



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

BUSINESS STUDIES P2

MAY/JUNE 2024

MARKS: 150

TIME: 2 hours

This question paper consists of 9 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions.

Answer any **TWO** of the three questions in this section.

SECTION C: Consists of **TWO** questions.

Answer any **ONE** of the two questions in this section.

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

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

3. Number the answers correctly according to the numbering system used in this question paper. **NO** marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and 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 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

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.

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 The shareholders of ... preference shares are compensated for past unpaid dividends due to low profits.

- A participating
- B redeemable
- C convertible
- D cumulative

1.1.2 Employers and employees each contribute 1% of their basic wages to the ...

- A Unemployment Insurance Fund.
- B Compensation Fund.
- C Road Accident Fund.
- D Fidelity Insurance Fund.

1.1.3 Mbali, a sales consultant, should ... in order to improve her next presentation.

- A maintain good relationships with the audience
- B revise the objectives that were not achieved
- C present together with her colleagues
- D ignore criticism from the audience

1.1.4 Team dynamic theories enable businesses to ...

- A allocate tasks according to the roles of team members.
- B specialise in the production of quality products.
- C improve their public relations with communities.
- D provide training programmes to employees.

1.1.5 Grey Manufacturing encourages employees to recycle waste material. This refers to ... as an element of triple bottom line.

- A people
- B profit
- C planet
- D productivity

(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.

manager; communication; decision-making; compound; complainer;
problem-solving; simple; leader; collaboration; expert

- 1.2.1 The ... is responsible for the administration of tasks and programmes to reach set targets.
- 1.2.2 Calculation of ... interest is based only on the original amount invested.
- 1.2.3 Team members take part in decision-making to achieve their goals. This refers to ... as a criterion for successful team performance.
- 1.2.4 Jacob deals with a/an ... as a difficult personality by interrupting the situation and moving to the problem-solving process.
- 1.2.5 The CEO of Moodley Accountants considered various alternatives before choosing the best one. This is known as ... (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	Partnership	A	obligation of businesses to declare all income received
1.3.2	Founders' shares	B	enables businesses to have a competitive advantage as they render better services
1.3.3	Social responsibility	C	shareholders receive dividends only if a profit is made
1.3.4	Abuse of work time	D	continuity of the business depends on the number of shareholders
1.3.5	Diversity	E	employees make personal calls during working hours
		F	enables businesses to recognise the needs of only one particular group of customers
		G	incorporators receive dividends only after all shareholders have been paid
		H	continuity of the business depends on the lifespan of the owners
		I	employees use business resources for personal gain
		J	obligation of every citizen to contribute towards the well-being of communities

(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 Give any FOUR examples of long-term insurance. (4)
- 2.2 Outline the rights of ordinary shareholders. (4)
- 2.3 Read the scenario below and answer the questions that follow.

PARKER DENTISTRY (PD)

Parker Dentistry has surplus funds and decided to invest a minimum amount of R1 000 as initial investment. They will be penalised if withdrawals are made within the first twelve months.

- 2.3.1 Identify the form of investment applicable in the scenario above. (2)
- 2.3.2 Describe the advantages of the form of investment identified in QUESTION 2.3.1. (4)
- 2.4 Explain the difference between *limited liability* and *unlimited liability*. (4)
- 2.5 Discuss the impact of the *laissez-faire/free-reign* leadership style. (4)
- 2.6 Read the scenario below and answer the question that follows.

QUSHU LIMITED (QL)

Qushu Limited requested Sam, the financial manager, to present audited financial statements to various stakeholders. Sam used a special pen to make notes while images were being displayed. The audience were given hard copies of his presentation for future reference.

Identify TWO visual aids used by Sam. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.6.

VISUAL AIDS	MOTIVATIONS
1.	
2.	

- 2.7 Discuss any TWO principles of insurance. (6)
- 2.8 Advise presenters on the aspects that should be considered when designing a multimedia presentation. (6)

[40]

QUESTION 3: BUSINESS ROLES

- 3.1 Name any TWO social rights of employees in the workplace. (2)
- 3.2 Outline the correct procedures to deal with grievances in the workplace. (6)
- 3.3 Identify the human rights that are promoted by Meadridge Landscaping in EACH statement below:
- 3.3.1 Employees' personal information is kept confidential. (2)
- 3.3.2 Meadridge Landscaping ensures that the workplace environment is free from hazardous products. (2)
- 3.4 Explain ways in which businesses can deal with taxation/tax evasion as a type of unethical business practice. (4)
- 3.5 Discuss any TWO problem-solving steps. (6)
- 3.6 Read the scenario below and answer the questions that follow.

AFRICAN DESIGNERS (AD)

African Designers apply the King Code principles for good corporate governance. AD developed remedial programmes to reduce air and water pollution which will protect the environment.

- 3.6.1 Identify the King Code principle applied by AD. Motivate your answer by quoting from the scenario above. (3)
- 3.6.2 Explain any ONE other King Code principle for good corporate governance that AD could apply. (3)
- 3.7 Discuss *storming* as a stage of team development. (6)
- 3.8 Recommend ways in which businesses could deal with language as a diversity issue in the workplace. (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS VENTURES**

- 4.1 State any FOUR factors that should be considered when making investment decisions. (4)
- 4.2 Outline the functions of the Johannesburg Securities Exchange (JSE). (4)
- 4.3 Read the scenario below and answer the question that follows.

SANDY BAKERY (SB)

Sandy, the owner of Sandy Bakery, wants to use her additional income to expand her business. She decided to buy shares in Bio Ltd.

Identify the forms of ownership represented by Sandy Bakery and Bio Ltd. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 4.3.

FORMS OF OWNERSHIP	MOTIVATIONS
1.	
2.	

- 4.4 Explain the factors that must be considered when preparing for a presentation. (6)

BUSINESS ROLES

- 4.5 Elaborate on the meaning of *professional behaviour*. (4)
- 4.6 Explain how businesses should handle conflict in the workplace. (4)
- 4.7 Read the scenario below and answer the questions that follow.

KULSUM ENTERPRISE (KE)

Kulsum Enterprise use their surplus profits to deal with some socio-economic issues. They offer bursaries to community members in order to improve their level of education. They provide anti-retroviral treatment for infected people. KE also provides entrepreneurial programmes to encourage self-employment within the community.

- 4.7.1 Quote TWO ways in which KE deals with unemployment as a socio-economic issue from the scenario above. (2)
- 4.7.2 Explain other ways in which KE can deal with unemployment as a socio-economic issue. (4)
- 4.8 Evaluate the impact of corporate social responsibility (CSR) on businesses. (6)
- [40]**

TOTAL SECTION B: 80

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)

Businesses agree that leaders' personal attitude play an important role in successful leadership. Some businesses apply the democratic leadership style whereas others apply the autocratic leadership style. The situational and transformational leadership theories provide guidelines on the application of leadership styles. Certain situations require businesses to apply the transactional leadership style.

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

- Outline the role of personal attitude in successful leadership.
- Explain the differences between *democratic* and *autocratic leadership styles*.
- Discuss the following leadership theories:
 - Situational
 - Transformational
- Recommend situations in which the transactional leadership style could be applied in the workplace.

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

Creative thinking allows businesses to be innovative in their approach and take advantage of viable business opportunities. This requires them to create an environment that promotes creative thinking in the workplace. Successful businesses know the impact of the Delphi technique and the nominal group technique in solving business problems. Many businesses apply brainstorming when faced with challenging tasks.

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

- Outline the advantages of creative thinking in the workplace.
- Explain ways in which businesses can create an environment that promotes creative thinking in the workplace.
- Discuss the impact of the following problem-solving techniques:
 - Delphi technique
 - Nominal group technique
- Advise businesses on how they can apply brainstorming to solve complex business problems.

[40]

TOTAL SECTION C:	40
GRAND TOTAL:	150



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SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

BUSINESS STUDIES P2

MAY/JUNE 2024

MARKING GUIDELINES

MARKS: 150

This marking guideline consists of 29 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:	Orange
Chief Marker:	Pink
Internal Moderator:	Black/Blue
DBE Moderator:	Turquoise

2. Candidates' responses must be in full sentences for **SECTIONS B and C**. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
- Uses a different expression from that which appears in the marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used

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

4. Take note of other answers, provided by candidates, which relate to 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 '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:** *'The autocratic leadership style provides strong leadership ✓ which makes new employees feel confident and safe' ✓.*
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g., *'The autocratic leadership style provides strong leadership ✓ which makes new employees feel confident and safe ✓, as expectations/roles are clearly explained to avoid confusion' ✓.*
- NOTE:** 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (✓) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.
- Cognitive verbs, such as:
- 12.1 Give, name, state, outline, quote, motivate, recommend, suggest, advise (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessment is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

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? Marks to be allocated using this guide: 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-question(s) with irrelevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for 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 SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained but continue reading for originality 'O'.
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (Max)
L	2
A	2
S	2
O	2
TOTAL	40

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

SECTION A**QUESTION 1**

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

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

- 1.2 1.2.1 manager ✓✓
 1.2.2 simple ✓✓
 1.2.3 collaboration ✓✓
 1.2.4 complainer ✓✓
 1.2.5 decision making ✓✓

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

- 1.3 1.3.1 H ✓✓
 1.3.2 G ✓✓
 1.3.3 J ✓✓
 1.3.4 E ✓✓
 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 FIRST TWO answers 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 Rights of ordinary shareholders**

- Shareholders have a right to:
 - o vote at the Annual General Meeting. ✓✓
 - o attend the Annual General Meeting to learn about the company's performance. ✓✓
 - o receive interim and annual reports. ✓✓
 - o claim on company assets in the event of bankruptcy after all other creditors and preferential shareholders have been paid. ✓✓
- Any other relevant answer related to the rights of ordinary shareholders.

Max (4)**2.3 Forms of investment****2.3.1 Form of investment from the scenario**

Government/RSA Retail Savings Bonds ✓✓

(2)**2.3.2 Advantages of Government/RSA Retail Savings Bonds**

- Guaranteed returns, ✓ as the interest rate is 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. ✓
- Investment may be easily accessible, ✓ as cash may be withdrawn after the first twelve months. ✓
- Low risk/Safe investment, ✓ as it is invested with the South African Government which cannot be liquidated. ✓
- It is an affordable type of investment ✓ for all levels of income earners including pensioners. ✓
- Retail bonds are easily/conveniently obtained electronically ✓ from any Post Office/National Treasury. ✓
- No charges/costs/commissions payable ✓ on this type of investment. ✓
- Interest is usually higher ✓ than on fixed deposits. ✓
- Retail bonds are listed ✓ on the capital bond markets/on the JSE. ✓
- 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 advantages of Government/RSA Retail Savings Bonds as a form of investment.

NOTE: Accept relevant facts if the form of investment was incorrectly identified as an answer in QUESTION 2.3.1.**Max (4)**

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 forms of ownership/companies ✓ that have a separate legal entity/personality. ✓	- Applicable to sole trader/proprietorship and partnership ✓ that 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 Impact of laissez-faire/free-reign leadership style****Positives/Advantages**

- Employees/Workers/Followers are allowed to make decisions ✓ on their own areas of expertise/work/methods/ ✓
- Subordinates have maximum freedom ✓ and can work independently/without having to consult the leader. ✓
- Subordinates are motivated ✓ when leaders trust in their abilities/skills to do things themselves. ✓
- Authority is delegated, ✓ which can be motivating/empowering to competent workers/increase productivity. ✓
- Subordinates are experts ✓ and know what they want/can take responsibility for their actions. ✓
- Suitable for coaching/mentoring ✓ to motivate employees to achieve more/better things. ✓
- Competent employees/followers experience personal growth ✓ and become self-reliant/confident in performing their job. ✓
- Individual team members ✓ may improve/develop leadership skills. ✓
- Any other relevant answer related to the positive impact/advantages of a laissez-faire/free-reign leadership style on businesses.

AND/OR**Negatives/Disadvantages**

- Lack of clear direction/leadership ✓ may be demotivating to employees. ✓
- Employees can be held responsible for their own work ✓ which may lead to underperformance. ✓
- Could lead to conflict ✓ when some team members act as leaders/dictate to other team members. ✓
- Workers are expected to solve their own conflict situations/disagreements ✓ without involving their leaders. ✓
- Productivity may be compromised ✓ with a lack of tight control over workers not meeting deadlines. ✓

- Productivity might be low, ✓ if employees lack the necessary knowledge or skills. ✓
- Any other relevant answer related to the negative impact/disadvantages of laissez-faire/free-reign leadership style on businesses. **Max (4)**

2.6 Visual aids from the scenario

VISUAL AIDS	MOTIVATIONS
1. Interactive whiteboard/Smartboard ✓✓	Sam used a special pen to make notes while images were being displayed. ✓
2. Hand-outs/Flyers/Brochures ✓✓	The audience were given hard copies of his presentation for future reference. ✓
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. The answer does not have to be in tabular format.
 3. Award marks for the visual aids even if the motivations were incomplete.
 4. Do not award marks for the motivations if the visual aids were incorrectly identified.

Max (6)

2.7 Principles of insurance

Indemnification/Indemnity ✓✓

- Usually applies to short term insurance, as the insured is compensated for specified/proven harm/loss. ✓
- Insurer agrees to compensate the insured for damages/losses specified in the insurance contract, in return for premiums paid by the insured to the insurer. ✓
- Protects the insured against the specified event that may occur. ✓
- Pay-outs from insurance companies/insurer will only be made, if there is proof that the specified event took place/if the insured can prove the amount of the loss/damage. ✓
- The amount of indemnification/compensation is limited to the amount of provable loss/damage, even if the amount in the policy/insurance contract is higher. ✓
- The insured must be placed in the same position as before the occurrence of the loss/damage/The insured may not profit from insurance. ✓
- Any other relevant answer related to indemnification/indemnity as a principle of insurance.

Principle (2)
Discussion (1)
Submax (3)

Security/Certainty ✓✓

- Applies to long-term insurance where the insurer undertakes to pay out an agreed upon amount in the event of loss of life. ✓
- A predetermined amount will be paid out when the insured reaches a pre-determined age/or gets injured due to a predetermined event. ✓
- Aims to provide financial security to the insured at retirement/dependents of the deceased. ✓
- Any other relevant answer related to security/certainty as a principle of insurance.

Principle (2)
Discussion (1)
Submax (3)

Utmost good faith √√

- Insured has to be honest in supplying details when entering in an insurance contract. √
- Both parties/Insurer and insured must disclose all relevant facts. √
- Insured must disclose everything that may affect the extent of the risk. √
- Details/Information supplied when claiming should be accurate/true. √
- Any other relevant answer related to utmost good faith as a principle of insurance.

Principle (2)
Discussion (1)
Submax (3)

Insurable interest √√

- Insured must prove that he/she will suffer a financial loss if the insured object is damaged/lost/ceases to exist. √
- An insurable interest must be expressed in financial terms. √
- Insured must have a legal relationship with the insured object in the contract. √
- Any other relevant answer related to insurable interest as a principle of insurance.

Principle (2)
Discussion (1)
Submax (3)

NOTE: Mark the first TWO (2) only.

Max (6)

2.8 Aspects that should be considered when designing a multimedia presentation

- Start with the text/heading which forms the basis of the presentation. √√
- Select the background to complement/enhance the text. √√
- Choose images that may help to communicate the message. √√
- Include/Create graphics to assist the information which is conveyed. √√
- Add special effects/sound/pictures/animation to make it interesting for the audience. √√
- Create hyperlinks to allow quick access to other files/documents/video clips. √√
- Use legible font and font size so that it is easy to see/read. √√
- Keep slides/images/graphs/font simple by not mixing different styles/colours. √√
- Make sure there are no language and spelling errors. √√
- Use bright colours to increase visibility. √√
- Structure information in a logical sequence so that the audience can easily follow the content of the presentation. √√
- Limit the information on each slide by using key words and not full sentences. √√
- Any other relevant answer related to aspects that should be considered when designing a multimedia presentation.

Max (6)

[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2	4
2.3.1	2
2.3.2	4
2.4	4
2.5	4
2.6	6
2.7	6
2.8	6
TOTAL	40

QUESTION 3: BUSINESS ROLES**3.1 Social rights of employees in the workplace**

- Clean water ✓
- Education ✓
- Protection ✓
- Health care ✓

NOTE: Mark the first TWO (2) only.**(2 x 1) (2)****3.2 Correct procedures to deal with grievances in the workplace**

- An aggrieved employee must verbally report the incident/grievance to his/her supervisor/manager. ✓✓
- Supervisor/manager needs to resolve the issue within three to five (3 to 5) working days. ✓✓
- Should the employee and supervisor not be able to resolve the grievance, the employee may take it to the next level of management. ✓✓
- The employee may move to a more formal process where the grievance must be lodged in writing/completes a grievance form. ✓✓
- The employee must receive a written reply in response to the written grievance. ✓✓
- A grievance hearing/meeting must be held with all relevant parties present. ✓✓
- Minutes of the grievance meeting must be recorded, and any resolution passed must be recorded on the formal grievance form. ✓✓
- Should the employee not be satisfied, then he/she could refer the matter to the highest level of management. ✓✓
- Top management should arrange a meeting with all relevant parties concerned. ✓✓
- Minutes of the top management meeting should be filed/recorded, and the outcome/decision must be recorded on the formal grievance form. ✓✓
- Should the employee still not be satisfied, he/she may refer the matter to the CCMA who will make a final decision on the matter. ✓✓
- The matter can be referred to the Labour Court/Labour Appeal Court/Constitutional Court if the employee is not satisfied with the outcome taken by the lower courts. ✓✓
- Any other relevant answer related to the correct procedures to deal with grievances in the workplace.

NOTE: The procedure may be in any order.**Max (6)**

3.3 Human rights from statements

3.3.1 Privacy ✓✓

(2)

3.3.2 Safety, security and protection of life ✓✓

(2)**3.4 Ways in which businesses can deal with taxation/tax evasion**

- Value Added Tax/VAT needs to be charged ✓ on VAT-able items. ✓
- Submit the correct tax returns ✓ to SARS on time. ✓
- All products should be correctly invoiced ✓ and recorded. ✓
- Disclose all sources of income ✓ for tax payment purposes. ✓
- Keep abreast with the latest SARS regulations ✓ and tax laws. ✓
- Businesses that have evaded tax ✓ should apply for amnesty and declare their income. ✓
- Effective systems ✓ to determine the appropriate amount of tax to be paid. ✓
- Businesses should keep accurate records ✓ of income statements/financial transactions. ✓
- The employees' payroll needs to reflect accurate deductions ✓ according to the progressive tax system. ✓
- Make sure that all financial records ✓ are checked and audited. ✓
- Any other relevant answer related to ways in which businesses can deal with taxation/tax evasion as a type of unethical business practice.

Max (4)**3.5 Problem-solving steps****Identify the problem** ✓✓

- Acknowledge that there is a problem. ✓
- Identify the exact problem. ✓
- Break down the problem into smaller/separate parts that are easier to solve. ✓

Step (2)

Discussion (1)

Submax (3)

Define the problem ✓✓

- Name the problem by stating exactly what the problem is. ✓
- Find different ways of defining the problem. ✓
- Define the possible causes of the problem. ✓
- The nature of the problem must be precise. ✓
- Gather as much information as possible to establish the cause of the problem. ✓

Step (2)

Discussion (1)

Submax (3)

Identify possible solutions to the problem ✓✓

- Identify all different possible solutions to solve the problem. ✓
- Use creative thinking strategies to generate a wide range of solutions. ✓
- Focus on generating as many ways as possible through creative thinking. ✓
- Collect as many ideas as possible and find the best idea/decide on one strategy to follow. ✓

Step (2)

Discussion (1)

Submax (3)

Evaluate alternative solutions √√

- Use critical evaluation and analytical skills to evaluate each solution. √
- Consider the advantages and disadvantages of each alternative solution. √

Step (2)
Discussion (1)
Submax (3)

Select the most appropriate solution √√

- Set criteria for the best solution, in terms of aspects such as time/cost/risk involved. √
- Identify the most relevant solution to be used. √
- The best solution should match the size and the resources of the business. √
- If the solution is not appropriate, the business should go back to defining the problem. √

Step (2)
Discussion (1)
Submax (3)

Develop an action plan/solution √√

- Arrange the necessary resources and delegate tasks. √
- Establish a time line for implementation and set deadlines. √

Step (2)
Discussion (1)
Submax (3)

Implement the suggested action plan/solution √√

- Carry out the planned actions/solution. √
- Communicate delegated tasks/deadlines to employees. √

Step (2)
Discussion (1)
Submax (3)

Monitor the implementation of the action plan/solution √√

- Test the action plan/solution continuously to improve the effectiveness of the action plan. √
- Check/Track if progress made is in line with the objectives of the action plan. √

Step (2)
Discussion (1)
Submax (3)

Evaluate the implemented action plan/solution √√

- Assess whether the problem has been solved partially or entirely. √
- Unresolved problems should be recognised/re-formulated/reviewed to ensure an improved action plan/solution in the future. √

Step (2)
Discussion (1)
Submax (3)

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

NOTE: 1. Mark the first TWO (2) only.
2. The steps may be in any order.

Max (6)

3.6 King Code principles**3.6.1 King Code principle from the scenario**

Responsibility √√

(2)

Motivation

AD developed remedial programmes to reduce air and water pollution which will protect the environment.√

(1)

NOTE: Do not award marks for the motivation if the King Code principle was incorrectly identified.**Max (3)****3.6.2 Application of other King Code principles****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. √
- AD/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 impact 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 AD/businesses could apply transparency as a King Code principle for good corporate governance.

Principle (2)

Explanation (1)

Submax (3)

OR**Accountability** √√

- There must be regular communication between management and stakeholders. √
- AD/Businesses should appoint internal and external auditors to audit financial statements. √
- 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 AD/businesses could apply accountability as a King Code principle for good corporate governance.

Principle (2)

Explanation (1)

Submax (3)

NOTE: 1. Mark the FIRST ONE only.**2. Do not award marks for 'responsibility' as a King Code principle.****Max (3)**

3.7 Storming as a stage of team development

- Teams go through a period of unease/conflict ✓ after formation. ✓
- Different ideas from team members ✓ will compete for consideration. ✓
- Team members open up to each other ✓ and confront each other's ideas/perspectives. ✓
- Tension/Struggle/Arguments occur ✓ and upset team members. ✓/There may be power struggles ✓ for the position of the team leader. ✓
- In some instances, storming can be resolved quickly, ✓ in others the team never leaves this stage. ✓
- Many teams fail during this stage ✓ as they are not focused on their task. ✓
- This phase can become destructive/negatively impact on team performance/lower motivation ✓ if allowed to get out of control. ✓
- This stage is necessary/important ✓ for the growth of the team. ✓
- Some team members tolerate each other ✓ to survive this stage. ✓
- Any other relevant answer related to storming as a stage of team development.

Max (6)**3.8 Ways in which businesses could deal with language**

- Provide training in the official language of the business. ✓✓
- No worker should feel excluded in meetings conducted in one language only. ✓✓
- Employ an interpreter so that everyone can fully understand what is being said in a meeting. ✓✓
- All business contracts should be in an easy-to-understand language and should be available in the language of choice for the relevant parties signing the contract. ✓✓
- Business may specify that all communications should be in one specific language only and expect employees to have a certain level of fluency in that language. ✓✓
- Any other relevant answer related to ways in which businesses could deal with language as a diversity issue in the workplace.

Max (6)
[40]**BREAKDOWN OF MARKS**

QUESTION 3	MARKS
3.1	2
3.2	6
3.3.1	2
3.3.2	2
3.4	4
3.5	6
3.6.1	3
3.6.2	3
3.7	6
3.8	6
TOTAL	40

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

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

NOTE: Mark the first FOUR (4) only.**(4 x 1) (4)****4.2 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 as shares can be sold at any time. ✓✓
- Facilitates electronic trading of shares/STRATE. ✓✓/Channels financial resources into productive economic activities. ✓✓
- Enhance job creation and increases economic growth/development. ✓✓
- Any other relevant answer related to the functions of the JSE.

Max (4)**4.3 Forms of ownership from the scenario**

FORMS OF OWNERSHIP	MOTIVATIONS
1. Sole proprietorship/Sole trader ✓✓	Sandy, the owner of Sandy Bakery, wants to use her additional income to expand her business. ✓
2. Public company ✓✓	She decided to buy shares in Bio Ltd. ✓
Submax (4)	Submax (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Award marks for the forms of ownership even if the motivations were incomplete.
 3. Do not award marks for the motivations if forms of ownership were incorrectly identified.

Max (6)

4.4 Factors that must be considered when preparing for a presentation

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

Max (6)**BUSINESS ROLES****4.5 Meaning of professional behaviour**

- Professional behaviour is a certain standard of behaviour/specific level of competence ✓ that adheres to an ethical code of conduct. ✓
- Provides guidelines ✓ on employee's appearance/communication/responsibility. ✓
- Ability/Skills expected of a person ✓ who is employed for the job ✓/Applicable for a job/profession ✓ done for payment. ✓
- Focuses on upholding the reputation ✓ of a business/profession. ✓
- Refer/Clarifies what is right/wrong ✓ and acceptable behaviour in the business. ✓
- Applying the code of conduct ✓ of that profession/business. ✓
- Any other relevant answer related to the meaning of professional behaviour.

Max (4)**4.6 Handling conflict in the workplace**

- Acknowledge that there is conflict ✓ between employers/employees/parties in the workplace. ✓
- Identify the cause ✓ of the conflict. ✓
- Arrange pre-negotiations where workers/complainants will be allowed ✓ to state their case/views separately. ✓
- 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. ✓
- Provide opportunities for parties ✓ to agree on 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 the handling of conflict ✓ from outside the business. ✓
- Any other relevant answer related to how businesses should handle conflict in the workplace.

Max (4)**4.7 Ways in which a business can deal with unemployment****4.7.1 Ways in which a business can deal with unemployment from the scenario**

- They offer bursaries to community members in order to improve their level of education. ✓
- KE also provides entrepreneurial programmes to encourage self-employment within the community. ✓

NOTE: 1. Mark the first TWO (2) only.**2. Only award marks for responses that are mentioned in the scenario.****Max (2)****4.7.2 Other ways in which a business can deal with unemployment**

- Provide skills development programmes ✓ through learnerships. ✓
- Create jobs ✓ for members of the community. ✓
- Support existing small businesses ✓ to create more employment opportunities. ✓
- Any other relevant answer related to other ways in which a business/KE can deal with unemployment as a socio-economic issue.

NOTE: Do not award marks for responses that are quoted from the scenario in QUESTION 4.7.1.**Max (4)****4.8 Impact of corporate social responsibility/CSR on businesses****Positives/Advantages**

- May attract experienced employees/increase the pool of skilled labour ✓ which could increase productivity. ✓
- Positive/Improved image as the business looks after employees ✓ and conducts itself in a responsible way. ✓
- Businesses may have a competitive advantage, ✓ resulting in good publicity/an improved reputation. ✓
- Promotes customer loyalty ✓ resulting in more sales. ✓
- CSR projects may be used as a marketing strategy ✓ to promote their products. ✓
- Businesses enjoy the goodwill/support ✓ of communities. ✓
- CSR projects promote teamwork ✓ within businesses. ✓
- CSR helps to attract investors ✓ because of increased profits/income/growth. ✓

- Gives businesses tax advantages ✓ such as tax reduction/-rebates. ✓
- The government is less likely to enforce issues through legislation ✓ to businesses that voluntarily participate in CSR projects. ✓
- Employees feel as if they are making a difference ✓ in working for the business. ✓
- It helps to retain staff/lower staff turnover ✓ as employees' health and safety are considered. ✓
- Improves the health of its employees ✓ through focused CSR projects. ✓
- Any other relevant answer related to the positive impact/advantages of CSR on businesses.

AND/OR**Negatives/Disadvantages**

- Businesses may not be supported/Customers may not buy their products/services ✓ resulting in a decrease in sales. ✓
- Small and medium enterprises find it difficult ✓ to implement CSR programmes. ✓
- Detailed reports must be drawn up, ✓ which can be time consuming. ✓
- Social spending reduces business/economic efficiency, ✓ which makes it less competitive. ✓
- Social involvement is funded from business profits ✓ which could have been used to the benefit of customers/reduce prices. ✓
- CSR activities distract business focus ✓ from its core business functions. ✓
- Businesses find it difficult ✓ to adhere to legislation governing CSR. ✓
- It can increase the financial risk, ✓ as programmes cost money and may impact negatively on profits. ✓
- It is difficult to accurately measure ✓ the effectiveness of social investment. ✓
- It is not easy to determine the exact needs of the communities, ✓ which may result in fruitless expenditure on CSR. ✓
- Most managers are not trained/lack experience ✓ to handle social programmes. ✓
- Employees may spend more time working on CSR projects ✓ instead of focusing on their core duties. ✓
- Providing goods/services that meet the needs of consumers ✓ is according to some stakeholders, already socially responsible. ✓
- Shareholders/Stakeholders may receive less dividends, ✓ as some profits are spent on CSR. ✓
- Some shareholders/stakeholders might withdraw their support from the business ✓ as they feel that social issues should be the government's responsibility. ✓
- Any other relevant answer related to the negative impact/disadvantages of CSR on businesses.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2	4
4.3	6
4.4	6
4.5	4
4.6	4
4.7.1	2
4.7.2	4
4.8	6
TOTAL	40

TOTAL SECTION B: 80

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

- The personal attitude of managers and leaders play an important role in encouraging employees to work harmoniously in the workplace. ✓
- The democratic and autocratic leadership styles require leaders to have a sound knowledge of skills and abilities of their employees. ✓
- The situational leadership theory assists leaders to adjust their strategies to accommodate the needs of their employees. ✓
- The transformational leadership theory encourages employees to develop themselves to the benefit the business. ✓
- The transactional leadership style focuses on supervision/organisation/ performance of employees through clear guidelines. ✓
- Any other relevant introduction related to the role of personal attitude in successful leadership/differences between the democratic and autocratic leadership styles/situational and transformational leadership theories/situations in which the transactional leadership style could be applied in the workplace.

Any (2 x 1) (2)**5.2 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. ✓✓
- A great leader understands 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 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 (10)

5.3 Differences between democratic and autocratic leadership styles

DEMOCRATIC LEADERSHIP STYLE	AUTOCRATIC LEADERSHIP STYLE
- The leader involves employees ✓ in the decision making process. ✓	- A leader takes all decisions alone ✓ without involving employees. ✓
- Clear/Two-way communication ✓ ensures group commitment to final decision(s). ✓	- Line of command/Communication is clear ✓ as it is top-down/followers know exactly what to do. ✓
- People-oriented, ✓ as employee's feelings and opinions are considered. ✓	- Task-orientated, ✓ as the opinions of employees are not considered. ✓
- Workers feel empowered ✓ as they are involved in the decision making process. ✓	- New employees feel confident/ safe ✓ as strong leadership is provided. ✓
- Useful when the leader depends on the inputs ✓ of experienced followers. ✓	- Useful in a crisis/urgent situation, ✓ such as after an accident/meeting tight deadline. ✓
- Handles conflict situations by involving followers ✓ in finding the best solution. ✓	- Handles conflict situations by telling followers ✓ what they should do. ✓
- Any other relevant answer related to the democratic leadership style.	- Any other relevant answer related to the autocratic leadership style.
Submax (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 democratic or autocratic leadership style only.
- Max (12)**

5.4 Leadership theories**5.4.1 Situational leadership theory**

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

Submax (8)

5.4.2 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 results in the growth/development/success of the business. ✓
- Followers are coached/led/mentored/emotionally supported ✓ through transformation/change so that they can share their ideas freely. ✓
- Encourages followers ✓ to explore/try new things/opportunities. ✓
- Leaders lead by example ✓ and make workers interested in their work. ✓
- Leaders have strong/charismatic personalities ✓ and are very good at motivating staff to achieve results. ✓
- Enable employees to take greater ownership for their work ✓ and to know their strengths and weaknesses. ✓
- Any other relevant answer related to the transformational leadership theory.

Submax (8)

Max (16)**5.5 Situations in which the transactional leadership style could be applied in the workplace**

- The business wants to maximise employee performance. ✓✓
- Deadlines have to be met on short notice/under pressure. ✓✓
- Workers have a low morale. ✓✓
- The strategies/business structures are clear and do not have to change. ✓✓
- Productivity levels are very low/not according to targets. ✓✓
- Any other relevant answer related to the situations in which the transactional leadership style could be applied in the workplace.

Max (8)**5.6 Conclusion**

- Leaders with a positive attitude may experience increased productivity as employees may be happy in the workplace. ✓✓
- Leaders can apply the democratic and autocratic leadership styles interchangeably depending on their employees' attitude towards work. ✓✓
- The situational leadership theory requires leaders to be experts in diagnosing employees' strengths and weaknesses for effective allocation of tasks/duties. ✓✓
- Leaders follow the transformational leadership theory to give employees the independence to make decisions and support new problem-solving approaches. ✓✓
- The effective application of a transactional leadership style would maximise the knowledge and support of employees to benefit the business. ✓✓
- Any other relevant conclusion related to the role of personal attitude in successful leadership/differences between democratic and autocratic leadership styles/situational and transformational leadership theories/situations in which transactional leadership style could be applied in the workplace.

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

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Role of the personal attitude in successful leadership	10	
Differences between democratic and autocratic leadership styles	12	
Leadership theories: ○ Situational ○ Transformational	16	
Situations in which transactional leadership style could be applied	8	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some 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**

- Creative thinking enables businesses to improve their products and develop new ways of doing things. ✓
- An environment that promotes creative thinking enables employees to unleash their potential needed for successful business operations. ✓
- Businesses apply the Delphi-technique to eliminate conflicting ideas, which may delay the problem-solving process. ✓
- Businesses use the nominal group technique to obtain different ideas/viewpoints when solving business problems. ✓
- Brainstorming allows businesses to develop and record ideas that may be used in future when faced with similar/new business challenges. ✓
- Any other relevant introduction related to the advantages of creative thinking/ways in which businesses can create an environment that promotes creative thinking/impact of Delphi technique and nominal group technique/application of brainstorming to solve complex business problems.

Any (2 x 1) (2)

6.2 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. ✓✓
- Broadens the range of possible solutions when solving complex business problems. ✓✓
- Productivity increases as management/employees may quickly generate multiple ideas which utilises time/money more effectively. ✓✓

- Managers/Employees have more confidence as they can live up to their full potential. ✓✓
- Managers will be better leaders as they will be able to handle/manage change(s) positively/creatively. ✓✓
- Managers/Employees can develop a completely new outlook, which may be applied to any task(s) they may do. ✓✓
- Leads to more positive attitudes as managers/employees feel that they have contributed towards problem-solving. ✓✓
- Improves motivation amongst staff members which leads to higher job satisfaction. ✓✓
- Managers/Employees have a feeling of great accomplishment and they may not resist/obstruct the process once they solved a problem/contributed towards the success of the business. ✓✓
- Management/Employees may keep up with fast changing technology which may lead to an increased market share. ✓✓
- Stimulates initiative from employees/managers, as they are continuously pushed out of their comfort zone. ✓✓
- Creativity may lead to new inventions, which 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 (12)**6.3 Ways in which businesses can create an environment that promotes creative thinking**

- 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 by offering employees ✓ with reward schemes. ✓/ Introduce incentives for staff members ✓ who come up with creative ideas. ✓
- Provide a working environment conducive to creativity, ✓ free from distractions/ high noise levels. ✓
- 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 Impact of the Delphi technique and nominal group technique****6.4.1 Delphi technique****Positives/Advantages**

- Businesses may use a group of experts ✓ without bringing them together. ✓
- The experts will give the business clear ideas/solutions ✓ on how to improve on productivity/profitability. ✓

- Information received from experts can be used ✓ to solve complex business problems. ✓
- Experts may give honest/credible opinions ✓ as they do not have a direct/personal interest in the business. ✓
- Conflict may be avoided ✓ especially if all employees are knowledgeable and well-qualified. ✓
- Dominating employees may not take over the process ✓ as they do not form part of the problem-solving process. ✓
- It reduces noise levels in an office environment ✓ since there is no group discussions. ✓
- Any other relevant answer related to the positive impact/advantages of the Delphi technique.

AND/OR**Negatives/Disadvantages**

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

Submax (6)

6.4.2 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.

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.

Submax (6)

Max (12)**6.5 Application of brainstorming**

- State/Define the business problem clearly, so that all participants/stakeholders understand the problem. ✓✓
- Members state possible causes of the business problems. ✓✓
- Set a time limit for each brainstorming session. ✓✓
- Record/Write ideas down, where all participants can see it. ✓✓/Ideas may also be shared online during an E-brainstorming session. ✓✓
- Use each suggestion, to inspire new thoughts/ideas. ✓✓
- Do not judge/criticise/discuss the ideas, so that many ideas could be generated as quickly as possible. ✓✓
- All members of the group randomly make suggestions. ✓✓
- The group rates ideas according to its usefulness/success/difficulty/cost to implement. ✓✓
- The group evaluates all ideas, and combines similar ones/draw up a refined list. ✓✓
- Discuss a plan of action on how to implement the best ideas. ✓✓
- Any other relevant answer related to how businesses can apply brainstorming to solve complex business problems.

Max (10)**6.6 Conclusion**

- Creative thinking enables businesses to conduct continuous research on latest trends in market. ✓✓
- Employees that work in an environment that promotes creative thinking are more likely to be committed to the business, resulting in a declined voluntary employee turnover rate. ✓✓
- The Delphi technique allows businesses to make informed decisions due to additional input from experts. ✓✓
- Businesses should invest time in the nominal group technique as all employees have the opportunity to give inputs. ✓✓
- Brainstorming allows extreme responses to assist the thought process of other team members. ✓✓
- Any other relevant conclusion related to the advantages of creative thinking/ways in which businesses can create an environment that promotes creative thinking/impact of Delphi technique and nominal group technique/application of brainstorming to solve complex business problems.

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

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Advantages of creative thinking in the workplace	12	
Ways in which businesses can create an environment that promotes creative thinking	12	
Impact of the problem-solving techniques: ○ Delphi technique ○ Nominal group technique	12	
Application of brainstorming	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40

GRAND TOTAL: 150