GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PREPARATORY EXAMINATION

2022

MARKING GUIDELINES

BUSINESS STUDIES PAPER 2 (10722)

34 pages + 1 addendum

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) To facilitate the moderation of candidates' scripts at the different levels
(c) To streamline the marking process considering the broad spectrum of markers across the entire province
(d) To 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/HOD Black

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

3. Comprehensive marking guidelines have 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 guidelines
   - Comes from another source
   - Is original
   - Uses a different approach

   NOTE: There is only ONE correct answer to questions 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 words '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/moderation purposes.

7. Sub-totals to questions must be written in the right-hand margin. Circle the sub-totals 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 merely repeating 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, the mark allocation in the marking guidelines and the context of each question.

    Cognitive verbs, *such as*:

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

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

13. Mark only the FIRST answer where candidates offer more than one answer for questions in SECTIONS B and C which 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 still applies.

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

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

14.4.1 If the number of facts is 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

The 'fact' and 'explanation' are given separately in the marking guidelines 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 (where applicable).

15. **SECTION C**

15.1 The breakdown of the mark allocation for the essay-type questions 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, paragraph 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?		**2**
	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 for synthesis.	
Originality	Is there evidence of one example per topic/subtopic based on recent information, current trends, and developments?		**2**
		TOTAL FOR INSIGHT:	**8**
		TOTAL FOR FACTS:	**32**
		TOTAL MARKS FOR ESSAY (8 + 32):	**40**

NOTE: 1. No marks will be awarded for content 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 indicated 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 guidelines.

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 (COMPULSORY)

QUESTION 1

1.1 **Multiple-choice**

1.1.1 C✓✓

1.1.2 B✓✓

1.1.3 D✓✓

1.1.4 A✓✓

1.1.5 C✓✓

(5 x 2) (10)

1.2 **Completion of sentences**

1.2.1 state-owned ✓✓

1.2.2 written ✓✓

1.2.3 aggressive ✓✓

1.2.4 performing ✓✓

1.2.5 employee ✓✓

(5 x 2) (10)

1.3 **Match columns**

1.3.1 I ✓✓

1.3.2 F ✓✓

1.3.3 A ✓✓

1.3.4 H ✓✓

1.3.5 J ✓✓

(5 x 2) (10)

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark the FIRST TWO questions in this section

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 THREE (3) only. (3 x 1) (3)

2.2 **Difference between management and leadership**

MANAGEMENT	LEADERSHIP
Guides human behaviour. ✓✓	Influences human behaviour. ✓✓
Communicates through management functions, e.g. 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 another. ✓✓
Focuses on how and when. ✓✓	Focuses on what and why. ✓✓
Focuses on the bottom line to make short/ medium/long term decisions. ✓✓	Focuses on the horizon to take long term decisions. ✓✓
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. ✓✓	A leader has power/influence because of his/her knowledge/skills/ intelligence. ✓✓
Enforces rules on subordinates/Ensures 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. ✓✓
Manages by planning/organising/leading/ control. ✓✓	Leads 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)
Sub max. (2)	Sub max. (2)

NOTE:
1. **The answer does not have to be in a tabular format, but the difference must be clear.**
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 management or leadership only.** Max. (4)

2.3 **Leadership**

2.3.1 **Leadership style from the scenario**

Autocratic/Transactional ✓✓ (2)

Motivation: The management of HA ensures that communication is clear so that their employees know exactly what to do. ✓ (1)

NOTE:
1. **Award marks for the correct leadership style even if the motivation is incomplete.**
2. **Do not award marks for the motivation if the leadership style was incorrectly identified.** Max. (3)

2.3.2 **Advantages of the autocratic leadership style**

- Quick decisions can be taken ✓ without consulting/considering followers/ employees. ✓
- Work gets done ✓ in time/on schedule. ✓
- Direct supervision and strict control ✓ ensure high quality products/ service.
- Line of command/communication is clear as it is top-down/ followers know exactly what to do. ✓
- Provides strong leadership ✓ which makes new employees feel confident and 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 advantages of the autocratic leadership style)

Advantages of the transactional leadership style

- Encourages employees to work hard✓ because they will receive rewards✓.
- Improves employees' productivity ✓and morale. ✓
- The goals and objectives of the business can be achieved✓ as workers are motivated. ✓
- Disciplinary action procedures✓are well communicated. ✓

(Any other relevant answer related to the transactional leadership of the autocratic leadership style)

NOTE: **Do not award marks for responses that were quoted in question 2.3.1.** Max. (4)

2.4 **Impact of handouts as a visual aid**

Positives/Advantages

- Meaningful handouts may be handed out at the start of the presentation ✓ to attract attention/encourage participation. ✓
- Notes/Hard copies of the slide presentation can be distributed at the end of the presentation ✓ as a reminder of the key facts of the presentation. ✓
- It is easy to update handouts ✓ with recent information/developments. ✓
- Notes may be compared with electronic slides ✓ to validate the accuracy of the information. ✓
- Extra information, e.g. contact details/price lists may be handed out ✓ to promote the services of the business. ✓
- Useful information for improving the next presentation may be obtained ✓, when the audience completes feedback questionnaires after the presentation. ✓

(Any other relevant answer related to the positive impact/advantages of handouts as a type of visual aid)

AND/OR

Negatives/Disadvantages

- Handing out material at the start of the presentation ✓ may distract/lose audience attention. ✓
- As it only summarises key information ✓, some details might be lost/omitted. ✓
- Printed material is expensive ✓ and it is easy to lose hard copies. ✓
- Increases the risk of unauthorised duplication ✓ use of confidential information. ✓
- Handouts cannot be combined with audio material ✓, it only focuses on the visual aspects of the support material. ✓

(Any other relevant answer related to the negative impact/disadvantages of handouts as a type of visual aid) Max. (6)

2.5 **Factors to be considered while presenting**

2.5.1 **Factors to be considered while presenting from the scenario**

- Buyi used appropriate gestures to emphasise her points ✓
- She also kept the presentation short and simple. ✓

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

(2 x 1) (2)

2.5.2 **Responding to questions after a presentation in a non-aggressive and professional manner**

- Buyi should stand ✓ throughout the feedback session. ✓
- She should first listen ✓ and then respond. ✓
- Be polite/confident/courteous ✓ when responding to questions. ✓
- Ensure that each question/comment is clearly understood before ✓ responding/re-phrase questions if uncertain. ✓
- Keep answers short √ and to the point. ✓
- Be direct/honest/sincere√ when responding to questions. ✓
- Always address the questions √ and not the person. ✓
- Encourage questions √ from the audience/investors. ✓
- Acknowledge good questions ✓ to motivate audience to ask more questions. ✓
- Provide feedback as soon as possible ✓ after the question was asked or after the session. ✓
- Use simple language ✓ to support the examples used in the presentation. ✓
- Apologise/acknowledge her errors/mistakes ✓ if pointed out by the audience. ✓
- Buyi should not involve herself in a debate ✓ when responding to questions. ✓
- The presenter should not avoid the questions if he/she does not know the answer, ✓ but rather promise feedback on it at a later stage. ✓
- Address the full audience/investors ✓ and not only the person who posed the question. ✓

(Any other relevant answer related to how Buyi/the presenter should handle questions after a presentation in a non-aggressive and professional manner)M (6)

2.6 **Principle of insurance**

2.6.1 **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 predetermined age/or gets injured due to a predetermined event. ✓
- Aims to provide financial security to the insured at retirement/the dependents of the deceased. ✓

(Any other relevant answer related to security/certainty as a principle of insurance)

Principle: (2)
Discussion: (1)
Sub max. (3)

2.6.2 **Indemnification/Indemnity** ✓✓

- Usually applies to short term insurance, as the insured is compensated for specified/proven harm/loss. ✓
- The insured may not profit from insurance. ✓
- 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. ✓

(Any other relevant answer related to indemnification/indemnity as a principle of insurance)

Principle: (2)
Discussion: (1)
Sub max. (3)

2.6.3 **Insurable interest** ✓✓

- The 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. ✓
- The 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)
Sub max. (3)

2.6.4 **Utmost good faith** ✓✓

- The insured has to be honest in supplying details when entering into an insurance contract. ✓
- Both parties/The insurer and the insured must disclose all relevant facts. ✓
- The 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)
Sub max. (3)

NOTE: Mark the first TWO (2) only. Max. (6)

2.7 **The impact of non-profit companies**

Positives/Advantages

- Proceeds/surplus funds are used solely for the primary objective✓ of the organisation/further the goals of the business. ✓
- They provide social services to various communities, ✓ such as providing fully trained guide dogs to blind people or disabled people. ✓
- Donors receive tax deductions✓ which motivates them to invest in a non-profit company. ✓
- They provide social services✓ to various communities. ✓
- The liability of the members is limited✓ the organisation and not its members is responsible for the debts. ✓
- Has continuity of existence✓ even if its members retire. ✓
- Most of the income of a non-profit company ✓ is free from income taxes. ✓
- Surplus of income is retained ✓ to further the goals of the business. ✓
- Can receive government funding/grants/aid✓ to render their services. ✓

(Any other relevant answer related to positive impact/advantages of non-profit companies)

AND/OR

Negatives/Disadvantages

- Needs professional assistance ✓ to set up this organisation. ✓
- Does not generate enough capital ✓ to cover their expenses. ✓
- Donations, ✓ are not always enough to finance the cost of the business. ✓
- Assets are not distributed to the members ✓ upon closing down. ✓
- Creating a non-profit company takes time ✓/effort/money ✓.
- Obtaining grants can be a slow ✓ and tiring process. ✓
- Incorporators cannot take along the assets accumulated by the NPC ✓ if they decide to leave. ✓
- They are not allowed to pay bonuses ✓ to members. ✓

(Any other relevant answer related to negative impact/disadvantages of non-profit companies) Max. (6)

[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	3
2.2	6
2.3.1	3
2.3.2	4
2.4	6
2.5.1	2
2.5.2	4
2.6	6
2.7	6
TOTAL	40

QUESTION 3: BUSINESS ROLES

3.1 Components of CSR

- Environment ✓
- Ethical corporate social investment ✓
- Health and safety ✓
- Corporate governance ✓
- Business ethics ✓
- Employment equity ✓
- Supply chain/Distribution channel ✓
- Employees and customers ✓
- Community ✓

NOTE: Mark the first FOUR (4) only. (4 x 1) (4)

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

- Mission statement should include values of equality/respect. ✓✓
- Treat workers with respect/dignity by recognising work well done. ✓✓
- Treat all their employees equally, regardless of their race/colour/age/gender/ disability etc. ✓✓
- All workers should have access to equal opportunities/positions/resources. ✓✓
- Plan properly and put preventative measures in place. ✓✓
- Pay fair wages/salaries which is in line with the minimum requirements of the BCEA/Remunerate employees for working overtime/during public holidays. ✓✓
- Ensure that employees work in an environment that is conducive to safety/ fairness/free from embarrassment. ✓✓
- Refrain from starting a venture using other businesses' ideas that are protected by law. ✓✓
- Engage in environmental awareness programmes/Refrain from polluting the environment, e.g. by legally disposing of toxic waste. ✓✓
- Employers and employees need to comply with legislation regarding equal opportunities/human rights in the workplace. ✓✓
- Businesses should develop equity programmes/promote strategies to ensure that all employees are treated equally regardless of status/rank/power. ✓✓
- 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 manner in which the task should be performed. ✓✓
- 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. ✓✓
- 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)

NOTE: Mark the first TWO (2) only. (2 x 2) (4)

3.3 **Human rights**

Human rights from the scenario

HUMAN RIGHTS	MOTIVATIONS
1. Privacy ✓✓	The management of Boitumelo Traders keeps the information of their employees confidential. ✓
2. Dignity ✓✓	BT treats all employees with respect regardless of their socio-economic status. ✓
Sub max. (4)	Sub max. (2)

NOTE:
1. **Mark the first TWO (2) only.**
2. **Award marks for human rights even if the quote are incomplete.**
3. **Do not award marks for the motivations if human rights were incorrectly identified.**
4. **Accept responses in any order.** Max. (6)

3.4 **Causes of conflict in the workplace**

- Lack of proper communication/misunderstanding ✓ between management and workers. ✓
- Ignoring rules/procedures may result ✓ in disagreements/difference in opinions and conflict. ✓
- Management and/or workers may have different ✓ personalities/ backgrounds. ✓
- Different values/levels of knowledge/skills/experience ✓ of managers/ workers. ✓
- Little/No co-operation ✓ between internal and/or external parties/ stakeholders. ✓
- Lack of recognition for good work ✓, e.g. a manager may not show appreciation for extra hours worked to meet deadlines. ✓
- Lack of employee development ✓ may increase frustration levels as workers may repeat errors due to a lack of knowledge/skills. ✓
- Unfair disciplinary procedures ✓, e.g. favouritism/nepotism. ✓
- Little/No support from management ✓ with regard to supplying the necessary resources and necessary guidelines. ✓
- Leadership styles used√ ✓ e.g. autocratic managers may not consider worker inputs. ✓

- Unrealistic deadlines/Heavy workloads ✓ lead to stress resulting in conflict. ✓
- Lack of agreement on mutual matters ✓, e.g. remuneration/working hours. ✓
- Unhealthy competition/Inter-team rivalry ✓ may cause workers to lose focus on team targets. ✓
- Constant changes ✓ can cause instability. ✓
- Lack of clarity ✓ regarding employee's roles and responsibilities. ✓
- Lack of commitment/Distracted by personal objectives ✓ which may lead to an inability to meet pre-set targets. ✓
- Complaints/criticism of performance/behaviour/attitudes may result ✓ in resentment between the employer and employee. ✓
- Poor organisation/leadership/procedures ✓ resulting in confusion regarding setting targets. ✓

(Any other relevant answer related to the causes of conflict in the workplace)

Max. (6)

3.5 **Dealing with pricing of goods in rural area**

- A business may lobby with other businesses in the area ✓ to convince government to improve infrastructure in the rural area. ✓
- Charge fair/market related prices ✓ for goods and services. ✓
- Avoid unethical business practices ✓ to attract customer loyalty. ✓
- Investigate cost-effective ways of transporting products. ✓/Hire a large truck to combine deliveries to shop-owners in the same area. ✓
- Work together with suppliers ✓ to share delivery costs to remote rural areas. ✓
- Businesses can buy in bulk ✓ to get a discount to avoid charging high prices. ✓

(Any other relevant answer related to ways in which businesses can deal with pricing of goods in rural areas as an unethical business practice) Max. (6)

3.6 **Importance of team dynamic theories in improving team performance**

3.6.1 **Importance of team dynamic theories in improving team performance from the scenario**

- He allocates tasks according to the role of each team member. ✓
- Rodney knows that team members with similar strengths may compete for team tasks. ✓

NOTE: Only award marks for responses that are quoted from the scenario. (2 x 1) (2)

3.6.2 **Other reasons for the importance of team dynamic theories in improving team performance**

- Team dynamic theories explain how effective teams work/operate. ✓✓
- Team members can maximise performance as tasks are allocated according to their abilities/skills/attributes/personalities. ✓✓
- Team dynamic theories assist team leaders to better understand the personality types of team members so that tasks are assigned more effectively. ✓✓
- Conflict may be minimised when team members perform different roles/tasks. ✓✓

(Any other relevant answer related to other importance of team dynamic theories in improving team performance)

NOTE: Do not award marks for responses that are quoted in QUESTION 3.6.1. Max. (4)

3.7 **Distinction between *corporate social responsibility* (CSR) and *corporate social investment* (CSI)**

CORPORATE SOCIAL RESPONSIBILITY	CORPORATE SOCIAL INVESTMENT
- The intention is to change ✓ business practices. ✓	- Actively committing money and resources ✓ to uplift the community. ✓
- Focus is on increasing image ✓ and profits. ✓	- Focus is on the upliftment of community ✓ without return on investment. ✓
- Ensure that all internal CSI policies/ practices ✓ include stakeholders' interests/environmental issues. ✓	- Ensures that CSI projects are relevant ✓ to the needs of communities. ✓
- Often intended as a marketing ✓ initiative. ✓	- Intended to benefit and uplift communities ✓ through social development. ✓
- Projects are usually linked to the business ✓, e.g. a manufacturing business offering to train the unemployed. ✓	- Projects are external to the business ✓ and have a strong developmental approach. ✓
(Any other relevant answer related to corporate social responsibility)	(Any other relevant answer related to corporate social investment)
Sub max. (4)	Sub max. (4)

NOTE:
1. **The answer does not have to be in a tabular format.**
2. **The distinction does not have to link but must be clear.**
3. **Award a maximum of FOUR (4) marks if the distinction is not clear./Mark either CSR or CSI only.**

Max. (8)
(40)

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	**4**
3.2	**4**
3.3	**6**
3.4	**6**
3.5	**6**
3.6.1	**2**
3.6.2	**4**
3.7	**8**
TOTAL	**40**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 The meaning of debentures

- It is issued to raise borrowed capital ✓ from the public. ✓
- The lender/debenture holder agrees to lend money to the company on certain conditions for a certain period. ✓
- Debenture holders are creditors, ✓ as the company is liable to repay the amount of the debentures. ✓
- Most types of debentures can be traded ✓ on the JSE. ✓
- Debenture holders receive annual interest payments ✓ based on the terms/amount of debentures held. ✓

(Any other relevant answer related to the meaning of debentures) Max. (2)

4.2 Advantages of a private company

- Shareholders can vote for/appoint the most capable directors to manage their company. ✓✓
- A company has continuity of existence. ✓✓
- Own legal identity and shareholders have no direct legal implications/limited liability. ✓✓
- Managed at least by one competent highly skilled director. ✓✓
- Large amount of capital can be raised since there is no limit on the number of shareholders. ✓✓
- The company can access long term capital and therefore has good long term growth opportunities. ✓✓
- Even though shares are not freely transferable, large private companies can raise a considerable amount of capital. ✓✓
- Not required to file annual financial statements with the commission. ✓✓
- It is possible to sell a private company as it is a legal entity in its own right. ✓✓
- The management of the company can improve since directors are accountable to shareholders. ✓✓

(Any other relevant answer related to the advantages of a private company) Max. (4)

4.3 **Forms of ownership**

How taxation contributes to the success and/or failure of a partnership

	SUCCESS AND/OR	FAILURE
Taxation	- Partnerships only pay VAT on relevant products sold/services rendered ✓ which reduces tax administration. ✓	- High earning partners pay more tax ✓, which may discourage other partners from joining the partnership. ✓
	- The partnership does not pay income tax ✓, only the partners in their personal capacities. ✓	- Partners may withdraw more cash to reduce their tax burden ✓ which may cause cash flow problems for the partnership. ✓
	(Any other relevant answer related to the contribution of taxation to the success of a partnership)	(Any other relevant answer related to the contribution of taxation to the failure of a partnership)

NOTE: **1. The answers do not have to be in tabular format.**
2. Mark either the success and/or failure.

Max. (4)

4.4 **Simple and compound interest**

4.4.1 **Simple interest (Ray bank)**

Option 1
Formula: interest = p x r x t ✓
R6 000 x 7/100 x 24/12 ✓
R840 ✓✓✓

OR

Option 2
R6 000 x 7/100 ✓ x 24/12 ✓
R840 ✓✓✓

NOTE: **1. Award full marks (3) 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 TWO (2) marks.
3. If the workings and the answer are incorrect, award a maximum of ONE (1) mark for the correct formula.

Max. (3)

4.4.2 **Compound interest (Lam Bank)**

Option 1
FORMULA: $P \times (1 + r)^n$ ✓
R6 000 x $(1+7/100)^2$ ✓
R6 000 x $(1.0.7)^2$ =R6 869,40✓
Total interest = R6 869,40 – R6 000 ✓
= R869,40 ✓✓✓✓

Option 2
Year 1: R6 000 x 7% = R420 ✓
Year 2: R6 420 ✓ x 7% = R449,40 ✓
Total interest = R 6 869.40 – R6 000 ✓
= R869,40 ✓✓✓✓

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 (1) mark for the correct formula.**

Max. (4)

4.4.3 **Best investment option**

Compound interest ✓✓ (2)

Motivation
Compound interest yields a higher interest (R869,40), R29,40 more than simple interest./Mandy earns interest on interest accrued. ✓ (1)

NOTE: Do not award marks for motivation if the best investment option is not mentioned. Max. **(**3)

BUSINESS ROLES

4.5 **King Code principles from the scenario**

KING CODE PRINCIPLES	MOTIVATIONS
1 Transparency ✓✓	The employees of NTL are aware of the employment policies of the business. ✓
2 Accountability ✓✓	They also presented accurate reports to shareholders at the Annual General Meeting. ✓
Sub max. (4)	Sub max. (2)

NOTE:
1. **Mark the first TWO (2) only.**
2. **Award marks for King Code principle even if the quotes were incomplete.**
3. **Do not award marks for the motivations if King Code were incorrectly identified.**
4. **Accept responses in any order.**

Max. (6)

4.6 **Diversity issues from the scenario**

4.6.1 Race ✓✓ (2)

4.6.2 Culture/religion ✓✓ (2)

4.7 **Role of health and safety representatives in protecting the workplace environment**

- Identify potential dangers ✓ in the workplace. ✓
- Investigating workers' ✓ complaints. ✓
- Ensure that employers comply ✓ with COIDA. ✓
- Ensure that protective clothing is provided/available ✓ to all workers. ✓
- Promote safety training ✓ so that employees may avoid potential dangers/ act pro-actively. ✓
- Ensure that all equipment that is necessary to perform work ✓ are provided/ maintained regularly. ✓
- Ensure that dangerous equipment is used under the supervision ✓ of trained/ qualified workers. ✓
- Check/Monitor the effectiveness of health and safety measures ✓ with management ✓
- Initiate/Promote/Maintain /Review measures ✓ to ensure the health and safety of 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. ✓

(Any other relevant answer related to the role of the health and safety representative in protecting the workplace environment) Max. (4)

4.8 **Ways businesses could contribute time and effort in improving the well-being of communities**

- Businesses should improve the general quality of life of their communities, e.g., by investing in education, etc. ✓✓
- Ensure that the products they supply do not harm consumers/the environment. ✓✓
- Refrain from engaging in illegal/harmful practices such as employing children under the legal age/selling illegal substances, etc. ✓✓
- Make ethically correct business decisions, e.g., not engage in unfair/misleading advertising, etc. ✓✓
- Donate money to community projects./Run projects to uplift the community. ✓✓
- Provide recreational/sport facilities to promote social cohesion/healthy activities. ✓✓
- Participate in community projects involving HIV/AIDS/education/counselling/ other meaningful causes. ✓✓

(Any other relevant answer related to ways in which businesses could contribute time and effort in improving the well-being of communities) Max. (6)

(40)

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2	4
4.3	4
4.4.1	3
4.4.2	4
4.4.3	3
4.5	6
4.6.1	2
4.6.2	2
4.7	4
4.8	6
TOTAL	40

TOTAL SECTION B: 80

SECTION C

NOTE: Mark the FIRST answer only.

QUESTION 5: BUSINESS ENVIRONMENTS (INVESTMENT: SECURITIES)

5.1 Introduction

- The JSE is a formal market comprising all the public companies that have been listed. ✓
- Investors have a range of investment opportunities to choose from. ✓
- They measure these investment opportunities against criteria for good investment. ✓
- Investors set financial goals and consider different factors when making these decisions. ✓
- Shares represent the parts of the company that a person/group of people own. ✓
- Entrepreneurs who started business ventures must show a return on their investment. ✓
- The National Treasury of South Africa issues RSA Retail Savings Bonds/ Government Retail Bonds to the general public. ✓

(Any other relevant introduction related to the functions of the JSE/investment decisions/types of shares/Government/RSA Retail Saving Bonds)

Any (2 x 1) (2)

5.2 Functions of the JSE

- Gives opportunities to financial institutions, e.g., insurance companies invest their surplus funds in shares. ✓✓
- Serves as a barometer/indicator of economic conditions in South Africa. ✓✓
- Keeps investors informed by publishing share prices daily. ✓✓
- Acts as a link between investors and public companies. ✓✓
- Shares are valued and assessed by experts. ✓✓
- Small investors are invited to take part in the economy of the country through the buying/selling of shares. ✓✓
- Venture capital market is made possible on the open market. ✓✓
- Strict investment rules ensure a disciplined/orderly market for securities. ✓✓
- Raises primary capital by encouraging new investments in listed companies. ✓✓
- Mobilises the funds of insurance companies and other institutions. ✓✓
- Regulates the market for trading in shares. ✓✓
- Plans, research, 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. ✓✓
- Facilitates electronic trading of shares/STRATE Channels financial resources and facilitates trading. ✓✓
- Enhances job creation and increases economic growth/development. ✓✓

(Any other relevant answer related to the functions of the Johannesburg Securities Exchange/JSE) Max. (8)

5.3 **Factors that must be considered when making investment decisions.**

5.3.1 **Risk** ✓✓

- Shares have low/medium risk over✓ a longer investment period. ✓
- Shares with higher risks have a greater potential✓ for higher returns. ✓
- Ordinary shares have the highest risk✓ as the investor may lose the full/ part of the investment when the company is dissolved/bankrupt/liquidated. ✓
- Preference shareholders' risk is lower✓, as they have preferential claims on the assets of the liquidated company/may receive some compensation before ordinary shareholders. ✓
- Share prices are linked to factors that investors cannot control✓such as economic conditions/ operational success of the company, etc. ✓
- Share prices are volatile/unstable/unpredictable/may increase/ decrease sharply within hours✓ which contribute to the uncertainty of the value of an investment in shares on the short term. ✓

(Any other relevant answer related to risk as a factor to be considered when making an investment decision)

Factor: (2)
Explanation: (2)
Sub max. (4)

5.3.2 **Taxation** ✓✓

- Refers to a compulsory payment ✓ made by citizens to the government. ✓
- A good investment ✓ will yield good after-tax returns. ✓
- Income tax implications must be considered ✓ to ensure a high net after-tax return. ✓
- Tax rates are not necessarily the same ✓ for different investments. ✓

(Any other relevant answer related to taxation as a factor to be considered when making an investment decision)

Factor: (2)
Explanation: (2)
Sub max. (4)

5.3.3 **Investment period** ✓✓

- This refers to the duration of the investment ✓ which may influence the return on investment. ✓
- It can be short/medium/long term ✓ depending on the nature of an investment option. ✓
- The investment period will depend√ on an investor's personal needs/ goals. ✓
- The longer the investment period ✓, the higher the return ✓.
- Short term investments allow investors access to their money at short notice ✓, if necessary. ✓

(Any other relevant answer related to the investment period as a factor to be considered when making an investment decision)

Factor: (2)
Explanation: (2)
Sub max. (4)

5.3.4 **Return on Investment** ✓✓

- Refers to income from the investment ✓, namely interest/dividends/ increased capital growth on the original amount invested. ✓
- The return should be expressed as net after-tax gains ✓ on the investment. ✓
- High risk investments ✓ yield higher returns. ✓
- Generally, there will be a direct link ✓ between risk and return. ✓
- Returns can be in the form of capital gains ✓ where the asset appreciates in value over time. ✓
- The net after-tax return ✓ should be higher than the inflation rate. ✓/ Investing in ordinary shares could yield higher returns ✓ than investing in preference shares due to the high risk involved. ✓

(Any other relevant answer related to return on investment as a factor that may be considered when making investment decisions)

Factor: (2)
Explanation: (2)
Sub max. (4)

5.3.5 **Liquidity** ✓✓

- An amount of money could be invested in a type of investment ✓ that can easily be converted to cash. ✓
- The term is used to describe the ease and speed ✓ with which investors can convert an investment into cash. ✓
- Funds in a savings account/unit trust will be easier to convert into cash ✓ than an investment in a fixed deposit which is usually deposited for a fixed period of time. ✓

(Any other relevant answer related to liquidity as a factor that may be considered when making investment decisions)

Factor: (2)
Explanation: (2)
Sub max. (4)

5.3.6 **Inflation rate** ✓✓

- Investors/People are affected by a high inflation rate, ✓ because their money/purchasing power decreases. ✓
- The return on investment should be higher ✓than the inflation rate. ✓
- Inflation has a positive effect on some investments ✓ such as property/shares where the income will increase as inflation increases. √

(Any other relevant answer related to inflation rate as a factor that may be considered when making investment decisions)

Factor: (2)
Explanation: (2)
Sub max. (4)

NOTE: Mark the first THREE (3) only. Max. (12)

5.4 **Types of shares**

5.4.1 **Ordinary shares** ✓✓

- Ordinary shares only receive dividends ✓ when profit is made. ✓
- Normally the higher the net profit, ✓ the higher the dividend. ✓
- Shareholders are the last to be paid, ✓ if the company is declared bankrupt/liquidated. ✓
- Dividends vary from year to year according to profits made ✓ and are determined by the company/board of directors. ✓
- Shareholders have a right to vote ✓ at the Annual General Meeting/AGM. ✓

(Any other relevant answer related to ordinary shares as a type of share)

Type: (2)
Discussion: (2)
Sub max.: (4)

5.4.2 **Preference shares**✓✓

- Some of these types of shares receive dividends✓ regardless of whether a profit is made. ✓
- A fixed rate of return is paid√ on this type of share. ✓
- Shareholders have a preferred claim on company assets ✓ in the event of bankruptcy/liquidation. ✓
- These shares enjoy preferential rights to dividends/repayment ✓ over ordinary shares. ✓
- Dividends are payable ✓ according to the type of preference share. ✓
- Voting rights are restricted ✓ to particular circumstances/resolutions. ✓
- Non-cumulative preference shareholders will not receive any outstanding dividends from previous years. ✓
- Cumulative preference shareholders will receive outstanding dividends ✓ from previous years. ✓
- Redeemable preference shares can be redeemed/bought back at the option ✓ of the issuing company on a pre-determined future date. ✓
- Non-redeemable preference shares are only bought back ✓ when the company closes down for reasons other than bankruptcy. ✓
- Convertible preference shares are converted to ordinary shares ✓ after a fixed period/on the date specified when the preference shares were issued. ✓
- Non-convertible preference shares will not be converted ✓ into ordinary shares. ✓

(Any other relevant answer related to preference shares as a type of share)

Type: (2)
Discussion: (2)
Sub max.: (4)

5.4.3 **Founders' shares** ✓✓

- Issued to the founders ✓ and incorporators/promoters of the company. ✓
- They receive dividends ✓ after all other shareholders were paid. ✓

(Any other relevant answer related to founders' shares as a type of share)

Type: (2)
Discussion: (2)
Sub max.: (4)

5.4.4 **Bonus shares** ✓✓

- Payment in the form of shares ✓ to shareholders. ✓
- Issued as compensation ✓ for unpaid dividends. ✓
- Shareholders will own more shares ✓ and collect more dividends in the future. ✓
- Shareholders receive these shares ✓ without being required to pay for them. ✓

(Any other relevant answer related to the bonus shares as a type of share)

Type: (2)
Discussion: (2)
Sub max.: (4)

NOTE: Mark the first FOUR (4) only. Max. (16)

5.5 **Impact of RSA Retail Savings Bonds/Government Retail Bonds on investors**

Positives/Advantages

- Guaranteed returns, as 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. ✓✓
- 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/directly from 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 positive impact/advantages of RSA Retail Savings Bonds/Government Retail Bonds on investors)

AND/OR

Negatives/Disadvantages

- Retail bonds cannot be ceded to banks as security for obtaining loans. ✓✓
- A minimum of R1 000 must be invested, which may be difficult for some small investors to accumulate. ✓✓
- Retail bonds are not freely transferable amongst investors. ✓✓
- Investors need to have valid SA identification/should be older than 18 years which may discourage foreigners/young people from investing. ✓✓
- Penalties are charged for early withdrawals if the savings is less than 12 months old. ✓✓

(Any other relevant answer related to the negative impact/disadvantages of RSA Retail Savings Bonds/Government Retail Bonds on investors) Max. (10)

5.6 **Conclusion**

- A business that is managed successfully will make several investments over a period of time. ✓✓
- After considering the various investment opportunities and risk factors, investors can make a calculated decision. ✓✓
- Businesses should invest extra cash to generate more income rather than leaving it in the business's current account. ✓✓
- Anyone can invest in RSA Retail Savings Bonds trusts by investing a single lump sum/certain amount every month. ✓✓

(Any other relevant conclusion related to the JSE/shares/investment decisions/ Government/RSA Retail Saving Bonds) ✓✓ Any (1 x 2) (2)

(40)

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max. 32**
Functions of JSE	**8**	
Factors that must be considered when making investment decisions	**12**	
Types of shares	**16**	
Impact of RSA Retail Savings Bonds	**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.

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

6.1 Introduction

- Decision making forms part of the problem-solving process as it enables businesses to find suitable solutions to problems. ✓
- Businesses apply various problem-solving techniques depending on the nature and complexity of their problems. ✓
- The Delphi technique enables businesses to obtain various objective solutions to problems. ✓
- A force-field analysis enables businesses to consider various factors before change is done. ✓
- Problem-solving techniques enable businesses to develop strategies to solve complex business problems. ✓
- Creative thinking enables businesses to plan ahead and find new ways of doing things. ✓

(Any other relevant introduction related to decision making/problem-solving/Delphi technique/impact of force-field analysis/ways to promote creative thinking)

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 ✓ or an individual team member. ✓	- It is often done by one person/a member of senior management ✓ which makes it authoritarian. ✓
- Alternative solutions are generated/identified ✓ and critically evaluated. ✓	- Various alternatives are considered ✓ before choosing 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 made in each step. ✓
(Any other relevant answer related to problem-solving)	(Any other relevant answer related to decision making)
Sub max. (4)	Sub max. (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 6.3.1 **Application of the 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 the application of the Delphi technique to solve business problems)

Sub max. (8)

6.3.2 **Application of the brainstorming technique**

- 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 can 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/draws up a refined list. ✓
- Discuss a plan of action ✓ on how to implement the best ideas. √

(Any other relevant answer related to the application of the brainstorming technique to solve business problems)

Sub max. (8)
Max. (16)

6.4 **Impact of the force-field analysis**

Positives/Advantages

- It provides a visual summary of the various factors ✓ supporting and opposing a particular idea. ✓
- Employees feel included ✓ and understood. ✓
- Employees develop ✓ and grow with the business. ✓
- Informed decisions can be made ✓ as forces for and against are critically evaluated. ✓
- Enables businesses to strengthen the driving forces ✓ and weaken the restraining forces. ✓
- Businesses have an idea of the timeline required ✓ and the requirements of additional resources. ✓

(Any other relevant answer related to the positive impact/advantages of the force-field analysis on businesses)

AND/OR

Negatives/Disadvantages

- It is time consuming ✓ since the business must stabilise before more changes can be made. ✓
- Requires the participation ✓ of all business units. ✓
- The analysis developed is entirely dependent upon the skill level and knowledge ✓ of the group working on the analysis. ✓

(Any other relevant answer related to the negative impact/disadvantages of the force-field analysis on businesses) Max. (8)

6.5 **Ways in which businesses can create an environment that promotes creative thinking in the workplace**

- Business must emphasise the importance of creative thinking to ensure that all staff members know that their ideas will be heard. ✓✓
- Make time for brainstorming sessions to generate new ideas, e.g., regular workshops/follow-up sessions to build on one another's ideas. ✓✓
- Place suggestion boxes around the workplace and keep communication channels open for new ideas. ✓✓
- Business should train staff in innovative techniques/creative problem-solving skills/mind-mapping/lateral thinking. ✓✓
- Encourage job swops within the organisation. ✓✓
- Study how other businesses are doing things. ✓✓
- Encourage alternative ways of working/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 business can create an environment that promotes creative thinking in the workplace) Max. (10)

6.6 **Conclusion**

- Problem-solving and creative thinking skills allow businesses to make informed decisions and identify future business opportunities. ✓✓
- Businesses must know how to apply problem-solving techniques in order to select relevant techniques to deal with problems that arise. ✓✓
- Creative thinking enables businesses to adapt quickly to constant changes in the market. ✓✓
- A business environment that promotes creative thinking may experience reduced voluntary turnover as employees' creative thinking skills are developed. ✓✓
- The Delphi technique enables businesses to obtain inputs from a panel of experts, resulting in best decision-making. ✓✓

(Any other relevant conclusion related to decision making/problem-solving /Delphi technique/impact of force-field analysis/ways to promote creative thinking)

Any (1 x 2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARKS ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max. 32**
Differences between problem-solving and decision-making.	**8**	
Application of the Delphi technique and brainstorming technique in the workplace	**16**	
The impact of force-field analysis as a problem-solving technique.	**12**	
Ways in which businesses can create an environment that promotes creative thinking in the workplace	**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

TOTAL: 150

ADDENDUM

Question	Additions reviewed	Reasons
Please accept the following responses as they appear in the notes and previous marking guidelines		
2.7	**The impact of non-profit companies** **Positives/advantages** • Profits are used solely for the primary objective of the organisation. • Donors receive tax deductions • The liability of the members is limited **Negatives/Disadvantages** • Donations may not always be enough	As it appears in previous marking guidelines June 2021 SCE marking guideline.

Internal Moderator: Mokoena J.S
Date : 21/09/2022