



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P2

NOVEMBER 2022

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- 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.
- 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.
- 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.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- 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 CHOICE: Answer any TWO.	2	40	70
	3	40	
	4	40	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		150	120

- Begin the answer to **EACH** question on a **NEW** page, e.g. **QUESTION 1** – new page, **QUESTION 2** – new page.
- You may use a non-programmable calculator.
- Write neatly and legibly.

SECTION A (COMPULSORY)**QUESTION 1**

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

1.1.1 Ayisha applied the ... leadership style when she used her personality to motivate her employees to work hard.

- A democratic
- B autocratic
- C charismatic
- D transactional

1.1.2 The shareholders of Sizwe Trading were issued ... shares as compensation for unpaid dividends.

- A bonus
- B preference
- C ordinary
- D founders'

1.1.3 The presenter should ... when preparing for a presentation.

- A use appropriate gestures
- B avoid hiding behind equipment
- C use humour appropriately
- D create visual aids

1.1.4 Godana Doors appointed both male and female employees in managerial positions to deal with ... as a diversity issue.

- A age
- B gender
- C language
- D culture

1.1.5 Jacky Trading dealt with a/an ... as a type of difficult personality when they listened to Trevor's criticism without acknowledging him.

- A complainer
- B expert
- C indecisive person
- D aggressor

(5 x 2) (10)

- 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.

insurable; economic; ethical; accountability; RSA Retail Savings Bonds; non-insurable; social; unit trusts; professional; responsibility
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- 1.2.1 Sakkie invested in ... as it will allow him to cash in without penalties when he needs money.
- 1.2.2 Changes in technology can be regarded as a/an ... risk.
- 1.2.3 The employees of Blake Consultants show ... behaviour, as they apply the business's code of conduct when dealing with clients.
- 1.2.4 The ... rights of employees allow them to participate in a legal strike.
- 1.2.5 Businesses apply ... as a King Code principle when they appoint external auditors to audit their financial statements. (5 x 2) (10)

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

COLUMN A		COLUMN B	
1.3.1	Situational leadership theory	A	improves the image of the business and increases profits
1.3.2	Security	B	team members show respect for the knowledge of other members
1.3.3	Private company	C	leaders reward the positive behaviour of their employees
1.3.4	Corporate social responsibility	D	applies to long-term insurance
1.3.5	Shared values	E	raises capital by selling shares to the community
		F	leaders analyse the business objectives to choose an appropriate leadership style
		G	raises capital by selling shares to its shareholders
		H	applies to short-term insurance
		I	improves the standard of living of the community without a return on investment
		J	team members work together as a unit and take part in decision-making

(5 x 2)

(10)

TOTAL SECTION A: 30

SECTION B

Answer any TWO questions in this section.

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

QUESTION 2: BUSINESS VENTURES

- 2.1 Name any FOUR examples of long-term insurance. (4)
- 2.2 Elaborate on the meaning of *excess* as an insurance concept. (4)
- 2.3 Identify the type of visual aid that was used by Dumisani while presenting in EACH statement below.
- 2.3.1 Dumisani used slides that were projected on a screen. (2)
- 2.3.2 He provided the audience with hard copies of his presentation at the beginning of the session. (2)
- 2.4 Explain the difference between *limited liability* and *unlimited liability*. (4)
- 2.5 Describe the functions of the Johannesburg Securities Exchange (JSE). (6)
- 2.6 Read the scenario below and answer the questions that follow.
- Thapelo invested an amount of R7 000 in a fixed deposit at 10% simple interest per year over a period of two years.
- 2.6.1 Calculate the simple interest that Thapelo will receive after two years. Show ALL calculations. (4)
- 2.6.2 Discuss the impact of fixed deposits as a form of investment. (6)
- 2.7 Advise businesses on the advantages of insurance. (4)
- 2.8 Suggest ways in which the presenter can handle feedback after a presentation in a non-aggressive and professional manner. (4)

[40]

QUESTION 3: BUSINESS ROLES

- 3.1 Name any FOUR human rights in the workplace. (4)
- 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.

TAKALANI TRADERS (TT)

Zuki and Jane are supervisors at Takalani Traders. They do not speak to each other because they have different views. Management arranged a pre-negotiation meeting in which Zuki and Jane expressed their views separately. They were given the opportunity to agree on the best solution. They were also advised to refer the matter to the CCMA if they were not happy with the outcome.

- 3.3.1 Quote TWO steps in handling conflict from the scenario above. (2)
- 3.3.2 Describe other steps in handling conflict in the workplace. (6)
- 3.4 Explain ways in which businesses can deal with unemployment as a socio-economic issue. (6)
- 3.5 Read the scenario below and answer the question that follows.

TECH CARPETS (TC)

Tech Carpets is a large business that specialises in the manufacturing of carpets. TC did not declare all their income to the South African Revenue Service (SARS) for the previous financial year. Employees make personal calls during working hours. TC also use fine print to hide important information when promoting their products.

Identify TWO types of unethical business practices applicable to TC. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 3.5.

TYPES OF UNETHICAL BUSINESS PRACTICES	MOTIVATIONS
1.	
2.	

- 3.6 Discuss the impact of corporate social responsibility (CSR) on communities. (6)
- 3.7 Suggest ways in which professional, responsible, ethical and effective business practices should be conducted. (6)
- [40]**

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES**

- 4.1 State any THREE factors that should be considered when making investment decisions. (3)
- 4.2 Read the scenario below and answer the questions that follow.

RAVAT TRADERS (RT)

The management of Ravat Traders ensures that both the business and employees each contribute 1% of their wages to the Department of Labour. The contribution is compulsory as specified in legislation.

- 4.2.1 Identify the type of compulsory insurance applicable to the scenario above. (2)
- 4.2.2 Explain ONE other type of compulsory insurance. (3)
- 4.3 Discuss how the following criteria could contribute to the success and/or failure of a partnership:
- 4.3.1 Capital (4)
- 4.3.2 Management (4)
- 4.4 Suggest situations in which the laissez-faire/free-reign leadership style can be applied in the workplace. (4)

BUSINESS ROLES

- 4.5 Name FOUR corporate social investment (CSI) focus areas. (4)
- 4.6 Read the scenario below and answer the question that follows.

CHAMPION WINNERS (CW)

Ntsiki is a team leader for Champion Winners, which consists of highly skilled team members. All members agreed on set roles and responsibilities. They also know that all tasks must be completed before the team dissolves.

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

Use the table below as a GUIDE to answer QUESTION 4.6.

STAGES OF TEAM DEVELOPMENT	MOTIVATIONS
1.	
2.	

- 4.7 Discuss the impact of the nominal group technique in solving complex business problems. (6)
- 4.8 Advise businesses on the benefits of diversity in the workplace. (4)
- [40]**

TOTAL SECTION B: 80

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)

Effective management and leadership play an important role in achieving business goals. Many leaders follow the transformational leadership theory as a guide to lead their employees. Others use the democratic and autocratic leadership styles in the workplace. Some leaders agree that the role of personal attitude is important for successful leadership.

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

- Outline the differences between *management* and *leadership*.
- Explain the *transformational leadership theory*.
- Discuss the impact of the following leadership styles on businesses:
 - Democratic
 - Autocratic
- Advise businesses on the role of personal attitude in successful leadership.

[40]**QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM-SOLVING)**

Businesses need to identify problems that affect their operations in order to make informed decisions. They must also create an environment that promotes creative thinking to enjoy the benefits of creativity in the workplace. The Delphi technique and the force-field analysis enable businesses to solve complex business problems.

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

- Outline the differences between *problem-solving* and *decision-making*.
- Explain ways in which businesses can create an environment that promotes creative thinking in the workplace.
- Discuss the advantages of creative thinking in the workplace.
- Advise businesses on how they could apply the following problem-solving techniques to solve complex business problems:
 - Delphi technique
 - Force-field analysis

[40]

TOTAL SECTION C:	40
GRAND TOTAL:	150



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MARKING GUIDELINE

MARKS: 150

This marking guideline consists of 30 pages.

NOTES TO MARKERS**PREAMBLE**

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

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

1. For marking and moderation purposes, the following colours are recommended:

Marker:	Red
Senior Marker:	Green
Deputy Chief Marker:	Black/Blue
Chief Marker:	Pink
Internal Moderator:	Orange
DBE Moderator:	Turquoise

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

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

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

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub 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 proceedings✓, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.✓'*
- NOTE:** 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (✓) in the allocation of marks.
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 assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

14. SECTION B

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

NOTE: 1. This applies only to questions where the number of facts is specified.
2. The above also applies to responses in SECTION C (where applicable)

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

- 14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre and refer to the DBE internal moderator to finalise the alternative answers 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

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 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 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 mark (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark synthesis.	2
Originality	Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

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

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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 (✓) will be separated and indicated next to each fact, e.g., 'Excess is the amount that the insured agrees to pay upfront ✓ when he/she takes out an insurance policy'. ✓
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A**QUESTION 1**

- 1.1 1.1.1 C✓✓
 1.1.2 A✓✓
 1.1.3 D✓✓
 1.1.4 B✓✓
 1.1.5 A✓✓

(5 x 2) **(10)**

- 1.2 1.2.1 unit trusts✓✓
 1.2.2 non-insurable✓✓
 1.2.3 professional✓✓
 1.2.4 economic✓✓
 1.2.5 accountability✓✓

(5 x 2) **(10)**

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

(5 x 2) **(10)****TOTAL SECTION A: 30****BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark the answers to the FIRST TWO questions only.

QUESTION 2: BUSINESS VENTURES**2.1 Examples of long-term insurance**

- Endowment policy ✓
- Life cover policy/Life insurance ✓
- Retirement annuity/Pension fund/Provident fund ✓
- Disability policy ✓
- Trauma insurance ✓
- Funeral insurance ✓
- Health insurance/Medical aid ✓
- Any other relevant answer related to the examples of long-term insurance.

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

2.2 Meaning of excess as an insurance concept

- Excess is the amount that the insured agrees to pay upfront ✓ when he/she takes out an insurance policy ✓ / The amount the insured agrees to pay upfront ✓ as stipulated in the insurance policy. ✓
- A portion of the insurance claim that the insured will have to pay ✓ towards the cost of replacing/repairing goods/property concerned. ✓
- Excess payments protect the insurer against fraudulent claims ✓ as the insured is less likely to submit a false claim/when he/she needs to pay the amount upfront. ✓
- It is the amount paid to the insurer ✓ when a claim for damages is lodged/ in the event of a claim. ✓
- Higher excess amounts keep the insurance premium lower ✓ and discourage fraud. ✓
- Excess payment prevents the insured ✓ from claiming for minor damages. ✓
- Any other relevant answer related to the meaning of excess as an insurance concept.

NOTE: Award a maximum of TWO (2) marks for an example that is used as an explanation.

Max (4)

2.3 Visual aids from the statements

2.3.1 PowerPoint /Data projector ✓✓

(2)

2.3.2 Hand-outs/flyers/brochures ✓✓

(2)

2.4 Difference between limited liability and unlimited liability

LIMITED LIABILITY	UNLIMITED LIABILITY
- Losses are limited ✓ to the amount that the owner invested in the business. ✓	- The liability of the owner to pay debts/claims ✓ is not limited to the business only. ✓
- The owner's personal assets are protected ✓ against the debts of the business. ✓	- The owner's personal assets may be seized ✓ to pay for the debts of the business. ✓
- Applicable to companies ✓ that have a separate entity/personality. ✓	- Applicable to a sole proprietorship and partnership ✓ as they do not have a separate legal entity/personality. ✓
- Any other relevant answer related to limited liability.	- Any other relevant answer related to unlimited liability.
Submax (2)	Submax (2)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. The difference does not have to link, but must be clear.
 3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either limited liability or unlimited liability only.

Max (4)**2.5 Functions of the Johannesburg Securities Exchange/JSE**

- Gives opportunities to financial institutions ✓ such as insurance companies investing 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. ✓
- Enhances job creation ✓ and increases economic growth/development. ✓
- Facilitates electronic trading ✓ of shares/STRATE. ✓
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange/JSE.

Max (6)

2.6 Investments**2.6.1 Simple interest calculation**

FORMULA: Interest = $P \times R \times T$ ✓
 $R7\ 000 \times 10\% \times 2 \text{ years}$ ✓
 $= R1\ 400$ ✓✓✓✓

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

Max (4)**2.6.2 Impact of fixed deposit****Positives/Advantages**

- Interest is earned at a fixed rate ✓ regardless of changes in the economic climate. ✓
- The period of investment ✓ can be over a short/medium/long term. ✓
- Investors can choose the investment period ✓ that suits them. ✓
- The principal amount plus interest earned ✓ is paid out on the maturity date. ✓
- Ensures financial discipline as investors cannot withdraw their funds ✓ before the maturity date. ✓
- Investors earn a better return on investment ✓ than on an ordinary savings account. ✓
- It has a low risk ✓ as investors are guaranteed of the final payment. ✓
- The higher the principal amount/the longer the investment period ✓, the higher the interest rate offered by a financial institution. ✓
- Any other relevant answer related to the positive impact/advantages of fixed deposit as a form of investment.

AND/OR**Negatives/ Disadvantages**

- The investor cannot withdraw their funds ✓ before the maturity date. ✓
- Low returns ✓ compared to other investments. ✓
- May not outperform the effect of inflation ✓ over the long-term. ✓
- Any other relevant answer related to the negative impact/ disadvantages of fixed deposit as a form of investment.

Max (6)**2.7 Advantages of insurance for businesses**

- Transfers the risk from the business/insured to an insurance company/insurer. ✓✓
- Transfer of risk is subject to the terms and conditions of the insurance contract. ✓✓
- Protects businesses against theft/loss of stock and/or damages caused by natural disasters such as floods/storm damage. ✓✓
- Businesses will be compensated for insurable losses such as the destruction of property through fire. ✓✓
- Businesses 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 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 death of a debtor. ✓✓
- Any other relevant answer related to the advantages of insurance for businesses.

Max (4)

2.8 Handling feedback after a presentation 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. ✓✓
- The presenter should first listen and then respond. ✓✓
- Provide feedback as soon as possible after the question was asked/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 errors/mistakes if pointed out by the audience. ✓✓
- Encourage questions from the audience. ✓✓
- Always address the question and not the person. ✓✓
- Acknowledge good questions to motivate the audience to ask more questions. ✓✓
- The presenter should not involve himself 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 and not only the person who posed the question. ✓✓
- Any other relevant answer related to ways in which the presenter can handle feedback after a presentation in a non-aggressive and professional manner.

Max (4)**[40]**

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2	4
2.3	4
2.4	4
2.5	6
2.6.1	4
2.6.2	6
2.7	4
2.8	4
TOTAL	40

QUESTION 3: BUSINESS ROLES**3.1 Human rights in the workplace**

- Privacy ✓
- Dignity ✓
- Equity ✓
- Freedom of speech and expression ✓
- Information ✓
- Safety, security and protection of life ✓

NOTE: Mark the first FOUR (4) only.**(4 x 1) (4)****3.2 Roles of the health and safety representatives in protecting the workplace environment**

- Ensure that protective clothing is provided/available to all workers. ✓✓
- Identify potential dangers in the workplace. ✓✓
- Initiate/Promote/Maintain/Review measures to ensure the health and safety of workers. ✓✓
- Check/Monitor the effectiveness of health and safety measures with management. ✓✓
- Ensure that all equipment that is necessary to perform the work is provided/maintained regularly. ✓✓
- Promote safety training so that employees may avoid potential dangers/act pro-actively. ✓✓
- Ensure that dangerous equipment is used under the supervision of trained/qualified workers. ✓✓
- Ensure that workers' health and safety is not endangered by hazards resulting from production/processing/storage/transportation of material/equipment. ✓✓
- Work together with the employer, to investigate any accidents/complaints from the workers concerning health and safety in the workplace. ✓✓
- Ensure that employers comply with COIDA. ✓✓
- Any other relevant answer related to the roles of the health and safety representatives in protecting the workplace environment.

Max (4)

3.3 Conflict resolution steps**3.3.1 Steps in handling conflict from the scenario**

- Management arranged a pre-negotiation meeting in which Zuki and Jane expressed their views separately. ✓
- They were given the opportunity to agree on the best solution. ✓

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

(2 x 1) (2)

3.3.2 Other steps in handling conflict in the workplace

- Acknowledge that there is conflict ✓ between employers/employees/parties in the workplace. ✓
- Identify the cause ✓ of the conflict. ✓
- Arrange time and place for negotiations ✓ where all employees involved are present. ✓
- Arrange a meeting ✓ between conflicting employers/employees. ✓
- Make intentions for the intervention clear ✓ so that parties involved may feel at ease. ✓
- Each party has the opportunity to express ✓ his/her own opinions/feelings. ✓
- Conflicting parties may recognise that their views are different ✓ during the meeting. ✓
- Analyse/Evaluate the cause(s) of conflict ✓ by breaking it down into different parts. ✓
- Blame shifting should be avoided ✓ and a joint effort should be made. ✓
- Direct conflicting parties ✓ towards finding/focusing on solutions. ✓
- Devise/Brainstorm possible ways ✓ of resolving the conflict. ✓
- Conflicting parties agree on criteria ✓ to evaluate the alternatives. ✓
- Select/Implement ✓ the best solution. ✓
- Evaluate/Follow up ✓ on the implementation of the solution(s). ✓
- Monitor progress ✓ to ensure that the conflict has been resolved. ✓
- Source experts on handling conflict ✓ from outside the business. ✓
- Any other relevant answer related to other steps in handling conflict in the workplace.

NOTE: 1 Do not award marks for responses that were quoted in QUESTION 3.3.1

2 Accept the steps in any order.

Max (6)

3.4 Dealing with unemployment as a socio-economic issue

- Provide skills development programmes ✓ through learnerships. ✓
- Offer bursaries to the community ✓ to improve the level of education. ✓
- Create jobs ✓ for members of the community. ✓
- Provide entrepreneurial programmes ✓ that can promote self-employment. ✓
- Support existing small businesses ✓ to create more employment opportunities. ✓
- Any other relevant answer related to ways in which businesses can deal with unemployment as a socio-economic issue.

Max (6)

3.5 Types of unethical business practices from the scenario

TYPES OF UNETHICAL BUSINESS PRACTICES	MOTIVATIONS
1. Taxation/Tax evasion ✓✓	TC did not declare all their income to the South African Revenue Service (SARS) for the previous financial year. ✓
2. Unfair advertising ✓✓	TC also use fine print to hide important information when promoting their products. ✓
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Award marks for the types of unethical business practices even if the quotes are incomplete.
 3. Do not award marks for the motivations if the types of unethical business practices were incorrectly identified.
 4. Accept responses in any order.

Max (6)

3.6 Impact of CSR on communities

Positives/Advantages

- Community skills can be improved ✓ through the provisions of bursaries. ✓
- Better educational facilities are established ✓ in poor communities. ✓
- The standard of living of communities ✓ 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 ✓ which will improve the welfare of communities. ✓
- Training opportunities ✓ increase the possibility of appointments of members from communities. ✓
- Implementing developmental programmes ✓ improves entrepreneurial skills of communities. ✓
- 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. ✓
- Distribution of scarce resources to selected beneficiaries in communities ✓ may cause problems such as discrimination. ✓
- Some businesses only participate in CSR initiatives to raise profit ✓ and do not really care for communities in which they operate. ✓
- Businesses cannot meet the long term needs ✓ of the society. ✓/Businesses cannot deliver ✓ sustainable CSR programmes. ✓
- The benefits of the programmes may not filter to the intended persons ✓ within the communities. ✓

- Spending money on CSR programmes means the business has to recover expenses through higher prices ✓ which have a negative impact on the economy. ✓
- Businesses tend to focus on CSR projects ✓ that does not directly benefit communities. ✓
- Consumers are not easily convinced ✓ that a business is acting in the best interest of the community. ✓
- 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)

3.7 Ways in which professional, responsible, ethical and effective business practices 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 such as 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 of embarrassment. ✓✓
- Employers and employees need to comply with legislation with regard to equal opportunities/human rights 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. ✓✓
- Orders/Tasks should be given respectfully and allow the recipient/employee to have a say in the way that 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 (6)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2	4
3.3.1	2
3.3.2	6
3.4	6
3.5	6
3.6	6
3.7	6
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES****4.1 Factors to be considered when making investment decisions**

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

NOTE: Mark the first THREE (3) only.**(3 x 1) (3)****4.2 Types of compulsory insurance****4.2.1 Type of compulsory insurance from the scenario**

Unemployment Insurance Fund/UIF ✓✓

(2)**4.2.2 Other types of compulsory insurance****Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS) ✓✓**

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

- RAF/RABS enables road accident victims' speedy access to medical care as delays due to the investigation into accidents has been minimised. ✓
- Any other relevant answer related to RAF/RABS as a type of compulsory insurance.

Type (2)
Explanation (1)
Submax (3)

OR

Compensation for Occupational Injuries and Diseases/COIDA/Compensation Fund ✓✓

- The fund covers occupational diseases and workplace injuries. ✓
- Compensates employees for injuries and diseases incurred at work. ✓
- Compensation paid is determined by the degree of disablement. ✓
- The contribution payable is reviewed every few years according to the risk associated with that type of work. ✓
- All employers are obliged to register with the Compensation Fund so that employees may be compensated for accidents and diseases sustained in the workplace. ✓
- The fund covers employers for any legal claim that workers may bring against them. ✓
- Employers are required to report all accidents within 7 days and occupational diseases within 14 days to the Compensation Commissioner. ✓
- Employers are responsible for contributing towards the fund and may not claim money back from employees/deduct contributions from wages. ✓
- In the event of the death of an employee as a result of a work-related accident/disease, his/her dependant(s) will receive financial support. ✓
- Employees do not have to contribute towards this fund. ✓
- Employees receive medical assistance provided there is no other party/medical fund involved. ✓
- Any other relevant answer related to COIDA/Compensation Fund as a type of compulsory insurance.

Type (2)
Explanation (1)
Submax (3)

NOTE: 1 Mark the first ONE (1) only.

2 Do not award marks for Unemployment Insurance Fund (UIF).

Max (3)

4.3 Forms of ownership**Criteria contributing to the success and/or failure of a partnership**

4.3.1	SUCCESS FACTORS	AND/OR	FAILURE FACTORS
Capital	- Very little capital ✓ is needed to start a partnership. ✓		- Partners may not all have capital ✓ to put into the business when needed/ limiting the growth. ✓
	- Contribution can be in the form ✓ of cash/capital/skills/equipment. ✓		- Unequal inputs as some partners put in expertise ✓ instead of cash. ✓
	- More than one partner ✓ can make a contribution. ✓		
	- Capital can be carefully spent ✓ and managed by the partners. ✓		
	- Any other relevant answer related to how capital as a criteria could contribute to the success of a partnership.		- Any other relevant answer related to how capital as a criteria could contribute to the failure of a partnership.

Max (4)

4.3.2	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. ✓
	- Partners have access to expertise of other partners ✓ when difficult decisions have to be made. ✓		- Some management tasks may be neglected ✓, as one partner may leave it to others to complete. ✓
	- Not all partners need to be actively involved in management ✓ and could rather appoint competent managers. ✓		- 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. ✓
			- Different personalities/opinions ✓ could lead to conflict/ disagreements. ✓
	- Any other relevant answer related to how management as a criteria could contribute to the success of a partnership.		- Any other relevant answer related to how management as a criteria could contribute to the failure of a partnership.

NOTE: 1. The answer does not have to be in tabular format.**2. Mark either success AND/OR failure of EACH factor.****Max (4)**

4.4 Situations in which the laissez-faire/free-reign leadership style can be applied

This leadership style can be applied when:

- Subordinates are experts and know what they want/can take responsibility for their actions. ✓✓
- The leader is very busy and 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 answer related to situations in which the laissez-faire/free-reign leadership style can be applied in the workplace.

Max (4)

BUSINESS ROLES**4.5 CSI focus areas**

- Community✓
- Rural development✓
- Employees✓
- Environment✓

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

4.6 Stages of team development

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 tasks must be completed before the team dissolves. ✓
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)

4.7 Impact 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 clarifies a large amount 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 in solving complex business problems.

AND/OR

Negatives/Disadvantages

- It minimises discussion✓, and thus does not allow for 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 its 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 in solving complex business problems.

Max (6)

4.8 Benefits of diversity in the workplace

- Workforce diversity improves the ability of businesses to solve problems/innovate/cultivate diverse markets. ✓✓
- Employees value each other's diversity and learn to connect/communicate across lines of difference. ✓✓
- Diversity in the workforce improves morale/motivation. ✓✓
- Employees demonstrate greater loyalty to businesses because they feel respected/accepted/understood. ✓✓
- Diversified workforce can give businesses a competitive advantage, as they can render better services. ✓✓
- Being respectful of differences/demonstrating diversity makes good business sense/improves profitability. ✓✓
- Diverse businesses ensure that their policies/practices empower every employee to perform at his/her full potential. ✓✓
- Stakeholders increasingly evaluate businesses on how they manage diversity in the workplace. ✓✓
- Employees from different backgrounds can bring different perspectives to businesses. ✓✓

- A diversified workforce stimulates debate on new/improved ways of getting things done. ✓✓
- Employees represent various groups and are therefore better able to recognise customer needs/satisfy consumers. ✓✓
- Businesses with a diverse workforce are more likely to have a good public image and attract more customers. ✓✓
- Any other relevant answer related to the benefits of diversity in the workplace.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	3
4.2.1	2
4.2.2	3
4.3.1	4
4.3.2	4
4.4	4
4.5	4
4.6	6
4.7	6
4.8	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C**Mark the answers to the FIRST question only.****QUESTION 5: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)****5.1 Introduction**

- Leaders develop a vision to set direction for the business. ✓
- Managers are analytical thinkers as they make different types of decisions. ✓
- The transformational leadership theory allows for change to be implemented successfully in the workplace. ✓
- The democratic leadership style enables employees to suggest divergent ideas that can be used to make better decisions. ✓
- The use of the autocratic leadership style may enable businesses to meet their daily targets resulting in increased profitability. ✓
- Leaders with a positive attitude inspire their followers to work hard and achieve set targets. ✓
- Any other relevant introduction related to the differences between management and leadership/transformational leadership theory/impact of democratic and autocratic leadership styles/role of personal attitude in successful leadership.

Any (2 x 1) (2)**5.2 Differences between management and leadership**

MANAGEMENT	LEADERSHIP
- Guides human behaviour. ✓✓	- Influences human behaviour. ✓✓
- Communicates through management functions such as the line function. ✓✓	- Communicates by means of interaction/behaviour/vision/values/charisma. ✓✓
- Administers plans/programs/tasks to reach targets. ✓✓	- Innovates/Encourages new ideas to increase productivity. ✓✓
- Controls systems and procedures to get the job done. ✓✓	- Inspires staff to trust and support each other. ✓✓
- Focuses on how and when. ✓✓	- Focuses on what and why. ✓✓
- Focuses on the short/medium term. ✓✓	- Focuses on the horizon/long term. ✓✓
- A person becomes a manager because of the position in which he/she is appointed. ✓✓	- Leaders are born with natural/instinctive leadership skills. ✓✓
- Manages the process of getting things done by exercising responsibility. ✓✓	- Guides/Leads people to become active participants. ✓✓
- Managers have power because of the position of authority into which they are appointed. ✓✓	- Leaders have influence because of his/her knowledge/skills/ intelligence. ✓✓
- Enforce rules on subordinates ✓✓/Ensure that tasks are completed. ✓✓	- Always trying to find more efficient ways of completing tasks. ✓✓
- Instructional in their approach. ✓✓	- Motivational/Inspirational in their approach ✓✓
- Task-orientated. ✓✓	- People-orientated. ✓✓
- Manage by planning/organising/leading/controlling. ✓✓	- Lead by example/trust/respect. ✓✓
- Does things right. ✓✓	- Does the right things. ✓✓
- Any other relevant answer related to management.	- Any other relevant answer related to leadership.
Submax (6)	Submax (6)

- 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 SIX (6) marks if the differences are not clear/Mark either management or leadership only.

Max (12)

5.3 Transformational leadership theory

- Suitable for a dynamic environment ✓, where change could be drastic. ✓
- The passion/vision/personality of leaders inspire 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 result 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 for their work ✓ and to know their strengths and weaknesses. ✓
- Any other relevant answer related to the transformational leadership theory.

Max (8)

5.4 Impact of democratic and autocratic leadership styles on businesses

5.4.1 Democratic leadership style

Positives/Advantages

- Employees participate in the decision-making process ✓, so they feel empowered/positive. ✓
- Staff gives a variety of ideas/inputs/feedback/viewpoints ✓ that can lead to innovation/improved production methods/increased sales. ✓
- Clear/Two-way communication ✓ ensures group commitment to final decision(s). ✓
- Authority is delegated which can motivate/inspire workers ✓ to be more productive. ✓
- Complex decisions can be made with inputs ✓ from specialists/skilled workers. ✓
- Any other relevant answer related to the positive impact/advantages of the democratic leadership style on businesses.

AND/OR

Negatives/Disadvantages

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

Submax (8)

5.4.2 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. ✓
- Line of command/communication is clear ✓ as it is top-down/followers know exactly what to do. ✓
- Direct supervision/strict control ✓ ensure high quality products/service. ✓
- Provides strong leadership which makes new employees ✓ feel confident/safe. ✓
- Works well in large companies where consultation ✓ with every employee is impractical. ✓
- Clear guidance can be given ✓ to low-skilled/inexperienced/new staff. ✓
- Any other relevant answer related to the positive impact/advantages of the autocratic leadership style on businesses.

AND/OR**Negatives/Disadvantages**

- Leaders and followers may become divided ✓ and may not agree on ways to solve problems. ✓
- Workers can become demotivated ✓ if their opinions/ideas are not considered. ✓
- Demotivated workers ✓ impact negatively on productivity. ✓
- New/Creative/Cost reducing ideas ✓ may not be used/considered/implemented. ✓
- Followers may feel that they are not valued ✓ resulting in high absenteeism/employee turnover. ✓
- Experienced/Highly skilled workers will resist an autocratic leadership style ✓ as it results in slow growth/low participation/less creativity. ✓
- Any other relevant answer related to the negative impact/disadvantages of the autocratic leadership style on businesses.

Submax (8)

Max (16)

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 and employees 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)**5.6 Conclusion**

- Competent managers are able to see beyond the current situation and plan ahead of time. ✓✓
- The transformational leadership theory provides guidelines on how change should be handled in the workplace. ✓✓
- The democratic leadership style is beneficial to both leaders and followers as they learn from one another. ✓✓
- The use of the autocratic leadership style enables businesses to develop effective turn-around strategies aimed at maximising profitability. ✓✓
- Leaders with a positive attitude may experience less staff turnover as employees may be happy in the workplace. ✓✓
- Any other relevant conclusion related to the differences between management and leadership/transformational leadership theory/impact of democratic and autocratic leadership styles /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
Differences between management and leadership	12	
Transformational leadership theory	8	
Impact of leadership styles on businesses: ○ Democratic ○ Autocratic	16	
Role of personal attitude in successful leadership	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO - For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

QUESTION 6: BUSINESS ROLES (CREATIVE THINKING AND PROBLEM-SOLVING)**6.1 Introduction**

- The business environment is volatile and requires advanced creative thinking skills for effective decisions. ✓
- An environment that promotes creative thinking enables employees to unleash their potential for the benefit of businesses. ✓
- Creative thinking enables businesses to differentiate their products and develop new ways of doing things. ✓
- Businesses with diverse and highly skilled employees may apply the Delphi-technique to avoid delays in solving complex business problems. ✓
- The force-field analysis enables businesses to make a critical analysis of the situation before initiating changes. ✓
- Any other relevant introduction related to differences between problem-solving and decision making/creating an environment that promotes creative thinking in the workplace/advantages of creative thinking in the workplace/application of the Delphi technique and force-field analysis.

Any (2 x 1) (2)

6.2 Differences between problem-solving and decision making

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

Max (8)**6.3 Ways in which businesses can create an environment that promotes creative thinking in the workplace**

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

Max (12)

6.4 Advantages of creative thinking in the workplace

- Better/Unique/Unconventional ideas/solutions✓ are generated. ✓
- May give the business a competitive advantage✓ if unusual/unique solutions/ideas/strategies are implemented. ✓
- Complex business problems✓ may be solved. ✓
- Productivity increases as management/employees may quickly generate multiple ideas✓ which utilises time and 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 and creatively. ✓
- Managers/Employees can develop a completely new outlook✓, which may be applied to any task(s) they may do. ✓
- Leads to more positive attitudes✓ as managers/employees feel that they have contributed towards problem solving. ✓
- Improves motivation✓ amongst staff members. ✓
- Managers/Employees have a feeling of great accomplishment✓ and they will not resist/obstruct the process once they solved a problem/contributed towards the success of the business. ✓
- Managers/Employees may keep up with fast changing technology✓ which may lead to an increased market share. ✓
- Stimulates initiative from managers/employees✓, as they are continuously pushed out of their comfort zone. ✓
- Creativity may lead to new inventions✓ which improves the general standard of living/attract new investors. ✓
- 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 (14)**6.5 Application of the Delphi technique and force-field analysis as problem-solving techniques to solve complex business problems****6.5.1 Delphi technique**

- Businesses must invite a panel of experts to research the complaints from customers. ✓✓
- Experts do not have to be in one place and will be contacted individually. ✓✓
- Design a questionnaire consisting of questions on how to improve the quality of their products and distribute it to the panel members/experts. ✓✓
- Request the panel to individually respond to the questionnaire/suggest improvements to the products and return it to the business✓✓
- Summarise the responses from the experts in a feedback report. ✓✓
- Send the feedback report and a second set of questions/questionnaire based on the feedback report to the panel members. ✓✓
- Request panel members to provide further input/ideas on how to improve the quality of products after they have studied the results/documentation. ✓✓
- Distribute a third questionnaire based on previous feedback from the second round. ✓✓

- Prepare a final summary/feedback report with all the methods to improve the quality of the business's products. ✓✓
- The business should choose the best solution/proposal after reaching consensus. ✓✓
- Any other relevant answer related to how businesses could apply the Delphi technique to solve complex business problems.

Submax (6)

6.5.2 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 one (1) is weak and five (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)**6.6 Conclusion**

- Businesses should put systems in place that will enable them to overcome competition in the market. ✓✓
- Creating an environment that promotes creative thinking in the workplace contributes in achieving business goals and increasing the market share. ✓✓
- Creative thinking enables businesses to keep abreast with latest development in the market. ✓✓
- The application of the Delphi technique provides businesses the opportunity to consider outsider's point of view on various solutions to business problems. ✓✓
- The effective implementation of the force-field analysis may enable businesses to diversify their products/venture into new markets resulting in growth and sustainability. ✓✓
- Any other relevant conclusion related to the differences between problem-solving and decision making/creating an environment that promotes creative thinking in the workplace/advantages of creative thinking in the workplace/application of the Delphi technique and force-field analysis.

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

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between problem-solving and decision making.	8	
Ways in which businesses can create an environment that promotes creative thinking	12	
Advantages of creative thinking in the workplace	14	
Application of problem-solving techniques to solve complex business problems: <ul style="list-style-type: none"> ○ Delphi technique ○ Force-field analysis 	12	
Conclusion	2	8
INSIGHT		
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	40
TOTAL MARKS		

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all

TOTAL SECTION C: 40
GRAND TOTAL: 150