Downloaded from Stanmorephysics.com

Western Cape Government
Education
FOR YOU

GRADE 12
BUSINESS STUDIES

TRAIL EXAMINATION
PAPER 2

08 SEPTEMBER 2026

MARKS: 150
TIME: 2 HOURS

EXAMINER:
OVERBERG EDUCATION DISTRICT

MODERATOR:
METRO SOUTH EDUCATION DISTRICT

This question paper consists of 12 pages.

Downloaded from Stanmorephysics.com

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 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 answers to the FIRST question selected in SECTION C will be marked.

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

4. Except where other instructions are given, answers must be written in **FULL SENTENCES**.

5. Use the mark allocation and nature of each question to determine the length and depth of an answer.

6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION		QUESTION	MARKS	TIME (minutes)
A:	Objective-type questions **COMPULSORY**	**1**	**30**	**20**
B:	THREE direct/ indirect-type questions.	**2**	**40**	**70**
	CHOICE:	**3**	**40**	
	Answer any TWO.	**4**	**40**	
C:	TWO essay-type questions.	**5**	**40**	**30**
	CHOICE: **Answer any ONE.**	**6**	**40**	
	TOTAL		**150**	**90**

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.

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Only choose the answer and write the letter (A - D) next to the numbers (1.1.1 to 1.1.5) on your ANSWER SHEET, e.g. 1.1.6 D.

1.1.1 A leader is someone who …

A is instructional in his/ her approach.
B ensures that the job gets done on time.
C is innovative in finding new ways to improve productivity.
D "does things right" by focusing on the execution of tasks.

1.1.2 Themba, the investor, instructs the investment broker to manage his investments all in one portfolio.

A retirement annuity
B managed portfolio
C unit trusts
D venture capital

1.1.3 … is when the insured insures his/ her assets at a value that is more than the market value of the asset.

A over-insurance
B excess
C reinstatement
D under-insurance

1.1.4 This form of ownership depends on donations for their business's operations:

A State-owned company
B Partnership
C Co-operative
D Non-profit company

1.1.5 Management must deal with a/ an … personality by allowing the person some time to vent, but also ensuring that other employees are safe.

A quiet
B indecisive
C aggressive
D expert

(5 x 2) (10)

Copyright reserved

Downloaded from Stanmorephysics.com

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.

sexual harassment; verbal; performing; Road Accident Fund; non-verbal; transactional; Compensation Fund; norming; unauthorised use of business funds; transformational

1.2.1 The … leadership style is used to improve the morale of workers by offering rewards when targets are met.

1.2.2. … is a form of compulsory insurance that provides financial support to workers when they contract an illness during the execution of their duties.

1.2.3 Presentation of information to an audience without using spoken words is known as … presentation.

1.2.4 A strategy to deal with … as an unprofessional business practice, is to ensure that all workers feel comfortable in the workplace.

1.2.5 The team development stage where the leader delegates and oversees procedures and processes.

(5 x 2) (10)

Copyright reserved

Downloaded from Stanmorephysics.com

1.3 Choose the description from COLUMN B that matches the term in COLUMN A. Write down only the letter (A - J) next to the question number (1.3.1 to 1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Public liability insurance	A management exercises ethical and effective leadership of the public company
1.3.2 Inclusivity	B people's information should be kept confidential and their property should be respected
1.3.3 Shared values	C everyone has the right to be treated with respect
1.3.4 Corporate governance	D management regularly share information with stakeholders
1.3.5 Dignity	E people from different backgrounds are employed
	F team members show respect for the knowledge of other team members
	G everyone is considered for appointments
	H insurance that covers the risk of the public being injured due to the business operations
	I team members work together passionately to achieve a common goal
	J insurance that covers the business while large amounts of money are transported to the bank

(5 x 2) (10)

TOTAL SECTION A: 30

Copyright reserved

Downloaded from Stanmorephysics.com

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 Name TWO types of preference shares. (2)

2.2 Outline the functions of the Johannesburg Securities Exchange (JSE). (4)

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

STORMY ENTREPRENEURS (SE)

Stormy Entrepreneurs focus on youth employment and developing young entrepreneurs. They insured their building for R600 000 even though the market value of the building is R1 200 000. During the recent storms, the building's roof was damaged. The damage was valued at R450 000.

2.3.1 Calculate the amount that SE will receive from their insurers. (4)

2.4 Discuss the impact of government/ RSA retail savings bonds as a form of investment. (4)

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

DAVEN MANUFACTURES (DM)

Mohammed is a newly appointed manager at Daven Manufactures. He requested his employees to give input on how they could reduce DM's production costs.

2.5.1 Identify the leadership style used by Mohammed. Motivate your answer by quoting from the scenario above. (3)

2.5.2 Suggest situations in which this leadership style identified in QUESTION 2.5.1 can be applied in the workplace. (6)

Copyright reserved

Downloaded from Stanmorephysics.com

2.6 Read the scenario below and answer the question that follows.

MASAKHANE SHOE MANUFACTURES (MSM)

Sipho the marketing manager of MSM, explained his future plans to increase sales to various stakeholders. Hard copies of his plans were distributed for future reference.

2.6.1 Identify the type of visual aid that Sipho used. Motivate your answer by quoting from the scenario above. (3)

2.6.2 Evaluate the impact of the visual aid identified in QUESTION 2.6.1. (4)

2.7 Distinguish between *insurance* and *assurance.* (4)

2.8 Advise businesses on the Road Accident Fund (RAF)/ Road Accident Benefit Scheme (RABS) as a form of compulsory insurance. (6)
[40]

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 3: BUSINESS ROLES

3.1 Name any THREE components of Corporate Social Responsibility. (3)

3.2 Outline the roles of the health and safety representatives in protecting the workplace environment. (4)

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

SUNNY SEA SHORES (SSS)

The management of Sunny Sea Shores is concerned about the decline in the productivity of the business. Management requested each employee to silently generate new ideas and then share them with others. Management of SSS believe that the ideas that will be presented will help them solve their problems.

3.3.1 Identify the problem-solving technique that is applicable to SSS. Motivate your answer by quoting from the scenario. (3)

3.3.2 Explain the positive impact of the problem-solving technique identified in QUESTION 3.3.1. (6)

3.4 Explain the characteristics of successful team performance. (6)

3.5 Discuss the difference between a *grievance* and *conflict.* (4)

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

JOHN CONSTRUCTION (JC)

John Construction employs people from diverse backgrounds. JC trained their physically challenged employees on how to operate their new automate machinery.

3.6.1 Identify the diversity issue that JC has addressed. (2)

3.6.2 Suggest other ways in which JC could deal with the diversity issue identified in QUESTION 3.6.1. (6)

3.7 Recommend ways in which businesses can handle difficult employees. (6)

[40]

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 4: MISCELLANEOUS

BUSINESS VENTURES

4.1 Give any FOUR examples of insurable risks. (4)

4.2 Outline the rights of ordinary shareholders. (4)

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

AUTUMN STORES (AS)

Autumn Stores offers essential products. They invested R200 000 of their surplus funds in a fixed deposit account for two years. Win Bank offered AS a compound interest rate of 9% p.a.

4.3.1 Calculate the interest amount that AS will receive after the two years. (4)

4.4 Discuss how capital can contribute to the success and/or failure of a partnership. (4)

4.5 Suggest ways in which the presenter can handle feedback in a non-aggressive and professional manner. (4)

Copyright reserved

Downloaded from Stanmorephysics.com

BUSINESS ROLES

4.6 Name FOUR problem-solving steps. (4)

4.7 Outline the economic rights of employees in the workplace. (4)

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

CHAMPION WINNERS (CW)

Cindy is a team leader for Champion Winners, which consists of highly skilled team members. All team members agreed on set roles and responsibilities. Cindy has given them their task that needs to be completed in a specific timeframe. They also know that all tasks must be completed before the team dissolves.

4.8.1 Identify TWO stages of team development that were experienced by CW. Motivate your answers by quoting from the scenario.

Use the table below as GUIDE to answer QUESTION 4.8.1.

STAGES OF TEAM DEVELOPMENT	MOTIVATIONS
1	
2	

(6)

4.9 Recommend ways businesses can create an environment that promotes creative thinking in the workplace. (6)

[40]

TOTAL SECTION B: 80

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION C

Answer ANY ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)

Entrepreneurs should be aware of the different leadership styles. Autocratic and charismatic leaders each have their own characteristics. Laissez-faire/ Free-reign leaders must understand that using this leadership style has a positive and negative impact on the followers. Entrepreneurs' role of their personal attitude can be used to contribute to the success of the leader.

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

- Outline the situational leadership theory.
- Explain the impact of the following leadership styles:
  - Autocratic leadership style
  - Charismatic leadership style
- Discuss the situations in which the laissez-faire/ free-reign leadership style can be applied in the workplace.
- Advise entrepreneurs on the role of personal attitude in successful leadership. **[40]**

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)

Ethical and Professional behaviour forms part of effective business practice that guides employees' conduct in the workplace. Many businesses agree that unethical business practices have a negative impact on their operations. The correct application of the King Code principles, improve ethical business conduct. Successful businesses develop strategies to deal with unethical business practices.

Write an essay on ethics and professionalism in which you include the following aspects:

- Outline the differences between *ethical* and *professional behaviour*.
- Explain how the following types of unethical business practices pose challenges to businesses.
  - Pricing of goods in rural areas
  - Taxation/Tax evasion
  - Unfair advertising
- Discuss how businesses can apply the THREE King Code principles of Corporate governance to improve ethical business conduct.
- Suggest ways in which professional, responsible, ethical and effective business practice should be conducted.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150

Copyright reserved

Downloaded from Stanmorephysics.com

Western Cape Government
Education
FOR YOU

GRADE 12
BUSINESS STUDIES

TRAIL EXAMINATION
PAPER 2

08 SEPTEMBER 2026

FINAL MARKING GUIDELINES

Stanmorephysics.com

MARKS: 150
TIME: 2 HOURS

EXAMINER:
OVERBERG EDUCATION DISTRICT

MODERATOR:
METRO SOUTH EDUCATION DISTRICT

These marking guidelines consist of 33 pages.

Downloaded from Stanmorephysics.com

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
Internal moderator	Green
Cluster/ Peer moderator	Brown
District/ OED moderator	Orange
Provincial/ WCED moderator	Pink
National/ DBE moderator	Purple

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.

3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:

- Uses a different expression from that which appears in the marking guideline
- Comes from another credible source
- Original
- A different approach is used

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

4. Take note of other responses provided by candidates, that are relevant within the context of a particular question, and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)

5. The word 'Submax' is used to facilitate the allocation of marks within a question or sub-question.

6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.

7. Subtotals to questions must be written in the right-hand margin. Circle the 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.

Copyright reserved

Downloaded from Stanmorephysics.com

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

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

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

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

11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/ negative manner or take a neutral (positive and negative) stance, e.g. **Positive**: *'COIDA eliminates time and costs spent* √ *on lengthy civil court proceedings.'* √

11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/ negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court procee- dings, √ because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.' √

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

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

Cognitive verbs, such as:

12.1 Advise, name, state, outline, motivate, recommend, suggest, *(list not exhaustive)* do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.

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

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

14. **SECTION B**

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

Copyright reserved

Downloaded from Stanmorephysics.com

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

The above also applies to responses in SECTION C. (where applicable)

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

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

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

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

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

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

Stanmorephysics.com

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**

Copyright reserved

Downloaded from Stanmorephysics.com

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, 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? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	**2**
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Option 1: **Only relevant facts: 2 (No '-S')** Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: **Some relevant facts: 1 (One '-S')** 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: **Some relevant facts: 1 (One '-S')** Where a candidate answers FOUR sub- question, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. **No relevant facts: 0 mark (Two '-S')** Option 4: Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark synthesis	**2**
Originality	Is there evidence of one example per topic/subtopic based on recent information, current trends and developments not older than one (1) year?	**2**
	TOTAL FOR INSIGHT: TOTAL MARKS FOR FACTS: **TOTAL MARKS FOR ESSAY (8 + 32):**	**8** **32** **40**

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

Copyright reserved

Downloaded from Stanmorephysics.com

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 vgue 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.

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION A (COMPULSORY)

QUESTION 1

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

(5 x 2) (10)

1.2.1 transactional √√
1.2.2 Compensation Fund √√
1.2.3 non-verbal √√
1.2.4 sexual harassment √√
1.2.5 performing √√

(5 x 2) (10)

1.3.1 H √√
1.3.2 E √√
1.3.3 F √√
1.3.4 A √√
1.3.5 C √√

(5 x 2) (10)
[30]

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

Copyright reserved

Downloaded from Stanmorephysics.com

SECTION B

Mark the FIRST TWO (2) questions only.

QUESTION 2: BUSINESS VENTURES

2.1 Name TWO types of preference shares.

- Participating √
- Cumulative √
- Redeemable √
- Convertible √
- Non-participating √
- Non-cumulative √
- Non-Redeemable √
- Non-convertible √

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

2.2 Outline the functions of the Johannesburg Securities Exchange (JSE).

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

Max (4)

Copyright reserved

Downloaded from Stanmorephysics.com

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

2.3.1 Calculate the amount that SE will receive from their insurers.

Amount paid to SE = $\frac{\text{Insured amount}}{\text{Market value}}$ x damage amount √

= $\frac{600\,000}{1\,200\,000}$ √ x 450 000 √

= R225 000 √√√

NOTE:
1. **Award full marks (4) if answer is correct and no workings are shown.**
2. **If formula and workings were shown correctly, but the final answer is wrong, award a maximum of THREE (3) marks.**
3. **If the answer and workings are incorrect, award a maximum of ONE mark for the formula.**

Max (4)

2.4 Discuss the impact of government/ RSA retail savings bonds as a form of investment.

POSITIVES/ ADVANTAGES

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

AND/ OR

NEGATIVES/ DISADVANTAGES

- Retail savings bonds cannot be ceded to banks √ as security for obtaining loans. √
- A minimum of R500 for RSA Retail Savings Top Up Bonds/ R1 000 for Fixed Rate Retail Savings Bonds must be invested, √ which may be difficult for some small investors to accumulate. √
- Retail savings bonds are not freely transferable √ amongst investors. √

Copyright reserved

Downloaded from Stanmorephysics.com

- Investors need to have valid SA identification/ should be older than 18 years, √ which may discourage foreigners/ young people from investing. √
- Penalties are charged for early withdrawals, √ if the savings are less than 12 months old. √
- Any other relevant answer related to the disadvantages of government/ RSA retail savings bonds.

Max (4)

2.5.1 Leadership from the scenario

Identification

Democratic leadership style√√

Motivation

He requested his employees to give inputs on how they could reduce DM's production costs.√

NOTE: 1. Award marks for the leadership style even if the quote is incomplete.

2. Do not award marks for the motivation if the leadership style was incorrectly identified.

Max (3)

2.5.2 Describe situations in which the democratic leadership style can be applied in the workplace.

This leadership style can be applied when:

- Group members are skilled/ experienced/ experts √ and eager to share their ideas. √
- The leader does not have all the information needed, √ and employees have valuable information to contribute. √
- Decisions need to be looked at √ from several perspectives. √
- The leader knows his/ her limitations to make decisions √ and is open to new ideas/ innovative thinking. √
- Innovative √ and creative ideas are needed. √
- Employees are experienced/ experts √ in their chosen fields of occupation. √
- Co-operation is needed √ between the leader and the team. √
- Inputs of employees are valued/ appreciated √ in promoting teamwork. √
- Any other relevant situation in which the democratic leadership style can be applied in the workplace.

Max (6)

Copyright reserved

Downloaded from Stanmorephysics.com

2.6 Types of visual aid

2.6.1 Type of visual aid from the scenario

Idendification

Hand-outs/flyers/brochures√√

Motivation

Hard copies of his plans were distributed for future reference. √

NOTE: 1. Award marks for the visual aid even if the quote is incomplete.
2. Do not award marks for the motivations if the types of visual aid were incorrectly identified.

Max (3)

2.6.2 The impact of using hand-outs/flyers/brochures

Positives/Advantages

- The presenter may attract the attention of the stakeholders/audience √by providing them with useful hand-outs/flyers/brochures before the start of the presentation. √
- Important information about the presentation could be provided to the stakeholders/audience√ after the presentation. √
- Any new/additional information could effortlessly be included√ in subsequent copies of the hand-outs/flyers/brochures. √
- The information could be verified √by comparing it with the PowerPoint presentation.√
- Any other relevant answer related to positives/advantages of using handouts/flyers/brochures

AND/OR

Negatives/Disadvantages

- The information provided is of a visual/graphic nature and sound√ cannot be added to attract the interest of the stakeholders/audience. √
- The availability of support material before the presentation begins may divert the stakeholders/audience's attention√ from the presentation√
- Issuing handouts at the start of the presentation may divert the audience's attention√ from your presentation. √
- The limited information that is included in the hand-outs/flyers/brochures may not capture the detailed objectives√ of the presentation. √
- The cost of printing is high, √ and the hard copies may easily be misplaced. √
- The author has no control√ over the illegal distribution of the support material√
- Any other relevant answer related to negatives/disadvantages of using hand outs/flyers/brochures

Max (4)

Copyright reserved

Downloaded from Stanmorephysics.com

2.7 Distinguish between *insurance* and *assurance.*

INSURANCE	ASSURANCE
Based on the principle of indemnity √ and applicable to short-term insurance. √	Based on the principle of security/ certainty √ and applicable to long-term insurance. √
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 occurred first. √
It covers a specified event √ that may occur. √	Specified event is a certainty, √ but the time of the event is uncertain. √
Examples: • Property insurance √ • Cash in transit • Theft • Burglary • Fire	Examples: • Life insurance √ • Endowment policy • 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. **Award a maximum of ONE (1) mark EACH for examples of assurance OR insurance.**
3. **The differences do not have to link, but must be clear.**
4. **Award a maximum of FOUR (4) marks if the difference is not clear./ Mark either insurance or assurance only.**

Max (4)

2.8 Advise businesses on the Road Accident Fund (RAF)/ Road Accident Benefit Scheme (RABS) as a form of compulsory insurance.

- RAF/ RABS insures road-users against the negligence of other road-users. √√
- The RAF/ RABS provides compulsory cover for all road-users in South Africa, which include South African businesses. √√
- Drivers of business vehicles are indemnified against claims by people injured in vehicle accidents. √√
- The social insurance cover, however, does not extend to drivers of motor vehicles who are found to be negligent. √√
- RAF/ RABS is funded by a levy on the sale of fuel/ diesel/ petrol. √√
- The amount that can be claimed by the victim for loss of income is limited by legislation. √√
- The next of kin of workers/ breadwinners who are injured/ killed in road accidents, may claim directly from RAF/ RABS. √√
- In the event of an accident, the RAF/ RABS pays the medical and related services required, to restore accident victims to health. √√

Copyright reserved

Downloaded from Stanmorephysics.com

- Accident victims/ their families are compensated for the loss of income as a result of the accident. √√
- Compensation is also paid by RAF/ RABS for pain and suffering/ loss of amenities of life/ disability/ disfigurement/ funeral costs to families in circumstances where the victim of the accident sustains fatal injuries. √√
- Injured parties and negligent drivers are both covered by RAF/ RABS. √√
- The injured party will be compensated, irrespective of whether the negligent driver is rich/ poor/ insured/ uninsured. √√
- RABS aims to provide a benefit scheme that is reasonable/ equitable/ affordable/ sustainable. √√
- RABS aims to simplify/ speed up the claims process, as victims of road accidents no longer must prove who caused the accident. √√
- RABS enables road accident victims' speedy access to medical care, as delays due to the investigation into accidents, have been minimised. √√
- The RAF/ RABS indemnifies the wrongdoer from liability to any victim of a car accident. √√
- Any other relevant answer related to the RAF/ RABS as a form of compulsory insurance.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	2
2.2	4
2.3.1	4
2.4	4
2.5.1	3
2.5.2	6
2.6.1	3
2.6.2	4
2.7	4
2.8	6
TOTAL	40

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 3: BUSINESS ROLES

3.1 Name any THREE components of Corporate Social Responsibility.

- Environment √
- Ethical corporate social investment √
- Health and safety.√
- Business ethics.√
- Employment equity.√
- Supply chain/Distribution channel √
- Community √
- Customers / employees and customers √

NOTE: 1. Mark only the FIRST THREE (3).
2. Do not award marks for corporate governance, it was examined in question 1.3.4. **(3x1) (3)**

3.2 The roles of the health and safety representative in protecting the workplace environment.

- They need to ensure that the correct personal protective clothing is provided and available to all workers, and that the workers are always wearing it. √√
- They must identify potential dangers in the workplace, for example, a loose railing at a staircase. √√
- Promote and review safety measures in the workplace. √√
- They must liaise with management to check and monitor the effectiveness of health and safety measures. √√
- They must ensure that all workers receive the correct equipment they need in order to perform their work, and that the equipment is regularly maintained. √√
- They must ensure that the business provides the necessary safety training to all employees so that any potential dangers in the workplace can be avoided. √√
- They must ensure that dangerous equipment is used under the supervision of trained and qualified workers. √√
- They must monitor the production, processing, storage, and transportation of materials/equipment to ensure that the workers' health and safety are not endangered by any hazardous materials/equipment. √√
- They must ensure that employers comply with COIDA, for example, reporting accidents that may have occurred in the workplace. √√
- Any other relevant answer related to the roles of the health and safety representative in protecting the workplace environment

Max (4)

Copyright reserved

Downloaded from Stanmorephysics.com

3.3 The problem-solving technique

3.3.1 **Problem-solving technique**

Nominal Group Technique√√

Motivation

Management requested each employee to silently generate new ideas and then share them with others√

NOTE:
1. **Award marks for the problem-solving technique even if the quote is incomplete.**
2. **Do not award marks for the motivation if the problem-solving technique was incorrectly identified**

Max (3)

3.3.2 Explain the positive impact of the problem-solving technique identified in QUESTION 3.3.1.

- 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 allowed 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. √
- Encourages participants to confront issues√ through constructive problem solving. √
- Strong technique for preventing conformity√ to group pressure. √
- Any other relevant answer related to positives/advantages of nominal group technique

Max (6)

3.4 Explain the characteristics of successful team performance.

- Successful teams share a common goal as team members√ are part of the process of setting goals for the group. √
- There is a climate of respect/ trust√ and honesty. √
- Share a set of team values√ and implement group decisions. √
- Successful teams√ have sound intra-team relations. √
- Teams value the contributions of individual members√ and reach a consensus on differences. √
- Team members enjoy open communication√ and deal with items of conflict immediately. √
- Teams are accountable and members know the timeframe√ for achieving their goals.√
- Teams pay attention to the needs√ of the individual team members. √
- Creates an environment where team members are given opportunities to develop√ so that team members grow and learn from the experience of working in a team. √

Copyright reserved

Downloaded from Stanmorephysics.com

- Regular reviews of team processes and progress√ may detect/ solve problems sooner. √
- Balance the necessary skills/ knowledge/ experience/ expertise√ to achieve the objectives. √
- Any other relevant characteristics of successful team performance.

Max (6)

3.5 Discuss the difference between a *grievance* and *conflict.*

GRIEVANCE	CONFLICT
When an employee is unhappy/ has a problem/ complaint√ in the workplace. √	Clash of opinions/ ideas/ viewpoints√ in the workplace. √
It is when an individual/ group√ has a work-related issue. √	Disagreement between two or more√ parties in the workplace. √
It is a formal complaint√ which requires employees to follow a grievance procedure. √	This can be resolved√ by following proper conflict resolution steps. √
Offers employees a channel √ to express their dissatisfaction in the workplace. √	Examples that can cause conflict: • A lack of trust, miscommunication, personality clashes, different values √ **(max ONE (1) mark for examples)**
Examples that can cause grievances: • Discrimination, unfair treatment, poor working conditions √ **(max ONE (1) mark for examples)**	
Any other relevant answer related to a grievance.	Any other relevant answer related to conflict.
Submax (2)	**Submax (2)**

NOTE:
1. **The answer does not have to be in tabular format.**
2. **Award a maximum of ONE (1) mark EACH for examples of assurance OR insurance.**
3. **The differences do not have to link, but must be clear.**
4. **Award a maximum of SIX (2) marks if the difference is not clear./ Mark either grievance or conflict only.**

Max (4)

3.6 Diversity issue

3.6.1 Diversity issue from the scenario

Identification

Disability √√

NOTE: Mark only the FIRST answer given.

Max (2)

Copyright reserved

Downloaded from Stanmorephysics.com

3.6.2 Ways in which businesses could deal with disability in the workplace

- Businesses should employ people who are physically challenged in jobs that they can handle. √√
- The facilities in the business should make provision for people who are physically challenged, for example, by providing ramps for wheelchairs or toilet facilities that can accommodate people who are physically challenged, and so on. √√
- Businesses must ensure that workers with special needs are not marginalised or feel excluded from workplace activities. √√
- Businesses should be well-informed on how to deal with disabled employees. √√
- The policies and programs of the business should accommodate the needs of people with disabilities. √√
- Businesses must create an organisational culture or a climate that is conducive for people with disabilities. √√
- Businesses should train their employees on how to deal with colleagues who have any form of disability. √√
- Businesses can make use of external experts who can advise them on how to deal with disability and accommodation issues. √√
- The business should not discriminate against employees who have disabilities, nor should they treat them fairly. √√
- The business must focus on the skills and work performance of the disabled worker, rather than his/her disability and possible problems he/she may pose in the future. √√
- Any other relevant answer related to ways in which businesses could deal with disability in the workplace

Max (6)

3.7 Suggest different ways in which businesses can 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/ problematic behaviour. √√
- Ask someone in authority for their input into 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. √√
- Employees should be told why specific behaviours are acceptable, by giving details about what is wrong/ unacceptable, and also an opportunity to explain their behaviour.
- A deadline should be set for improving bad/ difficult behaviour. √√

Copyright reserved

Downloaded from Stanmorephysics.com

- The deadline date should be discussed with the difficult employee, and his/ her progress should be monitored/ assessed before 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. √√
- Keep communication channels open./ Encourage employees to communicate their grievances to management. √√
- Build rapport/ sound relations by re-establishing personal connection 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 different ways in which businesses can deal with difficult employees.

Max (6)

[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2	4
3.3.1	3
2.3.2	6
3.4	6
3.5	4
3.6.1	2
3.6.2	6
3.7	6
TOTAL	40

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 4: MISCELLANEOUS

BUSINESS VENTURES

4.1 Give any FOUR examples of insurable risks.

- Theft√
- Fidelity insurance√
- Burglary√
- Money in transit√
- Fire√
- Natural disaster/ Storms/ Wind/ Rain/ Hail√
- Damage to/ Loss of assets/ vehicles/ equipment/ buildings/ premises√
- Injuries on premises√

NOTE: Mark only the FIRST FOUR (4). **(4x1) (4)**

4.2 Outline the rights of ordinary shareholders.

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

Max (4)

4.3

4.3.1 Calculate the interest amount that AS will receive after the two years.

Interest amount after 2 years $= P(1 + r)^n - P$ √

$= 200\,000(1 + 0{,}09)^2 - 200\,000$ √

$= R237\,620 - 200\,000$

$= R37\,620$ √√

OR

$= P \times R \times 1$√

Year 1:
$= R\,200\,000 \times 9/100 = R\,18\,000$

Copyright reserved

Downloaded from Stanmorephysics.com

Year 2:
= R 218 000 x 9/100
=R 19 620 + R 18000 √
=R 37 620 √√

NOTE:
1. **Award full marks (4) if final answer is correct and no workings are shown.**
2. **If workings are shown correctly, but the final answer is wrong, award a maximum of 2 marks.**
3. **If the answer is incorrect award a maximum of ONE mark for understanding of concept and method.**
4. **If there are no workings shown and the correct answer is incorrect, allocate a ZERO mark.**

Max (4)

4.4 Discuss how capital can contribute to the success and/or failure of a partnership.

Success
- More capital can be obtained√ because more than one partner contributes to capital. √
- Partners are responsible for the success√ and they will be careful with the spending and management of capital. √
- Any other relevant answer related to how capital could contribute to the success of a partnership

Failure
- Partners may not all have the capital to put into the business√ when needed. √
- Unequal inputs√ as some partners put in expertise instead of cash. √
- Any other relevant answer related to how capital could contribute to the failure of a partnership

Max (4)

4.5 Suggest ways in which the presenter can handle feedback in a non-aggressive and professional manner.
- The presenter should stand throughout the feedback session. √√
- Be polite/confident/courteous when responding to questions. √√
- Ensure that each question/comment is clearly understood before responding/ rephrase questions if uncertain. √√
- He/she should first listen and then respond. √√
- Provide feedback as soon as possible after the question was asked or after the session. √√
- Be direct/honest/sincere when responding to questions. √√
- Use simple language to support the examples used in the presentation.
- Keep answers short and to the point. √√
- Apologise/acknowledge his/her errors/mistakes if pointed out by the audience.
- Encourage questions from the audience/investors. √√
- Always address the questions and not the person. √√
- Acknowledge good questions to motivate audience to ask more questions. √√

Copyright reserved

Downloaded from Stanmorephysics.com

- The presenter should not involve him/herself in a debate when responding to questions. √√
- The presenter should not avoid the questions if he/she does not know the answer, but rather promise feedback on it. √√
- Address the full audience/investors and not only the person who posed the question √√
- Any other relevant answer related to ways in which the presenter can handle feedback in a non-aggressive and professional manner

Max (4)

BUSINESS ROLES

4.6 Name FOUR 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. √

NOTE: 1. Mark only the FIRST FOUR (4).
2. Accept problem-solving steps in any order. **(4x1) (4)**

4.7 Outline the economic rights of employees in the workplace.

- Freedom from forced labour. √√
- The right to accept or choose work. √√
- Fair wages and equal pay for equal work. √√
- The right to leisure and reasonable limitation of working hours. √√
- Safe and healthy working conditions. √√
- Join/Form trade unions √√
- Right to participate in a legal strike. √√
- Any other relevant answer related to the economic right of employees in the workplace.

Max (4)

Copyright reserved

Downloaded from Stanmorephysics.com

4.8 Stages of team development

4.8.1 Stages of team development from the scenario

STAGES OF TEAM DEVELOPMENT	MOTIVATIONS
1. Norming√√	All members agreed on set roles and responsibilities√
2. Adjourning/Mourning√√	They also know that all task must be completed before the team dissolve.√
Submax (4)	**Submax (2)**

NOTE:

1. **Mark the first TWO (2) only.**
2. **Award marks for the stages of team development even if the quotes are incomplete.**
3. **Do not award marks for the motivations if the stages of team development were incorrectly identified.**
4. **Accept responses in any order**

Max (6)

4.9 Ways businesses can create an environment that promotes creative thinking in the workplace

- Always be willing to listen and respond enthusiastically to new ideas from Staff members. √√
- Encourage all staff members to develop new or unique ideas. √√
- Make time for creating new ideas, for example, through holding workshops Where staff members can brainstorm new ideas/solutions. √√
- Make it easy for staff members to suggest new ideas using suggestion boxes At the business premises. √√
- Train staff members on innovative techniques like mind mapping. √√
- Organise job swopping with other businesses to learn from other more Creative ways to handle situations. √√
- Introduce incentives for staff members who came up with useful, Creative ideas.√√
- Make sure that the working environment is free from distractions like high noise levels√√
- Any other relevant answer related to ways businesses can create an environment that promotes creative thinking in the workplace

Max (6)
[40]
TOTAL SECTION B: 80

Copyright reserved

Downloaded from Stanmorephysics.com

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2	4
4.3.1	4
4.4	4
4.5	4
4.6	4
4.7	4
4.8.1	6
4.9	6
TOTAL	40



Copyright reserved

Downloaded from Stanmorephysics.com

SECTION C

Mark the FIRST ONE (1) question only.

QUESTION 5: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)

Entrepreneurs should be aware of the different leadership styles. Autocratic and charismatic leaders each have their own characteristics. Laissez-faire/ Free-reign leaders must understand that using this leadership style has a positive and negative impact on the followers. Entrepreneurs' role of their personal attitude can be used to contribute to the success of the leader.

5.1 Introduction

- The situational leadership allows leaders to adapt various different leadership styles. √
- Autocratic leadership style is effective in crisis situations as there are no discussions about decisions being made. √
- Charismatic leaders tend to attract followers with their personalities. √
- Laissez-faire/ free-reign leadership has both a positive and negative impact on the followers. √
- The leader's personal attitude has a huge impact on the success of the leader. √
- Any other relevant introduction related to the situational leadership theory/ autocratic/ charismatic leadership styles/ impact of the laissez-faire/ free-reign leadership/ role of personal attitude in successful leadership.

Any (2x1) (2)

5.2 Situational leadership theory

- Different leadership characteristics/ styles are needed for different situations/ prevailing circumstances. √√
- The task/ situation dictates the leadership style that should be applied, so leaders are adaptable/ flexible/ self-assured. √√
- Leaders analyse group members/ objectives/ time constraints, to adopt a suitable/ relevant leadership style. √√
- The relationship between the leader and the employees are based on mutual trust/ respect/ loyalty/ integrity/ honesty. √√
- Leaders have the ability to analyse the situation/ get the most suitable people in right positions to complete tasks successfully. √√
- Effective application/ adoption of this theory may enable leaders to accomplish/ achieve their organisational goals. √√
- 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. √√

Max (10)

Copyright reserved

Downloaded from Stanmorephysics.com

5.3 Impact of the autocratic leadership style

Positives/ Advantages

- Quick decisions can be taken √ without consulting/ considering followers/ employees. √
- Work gets done in time/ on schedule √ as targets are clearly specified. √
- Clear guidance can be given √ to low-skilled/ inexperienced/ new staff. √
- Line of command/ communication is clear, √ as it is top-down/ followers know exactly what to do. √
- Direct supervision/ strict control ensures √ high-quality products/ services. √
- Provides strong leadership, √ which makes new employees feel confident/ safe. √
- Any other relevant advantage of the autocratic leadership style.

AND/ OR

Negatives/ Disadvantages

- Leaders and followers may become divided √ as tension arises and may not agree on ways to solve problems. √
- Employees can be demotivated √ if their opinions/ ideas are not considered. √
- Demotivated workers √ impact negatively on productivity. √
- New/ innovative cost-reducing ideas and solutions √ may not be used/ considered/ implemented. √
- Followers may feel that they are not valued, √ resulting in high absenteeism/ staff turnover. √
- Experienced/ Highly skilled workers may experience resistance, √ resulting in slow growth/ low participation/ less creativity. √
- Any other relevant disadvantage of the autocratic leadership style.

Submax (8)

Impact of the charismatic leadership style

Positives/ Advantages

- A leader communicates the vision/ goals of the organisation in a concise/ clear manner, √ which inspires confidence amongst employees. √
- Employees are inspired by the energy/ passion √ of the charismatic leader. √
- Employees are motivated to exceed √ their expectations and overcome their fears. √
- Employees are made to feel valued/ appreciated, √ which encourages them to work harder and improve productivity levels. √
- Any other relevant advantage of the charismatic leadership style.

AND/ OR

Negatives/ Disadvantages

- A leader may promote his own personal interest, √ instead of leading for the benefit of the organisation. √
- Employees rely on the leader √ to improve their morale/ motivation levels. √
- The organisation may be over-reliant on the presence of the leader, √ which could harm the organisation if the leader should leave the organisation. √
- Employees could also be reluctant to challenge the leader on important issues, √ which may impact on the organisation negatively in achieving their goals. √

Copyright reserved

Downloaded from Stanmorephysics.com

- Leader believes more in him-/ herself √ 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 disadvantage of the charismatic leadership style.

Submax (8)

Max (16)

5.4 Situations in which laissez-faire/ free-reign leadership can be applied

- Subordinates are experts √ and know what they want/ can take responsibility for their actions. √
- The leader is very busy, √ and the delegation of tasks will increase productivity. √
- Team members need to improve/ develop √ leadership skills. √
- Employees are highly experienced √ and know more about the task than the leader. √
- Any other relevant situation in which the laissez-faire/ free-reign leadership style can be applied in the workplace.

Max (8)

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 create 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 employees and leaders have a constant desire to work and achieve personal/ professional success. √√
- Leaders with a positive attitude know that there is always more to learn/ space to grow. √√
- Any other relevant answer related to the role of personal attitude in successful leadership.

Max (12)

5.6 Conclusion

- Choosing the right leadership style to apply in a specific situation is a skill that a leader should develop to ensure that he/ she is successful in their leadership position. √√
- An autocratic leader will only rely on him-/ herself and might miss some important inputs from followers who could have contributed towards a better decision. √√
- A charismatic leader will have the energy to develop a passion under his/ her followers. √√

Copyright reserved

Downloaded from Stanmorephysics.com

- Using the laissez-faire/ free-reign leadership in the correct situations, can ensure that the followers are more motivated. √√
- The leader's personal positive attitude can contribute towards the success story of his/ her leadership position. √√
- Any other relevant conclusion related to the situational leadership theory/ autocratic/ charismatic leadership styles/ impact of the laissez-faire/ free-reign leadership/ role of personal attitude in successful leadership.

Any (1 x 2) (2)
[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION		
DETAILS	**MAXIMUM**	**TOTAL**
Introduction	2	Max 32
Situational leadership theory	10	
Impact of autocratic and charismatic leadership styles	16	
Situations in which to apply laissez-faire/ free-reign leadership style	8	
Role of personal attitude in successful leadership	12	
Conclusion	2	
INSIGHT		Max 8
Layout / Structure	2	
Analysis / Interpretation	2	
Synthesis	2	
Originality / Examples	2	
TOTAL MARKS		40

LASO – for each component:
Allocate 2 marks if all the requirements have been met.
Allocate 1 mark if some requirements have been met.
Allocate 0 marks where requirements have not been met at all.

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)

Ethical and Professional behaviour forms part of effective business practice that guides employees' conduct in the workplace. Many businesses agree that unethical business practices have a negative impact on their operations. The correct application of the King Code principles, improve ethical business conduct. Successful businesses develop strategies to deal with unethical business practices.

6.1 INTRODUCTION

- Employees are expected to project a professional image by applying the principles of professionalism. √
- Unethical business practices can result in a negative business image and hamper business growth. √
- Businesses need to develop suitable and progressive ways to deal with challenges posed by each type of unethical business practice. √
- Professional, responsible, ethical and effective business practice ensures good corporate governance and attract investors. √
- Any other relevant introduction related to the meaning of professional behaviour/challenges posed by unethical business practices/dealing with unethical business practices/ways in which professional, responsible, ethical and effective business practice should be conducted.

(2x1) (2)

6.2 The differences 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 a business. √√
Conforms to a set of values that are morally acceptable. √√	Set of standards 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. √√
Involves following the principles of right and wrong in business activities/practices/dealings. √√	Focuses on upholding the reputation of a business/profession. √√
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. √√	Includes guidelines on employees' appearance/communication/attitude/ responsibility. √√
Accept any relevant answer related to ethical behaviour.	Accept any relevant answers related to professional behaviour.
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 ethical behaviour or professional behaviour only.**

Copyright reserved

Downloaded from Stanmorephysics.com

Max (8)

6.3 Types of unethical business practices posing challenges to businesses

6.3.1 Pricing of goods in rural areas

- Some businesses in the rural areas exploit their customers√ by adding much more than necessary to their prices.√
- Businesses may experience decline in sales√ due to high cost added into the price of the final product. √
- Businesses may form monopolies in rural areas√ and increase their prices unilaterally.√
- It may be common practice to pay higher prices√ for goods of inferior quality in rural areas.√
- Any other relevant answer related to how pricing of goods in rural areas as an unethical business practice pose challenges to businesses.

Submax (4)

6.3.2 Taxation/Tax evasion

- Businesses may pay heavy fines√ for evading tax.√
- Tax evasion may negatively impact√ on the business image.√
- The accountant may charge high fees√ for falsifying financial statements.√
- Businesses may lose key stakeholders√ if the act of tax evasion is reported.√
- Some businesses submit fraudulent/incorrect returns√ to SARS resulting in penalties.√
- Businesses may not be familiar with the latest changes√ in tax legislation.√
- Any other relevant answer related to how taxation/tax evasion as an unethical business practice pose challenges to businesses.

Submax (4)

6.3.3 Unfair advertising

- Unfair advertisements could be harmful√ to consumers.√
- Deceptive advertising can violate the trust of consumers√ and destroy business relationships.√
- The use of false or misleading statements in advertising can lead to the misrepresentation of the concerned product√, which may negatively affect consumers.√
- Businesses can make unwise advertising choices√ when they are under pressure to increase their profits.√
- Some advertisements may be regarded as discriminatory√ because they exclude/target some sections of the population.√
- Any other relevant answer related to how unfair advertising as an unethical business practice pose challenges to businesses.

Submax (4)

Max (12)

Copyright reserved

Downloaded from Stanmorephysics.com

6.4 How businesses can apply the THREE King Code principles of governance to improve ethical business conduct

6.4.1 Transparency√√

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

Principle (2)
Explanation (2)
Submax (4)

6.4.2 Accountability√√

- There must be regular communication√ between management and stakeholders.√
- The company should appoint internal and external auditors√ to audit financial statements. √
- The board should ensure that the company's ethics√ 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 how businesses can apply accountability as one of King Code principles of governance to improve ethical business conduct

Principle (2)
Explanation (2)

Copyright reserved

Downloaded from Stanmorephysics.com

Submax (4)

6.4.3 Responsibility√√

- The business/board should develop and implement programmes√ that should be aimed at protecting the communities in which they operate. √
- The business/board should develop remedial programmes√ to protect the environment, for example, reduce air and water pollution√
- Any other relevant answer related to how businesses can apply responsibility as one of King Code principles of governance to improve ethical business conduct

Principle (2)
Explanation (2)
Submax (4)
Max (12)

6.5 Ways in which professional, responsible, ethical and effective business practice should be conducted

- Mission statement should include the values of equality/respect.√√
- Businesses should develop equity programmes/promote strategies to ensure that all employees are treated equally regardless of status/rank/power. √√
- Treat workers with respect/dignity by recognising work well done/the value of human capital. √√
- 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 clear/transparent to all stakeholders. √√
- Businesses should be accountable /responsible for their decisions and actions/ patent rights. √√
- Hire honest/trustworthy accountants/financial officers with good credentials.√√
- Regular/Timeous payment of taxes.√√
- All workers should have access to equal opportunities/positions/resources.
- Ensure that employees work in a work environment that is conducive to safety/fairness/free from embarrassment. √√
- Employers and employees need to comply with legislation with regard to equal opportunities/human right in the workplace. √√
- Training/Information/Business policies should include issues such as diversity/discrimination/harassment. √√
- Employers should respond swiftly and fairly to reported incidents of discrimination in the workplace√√

Copyright reserved

Downloaded from Stanmorephysics.com

- Orders/Tasks should be given respectfully and allow the recipient/employee to have a say in the way the task should be performed. √√
- Draw up a code of ethics/conduct.√√
- On-going development and training for all employees.√√
- Performance management systems/Appraisals should be in place.√√
- Adequate internal controls/monitoring/evaluation.√√
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practice should be conducted.

Max (14)

6.6 CONCLUSION

- Businesses should develop a simple and clear code of conduct that will easily be implemented in the workplace.√√
- Awareness of the types of unethical business practices may enable businesses to take precautionary measures and prevent negative publicity.√√
- Dealing with each type of unethical business practice may increase market share resulting in business sustainability and profitability.√√
- Businesses must continuously conduct research on how they should act professionally, responsibly, ethically and effectively. √√
- Any other relevant conclusion related to the meaning of professional behaviour/challenges posed by unethical business practices/dealing with unethical business practices/ways in which professional, responsible, ethical and effective business practice should be conducted.

Any (1 x 2) (2)

Copyright reserved

Downloaded from Stanmorephysics.com

QUESTION 6: BREAKDOWN OF MARK ALLOCATION		
DETAILS	**MAXIMUM**	**TOTAL**
Introduction	2	Max 32
Differences between ethical and professional behaviour	8	
Types of unethical business practices that pose challenges to businesses	12	
How businesses can apply the THREE King Code principles of governance to improve ethical business conduct	12	
Ways in which professional, responsible, ethical and effective business practice should be conducted	14	
Conclusion	2	
INSIGHT		Max 8
Layout/ Structure	2	
Analysis/ Interpretation	2	
Synthesis	2	
Originality/ Examples	2	
TOTAL MARKS		40

LASO – for each component:
Allocate 2 marks if all the requirements have been met.
Allocate 1 mark if some requirements have been met.
Allocate 0 marks where requirements have not been met at all.

TOTAL SECTION C: 40
GRAND TOTAL: 150

Copyright reserved