



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

**BUSINESS STUDIES P2
JUNE EXAMINATION
2025**

MARKS: 150

TIME: 2 hours

This question paper consists of 10 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions

1. This question paper consists of **THREE** sections and covers **TWO** main topics.

Section A: compulsory

Section B: consists of **THREE** questions. Answer **ONLY TWO** questions.

Section C: consists of **TWO** questions. Answer **ONLY ONE** question.

2. Read the instructions for each question carefully and take note of what it requires. 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 instructions are given, answers must be given in full sentences.
5. Use the mark allocation and the nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for marks and time allocation when answering each question

| SECTION | QUESTION | MARKS | TIME GUIDE |
|--|-----------------|--------------|--------------------|
| A: objective-type questions COMPULSORY | 1 | 30 | 20 minutes |
| B: THREE direct/indirect-type questions. CHOICE: Answer any TWO | 2 | 40 | 35 minutes |
| | 3 | 40 | 35 minutes |
| | 4 | 40 | 35 minutes |
| C: TWO essay-type questions CHOICE: Answer any one | 5 | 40 | 30 minutes |
| | 6 | 40 | 30 minutes |
| TOTAL | | 150 | 120 minutes |

7. Start the answer to **EACH** question on a **NEW** page, for example **QUESTION 1** – new page, **QUESTION 2** – new page.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.
10. Use a **BLUE / BLACK** pen.

QUESTION 1

1.1 Various options are provided as possible answers to the following questions.

Choose the answer and write only the letter(A–D) next to the question number (1.1.1–1.1.5) in the ANSWER BOOK. for example 1.1.6 E.

1.1.1 The problem-solving technique is applied when businesses want to change their structures

- A. Brainstorming
- B. Empty chair
- C. Nominal Group
- D. Force-field analysis

1.1.2 The employees of Taketjie trading apply the principle of By responding to consumer's request.

- A. Professionalism
- B. Customers Care
- C. Ethics
- D. Professionalism and ethics

1.1.3 Recent business procedures and policies can be regarded as an example of cause of change.

- A. Internal
- B. External
- C. Market
- D. Macro

1.1.4 The shareholders of Maxwell construction Ltd offered securities for the first time to the public. This is an example of a offering.

- A. Primary
- B. Secondary
- C. Tertiary
- D. Formal

1.1.5 The company that provides essential services such as water and electricity at affordable prices

- A. State-owned
- B. Private
- C. Public
- D. Personal liability

(5×2) (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 your ANSWER BOOK

Personal liability, Ethics, Patent, Retrenchments, Private, Rent, Trademark, Royalties, Conduct, Affirmative action

1.2.1 A ... company requires directors to be liable for the debts of the business.

1.2.2 The on-going fee paid to the owner of an asset by using its name and trademark is known as....


1.2.3 Businesses can take out a for new inventions and include a sample of their invention with application.

1.2.4 Tebogo Trading applied a code of ... when they employed suitable people to fill a vacant position.

1.2.5 Kasango limited is providing opportunities for previously disadvantaged people. This change management is known as ...

(5×2) (10)

1.3 Choose a description from **COLUMN B** that matches a term in **COLUMN A**. Write only the letter (A–J) next to the question number (1.3.1–1.3.5) in the ANSWER BOOK, e.g. 1.3.6 K

| COLUMN A | COLUMN B |
|---|---|
| <p>1.3.1 Crisis</p> <p>1.3.2 Prospectus</p> <p>1.3.3 Problem Solving</p> <p>1.3.4 Notice of incorporation</p> <p>1.3.5 Principles of ethics</p>  | <p>A. Respecting the image of the business.</p> <p>B. Includes the number of directors of the company.</p> <p>C. An unforeseen event that can cause major changes in the organisation.</p> <p>D. A document containing information about the company and the shares to people interest in buying shares.</p> <p>E. A state of emotional or mental strains resulting from diverse circumstances.</p> <p>F. The process of finding a solution to a problem.</p> <p>G. A document containing the information that sets out the rights, duties and responsibility of directors or shareholder in the company.</p> <p>H. The ability to think of new ideas that can be applies to situations that requires solutions.</p> <p>I. includes the number of shareholders of the company.</p> <p>J. initiating CSI projects for communities.</p> |

(5×2) (10)
[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, for example QUESTION 2 on a new page, QUESTION 3 on a new page.

QUESTION 2: BUSINESS VENTURES

2.1 Name any FOUR aspects that must be included in the prospectus. (4)

2.2 Identify avenues for acquiring a business illustrated by the following statements:

2.2.1. Mr Monama hires a financial accountant from Nduna Auditors to audit his financial records every financial year.

2.2.2. Setswiki Manufactures signed a contract with Malesela properties for the use of their property for a specified period and will pay every month.

2.2.3. Selaelo was given the right to offer the same products as Shokgola Trading for a percentage of his gross monthly sales and a royalty fee. (6)

2.3 Read the scenario below and answer the following questions:

The Devine Empire Pty (Ltd)

The Devine Empire Pty (Ltd) is planning to change its company status to The Devine Empires Ltd. This change will enable them to invite the public to purchase shares.

2.3.1 identify TWO forms of ownership that are applicable to Devine Empire. Motivate your answers by quoting from the scenario above (6)

2.3.2 Discuss the advantages of Devine Empire Ltd as a form of ownership (4)

2.4 Outline the contractual implications of a franchise (6)

2.5 Describe the disadvantages of franchising (6)

2.6 Advise businesses on the reasons why entrepreneurs may decide to purchase an existing business. (8)

[40]

QUESTION 3: BUSINESS ROLES

3.1 List THREE causes of stress in the workplace. (3)

3.2 Identify the theories of ethics applied by Power Designers Ltd in EACH statement below.:

3.2.1 Employees are treated with respect and dignity as one of the human rights in the workplace.

3.2.2 Good actions are viewed as ethical since they have a positive effect on their employees.

3.2.3 The business' values and ethical principles are in line with society in which it operates. (6)

3.3 Read the scenario below and answer the questions that follows:

LACEY MANUFACTURES (LM)

Lacey Manufacturers has seen a decline in sales over the past few months because of poor-quality products. They have asked a team of experts to recommend ways to enhance their product quality.

3.3.1 Identify the problem-solving technique applied by MM. Motivate your answer by quoting from the scenario above. (3)

3.3.2 Advise the management of LM on other ways in which they can apply the problem-solving technique identified above in the workplace. (4)

3.4 Explain the benefits of creative thinking in the workplace (6)

3.5 Differentiate between good decisions and bad decisions. (4)

3.6 Discuss the benefit of working with others to solve problems (6)

3.7 Recommend ways in which professional, responsible, ethical and effective business practice should be conducted (8)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

- 4.1 Mention FOUR aspects that must be included in the Memorandum of Incorporation. (4)
- 4.2 Outline the challenges of establishing a company over other forms of ownership. (6)
- 4.3 Explain the characteristics of partnership as a form of ownership (4)
- 4.4 Discuss the THREE advantages of leasing for the lessor. (6)

BUSINESS ROLES

- 4.5 Give **THREE** internal cause of change (3)
- 4.6 Read the scenario below and answer the questions that follows:

MASAI MANUFACTURES

Masai Manufacturers specialises in producing sneakers. MM recently experienced a breakdown in machinery, leading to a decline in productivity and sales in the workplace.

- 4.6.1 Identify examples of a crisis from the scenario above. Motivate your answer by quoting from the scenario. (3)
- 4.6.2 Outline ways in which a business could deal with crisis in the workplace (6)
- 4.7 Discuss the following major changes that businesses and people deal with:
- 4.7.1 Retrenchment (4)
- 4.7.2 Unemployment (4)
- [40]**

TOTAL SECTION B: 80

SECTION C

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

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

The answer to EACH question must start on a NEW page, for example

QUESTION 5 on a NEW page or QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURE (FORMS OF OWNERSHIP)

Many entrepreneurs choose to establish a public company for expansion and growth, while others opt for a private company to avoid the need to register a prospectus. It's essential for entrepreneurs to follow the correct procedures when registering a company.

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

- Elaborate on the meaning of a prospectus.
- Explain the differences between the private company and public company.
- Discuss the procedure for the formation of companies.
- Advise entrepreneurs on the legal requirements of the name of the company.

[40]

QUESTION 6: BUSINESS ROLES (STRESS AND CHANGE MANAGEMENT)

Most businesses are embracing the fourth industrial revolution, actively reshaping their processes with innovative technology. This rapid change has caused stress among some employees in the workplace, prompting the company to develop strategies to manage this crisis effectively.

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

- Elaborate on the meaning of stress and crisis
- Explain strategies to businesses on how to deal with the following issues in the workplace:
 - Globalisation
 - Affirmative Action
- Discuss the importance of stress management in the workplace
- Recommend ways in which employees can manage stress in the workplace

[40]

TOTAL SECTION C: [40]

GRAND TOTAL: [150]



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

Stanmorephysics.com

GRADE 11

BUSINESS STUDIES P2

JUNE EXAMINATION

2025

Stanmorephysics.com

MARK: 150

This marking guideline consists of 22 pages

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

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, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or sub question is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalized if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
 - 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g.

Positive: 'COIDA eliminates time and costs spent✓ on lengthy civil court proceedings.'✓

- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidate is 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 'analyze' as well.
2. Note the placing of the tick (✓) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, 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.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

SECTION B

- 14.
- 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 or use the word 'Cancel'.

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 finalize alternative answers.

14.4 Use of the cognitive verbs and allocation of marks:

- 14.4.1 If the numbers 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: 32 | Maximum: |
| Content | 32 |
| Conclusion | |
| Insight | 8 |
| TOTAL | 40 |

15.2 Insight consists of the following components:

| | | |
|--|---|--|
| Layout/Structure Is there an introduction | Is there a body | and a conclusion? 2 Analysis and interpretation Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? 2 Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A') Synthesis |
| Are there relevant decisions/facts/responses made based on the questions? 2 Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S') Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. | current trends and developments? 2 TOTAL FOR INSIGHT: TOTAL MARKS FOR FACTS: TOTAL MARKS FOR ESSAY (8 + 32): 8 32 40 | |

| | | |
|---|--|--|
| <p>Award the maximum of TWO (2) marks for synthesis. Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis. Originality is there evidence of examples based on recent information</p> | | |
|---|--|--|

NOTE:

- No marks will be awarded for contents repeated from the introduction and conclusion.**
- The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
- 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.
- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality 'O'.
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

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

SECTION A

QUESTION 1

- 1.1. 1.1.1. D ✓✓
1.1.2. A ✓✓
1.1.3. A ✓✓
1.1.4. A ✓✓
1.1.5. A ✓✓

(5 x 2) (10)

- 1.2. 1.2.1. Personal liability ✓✓
1.2.2. Royalties ✓✓
1.2.3. Patent ✓✓
1.2.4. Conduct ✓✓
1.2.5. Affirmative Action ✓✓

(5 x 2) (10)

- 1.3. 1.3.1. C ✓✓
1.3.2. D ✓✓
1.3.3. F ✓✓
1.3.4. B ✓✓
1.3.5. A ✓✓

(5 x 2) (10)

TOTAL SECTION A: 30

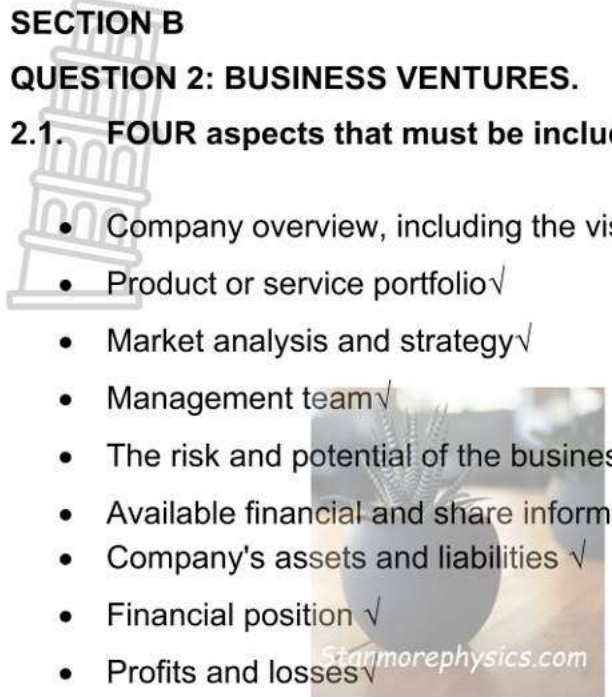
BREAKDOWN OF MARKS

| QUESTION 1 | MARKS |
|------------|-------|
| 1.1 | 10 |
| 1.2 | 10 |
| 1.3 | 10 |
| TOTAL | 30 |

SECTION B

QUESTION 2: BUSINESS VENTURES.


2.1. FOUR aspects that must be included in a prospectus.

- 
- Company overview, including the vision, mission and goals of a business ✓
 - Product or service portfolio ✓
 - Market analysis and strategy ✓
 - Management team ✓
 - The risk and potential of the business ✓
 - Available financial and share information
 - Company's assets and liabilities ✓
 - Financial position ✓
 - Profits and losses ✓
 - Any other relevant answer related to the forms of ownership.

NOTE: Mark the first FOUR (4) only.

Max (4)

2.2 avenues for acquiring a business.

- 
- 2.2.1 Outsourcing ✓✓
 - 2.2.2 Lease ✓✓
 - 2.2.3 Franchise ✓✓

Max (6)

2.3 forms of ownership from the scenario.

- 2.3.1 Private Company ✓✓

Motivation

- The Devine Empire Pty (Ltd) is planning to change its company status to The Devine Empires Ltd. ✓

AND

Public Company ✓✓

Motivation

- This change will enable them to invite the public to purchase shares. ✓

Max (6)

2.3.2 Advantages of public company

- The business has its own legal identity ✓
- Easy to raise funds for growth through the sale of shares. ✓
- Shareholder is only liable for the amount which is invested / Shareholders have limited liability. ✓
- The public has access to the information and this could motivate them to buy shares from a company. ✓
- Shareholders can sell/transfer their shares freely. ✓
- Can appoint a knowledgeable board of directors. ✓
- Buy and sell shares freely. ✓
- Additional shares can be raised by issuing more shares or debentures. ✓
- Strict regulatory requirements protect shareholders. ✓
- Any other answer relevant to the characteristics of a public company. ✓

Max (4)

2.4 Contractual implication of outsourcing

Some details that should be addressed in an outsourcing agreement are:

- The responsibilities and rights of both parties. ✓✓
- The length or duration of the contract. ✓✓
- A confidentiality clause to protect privileged information. ✓✓
- Payment terms and conditions. ✓✓
- Penalties for not delivering the agreed services ✓✓
- An exact description of the service/product. ✓✓
- Any other relevant answer related to the contractual implications of outsourcing. ✓

Max (6)

2.5 The disadvantages of franchising

- Acquiring a franchise can be an expensive initial layout. ✓
- There are often restrictions in the agreement and terms of how the business should be operated. ✓
- Many creative entrepreneurs feel limited as to how much they can expand their ideas. ✓
- One poorly performing outlet may risk the reputation of the entire franchise. ✓
- A large portion of profits is paid in royalties, and often the franchisors do not deliver on their promises. ✓
- It is often difficult to sell/terminate a franchise contract. ✓
- The start-up cost may be a challenge without assistance from the franchisor. ✓
- Any other answer relevant to the disadvantage of franchising ✓

Max (6)

2.6 Reason why entrepreneurs may decide to purchase an existing business

- Easier to raise finance if the business has a good history/image. ✓✓
- Immediate cash flow as there are already established customers. ✓✓
- Market research has already been done and there is an established customer base. ✓✓
- Distribution/Supply links/Staff/Network is/are already established. ✓✓
- A market for business products or services has already been established. ✓✓
- Existing employees and managers may have experience they can share. ✓✓
- Many business problems have already been solved. ✓✓
- Any other answer relevant to the reasons why entrepreneurs may decide to purchase an existing business.

Max (8)
[40]

QUESTION 3: BUSINESS ROLES

3.1 THREE causes of stress in the workplace.

- Heavy workload/Unrealistic targets✓
- Long working hours✓
- Time pressures and deadlines✓
- Inadequately trained subordinates✓
- The necessity of attending meetings✓
- Work demands intruding on family and personal life✓
- Keeping up to date with new technology✓
- Conflict with those in the business with different beliefs and values✓
- Taking work home✓
- Interpersonal relationships with colleagues✓
- The amount of travel required by work✓
- Incompetent bosses✓
- Bullying or harassment✓
- Confrontations and conflicts✓
- Inadequate training✓
- Any other relevant answer related to causes of stress in the workplace.
- **NOTE: Mark the first THREE (3) only.**

Max (3)

3.2 Identify the theories of ethics

- 3.2.1 The right approach✓✓
- 3.2.2 The common good approach✓✓
- 3.2.3 Consequential theory✓✓

Max (6)

3.3 Identify problem-solving technique from the scenario

3.3.1 Delphi technique. ✓✓

Motivation:

- MM requested a group of experts to suggest solutions on how to improve the quality of their products. ✓
- **Note: Do not award marks for motivation, if identification is incorrect.**

Identification (2)

Motivation (1)

Max (3)

3.3.2 Application of 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 product/service 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 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. ✓✓
- Request panel members to provide further input/ideas on how to improve the quality of their products/services after they have studied the results/documentation. ✓✓
- Distribute a third questionnaire based on previous feedback from the second round. ✓✓
- Prepare a final summary/feedback report with all the methods to improve the quality of products. ✓✓
- Choose the best solution/proposal after reaching consensus. ✓✓
- Any other relevant answer related to the application of Delphi technique

Max (4)

3.4 Benefits/ Advantages of creative thinking in the workplace

- Complex business problems✓ may be solved. ✓
- Creativity may lead to new inventions✓ which improves the general standard of living. ✓
- Better/Unique/Unconventional ideas/solutions✓ are generated. ✓
- May give businesses a competitive advantage✓ if unusual/unique solutions/ideas/strategies are implemented. ✓
- Managers/employees have more confidence✓ as they can live up to their full potential. ✓
- Managers will be better leaders✓ as they will be able to handle/manage change(s) positively and creatively. ✓
- Managers/Employees can develop a completely new outlook, ✓ which may be applied to any task(s) they may do. ✓

- Leads to more positive attitudes ✓ as managers/employees feel that they have contributed towards problem solving/Improves motivation amongst staff members ✓
- Managers/Employees have a feeling of great accomplishment, ✓ and they will not resist/ obstruct once they solved a problem/contributed towards the success of the business. ✓
- Management/Employees can keep up ✓ with fast changing technology. ✓
- Stimulates brain function of employees/managers, ✓ as they are continuously pushed out of their comfort zone/improving the total well-being of employees. ✓
- Any other relevant answer related to the benefits/ advantages of creative thinking

Max (6)

3.5 Difference between good decisions and bad decisions.

| GOOD DECISIONS | BAD DECISIONS |
|--|--|
| • Maintaining high levels of integrity ✓✓ | • Not considering values ✓✓ |
| • Honouring professional business practices ✓✓ | • Insufficient or erroneous information ✓✓ |
| • Not starting a business venture at the expense of others ✓✓ | • Violating customer's privacy ✓✓ |
| • Payment of fair wages ✓✓ | • Damaging the environment ✓✓ |
| • Not discriminating against employees ✓✓ | • Price fixing ✓✓ |
| • Regular payment of tax ✓✓ | • Tax evasion ✓✓ |
| • Reducing environmental pollution ✓✓ | • Cloning animals or people ✓✓ |
| • Importing goods that have been produced by factories with fair labour practices ✓✓ | • Bribery ✓✓ |
| • Any relevant answer related to good decisions. | • Any relevant answer related to the difference between bad decisions. |
| Sub max (4) | Sub max (4) |

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

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

3. Award a maximum of FOUR (4) marks if distinctions are not clear/mark either bad decisions or good decisions only.

Max (8)

3.6 Benefits/ advantages of working with others to solve problems

- The problem can be solved faster and easier. ✓
- Workload decreases ✓ if everyone does their share. ✓
- More ideas can be generated ✓ increasing the chances of finding the best possible solutions. ✓
- Exposure to other people's thinking patterns ✓ and to the way other people approach problems. ✓
- Enables team members to learn from others ✓ and accept their points of view.
- Greater results ✓ can be achieved. ✓
- Team members have access to a broader base of knowledge, skills and expertise. ✓
- The problem is viewed from different perspectives. ✓
- Problems are analysed in greater detail ✓ which lead to better understanding of the problem. ✓
- Promotes creative thinking and idea generation ✓ by thinking of as many ideas as possible to solve problems ✓
- 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 practice 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. ✓✓
- Engage in environmental awareness programmes. /Refrain from polluting the environment, e.g. by legally disposing of toxic waste. ✓✓
- Refrain from starting a venture using other businesses' ideas that are protected by law. ✓✓
- Business decisions and actions must be transparent to all stakeholders. ✓✓
- Businesses should be accountable /responsible for their decisions and actions/patent rights. ✓✓
- Hiring honest/trustworthy accountants/financial officers with good credentials.
- 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 the ways in which professional, responsible, ethical and effective business practice should be conducted

Max (8)

[40]

QUESTION 4: MISCELLANEOUS QUESTIONS

BUSINESS VENTURES

4.1 FOUR aspects that must be included in the Memorandum of Incorporation

- Incorporators ✓
- Nature of the company ✓
- Securities of the company ✓
- Shareholders and meetings ✓
- Directors and officers ✓
- Name of the company ✓
- Main objectives of the company ✓
- Number of shares each incorporator will purchase ✓
- Amount of share capital registered ✓
- Rules and regulations of the company ✓
- Name of the auditor ✓
- **NOTE: Mark the first FOUR (4) only.**

Max (4)

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

- Directors may not have a personal interest in the business, and this could prevent the business from gaining maximum growth and profits. ✓✓
- Directors who do not have a personal interest in the business may not attract investors. ✓✓
- There may be conflict between the owners of the company and management in control. ✓✓
- The more shares there are the less profit per share. ✓✓
- A company is required to submit a full report ✓ to all stakeholders each financial year. ✓✓
- The limited liability aspect of the company generates more paperwork in the registration process. ✓✓
- The owners of the company have more liability. ✓✓
- When directors change there could be a lack of continuity in management. ✓✓
- Companies have more taxation requirements and other taxes are high. ✓✓
- They are required to disclose all financial information which could provide their competitors with an unfair advantage. ✓✓
- Politics can get in the way and managers are appointed for the wrong reasons. ✓✓
- State owned companies often deliver non-profitable services that lead to government losing money through the business. ✓✓
- A company can stop existing if deregistered by the Registrar of Companies. ✓✓
- A large amount of money of funds is spent on financial audits and accounting fees due to government regulations. ✓✓
- Any other relevant answer related to the challenges of establishing a company over other forms of ownership.

Max (6)

4.3 Characteristics of partnership as a form of ownership

- An agreement between two or more people ✓ who combine labour, capital and resources towards a common goal. ✓
- Partners combine capital ✓ and may also borrow capital from financial institutions. ✓
- No legal requirements ✓ regarding the name of the business. ✓
- Partners have unlimited liability and are jointly and severally liable for the debts of the business. ✓
- Profit is shared ✓ according to the partnership agreement. ✓
- Partnership does not pay tax partners pay personal income tax. ✓
- Auditing of financial statements ✓ is optional. ✓
- Partners share responsibilities ✓ and they are all involved in decision making. ✓
- No legal formalities to start, ✓ only a written partnership agreement is required.
- The partnership does not pay income tax, ✓ only the partners in their personal capacities. ✓
- Diversity, specialisation and different skills ✓ of the partners can be used. ✓
- Partnership has no legal personality ✓ and therefore has no continuity. ✓
- Partners share responsibilities ✓ and they are all involved in decision making ✓
- Any other relevant answer related to the characteristics of partnership

Max (4)

4.4 Advantages of leasing for the lessor

- Leasing improves the cash flow ✓ of the business. ✓
- Leasing is regarded as an expense for the lessee ✓ and is therefore not regarded as debt. ✓
- The lessor receives ✓ a continual rental income. ✓
- The lessor can get quantity discount ✓ by buying goods in bulk to supply various lessees. ✓
- The asset can be returned to the lessor ✓ when it is no longer needed. ✓
- Makes budgeting and planning easier ✓ and it provides better control over cash flow. ✓
- Retains ownership of the asset, ✓ which can be sold to recover money at the end of the lease. ✓
- There is no large financial outlay ✓ as the cost is spread over several months/years. ✓
- The lessor normally covers the maintenance/replaces ✓ any damaged parts or equipment. ✓
- There is tax advantages ✓ as rental payment are calculated as operating costs and therefor tax deductible. ✓
- It is easy to lease a better/newer version of the product ✓ without the capital outlay. ✓
- Any other relevant answer related to leasing for the lessor

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✓
- New policies and procedures implemented in the business✓
- New management✓
- Restructuring✓
- Retrenchment✓
- New equipment✓
- Accept any other relevant answer related to internal causes of change.

Note: Mark the first THREE only.

Max (3)

4.6.1 Breakdown in Machinery.

✓✓

Motivation

- MM recently experienced a breakdown in machinery, leading to a decline in productivity and sales in the workplace.✓

Note: Do not award marks for motivation, if identification is incorrect.

Identification (2)

Motivation (1)

Max (3)

4.6.2 Ways businesses can deal with a Crisis in the Workplace

- Businesses should respond appropriately and quickly to lessen the effects of the crisis situation. ✓✓
- Intervene swiftly and with urgency, but without panicking or overreacting. ✓✓
- Identify the real nature of the crisis by making a thorough assessment of the situation and seeking expert opinions. ✓✓
- Assess/If the crisis happens, face up to it and quickly find out what has happened without over-reacting. ✓✓
- Deal with crisis directly and timeously without trying to avoid/minimise the seriousness of the situation ✓✓
- Plan/Identify and prioritise the actions required ✓✓
- Inform/Provide accurate and correct information ✓✓
- Support/Guide others through the situation by providing training and support.
- Attempt to contain the situation to minimise further damage✓✓
- Communicate with all stakeholders so that they are properly informed about what has happened, what the impact is and how it is being dealt with. ✓✓
- Appoint a spokesperson from the management team who will deal with all questions and provide information. ✓✓
- Regain control/Manage the situation in a calm manner until the crisis is over. ✓✓
- Obtain expert advice if the crisis falls outside the business' scope of expertise. ✓✓
- Call for help and seek assistance/advice and support from the appropriate. ✓✓ agencies and professional. ✓✓

- Arrange debriefing sessions for all those directly involved in the crisis or who have been traumatised by the event. ✓✓
- Evaluate how effective the emergency plan was throughout the crisis. ✓✓
- Amend the emergency plan after evaluating what worked and what did not work. ✓✓

Max (6)

4. Major changes that businesses and people deal with:

4.7.1 Retrenchment

- Retrenchment is when a business cuts the number of workers✓ to reduce their wages and salary bill. ✓
- A process whereby the employer reviews its business needs✓ to increase profits/limit losses, which leads to reducing its employees. ✓
- Economic changes may result in many people being retrenched ✓from their jobs✓.
- Any other relevant answer related to retrenchment.

Max (4)

4.7.2 Unemployment

- It is when employees lose their jobs✓ because they are fired, or they quit their jobs✓
- Change can lead to unemployment✓ due to retrenchment. ✓
- A business may close down/sold/merge✓ resulting to unemployment. ✓
- Coping with unemployment is traumatic✓ and can lead to depression. ✓
- Any other relevant answer related to unemployment.

Max (4)

[40]

TOTAL SECTION B: 80

SECTION C

QUESTION 5: BUSINESS VENTURE (FORMS OF OWNERSHIP)

5.1 Introduction

- Form of ownership refers to the legal position of the business and the way it is owned. ✓
- An entrepreneur must decide which of the forms of ownership will best suit their type of business. ✓
- Compared to sole proprietorships and partnerships, starting a company is a complicated process. ✓
- To set up a company is an expensive and complicated procedure with many legal requirements to follow. ✓
- Any other relevant answer related to the introduction for forms of ownership and formation of companies.

(Any 2 × 1) (2)

5.2 Meaning of a prospectus

- A prospectus is a written invitation ✓ to convince the public to buy shares. ✓
- A prospectus gives information ✓ about the business. ✓
- It is a formal legal document ✓ giving details about the investment offerings. ✓
- A prospectus must be issued by a company ✓ within three months after the date of registration. ✓
- Any other relevant answer related to the meaning of a prospectus.

Max (8)

5.3 Differences between the private company and public company

| PRIVATE COMPANY | PUBLIC COMPANY |
|--|--|
| May not offer shares ✓ to the public. ✓ | Trades its shares publicly ✓ on the Johannesburg Securities Exchange. ✓ |
| Shares ✓ are not freely transferable. ✓ | Shares ✓ are freely transferable. ✓ |
| Minimum of one ✓ director. ✓ | Minimum of three ✓ directors. ✓ |
| Name must end ✓ with Proprietary Limited/(Pty) Ltd. ✓ | Name must end ✓ with Limited/Ltd. ✓ |
| Annual financial statements ✓ need not be audited and published. ✓ | Annual financial statements ✓ need to be audited and published. ✓ |
| Does not need to publish a prospectus. ✓ as it cannot trade its shares publicly. ✓ | Must register and publish a prospectus with the Companies and Intellectual Property Commission/CIPC. ✓ |
| The company is not required to raise ✓ the minimum subscription/ issue minimum shares. ✓ | Must raise a minimum subscription ✓ prior to commencement of the company. ✓ |
| Any other relevant answer related to the differences between private and public companies. | Any other relevant answer related to the differences between private and public companies. |
| Sub-max (6) | Sub-max (6) |

Max (12)

- NOTE:1. Differences do not have to link but the differences must be clear.**
2. If the differences are not clear mark either private or public company and award maximum EIGHT (8) marks.

5.4 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; ✓ open a bank account and register for taxation. ✓
- File a notice of incorporation ✓ and obtain a unique registration number ✓
- Draw up a prospectus ✓ for potential investors. ✓
- Any other relevant answer related to the procedure for formation of companies.

Max (10)

5.5 Legal requirements of the name of the company

- Reserving the name for a company is the first step to registering, but it is not compulsory. ✓✓
- If a name is reserved at CIPC, it cannot be used by another company. ✓✓
- Names can be reserved by a business for six months. ✓✓
- The name of a company is subject to approval by CIPC. ✓✓
- The name of a company must be original and not misleading. ✓✓

- The company cannot be using a name that is already in use by another company. ✓✓
- A company's name must appear on all company documents. ✓✓
- Any other relevant answer related to the legal requirements of a company.

Max (12)

5.6 Conclusion

- There are many legal formalities with the formation of companies which will contribute to the limited liability of the shareholders. ✓✓
- Entrepreneurs must ensure that they choose the right form of ownership to be successful. ✓✓
- Any other relevant answer related to the conclusion of forms of ownership and formation of companies.

Any (1 × 2) (2)

BREAKDOWN OF MARKS

| DETAILS | MAXIMUM | TOTAL |
|--|---------|-------|
| Introduction | 2 | 32 |
| Meaning of a prospectus | 6 | |
| Differences between private and public company | 12 | |
| Procedure for the formation of companies | 10 | |
| Legal requirements of the name of the company | 12 | |
| Conclusion | 2 | |
| Insight | | 8 |
| Layout | 2 | |
| Analysis/Interpretation | 2 | |
| Synthesis | 2 | |
| Originality | 2 | |

***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, CRISIS MANAGEMENT)

6.1 Introduction

- Stress is experienced by everyone in different situations. ✓
- Change is difficult for most individuals, organisations and management ✓
- Change causes stress levels to increase ✓
- A crisis causes a huge and sudden increase in stress levels ✓
- Any other relevant answer related to stress and crisis ✓

(2x1) (2)

6.2 Meaning

6.2.1 Stress

- Stress is defined as a state of emotional✓ or mental strain. ✓
- The strain can affect memory/concentration✓ and lowers the morale of employees. ✓
- Stress refers to the harmful physical/emotional responses that can happen when there is conflict between job demands ✓ on the employee and the amount of control an employee has over meeting these demands. ✓
- It is the wear and tear our bodies experience✓ as we adjust to our changing environments✓
- Any other relevant answer related to stress

Sub-max 04

6.2.2 Crisis

- Crises is an unforeseen event✓ that can cause major changes in an organisation. ✓
- It refers to the sudden✓ and potentially disastrous events. ✓
- It is time of intense difficulty/ trouble/ danger.
- An event that can harm the business's stakeholders/ its property, ✓ finances / its reputation. ✓
- Any situation that threatens people✓ at home or work. ✓
- Unforeseen event that can cause major changes✓ in the organisation. ✓
- Any other relevant answer related to crisis

Sub-max 04

Max (08)

6.3 Strategies that to deal with the following issues in the workplace:

6.3.1 Globalisation

- Adapt your approach to new✓ operational complexities. ✓
- Businesses should be aware of changes✓ in the related industry. ✓
- Keep abreast of new technology/processes and developments✓ that could give your business a competitive edge. ✓
- Investigate overseas markets✓ for their products. ✓
- Source overseas✓ manufactures/materials/suppliers etc. ✓
- Build a strategy for connecting with governments.
- Comply with international standards✓ of quality. ✓
- Comply with international✓ I trade laws. ✓
- Upgrade the enterprise's information technology (IT) network✓ to enable online purchasing. ✓
- Be creative in making products✓ desirable and unique. ✓
- Any other relevant answer related to strategies to deal with globalisation.

Sub-max 06

6.3.2 Affirmative Action

- Inform employees on how affirmative action ✓ will be implemented in the business. ✓
- Businesses must have acceptable affirmative action ✓ programmes. ✓
- Businesses must indicate in all their job adverts ✓ that they are affirmative action employers. ✓
- They should open themselves to new ideas and opportunities ✓ instead of sticking to the past. ✓
- Employees need to focus on the job ✓ rather than the differences of the people in the team and how they were appointed. ✓

Sub-max 06

Max (12)

6.4 The importance of stress management in the workplace

- If stress is not managed effectively, it can get out of control ✓ and cause staff health issues. ✓
- Stressed employees are more likely to miss work, ✓ both to cope and due to health-related problems. ✓
- Managing stress will curb absenteeism ✓ to maintain productivity at workplace. ✓
- Workers who suffer from stress often display poor judgement in crisis or emergency situations ✓ and this can be avoided through managing stress. ✓
- Grievances or complaints that lead to staff turnover can be addressed ✓ if stress is well-managed. ✓
- Conflict and interpersonal problems can be avoided ✓ if stress is managed at the workplace. ✓

Max (12)

6.5 Ways in which employees can manage stress in the workplace

- Develop self-awareness to recognise the signs of stress and its causes. ✓✓
- Create a balanced lifestyle and minimise extreme emotions. ✓✓
- Exercise regularly and keep fit. ✓✓
- Follow a balanced diet. ✓✓
- Get enough sleep and relaxation. ✓✓
- Replace negative self-talk with positive thoughts. ✓✓
- Apply good time-management skills. ✓✓
- Set personal realistic goals and targets. ✓✓
- Accept things one cannot change and focus on things one can control. ✓✓
- Practise time management. ✓✓

Max (12)

6.6 Conclusion

- It is very important for a business to deal with stress, change and crisis to ensure the success of the business ✓✓
- Any other relevant answer related to the conclusion of stress, crisis and change management.

(1x2) (2)

BREAKDOWN OF MARKS

| DETAILS | MAXIMUM | TOTAL |
|--|---------|-------|
| Introduction | 2 | 32 |
| Meaning of stress and crisis | 8 | |
| Business strategies for globalisation and affirmative action | 12 | |
| The importance of stress management in the workplace | 12 | |
| Ways in which employees can manage stress in the workplace | 10 | |
| Conclusion | 2 | |
| Insight | | 8 |
| Layout | 2 | |
| Analysis/Interpretation | 2 | |
| Synthesis | 2 | |
| Originality | 2 | |

***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.