

**GAUTENG DEPARTMENT OF EDUCATION
PREPARATORY EXAMINATION**

**BUSINESS STUDIES
MARKING GUIDELINE**

POSSIBLE ANSWERS

SECTION A

QUESTION 1

- 1.1 B ✓✓
- 1.2 A
- 1.3 C
- 1.4 B
- 1.5 D
- 1.6 A
- 1.7 A
- 1.8 D
- 1.9 C
- 1.10 D

10x2=(20)

1.11	False ✓	Inclusivity ✓
1.12	False ✓	LTD. / Limited ✓
1.13	False ✓	SARS / South African Revenue Services ✓
1.14	False ✓	1,5 times ✓
1.15	True ✓✓	

5x2=(10)

- 1.16 Human Rights Commission ✓✓
- 1.17 Dividends
- 1.18 Ethics
- 1.19 Sexual harassment
- 1.20 Demographics

5x2=(10)

[40]

SECTION B

QUESTION 2

2.1.1 FACTORS OF THE MACRO ENVIRONMENT

- (a) Technological ✓✓
- (b) Economic
- (c) International/Economic/Global
- (d) Institutional/Social
- (e) International
- (f) Legal

6x2=(12)

2.1.2 REPO RATE

- The rate at which the Reserve Bank lends money to commercial banks. ✓✓ (2)

EFFECT ON SALES

- Increase in repo rate leads to increase in interest rates ✓✓
- Inflation rises and prices increase causing a drop in sales
- Less credit, less sales
- Any other relevant answer Any 2x2=(4)

2.1.3 WAYS OF DEALING WITH INCREASING REPO RATE

- Reduce expenses / overheads / costs ✓✓
- Increase productivity
- Decrease profit margin/mark-up
- Any other relevant answer Any 3x2=(6)

2.1.4 STRATEGY TO OVERCOME TECHNOLOGICAL CHANGE

- Employees to undergo training ✓✓
- Motivate employees
- Recognition of achievements
- Any other relevant answer Any 1x2=(2)

2.1.5 FORM OF OWNERSHIP

- Sole proprietor/trader ✓✓ (2)

REASON

- Unlimited liability/Personal assets will be lost ✓✓
- Name of business Any 1x2=(2)

2.2.1 ISSUES CONTRIBUTING TO UNEMPLOYMENT

- Low productivity ✓
- HIV/Aids
- Demand for higher wages
- Competition from abroad / Dumping
- Crime
- Any other relevant answer Any 2x1=(2)

2.2.2 WAYS OF ADDRESSING UNEMPLOYMENT

- Address issues such as crime ✓✓
 - Government/Municipalities to embark on more job creation projects
 - Skills/Literacy development
 - More small business development
 - HIV/Aids awareness intensified
 - Encourage consumers to buy local products/ Proudly South African Campaign
 - Reduce imports/ More local manufacturing to take place
 - Any other relevant answer
- Any 5x2=(10)

2.2.3 NEGATIVE INFLUENCE OF HIV/AIDS ON BUSINESS

- Lower productivity ✓✓
 - Reduction in workforce
 - High absenteeism
 - High costs for business – Medical and funeral
 - Less skilled workforce
 - Employment of back-up staff
 - Any other relevant answer
- Any 4x2=(8)

2.2.4 SOURCES OF CONFLICT IN AN ORGANISATION

- Differences of opinions between employers and employees / between co-employers
 - Racism in the workplace because of diversity of workforce
 - Different Personalities
 - When minor irritations are exaggerated
 - Different Belief systems
 - Cultural biases
 - Gender discrimination
 - Competing for limited resources
 - Managers' management styles
 - Different value systems
- Any 5x2=(10)
[60]

QUESTION 3

3.1.1 INSOLVENT ESTATE

- The business has gone bankrupt ✓✓
 - Insufficient funds
- Any 1x2=(2)

3.1.2 QUALITIES OF AN ENTREPRENEUR

- Management skills ✓✓ (technical/strategy/planning/human relations/finance/marketing)
 - Risk taker
 - Committed
 - Energetic
 - Knowledgeable about business
 - Realistic
 - Willpower to overcome obstacles
 - Any other relevant answer
- Any 5x2=(10)

3.1.3 FACTORS CONTRIBUTING TO THE SUCCESS OF A MANUFACTURING BUSINESS

- Service delivery ✓✓
 - Application of entrepreneurial qualities
 - Have identified causes of insolvencies and found solutions for it
 - Regularly performs SWOT analysis
 - Outsourcers areas in which he has not expertise/knowledge
 - Clear and concise mission and vision
 - Good management foundations
 - Good financial planning and control
 - Ethical operations
 - The will to be successful
 - Good target market
 - Good marketing recipe
 - Quality products
 - Product variety/range
 - Satisfying customer needs
 - Lower distribution costs
 - Mass production – Lower unit manufacturing costs / Lower prices
 - Any other relevant answer
- Any 4x2=(8)

3.2.1 QUESTIONS ON GRAPH

- (a) Line/Scatter graph ✓✓ (2)
- (b) June ✓
- REASON
- Winter months or because of cold weather ✓✓ (3)
- (c) Sales for 2007 = 325 000 jerseys ✓✓ (1)
- (d) Average annual sales = 27 083 ✓✓ (2)
- (e) OTHER TYPES OF GRAPHS
- Pie graph ✓
 - Bar graph ✓
 - Histogram
 - Any other correct answer
- Any 2x1=(2)

3.2.2 ADVANTAGE OF PRESENTATION METHODS

- WRITTEN Refer to what is or has been said ✓✓
Any other relevant answer
- ORAL Attract attention with tone/pace/pitch variation ✓✓
Any other relevant answer
- VISUAL Makes complicated information understandable ✓✓
Any other relevant answer

3x2=(6)

3.3 INSURANCE

3.3.1 COMPULSORY INSURANCE

- Unemployment Insurance ✓✓
- Workmen's compensation
- Road Accident Fund (RAF)

Any 2x2=(4)

3.3.2 NON-COMPULSORY INSURANCE

- Fire ✓✓
- Theft
- Burglary
- Storm Damage
- Life insurance
- Money in transit
- Fidelity
- Any other correct answer

Any 2x2=(4)

3.3.3 IMPORTANCE OF INSURANCE

- Yes ✓ Motivation ✓✓

OR

- No ✓ Motivation ✓✓

(3)

**THE REASON MUST BE SUITABLE TO THE ANSWER GIVEN
ONLY YES OR NO WITHOUT MOTIVATION = ZERO MARKS**

3.3.4 PURPOSE AND BENEFIT OF RETIREMENT ANNUITIES

- A form of long-term insurance ✓
- A means of security for family members ✓
- A means of provision for old age or disability
- Supplement for their pension fund
- Any other relevant answer

Any 2x1=(2)

3.4 INSURANCE TERMS

3.4.1 Good faith / Uberrimae fidei ✓✓

3.4.2 Premium

3.4.3 Under-insurance

3.4.4 Indemnity

3.4.5 Cession

5x2=(10)
[60]**QUESTION 4**

4.1 SUNDAY TIMES ADVERT

4.1.1 ASAP - The applicant can start immediately of *as soon as possible* ✓✓ (2)

4.1.2 CHARACTERISTICS OF A TEAM PLAYER

- Commit to team goals ✓✓
- Work for the organisation's good and not for a specific reward
- Help others improve
- Share credit/Achievements are team effort and not for personal recognition
- Emotionally support team members
- Not to demoralize other team members
- Any other relevant answer

Any 5x2=(10)

WATCH FOR REPETITION!!!!

4.1.3

- Creative thinker/objective/any relevant answer ✓✓

(2)

4.1.4 ATTITUDES

- DEADLINE DRIVEN

- Someone who can meet due dates ✓✓

- Any other relevant answer

(2)

- NOT TIED TO THE CLOCK

- Must be prepared to work extra hours ✓✓

- Any other relevant answer

(2)

4.1.5 IS THANDI A SUITABLE CANDIDATE?

* No ✓ Motivation - She does not have the necessary experience
Any other suitable motivation ✓✓

(3)

ONLY NO WITHOUT MOTIVATION = ZERO MARKS

4.1.6 REMUNERATION

- The salary/payment/reward to be received ✓✓ (2)

4.1.7 WHY REMUNERATION IS NOT IN ADVERTISEMENT

- Each applicant might have different qualifications and experience and this would affect the remuneration and benefits. ✓✓
- Any other relevant answer (2)

4.1.8 OTHER BENEFITS

- Medical aid ✓
- Pension fund
- Car allowance
- Housing subsidy
- Cellphone
- Petrol
- Bonus/13th cheque
- Any other correct answer Any 3x1=(3)

4.1.9 AFFIRMATIVE ACTION EMPLOYER

- Preference is given to the previously disadvantaged people of our country ✓✓ (2)

4.2 EMPLOYMENT LEGISLATION

4.2.1 C ✓✓

4.2.2 F

4.2.3 A

4.2.4 B

4.2.5 D 5x2=(10)

4.3.1 TIME-RELATED WAGE

- An employee is paid a set amount per hour worked ✓✓
- Any other relevant answer (2)

4.3.2 R120,00 ✓✓ (2)

4.3.3 COMPULSORY DEDUCTIONS

- Income Tax ✓✓
- Unemployment Insurance. ✓✓ 2x2=(4)

4.3.4 COMMISSION

- A payment of 2% of the sales which the employee (Mariam) achieves will be given to her, above her basic salary. ✓✓
- The higher her sales figure the more commission she earns.
- Any other relevant answer 1x2=(2)

4.4 TRADE UNIONS

4.4.1 REASON FOR STRIKE

- Workers (trade union) want a 12% increase while employers are offering a wage increase of between 5% and 7%. ✓✓ (2)

4.4.2 IS THE STRIKE JUSTIFIED? TWO REASONS

- * Yes ✓ REASONS
- Annual increase ✓✓
 - Inflation
 - Low wages
 - High-risk job
 - Any other relevant answer

OR

- * No ✓ REASONS
- Industry cannot afford the increase ✓✓
 - More people might lose jobs
 - Any other relevant answer (3)

YES / NO WITHOUT A REASON = 0

4.4.3 OTHER FORMS OF INDUSTRIAL ACTION

- Go-slow/slowdowns ✓
- Picketing Any 1x1=(1)

4.4.4 EFFECT OF THE STRIKE ON THE ECONOMY POSITIVE

- If the strike action is successful employees would earn more thereby stimulating to economy ✓✓
- Workers in similar conditions can be encouraged to take similar action
- Any other relevant answer Any 1x2=(2)

NEGATIVE

- Could lead to closure of the security business ✓✓
 - Loss of jobs
 - No work no pay – loss of income
 - Any other relevant answer Any 1x2=(2)
- [60]**

SECTION B**QUESTION 5: SKILLS DEVELOPMENT ACT****Introduction**

- Skills Development Act ✓
- South Africa has a highly unskilled workforce
- The country faces severe unemployment and skills shortages problems
- Need for unskilled workers to be trained
- Any other suitable comments Any 3x1=(3)

Aims/Benefits of the Act

- Develop the skills of the South African workforce ✓✓
 - Improve the level of investment in education and training
 - Use the workplace as a learning environment
 - Give employees the opportunities to acquire new skills
 - Encourage employees to employ unskilled workers
 - Ensure quality training and education in the workplace
 - Ensure that training is consistent with requirements of the labour market
 - All businesses contribute to the cost of training
 - Improves life quality of workers as well as employment opportunities
 - Make employees more competitive by increasing the productivity
 - Improves self-employment of people
 - Improves the creation of social services
 - Encourages workers to take part in learnerships as well as other training programmes
 - Improves employment of previously disadvantaged people
 - Supply and regulate work related services
 - Any other relevant answer
- Any 5x2=(10)

The establishment and role of SETAs

- SETAs were established with the responsibility of carrying out the aims of the Skills Development Act ✓✓
 - Separate SETAs were established for the various economic sectors
 - SETAs develop and implement a skills development plan
 - They are responsible for funds collected from the Skills Development Levy and the paying of development grants
 - Providing funds to employers, trainers and workers
 - Responsible for quality control in training
 - Ensuring that adequate and appropriate skills are readily available
 - Monitor education and training in their respective sector
 - Improves learnership
 - Registration of learnership agreements
 - Registration of SETS with SAQA
 - Interact with the National Skills Authority regarding National Skills Development Policy
 - Report to the Director General on the specific SETA
 - Appointment of personnel to carry out related functions
 - Any other relevant answer
- Any 5x2=(10)

Purpose of the South African Qualifications Authority

- To oversee the development and implementation of the National Qualifications Framework ✓✓
- Accreditation of institutions offering skills development and training
- Establish standards to improve the quality and relevance of training
- Facilitate access to education, training and career paths
- Speed up the redress of past unfair discrimination in education, training and employment
- Contributing to the full development of each learner
- Advise the Ministers of Education and Labour
- Contributes to the social and economic development of the country
- Exercise control over all SETAs
- Keep a register of qualifications obtained by learners through the different SETAs.
- Prevent fraudulent qualifications
- Any other relevant answer

Any 5x2=(10)

Benefits to the employer (Mr. Nkosi)

- Employees become skilled ✓✓
- A minimal amount of 1% of the total salary and wage is paid as a levy towards skill development
- Employers can recover up to 80% of levies paid if suitable training is provided to employees
- Motivates staff to be more productive
- Higher turnover
- Any other relevant answer

Any 3x2=(6)

Conclusion

- Any suitable comment ✓✓

(2)

INSIGHT**Structure / Layout**

Inclusion of introduction, discussion and conclusion 2
 (introduction, discussion and conclusion = 2; introduction, discussion and conclusion = 1; only discussion = 0)

Analysis and interpretation

Learner's ability to break down the question to show understanding of what is being asked 2

Synthesis

Inclusion of relevant parts and exclusion of irrelevant information 2

Originality

Learner's reasoning and application 2
 (reference shown to question; examples used; current developments)

8

BREAKDOWN OF MARKS

Introduction	Max 3 marks
Skills development Act	Max 10 marks
SETA	Max 10 marks
SAQA	Max 10 marks
Benefits to the employer	Max 6 marks
Conclusion	Max 2 marks
TOTAL FOR CONTENT	32 MARKS MAX.
Insight [LASO]	Max 8 marks
TOTAL	40

QUESTION 6: FORMS OF OWNERSHIP**Introduction**

- Different forms of ownership ✓
- According to scenario **CC** the only possibility
- All factors are equally important in deciding on a form of ownership
- If a wrong choice is made the business could be unsuccessful
- Any suitable comment. Any 3x1=(3)

Close Corporation:**CHARACTERISTICS**

- At least 1 and a maximum of 10 co-owners (Members) ✓✓
- The CC is managed jointly by all the members
- The members must complete and sign a founding statement (CK1) and this form must be handed in to the Registrar of Close Corporations to register and establish the CC
- Members have limited liability to the debts of the CC which can fall away in the following circumstances:
 - If each member's contribution is not paid to the CC within 90 days of establishment
 - If the Letters CC are not used in the documentation of the CC
 - If there are more than 10 members of a period longer than 6 months
- The name must be registered according to the Act on Close Corporations and it must end with CC in capital letters.
- Because a CC must be registered, it has its own legal entity.
- Each member must contribute to the CC in the form of money, property, other assets or services. According to this contribution, each member's percentage interest in the CC is calculated or agreed upon between the members and this interest must be filled in on the founding statement.
No share capital
- If a member wants to sell his/her interest in the CC, he/she must get the permission of the other members in the CC
- The profit is divided between the members according to the percentage interest of each member as stated in the founding statement
- The CC has continuity and it only dissolves when it is insolvent or de-registered

- No Company or other CC must have any interest in a CC
- Not necessary to audit the financial statements
- Must compile all the financial statements up to the balance sheet, within 9 months after the ending of the financial year. The Act requires that a financial officer must compile the financial statements of a CC.
- A CC has its own legal entity and is therefore responsible for paying income tax on the profits. Members are taxed on their income from the CC (Salaries and other benefits)
- Any other relevant answer. Any 6x2=(12)

Advantages of a Close Corporation

- The CC has its own legal entity, therefore the members are not responsible for the debts of the CC [Limited liability] ✓✓
- The profit is divided according to each member's percentage interest in the CC
- It is easy to change the contents of the founding statement (CKI)
- It is reasonably easy and cheap to establish a CC
- Has unlimited continuity, for example if a member dies the CC continues as long as there is 1 member.
- Capital is contributed by a maximum of 10 members which means that more capital can be contributed than in a sole proprietorship.
- All the members are active in management (except those members that didn't want to be involved in management) which means that there is more efficient management.
- Save on audit fees because financial statements don't need to be audited
- The "Act" doesn't require meetings to be held.
- Any other relevant answer. Any 3x2=(6)

Disadvantages of a Close Corporation

- Membership is limited to 10 members, which limits the capital contribution. Members do not necessary contribute money. ✓✓
- Effective management can be difficult, because it is not controlled by legislation.
- Dependent on the mutual confidence between the members
- A member must gain approval from the other members in the CC before he/she can sell his/her interest in the CC to another person.
- Each member represents the CC and binds the joint members with transactions.
- A CC can't be sold to a company. A CC must first be changed into a company before it can be sold to a company. This may delay the selling transaction.
- Any other relevant answer. Any 3x2=(6)

Various factors influencing your choice of ownership

- **SIZE / NATURE OF THE UNDERTAKING ✓✓**
 - It depends on the nature of the product / service ✓
 - If it is a small undertaking where one person can do all the managerial tasks, for example a café, a sole proprietorship, CC or private company will be suitable
 - For bigger undertakings a public company will be a better choice.
- **CONTINUITY**
 - Forms of ownership like the CC, private and public companies have unlimited continuity.
 - Sole proprietorships and partnerships do not have continuity.
- **MANAGEMENT**
 - If one person is capable of managing the business, one of the following is a possibility: A sole proprietorship,, Close corporation or private company
 - If extra managerial skills are needed, a choice must be made from a partnership, Close corporation or any one of the two kinds of companies.
- **LEGAL FORMALITIES NEEDED FOR ESTABLISHMENT**
 - For a sole proprietorship no legal formalities are needed. Only a trading licence.
 - A partnership can be established by an oral / written agreement between the partner.
 - To establish a CC or any one of the two kinds of companies there must be adherence to the legal provisions of the different Acts referring to these forms of ownership.
- **LIABILITY FOR DEBTS OF THE UNDERTAKING**
 - The owner of a sole proprietorship is completely liable for the debts of the undertaking. That means that the creditors may sell some of the assets of the owner to recover to debts.
 - Partners in a partnership are jointly and severally liable for the debts of the partnership. Partners are agents of the partnership and that implies that one partner can make the other partners liable for contracts that he / she has signed. Creditors may sell the assets of partners to pay for the debts.
 - The liability of members in a CC and the shareholders in companies are limited. All that they can lose, is the amount invested in the undertaking.

- CAPITAL

- The capital needed depends on the size of the undertaking and the nature of the product / service
- If one person is capable of supplying all the capital, a choice between a sole proprietor, CC or private company must be made
- If more capital is needed, a choice between a partnership, CC or any one of the types of companies must be considered.

- INCOME TAX IMPLICATIONS

- The implications differ for the various forms of ownership.
- The sole trader and the partners are fully liable for the taxation of the enterprise.
- The members of a CC are only taxable on their income (salaries) from the CC.
- Companies must pay tax on the profits and the shareholders are taxable on their dividends.
- The tax rate for the various forms of ownership is revised annually.

- DIVISION OF PROFITS

- If there is only one owner, he / she receives all the profits.
- With a CC and a partnership the profits are divided as agreed by the members in the Founding statement and the partnership agreement.
- If Companies the profits are divided in dividends according to the number and kind of shares that each shareholder holds.

- SELLING OF A MEMBER'S INTEREST IN THE UNDERTAKING

- The owner of a sole proprietorship may sell the business to anyone, whenever he/she wants to.
- If a partner in a partnership wants to sell his / her portion of the business, the other partners must agree to the selling. The existing partnership must be dissolved and a new partnership must be formed.
- Members in a CC or a private company must get sanction from the other members before they can sell their portion of the business.
- Shareholders in a public company may sell their shares to anybody, without the sanction of the other shareholders.

(ANY 3 FACTORS) = 3x3=(9)

Conclusion

- Any suitable comment ✓✓

(2)

INSIGHT	
Structure / Layout	
Inclusion of introduction, discussion and conclusion	2
(introduction, discussion and conclusion = 2; introduction, discussion = 1; discussion and conclusion = 1; only discussion = 0)	
Analysis and interpretation	
Learners ability to break down the question to show understanding of what is being asked	2
Synthesis	
Inclusion of relevant parts and exclusion of irrelevant information	2
Originality	
Learner's recommendation and reasoning	2
(reference shown to question; examples used; current developments)	
	8

BREAKDOWN OF MARKS

Introduction	Max 3 marks
Characteristics of close corporation	Max 12 marks
Advantages of selected close corporation	Max 6 marks
Disadvantages of selected close corporation	Max 6 marks
Factors considered in choice of ownership	Max 9 marks
Conclusion	Max 2 marks
MAXIMUM	32 MARKS MAX.
Insight [LASO]	Max 8 marks
TOTAL	40

QUESTION 7: LEADERSHIP STYLES**Introduction**

- Various types of leadership styles ✓
- Identification of leadership style in article:
Diversity management **or** Democratic leader **or** Participative style
- Agree or disagree with writer's viewpoint
- Any suitable comment

Any 3x1=(3)

Difference between leadership and management

LEADER

- Leaders create a vision in a business ✓✓
- Leaders influence others to achieve certain objectives
- Leaders possess qualities such as intelligence, honesty and assertiveness
- Leaders possess emotional intelligence
- Leaders create opportunities
- Leaders inspire and energise people and bring about change
- Leaders encourage and motivate others to be productive
- Leaders lead and help people to develop their own potential
- Focus on interpersonal aspects
- Others follow a leader out of own choice
- Any other relevant answer. Any 2x2=(4)

MANAGER

- A manager needs to achieve results and make the vision work. ✓✓
- Managers implements the leader's vision.
- Managers ensures that the work gets done; They are the bosses.
- Management includes the aspects of planning, organising, leading and controlling.
- Management turns opportunities into results.
- Any other relevant answer. Any 2x2=(4)

Leadership styles

Autocratic / Own-centered / Boss centered ✓✓ (2)

- Also called dictatorial or top-down approach
- Directive autocratic – makes decisions unilaterally
- Permissive autocratic – gives subordinates latitude in the way they do their work
- These are managers who make all decisions
- They keep most of the authority for themselves and control the subordinates
- They dominate and are usually not concerned about the attitudes or opinions of others
- They are very task/job-orientated leaders
- Not always the best way to make others perform
- Employee innovation and input can be lost
- Can work well where urgent action and quick decisions are needed
- Works well with inexperienced workers or those who need supervision
- Managers work is of an administrative nature
- Managers passes authority because of the position held
- Any other relevant answer. Any 4x2=(8)

Democratic leaders ✓✓ / Participative (2)

- Permissive or bottom-up approach ✓✓
- Directive democratic – Makes decisions in a participative manner
- Permissive democratic – allows subordinates latitude in the way they carry out their work
- Employee orientated
- Subordinates take part in decision-making
- Leaders and subordinates involved in problem solving and evaluating options
- They assume responsibility for many of their duties
- Suitable in an organisation with a horizontal or flat structure
- Identifies and builds on employees strengths
- Promote teamwork, challenge assumptions and provide feedback
- Employees morale and productivity often good with this style
- If used too loosely it could be detrimental and time consuming
- Any other relevant answer.

Any 4x2=(8)

Diversity management ✓✓ (2)

- Ideal approach in a multi-cultural organisation ✓✓
- Creates an atmosphere where individuals succeed without influence from group membership
- A manager with cross-cultural skills
- Integrating the Eurocentric and Afrocentric approaches
- Any other relevant answer.

Any 4x2=(8)

Laissez-faire/Free-reign leadership style ✓✓ (2)

- Experienced employees make decisions with the framework of the business policy. ✓✓
- Almost all authority and control is transferred to the team
- Does not get involved unless requested
- Tasks are delegated and the manager never gets involved
- Employees are left with little or no direction or motivation
- Team members become frustrated with this style of leadership
- Such leaders are regarded as weak and ineffective
- Works well with a highly experienced and motivated team
- Any other relevant answer.

Any 4x2=(8)

Charismatic leadership ✓✓ (2)

- Leads others by personal charm, inspiration and emotion ✓✓
- Good vision and ability to communicate
- Allows people to achieve success on easy projects first
- Praise subordinates and then give them more difficult assignments
- Energetic leaders who get things done well and on time
- Any other relevant answer.

Any 4x2=(8)

Transformational leadership ✓✓

(2)

- Focus is on what the leader accomplishes ✓✓
- Help to make positive changes in the way they conduct their activities.
- Able to develop new visions and activate the work force to work towards these visions.
- Relationships with subordinates and personal qualities subject to role of the leader.
- Not very successful in a business, unless leader is appointed to eliminate restricting influences on business
- Any other relevant answer.

Any 4x2=(8)

ANY 3 LEADERSHIP STYLES

3x10=(30)

Conclusion

- Any suitable comment ✓✓

2x1=(2)

INSIGHT**Structure / Layout**

Inclusion of introduction, discussion and conclusion **2**
 (introduction, discussion and conclusion = 2; introduction, discussion = 1; discussion and conclusion = 1; only discussion = 0)

Analysis and interpretation

Learners ability to break down the question to show understanding of what is being asked **2**

Synthesis

Inclusion of relevant parts and exclusion of irrelevant information **2**

Originality

Learner's recommendation and reasoning **2**
 (reference shown to question; examples used; current developments) **8**

BREAKDOWN OF MARKS

Introduction	Max 3 marks
Differentiation between leadership and management	Max 8 marks
Leadership styles	Max 30 marks
conclusion	Max 2 marks
MAXIMUM	32 MARKS MAX
Insight [LASO]	Max 8 marks
TOTAL	40

QUESTION 8: EMPLOYMENT PROCESS (selection → placement)**Introduction**

- Responsibility of the HR department ✓
 - One of the functions of the business
 - Employment is a step by step process
 - The correct appointment is crucial to business success
 - Usage of internal or external recruitment
 - Any suitable comment.
- Any 3x1=(3)

Selection

- Many applicants apply for the vacancy ✓✓
 - All applications and CVs will have to be considered.
 - Preliminary screening takes place
 - Applicants are evaluated/scrutinised and a shortlist is prepared.
 - Most suitable candidates appear on the shortlist
 - The references and qualifications of the applicants on the shortlist are checked
 - Shortlisted applicants receive an invitation to an interview
 - Unsuccessful applicants are duly advised
 - Any other relevant answer.
- Any 5x2=(10)

The interview and appointment

- Purpose of the interview is to determine the suitability of the candidate for the job ✓✓
 - Could be a one on one basis or a panel of interviewers
 - Questions are designed to determine the candidate's skill, experience and character
 - Questions must be fair and asked in a fair and professional manner.
 - Candidates must not be mislead and listened to.
 - The interviewer tries to determine whether the applicant will fit into the company
 - After all candidates are evaluated the best one is selected.
 - Candidate is informed, usually in writing (letter of appointment)
 - Unsuccessful candidates are also tactfully informed.
 - Any other relevant answer.
- Any 4x2=(8)

Employment contract

- This is a written agreement between employer and employee ✓✓
- Legal and binding
- Employee must be given the contract within two months of having started working
- Included in an employment contract:
 - Personal information of employee (name, address, contact details, etc.)
 - Job description/Conditions of employment
 - Commencement date
 - Remuneration and benefits (salary, overtime rate, etc.)
 - Deductions from employee's remuneration
 - Leave that the employee is entitled to (normal, medical, etc.)
 - Any other relevant answer
- Employment contract may be changed with mutual consent
- Any other relevant answer. Any 4x2=(8)

Induction and placement

- Induction is a process whereby the employee learns to function efficiently in the new work environment. ✓✓
- They are introduced to fellow workers and superiors
- To appoint a co-worker to act as a mentor
- To familiarise the employee with his/her tasks, in-service training is provided
- He/She is informed about the rules or policies of the organisation
- Provide information on the products or service that the business provides
- Allows the opportunity for questions and other information that will put the new employee at ease.
- Placement involves assigning the right individual to the right job
- Correct placement has a positive effect on productivity
- It ensures work satisfaction and low staff turnover
- It includes the promotion of employees and transfers to other departments.
- Any other relevant answer. Any 5x2=(10)

Conclusion

- Any suitable comment ✓✓

2x1=(2)
[40]

INSIGHT	
Structure / Layout	
Inclusion of introduction, discussion and conclusion	2
(introduction, discussion and conclusion = 2; introduction, discussion = 1; discussion and conclusion = 1; only discussion = 0)	
Analysis and interpretation	
Learners ability to break down the question to show understanding of what is being asked	2
Synthesis	
Inclusion of relevant parts and exclusion of irrelevant information	2
Originality	
Learner's recommendation and reasoning	2
(reference shown to question; examples used; current developments)	8

BREAKDOWN OF MARKS

Introduction	Max 3 marks
Selection process	Max 10 marks
Interview	Max 8 marks
Employment contract	Max 8 marks
Placement and induction	Max 10 marks
Conclusion	Max 2 marks
MAXIMUM	32 MARKS MAX
Insight [LASO]	Max 8 marks
TOTAL	40