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KWAZULU-NATAL PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 11

BUSINESS STUDIES P2

JUNE EXAMINATION

Stanmorephysics.com

2025

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MARKS : **150**

TIME : **2 Hours**

This question paper consists of 9 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

   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 ONE of the TWO questions in this section.

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

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 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
A: Objective-type questions COMPULSORY	**1**	**20**	**20 minutes**
B: THREE direct/indirect- type questions CHOICE (Answer any TWO)	**2**	**40**	**35 minutes**
	3	**40**	**35 minutes**
	4	**40**	**35 minutes**
C: TWO essay-type questions CHOICE (Answer any ONE essay)	**5**	**40**	**30 minutes**
	6	**40**	**30 minutes**
TOTAL		**150**	**120 minutes**

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

8. You may use a non-programmable calculator.

9. Write neatly and legibly.

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SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.5) and the correct letter next to it ONLY. Example: 1.1.6 A

1.1.1 In a … company, directors are jointly and severally liable with the company for all company debts and liabilities incurred.

A public company
B state owned
C personal liability
D non-profit

1.1.2 Loss of property due to fire, is an example of … in the workplace.

A crisis
B change
C stress
D pressure

1.1.3 The person who owns the rights and trademarks of a business that grants the rights to operate a branch of a business to another party in exchange for a fee and portion of the profits is known as…

A lessee
B outsourcer
C franchisor
D owner

1.1.4 An example of … business practice is when the business makes use of fair advertising practices.

A professional
B ethical
C transparent
D accountable

1.1.5 Sunny Enterprises used the ... as they identified priorities and drew up an action plan.

A delphi technique
B creative thinking
C problem solving
D force-field analysis

(5x2) (10)

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

Unlimited ; creative; franchise; competency ; routine; change; stress; outsourcing; integrity ; limited

1.2.1 The … liability clause explains how owners can only lose what they invested in the business.

1.2.2 An example of … is when a violinist plays the violin very well.

1.2.3 The business practice of hiring a party outside a company to perform services that were traditionally performed in-house by the company's staff is known as…

1.2.4 Rinaldo Wholesalers uses … thinking as they focus on logical thought and a methodical way of doing things.

1.2.5 Employees can manage … by taking regular breaks to relax and recharge.

(5x2) (10)

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

COLUMN A	COLUMN B
1.3.1 Memorandum of incorporation	A. these solutions are what most people expect and they appear to be normal.
1.3.2 Retrenchment	B. business must ensure the full disclosure of information to stakeholders.
1.3.3 Lease	C. document that is completed and signed when requesting to incorporate a company.
1.3.4 Non-conventional thinking	D. payment made to franchisor based on turnover.
1.3.5 Transparency	E document that describes the rights, duties and responsibilities of shareholders and directors.
	F may lead to resentment towards persons appointed according to this policy.
	G these solutions are creative and unique and are usually a result of creative thinking.
	H occurs when a business reduces the number of workers in the business to reduce their expenditure.
	I refer to non-disclosure of any confidential client or business information without permission.
	J payment for the use of an asset rather than buying it.

(5x2) (10)

TOTAL SECTION A: [30]

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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, et cetera.

QUESTION 2: BUSINESS VENTURES

2.1 Name FOUR aspects that must be included in the memorandum of incorporation. (4)

2.2 Read the scenario below and answer the questions that follows:

S & D PARTNERS

Sophia and Daniel own a partnership offering eco-friendly household products. They want to convert their business to another form of ownership. A business advisor recommends that they establish a company, explaining that it offers tax benefits other enterprises do not have, as a company is required to submit a full report to all stakeholders, and shareholders have no legal responsibility.

2.2.1 Quote TWO benefits of establishing a company versus other forms of ownership in the scenario above. (2)

2.2.2 Discuss any other TWO benefits of establishing a company versus other forms of ownership. (6)

2.3 Explain the characteristics of a partnership. (4)

2.4 Suggest advantages of State-owned company. (4)

2.5 Outline contractual implications of leasing. (4)

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

DAVIDSON RESTAURANT (DR)

David owns a restaurant that operates under a well- known fast food brand. As part of his contract, he must follow the rules and standards, including using approved ingredients, following specific marketing strategies and paying fees every month.

2.6.1 Name the business avenue used by Davidson Restaurant. (2)

2.6.2 Explain the advantages of the business avenue identified in QUESTION 2.6.1. (6)

2.7 Discuss the disadvantages of outsourcing as a business avenue. (4)

2.8 Suggest the reasons why entrepreneurs may decide to purchase an existing business. (4)

[40]

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QUESTION 3: BUSINESS ROLES

3.1 Name any FOUR causes of stress in the workplace. (4)

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

NANO TRADERS(NT)

The owner of Nano Traders, decided to workshop his management on the importance of stress management. He stated that employees who are stressed are more likely to miss work because they cannot cope. Employees should be advised to avoid conflict situations with co-workers. Grievances or complaints that led to many staff leaving NT can be addressed if stress is well-managed.

3.2.1 Quote TWO importances of stress management from the scenario above. (2)

3.2.2 Explain any other importances of stress management in the workplace. (6)

3.3 Differentiate between professionalism and ethics. (4)

3.4 Suggest to business ways in which professional, responsible, ethical and effective business practice should be conducted. (4)

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

SHILO MANUFACTURERS(SM)

Shilo Manufacturers, produces comforters and duvets. SM have recently put in place new policies and procedures that will be implemented. The increase in the interest rates has also increased the business's expenses.

3.5.1 Identify the TWO causes of change faced by SM, in the scenario above. Motivate your answer by quoting from the scenario. (6)

Use the table below as a GUIDE to answer QUESTION 3.5.1.

CAUSES OF CHANGE	MOTIVATION
1.	
2.	

3.6 Describe how businesses and people should deal with the major change of unemployment. (4)

3.7 Discuss strategies that businesses can use to deal with globalisation. (6)

3.8 Recommend ways businesses can deal with change in the workplace. (4)
[40]

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 Name any THREE aspects that must be included in a prospectus. (3)

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

GRAYTON CREST LTD(GCL)

Grayton Crest Ltd is a public company that specialises in renewable energy solutions, including solar, wind, and hydro power projects. GCL made sure to include Ltd at the end of their name. The name of their company is not offensive, does not promote violence or hatred. The MOI serves as the constitution of a company. The company's name also appears on all company documents.

4.2.1 Quote THREE legal requirements of the name of the company from the scenario above. (3)

4.2.2 Explain any other legal requirements of the name of a company. (6)

4.3 Discuss the disadvantages of leasing. (4)

4.4 Advise businesses on the contractual implications of leasing. (4)



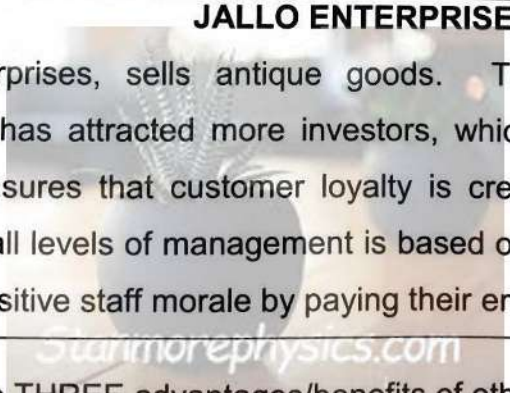
BUSINESS ROLES

4.5 Name THREE theories of ethics that apply to the workplace. (3)

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

JALLO ENTERPRISES(JE)

Jallo Enterprises, sells antique goods. The good reputation that JE maintains, has attracted more investors, which increased their profitability. JE also ensures that customer loyalty is created and nurtured. Decision making at all levels of management is based on ethical values. JE is able to create a positive staff morale by paying their employees fairly.



4.6.1 Quote THREE advantages/benefits of ethical business ventures from the scenario above. (3)

4.6.2 Explain any other advantages/benefits of ethical business ventures. (6)

4.7 Describe the term/concept of crisis. (4)

4.8 Recommend ways businesses can deal with crisis in the workplace. (4)

[40]

TOTAL SECTION B: [80]

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SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question.
The answer to EACH question must start on a NEW page, for example

QUESTION 5: BUSINESS VENTURES

When starting a business, the right ownership structure is crucial for success. In a partnership there are several disadvantages. Potential investors must be well conversant with the differences between private and public companies. Forming a company comes with several challenges as compared to other forms of ownership. Businesses must ensure that correct procedure for the formation of companies is followed.

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Write an essay on the benefits of establishing a company over other forms of ownership, taking the following aspects into consideration:

- Outline the disadvantages of a partnership.
- Explain the differences between private company and public company.
- Discuss the challenges of establishing a company versus other forms of ownership.
- Advise businesses on the procedure on the formation of companies **[40]**

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QUESTION 6: BUSINESS ROLES

It is beneficial for businesses to use creative thinking in the workplace. Businesses should find different ways in which they can create an environment that stimulates creative thinking in the workplace. It is good for businesses to understand the application of the Delphi technique. Businesses should consider the advantages of working with others to solve problems.

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

- Outline the benefits of creative thinking in the workplace.
- Explain ways in which businesses can create an environment that stimulates creative thinking in the workplace.
- Discuss the application of the Delphi technique.
- Recommend to businesses the advantages of working with others to solve problems.

[40]

TOTAL SECTION C: [40]

TOTAL MARKS: [150]

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GRADE 11

BUSINESS STUDIES P2

JUNE EXAMINATION

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MARKING GUIDELINES

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MARKS : **150**

TIME : **2 Hours**

These marking guidelines consist of 25 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:	Brown
Chief Marker:	Pink
Internal Moderator:	Orange
DBE Moderator:	Turquoise

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

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

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

10. No additional credit must be given for repetition of facts. Indicate with a 'R'.

11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

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

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

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

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

    Cognitive verbs, such as:

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

    12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, 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.

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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 at the marking centre to finalise alternative answers.

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

14.4.1 If the number of facts 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.

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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**

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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? **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-questions) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum ONE (1) mark for synthesis. **Option 3 : Some relevant facts: 1 mark (One '-S')** Where a candidate writes FOUR sub-questions, but one/two/three sub-question 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	
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**
	TTAL FOR INSIGHT: **TOTAL MARKS FOR FACTS:** **TOTAL MARKS FOR ESSAY (8 + 32):**	**8** **32** **40**

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

15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').

15.4 The breakdown of marks is indicated at the end of the suggested answer/marking guideline to each question.

15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".

15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:(L – Layout, A – Analysis, S – Synthesis, O – Originality)as in the table below.

CONTENT	MARKS
Facts	**32 (max.)**
L	**2**
A	**2**
S	**2**
O	**2**
TOTAL	**40**

15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)

15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.

15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.

15.10

15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers

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15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (√) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy √, where businesses aim to introduce new products into existing markets.'√

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

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

NOTE :

- Question 4.4 mistakenly repeated the same content assessed in Question 2.5.
- Question 4.4 is removed and total marks for Question 4 is 36 marks.
- Therefore the paper must be marked as follows:
  - Question 2 & 4 =146
  - Question 3 & 4 =146
  - Question 2 & 3 =150
- For learners who wrote Question 2 &4 and Question 3 & 4, total marks should be converted to a mark out of 150, and this converted mark should then be recorded on SASAMS.



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SECTION A

QUESTION 1

1.1

1.1.1 C✓✓

1.1.2 A✓✓

1.1.3 C✓✓

1.1.4 B✓✓

1.1.5 D✓✓

(5 x 2) (10)

1.2

1.2.1 limited✓✓

1.2.2 competency✓✓

1.2.3 outsourcing✓✓

1.2.4 routine✓✓

1.2.5 stress✓✓

(5 x 2) (10)

1.3

1.3.1 E✓✓

1.3.2 H✓✓

1.3.3 J✓✓

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
TOTAL	30

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SECTION B

Mark ONLY the FIRST TWO questions answered in this Section.

QUESTION 2: BUSINESS VENTURES

2.1 Aspects that must be included in the memorandum of incorporation.

- Name of the company.✓
- Nature of the company.✓
- Main objectives of the company.✓
- Securities of the company.✓
- Directors and officers.✓
- The extent of and restriction placed on directors' powers of authority. ✓
- How the company will operate in terms of acquiring or disposing of assets and other procedural and administrative issues.✓
- Shareholders, meetings and procedures.✓
- Number of shares each incorporator will purchase.✓
- Amount of share capital registered.✓
- Rules and regulations of the company✓
- Name of the auditor.✓

Note: Mark the first FOUR (4) only. **Max (4)**

2.2

2.2.1 Quotation

- Explaining that it offers tax benefits other enterprises do not have. ✓
- And shareholders have no legal responsibility ✓ **Max (2)**

Note: Mark the first TWO (2) only.

2.2.2 Benefits of establishing a company versus other forms of ownership

Profit sharing ✓✓

- Shareholders share in the profits of the company through dividends. ✓
- Any other relevant answer related to profit sharing.

Sub max (3)

Ownership and management✓✓

- Shareholders are able to buy and sell shares freely in a public company. ✓
- The company is managed by qualified and competent board of directors. ✓
- A company is less likely to use consultants as it has a larger pool of skills and expertise. ✓
- Directors are more likely to take risks and allow growth opportunities for the business. ✓
- Any other relevant answer related to ownership and management.

Sub max (3)

Capital and cash flow✓✓

- A company may has more investor's to fund the setting up of the business. ✓
- Companies have a better cash flow than sole traders. ✓
- A company is not limited to the individual contribution of the members' capital. ✓
- The long term growth opportunities for companies are really good as there are always possibilities of getting in more investors. ✓
- Any other relevant answer related to capital and cash flow.

Sub max (3)

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Life span and continuity✓✓

- A company has continuity of existence. ✓
- Company shares can be transferred, bought, or sold. ✓
- The life span of a sole proprietor and partnership is limited. ✓
- Any other relevant answer related to life span and continuity.

Sub Max (3)
Max (6)

Note: Mark the first TWO(2) only.

2.3 Characteristics of a partnership

- A partnership is an agreement✓ between two or more persons. ✓
- Each partner contributes to the partnership, ✓ for example, skills, resources or money into the business. ✓
- Profit and losses are shared among partners✓ according to the partnership agreement. ✓
- Partnerships are not legal entities. ✓ This means that partnerships do not pay tax in their personal capacities. ✓
- Profit is divided among partners✓ in a ratio as agreed in the partnership agreement. ✓
- No legal requirements✓ regarding the name of the business. ✓
- Partners have unlimited liability ✓ and are jointly and severally liable for the debts of the business. ✓
- The auditing of financial statements✓ is optional. ✓
- Partners share responsibilities✓ and they are all involved in decision-making. ✓
- No legal formalities to start, ✓ only a written partnership agreement is required. ✓
- Partnership has no legal personality✓ and therefore has no continuity when a partner leaves the business. ✓
- Partners share responsibilities✓ and they are all involved in decision-making. ✓
- The legal liabilities lie with the partners✓ and they cannot shift the liability to the business. ✓
- Any other relevant answer related to characteristics of a partnership.

Max (4)

2.4 Advantages of 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. ✓✓
- Wasteful duplication of services is eliminated. ✓✓
- Planning can be coordinated through central control. ✓✓
- Generates income to finance social programmes. ✓✓
- Jobs are created for all skills levels. ✓✓
- Any other relevant answer related to the advantages of state-owned company

Max (4)

2.5 Contractual implications of leasing

- the right to occupy an asset, for example, a property. ✓✓
- the right to use the asset, for example, a delivery van. ✓✓
- the responsibility to keep the asset in good order or condition. ✓✓
- responsibility of paying fees or rent on time . ✓✓
- not making any alterations or changes without the consent of the lessor. ✓✓
- where an asset needs to be insured, the lease agreement must stipulate it. ✓✓
- Any other relevant answer related to contractual implications of leasing.

Max (4)

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2.6

2.6.1 Franchising✓✓ **(2)**

2.6.2 Advantages of franchising

- Forms of financing that are not available to the public✓ are often available to franchisees. ✓
- Purchasing a franchise could be cheaper✓ than starting your own business. ✓
- A business is based on a proven idea✓ and the product and service are tried and tested. ✓
- Reduced long-term✓ financial risk. ✓
- Management advice is often provided so it is not necessary to be a business expert. ✓Franchises often offer entrepreneurial help. ✓
- Established suppliers give bulk discounts✓ as they form part of a larger group. ✓
- Businesses are able to use a recognised brand name✓ and registered trademark. ✓
- The systems, operations and services✓ are well established. ✓
- Franchise agreements dictate how you run the business, ✓so there may be little room for creativity. ✓
- There are usually restrictions on where you operate, ✓ the products you sell and the suppliers you use. ✓
- Franchises often have an established reputation and image, ✓ proven management and work practices, access to national advertising and ongoing support. ✓
- Franchises offer the independence of a small business ownership✓ supported by the benefits of a big business network. ✓
- You do not necessarily need business experience✓ to run a franchise. ✓
- Franchisors usually provide the training✓ you need to operate their business model. ✓
- Franchises have a higher rate of success✓s than start-up businesses. ✓
- The marketing and advertising costs can be shared, ✓ so they are lower than for a non-franchised business. ✓
- There is often access to group support from other franchisees ✓and a network of communication and legal advice. ✓
- An operational franchise is an established business✓ so there is less financial risk. ✓
- Franchisees and their staff receive training and support✓ from the franchisor. ✓
- Banks will more likely grant financial assistance✓ to an established business. ✓
- The product is already well known in the market, ✓which guarantees sales and good return. ✓
- Franchisees benefit from lower costs ✓due to centralised buying by the franchisor. ✓
- Any other relevant answer related to the advantages of franchising.

Max (6)

2.7 Disadvantages of outsourcing

- The loss of management control over the task may affect the staff✓ and can lead to frustration. ✓
- There may be a lack of personal care and quality✓ as the business is not personally involved in the execution of the function. ✓
- There are often hidden costs✓ in outsourcing. ✓
- The business relies on the outsourced company to produce the goods and services✓ and non-delivery by a supplier can lead to the loss of unsatisfied staff or customers, financial loss and frustration. ✓
- Confidential issues could be at risk ✓ if the information is given to another company that performs the function that is outsourced. ✓
- Control of the outsourced products✓ can be more complex. ✓
- The outsourcing company will dictate the terms of the contract, which could put you at a disadvantage✓ – if you are in desperate need – when negotiations start.✓

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- It could be risky to share information about payroll, medical records, ✓ or any other confidential information with the outsourcing company. ✓
- An outsourcing company could go bankrupt, ✓ and this can seriously affect the business. ✓
- If only part of the business operations are outsourced, ✓ current staff might feel threatened and staff morale may suffer. ✓
- Any other relevant answer related to disadvantages of outsourcing.

Max (4)

2.8 Reasons why entrepreneurs may decide to purchase and existing business.

- An established business should not take up too much time to set up as all requirements needed to run the business is already in place. ✓✓
- An established business should have an existing customer base. ✓✓
- When an entrepreneur buys an existing business, it may come with goodwill from an established good reputation on the market. ✓✓
- People are creatures of habit – if they have shopped at the same hardware store for several years, they will likely continue to shop there – even when a new owner takes over. ✓✓
- It is a good idea to state that the transfer of ownership includes the company's phone number, website and registered name. ✓✓
- The market research has already been done for an existing business, so the new owner can use that information to form any future plans. ✓✓
- Starting a business can be overwhelming if you purchase an existing business, the owner may often be willing to stay on for an agreed amount of time to mentor and guide the incoming owner. ✓✓
- An existing business already has customers and continued cash flow. ✓✓
- By comparison, a start-up can take a long time to attract new customers and become cash positive. ✓✓
- Buying an existing business can offer greater security over working capital and help the new owner to improve cash flow sooner. ✓✓
- Many existing companies have three or more years of profitable financials that makes it easier to secure financing either from a traditional bank, government organisation, or venture capitalist. ✓✓
- Only one in ten start-ups make it past the second year and many businesses fail during growth as the business tries to hire more staff. ✓✓
- Having trained staff in place can ensure a smooth transfer and contribute to the success of the business. ✓✓
- When an entrepreneur buys an existing business, it can increase its market position. ✓✓
- Similarly, it can increase its customer base, market share, and resources. ✓✓
- Any other relevant answer related to the reasons why entrepreneurs may decide to purchase an existing business.

Max (4)

[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2.1	2
2.2.2	6
2.3	4
2.4.	4
2.5	4
2.6.1.	2
2.6.2	6
2.7	4
2.8	4
TOTAL	40

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QUESTION 3: BUSINESS ROLES

3.1 Causes of stress in the workplace

- A heavy workload, unrealistic targets, and deadlines aggravated by time pressure✓
- Working long hours without adequate breaks✓
- Shift systems not properly designed and coordinated✓
- Changes in job description, management or in technology✓
- Working at home to complete tasks not done at the office✓
- Staying abreast of the latest technology✓
- Attending many meetings that take time and do not allow employees to complete their work tasks during working hours✓
- Work demands that affect an employee's family and personal life✓
- Inadequate training given to employees✓
- Managers who are not competent and efficient✓
- Job insecurity, bullying and harassment✓
- Conflict with those in the business who have different beliefs and values✓
- The nature of interpersonal relationships with colleagues✓
- The frequency of work-related travel✓
- Lack of accountability of employees and managers✓
- Lack of participation in decision-making✓
- Insufficient funds and vacant posts not filled✓
- Unconducive working conditions✓
- A lack of power and influence✓
- Lack of teamwork and conflict situations amongst employees. ✓

Note: Mark the first FOUR (4) only. **Max (4)**

3.2

3.2.1 Quotation

- He stated that employees who are stressed are more likely to miss work because they cannot cope.✓
- Grievances or complaints that led to many staff leaving NT can be addressed if stress is well-managed. ✓

Note: Mark the first TWO (2) only. **Max (2)**



3.2.2 Other importances of stress management in the workplace

- If stress is not managed effectively, it can result in absenteeism✓, poor performance of staff, conflict, grievances and complaints, amongst other things in the workplace. ✓
- Managing workplace stress will minimize absenteeism✓ and maintain productivity in the workplace. ✓
- Workers who suffer from stress often make poor decisions ✓and errors of judgement in times of crisis, and this could result in unforeseen emergencies. ✓
- Conflict and interpersonal problems can be avoided✓ if stress is managed at the workplace. ✓
- Having stressed and tired employees serving the public may lead to poor service✓ and unhappy customers and can be avoided through good stress management. ✓
- Stressed employees are more likely to cling to the old ways of doing things by resisting change✓, but this can be managed through proper management of stress. ✓
- Constant stress can cause many problems for a business✓ since it can become an unhealthy working environment. ✓
- Too much stress can become a barrier to success✓ and lower the performance of employees. ✓
- Any other relevant answer related to importance of stress management in the workplace.

Max (6)

Note: Do not award marks for answers quoted from QUESTION 3.2.1.

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3.3 Differentiation between professionalism and ethics

PROFESSIONALISM	ETHICS
– Refers to when a person acquires knowledge and skills✓ to practice a specific job or profession. ✓/ Refers to what is right/wrong/acceptable✓ in a business.✓	– Refers to the principles of right and wrong and what is acceptable✓ in society. ✓
– Set of standards✓ of expected behaviour. ✓/Professional behaviour is a certain standard of behaviour/specific level of competence✓ that adheres to an ethical code of conduct. ✓	– Conforms to a set of values that are morally acceptable✓ within a business or organisation. ✓
– Applies a code of conduct✓ of a profession or business. ✓	– Forms part of a code of conduct to guide employees✓ to conduct themselves ethically. ✓
– Focuses on upholding the reputation✓ of a business or profession. ✓	– Focuses on developing a moral compass✓ for decision-making. ✓
– Includes guidelines for the appearance, conduct, communication, attitude, roles and responsibilities of employees✓ within the business or organisation. ✓	– Involves following the principles of right and wrong✓ in business practices. ✓
– Any other relevant answer related to professionalism.	– Any other relevant answer related to ethics.
Sub max (2)	**Sub max (2)**

Max (4)

NOTE:
1. **Answers do not have to be in tabular format.**
2. **The differences do not have to link but must be clear.**
3. **Award a maximum of 2 marks if differences are not clear/Mark either ethical behaviour or professional behaviour only.**

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

- Businesses should treat all their employees equally, regardless of their race, colour, age, gender, disability, and so on. ✓✓
- The Mission Statement of a business should include the values of equality and respect.✓✓
- The workplace should be a safe, fair environment where employees can do their work and not be embarrassed or exposed. ✓✓
- The business should ensure that they pay employees fair wages and salaries which corresponds to the requirements of the BCEA. ✓✓
- Employees should be paid for working overtime and on public holidays. ✓✓
- The business should respect employees and treat them with dignity by recognizing the value of their human capital for work well done. ✓✓
- All goods and services produced should be done according to the required standards and ethical requirements. ✓✓
- New businesses should avoid using business names and ideas that are copyrighted, trademarked, and protected by law when starting a business. ✓✓
- New business owners must plan effectively and ensure that they put preventative measures in place to protect their business. ✓✓
- To foster employee confidence and loyalty, it is important to ensure that all staff has equal access to opportunities, positions, and resources. ✓✓
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practice should be conducted. **Max (4)**

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3.5

3.5.1

CAUSES OF CHANGE	MOTIVATION
1. Internal cause of change✓✓	– SM have recently put in place new policies and procedures that will be implemented.✓
2. External cause of change✓✓	– The increase in the interest rates has also increased the business's expenses. ✓
Sub max (4)	**Sub max (2)**

Max (6)

Note: Mark the first TWO (2) only.
Do not award marks for motivation, if causes are identified incorrectly.

3.6 How businesses and people should deal with the major change of unemployment

- This occurs when employees lose their jobs due to resignation✓ for a better position, being fired, or choosing to stop working. ✓
- Changes that take place in the business may lead to unemployment✓ due to retrenchment or when businesses close down. ✓
- Many people who are unemployed struggle to cope✓ and this may lead to illness and depression. ✓
- Any other relevant answer related to how businesses and people should deal with the major change of unemployment. **Max (4)**

3.7 Strategies that businesses can use to deal with globalisation

- Businesses should be attentive of changes ✓and trends in their related industry. ✓
- They should stay up-to- date with new technology processes and developments✓ to ensure that they have a competitive edge. ✓
- Overseas markets for the businesses' products✓ should be explored. ✓
- Businesses should ensure that their products meet international standards✓ of quality. ✓
- Products that are made available to different markets✓ should be useful, eye-catching and unique. ✓
- Source overseas manufacturers/materials/suppliers etc. ✓, to ensure the business stays competitive. ✓
- Build a strategy for connecting with✓ governments around the world. ✓
- Comply with international trade laws✓ to make it easy to trade internationally. ✓
- Upgrade the enterprise's information technology (IT) network✓ to enable online purchasing. ✓
- Any other relevant answer related to strategies that businesses can use to deal with globalisation. **Max (6)**

3.8 Ways businesses can deal with change in the workplace

- Businesses should recognize the differences that manifestwhen change processes are started and set out to achieve the goals and/or objectives of the process for change.✓✓
- Businesses should recognize that change creates stressand disequilibrium for employees. ✓✓
- It is important for businesses to capacitate the employeeswith stress and change management solutions to cope with different situations. ✓✓
- Employers should engage employees in the process ofchange to build trust. ✓✓
- By consulting and communicating with employees, management shows that they are transparent and are keeping all staff informed of the expected changes. ✓✓
- Management should adhere to the plan and not move away from it. ✓✓
- All employees should be participative in the transformation process. ✓✓

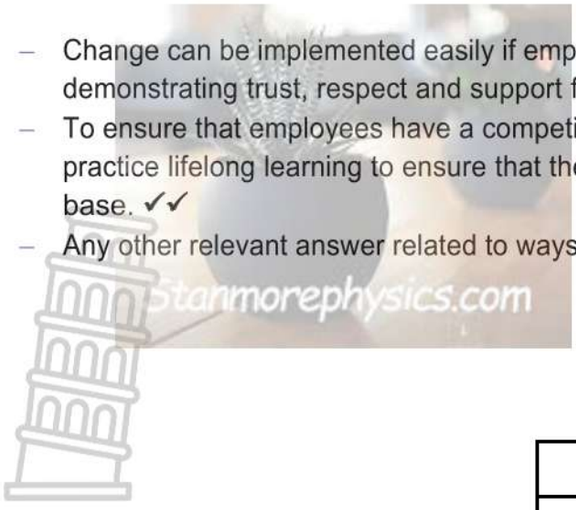
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- Change can be implemented easily if employees have good interpersonal relationships demonstrating trust, respect and support for each other. ✓✓
- To ensure that employees have a competitive advantage for promotion purposes, they should practice lifelong learning to ensure that they have the expected skills and knowledge base. ✓✓
- Any other relevant answer related to ways businesses can deal with change in the workplace.

Max (4)

[40]



BREAKDOWN OF MARK ALLOCATION

3.1	**4**
3.2.1	**2**
3.2.2	**6**
3.3	**4**
3.4	**4**
3.5.1	**6**
3.6	**4**
3.7	**6**
3.8	**4**
TOTAL	**40**



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QUESTION 4: MISCELLANEOUS

BUSINESS VENTURES

4.1 Aspects that must be included in the prospectus

- Name of the company✓
- Company overview, including the vision, mission, and goals of a business ✓
- Product or service portfolio ✓
- Market analysis and strategy✓
- Management team✓
- The risks and potential of the business✓
- Available financial and share information✓
- Company's assets and liabilities✓
- Financial position✓
- Profits and losses✓
- Cash flow ✓
- Prospects for growth ✓
- Pre-incorporation contracts that have been signed ✓
- Date of registration of the prospectus ✓
- The minimum subscription ✓
- Purpose of the offer✓
- Share capital ✓
- Shares issued✓
- Property ✓
- Preliminary expenses ✓

Note: Mark the first THREE only. **Max (3)**

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4.2

4.2.1 Quotation

- GCL made sure to include Ltd at the end of their name. ✓
- The name of their company is not offensive, does not promote violence or hatred. ✓
- The company's name also appears on all company documents. ✓

Note: Mark the first THREE (3) only.

Max (3)

4.2.2 Other legal requirements of the name of a company

- Names can be reserved✓ by a business for six months. ✓
- If a name is reserved at the CIPC✓, it cannot be used by another company. ✓
- The name of a company must be original ✓and may not be misleading. ✓
- The name of a company is subject to approval✓ by CIPC. ✓
- The name of a company must show the type of company, that is:
  - the name of the non-profit company✓ must end with NPC. ✓
  - the name of a personal liability company✓ must end with Incorporated or Inc.✓
  - the name of a private company✓ must end with Proprietary Limited or Pty Ltd. ✓
  - the name of a state-owned company✓ must end with SOC Ltd. ✓

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- The name must not be shortened✓ and translated. ✓
- A company is not allowed✓ to use a misleading name. ✓
  Any other relevant answer related to legal requirements of the name of a company.

Max (6)

Note: Do not award marks for answers quoted from QUESTION 4.2.1

4.3 Disadvantages of leasing

- The lessee does not automatically ✓become the owner of the asset. ✓
- No added tax advantages✓ can be derived from leasing expenses. ✓
- Lease payments are treated as expenses ✓and not as payments towards an asset. ✓
- When paying lease payments towards a property, ✓ the business cannot benefit from any appreciation in the value of the property. ✓
- Lease expenses reduce✓ the net income of a business. ✓
- It might be difficult for a business to raise or access further loans✓ because leasing is treated as debt. ✓
- A lease agreement is a complex process ✓and requires thorough documentation and proper examination of an asset being leased. ✓
- The lessee normally remains responsible✓ for the maintenance and proper operation of the asset being leased. ✓
- The lessee is bound✓ by a contract. ✓
- Any other relevant answer related to disadvantages of leasing.

Max (4)

4.4 ~~Contractual implications of leasing~~

- ~~the right to occupy an asset, for example, a property. ✓✓~~
- ~~the right to use the asset, for example, a delivery van. ✓✓~~
- ~~the responsibility to keep the asset in good order or condition. ✓✓~~
- ~~the responsibility of paying fees or rent on time. ✓✓~~
- ~~not making any alterations or changes without the consent of the lessor. ✓✓~~
- ~~where an asset needs to be insured, the lease agreement must stipulate it. ✓✓~~
- ~~Any other relevant answer related to contractual implications of leasing.~~

~~**Max (4)**~~

NB: Refer to the main notes for details and clarification regarding the removed question.

BUSINESS ROLES

4.5 Theories of ethics that apply to the workplace

- Consequential theory✓
- The common good approach✓
- The rights theory✓

Note: Mark the first THREE (3) only. **Max (3)**

4.6

4.6.1 Quotation

- The good reputation that JE maintains, has attracted more investors, which increased their profitability. ✓
- JE also ensures that customer loyalty is created and nurtured. ✓
- JE is able to create a positive staff morale by paying their employees fairly. ✓

Note: Mark the first THREE (3) only. **Max (3)**

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4.6.2 Other advantages/benefits of ethical business ventures

- Staff who are hard-working and productive will be✓ loyal and dedicated to the business. ✓
- A positive business image✓ will be created. ✓
- Positive relationships will develop between co-workers✓, which will result in improved productivity. ✓
- Businesses that become compliant with environmental regulations✓ will avoid unnecessary fees or sanctions. ✓
- Any other relevant answer related to advantages/benefits of ethical business ventures.

Max (6)

Note: Do not award marks for answers quoted from QUESTION 4.6.1.

4.7 Term/Concept of crisis

- A crisis is an unforeseen event✓ that can cause major changes in an organisation.✓
- It refers to a sudden or potentially disastrous series of events✓ that may occur. ✓
- A crisis may be a time of intense difficulty, trouble or danger✓ that the business may face. ✓
- It may also be any situation that threatens people✓ at work. ✓
- Any other relevant answer related to term/concept of crisis. **Max (4)**

4.8 Ways businesses can deal with crisis in the workplace

- Assess and evaluate the nature of the crisis. ✓✓
- When a crisis happens the affected department or persons should respond to the situation in a calm manner and determine what the nature and cause of the crisis is in order to plan an appropriate response. ✓✓
- If necessary, seek advice from experts. ✓✓
- Manage the seriousness of the situation by responding to the situation immediately. ✓✓
- Ensure that accurate and correct information is provided when managing the situation or crisis. ✓✓
- Provide training and support to staff members affected by the situation. ✓✓
- Contain the situation as effectively as possible to minimise any potential damage to the business. ✓✓
- Communicate with all stakeholders to ensure that they are properly briefed about the events, its impact and the actions that should be taken. ✓✓
- The management team of the business should appoint a spokesperson to manage all the media briefings. ✓✓
- Debriefing sessions should be arranged for all those directly involved in the crisis. ✓✓
- Implement and evaluate the efficacy of the emergency plan during the crisis. ✓✓
- If necessary, revise and amend the emergency plan after the crisis. ✓✓
- Any other relevant answer related to ways businesses can deal with crisis in the workplace.

Max (4)

[40]

BREAKDOWN OF MARK ALLOCATION

4.1	**3**
4.2.1	**3**
4.2.2	**6**
4.3	**4**
4.4	**4**
4.5	**3**
4.6.1	**3**
4.6.2	**6**
4.7	**4**
4.8	**4**

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TOTAL	40





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SECTION C

QUESTION 5: BUSINESS VENTURES

5.1 Introduction

- Businesses should clearly understand disadvantages of a partnership as they can impact the stability and success of the business. ✓
- Businesses should take note of key distinctions between private company and public company and their implications for business operations. ✓
- Businesses should analyse challenges of establishing a company as compared to the difficulties faced in other business ownership structures. ✓
- Businesses should familiarise themselves about the essential procedures involved in company formation and their significance in establishing a legally recognized business entity. ✓
- Any other relevant introduction related to disadvantages of a partnership/ differences between private company and public company/ challenges of establishing a company versus other forms of ownership and procedure on the formation of companies. **Any (2 x 1) (2)**

5.2 Outline disadvantages of a partnership

- Partners do not always agree and that can slow down decision-making. ✓✓
- A bad decision by one partner can lead to losses for the partnership. ✓✓
- Partnerships must dissolve if one partner dies or retires. ✓✓
- A partnership has unlimited liability, so all the partners are liable for the debts if the business becomes insolvent. ✓✓
- Each business partner is legally responsible for the joint liability of the partnership. ✓✓
- Different personalities and options of partners can lead to conflict and disagreements. ✓✓
- Disagreements can occur because of shared decisions. ✓✓
- Partners are jointly and individually liable for the actions of the partners. ✓✓
- Profits are divided between partners according to the partnership agreement and not according to the income distributed. ✓✓
- The partnership may have a limited life span upon the withdrawal or death of a partner. ✓✓
- Loss in profits and stability of the business can occur if a partner resigns or loses interest or pass away, or is declared bankrupt. ✓✓
- There can be a lack of capital and cash flow due to limited contribution in terms of number of partners. ✓✓
- Partners may not all contribute equally. ✓✓
- Any other relevant answer related to the disadvantages of a partnership.

Max (10)

5.3 Differences between Private Company and Public Company

PRIVATE COMPANY	PUBLIC COMPANY
- May not offer shares ✓to the general public. ✓	- Trades its shares publicly ✓on the Johannesburg Securities Exchange.✓
- Name must end ✓with Proprietary Limited/(Pty) Ltd. ✓	- Name must end ✓ with Limited/Ltd. ✓
- Financial statements must be independently reviewed ✓ but they need not be audited. ✓	- Annual financial statements ✓ need to be audited. ✓
- Does not need to publish a prospectus a✓s it cannot trade its shares publicly. ✓	- Have to register and publish ✓ a prospectus with the CIPRO. ✓
- The company is not required to raise ✓the minimum subscription/ issue minimum shares. ✓	- Must raise a minimum subscription prior to✓ the commencement of the company. ✓
- Shares are not freely ✓ transferable. ✓	- Shares are freely ✓transferable. ✓
- Any other relevant answer related to a private company.	- Any other relevant answer related to a public company

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Sub max. (6)	Sub max. (6)

NOTE:

1. **The differences must be clear.**
2. **Answer does not have to be in tabular format.**
3. **Award a maximum of SIX (6) marks if the differences are not clear. Mark either private or public company**

Max. (12)

5.4 Challenges of establishing a company versus other forms of ownership

- The owners of the company ✓have more liability. ✓
- Directors might not have a personal stake✓ in the company. ✓
- If directors change, ✓there might be a difference in the continuity of management. ✓
- Directors may not have a personal interest in the business, ✓ and this could prevent the business from gaining help to maximise growth and profits. ✓
- There may be a conflict✓ between the owners of the company and the management in control. ✓
- Political interference can lead to the appointment ✓of incompetent directors.✓
- A company may cease to exist✓ if it is deregistered by CIPC. ✓
- Directors who do not have a personal interest in the business✓ might not attract investors. ✓
- The limited liability aspect of the company generates more paperwork✓ in the registration process. ✓
- When directors change, ✓ there could be a lack of continuity in management. ✓
- Companies have more✓ taxation requirements. ✓
- The more shares there are the less profit ✓per share. ✓
- A company must submit a detailed report ✓to all stakeholders at the end of each financial year. ✓
- A large amount of money is spent on financial audits and accounting fees ✓because of government regulations. ✓
- Companies must disclose all financial information ✓this could provide their competitors with an unfair advantage. ✓
- State-owned companies often deliver non-profitable services✓ that leads to the government losing money through the business. ✓
- Any other relevant answer related to challenges of establishing a company versus other forms of ownership.

Max (14)

5.5 Procedure on the formation of companies

- Determine the number of people establishing the company. ✓✓
- Reserve a company name with the Registrar of Companies. ✓✓
- Prepare a memorandum of incorporation, open a bank account, and register for taxation. ✓✓
- File a notice of incorporation and obtain a unique registration number. ✓✓
- Obtain a unique registration number. ✓✓
- Register the company at the Companies and Intellectual Property Commission (CIPC). ✓✓
- A company becomes a legal entity once registration has been finalised. ✓✓
- Draw up a prospectus for potential investors. ✓✓
- Any other relevant answer related to the procedure for the formation of companies

Max (10)

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5.6 Conclusion

- Businesses considering a partnership must carefully evaluate the risks incurred and establish clear agreements to minimize potential conflicts. ✓✓
- Analysing differences between the private and public companies may assist the businesses to choose the best form of ownership in line with their operations. ✓✓
- Understanding challenges of establishing a company versus other forms of ownership is essential for making informed decisions and ensuring the long-term success of a business. ✓✓
- Following the correct formation procedure is crucial for entrepreneurs to successfully navigate company formation and build a strong foundation for their business operations. ✓✓
- Any other relevant conclusion related to disadvantages of a partnership/ differences between private company and public company/challenges of establishing a company versus other forms of ownership and procedure on the formation of companies.

Any (1 x 2) (2)

[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	**Max 32**
Disadvantages of a partnership	10	
Differences between private company and public company	12	
Challenges of establishing a company versus other forms of ownership	14	
Procedure on the formation of companies	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 al

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QUESTION 6: BUSINESS ROLES

6.1 Introduction

- Businesses that use creative thinking will be able to generate more ideas and solutions. ✓
- Businesses will be able to generate innovative ideas by creating an environment that stimulates creative thinking.✓
- By applying the Delphi technique businesses will be able gain knowledge on solving problems effectively ✓
- Business that work with other businesses/people will gain diverse ideas and solutions. ✓
- Any other relevant introduction related to benefits of creative thinking in the workplace/ways in which businesses can create an environment that stimulates creative thinking/application of Delphi technique/advantages of working with others to solve problems.

Any (2 x 1) (2)

6.2 Benefits of creative thinking in the workplace

- Creative thinking will lead to improved participation of staff members, which will ensure the generation of new ideas. ✓✓
- The business will have competitive advantage over other businesses because of the unique strategies that are introduced. ✓✓
- Businesses will be able to solve complex problems. ✓✓
- As management and employees introduce and create many ideas, saving time and money for the business, productivity will increase. ✓✓
- Managers and employees will demonstrate more confidence as they perform their duties. ✓✓
- Managers will be inspired to lead their teams more efficiently. ✓✓
- Managers and employees will apply their knowledge in a collaborative manner when performing their duties. ✓✓
- The morale among staff members will be improved. ✓✓
- Leads to a more positive attitude as managers and employees feel that they have contributed towards problem-solving. ✓✓
- Creative thinking will ensure that managers and employees stay abreast of the latest developments in technology. ✓✓
- Managers and employees will be more creative as they are challenged to work outside of their comfort zones. ✓✓
- Creativity may lead to new inventions, which will improve the general standard of living. ✓✓
- Managers and employees will feel that they have contributed towards problem-solving.✓✓
- Any other relevant answer related to benefits of creative thinking in the workplace.

Max (10)

6.3 Ways in which businesses can create an environment that stimulates creative thinking in the workplace

- Emphasise the importance of creative thinking✓ to ensure that all staff know that management want to hear their ideas. ✓
- Plan regular workshops so that brainstorming sessions can be held to✓generate new ideas. ✓
- Ensure that communication channels remain open by placing✓ suggestion boxes around the workplace. ✓
- Train staff members to think creatively, to✓ solve problems, use mind mapping and lateral thinking. ✓
- Encourage job exchanges within the organisation✓ and other businesses to improve creativity in the workplace✓
- Encourage employees to develop come up with new/unique/ideas/alternative ways✓ of working/doing things. ✓
- Accommodate employees' ideas/Respond enthusiastically to all ideas✓ and try not to let anyone feel less important in the workplace. ✓
- Any other relevant answer related to ways in which businesses can create an environment that stimulates creative thinking in the workplace.

Max (14)

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6.4 Application of Delphi technique

- Businesses should invite a panel of experts✓ to study the complaints from customers.✓
- Experts do not have to be in the same place✓ and will be contacted individually. ✓
- A questionnaire consisting of questions on how to improve the quality of products or services✓ must be designed and distributed to the panel membersand experts. ✓
- The panel should respond to the questionnaire individually✓ to suggest improvements to the products and then return them to businesses. ✓
- The responses from the experts must be summarised✓ in a feedback report. ✓
- The feedback report and a second set of questions or questionnaires✓ based on the feedback report must be sent to the panel members. ✓
- The panel members are requested to provide further input or ideas on how to improve the quality of products or services✓ after they have studied the results and documentation. ✓
- A third questionnaire based on previous feedback from the second round✓ is distributed to panel members and experts. ✓
- A final summary or feedback report with all✓ the methods to improve the quality of products or services is prepared. ✓
- After consensus has been reached✓, the best solution is chosen. ✓
- Any other relevant answer related to application of Delphi technique. **Max (12)**

6.5 Advantages of working with others to solve problems

- There are different perspectives to be considered because it could be difficult to be creative and innovative on your own. ✓✓
- Access to a broader base of skills, knowledge, and experiences helps if you can get the opinion of others on a matter. ✓✓
- More ideas can be triggered from other employees' ideas which can help the problem-solving process. ✓✓
- It facilitates learning from one another when colleagues are able to teach or explain things to one another, especially when working in groups. ✓✓
- Working together is encouraged to produce greater results. ✓✓
- The workload decreases because everyone shares the problem and their experiences✓✓
- Any other relevant answer related to advantages of working with other to solve problems. **Max (10)**

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6.6 Conclusion

- Using creative thinking can lead to business sustainability and growth. ✓
- Businesses that explore various ways to stimulate creative thinking are likely to dominate a larger share of the market.✓
- Businesses that apply the Delphi technique effectively will be able to find solutions to solve its problems.✓
- Businesses are able to solve complex problems when there is cooperation among employees in the workplace. ✓
- Any other relevant conclusion related to benefits of creative thinking in the workplace/ways in which businesses can create an environment that stimulates creative thinking/application of Delphi technique/advantages of working with others to solve problems. **Any (1 x 2) (2)**

[40]

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BREAKDOWN OF MARKS – QUESTION 6

Details	Maximum	Total
Introduction	2	
Benefits of creative thinking	10	
Ways in which businesses can create an environment that stimulates creative thinking in the workplace.	14	**Max 32**
Application of Delphi technique	12	
Advantages of working with others to solve problems.	10	
Conclusion	2	
INSIGHT		
Layout	2	
Analysis, interpretation	2	**Max 8**
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.



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