



Province of the  
**EASTERN CAPE**  
EDUCATION

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**2020**

**CONTROLLED TEST EXEMPLAR**

**BUSINESS STUDIES  
MARKING GUIDELINES**

**MARKS: 100**

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This marking guideline consists of 24 pages.

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## NOTES TO MARKERS

### 1. PREAMBLE

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

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

2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline have been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct, but:
  - Uses a different expression from that which appears in the marking guidelines
  - Comes from another 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 guideline. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of responses to questions is recommended in SECTION A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an R.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive:** '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 guidelines and the context of each question.
- Cognitive verbs, such as:
- 12.1 Advise, name, state, mention, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, compare, distinguish, compare, tabulate, differentiate, justify, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.

**14. SECTION B**

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

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

- 14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.

- 14.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.

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

- 14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:
- Fact 2 marks (or as indicated in the marking guidelines)
  - Explanation 1 mark (two marks will be allocated in Section C)

The 'fact' and 'explanation' are given separately in the marking guidelines to facilitate mark allocation.

- 14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guidelines.

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

## 15. SECTION C

15.1 The breakdown of the mark allocation for the essays is as follows:

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

15.2 Insight consists of the following components:

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

**NOTE:**

1. No marks will be awarded for contents repeated from the introduction and conclusion.
2. The candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.
3. No marks will be allocated 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 guidelines to each question.

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

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

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

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

15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (√) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy/√where business 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 memo, will not necessarily apply to each question. This would also depend on the nature of the question.

**SECTION A****QUESTION 1**

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

**(5×2) (10)**

- 1.2 1.2.1 shareholders ✓✓  
 1.2.2 tables ✓✓  
 1.2.3 language ✓✓  
 1.2.4 CSI ✓✓  
 1.2.5 recycling ✓✓

**(5×2) (10)****TOTAL SECTION A: 20****BREAKDOWN OF MARKS**

| QUESTION 1   | MARKS     |
|--------------|-----------|
| 1.1          | 10        |
| 1.2          | 10        |
| <b>TOTAL</b> | <b>20</b> |

**SECTION B****Mark the FIRST TWO answers only.****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 ✓
- Any other relevant examples of non-verbal presentation methods

**NOTE: Mark the first TWO (2) only.****(2×1) (2)**



## 2.2 Forms of ownership from the scenario

### 2.2.1 Forms of ownership from the scenario

| FORMS OF OWNERSHIP | MOTIVATION   |
|--------------------|--|
| Private company ✓  | King Power (Pty) Ltd ✓   |
| Public company ✓   | King Power Ltd/ they can invite the public to buy shares in the business ✓ |
| Sub max (2)        | Sub max (2)  |

**NOTE:** Do not award marks for the motivation if forms of ownership were incorrectly identified

**Max (4)**

### 2.2.2 Advantages of a public company

- The business has its own legal identity ✓ and can own assets/ property. ✓
- Easy to raise large amounts of capital for growth ✓ through the issuing of shares to the public. ✓
- Shareholders have a limited liability ✓ for the debt of the company ✓/Shareholders may only lose ✓ the amount which they invested. ✓
- Competent and knowledgeable directors ✓ may be appointed by shareholders. ✓
- Attracts small investors ✓ as shares can be transferred freely/ easily. ✓
- No limitation on the number of shareholders ✓, so growth/ expansion is not limited. ✓
- Additional capital can be raised ✓ by issuing debentures to the public. ✓
- The public has access to the company's financial information ✓ as financial reports have to be published annually. ✓
- The company keeps its shareholders/stakeholders regularly informed ✓ about its performance/share values/future plans. ✓
- Any other relevant answer related to the advantages of a public company.

**NOTE:** Do not award marks for responses quoted in QUESTION 2.2.1

## 2.3 Importance of state-owned companies

- Profits may be used ✓ to finance other state departments/reduce taxes. ✓
- Generates income ✓ to finance social programmes. ✓
- Jobs are created ✓ for all skills levels. ✓
- 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.√
  - Any other relevant answer related to the importance of state owned companies/SOC.

**Max (6)**

**2.4 Meaning of limited and unlimited liability**

| <b>Limited liability</b>   | <b>Unlimited liability</b>   |
|--|--|
| - Losses are limited√ to the amount that the owner invested in the business.√    | - If the owner/partner is sued by creditor√, the owner must pay the debt even if the owner does not have money.√ |
| - The owner's personal assets are protected√ against the debts of the business.√ | - The owner's personal assets may be seized√ to pay for the debts of the business.√                              |
| - Any other relevant answer related to limited liability.                        | - Any other relevant answer related to unlimited liability.  |
| Sub max (2)  | Sub max (2)  |

**NOTE: 1. The answer does not have to be in tabular format**

**Max (4)  
[20]**

**BREAKDOWN OF MARKS**

| <b>QUESTION 2</b> | <b>MARKS</b> |
|-------------------|--------------|
| <b>2.1</b>        | <b>2</b>     |
| <b>2.2.1</b>      | <b>4</b>     |
| <b>2.2.2</b>      | <b>4</b>     |
| <b>2.3</b>        | <b>6</b>     |
| <b>2.4</b>        | <b>4</b>     |
| <b>TOTAL</b>      | <b>20</b>    |

**QUESTION 3: BUSINESS ROLES**

**3.1 Components of Corporate Social Responsibility**

- Environment/Environmental awareness√
- Ethical corporate social investment√
- Health and safety√
- Corporate governance√
- Business ethics√
- Employment equity√
- Supply chain√

- Customers✓
- Community✓
- Any other relevant answer related to the components of CSR.

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

(4×1) (4)

### 3.2 Social responsibility

#### 3.2.1 Ways of advancing the well-being of employees

- TCC provides subsidised housing to their employees.✓
- Provides accommodation for their employees.✓
- Encourages employees to stay fit and healthy by involving them in stress reduction activities.✓

**NOTE: 1. Only award marks for direct quotes from the scenario.**

**2. Mark the FIRST TWO (2) only**

(2×1) (2)

#### 3.2.2 Other ways of contributing to the well-being of the employees

- TCC should improve the general quality of life of employees, ✓ e.g. pay fair wages/skills development✓, etc.
- Start a nutritional programme so that employees may enjoy at least one meal per day✓ to keep them healthy.✓
- Allow staff to use some working time✓ to get involved/participate in projects of their choice.✓
- Provide transport✓ to employees who work unusually long hours.✓
- Establish coaching/mentoring programmes✓ for junior employees.✓
- Conduct team-building sessions✓ to improve employees' morale.✓
- Encourage employees to attend capacity-building workshops✓ /training/staff-development/team-development programmes.✓
- Offer counselling sessions✓ to employees with personal/emotional challenges.✓
- Working conditions should include safety/medical/canteen facilities/benefits✓ like leave, retirement✓, etc.
- Pay fair bonuses✓ based on the earnings/returns of the business.✓
- Allow for employees' participation✓ in decision making.✓
- Provide recreational facilities✓ for employees.✓
- Make annual assessment ✓ by a medical doctor/practitioner available.✓
- Offer financial support in the case of any hardship caused by unforeseen personal costs✓, e.g. medical costs.✓

- Allow for flexible working hours√ to enhance productivity.√
- Offer support programmes√ to employees infected/affected by HIV/Aids.√
- Any other relevant advice related to other ways on how TCC may contribute to the wellbeing of their employees.

**NOTE:**

1. Do not allocate marks for responses quoted in QUESTION 3.2.2.
2. Do not accept 'other ways' that are related to 'subsidised housing/accommodation' and 'fitness/health'.
3. Mark the FIRST THREE (3) only

**Max (6)****3.3 Benefits of CSI for businesses**

- May attract experienced employees/increase the pool of skilled labour√ which could increase productivity.√
- The business may have a good public image/reputation√ as they look after their employees/conduct themselves in a responsible way.√
- CSI projects may be used as a marketing strategy√ to promote products/ services.√
- The business may have a competitive advantage√, resulting in good publicity and an improved reputation.√
- Promotes customer loyalty√ resulting in increased sales/profit/more customers.√
- CSI projects promote teamwork√ amongst the employees of the business.√
- Business may enjoy tax advantages√, e.g. tax reduction/rebates.√
- Assist in addressing socio-economic issues√ e.g. poverty.√
- If the corporate sector gets voluntarily involved in CSI√, it is less likely that government will enforce the issue through legislation.√
- Employees feel like they are making a difference√ in working for this business.√
- It helps to retain staff/lower staff turnover√ as employees' health/safety is considered.√
- CSI helps to attract investors√ which may lead to expansion/growth.√
- Improves the health of its employees√ through focussed CSI programmes.√
- The business may become more community-based√ by working closely with the community to roll out skills development projects.√
- Any other relevant answer related to the benefits of CSI for the businesses.

**Max (4)**

## 3.4 Strategies to manage socio-economic issues

## 3.4.1 HIV/Aids

- Develop counselling programmes for infected/affected persons/employees.√√
- Conduct workshops on HIV/Aids programmes/campaigns.√√
- Roll out anti-retroviral (ARV) treatment programmes (ART) 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 strategies that business may use to manage HIV/Aids as a socio-economic issue.

**NOTE: Mark the first ONE (1) only.**

**Max (2)**

## 3.4.2 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 strategies that business may use to manage unemployment as a socio-economic issue

**NOTE: Mark the first ONE (1) only.**

**Max (2)  
[20]**

**BREAKDOWN OF MARKS**

| QUESTION 3   | MARKS     |
|--------------|-----------|
| 3.1          | 4         |
| 3.2.1        | 2         |
| 3.2.2        | 6         |
| 3.3          | 4         |
| 3.4.1        | 2         |
| 3.4.2        | 2         |
| <b>TOTAL</b> | <b>20</b> |

**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENT****4.1 Forms of ownership**

4.1.1 Sole trader/Sole proprietorship√√ (2)

4.1.2 **Legislation**

| SUCCESS  | FAILURE  |
|--|--|
| - It is easy/inexpensive√ to start.√   | - Business may only qualify for more loans√ if they are licenced√/Loans√ are not easily obtainable.√                           |
| - There are limited regulatory requirements√ regarding the name of the business.√                    | - Business has no legal entity/unlimited liability√ and the owner can be sued/held responsible for the debts of the business.√ |
| - It is not compulsory√ to have financial statements audited.√                                       | - Business has no continuity√ as it depends on the life of the owner.√   |
| - Any other relevant answer related to the influence of legislation on the success of a sole trader. | - Any other relevant answer related to the influence of legislation on the failure of a sole trader.                           |
| Sub max (2)  | Sub max (2)  |

**NOTE:**

1. The answers do not have to be in tabular format.
2. The success and/or failure factors must relate to sole trader/sole proprietorship.

**Max (4)**

**BUSINESS ROLES****4.2 Human rights in the workplace**

- Privacy√
- Respect/dignity√
- Equity√
- Freedom of speech and expression√
- Information√
- Freedom of association√
- Free choice of trade/occupation/profession√
- Labour rights/Freedom of assembly/Right to protest√
- Freedom of thought and religion√
- Health care/food/water and social assistance√

- Fair labour practices✓
- Access to Labour Court/institutions✓
- Education and training/universal right to basic education✓
- Safety/security and protection/Life✓
- Freedom of slavery, servitude or forced labour✓
- Vote✓
- Freedom of movement✓
- Children's rights✓
- Freedom to choose your own language/participate in own cultural life✓
- Any other relevant answer related to human rights in the workplace.

**NOTE: 1. Mark the first TWO (2) only**

(2×1) (2)

4.3 **Distinguish between Corporate Social Responsibility (CSR) and Corporate Social Investment (CSI)**

| <b>CORPORATE SOCIAL<br/>RESPONSIBILITY<br/>(CSR)</b>  | <b>CORPORATE SOCIAL<br/>INVESTMENT<br/>(CSI)</b>  |
|---|---|
| The intention is to change✓<br>business practices.✓   | Actively committing money and<br>resources✓ to uplift the<br>community.✓                |
| Focus is on increasing image✓ and<br>profits.✓  | Focus is on upliftment of<br>community✓ without return on<br>investment.✓               |
| Ensure that all internal CSR<br>policies/ practices✓ include<br>stakeholders'<br>interests/environmental issues.✓<br>Often intended✓ as a marketing<br>initiative.✓ | Ensure that CSI projects are<br>relevant✓ to the needs of<br>communities.✓              |
| Projects are usually linked to the<br>business✓, e.g. a manufacturing<br>business offering to train the<br>unemployed.✓   | Intended to benefit and uplift<br>communi-ties✓ through social<br>development.✓         |
| Projects are usually linked to the<br>business✓, e.g. a manufacturing<br>business offering to train the<br>unemployed.✓   | Projects are external to the<br>business✓ and have a strong<br>developmental approach.✓ |
| Any other relevant answer related<br>to Corporate Social Responsibility.  | Any other relevant answer<br>related to Corporate Social<br>Investment                  |
| Sub max (2)   | Sub max (2)   |

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

**Max (4)**

#### 4.4 Ways to promote cultural rights of employees in the workplace

- Provide the environment in which employees are free to use their own language when interacting with others during their free time.
- Encourage employees to attend/participate in cultural activities
- Allow employees to provide solutions to challenge from their own cultural perspective.
- Regular cultural information sessions will help employees to respect each other's culture in the workplace.
- Make provision for different cultures, such as food served in the canteen/entertainment at staff functions.
- Employ people from various cultural background.
- Employee should be trained on cultural tolerance.
- Any other relevant answer related to how businesses could promote the cultural rights of employees in the workplace.

**NOTE: Do not award marks for allow to practice culture**

**Max (6)  
[20]**

#### BREAKDOWN OF MARKS

| QUESTION 4   | MARKS     |
|--------------|-----------|
| 4.1.1        | 2         |
| 4.1.2        | 4         |
| 4.2          | 4         |
| 4.3          | 4         |
| 4.4          | 6         |
| <b>TOTAL</b> | <b>20</b> |

### SECTION C

**Mark only ONE answer in this section.**

#### QUESTION 5: BUSINESS ENVIRONMENT

##### 5.1 Introduction

- An overhead projector is useful in enhancing the quality of the presentation. ✓
- A personal liability company is governed by the company Act 71 of 2008, incorporated in terms of the Memorandum of Incorporation. ✓
- A personal liability company is formed for the financial gain to benefit the shareholders. ✓
- The choice and decision on the form of ownership depends on various factors that would impact the success or failure of a business. ✓
- Presenters must reflect on their presentation style and methods in order to improve in the next presentation. ✓
- Any other relevant introduction related to the advantages of an overhead projector/criteria to the success and failure/impact of



personal liability company/how Thuli can improve on her next presentation.

Any (2x1) (2)

### 5.2 Advantages of an overhead projector

- Summaries/Simple graphics/Diagrams/Processes√ may be explained easily on transparencies.√
- It can be prepared manually (OHP pens)√ or electronically on computer/copier.√
- A useful replacement/back-up exists√ if computer/electronic equipment fail or are not available.√
- Effective transparencies/projections should be clear and visible√, e.g. large print, few words/lines.√
- OHP transparencies can be used to reflect√ colour images.√
- It may be an effective/useful reminder to the presenter√ of all the points to be covered.√
- Any other relevant a answer related to the advantages of an overhead projector as a type of visual aid.

Max (10)

### 5.3 Criteria that contribute to the success of partnership and personal liability company

| CRITERIA   | PARTNERSHIP  | PERSONAL LIABILITY COMPANY   |
|------------|--|--|
| Management | - Partners are actively involved in management√ and may use the ideas of other partners.√                    | - Partners are actively involved in management√ and may use the ideas of other partners.√          |
|            | - Partners have access to expertise of other partners√ when difficult decisions have to be made. √           | - Partners have access to expertise of other partners√ when difficult decisions have to be made. √ |
|            | - Not all partners need to be actively involved in management√ and would rather appoint competent managers.√ |  |
|            | Any other relevant answer related to management as a success factor.   |  |
|            | Sub max (2)  | Sub max (2)  |
| Taxation   | - Partners pay VAT only on relevant products sold/services   | - PLC only pays tax after business expenses√ have been deducted. √                                 |

|                    |   |   |
|--------------------|---|---|
|                    | rendered√ which reduces tax administration. √   |   |
|                    | - The partnership does not pay income tax√, only the partners in their personal capacity.√              | - The company pays tax at a fixed rate√ which can be lower than that of partnerships.√                                    |
|                    |   | Image of the business is promoted√ and attracts investment when companies comply with tax regulations/ laws. √            |
|                    | Any other relevant answer related to taxation as a success factor.                                      |   |
|                    | Sub max (2)   | Sub max (2)   |
| Division of profit | - Fair distribution of profit√ as this is done according to the contribution of partners.√              | - High profits and good returns to shareholders√ indicate the success of a company, which increases the value of shares.√ |
|                    | - The division of profits between partners may motivate them√ to make a business a successful venture.√ | - Profits generated can be re-invested√ into expand business operations.√   |
|                    | Any other relevant answer related to division of profits as a success factor.                           |   |
|                    | Sub max (2)   | Sub max (2)   |

- NOTE:**
- 1. The answer does not have to be in tabular format.**
  - 2. Consider similarities if the partnership was incorrectly identified.**

**Max (12)**

#### 5.4 Negative impact of personal liability company

- The present and past directors are jointly & severally liable, for the debts and liabilities of the company√ that were contracted during their respective terms of office. √
- Subject to many legal requirements, hence it is difficult and expensive to establish.
- A personal liability company is prohibited by MOI from offering its shares to the public √ and the transferability of its shares is restricted. √

- The company is subjected to double taxation, ✓ i.e. on the taxable income and Standard Tax on Companies (STC) payable on declared dividends. ✓
- A meeting may not begin or a matter may not be debated ✓ unless at least three shareholders are present. ✓
- The meeting may not begin to be considered unless sufficient persons are present at the meeting ✓ to exercise in aggregate at least 25% of all the voting rights. ✓
- Personal liability companies are compelled to prepare annual financial statements.
- Any other relevant answer related to the negative/disadvantage of personal liability company.

**Max (12)**

**5.5 Ways to improve on the next presentation**

- Thuli should revise objectives that were not achieved.
- Humour should be used appropriately. ✓✓
- Always be prepared to update/keep the information relevant. ✓✓
- Reflect on any problem/opinion/criticism and avoid it in future 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 did not work well. ✓✓
- Thuli should reflect on the logical flow of the format/slides/application of visual aids ✓✓
- Any other relevant answer related to how Thuli can improve on her next presentation.

**Max (10)**

**5.6 Conclusion**

- A well prepared presentation creates a good impression and will attract investors.
- Personal liability companies are subject to fewer disclosure and transparency requirements.
- A presenter should analyse feedback in order to improve on her next presentation
- All methods of presentation must be effectively used to retain the attention of the audience. ✓✓
- Any other relevant conclusion related to advantages of an overhead projector/criteria to the success and failure/impact of personal liability company/how Thuli can improve on her next presentation.

**Any (1×2) (2)**  
**[40]**

**BREAKDOWN OF MARK ALLOCATION**

| <b>DETAILS</b>  | <b>MAXIMUM</b> | <b>TOTAL</b>      |
|---|----------------|-------------------|
| Introduction  | <b>2</b>       | <b>Max<br/>32</b> |
| Advantages of the overhead projector  | <b>12</b>      |                   |
| Criteria to contribute to the success of partnership and personal liability company | <b>12</b>      |                   |
| Negative impact of personal liability company                                       | <b>12</b>      |                   |
| Ways to improve on the next presentation  | <b>10</b>      |                   |
| Conclusion  | <b>2</b>       |                   |
| <b>INSIGHT</b>  |                |                   |
| Layout  | <b>2</b>       | <b>8</b>          |
| Analysis, interpretation  | <b>2</b>       |                   |
| Synthesis   | <b>2</b>       |                   |
| Originality/Examples  | <b>2</b>       |                   |
| <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 (HUMAN RIGHTS, INCLUSIVITY AND ENVIRONMENTAL ISSUES)**

**6.1 Introduction**

- Business operations may have a negative impact on the environment if there are no preventative measures put in place. ✓
- Businesses who have more than twenty employees must appoint one/more health and safety representatives after consultation with employees. ✓
- Diversity refers to the variety of people employed based on age/race/gender/ ethnic groups/disabilities/material wealth/personalities/how employees see themselves and others. ✓
- Businesses employ people from different cultural backgrounds. ✓
- Employers and employees have the responsibility of ensuring that workplace environment is free of hazardous material. ✓
- Any other relevant introduction related to roles of health and safety representatives in protecting the workplace environment/ responsibilities of employers and employees in protecting the workplace environment/ benefits of diversity in the workplace/ ways in which businesses could protect the environment and human health in the workplace

**Any (2×1) (2)**

**6.2 Roles of health and safety representatives in protecting the workplace environment**

- Ensure that protective clothing is provided/available to all workers. √√
- Identify potential dangers in the workplace. √√
- Initiate/Promote/Maintain/Review measures to ensure the health and safety of workers. √√
- Check/Monitor the effectiveness of health and safety measures with management. √√
- Ensure that all equipment that is necessary to perform work are provided/ maintained regularly. √√
- Promote safety training√ so that employees may avoid potential dangers/act pro-actively. √√
- Ensure that dangerous equipment is used under the supervision of trained/qualified workers. √√
- Ensure that workers' health and safety is not endangered by hazards resulting from production/processing/storage/transportation of material/equipment. √√
- Work together with the employer, to investigate any accidents/complaints from the workers concerning health and safety in the workplace. √√
- Ensure that employers comply with COIDA. √√
- Any other relevant answer related to the roles of health and safety representatives in protecting the workplace environment.

**Max (12)****6.3 Responsibilities of employers and employees in protecting the workplace environment****Responsibilities of employers**

- Provide and maintain all the equipment√ that is necessary to perform the work. √
- Keep the systems to ensure that there will be no harmful impact√ on the health and safety of workers. √
- Reduce/Remove dangers to workers√ and provide personal protective clothing. √
- Ensure that that the workers' health is not damaged√ by hazards resulting from production/processing/storage/transportation of materials or equipment. √
- Employers must know where potential dangers might be√ and take measures to eliminate or limit the harm. √
- Workers must be informed/instructed/trained/and supervised√ to limit potential dangers to them√/Emergency exit door signs√ should be visible to all employees.√
- Equipment must be used under the supervision√ of a designated trained worker.√
- Comply with safety laws which√ seek to promote healthy working environment. √

- Any other relevant answer related to the responsibilities of employers in protecting the workplace environment.

Sub max (6)

### **Responsibilities of employees**

- Must take care of their own health√ and safety in the workplace. √
- Co-operate and comply with the rules and procedures√ e.g. wear prescribed safety clothing. √
- Report unsafe√ or unhealthy conditions. √
- Report accidents√ to the employer by the end of the shift. √
- Use prescribed√ safety equipment. √
- Take reasonable care√ of their own safety. √
- Inform the employer of any illness√ that may affect the ability to work. √
- Any other relevant answer related to the responsibilities of employees in protecting the workplace environment.

Sub max (6)

**Max (12)**

### **6.4 Benefits of diversity in the workplace**

- Work force diversity improves the ability of a business√ to solve problems/ innovate/cultivate diverse markets.√
- Employees value each other's diversity√ and learn to connect and communicate across lines of difference.√
- Diversity in the work force improves√ morale and motivation.√
- Employees demonstrate greater loyalty to the business√ because they feel respected/accepted/understood.√
- A diversified work force can give businesses a competitive advantage√ as they can render better services.√
- Being respectful of differences/demonstrating diversity√ makes good business sense/improves profitability.√
- A diverse workplace must ensure that its policies/practices√ empower every employee to perform at his/her full potential.√
- Customers/Stakeholders increasingly evaluate businesses√ on how they manage diversity in the workplace.√
- Employees from different backgrounds√ can bring different perspectives to the business.√
- A diversified work force stimulates debate√ on new and improved ways of getting things done.√
- Employees represent various groups√ and are therefore better able to recognise customer needs/satisfy consumers.√
- Businesses with a diverse work force are more likely to have a good public image√ and attract more customers.√
- Any other relevant answer related to the benefits of a diverse work force.

**Max (12)**

### **6.5 Ways in which businesses could protect the environment and 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 programs. √√
- 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 businesses can protect the environment and promote human health.

**Max (10)**

#### 6.6 Conclusion

- Businesses must ensure that the health and safety representatives have necessary facilities/assistance/ training in order to represent their members effectively. √√
- Businesses should assess/control/address all the physical, chemical and biological factors in the environment. √√
- Environmental and human health are closely linked as human health depends on environmental health. √√
- A polluted environment results in poor human health. √√
- Businesses should effectively deal with diversity to avoid bias/racism/stereotypes in the workplace.√√
- Businesses must acknowledge employees' differences and develop strategies to deal with these differences.√√
- Employees must take responsibility for their own safety and avoid unnecessary injuries. √√
- Any other relevant conclusion related to the roles of health and safety representatives in protecting the workplace environment/ responsibilities of employers and employees in protecting the workplace environment/ benefits of diversity in the workplace/ ways in which businesses could protect the environment and human health in the workplace

Any (1×2) (2)  
[40]

**BREAKDOWN OF MARK ALLOCATION**

| <b>DETAILS</b>  | <b>MAXIMUM</b> | <b>MARKS</b>      |
|---|----------------|-------------------|
| Introduction  | 2              | <b>Max<br/>32</b> |
| Roles of health and safety representative in protecting workplace environment       | 12             |                   |
| Responsibilities of employers and employees in protecting the workplace environment | 12             |                   |
| Benefit of diversity  | 12             |                   |
| Ways to protect the environment and human health                                    | 10             |                   |
| Conclusion  | 2              |                   |
| <b>INSIGHT</b>  |                |                   |
| Layout  | 2              | <b>8</b>          |
| Analysis, interpretation  | 2              |                   |
| Synthesis   | 2              |                   |
| Originality/Examples  | 2              |                   |
| <b>TOTAL MARKS</b>  |                | <b>40</b>         |

LASO - For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 100**