



CAPRICORN SOUTH DISTRICT

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**PRE MID-YEAR EXAM 2024**

**BUSINESS STUDIES P2  
QUESTION PAPER**

**MARKS: 150**

**TIME: 2 hours**



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This question paper consists of 10 pages.

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## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

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

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

3. Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20</b>
<b>B: THREE direct/indirect-type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>70</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, etc.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

**SECTION A (COMPULSORY)**

**QUESTION 1**

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

1.1.1 The ... leadership theory encourages followers to accept change in the workplace.

- A situational
- B leaders and followers
- C transformational
- D autocratic

1.1.2 A minimum of R500 must be invested in this form of investment:

- A Unit trusts
- B Shares
- C Fixed deposit
- D RSA Retail Savings Bonds

1.1.3 Mrs King, the insured, must pay a certain amount when a claim is lodged:

- A Excess
- B Premium
- C Book value
- D Interest

1.1.4 ONE of the steps that businesses may consider when handling conflict in the workplace:

- A Implement disciplinary procedures
- B Select an appropriate solution
- C Provide recreational facilities
- D Provide fringe benefits

1.1.5 Creative thinking in the workplace means ... to solve business problems.

- A using old ways
- B generating innovative ideas
- C using routine thinking
- D allowing one employee

(5 x 2) (10)

- 1.2 Complete the following statements by using the words provided in the list below. Write only the word(s) next to the question numbers (1.2.1–1.2.5) in the ANSWER BOOK.

instruction manual; Delphi technique; rental; under-insurance;  
non-cooperation; brainstorming; collaboration; dividend; over insurance;  
code of ethics

- 1.2.1 Businesses/Individuals will not receive a pay-out larger than the value of the loss at market value. This refers to ...
- 1.2.2 Income earned from investing in shares is known as ...
- 1.2.3 A business requests a panel of experts to complete a set of questionnaires to solve a complex problem. This refers to ...
- 1.2.4 When team members agree to co-operate in working towards a common goal, it is known as ....
- 1.2.5 The ... is a written document stating the principles and values which the business upholds.

(5 x 2) (10)



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

COLUMN A		COLUMN B	
1.3.1	Assurance	A	power or authority because of the position into which they are appointed
1.3.2	Liquidity	B	request each employee to silently generate ideas on his/her own before sharing it with the group
1.3.3	Leadership	C	describing the escalation in the value or prices which makes the investment worthless after a period of time
1.3.4	Professionalism	D	request employees in a group to suggest ideas at random and for all ideas to be written on a flip chart
1.3.5	Nominal group technique	E	the moral principles that indicate if decisions are right or wrong
		F	refers to an agreement with an insurer to financially compensate for risks, such as damage or loss of property
		G	the internationally accepted standards/ expectations of people's conduct and levels of competence in the workplace
		H	refers to an agreement with an assurer to financially compensate for loss of life
		I	power or influence because of his/her knowledge or intelligence or skills
		J	describes the ease and speed with which investors can convert an investment into cash

(5 x 2) (10)

**TOTAL SECTION A: 30**

**SECTION B**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, for example QUESTION 2 on a new page, QUESTION 3 on a NEW page, etc.

**QUESTION 2: BUSINESS VENTURES**

(3)

2.1 Give THREE examples of non-insurable risks.

2.2 Identify the type of shares represented by EACH statement below.

2.2.1 These shares are issued to shareholders who started the company. (2)

2.2.2 Shares are issued to existing shareholders as compensation for loss of dividends. (2)

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

**NJOLI STATIONERY SUPPLIERS (NSS)**

Bizzah is the owner of Njoli Stationery Suppliers. He rewards employees for meeting sales targets and punishes them for not meeting deadlines.

2.3.1 Identify the leadership style used by Bizzah. Motivate your answer by quoting from the scenario above.

2.3.2 Discuss the impact of Bizzah's leadership style as identified in QUESTION 2.3.1. (3)

2.4 Recommend situations in which the following leadership styles could be applied in the workplace: (8)

2.4.1 Democratic (4)

2.4.2 Laissez-Faire/Free Reign (4)

2.5 Explain the meaning of *debentures*. (4)

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

Kwezi bought a business property worth R800 000, but he insured it for R500 000. A hurricane destroyed a part of the property and damages were estimated at R300 000.

2.6.1 Name the insurance clause that is applicable to the scenario above. (2)

2.6.2 Calculate the amount that Kwezi will receive as compensation from the insurer. Show ALL calculations. (4)

2.7 Differentiate between simple and compound interest. (4)  
[40]

### QUESTION 3: BUSINESS ROLES

3.1 Give THREE practical examples of unethical behaviour. (3)

3.2 Identify the unethical business practice illustrated in each of the following scenarios.

3.2.1 Madiba Cash and Carry charges more for the same goods in the village than in the urban areas. (2)

3.2.2 Mr Siza, the financial manager at Jakes Fittings, did not declare all their income to SARS. (2)

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

#### RUBIN STEEL FACTORY (RSF)

Rubin Steel Factory is experiencing a high demand for steel materials and RSF wants to expand their business idea by establishing another factory in Mossel Bay. RSF needs to look at both the pros and cons before establishing another factory.

3.3.1 Name the problem-solving technique used by Rubin Steel Factory. (3)

Motivate your answer by quoting from the scenario above.

3.3.2 Discuss the advantages of the problem-solving technique identified in QUESTION 3.3.1. (8)

3.4 Differentiate between *problem-solving* and *decision-making*. (4)

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

**PURE CASH FINANCE (PFC)**

Pure Cash Finance believes that good corporate governance, which includes transparency and accountability, is key to the integrity of their organisation and their ability to manage risk and perform at optimum levels.

3.5.1 Name TWO King Code principles for good corporate governance from the scenario above. (2)

3.5.2 Explain how PFS could to apply each King Code principle identified in QUESTION 3.5.1 to improve their corporate governance. (8)

3.6 Explain how businesses can apply the brainstorming technique to solve their business problems. (8)

[40]

#### QUESTION 4: MISCELLANEOUS TOPICS

##### BUSINESS VENTURES

4.1 Name TWO principles of insurance. (2)

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

Kelly and Keith invested R5 000 in two separate accounts. Kelly invested in a current account in a building society and receives 12% simple interest per annum. Keith invested in a fixed deposit at Khula Bank at 12% compounded interest per annum. The investment period of their accounts is two years.

4.2.1 Calculate the interest amount Kelly will receive after 2 years. (4)

4.2.2 Calculate the interest amount Keith will receive after 2 years. (4)

4.2.3 State the better investment option and motivate the answer. (2)

4.3 Discuss the role of personal attitude in successful leadership. (8)



**BUSINESS ROLES**

4.4 Identify the type of difficult personalities applicable to EACH statement below.

4.4.1 Mr Ingwe delays the whole process until a perfect solution is reached. (2)

4.4.2 Sizwe, a technician, is dissatisfied even though management has improved the employees' salaries and working conditions. (2)

4.4.3 The supervisor raises his voice and uses nasty words and bullying tactics which create a hostile environment during discussions. (2)

4.5 Describe the importance of team dynamics theories in improving team performance. (6)

4.6 Recommend strategies that businesses may introduce to deal with employees who abuse work time (8)

**[40]**

**TOTAL SECTION B: 80**



## SECTION C

Answer ONE question in this section.

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

### QUESTION 5: BUSINESS VENTURES (INVESTMENT: SECURITIES)

Zuki recently won R10 million in the lottery. She is considering investing in preference shares or unit trusts on the Johannesburg Securities Exchange Ltd (JSE).

Write an essay to guide Zuki on the following investment aspects:

- Outline the functions of the JSE
- Explain FOUR types of preference shares
- Discuss the following factors that must be considered when making an investment decision:
  - Return of investment (ROI)
  - Taxation
  - Inflation rate
- Evaluate the advantages of unit trusts as a good investment.

[40]

### QUESTION 6: BUSINESS ROLES (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)

Intolerance between employees due to unhappiness and conflicts contribute to lower productivity. Therefore, employees sometimes stay away from work without following the correct grievance procedure. Businesses spend large amounts of money and time on team building exercises and projects.

Keeping the above statement in mind, write an essay on the following aspects of team performance:

- Differentiate between *grievance* and *conflict*
- Explain THREE criteria for successful team performance
- Discuss the different stages of team development
- Advise the business on how they should handle conflict in the workplace

[40]

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**



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SENIOR CERTIFICATE**

**GRADE 12**

**PRE MID-YEAR EXAM 2024**

**BUSINESS STUDIES P2  
MARKING GUIDELINES**

**MARKS: 150**



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This marking guideline consists of 31 pages.

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## NOTES TO MARKERS

### 1. 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

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

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

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

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

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

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

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

7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max.' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

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

10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

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

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

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

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

Cognitive verbs, such as:

12.1 Advise, name, state, 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, justify, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.

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

14. SECTION B



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

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

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 to come up with alternative answers.

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 guideline)
- 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	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>



15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide:  All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S')  Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Where a candidate answers less than 50% 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 examples based on recent information, current trends and developments?	2
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>
<b>TOTAL MARKS FOR ESSAY (8 + 32):</b>		<b>40</b>

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



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

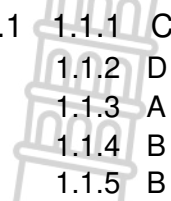
CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
<b>TOTAL</b>	<b>40</b>

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

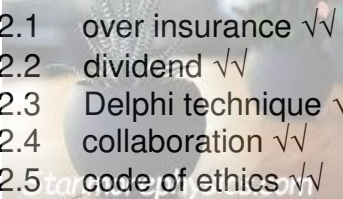


## SECTION A

## QUESTION 1

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

(5 x 2) (10)

- 
- 1.2 1.2.1 over insurance ✓✓  
1.2.2 dividend ✓✓  
1.2.3 Delphi technique ✓✓  
1.2.4 collaboration ✓✓  
1.2.5 code of ethics ✓✓

(5 x 2) (10)

- 1.3 1.3.1 H ✓✓  
1.3.2 J ✓✓  
1.3.3 I ✓✓  
1.3.4 G ✓✓  
1.3.5 B ✓✓

(5 x 2) (10)

**TOTAL SECTION A: 30****BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
<b>TOTAL</b>	<b>30</b>



**SECTION B**

Mark the **FIRST TWO** answers only.

**QUESTION 2: BUSINESS VENTURES****2.1 Examples of non-insurable risks**

- Losses caused by war ✓
- Most risks occurring between placing orders and receiving goods ✓
- Changes in fashion ✓
- Losses caused by marketing malpractices by the business ✓
- Advancement in technology/new machinery invention ✓
- Any other relevant answer related to the examples of non-insurable risks.

**NOTE: Mark the first THREE (3) only.**

(3) (3 x 1)

**2.2 Types of shares**

2.2.1 Founder's shares ✓✓

2.2.2 Bonus shares ✓✓

(4)

**2.3 Leadership styles**

2.3.1 Transactional leadership ✓✓

(2)

**Motivation**

He rewards employees for meeting sales targets and punishes them for not meeting deadlines. ✓

(1)

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

**2. Do not award marks for the motivation, if the type of leadership style was incorrectly identified.**

**Max (3)**

**2.3.2 Impact of transactional leadership style****Positives/Advantages**

- 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. ✓
- Employees know ✓ what is expected of them. ✓
- Disciplinary action procedures ✓ are well communicated. ✓
- Any other relevant answer related to a positive impact/advantages of a transactional leadership style.

AND/OR

**Negatives/Disadvantages**

- Employees may become bored/lose creativity ✓ as they have to follow rules/ procedures. ✓
- A transactional leader will have to monitor the work performance of employees ✓ to ensure that expectations are met. ✓
- Managing/controlling employees ✓ may be time-consuming. ✓
- Some employees may be demoralised/udemotivated ✓ if they fail to reach/meet targets despite having worked very hard. ✓
- Not suitable for team work as all team members can be punished ✓ for poor performance caused by one team member. ✓
- Any other relevant answer related to a negative impact/disadvantages of a transactional leadership style. Max. (8)

## 2.4 Situations in which the democratic and laissez faire leadership styles can be applied in the workplace

### 2.4.1 Democratic leadership style

This leadership style can be used when:

- Group members are skilled and eager to share their ideas. ✓✓
- The leader does not have all the information needed to make a decision and employees have valuable information to contribute. ✓✓
- Cooperation is needed between a leader and a team. ✓✓
- Decisions need to be looked at from several perspectives. ✓✓
- Any other relevant answer related to situations in which the democratic leadership style may be applied in the workplace.

Max. (4)

### 2.4.2 Laissez-faire/ Free reign

This leadership style can be used when:

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

Max. (4)

**2.5 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. (4)

**2.6 Insurance**

2.6.1 Average clause ✓✓ (2)

2.6.2 Insured amount x Loss/Damages ✓

Market value

$$= \frac{500\,000}{800\,000} \times 300\,000 \checkmark$$

$$= R187\,500 \checkmark\checkmark$$

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

Max. (4)



## 2.7 Difference between simple and compound interest

SIMPLE INTEREST	COMPOUND INTEREST
- Interest earned on the original amount ✓ and not on the interest accrued. ✓	- Interest earned on original amount invested, ✓ as well as interest earned in previous period(s). ✓
- The principal amount remains the same ✓ as interest is not re-invested/ added. ✓	- The principal amount grows ✓ with the addition of interest to it. ✓
- The interest is calculated on the original/ principal amount ✓ and added at the end of the investment period. ✓	- Interest is calculated on the higher principal amount ✓ and again added to it. ✓
- Yields lower ✓ return on investment. ✓/ Total interest earned on investment ✓ is lower. ✓	- Yields high ✓ return on investment. ✓/ Total interest earned on investment ✓ is high. ✓
- Any other relevant answer related to simple interest.	- Any other relevant answer related to compound interest.
Submax. (2)	Submax. (2)

- NOTE:**
1. The answer must be in a tabular format/differences listed in an organised way.
  2. The differences must be clearly linked.
  3. Award a maximum of TWO (2) if the differences are not clear/Mark either simple or compound interest only.

Max. (4)  
[40]

## BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	3
2.2	4
2.3.1	3
2.3.2	8
2.4.1	4
2.4.2	4
2.5	4
2.6.1	2
2.6.2	4
2.7	4
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS ROLES**

**3.1 Practical examples of unethical behaviour**

- Sold old item as new ✓
- Using false figures in accounts ✓
- Excessive salaries during recession ✓
- Bribing to avoid penalty or get tender ✓
- Stealing patent for your own benefits ✓
- Harming environment ✓
- Lack of transparency ✓
- Evade paying tax ✓
- Any other relevant answer related to the practical examples of unethical behaviour.

**NOTE: Mark the first THREE (3) only.**

(3 x 1) (3)

**3.2 Unethical business practices**

3.2.1 Pricing of goods in rural areas ✓✓

3.2.2 Tax evasion ✓✓

(4)

**3.3 Problem-solving technique**

3.3.1 Force-field analysis ✓✓

(2)

**Motivation**

RSF needs to look at both the pros and cons before establishing another factory. ✓

(1)

**NOTE: 1. Award marks for the problem-solving technique even if the quote is incomplete.**

**2. Do not award marks for the motivation if the problem-solving was incorrectly named.**

Max. (3)

**3.3.2 Advantages of force-field analysis**

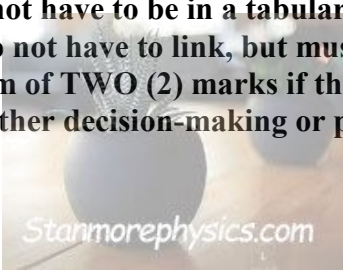
- It provides a visual summary of all the various factors supporting ✓ and opposing a particular idea. ✓
- Employees feel included ✓ and understood. ✓
- Employees develop ✓ and grow with the business. ✓
- Informed decisions can be made as forces for ✓ and against are critically evaluated. ✓
- Enables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

Max. (8)

3.4 Difference 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 ✓ who makes it authoritarian. ✓
- Alternative solutions are generated/ identified ✓ and critically evaluated. ✓	- Various alternatives are considered ✓ before deciding on the best one. ✓
- Process of analysing a situation ✓ to identify strategies to bring about change. ✓	- It is part of the problem solving cycle ✓ as decisions need to be taken in each step. ✓
- Any other relevant answer related to problem-solving.	- Any other relevant answer related to decision-making.
Submax. (2)	Submax. (2)

- NOTE:**
1. The answer does not have to be in a tabular format
  2. The differences do not have to link, but must be clear.
  3. Award a maximum of TWO (2) marks if the differences are not clear/ Mark either decision-making or problem-solving only.



Max. (4)

3.5 King Code principles

- 3.5.1 Transparency ✓  
Accountability ✓

(2 x 1) (2)



3.5.2 Application of each King Code principle



Principle	Application
Transparency	<ul style="list-style-type: none"> <li>- Decisions/Actions must be clear√ to all stakeholders. √</li> <li>- Businesses should give details of shareholder’s voting rights to them√ before/ at Annual General Meeting. √</li> <li>- Business dealings/transactions√ must be open/honest. √</li> <li>- Business policies and processes must be clear√ and understood by all stakeholders.√</li> <li>- The board of directors must report on both the negative and positive impact√ of the business on the community/environment. √</li> <li>- Any other relevant answer related to how businesses can apply Transparency as a King Code principle for good corporate governance.</li> </ul>
	Submax. (4)
Accountability	<ul style="list-style-type: none"> <li>- Businesses should be accountable/responsible√ for their decisions. √</li> <li>- Businesses should present accurate annual reports√ to shareholders at the Annual General Meeting (AGM). √</li> <li>- Top management should ensure that other levels of top management are clear√ about their roles and responsibilities to improve accountability. √</li> <li>- Any other relevant answer related to how businesses can apply Accountability as a King Code principle for good corporate governance.</li> </ul>
	Submax. (4)

- NOTE:**
1. The answer does not have to be in tabular format.
  2. The application in QUESTION 3.5.2 must link to the correct King Code principles in QUESTION 3.5.1.

Max. (8)



**3.6 Application of 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 could be generated as quickly as possible. ✓
- All members of the group ✓ randomly make suggestions. ✓
- The group rates ideas ✓ according to its usefulness/success/difficulty/cost to implement. ✓
- The group evaluates all ideas, ✓ and combines similar ones/draw up a refined list. ✓
- Discuss a plan of action ✓ on how to implement the best ideas. ✓
- Any other relevant answer related to the application of the brainstorming technique to solve business problems.

Max. (8)  
[40]

**BREAKDOWN OF MARKS**

QUESTION 3	MARKS
3.1	3
3.2	4
3.3.1	3
3.3.2	8
3.4	4
3.5.1	2
3.5.2	8
3.6	8
TOTAL	40



**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS VENTURES****4.1 Principles of insurance**

- Indemnification ✓
- Security ✓
- Utmost good faith ✓
- Insurable interest ✓

**NOTE: Mark the first TWO (2) only.****(2 x 1) (2)****4.2 Investments****4.2.1 Simple interest (Kelly)**

$$\begin{aligned} \text{FORMULA: Interest} &= P \times R \times T \quad \checkmark \\ &= R5\,000 \times 12\% \checkmark \times 2 \text{ years} \checkmark \\ &= R1\,200 \quad \checkmark \checkmark \checkmark \checkmark \end{aligned}$$

- 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 workings and the answer are incorrect, award a maximum of ONE (1) mark for the formula.

**Max. (4)****4.2.2 Compound interest (Keith)**

$$\begin{aligned} \text{FORMULA: } P \times (1 + r)^n &\checkmark \\ R5\,000 \checkmark \times (1 + 12/100)^2 &\checkmark \\ R5\,000 \times (1,12)^2 &= R6\,272 \checkmark \\ \text{Total interest} &= R6\,272 - R5\,000 \\ &= R1\,272 \quad \checkmark \checkmark \checkmark \checkmark \end{aligned}$$

- 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 workings and answer are incorrect, award a maximum of ONE (1) mark for the formula.

**Max. (4)**



### 4.2.3 Better investment option

Keith ✓/An investment on compounded/compound interest is better. ✓

(1)

#### Motivation

Keith receives more interest/R72 more interest/has a higher return on his investment over 2 years/earns interest on interest accrued. ✓

(1)

Max. (2)

### 4.3 Role of personal attitude in successful leadership

- Positive attitude releases ✓ leadership potential. ✓
- A leader's good/bad attitude ✓ can influence the success/failure 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. ✓
- A positive attitude is critical for good leadership ✓ because good leaders will stay with the task regardless of difficulties/challenges. ✓
- Successful employees and leaders have a constant desire to work ✓ and achieve personal/professional success. ✓
- Leaders with a positive attitude know ✓ that there is always more to learn/space to grow. ✓
- Any other relevant answer related to the role of personal attitude in successful leadership.

Max. (8)

## BUSINESS ROLES

### 4.4 Difficult personalities

4.4.1 Indecisive ✓✓

(2)

4.4.2 Complainer ✓✓

(2)

4.4.3 Aggressive ✓✓

(2)



**4.5 Importance of team dynamics theories in improving team performance**

- Team dynamics 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. (6)**

**4.6 Strategies that businesses may introduce to deal with employees who abuse work time**

- Speak directly to those employees who abuse work time. √√
- Code of conduct/ethics should contain clear rules about abuse of work time. √√
- Conduct training on the contents of the code of conduct/ethics. √√
- Code of conduct/ethics should be signed by all employees so that they are aware of its contents. √√
- Monitor employees to ensure that tasks are completed.√√
- Structure working hours in such a way that employees have free/flexible time for personal matters. √√
- Create a culture of responsibility/strengthen team spirit in order for all employees to feel responsible for what has to be achieved.√√
- Remind employees that profit will decrease resulting in fewer incentives/bonuses pay-outs. √√
- Any other relevant answer related to strategies to deal with employees who abuse work time as an unethical/unprofessional business practice.

**Max. (8)**

**[40]**

**BREAKDOWN OF MARKS**

QUESTION 4	MARKS
4.1	3
4.2.1	3
4.2.2	4
4.2.3	2
4.3	8
4.4	6
4.5	6
4.6	8
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**

**SECTION C**

Mark the **FIRST** question only.

**QUESTION 5: BUSINESS VENTURES****5.1 Introduction**

- The Johannesburg Securities Exchange (JSE) is a formal market comprising of all the public companies that have been listed. ✓
- Various services are offered to listed companies by the JSE. ✓
- Shares represent the parts of the company that a person/group of people own. ✓
- Preference shares can be considered as a viable investment option as investors have various options to choose from. ✓
- 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. ✓
- Entrepreneurs who started business ventures must show a return on their investment. ✓
- Unit trusts consist of a number of different shares and securities put together and managed by a fund manager. ✓
- Any other relevant answer related to the functions of JSE/ Types of preference shares/factors that must be considered when making an investment decision/effectiveness of unit trusts as a good investment.

(Any 2 x 1) (2)

**5.2 Functions of JSE**

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

**Max.** (10)

Please turn over

### 5.3 Types of preference shares

#### Participating preference shares ✓✓

Shareholders:

- are guaranteed minimum ✓ fixed dividends. ✓
- are entitled to share in any ✓ surplus company profits. ✓
- receive higher dividends ✓ when the company performs well. ✓
- have preferential rights over ordinary shares ✓ on repayment when the company closes down. ✓
- Any other relevant answer related to participating preference shares.

Identification (2)

Description (2)

Submax. (4)

#### Non-participating preference shares ✓✓

Shareholders:

- receive an amount equal to the initial investment ✓ plus accrued and unpaid dividends upon liquidation. ✓
- do not have the right to participate in profits ✓ after equity shareholders have been paid a dividend. ✓
- will not get extra dividend ✓ in case of surplus profits. ✓
- are entitled to receive only a fixed rate of dividend ✓ every year. ✓
- Any other relevant answer related to non-participating preference shares.

#### Cumulative preference shares ✓✓

- Shareholders are compensated for past dividends that were not paid out ✓ when profits were too low to declare dividends ✓ / Receive dividends not ✓ previously paid out. ✓
- Any other relevant answer related to cumulative preference shares.

Identification (2)

Description (2)

Submax. (4)

#### Non-cumulative preference shares ✓✓

- Shareholders are not compensated for past dividends ✓ that were not paid out when profits were low. ✓
- Any other relevant answer related to non-cumulative preference shares.

Identification (2)

Description (2)

Submax. (4)

**Redeemable preference shares** ✓✓

- Shares can be redeemed/bought back at the option of the issuing company, ✓ either at a fixed price on a specified date/over a certain period of time. ✓
- Any other relevant answer related to redeemable preference shares.

Identification (2)

Description (2)

Submax. (4)

**Non-redeemable preference shares** ✓✓

- Shares are only bought back when the company closes down ✓ for reasons other than bankruptcy. ✓
- Any other relevant answer related to non-redeemable preference shares.

Identification (2)

Description (2)

Submax. (4)

**Convertible preference shares** ✓✓

- Shares can be converted into a predetermined number of ordinary shares ✓ on the date specified when the preference shares were issued. ✓
- Any other relevant answer related to convertible preference shares.

Identification (2)

Description (2)

Submax. (4)

**Non-convertible preference shares** ✓✓

- Shares cannot be converted ✓ into ordinary shares. ✓
- Any other relevant answer related to non-convertible preference shares.

Identification (2)

Description (2)

Sub max (4)

**NOTE: Mark the first FOUR (4) only.****Types (8)****Description (8)****Max. (16)**

**5.4 Factors to be considered when making investment decisions****5.4.1 Return on Investment (ROI)**

- Refers to income from the investment,  $\checkmark$  namely interest/dividends/ increased capital growth on the original amount invested.  $\checkmark$
- Generally, there will be a direct link  $\checkmark$  between risk and return.  $\checkmark$
- The return should be expressed  $\checkmark$  as net after-tax gains on the investment.  $\checkmark$
- Returns can be in the form of capital gains  $\checkmark$  where the asset appreciates in value over time.  $\checkmark$
- The net after-tax return should be higher  $\checkmark$  than the inflation rate.  $\checkmark$
- Any other relevant answer related to ROI as a factor to be considered when making investment decisions.

Submax. (4)

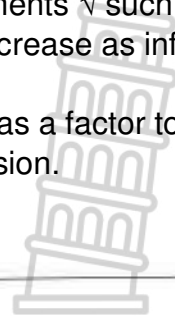
**5.4.2 Taxation**

- Refers to a compulsory payment  $\checkmark$  made by citizens to the government.  $\checkmark$
- A good investment  $\checkmark$  will yield good after-tax returns.  $\checkmark$
- Income tax implications must be considered  $\checkmark$  in order to ensure a high net after-tax return.  $\checkmark$
- Tax rates are not necessarily the same  $\checkmark$  for different investments.  $\checkmark$
- Any other relevant answer related to taxation as a factor to be considered when making an investment decision.

Submax. (4)

**5.4.3 Inflation rate**

- Inflation refers to a decrease  $\checkmark$  in the value of money due to rising prices.  $\checkmark$
- People are affected by a high inflation rate,  $\checkmark$  because their money/purchasing power decreases.  $\checkmark$
- The return on investment should be higher  $\checkmark$  than the inflation rate.  $\checkmark$
- Inflation has a positive effect on some investments  $\checkmark$  such as property and shares where the income will increase as inflation increases.  $\checkmark$
- Any other relevant answer related to inflation as a factor to be considered when making an investment decision.

Submax. (4)  
Max. (12)



### 5.5 Advantages of unit trusts as a good investment

- Managed by a fund manager who buys shares on the Johannesburg Securities Exchange/JSE. √√
- The investor has a variety to choose from/a wider range of shares from lower to higher degrees of risk. √√
- Safe investments as it is managed according to rules and regulations. √√
- A small amount can be invested per month. √√
- Easy to invest in, as investors simply complete a few relevant forms or invest online. √√
- Easy to cash in when an investor needs money. √√
- Fluctuations in unit trust rates of return are often not so severe because of diversity of the investment fund. √√
- Generally beats inflation on the medium/long term. √√
- 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. √√
- Any other relevant answer related to the effectiveness/advantages of unit trusts as a good investment.

**Max (8)**

### 5.6 Conclusion

- Listed companies on the JSE will get more exposure to possible investors. √√
- Dividends paid out on preference shares will attract more people to invest in a company. √√
- A business that is managed successfully will make a number of investments over a period of time. √√
- Businesses should invest extra cash to generate more income rather than leaving it in the business's current account. √√
- Anyone can invest in unit trusts by investing a single lump sum/certain amount every month. √√
- Any other relevant conclusion related to the function of JSE/types of preference shares/factors that must be considered when making an investment decision/effectiveness of unit trusts as a good investment.

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



**BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Functions of JSE	10	
Types of preference shares	16	
Factors that must be considered when making an investment decision <ul style="list-style-type: none"><li>o Return of investment</li><li>o Taxation</li><li>o Inflation rate</li></ul>	12	
Advantages of unit trusts	8	
Conclusion	2	
<b>INSIGHT</b>		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.



**QUESTION 6: BUSINESS ROLES (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)**

**6.1 Introduction**

- A grievance procedure is a process/steps which ensure(s) that the well-being of employees is alerted management. ✓
- Teamwork refers to a number of people collaborating/working together effectively in order to reach a common goal. ✓
- Successful teams go through different stages of team development in order to become successful/effective. ✓
- Poor conflict management may lead to team failure or the dissolution of a team. ✓
- Any other relevant introduction related the differences between grievance and conflict/criteria for successful team performance/stages of team development/correct procedure to deal with grievances.

Any (2 x 1) (2)

**6.2 Differences between grievance and conflict**

<b>GRIEVANCE</b>	<b>CONFLICT</b>
- When an employee is unhappy ✓/ has a problem/complaint in the workplace. ✓	- Clash of opinions ✓/ideas/view points in the workplace. ✓
- It is when an individual/group ✓ has a work-related issue. ✓	- Disagreement between two or more parties in the workplace. ✓
- Examples that can cause a grievance: Discrimination, unfair treatment, poor working conditions. ✓	- Examples that can cause conflict: - A lack of trust /miscommunication/ personality clashes/different values. ✓
- Any other relevant answer related to a grievance.	- Any other relevant answer related to a conflict.
Submax. (4)	Submax. (4)

- NOTE:**
1. The answer does not have to be in 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 grievance or conflict.

Max. (8)

**6.3 Criteria for successful team performance**



**6.3.1 Interpersonal attitudes and behaviour** ✓✓

- Members have a positive attitude of support ✓ and motivation towards each other. ✓
- Good/Sound interpersonal relationships ✓ will ensure job satisfaction/increase productivity of the team. ✓
- Members are committed/passionate ✓ towards achieving a common goal/objectives. ✓
- Team leader acknowledges/gives credit to members ✓ for positive contributions. ✓
- Any other relevant answer related to interpersonal attitudes and behaviour as a criterion for successful team performance.

Criteria (2)  
 Explanation (2)  
 Sub max (4)

**6.3.2 Shared values/Mutual trust and support** ✓✓

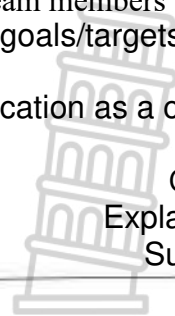
- Show loyalty/trust towards team members ✓ despite mutual differences. ✓
- Show respect ✓ for the knowledge/skills of each member. ✓
- Perform team tasks with integrity/pursuing responsibility/meeting team deadlines ✓ with necessary commitment to team goals. ✓
- Any other relevant answer related to shared values/mutual trust and support as a criterion for successful team performance.

Criteria (2)  
 Explanation (2)  
 Sub max (4)

**6.3.3 Communication** ✓✓

- A clear set of processes/procedures for team work ensures ✓ that every team member understands his/her role. ✓
- Ability to communicate well ✓ and make quick decisions. ✓
- Communicates with team members ✓ and allows for feedback. ✓
- Encourages discussion about the problem ✓ so that solutions can be found. ✓
- Continuous review of team progress ensures that team members ✓ can rectify mistakes/ act pro-actively to ensure that goals/targets are reached. ✓
- Any other relevant answer related to communication as a criterion for successful team performance.

Criteria (2)  
 Explanation (2)  
 Sub max (4)



## 6.3.4 Co-operation/Collaboration √√



- Clearly defined realistic goals are set, √ so that all members know exactly what is to be accomplished. √
- Willingness to co-operate as a unit √ to achieve team objectives. √
- Co-operate with management √ to achieve team/business objectives. √
- Agree on methods/ways to get the job done effectively √ without wasting time on conflict resolution. √
- All members take part √ in decision making. √
- A balanced composition of skills/knowledge/experience/expertise √ ensures that teams achieve their objectives. √
- Any other relevant answer related to co-operation/collaboration as a criterion for successful team performance.

Criteria (2)  
Explanation (2)  
Sub max (4)

**NOTE: Mark the first THREE (3) criteria only.**

**(3 x 4) (12)**

## 6.4 Stages of team development

## 6.4.1 Forming √√

- Individuals gather information/impressions about each other/the scope of the task √ and how to approach it. √
- This is a comfortable stage √ to be in as the work has not yet started. √
- Individuals focus on being busy with routine tasks, √ such as team organisation/who does what/when to meet each other, √ etc.
- Individuals are motivated by the desire/drive √ to be accepted by fellow team members. √
- Team members can determine how each one, as an individual, √ will respond under pressure. √
- Any other relevant answer related to forming as a stage in team development.

Stage (2)  
Discussion (2)  
Sub max (4)





**6.4.2 Storming** ✓✓

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

Stage (2)  
Discussion (2)  
Sub max (4)

**6.4.3 Norming/settling and reconciliation** ✓✓

- Team members come to an agreement ✓ and reach consensus. ✓
- Role and responsibilities ✓ are clear and accepted. ✓
- Processes/working style ✓ and mutual respect develop amongst members. ✓
- Team members have the ambition to work ✓ for the success of the team. ✓
- Conflict may occur, ✓ but commitment and unity are strong. ✓
- Any other relevant answer related to norming/settling and reconciliation as a stage of team development.

Stage (2)  
Discussion (2)  
Sub max (4)



**6.4.4 Performing/Working as a team towards a goal** ✓✓

- Team members are aware of strategies ✓ and aims of the team. ✓
- They have direction ✓ without interference from the leader. ✓
- Processes ✓ and structures are set. ✓
- Leaders delegate ✓ and oversee the processes and procedures. ✓
- All members are now competent, autonomous ✓ and able to handle the decision-making process without supervision. ✓
- Differences among members are appreciated ✓ and used to enhance the team's performance. ✓
- Team members find ways ✓ to complete tasks without conflict/external supervision. ✓
- Any other relevant answer related to performing/working as a team towards a goal as a stage in team development.

Stage (2)

Discussion (2)

Sub max (4)

**6.4.5 Adjourning/Mourning** ✓✓

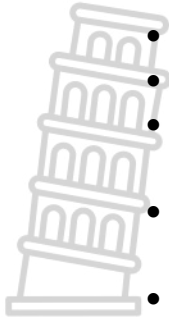
- The focus is on the completion ✓ of the task/ending the project. ✓
- Breaking up the team may be traumatic ✓ as team members may find it difficult to perform as individuals once again. ✓
- All tasks need to be completed ✓ before the team finally dissolves. ✓
- Any other relevant answer related to adjourning/mourning as a stage in team development.

Stage (2)

Discussion (2)

Sub max (4)

**Max (16)**

6.5 **Handling conflict in the workplace/Conflict resolution steps**

- Acknowledge that there is conflict in the workplace. √√
- Identify the cause of the conflict. √√
- Pre-negotiations may be arranged where workers/complainants will be allowed to state their case/views separately. √√
- A time and place are arranged for negotiations where all employees involved are present. √√
- Arrange a meeting between conflicting employers/employees. √√
- Make intentions for intervention clear so that parties involved may feel at ease. √√
- Each party has the opportunity to express his/her own opinions/feelings/Conflicting parties may recognise that their views are different. √√
- Analyse the cause(s) of conflict by breaking it down into different parts/Evaluate the situation objectively. √√
- Blame shifting should be avoided and a joint effort should be made. √√
- Direct conflicting parties towards finding/focusing on solutions.
- Devise/Brainstorm possible ways of resolving the conflict. √√
- Conflicting parties agree on criteria to evaluate the alternatives. √√
- The best possible solution(s) is/are selected and implemented. √√
- Parties must agree to on the best solution. √√
- Evaluate/Follow up on the implementation of the solution(s). √√
- Monitor progress to ensure that the conflict has been resolved. √√
- Expertise on handling conflict maybe sourced from outside the business. √√

**NOTE: The procedure may be in any order.**

**Max (10)**

6.6 **Conclusion**

- Businesses must ensure that the process is fair and transparent when dealing with all grievances. √√
- Conflict cannot always be resolved/avoided/eliminated, therefore people need to learn how to manage conflict within a team in order to work in harmony. √√
- The success of a business depends on the successful collaboration within a team to ensure that the objectives of the business will be met. √√
- Any other relevant conclusion related to the distinction between grievances and conflict/criteria for successful team performance/phases of team development/correct procedure to deal with grievances.

(Any 1 x 2) (2)

[40]



**QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Difference between grievance and conflict	8	
Criteria for successful team performance	12	
Stages of team development	16	
Handling conflict in the workplace	10	
Conclusion	2	
<b>INSIGHT</b>		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

\*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 40**

**GRAND TOTAL: 150**

