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education

Department of
Education
FREE STATE PROVINCE

PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P2

SEPTEMBER 2026

BUSINESS STUDIES P2

12722B

MARKS: 150

TIME: 2 HOURS

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X05

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INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

   SECTION A: Compulsory

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

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

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

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

3. Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.

4. Except where other instructions are given, answers must be written in full sentences.

5. Use the mark allocation and 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 (minutes)
A: Objective-type questions COMPULSORY	**1**	**30**	**20**
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	**2** **3** **4**	**40** **40** **40**	**70**
C: TWO essay-type questions CHOICE: Answer any ONE.	**5** **6**	**40** **40**	**30**
TOTAL		**150**	**120**

7. Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

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SECTION A (COMPULSORY)

QUESTION 1

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

1.1.1 Gaby formed a ... that will be funded by donations and foreign funding.

A state-owned company
B sole trader
C non-profit company
D cooperative

1.1.2 In the ... leadership style, employees have maximum freedom and work independently.

A Autocratic
B Laissez-Faire
C Charismatic
D Democratic

1.1.3 ... is the amount the insured agrees to pay upfront when a claim is lodged.

A Under-insurance
B The average clause
C Reinstatement
D An excess

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1.1.4 Neo Consultants considers the components of the triple bottom line in their business operations. These components are ...

A people, planet and profit.
B people, profit and products.
C planet, price and people.
D promotion, profit and planet.

1.1.5 It is important to remember that ... allocate tasks according to the roles of team members.

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A team development
B criteria for successful teams
C team dynamic theories
D team stages

(5 x 2) (10)

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

private company; interactive whiteboard; environment; norming; funeral benefits; public company; flip chart; performing; business ethics; UIF

1.2.1 Dimpho considers starting a ... because she can issue a prospectus to raise capital.

1.2.2 Jayden Furniture is compelled to register its employees with ... as a form of insurance.

1.2.3 A visual aid that is easy to combine with sound when presenting is known as an ...

1.2.4 CSI can include ... as a focus area.

1.2.5 Castelyn Computers is in the ... stage of team development, as employees can work without interference from the leader.

(5 x 2) (10)



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

COLUMN A	COLUMN B
1.3.1 Abuse of worktime	A every individual has an obligation to benefit the business
1.3.2 Limited liability	B focus on influencing human behaviour
1.3.3 Social responsibility	C requires you to know your facts
1.3.4 Management	D create long hours to complete work
1.3.5 Quiet personality	E the owner's personal assets may be seized to pay for debts of the business
	F focus on guiding human behaviour
	G create flexible time for personal matters
	H the owner's personal assets are protected against debts of business
	I every individual has an obligation to benefit society
	J requires you to wait for their response

(5 x 2) (10)

TOTAL SECTION A: 30

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SECTION B

Answer ANY TWO questions in this section.

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

QUESTION 2: BUSINESS VENTURES

2.1 Give any THREE examples of non-verbal presentations. (3)

2.2 Outline the difference between *insurance* and *assurance*. (4)

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

MOROPA ENTERPRISES (ME)

After a recent presentation, the owner of ME reflected on some aspects. He will have to increase the use of visual aids. He should listen and then respond. It is important that he encourages questions from the audience and uses his humour appropriately.

2.3.1 Quote from the scenario above TWO areas for improvement in the next presentation and TWO ways in which the presenter can handle feedback in a non-aggressive and professional manner.

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

AREAS FOR IMPROVEMENT	NON-AGGRESSIVE FEEDBACK
1.	1.
2.	2.

(4)

2.3.2 Discuss the impact of PowerPoint as a visual aid. (6)

2.4 Explain the importance of insurance for a business. (6)

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

NAUDE LTD

Naude LTD has shares available on the JSE. Michiel is a shareholder in Naude LTD. He only receives dividends when profit is made.

2.5.1 Identify the type of shares that Michiel has. Motivate your answer by quoting from the scenario above. (3)

2.5.2 Discuss the functions of the JSE. (6)

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2.6 Advise businesses on how the following criteria could contribute to the success and/or failure of a partnership:

2.6.1 Management (4)

2.6.2 Capital (4)
[40]

QUESTION 3: BUSINESS ROLES

3.1 Name TWO problem-solving steps. (2)

3.2 Outline the difference between *ethical* and *professional behaviour*. (4)

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

MOKOENA FASHIONS (MF)

Mokoena Fashions has been making large profits and has decided to invest some of the profit in the community. MF sponsored an arts and culture programme. This programme attracted more investors. MF also donated school uniforms for needy learners.

3.3.1 Quote TWO examples of CSR programmes implemented by MF from the scenario above. (2)

3.3.2 Discuss the impact of CSR on the community. (6)

3.4 Explain the responsibilities of employees in promoting human health and safety in the workplace. (6)

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

CROWDER CONTRACTORS (CC)

The management and workers of CC have difficult personalities, which creates a lot of conflict in the workplace. The owner set a deadline for improving difficult behaviour. It is important to keep communication channels open.

3.5.1 Quote TWO ways in which businesses can deal with difficult employees in the workplace from the scenario above. (2)

3.5.2 Discuss other ways in which businesses can deal with difficult employees in the workplace. (6)

3.6 Explain how businesses can apply the King Code principle of accountability for good corporate governance to improve ethical business conduct. (6)

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3.7 Recommend ways in which businesses can promote cultural rights in the workplace. (6)
[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 Name TWO factors that should be considered when making investment decisions. (2)

4.2 Outline factors that must be considered when preparing a presentation. (4)

4.3 Identify the form of ownership in EACH statement below:

4.3.1 Directors at Muller Inc. have unlimited liability. (2)

4.3.2 Morgan and Callah want to combine their capital to start a business. (2)

4.4 Explain *utmost good faith* as a principle of insurance. (4)

4.5 Evaluate the impact of unit trusts as a form of investment. (6)

BUSINESS ROLES

4.6 Name any THREE criteria for successful team performance. (3)

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

MOLOI PRINTERS (MP)

Moloi Printers excluded some population groups in their advertisements. This, together with increasing corruption at MP, discouraged investors.

4.7.1 Identify the unethical business practice applicable to MP. Motivate your answer by quoting from the scenario above. (3)

4.7.2 Recommend ways in which the business can deal with the unethical business practice identified in QUESTION 4.7.1. (4)

4.8 Explain ways in which businesses can contribute time and effort to improving the well-being of communities. (4)

4.9 Suggest strategies businesses may use to protect the environment and human health. (6)
[40]

TOTAL SECTION B: 80

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SECTION C

Answer ANY ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the question chosen. 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 (MANAGEMENT AND LEADERSHIP)

Different leadership styles are distinct approaches leaders use to guide and manage teams. It is therefore important to consider their impact when choosing the best style. Leadership theories give a framework of how and when leaders emerge. The role of personal attitude in successful leadership is important.

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

- Outline the differences between the *democratic* and *autocratic leadership styles*.
- Explain the impact of the following leadership styles:
  - Charismatic
  - Transactional
- Discuss THREE leadership theories.
- Advise businesses on the role of personal attitude in successful leadership. **[40]**

QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM SOLVING)

There is a clear difference between problem-solving and decision-making. When solving problems, businesses need to know how to apply different problem-solving techniques and what their impact on a business is. There are also many benefits in thinking creatively.

Write an essay on creative thinking and problem-solving in which you include the following aspects:

- Outline the difference between *problem-solving* and *decision-making*.
- Explain how businesses can apply the following problem-solving techniques:
  - Brainstorming
  - Force field analysis
- Discuss the impact of the following problem-solving techniques on a business:
  - Delphi technique
  - Nominal group technique
- Advise businesses on the benefits of creative thinking. **[40]**

TOTAL SECTION C: 40
GRAND TOTAL: 150

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PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P2

SEPTEMBER 2026

MARKS: 150

MARKING GUIDELINES

This marking guideline consists of 32 pages.

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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:	Orange
Chief Marker:	Pink
Internal Moderator:	Black/Blue
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, 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.

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

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

10. No additional credit must be given for repetition of facts. Indicate with an 'R'.

11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

    11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive**: ,'*The autocratic leadership style provides strong leadership*√ *which makes new employees feel confident and safe'.*√

    11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance, candidates are also expected to support their responses with more depth, e.g. '*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 (√) 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 Give, name, state, outline, quote, motivate, recommend, suggest, advise, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.

    12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessment is conducted according to established norms so that uniformity, consistency and fairness are achieved.

13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

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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 in consultation with the UMALUSI external moderators.

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: 32**
Content	
Conclusion	
Insight	**8**
TOTAL	**40**

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15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, paragraphs and a conclusion?		**2**
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show an understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One "A") Interpretation (16 to 32 marks for facts): 1 (One "A")		**2**
Synthesis	Are there relevant decisions/facts/responses made based on the questions?		
	Option 1:	**Only relevant facts: 2 marks (No '-S')** Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts, no '-S' appears in the left margin. Award a maximum of TWO (2) marks for synthesis.	
	Option 2:	**Some relevant facts: 1 mark (One '-S')** Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	
	Option 3:	**Some relevant facts: 1 mark (One '-S')** Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	
	Option 4:	**No relevant facts: 0 marks (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.	**2**
Originality	Is there evidence of one example in any TWO (2) of the four sub-questions, not older than two (2) years, that are based on recent information, current trends and developments?		**2**
		TOTAL FOR INSIGHT:	**8**
		TOTAL MARKS FOR FACTS:	**32**
		TOTAL MARKS FOR ESSAY (8 + 32)	**40**

NOTE: 1. The candidate must respond to at least any TWO of the four sub-questions in the INTRODUCTION and at least ONE of the four sub-questions in the CONCLUSION. Verbatim quoting of definition/facts from credible sources is strongly discouraged.

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.

4. No marks will be awarded for content repeated from the introduction and conclusion.

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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 for 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 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(√) separated and indicated next to each fact, e.g. 'Inflation rate refers to a general increase in the price of goods and services over a period of time,√ resulting in a decrease in the value of money.'√

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.

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SECTION A

QUESTION 1

1.1
1.1.1 C √√
1.1.2 B √√
1.1.3 D √√
1.1.4 A √√
1.1.5 C √√

(5 x 2) (10)

1.2
1.2.1 public company √√
1.2.2 UIF √√
1.2.3 interactive whiteboard √√
1.2.4 environment √√
1.2.5 performing √√

(5 x 2) (10)

1.3
1.3.1 G √√
1.3.2 H √√
1.3.3 I √√
1.3.4 F √√
1.3.5 J √√

(5 x 2) (10)

TOTAL SECTION A: 30

BREAKDOWN OF MARKS	
QUESTION 1	**MARKS**
1.1	10
1.2	10
1.3	10
TOTAL	30

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SECTION B

Mark only the FIRST TWO answers.

QUESTION 2: BUSINESS VENTURES

2.1 **Examples of non-verbal presentations**

- Tables √
- Graphs/bar graph/line graph/histogram/pie chart/-graph √
- Diagrams √
- Illustrations/Pictures/Photographs/Scenarios/Models √
- Written/Business reports √
- Flip charts √
- Hand-outs/Print-outs √
- Slide shows/PowerPoint √
- Any other relevant examples related to non-verbal presentations.

NOTE: Mark the first THREE (3) only. (3 x 1) (3)

2.2 **Difference between insurance and assurance**

INSURANCE	ASSURANCE
- Based on the principle of indemnity. √√	- Based on the principle of security/certainty. √√
- The insured transfers the cost of potential loss to the insurer at a premium. √√	- The insurer undertakes to pay an agreed sum of money after a certain period has expired/on the death of the insured person, whichever occurs first. √√
- It covers a specified event that may occur. √√	- Specified event is certain, but the time of the event is uncertain. √√
- Applicable to short-term insurance. √√	- Applicable to long-term insurance. √√
- Examples: Property insurance/ money in transit/burglary/fire √	- Examples: Life insurance/ endowment policies/retirement annuities √
- Any other relevant answer related to insurance.	- Any other relevant answer related to assurance.
Submax (2)	Submax (2)

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

Max (4)

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2.3 **Presentation**

2.3.1 **Presentation factors from the scenario**

AREAS FOR IMPROVEMENT	NON-AGGRESSIVE FEEDBACK
- He will have to increase the use of visual aids. √	- He should listen and then respond. √
- ... and uses his humour appropriately. √	- It is important that he encourages questions from the audience. √
Submax (2)	Submax (2)

NOTE: 1. Only award marks for responses that were quoted from the scenario.
2. Accept responses in any order.

Max (4)

2.3.2 **Impact of PowerPoint as a visual aid**

Positives/Advantages

- Graphic programmes have the capacity to convey ideas √ and support what the presenter says. √
- Easy to combine √ with sound/video clips. √
- Simple/Less cluttered slides √ may capture the interest of the audience. √
- Video clips can provide variety √ and capture the attention of the audience. √
- Variation of colour/background/sound immediately captures the attention of the audience √ and retains their interest throughout the presentation. √
- Slides should only be used √ where they can enhance the facts or summarise information. √
- PowerPoint slides can help to convey a large number of facts √ in a short time. √
- Any other relevant answer related to the positive impact/advantages of PowerPoint as a visual aid.

AND/OR

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Negatives/Disadvantages

- Unprofessional handling √ of the data projector/PowerPoint presentation material. √
- May lead to irritation √ /may result in the audience losing interest. √
- Less effective √ for people with visual impairments. √
- Simply reading off the slides √ makes a presentation boring/ meaningless. √
- Unable to show slides √ without electricity/data projector. √
- Any other relevant answer related to the negative impact/disadvantages of PowerPoint as a visual aid.

Max (6)

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2.4 **Importance of insurance for a business**

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

Max (6)

2.5 **Shares**

2.5.1 **Types of shares from the scenario**

Ordinary shares √√ (2)

Motivation

He only receives dividends when profit is made. √ (1)

NOTE:
1. **Do not award marks for the motivation if the type of shares was incorrectly identified.**
2. **Award marks for Ordinary shares, even if the motivation is incomplete.**

Max (3)

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2.5.2 **Functions of the JSE**

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

Max (6)

2.6 **Criteria that contribute to the success or failure of a Partnership**

2.6.1

SUCCESS FACTORS AND/OR FAILURE FACTORS		
MANAGEMENT	- Partners are actively involved in management and may use the ideas of other partners. √√	- Decision-making can be time-consuming as all partners have to be in agreement. √√
	- Not all partners need to be actively involved in management and would rather appoint competent managers. √√	- Some management tasks may be neglected, as one partner may leave it to others to complete. √√
	- Partners have access to the expertise of other partners when difficult decisions have to be made. √√	- Partners may disagree on how to run the business, which may lead to tension between them. √√
		- Partners are agents of the partnership, and bad management decisions may be forced onto other partners. √√

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			- Different personalities/opinions could lead to conflict/ disagreements. √√
		- Any other relevant answer related to how management could contribute to the success of a partnership.	- Any other relevant answer related to how management could contribute to the failure of a partnership.
			Max (4)

2.6.2

	SUCCESS FACTORS AND/OR FAILURE FACTORS	
CAPITAL	- Capital can be carefully spent and managed. √√	- Partners may not all have capital to put into business when needed. √√
	- More than one partner contributing to capital. √√	- Unequal inputs as some partners put in expertise instead of cash.√√
	- Any other relevant answer related to how capital could contribute to the success of a partnership.	- Any other relevant answer related to how capital could contribute to the failure of a partnership.
		Max (4)

[40]

BREAKDOWN OF MARKS	
QUESTION 2	**MARKS**
2.1	**3**
2.2	**4**
2.3.1	**4**
2.3.2	**6**
2.4	**6**
2.5.1	**3**
2.5.2	**6**
2.6.1	**4**
2.6.2	**4**
TOTAL	**40**

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QUESTION 3: BUSINESS ROLES

3.1 **Problem-solving steps**

- Identify the problem. √
- Define the problem.√
- Identify possible solutions to the problem.√
- Evaluate alternative solutions.√
- Choose/Select the most appropriate alternative/solution.√
- Develop an action plan.√
- Implement the suggested solution/action plan.√
- Monitor the implementation of the solution/action plan.√
- Evaluate the implemented solution/action plan.√

Any other relevant answer related to the problem-solving steps.

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

3.2 **Difference between ethical and professional behaviour**

ETHICAL BEHAVIOUR	PROFESSIONAL BEHAVIOUR
- Refers to the principles of right and wrong/acceptable in society. √√	- Refers to what is right/wrong/ acceptable in the business. √√
- Conforms to a set of values that are morally acceptable. √√	- Set of standards/specific level of competence of expected behaviour. √√
- Forms part of a code of conduct to guide employees to act ethically. √√	- Applying a code of conduct of a profession or business. √√
- Focuses on developing a moral compass for decision making. √√	- Focuses on upholding the reputation of a business/ profession. √√
- Involves following the principles of right and wrong in business activities/practices/dealings. √√	- Provides guidelines on employees' appearance/ communication/attitude/ responsibility. √√
- Any other relevant answer related to ethical behaviour.	- Any other relevant answer related to professional behaviour.
Submax (2)	Submax (2)

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

Max (4)

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3.3.1 **Examples of CSR programmes from scenario**

- MF sponsored an arts and culture programme. √
- MF also donated school uniforms for needy learners. √

NOTE: **1. Mark the first TWO (2) only.**
2. Only award marks for responses that were quoted from the scenario.

(2 x 1) (2)

3.3.2 **Impact of CSR on the community**

Positives/Advantages

- Community skills can be improved √ through the provision of bursaries. √
- Better educational facilities are established √ in poor communities. √
- The standard of living of the community √ is uplifted. √ /Quality of life of communities √ is improved. √
- Investing in the medical infrastructure √ will improve the health of communities. √
- Socio-economic issues are attended to/addressed, √ which will improve the welfare of the community. √/Assists in solving socio-economic issues√ like poverty/unemployment. √
- Training opportunities in the community √ increase the possibility of appointments of members of the community. √
- Implementing developmental programmes in the community √ improves entrepreneurial skills of communities. √/Businesses become more community-based by working closely with the community √ to roll out skills development projects. √
- Any other relevant answer related to the positive impact/advantages of CSR on communities.

AND/OR

Negatives/Disadvantages

- Businesses are not always equipped √ to address social problems. √
- Communities tend to be dependent on CSR programmes √ and struggle to take their own initiatives. √
- Communities may not sustain infrastructure provided through CSR projects √ due to a lack of financial resources. √
- Distribution of scarce resources to selected beneficiaries in the community √ may cause problems such as discrimination. √
- Some businesses only participate in CSR initiatives to raise profit √ and do not really care for the community in which they operate. √
- Businesses cannot meet√ the longer-term needs of society. √ /Businesses cannot deliver√ sustainable CSR programmes. √
- The benefits of the programmes may not filter √ to the intended persons within the community. √
- Spending money on CSR programmes means the business has to recover expenses through higher prices, √ which have a negative impact on the economy. √

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- Businesses tend to focus on CSR projects √ that do not directly benefit the community. √
- Consumers are not easily convinced √ that the business is acting in the best interest of the community/environment. √
- Less money is available for community projects √ during unfavourable economic conditions. √
- Any other relevant answer related to the negative impact/disadvantages of CSR on communities.

Max (6)

3.4 **Responsibilities of employees in promoting human health and safety in the workplace**

- Workers should take care of their own health √ and safety in the workplace. √
- Co-operate and comply with the rules and procedures, √ e.g. wear prescribed safety clothing. √
- Report unsafe/unhealthy working conditions √ to the relevant authorities/ management. √
- Report accidents to the employer √ by the end of the shift. √
- Use prescribed √ safety equipment. √
- Inform the employer of any illness √ that may affect the ability to work. √
- Any other relevant answer related to responsibilities of employees in promoting human health and safety in the workplace.

Max (6)

3.5 **Difficult employees**

3.5.1 **Ways to deal with difficult employees from scenario**

- The owner set a deadline for improving difficult behaviour. √
- It is important to keep communication channels open. √

NOTE: 1. Mark the first TWO (2) only.
2. Only award marks for responses that were quoted from the scenario.

Max (2)

3.5.2 **Other ways to deal with difficult employees**

- Get perspective from others who have experienced the same kind of situation √ to be able to understand difficult employees. √
- Act proactively, if possible, √ as a staff/personnel problem is part of a manager's responsibilities. √
- Regular meetings with supervisors/departmental heads √ should help to identify difficult/problem behaviour. √
- Ask someone in authority √ for their input on the situation. √
- Identify the type of personality √ which is creating the problem. √
- Meet privately with difficult employees, √ so that there are no distractions from other employees/issues. √
- Make intentions and reasons for action known, √ so that difficult person/people feel at ease. √

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- Employees should be told what specific behaviours are acceptable √ by giving details about what is wrong/unacceptable, and also an opportunity to explain their behaviour. √
- The deadline date should be discussed with the difficult employee, √ and his/her progress should be monitored/ assessed prior to the deadline. √
- Guidelines for improvement √ should be given. √
- Do not judge the person, √ but try to understand him/her √/Understand his/her intentions √ and why he/she reacts in a certain way. √
- Build rapport/sound relations by re-establishing personal connections with colleagues, √ instead of relying on e-mails/messaging/social media. √
- Help difficult employees to be realistic √ about the task at hand. √
- Remain calm and in control of the situation √ to get the person(s) to collaborate. √
- Treat people with respect, √ irrespective of whether they are capable/ competent or not. √
- Sometimes it may be necessary to ignore √ and only monitor a difficult person. √
- Identify and provide an appropriate support program √ to address areas of weakness. √
- Any other relevant answer related to other ways in which businesses can deal with difficult employees in the workplace.

Max (6)

3.6 **Accountability**

- There must be regular communication √ between management and stakeholders, such as shareholders. √
- The company should appoint internal and external auditors √ to audit financial statements. √
- The board should ensure that the company's ethics on disclosures √ are motivated/proper/accurate and are effectively implemented. √
- Businesses should be accountable/responsible √ for their decisions/ actions. √
- Businesses should present accurate annual reports √ to shareholders at the Annual General Meeting (AGM). √
- Top management should ensure that other levels of management are clear√ about their roles and responsibilities to improve accountability.√
- Any other relevant answer related to the application of accountability as a King Code principle.

Max (6)

3.7 **Cultural rights**

- Provide the environment in which employees are free to use their own language when interacting with others during their free time. √√
- Businesses should encourage employees to attend/participate in cultural activities. √√
- Allow employees to provide solutions to challenges from their own cultural perspective. √√

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- Regular cultural information sessions will help employees to respect each other's cultures in the workplace. √√
- Make provision for different cultures, such as food served in the canteen/entertainment at staff functions. √√
- Businesses should employ people from various cultural backgrounds. √√
- Employees should be trained on cultural tolerance √√ /Business policies should promote cultural tolerance. √√
- Have a flexible dress code policy that allows employees to wear suitable cultural regalia/accessories. √√
- Any other relevant answer related to how businesses could promote cultural rights in the workplace.

Max (6)
[40]

BREAKDOWN OF MARKS	
QUESTION 3	**MARKS**
3.1	**2**
3.2	**4**
3.3.1	**2**
3.3.2	**6**
3.4	**6**
3.5.1	**2**
3.5.2	**6**
3.6	**6**
3.7	**6**
TOTAL	**40**



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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 **Factors when making investment decisions**

- Return on investment (ROI) √
- Risk √
- Investment term/period √
- Inflation rate √
- Taxation √
- Liquidity √

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

4.2 **Factors when preparing for a presentation**

- Clear purpose/intentions/objectives and main points of the presentation. √√
- Main aims captured in the introduction/opening statement of the presentation. √√
- Information presented should be relevant and accurate. √√
- Fully conversant with the content/objectives of the presentation. √√
- Background/diversity/size/pre-knowledge of the audience to determine the appropriate visual aids. √√
- Prepare a rough draft of the presentation with a logical structure/format with an introduction, body and conclusion. √√
- The conclusion must summarise the key facts and how they relate to the objectives/show that all aspects have been addressed. √√
- Create visual aids/graphics that will consolidate the information/facts to be conveyed to the board of directors. √√
- Find out about the venue for the presentation, e.g. what equipment is available/appropriate/availability of generators as backup to load shedding. √√
- Consider the time frame for presentation, e.g. fifteen minutes allowed. √√
- Rehearse the presentation to gain confidence and to ensure effective time management. √√
- Prepare for the feedback session by anticipating possible questions/ comments. √√
- Any other relevant answer related to the factors that must be considered when preparing for a presentation.

Max (4)

4.3 **Forms of ownership**

4.3.1 Personal liability company √√ **(2)**

4.3.2 Partnership √√ **(2)**

4.4 **Utmost good faith**

- Insured must be honest in supplying details √ when entering an insurance contract. √
- Both parties/insurer and insured, √ must disclose all relevant facts. √
- Insured must disclose everything √ that may affect the extent of the risk. √
- Details/Information supplied when claiming √ should be accurate/true. √

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- Any other relevant answer related to utmost good faith as a principle of insurance.

Max (4)

4.5 **Impact of Unit trusts**

Positives/Advantages

- Managed by a fund manager √ who buys shares on the stock exchange/JSE. √
- Easy to cash in √ as there are no penalties for withdrawals when an investor needs all or part of the money at any time. √
- A small amount can be invested √ per month. √
- Generally, beats inflation √ on the medium/long term. √
- Safe investment, √ as it is managed according to rules and regulations. √
- The investor has a variety to choose from/a wider range of shares √ from lower to higher degrees of risk. √
- Easy to invest in, √ as investors simply complete a few relevant forms or invest online. √
- Fluctuations in unit trust rates of return are often not so severe √ because of diversity of the investment fund. √
- Offer competitive returns √ in the form of capital growth and dividend distribution. √
- Fund managers are knowledgeable/experts/reliable/trustworthy √ as they are required to be accredited to sell unit trusts. √
- Lowers the potential risk √ and allows more people to invest in the fund. √
- Any other relevant answer related to the positive impact/advantages of unit trusts as a form of investment.

AND/OR

Negatives/Disadvantages

- Share price may fluctuate √ due to the volatility of the market. √
- Unit trusts are not suitable for people who want to invest √ for a short period. √
- It is not a good option for people who want to avoid risks √ at all costs. √
- Unit trusts are not allowed to borrow, √ therefore reducing potential returns. √
- If blue chip companies do not continue their growth path, √ the growth of unit trusts will also be affected/it will not render the expected returns. √
- Bid prices that are usually higher than the ask price, √ making the investment less liquid. √
- Any other relevant answer related to the negative impact/disadvantages of unit trusts as a form of investment.

Max (6)

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BUSINESS ROLES

4.6 **Criteria for successful team performance**
- Interpersonal attitudes and behaviour √
- Shared values/Mutual trust and support √
- Communication √
- Co-operation/Collaboration √

NOTE: Mark the first THREE (3) only. **(3 x 1) (3)**

4.7 **Unethical business practice**

4.7.1 **Unethical business practice from scenario**

Unfair advertising √√ (2)

Motivation

Moloi Printers excluded some population groups in their advertisements. √ (1)

NOTE:
1. **Do not award marks for the motivation if the unfair business practise was incorrectly identified.**
2. **Award marks for unfair advertising, even if the motivation is incomplete.**

Max (3)

4.7.2 **Ways to deal with unfair advertising**
- Businesses should be encouraged to keep their advertising fair and in line with the Constitution. √√
- Businesses must know and understand the Code of Advertising as determined by the Advertising Standards Authority (ASA) and apply its regulations. √√
- Advertisements should be honest/legal and not abuse consumers' trust/lack of knowledge. √√
- Advertisements should not contain anything that is discriminatory/likely to cause offence/support the act of violence. √√
- Any other relevant answer related to ways businesses can deal with unfair advertising.

Max (4)

4.8 **Ways in which businesses can contribute time and effort to improving well-being of communities**
- Businesses should improve the general quality of life of their community, √ e.g. invest in education, etc. √
- Ensure that the products they supply √ do not harm consumers/the environment. √
- Refrain from engaging in illegal/harmful practices √ such as employing children under the legal age/selling illegal substances, etc. √
- Make ethically correct business decisions, √ e.g. not engage in unfair/misleading advertising, etc. √
- Donate money to a community project/run a project √ to uplift the community. √

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- Provide recreational/sport facilities √ to promote social cohesion/healthy activities. √
- Any other relevant answer related to ways in which businesses can contribute time and effort to improving the well-being of communities.

Max (4)

4.9 **Strategies to protect the environment and human health**

The business must:

- Take steps to become involved in environmental awareness programmes. √√
- Alter its production techniques in favour of cleaner and greener technologies to protect the environment. √√
- Test the water in the workplace in line with social rights of workers to ensure that it is safe for human consumption. √√
- Look after natural resources and promote nature conservation. √√
- Have a policy to minimise pollution and actively reuse, recycle and reduce waste. √√
- Reduce consumption of goods and services which are environmentally unfriendly, and invest in appropriate technology like clean solar or wind power. √√
- Register or engage with recognised institutions/bodies that promote Greenpeace/renewable energy and green energy. √√
- Ensure that the physical working conditions are always worker-friendly, safe and promote occupational health. √√
- Evaluate the physical working conditions to improve human health, such as by providing adequate lighting and ventilation to ensure optimal and functional working conditions. √√
- Service and maintain all machines regularly in order to reduce accidents in the workplace. √√
- Educate workers about hygiene issues, such as washing of hands. √√
- Encourage employees to do regular health check-ups to improve their health by regularly checking their blood pressure and temperature. √√
- Adhere to laws and regulations so that profits are not generated at the expense of the environment. √√
- Consider pollution and other environmental issues in all business activities, such as safe disposal of waste/dumping of toxic waste. √√
- Any other relevant answer related to strategies businesses may use to protect the environment and human health.

Max (6)
[40]

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BREAKDOWN OF MARKS	
QUESTION 4	MARKS
4.1	2
4.2	4
4.3.1	2
4.3.2	2
4.4	4
4.5	6
4.6	3
4.7.1	3
4.7.2	4
4.8	4
4.9	6
TOTAL	40

TOTAL SECTION B: 80



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SECTION C

Mark the FIRST question answered ONLY.

QUESTION 5: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)

5.1 **Introduction**

- Democratic and autocratic leadership contrast sharply in control; autocratic focuses on swift control and democratic on shared control. √
- The impact of leadership styles is that a Charismatic leader relies on emotion and a transactional leader on practical exchange. √
- Leadership theories help leaders to understand their own style and how to adapt their approach. √
- Personal attitude in successful leadership shows positivity, integrity, self-awareness, and resilience. √
- Any other relevant introduction related to the difference between autocratic and democratic leadership styles/Impact of leadership styles/Leadership theories/Role of personal attitude.

Any (2 x 1) (2)

5.2 **Differences between autocratic and democratic leadership styles**

DEMOCRATIC LEADERSHIP STYLE	AUTOCRATIC LEADERSHIP STYLE
- The leader involves employees in the decision-making process. √√	- A leader makes all decisions alone without involving employees. √√
- Clear/Two-way communication ensures group commitment to final decision(s). √√	- Line of command/ Communication is clear, as it is top-down/followers know exactly what to do. √√
- People-oriented, as employees' feelings and opinions are considered. √√	- Task-oriented, as the opinions of employees are not considered. √√
- Workers feel empowered as they are involved in the decision-making process. √√	- New employees feel confident/ safe as strong leadership is provided. √√
- Useful when the leader depends on the inputs of experienced followers. √√	- Useful in a crisis/urgent situation, such as after an accident/meeting tight deadlines. √√
- Handles conflict situations by involving followers in finding the best solution. √√	- Handles conflict situations by telling followers what they should do. √√
- Any other relevant answer related to the democratic leadership style.	- Any other relevant answer related to the autocratic leadership style.
Submax (4)	Submax (4)

NOTE:
1. **The answer does not have to be in tabular format.**
2. **The differences do not have to link but must be clear.**
3. **Award a maximum of FOUR (4) marks if the differences are not clear/Mark either democratic or autocratic leadership only.**

Max (8)

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5.3 **Impact of leadership styles**

Charismatic

Positives/Advantages

- Expert at selling vision √ and achieving excellent results. √
- Employees are motivated √ as the leader is energetic/ inspiring. √
- Inspires loyalty/hard work √ among employees. √
- Any other relevant answer related to the positives/advantages of the charismatic leadership style.

AND/OR

Negatives/Disadvantages

- Leader believes more in him/her √ than the team. √
- Projects can collapse √ if the leader leaves the team. √
- Leaders are intolerant of challenges √ and regard themselves as irreplaceable. √
- Any other relevant answer related to the negatives/disadvantages of the charismatic leadership style.

Submax (6)

Transactional

Positives/Advantages

- Encourages employees to work hard √ because they will receive rewards. √
- Improves employees' productivity √ and morale. √
- The goals and objectives of the business can be achieved √ as workers are motivated. √
- Employees know √ what is expected of them. √
- Disciplinary actions/procedures √ are well communicated. √
- Any other relevant answer related to the positives/advantages of the transactional leadership style.

AND/OR

Negatives/Disadvantages

- Employees can become bored √ because they must follow rules/ procedures/ there is no creativity in the workplace. √
- A transactional leader will have to monitor the work performance of employees/ensure that expectations are met, √ which can be time-consuming. √
- Some employees may be demoralised/unmotivated √ if they fail to reach/meet targets despite having worked very hard. √
- Usually not suitable for teamwork, √ because all team members can be punished for poor performance caused by a member of the team. √
- Any other relevant answer related to negatives/disadvantages of the transactional leadership style.

Submax (6)
Max (12)

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5.4 **Leadership theories**

Situational leadership theory √√
- Different leadership characteristics √ are needed for different situations. √
- The task/situation dictates the leadership style that should be applied, √ so leaders are adaptable/flexible/self-assured. √
- Effective application of this theory √ may enable leaders to accomplish their goals. √
- Relationships between leaders and employees √ are based on mutual trust/ respect/loyalty/integrity/honesty. √
- Leaders can analyse the situation/get the most suitable people in the right positions √ to complete tasks successfully. √
- Leaders analyse group members/objectives/time constraints, √ to adopt a suitable/relevant leadership style. √
- May lead to conflict √ when leaders use different leadership styles/when managing employees in different situations. √
- The success of this theory depends on the kind of relationship that exists √ between the leader and followers/subordinates/employees. √
- Any other relevant answer related to the situational leadership theory.

Theory (2)
Discussion (4)
Submax (6)

Leaders and followers √√
- The relationship between the leader and employees √ has a major impact on the goals that the organisation has set out to achieve. √
- Employees, as followers of the leader, follow the instructions of the leader √ and collectively work towards the organisation's goals. √
- Leaders allow followers to be creative/innovative √ and encourage them to explore alternative methods to increase productivity. √
- Leaders lead by example√ and provide incentives for positive behaviour. √
- Followers take responsibility√ for goals/targets not achieved. √
- Followers easily accept responsibility √ when something doesn't work out. √
- Innovation/Creativity of some followers is stifled √ as they simply follow the leader and other followers. √/Followers might just trail along, √ depending on leaders and other followers to pull them through the task. √
- Teams achieve great results √ when there is a sense of understanding between the leader and the team of followers. √
- Followers listen to what is expected of them √ and are willing to work as a team. √
- Leaders motivate employees to devise alternative strategies √ to find more efficient ways to use available resources. √
- Any other relevant answer related to leaders and followers.

Theory (2)
Discussion (4)
Submax (6)

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Transformational leadership theory √√
- Suitable for a dynamic environment, √ where change could be drastic. √
- The passion/vision/personality of leaders √ inspires followers to change their expectations/perceptions/motivation to work towards a common goal. √
- Strategic thinking leaders develop a long-term vision for the organisation √ and sell it to subordinates/employees. √
- Leaders have the trust/respect/admiration √ of their followers/ subordinates. √
- Promotes intellectual stimulation/creative thinking/problem solving, √ which results in the growth/development/success of the business. √
- Followers are coached/led/mentored/emotionally supported through transformation/change √ so that they can share their ideas freely. √
- Encourages followers √ to explore/try new things/opportunities. √
- Leaders lead by example √ and make workers interested in their work. √
- Leaders have strong, charismatic personalities √ and are very good at motivating staff to achieve results. √
- Enable employees to take greater ownership of their work √ and to know their strengths and weaknesses. √
- Any other relevant answer related to transformational leadership theory.

Theory (2)
Discussion (4)
Submax (6)

Max (16)

NOTE: Mark the first THREE (3) theories only.

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

Max (10)

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5.6 **Conclusion**

- In contrast to autocratic leaders, democratic leadership entails a manager who is more in tune with his team. √√
- Transactional leadership provides clear goals and structure for employees to achieve. √√
- Leaders and followers are interdependent in any group, where leaders provide vision and direction, and followers support. √√
- Personal attitude influences team dynamics and the overall organisational success. √√
- Any other relevant conclusion related to the difference between democratic and autocratic/Impact of leadership styles/Leadership theories/Role of personal attitude in successful leadership.

Max (2)
[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	
Difference between democratic and autocratic leadership styles	**8**	
Impact of Charismatic and Transactional Leadership	**12**	**Max 32**
Leadership Theories	**16**	
Role of personal attitude in successful leadership	**10**	
Conclusion	**2**	
INSIGHT		
Layout	**2**	
Analysis/Interpretation	**2**	**8**
Synthesis	**2**	
Originality/Examples	**2**	
TOTAL MARKS		**40**

LASO – For each component:
Allocate 2 marks if all requirements are met.
Allocate 1 mark if only some of the requirements are met.
Allocate 0 marks where requirements are not met at all.

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QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM SOLVING)

6.1 **Introduction**

- Problem-solving and decision-making are crucial for effective leadership. √
- Brainstorming can be used by teams to encourage new ways of thinking. √
- The Delphi technique aims to achieve collective wisdom and shared agreement without traditional group meetings. √
- Creative thinking looks at situations from new perspectives. √
- Any other relevant introduction related to the difference between problem-solving and decision making/application of brainstorming and force field analysis/impact of Delphi and nominal group techniques/benefits of creative thinking.

Any (2 x 1) (2)

6.2 **Difference between problem-solving and decision making**

DECISION-MAKING	PROBLEM-SOLVING
- It is often done by one person/a member of senior management, who makes it authoritarian. √√	- Problems can be solved by a group/ team or an individual team member. √√
- Various alternatives are considered before deciding on the best one. √√	- Alternative solutions are generated/ identified and critically evaluated. √√
- It is part of the problem-solving cycle as decisions need to be taken in each step. √√	- Process of analysing a situation to identify strategies to bring about change. √√
- Any other relevant answer related to decision-making.	- Any other relevant answer related to problem-solving.
Submax (4)	Submax (4)

NOTE:
1. **The answer does not have to be in tabular format.**
2. **The distinction does not have to link, but must be clear.**
3. **Award a maximum of FOUR (4) marks if the differences are not clear/Mark either decision-making or problem-solving only.**

Max (8)

6.3 **Application of Problem-solving techniques**

Brainstorming

- State/Define the business problem clearly, √ so that all participants/stakeholders understand the problem. √
- Members state possible causes √ of the business problems. √
- Set a time limit √ for each brainstorming session. √
- Record/Write ideas down, √ where all participants can see it. √ /Ideas may also be shared online √ during an E-brainstorming session. √
- Use each suggestion √ to inspire new thoughts/ideas.√

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- Do not judge/criticise/discuss the ideas, √ so that many ideas can be generated as quickly as possible. √
- All members of the group √ randomly make suggestions. √
- The group rates ideas √ according to their usefulness/success/ difficulty/cost to implement. √
- The group evaluates all ideas √ and combines similar ones/draw up a refined list. √
- Discuss a plan of action √ on how to implement the best ideas. √
- Any other relevant answer related to how businesses can apply brainstorming to solve complex business problems.

Submax (6)

Force field analysis

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

Submax (6)
Max (12)

6.4 **Impact of problem-solving techniques**

Delphi-technique
Positives/Advantages

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

AND/OR

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Negatives/Disadvantages

- It is an expensive technique to use√ due to high administrative costs. √
- May be time consuming/complicated √ to analyse data received from experts.√
- Not all experts are willing/interested √ to give feedback/complete questionnaires. √
- Some experts might not have an in-depth knowledge √ of certain topics. √
- Some employees may not consider experts' suggestions, √ so consensus may not be reached. √
- Any other relevant answer related to the negative impact/disadvantages of the Delphi technique.

Submax (8)

Nominal Group technique

Positives/Advantages

- It provides time to think about the question in silence √ before responding. √
- Each team member/director has a chance to participate √ without interference from other team members. √
- Voting on the ideas is anonymous √ and may be more reliable/ honest. √
- Everyone in the group is given an opportunity to contribute to the discussion, √ while avoiding the likelihood of one person dominating the group process. √
- Enables the group to generate and clarify a large number of ideas quickly, √ and democratically prioritises them. √
- It encourages participants to confront issues √ through constructive problem-solving. √
- Strong technique for preventing conformity √ to group pressure. √
- Any other relevant answer related to the positive impact/advantages of the nominal group technique.

AND/OR

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Negatives/Disadvantages

- It minimises discussion, √ and thus does not allow the full development of ideas. √
- Ideas/Inputs made by members may not converge √ and cannot lead to the same solution(s). √
- Suggestions may not be as creative √ as when a group throws ideas around. √
- It is time-consuming, √ as each member must make a presentation. √
- It is hard to implement it effectively with large groups √ unless very carefully planned beforehand. √
- Requires extended advance preparation, √ which means that it cannot be a spontaneous technique. √
- Good ideas can be voted out √ because their potential cannot be developed further. √
- Small groups limit participation √ and are pre-selected. √
- Any other relevant answer related to the negative impact/disadvantages of the nominal group technique.

Submax (8)
Max (16)

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6.5 **Benefits of creative thinking**

- Better/Unique/Unconventional ideas/solutions are generated. √√
- May give the business a competitive advantage if unusual/unique solutions/ ideas/strategies are implemented. √√
- Broadens the range of possible solutions when solving complex business problems. √√
- Productivity increases as management/employees may quickly generate multiple ideas, which utilises time/money more effectively. √√
- 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/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, which leads to higher job satisfaction. √√
- Managers/Employees have a feeling of great accomplishment, and they may not resist/obstruct the process once they solved a problem/contributed towards the success of the business. √√
- Management/Employees may keep up with fast-changing technology, which may lead to an increased market share. √√
- Stimulates initiative from employees/managers, as they are continuously pushed out of their comfort zone. √√
- Creativity may lead to new inventions, which improve the general standard of living.√√
- Businesses can continuously improve on product development by exploring new ways to enhance growth. √√
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max (10)

6.6 **Conclusion**

- Understanding the difference between problem-solving and decision-making can help businesses to navigate challenges and achieve desired outcomes. √√
- Force field analysis helps in understanding the dynamics of a situation and developing strategies for the successful implementation of change. √√
- The nominal group technique can be used to explore consumer and stakeholder views. √√
- Creative thinking as a skill is valuable in various fields and can be cultivated through different practices.√√
- Any other relevant conclusion related to the difference between problem-solving and decision making/application of brainstorming and force field analysis/impact of Delphi and nominal group techniques/benefits of creative thinking.

Max (2)
[40]

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BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Difference between problem-solving and decision-making	8	
Application of problem-solving techniques	12	
Impact of problem-solving techniques	16	
Benefits of creative thinking	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:
Allocate 2 marks if all requirements are met.
Allocate 1 mark if only some of the requirements are met.
Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40
GRAND TOTAL: 150



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