

# SA's Leading Past Year

## Exam Paper Portal



You have Downloaded, yet Another Great Resource to assist you with your Studies 😊

Thank You for Supporting SA Exam Papers

Your Leading Past Year Exam Paper Resource Portal

Visit us @ [www.saexampapers.co.za](http://www.saexampapers.co.za)



**SA EXAM  
PAPERS**  
SA EXAM  
PAPERS



**KWAZULU-NATAL PROVINCE**

**EDUCATION**  
REPUBLIC OF SOUTH AFRICA

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES P2  
PREPARATORY EXAMINATION  
SEPTEMBER 2024  
MEMO**

**MARKS: 150**

**This marking guideline consists of 30 pages.**



**NOTES TO MARKERS****PREAMBLE**

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

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

1. Candidates' responses must in full sentences for SECTION B and C. However, this would depend on the nature of the question.
2. 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 different expression from that which appears in the marking guideline
  - Comes from another credible source
  - Original
  - A different approach is issued

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

3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In case where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of maximum two marks)
4. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by the 'max' in the breakdown of marks) on the right-hand side is to ensure the consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
6. Subtotals to questions must be written in the right-hand side 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.
7. In an indirect question, the theory as well as the response must be relevant and related to the question.
8. 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.

9. No additional credit must be given for repetition of facts. Indicate with an 'R'
10. The differentiation between 'evaluate' and 'critical evaluate' can be expressed as follows:
- 10.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take neutral (positive and negative) stance, e.g. Positive: 'COIDA eliminates time and costs spent on lengthy civil court proceedings'
- 10.2 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.
11. 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:

- 11.1 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.
- 11.2 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.
12. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

**13. SECTION B**

13.1 If for example, FIVE facts are required, mark the candidates' 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.

13.2 If two facts are written in one sentence, award the candidate FULL credit point above still applies.

13.3 If candidates are required to provide their own examples/views, brainstorm this at memo discussions.

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

13.4.1 If the number of facts are specified, questions that require candidate 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.

13.4.2 If the number of facts requires 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.

13.5 **ONE mark may be awarded for answers that are easy to recall, requires one-word answers or is quoted directly from the scenario/case study. This applies to SECTION B and C in particular (where applicable).**

**14. SECTION C**

14.1 The breakdown of the mark allocation of the essays is as follows:

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
<b>TOTAL</b>	<b>40</b>

## 14.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, body and 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 must 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?  <b>Option 1: Only relevant facts: 2 marks (No – 'S')</b> 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.  <b>Option 2: Some relevant facts: 1 mark (One – 'S')</b> Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one - 'S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.  <b>Option 3: Some relevant facts: 1 mark (One – 'S')</b> Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one – 'S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.  <b>Option 4: No relevant facts: 0 mark (Two – 'S')</b> Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two – 'S' appears in the left margin. Award a ZERO- mark synthesis.	2
Originality	Is there evidence of one or two examples not older than two (2) years that are based on recent information, current trends and development?	2
<b>TOTAL FOR INSIGHT: 8</b> <b>TOTAL MARKS FOR FACTS: 32</b> <b>TOTAL MARKS FOR ESSAY 8+ 32: 40</b>		

- NOTE: (1) No marks will be awarded for content repeated from the introduction and conclusion.
- (2) The candidate forfeits marks layout in 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.

- 14.3 Indicate insight in the left-hand margin with a symbol e.g. (L, A, S, and/or O)
- 14.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 14.5 Mark all the 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"
- 14.6 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

- 14.7 When awarding marks for facts, take notes of the sub-maximum indicated, especially if candidates do not make use of the same headings. Remember, headings and sub-headings are encouraged and contribute to insight (See MARK BREAKDOWN at the end of each question.)
- 14.8 If the candidate identifies/interprets the question INCORRECTLY, then she/he may still obtain marks for layout.
- 14.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.
- 14.10
- 14.10.1 Award TWO marks for complete sentences. Award ONE for phrases, incomplete sentences and vague answers.
- 14.10.2 With effect from November 2015, the TWO marks will not necessarily be 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.
- 14.11 With the 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 to the nature of question.

**SECTION A: (COMPULSORY)****QUESTION 1**

1.1

1.1.1 D✓✓

1.1.2 A✓✓

1.1.3 B✓✓

1.1.4 C✓✓

1.1.5 D

(5 x 2) (10)

1.2

1.2.1 autocratic

1.2.2 non-compulsory

1.2.3 rural development

1.2.4 unauthorised use of workplace funds and resources

1.2.5 economic

(5 x 2) (10)

1.3

1.3.1 H✓✓

1.3.2 G✓✓

1.3.3 E✓✓

1.3.4 A✓✓

1.3.5 J✓✓

(5 x 2) (10)

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

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



**SECTION B**

Answer any **TWO** questions from this Section.

**QUESTION 2: BUSINESS VENTURES****2.1 Examples of non-verbal presentation**

- Tables ✓
- Graphs (Bar graph/Line graph/Histogram/Pie graph ✓
- Diagrams ✓
- Illustrations/Pictures/Photographs/Scenarios ✓
- Written/Business reports ✓
- Flip charts ✓
- Handouts ✓
- Slide shows ✓

**NOTE: Mark the first FOUR (4) only.**

**(4 x 1)(4)**

**2.2 Insurance principles applicable from the statements:**

2.2.1 Utmost good faith ✓✓ (2)

2.2.2 Insurable interest ✓✓ (2)

2.2.3 Indemnification/indemnity. ✓✓ (2)

**2.3 Meaning of excess as an insurance concept.**

- Excess is the amount the that the insured agrees to pay upfront ✓when he/she takes take out an insurance policy✓. /The amount that insured agrees to pay upfront ✓as stipulated in the insurance policy. ✓
- A portion of the insurance claim that the insured will have to pay✓ towards the cost of replacing/repairing the goods/property concerned. ✓
- Excess payments protect the insurer against fraudulent claims✓ as the insured is less likely to submit a false claim /when he/she needs to pay the amount upfront. ✓
- It is the amount paid to the insurer ✓when a claim for a damage is lodged/ in the event of a claim. ✓
- Higher excess amounts keep the insurance premium lower ✓and discourage fraud. ✓
- Excess payment prevents the insured✓from claiming for minor damages. ✓
- Any other relevant answer related to excess as the insurance concept.

**Max (6)**

**2.4 Form of ownership****2.4.1 Form of ownership from the scenario**

Personal liability company ✓✓

(2)

**2.4.2 Impact/advantages and disadvantages of a personal liability Company****Positives/advantages**

- More opportunities✓ to pay less taxation. ✓
- Good long-term growth✓ opportunities. ✓
- Own legal identity✓ and shareholders have no direct legal implications/limited liability. ✓
- Board of directors with expertise/experience✓ can be appointed to take decisions. ✓
- Not required to file annual financial statements ✓with the commission. ✓
- It is a legal person✓ and can sign contracts in its own name. ✓
- The new Act forces personal liability on directors✓ who knowingly participated in carrying out business in a reckless/fraudulent manner. ✓
- Financial statements are private✓ and not available to the public. ✓
- A company has continuity✓ of existence. ✓
- It is possible to sell a private company✓ as it is a legal entity. ✓
- It can easy raise capital✓ by issuing shares to its members. ✓
- Any other relevant answer related to the positive impact of personal liability company

**AND OR****Negatives/Disadvantage**

- Requires✓ a lot of capital. ✓
- The more shareholders, ✓the less profits. ✓
- More taxation✓ requirements. ✓
- Directors do not have a personal interest✓ on the company. ✓
- Annual financial statements must be reviewed by a qualified person, ✓which is an extra expense to the company. ✓
- Difficult and expensive to establish✓ as the company is subjected to many legal requirements. ✓
- Pays tax on the profits of the business✓ and on declared dividends✓/ Subject to✓ double taxation. ✓
- Must prepare✓ annual financial statements. ✓
- Any other relevant answer related to negative impact of personal liability company.

**Max (6)**

## 2.5 Differences between leadership and management

LEADERSHIP	MANAGEMENT
- Influences human behaviour. ✓✓	- Guides human behaviour. ✓✓
- Communicates by means of interaction/behaviour/vision/values/ charisma. ✓✓	- Communicates through management functions, e.g., line function. ✓✓
- Innovates/Encourages new ideas to increase productivity. ✓✓	- Administers plans/programs/tasks to reach targets. ✓✓
- Inspires staff to trust and support each another.	- Controls systems and procedures to get the job done. ✓✓
- Focuses on what and why. ✓✓	- Focuses on how and when. ✓✓
- Focuses on the horizon/long term. ✓✓	- Focuses on the bottom line/short/medium/long term. ✓✓
- Leaders are born with natural/instinctive leadership skills. ✓✓	- A person becomes a manager because of the position in which he/she is appointed. ✓✓
- Guides/Leads people to become active participants. ✓✓	- Manages the process of getting things done by exercising responsibility. ✓✓
- Leaders have power/influence because of his/her knowledge/skills/ intelligence. ✓✓	- Managers have power because of the position of authority into which they are appointed. ✓✓
- Always trying to find more efficient ways of completing tasks. ✓✓	- Enforce rules on subordinates/✓Ensure that tasks are completed. ✓✓
- Motivational/Inspirational in their approach. ✓✓	- Instructional✓ in their approach. ✓✓
- People orientated. ✓✓	- Task orientated. ✓✓
- Lead by example/trust/respect. ✓✓	- Manage by planning/organising/leading/control. ✓✓
- Does the right things ✓✓	- Does things right ✓✓
- Any other relevant answer related to leadership.	- Any other relevant answer related to management.
Sub max (2)	Sub max (2)

### NOTE:

1. The answer does not have to be in tabular.
2. The differences do not have to link but must be clear.
3. Award a maximum of ONE mark if the differences are not clear. / Mark either leadership or management only. **Max (4)**

**2.6 Leaders and followers as leadership theory.**

- Teams achieve great results when there is a sense of understanding✓ between the leader and the team of followers. ✓
- Followers listen to what is expected of them✓ and are willing to work as a team. ✓
- Followers easily accept responsibility✓ when something doesn't work out. ✓
- Leaders lead by example✓ and reward positive behaviour. ✓
- Leaders motivate employees to devise alternative strategies to find more efficient ways✓ to use available resources. ✓
- Followers might just trail along depending on leaders and other followers ✓ to pull them through the task. ✓
- Any other relevant answer related to leaders and followers as leadership theory.

**Max (6)****2.7 Factors that must be considered when preparing for a presentation:**

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

**Max (6)****BREAKDOWN OF MARKS**

QUESTION 2	MARKS
2.1	4
2.2.1	2
2.2.2	2
2.2.3	2
2.3.	6
2.4.1	2
2.4.2	6
2.5	4
2.6	6
2.7	6
<b>TOTAL</b>	<b>40</b>



**QUESTION 3: BUSINESS ROLES****3.1 Components of Corporate Social Responsibility (CSR)**

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

**NOTE: Mark the first FOUR (4) only.****(4 x 1) (4)****3.2 Benefits of creative thinking in the workplace**

- Better/Unique/Unconventional ideas/solutions ✓ are generated. ✓
- Complex business problems ✓ may be solved. ✓
- Improves motivation ✓ amongst staff members. ✓
- Management/employees may keep up with fast changing technology ✓ which may lead to an increased in market share. ✓
- Creativity may lead to new inventions ✓ which improves the general standard of living. ✓
- May give the business a competitive advantage ✓ if unusual/unique solutions/ideas/strategies are implemented. ✓
- Productivity increases as management/employees may quickly generate multiple ideas ✓ which utilises time and money more effectively. ✓
- Managers/Employees have more confidence ✓ as they can live up to their full potential.
- Managers will be better leaders ✓ as they will be able to handle/manage change(s) positively and creatively. ✓
- Managers/Employees can develop a completely new outlook, ✓ which may be applied to any task(s) they may do. ✓
- Leads to more positive attitudes ✓ as managers/employees feel that they have contributed towards problem solving. ✓
- Managers/Employees have a feeling of great accomplishment, ✓ and they will not resist/obstruct the process once they solved a problem/contributed towards the success of the business. ✓
- Stimulates initiative from employees/managers, ✓ as they are continuously pushed out of their comfort zone. ✓
- Creativity may lead to new inventions ✓ which improves the general standards of living/attract new investors. ✓
- Businesses can continuously improve on product development ✓ by exploring new ways to enhance growth. ✓
- Any other relevant answer related to benefits of creative thinking in the workplace

**Max (6)**

**3.3 Problem-solving steps.****3.3.1 Identify the problem**

- Acknowledge✓ that there is a problem. ✓
- Identify✓ the exact problem. ✓
- Break down the problem into smaller parts✓ that are easier solve separately. ✓
- Any other relevant answer related to identify the problem as application of problem-solving step

Sub max (2)

**3.3.2 Define the problem**

- Name the problem ✓by stating exactly what the problem is. ✓
- Find different of ways✓ of defining the problem. ✓
- Define the possible causes✓ of the problem. ✓
- The nature of the problem✓ must be precise. ✓
- Gather as much information as possible✓ to establish the cause ✓
- Any other relevant answer related to define the problem as application of problem-solving step.

Sub max (2)

**Max (4)****3.4 King code principles****3.4.1 King's Code principle for good corporate governance from the scenario:**

- Accountability ✓✓

(2)

**3.4.2 Differences between ethical behaviour and professional behaviour**

ETHICAL BEHAVIOUR	PROFESSIONAL BEHAVIOUR
- Refers to the principles of right and wrong/acceptable✓ in society. ✓	- Refers to what is right/wrong/ acceptable✓ in a business. ✓
- Conforms to a set of values✓ that are morally acceptable. ✓	- Professional behaviour is a certain standard of behaviour/specific level of competence ✓that adheres to an ethical code of conduct. ✓
- Forms part of a code of conduct✓ to guide employees to act ethically. ✓	- Applying a code of conduct✓ of a profession or business. ✓
- Focuses on developing a moral compass✓ for decision making. ✓	- Focuses on upholding the reputation✓ of a business/profession. ✓
- Involves following the principles of right and wrong✓ in business activities/practices/dealings. ✓	- Includes guidelines✓ on employees' appearance/communication/attitude/responsibility, etc. ✓
- Any other relevant answer related to ethical behaviour.	- Any other relevant answer related to professional behaviour
Sub-max (2)	Sub-max (2)

**NOTE:1****The answer does not have to be in tabular.****2.****The differences do not have to link but must be clear.****3****Award a maximum of TWO mark if the differences are not clear. Mark either ethical behaviour or professional behaviour only.****Max (4)**

**3.5 Criteria for successful team performance****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 attitude and behaviour as a criterion for successful team performance.

Criterion (2)  
Description (1)  
Sub max (3)

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

- Shows loyalty/respect/trust towards team members despite differences. ✓
- Shows respect for the knowledge/skills of other members. ✓
- 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.

Criterion (2)  
Description (1)  
Sub max (3)

**Communication ✓✓**

- A clear set of processes/procedures for teamwork ensures that every team member understands his/her role. ✓
- Efficient/Good communication between team members may result in quick decisions. ✓
- Quality feedback improves the morale of the team. ✓
- Open/Honest discussions lead to effective solutions of problems. ✓
- 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.

Criterion (2)  
Description (1)  
Sub max (3)

**Co-operation/ Collaboration ✓✓**

- Clearly defined realistic goals are set, so that all members know exactly what is to be accomplished. ✓
- All members take part in decision making. ✓
- 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. ✓
- 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.

Criterion (2)  
Description (1)  
Sub max (3)

**NOTE: 1. Mark the first TWO only.**



**3.6 Conflict resolution steps in the workplace.**

- Acknowledge that there is conflict ✓ in the workplace. ✓
- Identify the cause ✓ of the conflict. ✓
- Arrange pre-negotiations where workers/complainants will be allowed ✓ to state their case/views separately. ✓
- Arrange time and place for negotiations ✓ where all employees involved are present. ✓
- Arrange a meeting ✓ between conflicting employers/employees. ✓
- Make intentions for intervention clear so that parties involved ✓ may feel at ease. ✓
- Each party has the opportunity ✓ to express his/her own opinions/feelings.
- Conflicting parties may recognise that their views are different ✓ during the meeting. ✓
- Analyse/Evaluate the cause (s) of conflict by breaking it down ✓ into different parts. ✓
- Blame shifting should be avoided ✓ and a joint effort should be made. ✓
- Direct conflicting parties towards finding/focusing on solutions. ✓
- Devise/Brainstorm possible ways ✓ of resolving the conflict. ✓
- Conflicting parties agree on criteria ✓ to evaluate the alternatives. ✓
- Select and implement ✓ the best solution. ✓
- Provide opportunities for parties to agree ✓ on the best solution. ✓
- Evaluate/Follow up on the implementation ✓ of the solution(s). ✓
- Monitor progress to ensure that the conflict ✓ has been resolved. ✓
- Source experts on handling conflict ✓ from outside the business. ✓
- Any other relevant answer related to conflict resolution steps in the workplace.

**NOTE: 1. Steps may be in any order.****Max (4)****3.7.1 Type of human rights applicable from the statements.**

3.7.1 Privacy ✓✓ (2)

3.7.2 Dignity ✓✓ (2)

**3.8 Ways in which businesses could deal with language as diversity issue in the workplace.**

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

**Max (6)  
[40]**



**BREAKDOWN OF MARKS**

QUESTION 3	MARKS
3.1	4
3.2.	6
3.3.1	2
3.3.2	2
3.4.1	2
3.4.2	4
3.5	6
3.6	4
3.7.1	2
3.7.2	2
3.8	6
<b>TOTAL</b>	<b>40</b>

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS VENTURE****4.1 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 examples of non- insurable risks.

**NOTE: Mark the first TWO (2) only.****(2 x 1) (2)****4.2 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/Create sound competition with the private sector to make services affordable to more citizens. ✓✓
- 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 (6)****4.3 Management and leadership:****4.3.1 Quoting from the scenario from the scenario:**

- This leadership style can be used when cooperation is needed between a leader and a team. ✓
- group members are skilled and eager to share their ideas. ✓

**NOTE: 1. Mark the first TWO (2) only.****2. Only award marks for responses that are quoted from the scenario.****(2x1) (2)**

**4.3.2 impact of the democratic/participative leadership style on businesses****Positives/Advantages**

- The leader allows the employees to participate in the decision-making process, ✓ so they feel empowered/positive. ✓
- Staff gives a variety of ideas/inputs/feedback/viewpoints ✓ that can lead to innovation/improved production methods/increased sales. ✓
- Clear/Two-way communication ensures group commitment ✓ to final decision(s). ✓
- Authority is delegated which can motivate/inspire workers ✓ to be more productive. ✓
- Complex decisions can be made ✓ with inputs from specialists/skilled workers. ✓
- Any other relevant answer related to positive impact of the democratic leadership style on businesses.

**AND/OR****Negatives/Disadvantages**

- Incorrect decisions may be made ✓ if staff is inexperienced/not fully informed. ✓
- Decision making may be time consuming ✓ because stakeholders have to be consulted. ✓
- Employees may feel discouraged ✓ if their opinions/inputs are not considered. ✓
- Leaders can rely too much on the input of the followers ✓ and fail to make a final decision. ✓
- Not effective in times of crisis ✓ /when quick decisions need to be made. ✓
- Some employees only pretend to participate in decision making ✓ and their feedback may not always be accurate. ✓
- Any other relevant answer related to negative impact of the democratic leadership style on businesses.

**Max (4)****4.4 Areas of improvement in the next presentation:**

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

**Max (6)**

**BUSINESS ROLES****4.5 Types of unprofessional business practice from the scenario**

- Unauthorised use of business funds and resources ✓
- Sexual harassment ✓
- Abuse of work time ✓

**NOTE: Mark the first TWO (2) only.****(2x1) (2)****4.6 Human rights, inclusivity and environmental issues****4.6.1 Social rights of employees in the workplace from the scenario**

- Healthcare, food, water and social security. ✓
- Education. ✓

**NOTE: 1. Mark the first TWO (2) only.****2. Answers must be from the scenario****Max (2)****4.6.2 Ways in which businesses could protect the environment and promote human health in the workplace.**

- Laws and regulations should be adhered to so that profits are not generated ✓ at the expense of the environment. ✓
- Pollution and other environmental issues should always be considered in all business activities, ✓ e.g. safe disposal of waste/dumping of toxic waste, etc. ✓
- Become involved ✓ in environmental awareness programmes. ✓
- The environment can be protected by altering production techniques ✓ in favour of cleaner and greener technologies. ✓
- Water for human consumption should be tested ✓ before it is used. ✓
- Promote nature conservation ✓ by looking after natural resources. ✓
- Minimise pollution, ✓ by re-using, reducing and recycling. ✓
- Reduce consumption of goods/services ✓ which are environmentally unfriendly. ✓
- Register/Engage with recognised institutions/bodies ✓ that promote green peace. ✓
- Physical working conditions should always be worker friendly, ✓ safe and promote occupational health. ✓
- Physical working conditions, e.g., adequate lighting/ventilation should be available ✓ and functional. ✓
- Machines must be serviced/maintained ✓ regularly. ✓
- Educate people ✓ about hygiene issues. ✓
- Encourage employees ✓ to do regular health checks. ✓
- Any other relevant answer related to ways in which businesses could protect the environment and promote human health in the workplace

**Max (6)**

**4.7 Application of the Delphi technique**

- Businesses must invite a panel of experts✓ to research the complaints from customers. ✓
- Experts do not have to be in one place✓ and will be contacted individually. ✓
- Design a questionnaire consisting of questions on how to improve the quality of their products and distribute it✓ to the panel members/experts. ✓
- Request the panel to individually respond to the questionnaire✓/suggest improvements to the products and return it to the business. ✓
- Summarise the responses from the experts✓ in a feedback report. ✓
- Send the feedback report and a second set of questions✓/questionnaire based on the feedback report to the panel members. ✓
- Request panel members to provide further input✓/ideas on how to improve the quality of products after they have studied the results/documentation. ✓
- Distribute a third questionnaire based on previous feedback✓ from the second round.✓
- Prepare a final summary/feedback report with all the methods to improve the quality✓ of the business's products. ✓
- The business should choose the best solution/proposal✓ after reaching consensus. ✓
- Any other relevant answer related to the application of the Delphi technique

**Max (6)****4.8 Ways in which professional, responsible, ethical and effective business practice should be conducted**

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

- Orders/Tasks should be given respectfully and allow the recipient/employee to have a say in the manner in which the task should be performed. ✓✓
- Business decisions and actions must be clear/transparent to all stakeholders. ✓✓
- Businesses should be accountable /responsible for their decisions and actions/ patent rights. ✓✓
- Hire honest/trustworthy accountants/financial officers with good credentials. ✓✓
- Regular/Timeous payment of taxes. ✓✓
- Draw up a code of ethics/conduct. ✓✓
- On-going development and training for all employees. ✓✓
- Performance management systems/Appraisals should be in place. ✓✓
- Adequate internal controls/monitoring/evaluation. ✓✓
- Any other relevant answer related to the ways in which professional, responsible, ethical and effective business practice should be conducted

**Max (4)**  
**[40]**

#### BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	2
4.2	6
4.3.1	2
4.3.2	4
4.4	6
4.5	2
4.6.1	2
4.6.2	6
4.7	6
4.8	4
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**

**SECTION C**

Answer ONE question in this section.

**QUESTION 5: BUSINESS VENTURES (INVESTMENT SECURITIES AND FORMS OF OWNERSHIP).**

**5.1 Introduction**

- Johannesburg Securities Exchange (JSE) is a formal market, trading in shares, comprising of all public companies that have been listed. ✓
- Investors should make an informed decision when investing in shares. ✓
- A fixed deposit is a long-term investment offered by banks to potential investors. ✓
- Public company is a company that is listed on a stock exchange and may offer its shares to the general public. ✓
- Any other relevant introduction related to functions of the Johannesburg Securities Exchange/ types of shares/ the impact of fixed deposits as a form of investment/success and/or failure of the Public Company.

**Any (2 x 1) (2)**

**5.2 Functions of the Johannesburg Securities Exchange.**

- Gives opportunities to financial institutions to invest their surplus funds in shares. ✓✓
- Serves as a barometer/indicator of economic conditions in South Africa. ✓✓
- Keeps investors informed by publishing share prices daily. ✓✓
- Acts as a link between investors and public companies. ✓✓
- Shares are valued and assessed by experts. ✓✓
- Small investors are invited to take part in the economy of the country through the buying/selling of shares. ✓✓
- Venture capital market is made possible on the open market. ✓✓
- Strict investment rules ensure a disciplined/orderly market for securities. ✓✓
- Raises primary capital by encouraging new investments in listed companies. ✓✓
- Mobilises the funds of insurance companies and other institutions. ✓✓
- Regulates the market for trading in shares. ✓✓
- Plans, research, and advises on investment possibilities. ✓✓
- Ensures that the market operates in a transparent manner. ✓✓
- Provides protection for investors through strict rules/legislation. ✓✓
- Encourages short-term investment as shares can be sold at any time. ✓✓
- Facilitates electronic trading of shares/STRATE/Channels financial resources into productive economic activities. ✓✓
- Enhance job creation and increases economic growth/development. ✓✓
- Any other relevant answer related to functions of the Johannesburg Securities Exchange.

**Max (8)**

**5.3 Types of shares.****5.3.1 Ordinary shares ✓✓**

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

Heading 2  
Explanation 2  
Sub max (4)

**5.3.2 Preference shares ✓✓**

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

Heading 2  
Explanation 2  
Sub max (4)

**5.3.3 Founders' shares ✓✓**

- Issued to the founders and incorporators/promoters✓ of the company. ✓
- They receive dividends after all other shareholders✓ were paid. ✓
- Any other relevant answer related to founder's shares.

Heading 2  
Explanation 2  
Sub max (4)



**5.3.4 Bonus shares ✓✓**

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

Heading 2  
Explanation 2  
Sub max (4)  
**Max (16)**

**5.4 Impact of fixed deposits as a form of investment.****Positives/Advantages**

- Interest is earned at a fixed rate regardless of changes✓ in the economic climate. ✓
- The period of investment✓ can be over a short/medium/long term. ✓
- **Investors can choose the investment period**✓ that suits them. ✓
- **Principal amount plus interest** earned is paid out✓ on the maturity date. ✓
- Ensures **financial discipline** as investors cannot withdraw their funds✓ before the maturity date. ✓
- **Investors earn a better return** on investment✓ than on an ordinary savings account. ✓
- The higher the **principal amount**/the longer the investment period, ✓ the higher the interest rate offered by a financial institution. ✓
- It has a low risk as investors are guaranteed✓ of the final payment. ✓
- Any other relevant answer related to positives/advantages of fixed deposits
- 

**AND/OR****Negatives/Disadvantages**

- The investor cannot withdraw their funds✓ before the maturity date. ✓
- May not outperform the effect of inflation✓ over long term. ✓
- Low returns✓ compared to other investments. ✓.
- Any other relevant answer related to negatives/disadvantages of fixed deposits

**Max (10)**



## 5.5 Success and/or failure of the Public company.

## Public company

FACTOR	SUCCESS	AND/OR	FAILURE
<b>Management</b>	<ul style="list-style-type: none"> <li>- Managed by a competent/highly skilled board of directors. ✓✓</li> <li>- The management of the company can improve since directors are accountable to shareholders. ✓✓</li> <li>- Shareholders can vote for/appoint the most capable directors to manage their company. ✓✓</li> <li>- Any other relevant answer related to management as success factor</li> </ul>		<ul style="list-style-type: none"> <li>- Directors may not have a direct interest in the company, which can hamper growth and profit maximization. ✓✓</li> <li>- Large management structure can result in decision making taking time. ✓✓</li> <li>- Directors' fees increase the company's expenses which reduces net profit. ✓✓</li> <li>- Management may open to legal challenges if their reports do not comply with King Code 111.</li> <li>- Some shareholders may not exercise their voting rights resulting in choosing the wrong person as a director. ✓✓</li> <li>- Directors may not be motivated to work very hard because shareholders decide on the director's remuneration. ✓✓</li> <li>- Any other relevant answer related to management as failure factor.</li> </ul>
<b>Taxation</b>	<ul style="list-style-type: none"> <li>- Can obtain tax rebates if they are involved in CSI projects. ✓✓</li> <li>- Can obtain government tenders and renew their licenses if they do not evade tax. ✓</li> <li>- Any other relevant answer related to taxation as success factor.</li> </ul>		<ul style="list-style-type: none"> <li>- Subject to double taxation e.g., shareholders pay secondary tax this can have a negative impact to a company that is already financially struggling. ✓✓</li> <li>- Any other relevant answer related to taxation as failure factor.</li> </ul>
	Sub max (6)		Sub max (6)

- NOTE:**
1. The answer does not have to be in tabular.
  2. Responses can either be show both positives and negatives or only positives or negatives.
  3. Award a maximum of SIX (6) marks if the factors are not clear. / Mark either management or taxation only. **Max (12)**

**5.6 Conclusion**

- Johannesburg Securities Exchange (JSE) ensures all listed companies operate within certain rules and regulations. ✓✓
- A clear understanding of different types of shares will help the investors to make the right choice.
- Fixed deposit provides investors a high rate of interest as compared to savings Account. ✓✓
- Public company must at least have three directors to manage and ensure tax compliance by the business. ✓✓
- Any other relevant conclusion related to the functions of JSE/types of shares/impact of fixed deposit/ Success and/or failure of the public company with factors like, management and taxation.

**Any (1 x 2) (2)****QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max 32</b>
Functions of JSE	8	
Types of shares	16	
Fixed deposits as a form of investment.	10	
Success and/or failure of the public company based on the following factors.		
o Management		
o Taxation	12	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
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 (SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY).****6.1 Introduction**

- The corporate social responsibility (CSR) is an obligation required by law and benefit both business and the society. ✓
- It is important for businesses to examine the link that exists between social responsibility and triple bottom line. ✓
- Businesses must explore/implement various strategies to deal with HIV/Aids and unemployment as socio-economic issues. ✓
- The impact of CSR can have a positive/negative impact on businesses/community. ✓
- Any other relevant introduction related to purpose of CSR/relationship between social responsibility and triple bottom line/ways in which business can deal with HIV/Aids and unemployment as socio economic issues/impact of CSR on businesses.

**Any (2 x 1) (2)****6.2 Outline the purpose of CSR.**

- CSR programmes are internal programmes that businesses use to comply with laws and ethics. ✓✓
- Key areas of concern are protecting the environment, the wellbeing of employees from the community and civil society in general. ✓✓
- Businesses seek to promote public interest and do away with harmful practices without the need for any formal legislation. ✓✓
- Business operations address Triple bottom line through CSR programmes by considering its impact on people, profit and planet. ✓✓
- CSR aims at creating a safe working environment for employees. ✓✓
- CSR programmes and activities the business undertakes to contribute positively to the community in which the business operates. ✓✓
- CSR may take the form of a monetary donation to support local organisations. ✓✓
- Any other relevant answer related to the purpose of CSR.

**Max (10)****6.3 Relationship between social responsibility and triple bottom line****6.3.1 Profit (Economic) ✓✓**

- The businesses should not only focus on profit ✓ but should also invest in CSI projects. ✓
- Businesses should not make a profit ✓ at the expense of its community. ✓
- Any other relevant answer related to social responsibility and triple bottom line (profit)

Triple Bottom line (2)

Description (2)

Sub max (4)

**6.3.2 People (Social) ✓✓**

- Business operations should not have a negative impact✓ on the community. ✓
- Businesses should engage in✓ sustainable community uplifting programmes. ✓
- Businesses should improve the quality of life✓ of their employees. ✓
- Any other relevant answer related to social responsibility and triple bottom line(people)

Triple bottom line (2)

Description (2)

Sub max (4)

**6.3.3 Planet (Environment) ✓✓**

- Businesses should not harm the environment ✓for profit purposes. ✓
- They may support ✓eco-friendly production methods. ✓
- Recycle and Re-use waste, ✓e.g., packaging from recycled material. ✓
- Any other relevant answer related to social responsibility and triple bottom line(planet)

Triple Bottom line (2)

Description (2)

Sub max (4)

**Max (12)****6.4 Strategies to deal with HIV/Aids and Unemployment socio-economic issues****Strategies to deal with HIV/Aids**

- Counselling programmes/train counsellors✓ to provide infected and affected persons/employees. ✓
- Develop counselling programmes✓ for infected/affected persons/employees. ✓
- Conduct workshops✓ on HIV/Aids programmes/campaigns. ✓
- Roll out anti-retroviral (ARV) treatment programmes ✓ for the infected employees. ✓
- Encourage employees✓ to join HIV/Aids support groups. ✓
- Develop strategies✓ to deal with stigma and discrimination. ✓
- Participate in the HIV/Aids prevention programmes ✓ implemented in the community. ✓
- Support ✓non-governmental organisational/community-based organisation/ NPC HIV/Aids initiatives. ✓
- Any other relevant answer related to strategies to deal with HIV/Aids.

Sub max (6)

**Strategies to deal with unemployment**

- Provide skills development programmes ✓through learnerships. ✓
- Offer bursaries to the community✓ to improve the level of education. ✓
- Create jobs✓ for members of the community. ✓
- Provide entrepreneurial programmes✓ that can promote self-employment. ✓
- Support existing small businesses✓ to create more employment opportunities. ✓
- Any other relevant answer related to strategies to deal with unemployment

Sub max (6)

**Max (12)**

**6.5 Impact of CSR on businesses****Advantages/Positives**

- May attract experienced employees which could increase productivity. ✓✓
- Improved image as the business looks after employees. ✓✓
- A business may have a competitive advantage, resulting in an improved reputation. ✓✓
- Promotes customer loyalty resulting in more sales. ✓✓
- CSI projects may be used as a marketing strategy to promote their products. ✓✓
- The business enjoys the support of communities. ✓✓
- CSI projects promote teamwork within businesses. ✓✓
- CSI helps to attract investors because of increased profits. ✓✓
- Gives businesses tax advantages such as tax reduction. ✓✓
- Assists in solving socio-economic issues like poverty and unemployment. ✓✓
- Employees feel as if they are making a difference in working for the business. ✓✓
- Improves the health of its employees through focused CSI projects. ✓✓
- Any other relevant answer related to advantages/positives impact of CSR on businesses

**AND/OR****Negatives/Disadvantages**

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

**Max 12****OR**

**Impact of CSR/CSI on communities****Positives/Advantages**

- Community skills can be improved through the provision of bursaries. ✓✓
- Better educational facilities are established in poor communities. ✓✓
- The standard of living of the community is uplifted. /Quality of life of communities is improved. ✓✓
- Investing in the medical infrastructure will improve the health of communities. ✓✓
- Socio-economic issues are attended to/addressed which will improve the welfare of the community. ✓✓
- Training opportunities in the community increase the possibility of appointments of members of the community. ✓✓
- Implementing developmental programmes in the community improves entrepreneurial skills of communities. ✓✓
- Any other relevant answer related to positive impact of CSR on businesses.

**AND/OR****Negatives/Disadvantages**

- Businesses are not always equipped to address social problems. ✓✓
- Communities tend to be dependent on CSR programmes and struggle to take their own initiatives. ✓✓
- Communities may not sustain infrastructure provided through CSR projects due to a lack of financial resources. ✓✓
- Distribution of scarce resources to selected beneficiaries in the community may cause problems such as discrimination. ✓✓
- Some businesses only participate in CSR initiatives to raise profit and do not really care for the community in which they operate. ✓✓
- Businesses cannot meet the longer-term needs of the society. /Businesses cannot deliver sustainable CSR programmes. ✓✓
- The benefits of the programmes may not filter to the intended persons within the community. ✓✓
- Spending money on CSR programmes means the business has to recover expenses through higher prices which have a negative impact on the economy. ✓✓
- Businesses tend to focus on CSR projects that do not directly benefit the community. ✓✓
- Consumers are not easily convinced that the business is acting in the best interest of the community/environment. ✓✓
- Less money is available for community projects during unfavourable economic conditions. ✓✓
- Any other relevant answer related to negative impact of CSR on businesses.

**Max 12**

## 6.6 Conclusion

- CSR aim is to maximize share value among the business employees/ Customers/shareholders/community members. ✓✓
- Businesses may increase their efficiency through ensuring the relationship between social responsibility programs and triple bottom line. ✓✓
- Putting relevant strategies in place help businesses to minimize the impact of socio-economic issues such as HIV/Aids and unemployment. ✓✓
- Businesses should take advantage of the positive impact of CSR in order to improve its operations. ✓
- Any other relevant conclusion related to purpose of CSR/relationship between social responsibility and triple bottom line/ways in which business can deal with HIV/Aids and unemployment as socio economic issues/impact of CSR on businesses.

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

### QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max 32</b>
Purpose of CSR.	10	
Relationship between social responsibility and triple bottom line	12	
Ways in which the businesses can deal with following socio-economic issues: HIV/Aids and unemployment.	12	
Impact of CSR on businesses/communities	12	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
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 MARKS: 150**