guide	Forms part of the employees' √ code of
employees to act professionally. √	conduct. √
Focuses on upholding the reputation √ of a	Focuses on developing a moral compass √ to
business/ profession. √	use in decision- making. √
Includes guidelines √ on employees'	Involves following the principles of right or
appearance/ communication/attitude/	wrong √ in business
responsibility, etc. √	activities/practices/dealings. √
Used for the good √ of the	Acceptable $$ to society/group/ community. $$
employees/individuals. √	0 2
Apply a code of conduct √ set by the	Forms part of the employees' √ code of
profession or business. $\sqrt{}$	conduct to guide employees to act ethically. √
	14 M M M M M M M M M M M M M M M M M M M
Any other relevant answer related to	Any other relevant answer related to ethics.
professionalism.	1501
Sub-max. (2)	Sub-max. (2)

Max (4)

3.5 Application of the problem-solving techniques

3.5.1 Application of the Delphi technique

- Businesses must invite a panel of experts √ to research the complaints from customers. √
- Experts do not have to be in one place, √ and will be contacted individually. √
- Design a questionnaire consisting of questions on how to improve the quality √ of their products and distribute it to the panel members/experts. √
- Request the panel to individually respond to the questionnaire √ / suggest improvements to the products and return it to the business √
- Summarise the responses from the experts √ in a feedback report. √
- Send the feedback report and a second set of questions/ questionnaire √ based on the

feedback report to the panel members. $\sqrt{}$

- Request panel members to provide further input/ideas $\sqrt{\ }$ on how to improve the quality of products after they have studied the results/documentation. $\sqrt{\ }$
- Distribute a third questionnaire based on previous feedback $\sqrt{1}$ from the second round. $\sqrt{1}$
- Prepare a final summary/feedback report with all the methods $\sqrt{}$ to improve the quality of the business' products. $\sqrt{}$

The business should choose the best solution/proposal $\sqrt{}$ after reaching consensus. $\sqrt{}$

Any other relevant answer related to the application of the Delphi-technique to solve business problems.

Max (4)

3.5.2 Application of the force field analysis

- The current situation or problem and the desired situation or solution√ are described. √
- Identify what is going to happen √ if there is no action taken. √
- All the driving forces and restraining forces that will support and resist change √ must be listed. √
- The key restraining forces and their strengths √ should be discussed√
- The key driving forces and their strengths √ should be discussed. √
- A score is allocated to each force √ using a numerical scale, where 1 is weak and 5 is strong. √
- The positives and negatives are evaluated √ before deciding if the project is viable. √
- Choose the force with the highest score √ as the solution to the problem. √
- The restraining forces should be analysed $\sqrt{\text{to determine the best way of moving forward}}$ with them $\sqrt{}$
- Identify priorities √ and develop an action plan. √
- Any other relevant answer related to the application of the Force field analysis to solve business problems

Max (4)

3.6 Advantage of working with others to solve problems.

- The problem can be solved faster and easier √ by working with others. √
- Workload decreases √ if everyone does their share. √
- More ideas can be generated $\sqrt{}$ increasing the chances of finding the best possible solutions. $\sqrt{}$
- Exposure to other people's thinking patterns $\sqrt{}$ and to the way other people approach problems. $\sqrt{}$
- Enables team members to learn from others √ and accept their points of views. √
- Greater results √ can be achieved. √
- Team members have access √ to a broader bases of knowledge, skills and expertise. √
- The problem is viewed from different perspectives $\sqrt{\ }$ leading to better/more diverse inputs.
- Problems are analysed in greater detail $\sqrt{}$ which lead to better understanding of the problem. $\sqrt{}$
- Promotes creative thinking and idea generation $\sqrt{}$ by thinking of as many ideas as possible to solve problems. $\sqrt{}$
- Any other relevant answer related to the advantages of working with others to solve problems.

Max (6)

3.7 Ways in which professional, responsible, ethical and effective business practices should be conducted.

- Businesses should treat all employees equally. √√
- Plan properly and put preventative measures in place. √√
- Pay fair wages/salaries which are in line with the minimum requirements of the

BCEA/Remunerate employees for working overtime/during public holidays. $\sqrt{\sqrt{}}$

- Engage in environmental awareness programmes/Refrain from polluting the environment, e.g. by legally disposing of toxic waste. $\sqrt{}$

Refrain from starting a venture using other businesses' ideas that are protected by law. $\sqrt{\sqrt{}}$

- Business decisions and actions must be clear/transparent to all stakeholders. $\sqrt{}$

- Hiring honest/trustworthy accountants/financial officers with good credentials. $\sqrt{\sqrt{}}$

Regular/Timeous payment of taxes. √√

- Draw up a code of ethics/conduct. √√

Ongoing 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 practices should be conducted.

Max (6) [40]

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QUESTION 4 BUSINESS VENTURES

4.1 Meaning of a state-owned company

- A state-owned company has the government as its major shareholder $\sqrt{\ }$ and falls under the department of Public Enterprise. $\sqrt{\ }$
- These businesses take on the role of commercial enterprise $\sqrt{}$ on behalf of the government. $\sqrt{}$

It is owned by the government $\sqrt{ }$ and operated for profit. $\sqrt{ }$

- State-owned companies support private businesses by supplying infrastructure $\sqrt{\ }$ such as communication services or the supply of electricity. $\sqrt{\ }$
- Any other relevant answer related to the meaning of a state-owned company.

Max (2)

4.2 Characteristics of a private company.

- Requires one or more directors and one or more shareholders. √√
- It needs a minimum of one shareholder and there is no limit on the number of shareholders that a private company may have. $\sqrt{\sqrt{}}$
- A private company is not bound to publish a prospectus when issuing shares. $\sqrt{\sqrt{}}$
- Private companies are subject to many legal requirements. √√
- A private company is not allowed to sell shares to the public. $\sqrt{\sqrt{}}$
- A minimum of two shareholders are required for a meeting, except in the case of a one-person company. $\sqrt{\sqrt{}}$
- Register with the registrar of companies by drawing up a Memorandum of Incorporation. $\sqrt[]{\sqrt{}}$
- Annual financial statements must be audited with some exceptions in terms of the new Companies Act. $\sqrt{\sqrt{}}$
- Private companies do not offer securities to the public. √√
- Shareholders have limited liability for the debt of the business. √√
- Investors put capital in to earn profit from shares. √√
- The company has a legal personality as well as unlimited continuity. $\sqrt{\sqrt{}}$
- Profits are shared in the form of dividends in proportion to the share held. $\sqrt{\sqrt{}}$
- Shareholders have a limited liability and will not lose their initial capital invested if the business goes bankrupt. $\sqrt{}$
- Shareholders have limited liability and a separate legal entity. √√

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- Raises capital by issuing shares to its shareholders. √√
- Profits are shared in the form of dividends in proportion to the number of shares held. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the characteristics of a private company.

Max (6)

4.3 Initial public offer and secondary offer

4.3.1 Initial offer

- This is when the company shares to the public √ for the first time√
- The company must produce a prospectus √ before undertaking the initial offering. √
- Most companies undertake an IPO with the assistance of an investment banking firm $\sqrt{}$ acting in the role of an underwriter. $\sqrt{}$
- Any other relevant answer related to the definition of initial offer.

Max (2)

4.3.2 Secondary offering

- An offering of securities by a shareholder of the company $\sqrt{}$ as opposed to the company itself which is a primary offering $\sqrt{}$
- It is the sale of new or closely held shares by a company $\sqrt{1}$ that has already made an initial public offering (IPO). $\sqrt{1}$
- Any other relevant answer related to the secondary offering

Max (2)

4.4 Contractual implications of franchising.

- The franchisor and franchisee must sign a franchise agreement, which is legally binding on both parties. $\sqrt{\sqrt{}}$
- Disclosure documents include important financial information / details regarding the structure of the franchise. $\sqrt{\vee}$
- The franchisee had to sign a confidentiality clause, to protect important information from competitors. $\sqrt{\sqrt{}}$
- Royalties are payable in lieu of the ongoing use of the intellectual property and franchise fee which is paid to obtain the license or franchise. $\sqrt{\sqrt{}}$
- Franchisee contributes a fixed amount/fixed percentage of turnover on a regular basis towards the promotion and advertisement of the franchise operation. $\sqrt{\sqrt{}}$
- Training and operational support provided by the franchiser. $\sqrt{\sqrt{}}$
- Obligation of a franchisor is the management and development of a franchise whilst franchisee is to operate the franchise in accordance to the agreement. $\sqrt{\sqrt{}}$
- Termination clause includes provisions entitling the franchisor to cancel the agreement if the franchisee fails to act in accordance with the operations. $\sqrt{\sqrt{}}$
- Franchise can be sold/transferred with the consent of a franchisor.
- The licensing of intellectual property (trademark, patents, logos) to the franchisee is controlled by the franchisor. VV
- The initial duration of the franchise and any renewal rights. $\sqrt{\sqrt{}}$
- The policies that govern the product or service. √√
- The nature and extent of the rights granted to the franchisee. $\sqrt{}$
- The form of ownership that the franchise will operate under. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the contractual implication of franchising.

Max (6)

BUSINESS ROLES

4.5 Internal causes of change

- new business objectives or goals√
- high employee turnover where many employees must join the business $\sqrt{}$
- new policies and procedures implemented in the business $\sqrt{}$
- new management √
- restructuring √
- retrenchment √
 - new equipment. √

Mark the FIRST TWO only

(2X1)(2)

4.6 Difference between routine thinking and creative thinking

ROUTINE THINKING	CREATIVE THINKING
Associated with a LEFT-brain function where the focus is on logical thought and a methodical way of doing things. $\sqrt{\ }$	Associated with a RIGHT brain function where new ideas are generated. $\sqrt{\downarrow}$
It is where consistent, normal applied to a specific situation. √√	The focus is on being creative, using one's imagination, insight, art, and music awareness to find solutions to unique challenges $\sqrt{}$
Doing things in the same way will lead to the same results because past decisions are used to solve current problems $\!\!\!\!\!\!$	Used to come up with new ideas to solve problems in a way that is unusual and different from how things had been done before. $$
No new ideas or thought patterns are generated $\!$	This results in exploring innovative ideas and different ways of doing things in order to obtain better results $\sqrt{}$
Submax (2)	Submax (2)

Max (4)

4.7 Examples of crisis from a scenario

EXAMPLES OF CRISIS MOTIVATIONS		
 Tight deadlines √√ 	ET has scheduled dates to deliver the gadgets to different local high schools. √	
2. Power outages √√	Their business is operating in an area in which electricity is a challenge. √	
Submax (4)	Submax (2)	

NOTE: 1. Mark the first TWO (2) examples of crisis only.

- 2. Award marks for examples of crisis even if the quote is incomplete.
- 3. Do not award marks for motivation if the examples of crisis were incorrectly identified.

Max (6)

4.8 Advantages of ethical business ventures.

- Build customer loyalty $\sqrt{}$ strong customer base reduces marketing cost to acquire new customers. $\sqrt{}$

- Attracts more investors √ thereby increases its profitability. √
- Create a more positive image for the business √ and attracting more customers. √
- Retain good employees by compensating fairly for their work $\sqrt{\ }$ and dedication. $\sqrt{\ }$
- Employees develop positive relationships between their co-workers $\sqrt{}$ and managers, thus increase productivity. $\sqrt{}$
- Complying with environmental regulations or labour laws $\sqrt{\ }$ and avoid penalties, including legal fees and fines or sanctions by governmental agencies. $\sqrt{\ }$
- Any other relevant answer related to the benefits of ethical business venture.

Max (4)

4.9 Ways in which businesses can create an environment that stimulates creative thinking

- Businesses must emphasise the importance of creative thinking to ensure that all staff know that their ideas will be heard. $\sqrt{\sqrt{}}$
- Encourage staff to come up with new ideas/opinions/solutions. √√
- Encourage job swops within the organisation/studying how other businesses are doing things. $\sqrt{\sqrt{\ }}$
- Encourage alternative ways of working/doing things. √√
- Respond enthusiastically to all ideas and never let anyone feel less important. $\sqrt{\sqrt{}}$
- Provide a working environment conducive to creativity, free from distractions. $\sqrt{\sqrt{}}$
- Make time for brainstorming sessions to generate new ideas, e.g. regular workshops/ generate more ideas/build on one another's ideas. $\sqrt{\sqrt{}}$
- Place suggestion boxes around the workplace and keep communication channels open for new ideas. $\sqrt{\sqrt{}}$
- Train staff in innovative techniques/creative problem-solving skills/mind-mapping/lateral thinking. $\sqrt{\!\!\!\!/}$
- Any other relevant answer related to ways in which businesses can create an environment that stimulate creative thinking.

Max.(6)

[40]

TOTAL SECTION B: 80

SECTION C

Mark the answers to the FIRST question only

QUESTION 5: BUSINESS VENTURES (BENEFITS OF A COMPANY OVER OTHER FORMS OF OWNERSHIP))

5.1 Introduction

- Prospectus is a written invitation to convince the public to buy shares. $\sqrt{}$
- The name of the company must be registered before it can be incorporated. $\sqrt{}$
- The business person must examine all forms of ownership in the light of his needs and situations. \lor
- Although companies have a more complicated procedure to follow, incorporators enjoy more benefits than other forms of ownership. √
- Any relevant introduction related to aspects to be included in a prospectus, legal requirements
 of the name of the company, benefits of establishing a company and procedure for the formation
 of a company.

Any 2X1 (2)

5.2 Aspects that must be included in their prospectus

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- Company overview, including the vision, mission and goals of a business. \sqrt{V}
- Product or service portfolio. √√
- Market analysis and strategy. √
- Management team. √√
- The risk and potential of the business. $\sqrt{\sqrt{}}$
- Available financial and share information. √√
- Any other relevant answer related to aspects that must be included in their prospectus.

Max (8)

5.3 Legal requirements of the name of the company

- The name of a company must be original, √ and must not be misleading. √
- A company's name must appear on all company documents √ e.g. on letterheads.
- Reserving a name for a company is the first step to register a company, √ but it is not compulsory. √
- Names can be reserved for a period of 6 months√ by the CIPC. √
- The name must not be similar/same $\sqrt{}$ as any other company, unless it is part of the group. $\sqrt{}$
- The name must not imply/suggest/mislead a person $\sqrt{}$ to believe that the company is part of another person/business/the state. $\sqrt{}$
- The name must not be offensive/promote violence/hatred $\sqrt{\ }$ and cause any harm. $\sqrt{\ }$
- Any other relevant answer related to the legal requirements of the name of the company.

Max (14)

5.4 Benefit of establishing a company over other forms of ownership

- A company has its own legal status √ and is protected unlike partnerships. √
- A company has continuity √ of existence. √
- Shareholders' private assets are protected, √ as they have limited liability. √
- Companies have legal constraints √ and more accountability than partnerships. √
- A company may have more investors √ to fund the setting up of the business. √
- Shareholders are able to buy √ and sell shares freely in a public company. √
- Shareholders share in the profits of the company √ through dividends. √
- The company is managed by a qualified √ and competent board of directors. √
- A company is less likely to use consultants' √ as it has a larger pool of skills and expertise. √

- Companies have a better √ cash flow. √
- Directors do not have to take out personal loans $\sqrt{}$ to grow the business. $\sqrt{}$

Company shares can be √ transferred/bought/sold. √

- Companies have tax benefits √ that other enterprises do not have. √
- Any other relevant answer related to the benefits of establishing a company over other forms of ownership.

Max (16)

5.5 The procedure for the formation of companies.

Determine the people establishing the company. √√

Reserve a company name with the Registrar of Companies. √√

- Prepare a memorandum of incorporation, by open a bank account and register for taxation. √√

- File a notice of incorporation and obtain a unique registration number. $\sqrt{\sqrt{}}$

- Draw up a prospectus for potential investors.√√
- Register the company at the Commission of Companies and Intellectual Property Commission (CIPC). √√
- The prescribed fees must be paid. √√
- Any other relevant answer related to the procedure for the formation of companies.

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Max (8)

5.6 Conclusion

- The process of company registration is more complicated with legal formalities as compared to the partnership. $\sqrt{\sqrt{}}$
- Companies are able to raise capital more than partnerships. √√
- Any relevant conclusion related to aspects to be included in a prospectus, legal requirements of the name of the company, benefits of establishing a company and procedure for the formation of a company.

Any 1X2 (2)

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTALS
Introduction	2	32max
Aspects that must be included in their prospectus	8	
Legal requirements of the name of the company	14	
Benefit of establishing a company over other forms of ownership	16	
Recommend the procedure for the formation of companies.	8	
Conclusion	2	
INSIGHT		
Layout		2
Analysis		2
Synthesis	6	2
Originality		2
TOTAL		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 (STRESS AND CRISIS MANAGEMENT)

6.1 Introduction

- Every employee is faced with stress in the workplace. √
- Crises is an unforeseen event that can cause major changes in an organisation. √
- Many of the most stressful events in people's lives are related to their work. √
- Businesses must do all in their power to manage change in the workplace. √

Any 2X1 (2)

6.2 The meaning of stress.

- Stress is defined as a state of mental or emotional strain or tension resulting from adverse or demanding circumstances. √√
- The strain that an individual is placed under can affect their ability to retain information, or their attentiveness and their overall efficiency in the workplace. √√
- Stress is the response of your body to anything that requires more action or work from an individual than normal. √√5 com
- An employee is generally referred to as being stressed when they are not able to sufficiently balance the demands of getting work done versus the amount of work that they must do. $\sqrt{\sqrt{}}$
- The physical and emotional response to stress for the individual may be debilitating resulting in lower productivity levels at work. $\sqrt{\sqrt{}}$
- The strain that individuals experience meeting the daily demands of the business or general environment may cause the person to be stressed and may cause high levels of absenteeism from work. $\sqrt{\sqrt{}}$
- Stress may also result in low self-esteem and morale for employees. $\sqrt{\sqrt{}}$
- Any other relevant answer related to the meaning of stress

Max (8)

6.3 The importance of stress management in the workplace

- If stress is not managed effectively, it can result in absenteeism, √ poor performance of staff, conflict, grievances and complaints, amongst other things. √
- Stressed employees are more likely to miss work $\sqrt{}$ because they cannot cope, or because of serious health problems. $\sqrt{}$
- Managing workplace stress will minimise absenteeism $\sqrt{\ }$ and maintain productivity in the workplace. $\sqrt{\ }$
- Workers who suffer from stress often make poor decisions √ and errors of judgement in times
 of crisis, and this could result in unforeseen emergencies. √
- Grievances or complaints that lead to staff turnover $\sqrt{}$ can be addressed if stress is well–managed. $\sqrt{}$
- Conflict and interpersonal problems can be avoided if stress $\sqrt{}$ is managed at the workplace.
- Having stressed and tired employees serving the public√ may lead to poor service and unhappy customers but this could be avoided/corrected through the management of stress. √
- Stressed employees are more likely to cling to the old ways of doing things $\sqrt{}$ by resisting change, but this can be managed through proper management of stress. $\sqrt{}$
- Constant stress can cause many problems for a business $\sqrt{}$ since it can become an unhealthy working environment. $\sqrt{}$
- Too much stress can become a barrier to success√ and lower the performance of employees.
- Any other relevant answer related to the importance of stress management.

Max (12)

6.4 Major changes that businesses and people can deal with.

Unemployment √√

- This occurs when employees lose their jobs due to resignation $\sqrt{}$ for a better position, being fired, or choosing to stop working. $\sqrt{}$
- Changes that take place in the business may lead to unemployment $\sqrt{}$ due to retrenchment or when businesses close down. $\sqrt{}$
- Many people who are unemployed struggle to cope √ and this may lead to illness and depression. √
- Any other relevant answer related to unemployment as a major change that businesses and people deal with.

Change (2)

Explanation (2)

Submax (4)

Retrenchment VV

- Retrenchment occurs when a business reduces the number of workers $\sqrt{}$ in the business or organisation to reduce the cost of the salaries and wages bill. $\sqrt{}$
- Essentially this is a process that is used by the employer to evaluate the business' needs√ in order to increase profits whilst reducing its employees. √
- Restructuring and economic changes may lead to many people being retrenched from their jobs.
- Any other relevant answer related to retrenchment as a major change that businesses and people deal with.

Change (2)

Explanation (2)

Submax (4)

Globalisation √√

- Due to the narrowing of global markets $\sqrt{\ }$, businesses can trade in different countries. $\sqrt{\ }$
- This requires flexibility in order to adapt to changes √ brought about by globalisation. √
- With improved ongoing technological processes, new technology $\sqrt{}$ must be combined and used to make processes more efficient. $\sqrt{}$
- The business should ensure that their product or service is of a high standard $\sqrt{\ }$ and quality, which will result in competition amongst businesses. $\sqrt{\ }$
- Any other relevant answer related to globalisation as a major change that businesses and people deal with.

Change (2)

Explanation (2)

Submax (4)

Affirmative action $\sqrt{\sqrt{}}$

- It is a legal requirement for businesses to ensure that they offer equal opportunities $\sqrt{}$ to people from previously disadvantaged or designated groups in the workplace. $\sqrt{}$
- The aim of the policy is to ensure representation of women, people with disabilities and black South Africans affected in business.
- This may lead to resentment towards persons appointed according to this policy.
- Any other relevant answer related to affirmative action as a major change that businesses and people deal with.

Change (2)

Explanation (2)

Submax (4)

Max (16)

6.5 Ways businesses can deal with change in the workplace.

- Businesses should recognise the differences that manifest when change processes are started and set out to achieve the goals and/or objectives of the process for change. $\sqrt{\sqrt{}}$
- Businesses should recognise that change creates stress and disequilibrium for employees.
- It is important for businesses to capacitate the employees with stress and change management solutions to cope with different situations. $\sqrt{\sqrt{}}$
- Employers should engage employees in the process of change to build trust. √√
- By consulting and communicating with employees, management shows that they are transparent and are keeping all staff informed of the expected changes. $\sqrt{\sqrt{}}$
- Management should adhere to the plan and not move away from it. √√
- All employees should be participative in the transformation process. √√
- Change can be implemented easily if employees have good interpersonal relationships demonstrating trust, respect and support for each other. $\sqrt{\sqrt{}}$
- To ensure that employees have a competitive advantage for promotion purposes, they should practice lifelong learning to ensure that they have the expected skills and knowledge base. $\sqrt{\sqrt{ }}$
- Any other relevant answer related to ways businesses can deal with change in the workplace.

Max (10)

6.6 Conclusion

- It is very important for a business to deal with stress, changes and crises to ensure the success of the business. $\sqrt{\sqrt{}}$
- Cooperation/Teamwork must be encouraged to reduce stress levels in the workplaces $\sqrt{\sqrt{}}$
- Workplace interventions appear successful in preventing the negative consequences of work stress. $\sqrt{\sqrt{}}$
- Any other relevant answer to stress, crisis and change management.

Any 1X2 (2)

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTALS
Introduction	2	32max
Meaning of stress	8	
The importance of stress management in the workplace	12	
Major changes that businesses and people can deal with.	16	
Ways businesses can deal with change in the workplace	10	
Conclusion	2	
INSIGHT		
Layout		2
Analysis		2
Synthesis tanmorephysics.com		2
Originality		2
TOTAL		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all

TOTAL SECTION C:40 GRAND TOTAL: 150