basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATIONS/
NATIONAL SENIOR CERTIFICATE EXAMINATIONS

BUSINESS STUDIES P2

MARKING GUIDELINES

MAY/JUNE 2026

MARKS: 150

These marking guidelines consist of 29 pages.

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NOTES TO MARKERS

PREAMBLE

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

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

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

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

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

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

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

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

4. Take note of other 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.

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9. Correct numbering of answers to questions or subquestions 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, identify, 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. **The candidate must respond to at least any TWO of the four sub-questions in the INTRODUCTION and at least ONE of the four sub-questions in the CONCLUSION. Verbatim quoting of definitions/facts from credible sources is strongly discouraged.**
2. **The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
3. **No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**
4. **No marks will be awarded for contents repeated from the introduction and conclusion.**

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. *'Each team member has a chance to participate without interference from other team members*√ *thereby avoiding the likelihood of one person dominating the group process.'* √

This will be informed by the nature and context of the question, as well as the cognitive verb used.

15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A

QUESTION 1

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

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

1.2
1.2.1 charismatic √√
1.2.2 maternity √√
1.2.3 non-verbal √√
1.2.4 investment √√
1.2.5 conflict √√

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

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

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

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark the answers to the FIRST TWO questions only.

QUESTION 2: BUSINESS VENTURES

2.1 **Examples of insurable risks**

- Theft √
- Fidelity insurance √
- Burglary √
- Money in transit √
- Fire √
- Natural disaster/Storms/Wind/Rain/Hail √
- Damage to/Loss of assets/vehicles/equipment/buildings/premises √
- Injuries on business premises √
- Any other relevant answer related to the examples of insurable risks.

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

2.2 **Meaning of Return on Investment/ROI**

- Refers to income from the investment, √ namely interest/dividends/increased capital growth on the original amount invested. √
- High/Low risk investments √ yield higher/lower returns. √
- The return should be expressed as net after-tax gains √ on the investment. √
- Generally, there will be a direct link √ between the risk and the return. √
- Returns can be in the form of capital gains √ where the asset appreciates in value over time. √
- The return on investment after the deduction of tax √ should be higher than the general increase in the initial cost of investment. √
- Any other relevant answer related to the meaning of ROI as a factor that should be considered when making investment decisions.

Max (4)

2.3 **Leadership styles**

2.3.1 **Situations in which the transactional leadership style can be applied from the scenario**

- Candice, the manager of Northville Transport motivated her employees to meet their deadlines at short notice. √
- She offered rewards to employees who reach targets to maximise performance. √

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

(2 x 1) (2)

2.3.2 **Advantages of laissez-faire leadership style**

- Competent employees/followers experience personal growth √ as they are allowed to make decisions and become self-reliant/confident in their own areas of expertise/work/performing their job. √
- 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. √
- 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.

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 **Advantages of a state-owned company**

- Profits may be used to finance other state departments. √√
- Offer essential services which may not be offered by the private sector. √√
- Prices are kept reasonable/Create sound competition to make services affordable to more citizens. √√
- Wasteful duplication of services is eliminated. √√
- Planning can be coordinated through central control. √√
- Generates income/Receive government funds to finance social programmes. √√
- Jobs are created for all skills levels. √√
- Any other relevant answer related to the advantages of a state-owned company.

Max (4)

2.6 **Types of shares and functions of the Johannesburg Securities Exchange/JSE**

2.6.1 **Type of share in the scenario**

Founders' shares. √√ **(2)**

2.6.2 **Functions of the Johannesburg Security 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 the electronic trading √ of shares/STRATE. √ /Channels financial resources √ into productive economic activities. √
- Enhances job creation √ and increases economic growth/development. √
- Any other relevant answer related to the functions of the JSE.

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 **Handling feedback in a non-aggressive and professional manner**
- The presenter should stand throughout the feedback session. √√
- Be polite/confident/courteous/calm when responding to questions. √√
- Ensure that each question/comment is clearly understood before responding/ rephrase questions if uncertain. √√
- The presenter should first listen and then respond. √√
- Provide feedback as soon as possible after the question was asked or after the session. √√
- Be direct/honest/sincere when responding to questions. √√
- Use simple language to support the examples used in the presentation. √√
- Keep answers short and to the point. √√
- Apologise/acknowledge errors/mistakes if pointed out by the audience. √√
- Encourage questions from the audience. √√
- Always address the issue/idea/argument raised rather than the participant. √√
- Acknowledge good questions to motivate the audience to ask more questions. √√
- The presenter should not involve themselves in a debate when responding to questions. √√
- The presenter should not avoid the questions if he/she does not know the answer but rather promise feedback on it. √√
- Address the full audience and not only the person who posed the question. √√
- Any other relevant answer related to the ways in which the presenter could handle feedback in a non-aggressive and professional manner.

Max (4)

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
2.6.1	2
2.6.2	6
2.7	6
2.8	4
TOTAL	40

QUESTION 3: BUSINESS ROLES

3.1 **Diversity issues**

- Poverty √
- Race √
- Gender √
- Language √
- Age √
- Culture/Religion √
- Disability √

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

3.2 **Correct procedure to deal with grievances**

- 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 procedure to deal with grievances in the workplace.

NOTE: The procedure may be in any order. **Max (4)**

3.3 **Problem-solving technique**

3.3.1 **Problem-solving technique in the scenario**

Delphi technique √√ (2)

Motivation

They have requested a panel of experts to assist with solving their business problem with the aid of questionnaires. √

(1)

NOTE: Do not award marks for the motivation, if the problem solving-technique was incorrect/not identified.

Max (3)

3.3.2 **Impact of the 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 discussion. √
- 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.

NOTE: Accept relevant facts if the problem-solving technique was incorrect/not identified as an answer in QUESTION 3.3.1.

Max (4)

3.4 **Benefits of creative thinking**

- Better/Unique/Unconventional ideas/solutions √ are generated. √
- May give the business a competitive advantage √ if unusual/unique solutions/ideas/strategies are implemented. √
- Broadens the range of possible solutions √ when solving complex business problems. √
- Productivity increases as management/employees may quickly generate multiple ideas √ which utilises time/money more effectively. √
- Managers/Employees have more confidence √ as they can live up to their full potential. √
- Managers will be better leaders √ as they will be able to handle/manage change(s) positively/creatively. √
- Managers/Employees can develop a completely new outlook, √ which may be applied to any task(s) they may do. √
- Leads to more positive attitudes √ as managers/employees feel that they have contributed towards problem-solving. √
- Improves motivation amongst staff members √ which leads to high 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 managers/employees, √ as they are continuously pushed out of their comfort zone. √
- Creativity may lead to new inventions, √ which improves the general standard of living. √
- Businesses can continuously improve on the product development √ by exploring ways to enhance growth. √
- Any other relevant answer related to benefits of creative thinking in the workplace.

Max (6)

3.5 **Ways in which businesses can deal with unemployment as a socio-economic issue**

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

Max (6)

3.6 **Human rights in the scenario**

HUMAN RIGHTS	MOTIVATIONS
1. Freedom of speech and expression √√	He encourages open communication channels between management and workers. √
2. Privacy √√	Clayton ensures that the personal information of workers is kept confidential. √
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 human rights even if the quotes were incomplete.**
4. **Do not award marks for the motivations if the human rights were incorrect/not identified.**

Max (6)

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

- Team dynamic theories explain √ how effective teams work/operate. √
- Businesses are able to allocate tasks √ according to the roles of team members. √
- Team members can maximise performance √ as tasks are allocated according to their abilities/skills/attributes/personalities. √
- Team members with similar strengths may compete for team tasks/ responsibilities √ that best suit their abilities/competencies. √

- Theories assist team leaders to understand the personality types of team members √ so that tasks are assigned more effectively. √
- Conflict may be minimised √ when team members perform different roles. √
- Any other relevant answer related to the importance of team dynamic theories in improving team performance.

Max (4)

3.8 **Dealing with unfair advertising**

- Businesses must report unfair advertisements by competitors to the Advertising Standards Authority (ASA). √√
- Businesses should be encouraged to keep their advertising fair and in line with the Constitution. √√
- Advertisements should be honest/legal and not abuse consumers' trust/lack of knowledge. √√
- Advertisements should not contain anything that is discriminatory/likely to cause offence/support acts of violence. √√
- Businesses must make sure not to omit key information from the advertisements. √√
- Businesses must know/comply with the regulations as outlined by Advertising Standard Authority (ASA)/Code of Advertising. √√
- Any other relevant answer related to ways in which businesses could deal with unfair advertising as a type of unethical business practice.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2	4
3.3.1	3
3.3.2	4
3.4	6
3.5	6
3.6	6
3.7	4
3.8	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 **Leadership theories**

- Leaders and followers √
- Situational leadership √
- Transformational/Transitional √

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.2 **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. √√
- Great leaders understand that the right attitude will set the right atmosphere. √√
- Leaders' attitude may influence employees'/teams' thoughts/behaviour. √√
- Leaders should model the behaviour that they want to see in team members. √√
- Successful leaders consider the abilities/skills of team members to allocate tasks/roles effectively. √√
- Enthusiasm produces confidence in a leader and inspires them to work even harder. √√
- A positive attitude is critical for good leadership because good leaders will stay with the task regardless of difficulties/challenges. √√
- Successful leaders have a constant desire to work and achieve personal/ professional success. √√
- Leaders with a positive attitude know that there is always more to learn/space to grow. √√
- Any other relevant answer related to the role of personal attitude in successful leadership.

Max (6)

4.3 **Calculation of average clause**

$$\frac{\text{Insured amount}}{\text{Market value}} \times \text{Loss/Damage } √$$

$$\frac{\text{R350 000}}{\text{R500 000}} \; √ \times \text{R200 000 } √$$

= R140 000 √√√

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

Max (4)

4.4 **Contribution of division of profits as a criterion to the success and/or failure of a public company**

	SUCCESS FACTORS AND/OR	FAILURE FACTORS
Division of profits	- High profits and good returns to shareholders √ indicate the success of a company, which increases the value of shares. √	- Shareholders may sell their shares √ when dividends are low, resulting in a drop in share prices. √
	- Profits generated can be reinvested √ to expand business operations. √	- Dividends are taxable/not always paid out √ which may discourage new/small investors. √
	- Shareholders receive profits √ according to the type and number of their shares. √	
	- Any other relevant answer related to how division of profits as a criterion could contribute to the success of a public company.	- Any other relevant answer related to how division of profits as a criterion could contribute to the failure of a public company.

NOTE: **1. The answer does not have to be in tabular format.**
2. Mark either success AND/OR failure.

Max (4)

4.5 **Advantages of unit trusts as a form of investment**

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

Max (4)

BUSINESS ROLES

4.6 **Criteria for successful team performance**

- Interpersonal attitudes and behaviour √
- Shared values √
- Communication √
- Collaboration √

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.7 **Ways in which businesses can create an environment that promotes creative thinking**

- 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 better/unique 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 swops √ within the organisation. √ /Study how other businesses √ are doing things. √
- Encourage employees to develop/come up with unique ideas/alternative ways √ of working/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. √
- Make the working environment conducive to creativity √ /free from distraction/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 (6)

4.8 **Corporate social responsibility/CSR**

4.8.1 **Components of CSR from the scenario**

- Environment √
- Community √

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

(2 x 1) (2)

4.8.2 **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 √ between employees within the business. √
- 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 finds 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)

4.9 **Ways in which businesses can promote social rights**

Businesses must/can:

- adhere to the right of workers to have access to clean water and social security in the workplace. √√
- provide opportunities for employees to attend skills training sessions and with adult basic education. √√
- register workers with the UIF to provide adequate protection in the event of unemployment or illness. √√
- encourage employees to participate in special events, for example World AIDS Day. √√

- provide health care services by establishing site clinics to give employees access to basic medical examinations. √√
- Any other relevant answer related to ways in which businesses can promote social rights in the workplace.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2	6
4.3	4
4.4	4
4.5	4
4.6	2
4.7	6
4.8.1	2
4.8.2	6
4.9	4
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Mark the FIRST question only.

QUESTION 5: BUSINESS VENTURES (PRESENTATION AND DATA RESPONSE)

5.1 **Introduction**

- The success of presentations depends on the preparation and planning that is undertaken by presenters before the presentation is conducted. √
- The choice of a particular visual aid has a direct impact on the way the information/data is received by the audience/stakeholders. √
- A multimedia presentation refers to a verbal presentation that is complemented with the use of slides/videos and audio. √
- An honest/truthful reflection will provide the presenter with the necessary information to improve his/her next presentation. √
- Any other relevant introduction related to the factors that presenters should consider before the presentation/impact of interactive whiteboard/smartboard and posters as types of visual aids/the aspects that should be considered when designing a multimedia presentation/areas of improvement in the next presentation.

Any (2 x 1) (2)

5.2 **Factors that presenters should consider before the 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 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 factors that presenters should consider before the presentation.

Max (12)

5.3 **Impact of visual aids**

5.3.1 **Impact of interactive whiteboards**

Positives/Advantages

- Reduces the cost to the organisation of purchasing additional equipment √ because the information/text/graphics could be projected directly from a computer. √
- The availability of special pens allows the presenter to convey his idea/ concepts/thoughts √ directly onto the interactive whiteboard. √
- Interactive whiteboards/smartboards have the functionality of saving additional information √ that the presenter noted thereon during his presentation. √
- Sound/Visual aids could effortlessly be used √ in conjunction with the interactive whiteboard/smartboard. √
- Effective to record responses and new proposals √ from the stakeholders/ audience. √
- Any other relevant answer related to the positives/advantages of interactive whiteboards/smartboards as a type of visual aid.

AND/OR

Negatives/Disadvantages

- A presenter not skilled in the use of the interactive whiteboard √ may not be able to access all the functionalities it offers. √
- Copyrights linked to certain software prevents the use of interactive whiteboards √ in conjunction with other computers. √
- The implementation of load shedding could disrupt the presentation, √ as this requires a stable supply of electricity. √
- Any other relevant answer related to the negatives/disadvantages of interactive whiteboards/smartboards as a type of visual aid.

Submax (6)

5.3.2 **Impact of posters**

Positives/Advantages

- Supports the main theme of the presentation √ if it is visually appealing. √
- May contain large pictures/key concepts √ to highlight important features of a product. √
- A poster that is displayed in strategic places within a venue √ will attract the attention of the audience/stakeholders. √
- A valuable visual aid that may be used to promote √ the vision of an organisation. √
- Portable advertising could be placed in different venues/places √ depending on the movement of consumers/clients. √
- Any other relevant answer related to the positive impact/advantages of posters as a type of visual aid.

AND/OR

Negatives/Disadvantages

- The visual aid may distract the audience/stakeholders √ from the main message of the presenter's presentation. √
- Not suitable for small venues √ where the poster could be overbearing. √
- The visual aid is one-dimensional √ because it cannot be used with sound/video. √

- Posters displayed outside could be damaged/destroyed √ by weather elements or other elements. √
- Any other relevant answer related to the negative impact/disadvantages of posters as a type of visual aid.

Submax (6)
Max (12)

5.4 **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 a 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 (12)

5.5 **Areas of improvement that presenters should reflect on in their next presentation**

- The presenter should revise objectives that were not achieved. √√
- Use humour appropriately to capture or maintain the audience's attention. √√
- Always be prepared to update/keep the information relevant. √√
- Reflect on any problem/criticism and avoid it in future presentations. √√
- Reflect on the time/length of the presentation to add/remove content. √√
- Reflect on the logical flow of the format/slides/application of visual aids. √√
- Increase/Decrease the use of visual aids/replace or remove aids that do not work well. √√
- Information that the presenter receives as feedback should be analysed and where relevant incorporated/used to update/amend his/her presentation. √√
- Any other relevant answer related to the areas of improvement that presenters should reflect on in their next presentation.

Max (10)

5.6 **Conclusion**

- Planning for the presentation ensures that any challenges that may occur during the presentation are identified and acted upon. √√
- Choosing the correct visual aid enhance the presentation and allows audience to engage positively during the presentation. √√
- Multimedia can enhance any presentation and captivate the audience throughout the presentation. √√
- At the end of the presentation, it is important for presenters to reflect on the effectiveness of the presentation in order to implement the necessary/required changes in the future. √√
- Any other relevant conclusion related to the factors that presenters should consider before the presentation/impact of interactive whiteboards and posters as types of visual aids/the aspects that should be considered when designing a multimedia presentation/areas of improvement in the next presentation.

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

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max 32**
Factors that presenters should consider before the presentation	**12**	
Impact of visual aids: o Interactive whiteboards o Posters	**12**	
Aspects that should be considered when designing a multimedia presentation	**12**	
Areas of improvement that presenters should reflect on in their next presentation	**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.
Allocate 0 marks where requirements are not met at all.

QUESTION 6: BUSINESS ROLES (ETHICS AND PROFESSIONALISM)

6.1 **Introduction**

- Observing ethical behaviour and professional behaviour are essential practices that contribute to successful business operations. √
- Transparency as a King Code principle strengthens the reputation of the business and builds trust with stakeholders. √
- Unprofessional business practices such as sexual harassment and unauthorised use of workplace funds and resources reduce the level of professional behaviour in the workplace. √
- All stakeholders within the business are obligated to conduct their business practices in a professional, responsible, ethical and effective manner. √
- Any other relevant introduction related to the differences between ethical behaviour and professional behaviour/application of transparency as a King code principle for good corporate governance/how sexual harassment and unauthorised use of workplace funds and resources as unethical business practices pose challenges to businesses/ways in which professional, responsible, ethical and effective business practices should be conducted.

Any (2 x 1) (2)

6.2 **Differences between ethical behaviour and professional behaviour**

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

Max (12)

6.3 **Application of Transparency as a King Code principle for good corporate governance**

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

Max (10)

6.4 **Unprofessional business practices**

6.4.1 **Sexual Harassment**

- The affected party is normally reluctant to report the incident √ because of the fear of victimisation. √
- Sexual harassment causes discomfort/humiliation √ and interferes with the ability of the victim to successfully complete assigned work tasks. √
- The business can lose workers √ because they do not feel safe in the business. √
- Sometimes the victim prefers to stay away from work √ and the business loses productivity. √
- Sexual harassment causes emotional trauma √ and the victim's attitude will become negative in the workplace. √
- The victim may be severely traumatised √ and this may affect other employees emotionally. √
- Any other relevant answer related to how sexual harassment as an unprofessional business practice pose challenges to businesses.

Submax (6)

6.4.2 **Unauthorised use of workplace funds and resources**

- Fraud increases the cost √ of doing business. √
- It may affect the competitiveness √ of the business. √
- It could discourage customers √ when prices are increased to absorb the loss. √
- It could discourage investors √ when the business receives bad publicity from lawsuits. √
- It may result in a business experiencing a substantial loss √ if it goes unchecked. √
- Any other relevant answer related to how unauthorised use of workplace funds and resources as an unprofessional business practice pose challenges to businesses.

Submax (6)
Max (12)

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

- Mission statement should include the values of equality/respect. √√
- Businesses should develop equity programmes/promotes strategies to ensure that all employees are treated equally regardless of status/rank/power. √√
- Treat workers with respect/dignity by recognising work well done/the value of human capital. √√
- Plan properly and put preventative measures in place to promote professional conduct. √√
- Pay fair wages/salaries which are in line with the minimum requirements of the BCEA. /Remunerate employees for working overtime/during public holidays. √√
- Engage in environmental awareness programmes to promote green activities. / Refrain from polluting the environment such as by legally disposing of toxic waste. √√
- Refrain from starting a venture using other businesses' ideas that are protected by law. √√
- Decisions and actions must be clear/transparent to all stakeholders. √√
- Businesses should be accountable/responsible for their decisions and actions. √√
- Hire honest/trustworthy accountants/financial officers with good credentials to ensure transparent financial statements. √√
- Regular/Timeous payment of taxes should be made to avoid penalties/tax evasion. √√
- All workers should have access to equal opportunities/positions/resources. √√
- Ensure that employees work in a work environment that is conducive to safety/fairness/free of embarrassment. √√
- Employers and employees need to comply with legislation with regards to equal opportunities/human rights in the workplace. √√
- Training/Information/Business policies should include issues such as diversity/ discrimination/harassment. √√
- Employers should respond swiftly and fairly to reported incidents of discrimination in the workplace. √√
- Orders/Tasks should be given respectfully and allow the recipient/employee to have a say in the way that task should be performed. √√
- Draw up a code of ethics/conduct to ensure acceptable behaviour. √√
- Encourage on-going development/training of employees to ensure personal growth and improve performance. √√
- Appraisals/Performance management systems should be in place to motivate employees. √√
- Implement adequate internal controls/monitoring/evaluation systems to improve operational efficiency. √√
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practices should be conducted. **Max (12)**

6.6 **Conclusion**

- By differentiating between ethical behaviour and professional behaviour, businesses are guided in maintaining high levels of ethics and professionalism in the workplace. √√
- Businesses who correctly apply transparency as a King Code principle are able to reflect on their business practices which contributes to the continuous improvement of leadership. √√
- Employees should be familiarised with the changes in recent legislations to avoid unprofessional business practices. √√
- Businesses have a choice on how they will conduct their business practice in a professional, responsible and effective business to remain sustainable over a long period of time. √√
- Businesses require professional, responsible and effective business practices when dealing with stakeholders. √√
- Any other relevant conclusion related to the differences between ethical behaviour and professional behaviour/application of transparency as a King code principle for good corporate governance/how sexual harassment and unauthorised use of workplace funds and resources as unethical business practices pose challenges to businesses/ways in which professional, responsible, ethical and effective business practices should be conducted.

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

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max 32**
Differences between ethical behaviour and professional behaviour	**12**	
How businesses can apply transparency as a King code principle for good corporate governance	**10**	
Unprofessional business practices that pose challenges to businesses: o Sexual harassment o Unauthorised use of workplace funds and resources	**12**	
Ways in which professional, responsible, ethical and effective businesses practices should be conducted.	**12**	
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

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