



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

SEPTEMBER 2017

**BUSINESS STUDIES
MARKING GUIDELINE**

MARKS: 300

This marking guideline consists of 53 pages.

NOTES TO MARKERS

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

NOTE: SECTION A:

- There are no alternative answers.
 - Each question has only one correct answer.
3. 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.)
 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 'max.' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts.
 6. In an indirect question, the theory as well as the response must be relevant and related to the question.
 7. **Incorrect numbering of questions or sub-questions in SECTIONS A and B will be severely penalised. Therefore, correct numbering is strongly recommended in all sections.**
 8. No additional credit must be given for repetition of facts. Indicate with an R.
 9. 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.
- 10 **SECTION B**
- 10.1 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.

10.2 If two facts are written in one sentence, award the candidate FULL credit. Point 10.1 above still applies.

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

10.4 **USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS**

10.4.1 Where the number of facts are specified questions that require candidates to 'explain/discuss/describe' will be marked as follows:

- Heading 2 marks
- Explanation 1 mark (or as indicated in the marking guideline).

The 'heading' and 'explanation' are given separately to facilitate mark allocation.

10.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.

10.5 **ONE mark will be awarded for answers that are easy to recall, requires one-word answers, or is quoted directly from scenario/case study. This applies to SECTIONS B and C in particular.**

11. **SECTION C**

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

11.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, body, proper paragraphs and a conclusion?	2
Analysis and interpretation	Is the candidate able to breakdown the question into headings/sub-headings/interpret it correctly to show understanding of what is being asked?	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S')	
	NB: 1. If there is no '-S' allocated, award the maximum of TWO (2) marks. 2. Where a candidate answers less than 50% of the question with relevant facts, no '-S' appears in the left margin. In this case award a maximum of ONE (1) mark.	2
Originality	Is there evidence of examples, recency of information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32)		40

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, Conclusion,' etc. in 'Insight' is not supported by an explanation.**
4. **With effect from November 2017 a candidate will be awarded a maximum of ONE (1) mark for headings/sub-headings and ONE (1) mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.**

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

11.4 The components of insight are indicated at the end of the suggested answer for each question.

11.5 Mark all the relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX. after maximum marks have been obtained.

- 11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follow: (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

- 11.7 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.)
- 11.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 11.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.
- 11.10 11.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
11.10.2 With effect of from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (√) will be separated and indicated next to each fact, e.g. “Product development is a growth strategy/where businesses aim to introduce new products √ into existing markets.”√
This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 11.11 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: (COMPULSORY)**QUESTION 1**

- 1.1 1.1.1 C ✓✓ 21
 1.1.2 A ✓✓ Product penetration
 1.1.3 C ✓✓ Promotes economic development, social justice, labour peace and democracy in the workplace.
 1.1.4 D ✓✓ unlimited liability and limited continuity
 1.1.5 A ✓✓ dividends
 1.1.6 D ✓✓ average
 1.1.7 D ✓✓ Inclusivity
 1.1.8 B ✓✓ allocate tasks according to the roles of team members
 1.1.9 C ✓✓ Public relations
 1.1.10 C ✓✓ teamwork
- (10 x 2) (20)
- 1.2 1.2.1 Tertiary ✓✓
 1.2.2 JSE ✓✓
 1.2.3 brainstorming ✓✓
 1.2.4 screening ✓✓
 1.2.5 fringe ✓✓
- (5 x 2) (10)
- 1.3 1.3.1 H ✓✓
 1.3.2 F ✓✓
 1.3.3 E ✓✓
 1.3.4 A ✓✓
 1.3.5 C ✓✓
- (5 x 2) (10)

TOTAL SECTION A: 40

BREAKDOWN OF MARKS	
1.1	20
1.2	10
1.3	10
TOTAL	40

SECTION B**QUESTION 2: BUSINESS ENVIRONMENT****2.1 Porter's Five Forces**

- 2.1.1 Competitive rivalry ✓✓
- 2.1.2 Power of suppliers ✓✓
- 2.1.3 Threat/Barrier to new entry ✓✓
- 2.1.4 Power of buyers ✓✓
- 2.1.5 Threat of substitution ✓✓

(5 x 2) (10)

2.2 Business sectors

- Primary ✓ sector
- Secondary ✓ sector
- Tertiary ✓ sector

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

2.3 Strategic management process**OPTION 1**

- Have a clear vision, a mission statement ✓ and measurable/realistic objectives in place. ✓
- Identify opportunities/weaknesses/strengths/threats ✓ by conducting environmental scanning/situational analysis. ✓
- Tools available for environmental scanning ✓ may include a SWOT-/PESTLE-/Porters Five Forces-analysis. ✓
- Formulate alternative strategies ✓ to respond to the challenges/scanning results. ✓
- Develop (an) action plan(s), ✓ including the tasks to be done/deadlines to be met/resources to be procured, etc. ✓
- Implement selected strategies ✓ by communicating it to all stakeholders/organising the business's resources/motivating staff. ✓
- Continuously evaluate, ✓ monitor, ✓ measure strategies ✓ in order to take corrective action. ✓
- Any other relevant answer related to a description of the strategic management process.

OR**OPTION 2**

- Review ✓ vision statement. ✓
- Analyse/Re-examine ✓ mission statement. ✓
- Conduct an analysis ✓ using models such as PESTLE/PORTERS. ✓
- Formulate strategy, ✓ referring to strategies such as defensive/retrenchment. ✓
- Implement strategy, ✓ using templates such as action plans. ✓
- Control of strategy ✓ to identify gaps in planning. ✓
- Evaluate strategy ✓ to identify deviations in implementation. ✓
- Take corrective action ✓ to ensure goals/objectives are met. ✓
- Any other relevant answer related to a description of the strategic management process.

NOTE: The steps may be in any order.

Max: (6)

2.4.1 **Roles of SETAs from the scenario**

- Develop a sector skills plan.√
- Implement the plan.√
- Develop and administer learnerships.√
- Support the implementation of the National Qualifications Framework.√
- Undertake quality assurance.√

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

2.4.2 **Purpose of SDA**

- Develops the skills of people in South Africa√ in order to improve productivity.√
- Invests√ in education and training of workers.√
- Encourages businesses√ to improve the skills of their workers.√
- Improves the chances of getting a job√ for previously disadvantaged people.√
- Redresses imbalances of the past√ through education and training.√
- Provides for the implementation of strategies√ on a national, sector and workplace basis.√
- Provides funds for skills development√ through the levy-grant scheme and a National Skills Fund.√
- Encourages workers to participate√ in learning programmes.√
- Any other relevant answer related to the purpose of the SDA.

Max: (6)

2.5 **Defensive strategies**

Retrenchment:√√

- Business is restructured, √ therefore staff numbers are reduced. √
- Decreasing the number of product lines, √ may lead to the closing of a department. √

Strategy (2)
Explanation (1)
Submax. (3)

Divestiture/Disinvestment: √√

- Unprofitable divisions √ of the business are sold/outsourced to improve operational efficiency. √
- Unproductive assets are sold, √ to improve cash flow. √

Strategy (2)
Explanation (1)
Submax. (3)

Liquidation:√√

- Sells all assets/stops operating √ to pay off debts. √
- Forced liquidation √ may be used as an option by creditors. √

Strategy (2)
Explanation (1)
Submax. (3)

- Any other relevant answer related to the defensive strategies.

NOTE: Mark the first THREE (3) only.

(3 x 3) (9)

2.6 Consumer rights

Right to choose ✓✓

Consumers have the right to:

- Choose suppliers ✓ and goods. ✓
- Shop around ✓ for the best prices. ✓
- Return goods ✓ that are unsafe/defective ✓ for a full refund. ✓
- Reject goods ✓ that are not the same as the sample marketed. ✓
- Cancel/renew ✓ fixed term agreements. ✓
- Request written quotations ✓ and cost estimates. ✓
- Any other relevant answer related to the consumers' right to choose.

Heading (2)
Explanation (1)
Submax. (3)

Right to privacy and confidentiality ✓✓

- Consumers have the right to stop/restrict ✓ unwanted direct marketing. ✓
- They can object ✓ to unwanted promotional e-mails and telesales. ✓
- They have the right to stop/lodge complaints ✓ about the sharing of their personal details. ✓
- Any other relevant answer related to the consumers' right to privacy and confidentiality.

Heading (2)
Explanation (1)
Submax. (3)

Right to fair and honest dealings ✓✓

- Suppliers may not use physical force ✓ or harass customers. ✓
- Suppliers may not give misleading ✓ or false information. ✓
- Businesses may not promote ✓ pyramid schemes and chain-letter schemes. ✓
- Businesses may not overbook/oversell goods/services ✓ and then not honour the agreement. ✓
- Any other relevant answer related to the consumers' right to fair and honest dealings.

Heading (2)
Explanation (1)
Submax. (3)

Right to information about products and agreements/Right to disclosure and information ✓✓

- Contracts and agreements should be in plain language ✓ and easy to understand. ✓
- Businesses should display prices ✓ which are fully inclusive disclosing all costs. ✓
- Consumers may request the unit and bulk price ✓ of the same product. ✓
- If two prices for the same product are displayed, ✓ consumers should pay the lower price. ✓
- Businesses should label products ✓ and trade descriptions correctly. ✓
- Any other relevant answer related to the consumers' right to information.

Heading (2)
Explanation (1)
Submax. (3)

Right to fair/responsible marketing/promotion √√

- Businesses should not mislead consumers on pricing, √ benefits/uses of goods. √
- Consumers may cancel purchases made through direct marketing √ within five working days/cooling off-period. √
- All information related to the country of origin/expiry dates/ingredients of the products √ should be disclosed. √
- Any other relevant answer related to the consumers' right to fair marketing/promotion.

Heading (2)
Explanation (1)
Submax. (3)

Right to fair value/good quality and safety √√

- Consumers have the right to demand √ quality service or goods. √
- They have the right to return faulty items √ if the fault occurs within six months after purchasing the item. √
- Consumers may receive √ an implied warranty or a written warranty. √
- Any other relevant answer related to the consumers' right to fair value, good quality and safety.

Heading (2)
Explanation (1)
Submax. (3)

Right to accountability from suppliers √√

- Consumers have the right to be protected √ in lay-by agreements. √
- Businesses should honour √ credit vouchers and prepaid services. √
- Any other relevant answer related to the consumers' right to accountability from suppliers.

Heading (2)
Explanation (1)
Submax. (3)

Right to fair, just and reasonable terms and conditions √√

- Businesses should provide consumers √ with written notices of clauses that may limit consumer rights. √
- Businesses may not market or sell goods √ at unfair prices. √
- Any other relevant answer related to the consumers' right to fair, just and reasonable terms and conditions.

Heading (2)
Explanation (1)
Submax. (3)

Right to equality in the consumer market place √√

- Businesses should not limit access √ to goods and services. √
- Businesses may not vary the quality of their goods √ to different consumers. √
- Businesses may not charge different prices √ for the same goods/services. √
- Businesses should not discriminate √ when marketing their products and services in different areas/places. √
- Any other relevant answer related to the consumers' right to equality in the consumer market place.

Heading (2)
Explanation (1)
Submax. (3)

(3 x 3) (9)

2.7.1 **Primary purpose of the BBBEE Act quoted from the scenario**

- To address and enhance the economic participation of Black people in the South African economy. ✓ (1)

2.7.2 **Pillars of BBBEE quoted from the scenario**

- Ownership ✓
- Management and control ✓
- Skills development ✓
- Enterprise and supplier development ✓
- Socio-economic development ✓

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

2.7.3 **Introduction of the BBBEE Act**

- The purpose of BBBEE is to enable wealth ✓ to be spread more broadly. ✓
- Through BBBEE the government strives ✓ to involve all businesses (profit and non-profit organisations). ✓
- BBBEE Act includes a wider group of previously disadvantaged people, ✓ such as black women, people with disabilities, youth and people living in rural areas through social-economic strategies such as management, ownership, employment equity, social responsibility, preferential procurement and enterprise development. ✓
- BBBEE Broad-based Black Economic Empowerment is a growth strategy that targets inequality within the South African economy ✓ by encouraging more black management, promoting employment equality, encouraging skills training in businesses, nurturing black entrepreneurship and building black SMMEs by means of affirmative action. ✓
- Any other relevant answer related to the introduction of Broad-Based Black Economic Empowerment (BBBEE).

Max. (4)

2.7.4 **Impact of the BBBEE Act on businesses**

Positives/Advantages

- Workers will be skilled ✓ because businesses are compelled to send them for skills training. ✓
- Businesses that comply with BBBEE regarding the pillars ✓ will be rated high on the BEE score card/may get government tenders. ✓
- Encourages businesses to address the demands for redress ✓ and equity directly. ✓
- Provides a variety of business codes ✓ to improve employment equity. ✓
- Provides opportunities for/Empowers previously disadvantaged employees ✓ through uplifting socio-economic processes. ✓
- Provides for human resources development ✓ through training and development. ✓
- Promotes enterprise development, ✓ by developing entrepreneurial skills of designated people to start their own businesses. ✓
- Businesses will have a good overview on how it is performing ✓ with regard to the national requirements of the country. ✓
- A good BBBEE rating ✓ will improve the image of the business. ✓
- By focusing on BBBEE the business will show commitment ✓ towards the social/educational/economic developments in the community/country. ✓

- Once rated, the business will understand how to develop BBBEE strategies ✓ that will increase its BBBEE ratings on an annual basis. ✓
- Fronting is discouraged, ✓ as it may lead to the disqualification of a business's entire score card/BBBEE status. ✓
- Share prices of BBBEE compliant businesses are likely to increase ✓ as they attract more business. ✓
- Businesses that support Small, Micro, Medium Enterprises (SMMEs), ✓ may increase their own BEE ratings. ✓
- Complying with BBBEE requirements gives businesses experience/exposure ✓ to be able to provide better employment opportunities/staff development. ✓
- Any other relevant answer related to the positive impact of BBBEE on businesses.

AND/OR

Negatives/Disadvantages

- Businesses have to go through the process of having their BBBEE compliance measured/verified ✓ by an independent BBBEE verification agency. ✓
- Businesses that wish to do business with the government, ✓ must have their BBBEE status assessed annually. ✓
- Provides for preferential procurement, ✓ so certain businesses may be excluded from supplying goods/services. ✓
- Processes may lead to corruption/nepotism, ✓ if not monitored properly. ✓
- Many businesses have been disadvantaged due to BEE ratings ✓ as they may not be able to meet all the criteria for scoring. ✓
- Processes and procedures may be costly for a business ✓ as there are many legal requirements for scoring enough points to be compliant. ✓
- Businesses could experience large financial implications/penalties ✓ if they do not comply with BBBEE. ✓
- Businesses will have to spend money in areas covered by the seven/five pillars of BBBEE ✓ to obtain a good BBBEE rating. ✓
- Investment and ownership issues ✓ can cause unhappiness between existing shareholders. ✓
- Any other relevant answer related to the negative impact of BBBEE on businesses.

Max. (6)
[60]

BREAKDOWN OF MARKS	
2.1	10
2.2	3
2.3	6
2.4.1	3
2.4.2	6
2.5	9
2.6	9
2.7.1	1
2.7.2	3
2.7.3	4
2.7.4	6
TOTAL	60

QUESTION 3: BUSINESS VENTURES**3.1 Forms of ownership**

- 3.1.1 Private company ✓✓
- 3.1.2 Public company ✓✓
- 3.1.3 Non-profit company ✓✓
- 3.1.4 State-owned company ✓✓

(4 x 2) (8)

3.2.1 Excess

- The payment that needs to be made by the insured ✓ towards the claim. ✓
- The amount that is not paid by the insurance company, ✓ but the responsibility of the insured. ✓
- The insured makes this payment ✓ to prevent the insured from claiming unnecessary. ✓
- Any other relevant answer related to excess.

Max. (2)

3.2.2 Premium

- A payment to the insurer ✓ for cover usually based on the insured value of the goods and the risk involved. ✓
- The amount of money to be paid monthly/annually ✓ by the insured to the insurer for indemnification. ✓
- Any other relevant answer related to a premium.

Max. (2)

3.3 Importance of insurance to businesses

- Transfers the risk from the business/insured ✓ to an insurance company/insurer. ✓
- The transfer of the risk is subject to the terms and conditions ✓ of the insurance contract. ✓
- Protects the business against theft and loss of stock and/or damages ✓ caused by natural disasters such as floods, storm damage, etc. ✓
- The business will be compensated ✓ for insurable losses. ✓
- Valuable business assets ✓ e.g. vehicles/equipment/buildings need to be insured against damage and/or theft. ✓
- Business is protected against the loss of earnings ✓ e.g. strikes by employees result in losses worth millions of rands. ✓
- Protects the business against deeds of dishonesty ✓ by employees. ✓
- Insurance can be taken against the life of partners' ✓ in a partnership. ✓
- Should the services of key personnel be lost due to accidents or death, ✓ the proceeds of an insurance policy can be paid out to the business/beneficiaries. ✓
- Replacement costs for damaged machinery/equipment are very high, ✓ therefore, insurance can reduce/cover these costs. ✓
- Protects the business against losses ✓ due to the death of a debtor. ✓
- Any other relevant answer related to the importance of insurance to businesses.

Max. (5)

3.4 Distinction between insurance and assurance

INSURANCE	ASSURANCE
- Based on the principle of indemnity. √√	- Based on the principle of security/certainty. √√
- Is a form of risk management in which the insured transfers the cost of potential loss to another entity for monetary compensation known as a premium. √√	- It is a contract where the insurer undertakes to pay an agreed sum of money after a certain period has expired/on the death of the person, whichever occurs first. √√
- It covers a specified event that may occur. √√	- Specified event is certain, although the time of event is uncertain. √√
- Applicable to short term insurance. √√	- Usually applicable to long term insurance. √√
- Any other relevant answer related to the definition of insurance.	- Any other relevant answer related to the definition of assurance.
Submax. (2)	Submax. (2)
- Example: property insurance/money in transit/theft/burglary/fire. √ - Any other relevant example of insurance.	- Example: life insurance/endowment policies/retirement annuities. √ - Any other relevant example of assurance.
Submax. (1)	Submax. (1)

NOTE: Mark the first example only.

Distinction (4)
Example (2)
Max. (6)

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

3.5.1 Fixed deposit √

(1)

3.5.2 A fixed deposit is a low risk investment, √ as investors are guaranteed √ of the final payment from the financial institutions. √

(3)

3.5.3 Investment

$$R25\ 000 \sqrt{+} R2\ 500 (R25\ 000 \times 10\%) = R27\ 500 \sqrt{}$$

$$R27\ 500 + R2\ 750 (R27\ 500 \times 10\%) \sqrt{=} R30\ 250 \sqrt{}$$

$$R30\ 250 + R3\ 025 (R30\ 250 \times 10\%) \sqrt{=} R33\ 275 \sqrt{}$$

OR

$$P (1+i)^n \sqrt{\sqrt{}}$$

$$25\ 000(1+0,1)^3 \text{ OR } 25\ 000(1,1)^3 \text{ OR } 25\ 000(1,331) \sqrt{\sqrt{}}$$

$$= R33\ 275 \sqrt{\sqrt{}}$$

- NOTE:**
1. Allocate full marks (6) if the answer is correct and no workings are shown.
 2. If calculations were shown correctly, but the final answer is wrong, award a maximum of FOUR (4) marks.
 3. If the answer is incorrect, award a maximum of TWO (2) marks for the understanding of concept and method.
 4. If there are no workings shown and the answer is incorrect, allocate a ZERO mark.

Max. (6)

3.5.4 Differences between simple and compound interest

SIMPLE INTEREST	COMPOUND INTEREST
Calculated on the original/principal amount ✓ invested. ✓	Calculated each period on the original/principal amount ✓ including all interest accumulated during past periods. ✓
Accumulated interest from prior periods ✓ is not used in calculations for the following period. ✓	Accumulated interest from prior periods ✓ is used in calculations for the following period. ✓
Interest charged remain fixed ✓ for the full period of investment. ✓ Money charged by the borrower ✓ on the fixed amount for a certain period. ✓	Based on the concept of adding accumulated interest to the original/principal amount ✓ and interest is earned on interest. ✓
Any other relevant answer related to simple interest.	Any other relevant answer related to compound interest.
Submax. (2)	Submax. (2)

Max. (4)

- NOTE:**
1. The differences must be clear.
 2. Answer does not have to be in tabular format.
 3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either simple or compound interest only.
 4. Accept paragraph style answer.

3.6.1 Type of leadership style

- Bureaucratic ✓✓

(2)

Motivation

- The owner of the business follows all the organisational rules and policies systematically./He makes sure that employees adhere strictly to the rules.✓

(1)

Max. (3)

3.6.2 Impact of the bureaucratic style in the workplace

Positives/Advantages

- Managers ensure that government policies/business rules/procedures ✓ are always followed accurately. ✓
- Tight control measures implemented/followed ✓ ensure high quality service delivery. ✓
- Ensures accountability ✓ to the general public/community. ✓
- Improves health and safety in dangerous workplaces, ✓ e.g. mines, construction sites. ✓
- Followers know what is expected of them ✓ because of complete instructions. ✓
- Strict control over systems/procedures, ✓ ensure high quality output. ✓
- Any other relevant answer related to the positive impact of a bureaucratic leadership style.

AND/OR

Negatives/Disadvantages

- Complicated/Official rules ✓ may seem unnecessary/time consuming. ✓
- Leaders/Directors may acquire power ✓ and can disregard/ignore inputs from others. ✓
- Very little room for error, ✓ so workers feel they are not treated as humans. ✓
- Lack of creativity/innovation/self-fulfilment ✓ may lead to stagnation/decrease in productivity. ✓
- Any other relevant answer related to the negative impact of a bureaucratic leadership style.

Max. (6)

3.7 Advantages of the transactional leadership style

- Encourages employees to work hard ✓ as they will receive rewards. ✓
- Improves employees' productivity/morale ✓ as they feel motivated/good about themselves. ✓
- Business goals/objectives ✓ may be achieved. ✓
- Employees know exactly ✓ what is expected of them. ✓
- Disciplinary procedures ✓ are well communicated. ✓
- Any other relevant answer related to the advantages of the transactional leadership style.

Max. (6)

3.8 Personal-liability company (PLC)

3.8.1

Capital	
Success	Failure
<ul style="list-style-type: none"> - A large amount of capital can be raised ✓ since there is no limit on the number of shareholders. ✓ - Large amount of capital enhances ✓ growth and advancement in technology for the PLC. ✓ - The company can access long term capital ✓ and therefore has good long term growth opportunities. ✓ - Any other relevant answer related to how capital can contribute to the success of a PLC. 	<ul style="list-style-type: none"> - Shares are not freely transferable, ✓ so less capital can be raised/Prohibited by its Memorandum of Incorporation (MOI) from offering its shares to the public, ✓ which limits the amount of capital that can be raised for expansion. ✓ - Restrictions on transferability of shares ✓ may discourage people from joining the company. ✓ - If the company fails ✓ to attract financially strong shareholders, it may hamper its growth opportunities. ✓ - Any other relevant answer related to how capital can contribute to the failure of a PLC.

Max. (4)

3.8.2

Management	
Success	Failure
<ul style="list-style-type: none"> - Management is in the capable hands of a board of directors ✓ who have skills, knowledge and abilities. ✓ - Shareholders can vote for/appoint ✓ the most capable directors to manage their company. ✓ - Directors are jointly and severally liable for all company's debts and liabilities incurred. ✓ This forces them to act responsibly and work harder ✓ towards the success of a company. ✓ - One director may be able to make ✓ quick decisions. ✓ - Any other relevant answer related to how management can contribute to the success of a PLC. 	<ul style="list-style-type: none"> - Directors may not have a direct interest in the company, ✓ which can hamper growth and profit maximisation. ✓ - PLC and its shareholders are compelled to budget a larger amount for directors' remuneration ✓ to attract the best directors. ✓ - Directors' fees increase the company's expenses ✓ which reduces net profit. ✓ - Any other relevant answer related to how management can contribute to the failure of a PLC.

Max. (4)

[60]

BREAKDOWN OF MARKS	
3.1	8
3.2	4
3.3	5
3.4	6
3.5.1	1
3.5.2	3
3.5.3	6
3.5.4	4
3.6.1	3
3.6.2	6
3.7	6
3.8.1	4
3.8.2	4
TOTAL	60

QUESTION 4: BUSINESS ROLES**4.1 Stages of team development**

- Forming ✓
- Storming ✓
- Norming ✓
- Performing ✓
- Adjourning/Mourning ✓
- Any other relevant answer related to the stages of team development.

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

4.2 Advantages of creative thinking in the workplace

- Starts/Ignites business's process of problem solving, ✓ as there are usually more problems and not enough solutions. ✓
- Better/Unique/Unconventional ideas/solutions ✓ is generated. ✓
- May give a business a competitive advantage ✓ if unusual/unique solutions/ideas/strategies are implemented. ✓
- Complex business problems ✓ may be solved. ✓
- Productivity increases ✓ as business's management/employees may quickly generate multiple ideas to utilise 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. ✓
- Improves motivation ✓ amongst staff members. ✓
- Managers/Employees have a feeling of great accomplishment ✓ and they will not resist/obstruct once they solved a problem/contributed towards the success of the business. ✓
- Business's management/employees may keep up ✓ with fast changing technology. ✓
- Stimulates brain function of employees/managers, ✓ as they are continuously pushed out of their comfort zone. ✓
- Creativity may lead to new inventions ✓ which improves the general standard of living. ✓
- Any other relevant answer related to the advantages of creative thinking in the workplace.

Max. (6)

4.3.1 Unethical business practice

- Tax evasion ✓✓

(2)

Motivation

- Roy, the owner of True Blue Sports, does not record all the transactions of his business as required by South African Revenue Services. ✓

(1)

Max. (3)

4.3.2 Unethical business practices

- Sexual harassment ✓
- Unauthorised use of workplace funds and resources ✓
- Unfair advertising ✓
- Pricing of goods in rural areas ✓
- Abuse of work time ✓
- Any other relevant answer related to unethical business practices.

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

4.3.3 Professional, responsible, ethical and effective business practice

- True Blue Sports should not start other business ventures at the expense of others. ✓✓
- They should pay fair wages. ✓✓
- All employees should be treated equally. ✓✓
- Appoint honest/trustworthy accountants with a good reputation. ✓✓
- Staffing and other processes should be open and transparent. ✓✓
- Draw up a code of ethics. ✓✓
- Managers must set the tone for professional/responsible/ethical behaviour. ✓✓
- There must be adequate internal control systems in place. ✓✓
- There should be honesty in all relationships/transactions in the business. ✓✓
- Employees should understand ethical business practices through effective communication/training. ✓✓
- Seminars on business ethics should be held for managers and the employees to help them understand the importance of the ethical work culture of the business. ✓✓
- Management must consider the impact of their decisions/actions on all stakeholders. ✓✓
- Regulations applicable to environmental protection should be taken seriously. ✓✓
- They should charge fair prices in rural areas. ✓✓
- Any other relevant recommendation related to ways in which TBS should conduct business professionally, responsibly and ethically.

NOTE: Mark the first THREE (3) only.

(3 x 2) (6)

4.4 Criteria for successful teams

Interpersonal attitudes and behaviour ✓✓

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

Criteria (2)
Explanation (1)
Submax. (3)

Shared values/Mutual trust and support √√

- Shows loyalty/respect/trust towards team members √ despite differences. √
- Shows respect √ to 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 of members in successful teams.

Criteria (2)
Explanation (1)
Submax. (3)

Communication √√

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

Criteria (2)
Explanation (1)
Submax. (3)

Co-operation/Collaboration √√

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

Criteria (2)
Explanation (1)
Submax. (3)

- NOTE:**
1. **Mark the first THREE (3) only.**
 2. **Consider any other relevant criteria for a successful team.**

(3 x 3) (9)

4.5 **Difference between ethics and professionalism**

ETHICS	PROFESSIONALISM
- Set of standards ✓ of expected behaviour. ✓ - Set of values ✓ that are morally acceptable. ✓	- Knowledge and skills ✓ of a profession. ✓
- Acceptable ✓ to society/group/community. ✓	- Used for the good ✓ of the employees/individuals. ✓
- Forms part of the employees' ✓ code of conduct. ✓	- Apply a code of conduct ✓ set by the profession or business. ✓
- Focus is on developing a moral compass ✓ to use in decision-making. ✓	- Focus is on upholding the reputation ✓ of the business/ profession. ✓
- Seeks to avoid harm ✓ while promoting benefit to others. ✓	- Conforms to a specific standard in terms of quality and competence ✓ while also being legal and ethical. ✓
- Any other relevant answer related to ethics.	- Any other relevant answer related to professionalism
Submax. (3)	Submax. (3)

- NOTE:**
1. The differences must be clear.
 2. Answer does not have to be in tabular format.
 3. Award a maximum of THREE (3) marks if the differences is not clear./Mark either ethics or professionalism only.
 4. Accept paragraph style answer.

Max. (6)

4.6.1 **Problem-solving technique**

- Delphi technique ✓✓

(2)

Motivation

- To request a group of business experts to complete questionnaires. ✓

(1)

Max. (3)

4.6.2 **Advantages of the Delphi technique**

- A group of experts will be used ✓ without bringing them together. ✓
- Experts will give clear ideas/solutions ✓ on how to improve on low productivity/ profitability. ✓
- Panel members/Experts can give new information ✓ on problems. ✓
- Information received from experts ✓ can be kept confidential. ✓
- It reduces noise levels in an office environment ✓ since there is no group discussion. ✓
- Panel members/Experts need to reach consensus, ✓ so that the best solution is found. ✓
- All experts are given an equal opportunity to give their opinions, ✓ so no-one dominates the process. ✓
- Any other relevant advantages related to the use of the Delphi technique in solving business problems.

Max. (6)

4.7 Benefits of diversity in the workplace

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

Max. (6)

4.8 Ways in which the businesses can deal with diversity issues in the workplace**4.8.1 Age**

- Promotions should not be linked to age, but rather to specific skills set. ✓✓
- A business must not employ children aged 15 or younger. ✓✓
- The ages of permanent workers should vary from 18 to 65 to include all age groups. ✓✓
- A business may employ a person who is older than the normal retirement age provided that person is the most suitable candidate. ✓✓
- Businesses must encourage older employees to help young employees to develop their potential. ✓✓
- Young employees must be advised to respect and learn from older employees. ✓✓
- The business should encourage employees to be sensitive to different perspectives of various age groups. ✓✓
- Any other relevant answer related to the way in which businesses can deal with age as a diversity issue in the workplace.

Max. (4)

4.8.2 **Disability**

- Provide employment opportunities for people with disabilities. √√
- Accommodate people with disabilities by providing facilities/ramps for wheelchairs, √√ etc.
- Ensure that workers with special needs are not marginalised/feel excluded from workplace activities. √√
- Business should be well informed with how to deal with disabled employees. √√
- Policies and programs should accommodate the needs of people with disabilities. √√
- Create an organisational culture and climate that is conducive for people with disabilities. √√
- Employees should be trained to deal with colleagues with disabilities. √√
- Bringing in external experts to help with disability and accommodation issues. √√
- Ensure that employees with disabilities are treated fairly. √√
- Focus on job skills/work performance of the disabled, rather than their disability/possible problems they may pose in the future. √√
- Any other relevant answer related to the way in which businesses can deal with disability as a diversity issue in the workplace.

Max. (4)
[60]

BREAKDOWN OF MARKS	
4.1	3
4.2	6
4.3.1	3
4.3.2	4
4.3.3	6
4.4	9
4.5	6
4.6.1	3
4.6.2	6
4.7	6
4.8.1	4
4.8.2	4
TOTAL	60

QUESTION 5: BUSINESS OPERATIONS**5.1 Methods of external recruitment**

- Printed media, e.g. newspapers/flyers ✓
- Electronic media, e.g. radio/TV ✓
- Social media/Social networks/Internet/Business websites ✓
- Recruitment agencies ✓
- Walk-ins ✓
- Head-hunting ✓
- Professional associations ✓
- Networking ✓
- Educational/Training institutions ✓
- Posters/Bill boards just outside the business ✓
- Any other relevant answer related to the methods of external recruitment.

NOTE: 1. **Mark the first THREE (3) only.**
2. **Allocate a maximum of ONE (1) mark for examples on each method.**

(3 x 1) (3)

5.2 Placement procedure

- The business must outline the specific responsibilities of the new position, ✓ including the expectations and skills required for this position. ✓
- The business should determine the employee's strengths, weaknesses, interest, and skills ✓ by subjecting the employee to a range of psychometric tests. ✓
- The business must determine the relationship between the position ✓ and the competencies of the employee. ✓
- Any other relevant answer related to the placement procedure.

Max. (6)

5.3 Benefits of induction programme

- New employees who are familiar with the business's policies/procedures ✓ may easily adapt to his/her new work environment. ✓
- New employees learn more about the business ✓ and understand their role in the business/what is expected in the job. ✓
- Increased productivity ✓ and quality of service/performance. ✓
- Minimises the need ✓ for on-going training and development. ✓
- Better/More focused training may be provided ✓ based on the results obtained from the induction process. ✓
- New employees will understand ✓ rules/restrictions in the business. ✓
- New employees will know where everything is ✓ and who the supervisors/low-level managers are for better communication purposes. ✓
- New employees may feel part of the team resulting ✓ in positive morale/motivation. ✓
- Any other relevant answer related to the benefits of an induction programme on businesses.

Max. (6)

5.4.1 **Employment contract**

- Employer – Real Clean LTD ✓
 - Employee – Jane ✓
- (2 x 1) (2)

Motivation

- Real Clean LTD is the employer because “Real Clean LTD has employed Jane as a cleaner.” ✓
 - Jane is the employee because “Real Clean LTD signed an employment contract with Jane.” ✓
- (2 x 1) (2)

Max. (4)

5.4.2 **Aspects of an employment contract**

- Key performance areas/Duties and responsibilities ✓
- Code of conduct ✓
- Job description ✓
- Name and address of the business/employer ✓
- Name and address and other personal information of the employee ✓
- Job title ✓
- Probation period ✓
- Bonus and salary/employee wages/salary and method of calculating the wage/salary ✓
- Remuneration package/other payments the employee is entitled to ✓
- The date of commencement of employment ✓
- Details of termination of a contract/notice period ✓
- Rate of overtime payment ✓
- All deductions that will be made from the employee salary/wage must be clearly indicated ✓
- Leave ✓
- Working hours ✓
- Any other relevant answer related to the aspects included in an employment contract.

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

5.4.3 **Reasons for terminating an employment contract**

- Real Deal LTD may dismiss employees for valid reason(s), e.g. unsatisfactory job performance, misconduct ✓✓, etc.
- Real Clean LTD (employer) may no longer have work for redundant employees/ cannot fulfil the contract/is restructuring. ✓✓
- Real Clean LTD may retrench some employees due to insolvency/may not be able to pay the employees. ✓✓
- Employees decided to leave and resign voluntarily. ✓✓
- An employee may have reached the pre-determined age for retirement. ✓✓
- Any other relevant answer related to the reasons for termination of an employment contract.

Max. (6)

5.5 **Benefits of a good quality management system**

- Effective customer service will be rendered, √ resulting in increased customer satisfaction. √
- Time and resources √ are used efficiently. √
- Productivity increase √ through proper time management √ and using high quality resources. √
- Products and services are constantly improved, √ resulting in greater customer satisfaction. √
- Vision and mission √ may be achieved. √
- The business may achieve a competitive advantage √ over its competitors. √
- Continuous training √ will continuously improve the quality of employees' skills and knowledge. √
- Employers and employees will have a healthy working relationship, √ which results in happy workers. √
- Increased market share √ and profitability. √
- Any other relevant answer related to the benefits of a good quality control system.

Max. (6)

5.6 **Distinction between quality performance and quality management**

QUALITY PERFORMANCE	QUALITY MANAGEMENT
- Total performance of each department measured √ against specified standards. √	- It is techniques/tools√ used to design/improve the quality of a product.√
- Can be obtained if all departments work together√ towards the same quality standards. √	- Can be used for accountability√ within each of the business function.√
- Quality is measured√ through physical product/statistical output of processes/surveys of the users and/or buyers of goods/services.√	- Aims to ensure that the quality of goods/services√ is consistent√/ Focuses on the means√ to achieve consistency. √
- Any other relevant answer related to quality performance.	- Any other relevant answer related to quality management.
Submax. (4)	Submax. (4)

- NOTE: 1. The answer does not have to be in tabular format.**
2. The distinction must be clear.
3. Award a maximum of FOUR (4) marks if the distinction is not clear./Mark either quality performance or quality management only.

Max. (8)

5.7.1 **TQM element**

- Total Client/customer satisfaction √

(2)

Motivation

- Customers always speak very highly of the quality of the clothing/Jabu knows that the quality of her clothing determines her sales.√

(1)

Max. (3)

5.7.2 Total client/customer satisfaction

Positives/Advantages

- Large businesses use market research/customer surveys ✓ to measure/monitor customer satisfaction/analyse customers' needs. ✓
- Continuously promote ✓ a positive company image. ✓
- May achieve a state of total customer satisfaction, if businesses follow sound business practices ✓ that incorporate all stakeholders. ✓
- Strive to understand and fulfil customer expectations ✓ by aligning cross-functional teams across critical processes. ✓
- Ensures that cross-functional teams understand its core competencies ✓ and develop/strengthen it. ✓
- May lead to higher customer retention/loyalty ✓ and businesses may be able to charge higher prices. ✓
- Businesses may be able to gain access ✓ to the global market. ✓
- May lead to increased ✓ competitiveness/profitability. ✓
- Any other relevant answer related to the positives impact of total client/customer satisfaction.

AND/OR

Negatives/Disadvantages

- Employees who seldom come into contact with customers ✓ often do not have a clear idea of what will satisfy their needs. ✓
- Monopolistic companies have an increased bargaining power, ✓ so they do not necessarily have to please customers. ✓
- Not all employees ✓ may be involved/committed to total client satisfaction. ✓
- Any other relevant answer related to the negatives impact of total client/customer satisfaction.

Max. (6)

5.8 PDCA model/cycle in the continuous improvement to processes and systems

- Plan ✓
 - o Businesses should identify the problem. ✓
 - o Develop a plan for improvement to processes and systems. ✓
 - o Answer questions such as 'what to do' and 'how to do it'. ✓
 - o Plan the method and approach. ✓

Submax. (2)
- Do ✓
 - o Businesses should implement the change on a small scale. ✓
 - o Implement the processes and systems. ✓

Submax. (2)
- Check/Analyse ✓
 - o Use data to analyse the results of change. ✓
 - o Determine whether it made a difference. ✓
 - o Check whether the processes are working effectively. ✓
 - o Businesses should assess, plan and establish if it is working/if things are going according to plan. ✓

Submax. (2)

- Act as needed ✓
 - Institutionalise the improvement. ✓
 - Devise strategies on how to continually improve. ✓
 - If the change was successful, implement it on a wider scale. ✓
 - Continuously revise the process. ✓

Submax. (2)

- Any other relevant answer related to how businesses can use the PDCA model/cycle to continuously improve their processes and systems.

- NOTE:**
1. Do not award marks for the impact of continuous improvement to processes and systems.
 2. The step could be integrated in the explanation.

Step (1)
Explanation (1)
Max. (8)
[60]

BREAKDOWN OF MARKS	
5.1	3
5.2	6
5.3	6
5.4.1	4
5.4.2	4
5.4.3	6
5.5	6
5.6.	8
5.7.1	3
5.7.2	6
5.8	8
TOTAL	60

QUESTION 6: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENT****6.1 Provisions of the Basic Conditions of Employment Act (BCEA)**

- Overtime ✓
- Working hours ✓
- Meal breaks and rest periods ✓
- Leave conditions ✓
- Working on public holidays ✓
- Legal requirements of the employment contract ✓
- Termination conditions of the employment contract ✓
- Remuneration ✓
- Provision for compliance ✓
- Any other relevant answer related to the provisions of the BCEA.

NOTE: 1. Mark the first THREE (3) only.

2. Allocate a maximum of ONE (1) mark for an example of a specific provision.

(3 x 1) (3)

6.2 Steps of strategy evaluation

- Examine the underlying basis of a business strategy. ✓✓
- Formulate strategies to meet objectives, favourably. ✓✓
- Implement strategies using action plans, ✓✓ etc.
- Look forward and backwards into the implementation process. ✓✓
- Compare the expected performance with the actual performance. ✓✓
- Measure business performance in order to determine the reasons for deviations and analyse these reasons. ✓✓
- Take corrective action so that deviations may be corrected. ✓✓
- Set specific dates for control and follow up. ✓✓
- Draw up a table of the advantages and disadvantages of a strategy. ✓✓
- Decide on the desired outcome. ✓✓
- Consider the impact of the strategic implementation in the internal and external environments of the business. ✓✓
- Any other relevant answer related to the steps in evaluating a strategy.

NOTE: Mark the first THREE (3) only.

(3 x 2) (6)

6.3 Impact of COIDA on businesses**Positives/Advantages**

- Promotes safety ✓ in the workplace. ✓
- Creates a framework ✓ for acceptable employment practices/safety regulations. ✓
- Supply administrative guidelines/mechanisms ✓ for dealing with/processing claims. ✓
- Eliminates time and costs spent ✓ on lengthy civil court proceedings. ✓
- Covers all employees at the workplace ✓ if both parties meet all the necessary safety provisions in the Act. ✓
- Employees are compensated financially for any injury/disability ✓ resulting from performing their duties at their workplace. ✓
- In the event of the death of an employee as a result of a work-related accident/ disease, ✓ his/her dependant(s) will receive financial support. ✓
- Employers are protected from financial burden should an accident occur in the workplace ✓ provided that the employer was not negligent. ✓

- Employees do not have to contribute ✓ towards this fund. ✓
- Employees receive medical assistance ✓ provided there is no other party involved. ✓
- Any compensation to an employee/the family ✓ is exempt from income tax. ✓
- The processes ✓ are relatively simple. ✓
- Makes businesses more socially responsible ✓ as they cannot just employ workers at random in dangerous working conditions. ✓
- Workers are treated with dignity/respect ✓ as businesses view them as valuable assets and not just as workers. ✓
- Any other relevant answer related to the positive impact of COIDA on businesses.

AND/OR

Negatives/Disadvantages

- Claiming processes/procedures ✓ can be time consuming. ✓
- Processes/ Procedures required by this Act may be costly ✓ as paperwork places an extra administrative burden on businesses. ✓
- Employers have to register all their workers/make annual contributions to COIDA, ✓ which may result in cash flow problems. ✓
- Employers may be forced to pay heavy penalties ✓ if they are found guilty of negligence/not enforcing safety measures. ✓
- Workers who are temporarily/permanently employed in foreign countries ✓ are not covered. ✓
- Domestic/Military workers ✓ are not covered. ✓
- Any other relevant answer related to the negative impact of COIDA on businesses.

Max. (6)

BUSINESS VENTURES

6.4 Factors to consider when making investment decisions

- Return on investment (ROI) ✓
- Risk ✓
- Investment term/period ✓
- Tax implications/Taxation ✓
- Inflation rate ✓
- Fluctuations/Volatility of investment markets ✓
- Liquidity ✓
- Personal budget ✓
- Track record/History/Performance of the business ✓
- Any other relevant answer related to factors that must be considered when making investment decisions

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

6.5 Types of shares

- 6.5.1 Ordinary shares ✓✓
- 6.5.2 Bonus shares ✓✓
- 6.5.3 Founder shares ✓✓

(3 x 2) (6)

6.6 Advantages of co-operatives

- Formed by persons having a common interest ✓ to allow more members to work as a team. ✓
- Members may cast their votes to elect committee representatives ✓ that will deal with day-to-day administration and can elect the most trustworthy members. ✓
- Liability to members is limited ✓ to an amount equal to the nominal value of the share for which the member has not paid and what he/she holds in the co-operative. ✓
- Personal properties of members are free from risk ✓ because of limited liability. ✓
- There is no middleman between the co-operative and its suppliers/ customers/clients ✓ which may lead to profit maximisation. ✓
- Easy and less complicated to form this business ✓ as there is very little/simple legal requirements. ✓
- Registered co-operatives formed by previously disadvantaged people may obtain support from the government ✓ in the form of government tenders. ✓
- It is a legal person apart from its members ✓ and can enter into contracts in its own name. ✓
- Auditing financial statements is legally required, ✓ so trustworthy reports are prepared in accordance with co-operative principles. ✓
- Any other relevant answer related to the advantages of co-operatives.

Max. (6)

BUSINESS ROLES

6.7.1 Well-being of employees

- DE must ensure fair wages/salaries for workers based on the nature of work and prevailing economic conditions in the markets. ✓✓
- Working conditions must not only consider safety, medical and canteen facilities, but also benefit like housing leave, retirement etc. ✓✓
- Fair bonuses, based on business earnings, should be paid as acknowledgement for hard work and commitment. ✓✓
- Provision for employees' participation in decision-making that affects them. ✓✓
- Recreation facilities for employees should be provided. ✓✓
- Physical, medical assessments should be offered annually to workers. ✓✓
- Trauma debriefing, counselling or assistance to any employee who requires these services should be readily available. ✓✓
- Financial assistance may be offered in the case of any hardship caused unexpected medical costs. ✓✓
- Flexible working hours may be allowed to enhance productivity. ✓✓
- DE must support the programmes for employees infected and affected by HIV/Aids may be offered. ✓✓
- Childcare facilities should be available on the premises for working mothers in the business ✓✓
- Any relevant answer related to ways in which DE can contribute towards the well-being of their employees.

Max. (8)

6.8 Causes of conflict in the workplace

- Lack of proper communication between leaders and members ✓
- Differences in backgrounds/cultures/values/beliefs/language ✓
- Limited business resources ✓
- Different goals/objectives for group/individuals ✓
- Personality differences between group/individuals ✓
- Different opinions ✓
- Unfair workload ✓
- Ill-managed stress ✓ unrealistic expectations ✓
- Poor organisation/leadership/administrative procedures and systems ✓
- Confusion about scheduling/deadlines ✓
- Ignoring rules/procedures ✓
- Misconduct/Unacceptable behaviour ✓
- High/Intense competition/Competitiveness ✓
- Poor communication ✓
- Unclear responsibilities ✓
- Distracted by personal objectives ✓
- Constant changes in the workplace ✓
- Unfair treatment of workers/Favouritism by management/Discrimination ✓
- Lack of trust amongst workers ✓
- Any other relevant answer related to the possible causes of conflict in the workplace.

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

6.9 Dealing with difficult people

OPTION 1

- Get perspective from others who have experienced the same kind of situation to be able to understand the difficult employee. ✓✓
- Act pro-actively if possible, as a staff/personnel problem is part of a manager's responsibilities. ✓✓
- Regular meetings with supervisors/departmental heads should help to identify difficult/problem behaviour. ✓✓
- Ask someone in authority for their input into the situation. ✓✓
- Identify the type of personality which is creating the problem. ✓✓
- Meet privately with difficult employees, so that there are no distractions from other employees/issues. ✓✓
- Make your intentions and reasons for your actions known so that they will feel at ease. ✓✓
- Employees should be told what specific behaviours are acceptable by giving details about what is wrong/unacceptable and also an opportunity to explain their behaviour. ✓✓
- A deadline should be set for improving bad/difficult behaviour. ✓✓
- The deadline date should be discussed with the employee and his/her progress should be monitored/assessed prior to the deadline. ✓✓
- Guidelines for improvement should be given. ✓✓
- Do not judge the employee, but try to understand him/her/Understand the person's intentions and why they react in a certain way. ✓✓
- Keep communication channels open and encourage employees to communicate their grievances to management. ✓✓
- Build rapport/sound relations by re-establishing personal connection with colleagues, instead of relying on e-mails/messaging/social media. ✓✓
- Help difficult employees to be realistic about the task at hand. ✓✓

- Remain calm and in control of the situation to get the person(s) to collaborate. ✓✓
- Treat people with respect, irrespective of whether they are capable/competent or not. ✓✓
- Sometimes it may be necessary to ignore but monitor a difficult person. ✓✓
- Identify and provide an appropriate support program to address areas of weakness. ✓✓
- Any other relevant answer related to managing difficult employees.

NOTE: Mark the first TWO (2) only.

(2 x 2) (4)

AND/OR

OPTION 2 (Personalities)

Type of personality	Strategy to deal with a personality
- Complainer ✓	- Listen to the complaints but do not acknowledge them. ✓ - Interrupt the situation and move to the problem-solving process as soon as possible. ✓
- Indecisive ✓	- Guide them through alternatives. ✓ - Stay in control and emphasise the importance of making a decision. ✓ - Help them make the decision or solve the problem. ✓
- Over agree ✓	- Be firm and do not let them make promises that they cannot keep. ✓ - Follow up on their actions. ✓
- Negativity ✓	- Be firm with them and do not let them draw you into their negativity. ✓ - Listen to them but do not agree with them. ✓
- Expert ✓	- Be firm and assertive. ✓ - Do not accuse them of being incorrect and do not get caught in their game. ✓ - Know your facts. ✓
- Quiet ✓	- Do not fill their silence with words. ✓ - Wait for their response. ✓ - Prompt them through the process so that they give input. ✓ - Restrict the time of the discussion. ✓
- Aggressive ✓	- Allow them time to speak and blow off. ✓ - Be firm, but do not attack them. ✓ - Do not allow them to be hostile towards others. ✓

NOTES (applicable to OPTION 2):

1. Allocate a maximum of TWO (2) marks for only identifying the type of personality without a strategy.
2. Allocate TWO (2) marks for indicating the strategy without identifying the type of the personality/Take particular note of overlap of strategies.
3. Mark the first TWO (2) only.

(2 x 2) (4)

BUSINESS OPERATIONS**6.10 Remuneration**

PIECEMEAL/PIECE-RATE/PIECEWORK	TIME-RELATED
- Remunerated for a specific piece of work, ✓ regardless of hours worked/ time taken to produce items. ✓	- Remunerated for the time/ period worked, ✓ usually monthly or weekly. ✓
- Calculation based on ✓ the piece of work/number of items produced. ✓	- Calculation based on ✓ an agreed hourly rate. ✓
- Any other relevant answer related to piecemeal/piece rate/piece work remuneration.	- Any other relevant answer related to time related remuneration.
Submax. (2)	Submax. (2)

NOTE: 1. The distinction must be clear.

2. Allocate a maximum of TWO (2) marks if distinction is not clear./Mark either piecemeal or time-related remuneration only.

Max. (4)

6.11 Impact of TQM if poorly implemented

- Setting unrealistic deadlines ✓ that may not be achieved. ✓
- Employees may not be adequately trained ✓ resulting in poor quality products. ✓
- Decline in productivity, ✓ because of stoppages. ✓
- Businesses may not be able to make necessary changes ✓ to satisfy the needs of customers. ✓
- The reputation of the business ✓ may suffer because of faulty goods. ✓
- Customers will have many alternatives to choose from ✓ and the impact could be devastating to the business. ✓
- Investors might withdraw investment, ✓ if there is a decline in profits. ✓
- Bad publicity ✓ due to poor quality products supplied. ✓
- Decline in sales, ✓ as returns from unhappy customers' increase. ✓
- High staff turnover, ✓ because of poor skills development. ✓
- Undocumented quality control systems/processes ✓ could result in error or deviations from pre-set quality standards. ✓
- Any other relevant answer related to the negative impact of TQM if poorly implemented.

Max. (5)

6.12 **Quality indicators of the administration function**

- Fast and reliable data capturing and processing systems. √√
- Supply reliable information to management on time. √√
- Make relevant information available for quick decision-making. √√
- Handle complaints quickly and effectively. √√
- Use modern technology efficiently. √√
- Implement effective risk management policies to minimise business losses. √√
- Quality assurance and control evaluations are recorded accurately. √√
- All documentation is kept neatly and orderly in a safe place. √√
- Easy to recall/find information/documentation. √√
- Financial documents are kept up to date and recorded accurately. √√
- All systems and processes are documented. √√
- Any other relevant answer related to quality indicators for the Administration function.

NOTE: Mark the first THREE (3) only.

(3 x 2) (6)
[60]

BREAKDOWN OF MARKS	
6.1	3
6.2	6
6.3	6
6.4	3
6.5	6
6.6	6
6.7	8
6.8	3
6.9	4
6.10	4
6.11	5
6.12	6
TOTAL	60

TOTAL SECTION B: 180

SECTION C**QUESTION 7: BUSINESS ENVIRONMENT****7.1 Introduction**

- Many consumers overspend when buying on credit. ✓
- The National Credit Act was put in place to improve the debt of both businesses and consumers. ✓
- The Act ensures that credit is used in a way that adds value to customers' lives. ✓
- If consumers/customers are not using credit carefully, they may become over-indebted. ✓
- Any other relevant introduction relating the National Credit Act.

Max. (2)

7.2 Purpose of the National Credit Act

- Protects the consumer against unfair credit agreements, ✓ e.g. charging interest rates well above the maximum stipulated by law. ✓
- Introduces a single functional system of regulations ✓ that will apply to all credit activities. ✓
- Ensures that all credit providers and credit consumers ✓ are treated equally. ✓
- Encourages responsible ✓ borrowing. ✓
- Justifies rights and responsibilities ✓ for consumers and credit providers. ✓
- Discourages careless granting of credit by service providers ✓ to unsuspecting consumers. ✓
- Regulates the interest rate to be charged by service providers ✓ to consumers. ✓
- Makes provision for the establishment ✓ of the National Credit Regulator (NCR). ✓
- Makes provision for the establishment ✓ of a credit register (database). ✓
- Any other relevant answer related to the purpose of the National Credit Act.

Max. (12)

7.3 Rights of consumer in the National Credit Act

The right to:

- Apply for credit ✓ and to be free from discrimination. ✓
- Obtain reasons ✓ for credit being refused. ✓
- Receive pre-agreement documentation ✓ before concluding any credit transaction. ✓
- Fair ✓ and responsible marketing. ✓
- Choose which goods they will buy ✓ and return such goods if they are not satisfied. ✓
- Receive Information ✓ in plain and understandable language. ✓
- Receive documents ✓ as required by the Act. ✓
- Access and challenge ✓ credit records and information. ✓
- Any other relevant answer related to consumer rights as stipulated in the NCA.

Max. (10)

7.4 Impact of NCA on business

Positives/Advantages

- Encourages ✓ more prudent buying from suppliers. ✓
- The whole credit process ✓ is transparent. ✓
- Lower bad debts, ✓ as credit is granted after proper credit checking. ✓
- Better cash flow, ✓ because there is control over debtors. ✓
- Increases cash sales ✓ as more customers tend to buy for cash. ✓
- Gains ✓ goodwill and loyalty from the consumers. ✓
- Business/Credit provider has the right to assess the creditworthiness ✓ of clients/consumers. ✓
- Leads to more consumers through credit sales ✓ as they are now protected from abuse. ✓
- Any other relevant answer related to the positive impact of the National Credit Act to business.

AND/OR

Negatives/Disadvantages

- Decrease in credit sales ✓ due to customer loss/economic decline (downturn). ✓
- May not easily ✓ be granted overdraft/credit facilities. ✓
- Creditors may not pester customers ✓ to agree to a credit agreement telephonically or through visits at home. ✓
- More working capital is needed ✓ due to higher administrative costs. ✓
- Businesses profit could decline, ✓ because they can no longer depend on customers who had easy access to credit. ✓
- Misinterpretation of the Act ✓ may lead to huge losses, e.g. increased bad debts. ✓
- Failure to abide by all the provisions of the Act ✓ might result in a lawsuit, e.g. granting credit to a customer whose name is under review. ✓
- Paperwork and administrative processes ✓ are costly and time consuming. ✓
- Any other relevant answer related to the negative impact of the NCA to businesses.

Max. (14)

7.5 Compliance with NCA

- Credit providers must submit an annual compliance report to the National Credit Regulator. ✓✓
- Credit providers also need to have procedures in place to comply with the provisions of the Financial Intelligence Centre Act. ✓✓
- To practice due diligence and inform borrowers of the laws and consequences that could result from the borrowing money and over-extending their credit. ✓✓
- Credit providers must conduct a proper assessment of each consumer's ability to meet their obligations. ✓✓
- Credit providers must provide successful applicants with a pre-agreement statement. ✓✓
- The pre-agreement statement should provide the consumer with enough information to ensure they understand the obligations under the agreement. ✓✓
- Any other relevant answer related to ways businesses can comply with the NCA.

Max. (10)

7.6 **Conclusion**

- Customers have the responsibility to take ownership of credit by honouring the payments. √√
- This Act allows and enables responsible lending and eliminates reckless borrowing. √√
- Any other relevant conclusion relating the National Credit Act.

Max. (2)
[40]

BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	2	Max. 32
Purpose of the National Credit Act	12	
Rights of consumer in the NCA	10	
Impact of NCA on businesses	14	
Compliance	10	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

QUESTION 8: BUSINESS VENTURES**8.1 Introduction**

- Business managers need to present information about their business to stakeholders. ✓
- A verbal presentation will focus on an oral/spoken presentation to the directors. ✓
- The purpose of a verbal presentation is to exchange information as it involves speaking and listening for both the presenter and the audience/ directors. ✓
- Visual aids combine pictures and sound that will enhance the quality of the presentation. ✓
- Visual aids can help to convey a large amount of facts in a short time. ✓
- Choosing the most effective visual aids should capture the attention of the directors and support the logical flow of the presentation. ✓
- When responding to questions/remarks, the presenter should not be aggressive/defensive. ✓
- Any other relevant introduction related to presentations, visual aids, responding to feedback and improving presentations.

Max. (2)

8.2 Aspects to be considered when designing a multimedia presentation

- Choose a text/font that is clearly legible. ✓✓
- Select a background that is not distracting/support easy reading. ✓✓
- Choose images that support the facts. ✓✓
- Create graphics to illustrate/analyse information. ✓✓
- Add special effects to highlight the important facts/capture the attention of the audience. ✓✓
- Create hyperlinks to allow for Web browsing/for easy access to other files. ✓✓
- Avoid using unnecessary/meaningless visual aids. ✓✓
- Any other relevant answer related to aspects to be considered when designing a multimedia presentation.

NOTE: Mark the first FOUR (4) only.

(4 x 2) (8)

8.3 Evaluate visual aids**PowerPoint presentation / Data projection****Positives/Advantages**

- Graphic programmes have the capacity to convey ideas ✓ and support what the presenter says. ✓
- Easy to combine ✓ with sound/video clips. ✓
- Simple/Less cluttered slides ✓ may capture the interest of the audience. ✓
- Video clips can provide variety ✓ and capture the attention of the audience. ✓
- Variation of colour/background/sound immediately captures the attention of the audience ✓ and retains their interest throughout the presentation. ✓
- Slides should only be used ✓ where they can enhance the facts or summarise information. ✓
- Any other relevant answer related to the positive evaluation of a data projector/PowerPoint presentation.

AND/OR

Negatives/Disadvantages

- Unprofessional handling of the data projector/PowerPoint presentation material ✓ may lead to irritation/may result in the audience losing interest. ✓
- Less effective ✓ to people with visual impairments. ✓
- Simply reading off the slides ✓ makes a presentation boring/meaningless. ✓
- Unable to show slides ✓ without electricity/data projector. ✓
- Any other relevant answer related to the negative evaluation of a data projector/Power-point presentation.

Submax. (8)

Posters**Positives/Advantages**

- Useful in promoting ✓ the logo/vision of the business. ✓
- It should be colourful/eye-catching/creative ✓ to support the core message of the presentation. ✓
- May contain large illustrations/pictures/features of the products/key concepts ✓ to emphasise detail, e.g. creative jewellery/unique features of the jewellery. ✓
- Can make impact ✓ when placed strategically in/outside the venue. ✓
- Any other relevant answer related to the positive evaluation of posters.

AND/OR**Negatives/Disadvantages**

- May overpower/draw attention away from the presentation ✓ if it is too big/not placed correctly. ✓
- May not always be useful in a small venue/audience ✓ as it can create a 'crowded' atmosphere. ✓
- Only focuses on visual aspects ✓ as it cannot always be combined with sound/audio. ✓
- Any other relevant answer related to the negative evaluation of posters.

Submax. (8)

Max. (16)

8.4 Ways to respond to feedback in a professional manner

- Ann must stand throughout the feedback session. ✓✓
- Be polite, confident and courteous/humorous. ✓✓
- Listen and then respond. ✓✓
- Make sure that you understand the question/s before responding. ✓✓
- Acknowledge good questions. ✓✓
- Rephrase questions if uncertain. ✓✓
- Do not get involved in a debate. ✓✓
- Do not avoid the question, if you do not know the answer, refer the question to the audience or the employees ✓✓ /Rectify if incorrect answers are given. ✓✓
- Address the whole audience and not only the person asking the question. ✓✓
- Provide feedback as soon as possible after the observed event. ✓✓
- Be direct, honest, sincere. ✓✓
- She must use simple language and support what you say with an example/ keep the answer short and to the point. ✓✓

- Presenter must encourage questions from the audience. √√
- Do not allow any one member of the audience to dominate the discussion.√√
- Note/write down the questions asked to be able to respond correctly. √√
- Ann should address questions in an orderly manner. √√
- Any other relevant answer related to how Ann may respond to feedback in a professional manner.

Max. (12)

8.5 Recommendations for improvement

- Ann should revise objectives that were not achieved. √√
- Use humour appropriately. √√
- She should always be prepared to update/keep her information relevant. √√
- Reflect on any problem/criticism and avoid it in future presentations. √√
- Any information that Ann receives as feedback from a presentation should be analysed and where relevant, incorporated/used to update/amend her 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. √√
- Reflect on the logical flow of the format/slides/application of visual aids. √√
- Any other recommendation related to how Ann can improve on her next presentation.

Max. (10)

8.6 Conclusion

- A well-prepared presentation creates a good impression and will attract potential investors.√√
- A good presentation promotes the image of the business/owner/management.√√
- Being professional during a verbal presentation and feedback/questions session should contribute to the success of the presentation.√√
- Any other relevant conclusion related to presentations, visual aids, responding to feedback and improving presentations.

Max. (2)
[40]

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max. 32
Aspects of designing a multimedia	8	
Use of visual aids	16	
Ways to respond to feedback in a professional manner	12	
Recommendations for improvement	10	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

QUESTION 9: BUSINESS ROLES**9.1 Introduction**

- Businesses and their communities are interdependent and the one cannot do without the other. ✓
- The interdependence can be improved if businesses and communities recognise their social responsibility. ✓
- A responsible business should contribute towards the upliftment of the community. ✓
- CSR improves the lifestyle and quality of life of their human resources and caring for the environment by ensuring that they have the most efficient and sustainable resources. ✓
- Businesses are corporate citizens and therefore have a responsibility towards society. ✓
- CSI is a component of CSR, where social responsibility is the intension and social investment is the action. ✓
- Through their CSR programmes businesses can focus on the triple bottom line, which is making profits, uplifting/supporting the people and their communities, and caring for the environment/planet. ✓
- Any other relevant introduction related to social responsibility, CSR, CSI and triple bottom line.

Max. (2)

9.2 CSR and CSI**Corporate social responsibility/CSR**

- The way a business conducts itself ethically and morally, ✓ regarding the use of human resources, physical resources and their funds. ✓
- An business's obligation ✓ to protect/promote the welfare of all shareholders, who have an interest on or that will be affected by a business. ✓
- An obligation by a business to pursue ✓ sound long term goals for society. ✓
- Refers to any strategy used by a business to take responsibility ✓ for their impact on society and the environment. ✓
- It is not a single action but rather an approach ✓ to doing business that guides all decision making in the firm. ✓
- It is the way in which companies manage their business operations ✓ so that it does not negatively affect all stakeholders. ✓
- Any other relevant answer related to Corporate Social Responsibility.

Submax. (4)

Corporate social investment/CSI

- Refers to the contribution that the company makes ✓ to uplift, develop and solve problems in the community. ✓
- Refer to any project undertaken by an organisation ✓ which is over and above the normal business activities of the company and not directly aimed at increasing profitability. ✓
- Programmes ✓ that will benefit the community and/or the environment, into which time, skills, expertise and money are invested. ✓
- Any other relevant answer related to Corporate Social Investment.

Submax. (4)

Max. (8)

9.3 Relationship between social responsibility and triple bottom line

Profit/Economic ✓✓

- Triple Bottom line means that businesses should not only focus on profit/charge high prices, ✓ 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 the link between profit and social responsibility.

Heading (2)
Explanation (2)
Submax. (4)

People/Social ✓✓

- Business operations should not have a negative impact on/exploit ✓ people/employees/customers. ✓
- Businesses should engage/invest in sustainable community programmes/projects ✓ that will benefit/uplift communities. ✓
- Improve the life style/quality of life ✓ of their human resources/employees. ✓
- Any other relevant answer related to the link between people and social responsibility.

Heading (2)
Explanation (2)
Submax. (4)

Planet/Environment ✓✓

- Businesses should not exhaust resources/harm the environment ✓ for production purposes. ✓
- They may support energy-efficient/eco-friendly ✓ products/programmes. ✓
- Recycle/Re-use waste, ✓ e.g. packaging from recycled material. ✓
- Any other relevant answer related to the link between the planet/environment and social responsibility.
- Any other relevant answer related to the key aspect between the relationship, between social responsibility and the triple bottom line.

Heading (2)
Explanation (2)
Sub-max. (4)
Max. (12)

NOTE: The link should be clear in each of the three 'P's (people, planet and profit).

9.4 Impact of CSR on businesses

Positives/Advantages

- Can serve as a marketing strategy ✓ and promote the image of the business. ✓
- A company may have a competitive advantage, ✓ as it leads to good publicity and an improved reputation. ✓
- May attract ✓ experienced employees ✓ /increase the pool of skilled labour ✓ that would increase productivity. ✓
- It helps to attract and retain ✓ staff ✓ /Lower ✓ staff turnover ✓ as employees' health and safety ✓ are considered ✓ /Improves ✓ the health of its employees. ✓
- The business enjoys the goodwill ✓ and support of communities. ✓
- CSR helps to attract ✓ investors. ✓
- If the CSR is aligned with company policies/vision/mission statement, ✓ it shows accountability towards all stakeholders. ✓
- Businesses that support CSR through various programmes, ✓ encourages and rewards employees ✓ if they get involved in CSI programmes.
- CSI programmes have better success rate if it is fully supported ✓ by top management. ✓
- Sustained environmental consideration programmes may lead to reducing costs, ✓ which can make funds available for other business operations. ✓
- If the corporate sector gets involved voluntarily in CSR, ✓ it is less likely that Government will enforce the issue through legislation. ✓
- Businesses may enjoy ✓ tax rebates from SARS. ✓
- Any other relevant answer related to positive impact of CSR on businesses.

AND/OR

Negatives/Disadvantages

- The community may not support ✓ the enterprise ✓ / i.e. may not buy ✓ the products of the enterprise. ✓
- Difficulty ✓ in adherence to legislation ✓ governing CSR.
- Small and medium enterprises find it difficult ✓ to implement CSI programmes. ✓
- CSI activities can distract ✓ businesses from their core business functions. ✓
- Social involvement is paid from a company's profit ✓ that could have been used to lower prices to the benefit of customers. ✓
- Detailed reports must be drawn up, ✓ which can be time consuming. ✓
- Social spending reduces ✓ a company's economic efficiency and makes it less competitive. ✓
- It can increase financial risk, ✓ as programmes cost money and may impact negatively on profits. ✓
- Company directors are accountable to shareholders, ✓ not to the communities. ✓
- It is difficult to accurately measure ✓ the effectiveness of social investment. ✓
- It is difficult to determine ✓ the exact needs of the community. ✓
- Most managers are not trained and lack experience ✓ to handle social programmes. ✓

- Some shareholders/stakeholders might withdraw their support from the company ✓ as they feel that social issues should be the government's responsibility. ✓
- Providing goods and services that meet the needs of the consumers is, ✓ according to some stakeholders, already socially responsible. ✓
- Some CSI programmes will be regarded as a public relations stunt, as these programmes improve the business's image ✓ without having a sustainable/long term effect. ✓
- Shareholders, as the only real stakeholders, may suffer ✓ as their profits are spent on CSR. ✓
- Employees may spend more time working ✓ on CSI programmes instead of focusing on their core duties. ✓
- Any other relevant answer related to negative impact of CSR on businesses.

Max. (16)

9.5 Ways in which CSR projects can contribute to the community

- Charitable contribution towards NGOs/Businesses can donate blankets to old age homes/orphanages/running soup kitchens. ✓✓
- Involvement in community education/Build schools in communities/Offer bursaries to needy students/Donate old computers to less privileged schools/Provide/Support adult education and training in the local community. ✓✓
- Teach entrepreneurial skills/Offer support to individuals starting new business ventures. ✓✓
- Conduct skills development/job creation projects/Offering bricklaying courses. ✓✓
- Sponsor art and cultural programmes, such as school choirs. ✓✓
- Support youth programmes, such as sport/recreational activities. ✓✓
- Any other relevant answer related to the contribution of corporate social investment (CSI) projects to the community.

- NOTE:**
1. **Mark the first FIVE (5) only.**
 2. **Award a maximum of TWO (2) marks if the example demonstrates the same practical way and contribution of CSI projects to the community.**
 3. **Award only ONE (1) mark for short/one word responses.**

Max. (10)

9.6 Conclusion

- Despite challenges, most businesses do take their social responsibility very seriously and contribute positively to communities/society. √√
- Successful CSI programmes will improve the general standard of living of the community. √√
- CSI programmes will contribute positively if they are strategically planned and not just be given hand-outs/contributions randomly. √√
- CSR is an obligation required by law and benefits both business and society. √√
- CSR programmes and CSI projects allow businesses to influence people's lives in many ways. √√
- Businesses use CSR programmes and CSI projects to comply with the laws and ethics. √√
- Triple bottom line allows businesses to consider the impact of their operations on people, profit and the planet. √√
- Any other relevant conclusion related to social responsibility, CSR, CSI and triple bottom line.

Max. (2)
[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
CSR and CSI	8	
Relationship between social responsibility and triple bottom line	12	
Impact of CSR on businesses	16	
Ways in which CSR project contribute	10	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

QUESTION 10: BUSINESS OPERATIONS**10.1 Introduction**

- The human resources manager (HRM) is responsible for selecting and appointing competent and skilled employees. ✓
- It is important that the HRM follows correct/fair procedures in selecting and interviewing. ✓
- The HRM can appoint the best candidate if the selection and interviewing procedures are properly applied. ✓
- The shortlisted applicants should be interviewed in order to evaluate their suitability for the job. ✓
- Any other relevant introduction related to the recruitment, selection, job description and specification and interviewing.

Max. (2)

10.2 Differences between job description and job specification

JOB DESCRIPTION	JOB SPECIFICATION
- Describe duties/responsibilities ✓ of a specific job ✓/Summary ✓ of the nature/type of the job. ✓	- Specifies the minimum acceptable personal qualities/skills/qualifications ✓ needed for the job. ✓
- Written description of the job ✓ and its requirements. ✓	- Written description of specific qualifications/skills/experience ✓ needed for the job. ✓
- Describe key performance areas/tasks for a specific job. ✓ e.g. job title/working conditions/relationship of the job with other jobs in the business, ✓ etc.	- Describes key requirements for the person who will fill the position, ✓ e.g. formal qualifications/willingness to travel/work unusual hours, ✓ etc.
- Any other relevant answer related to job description.	- Any other relevant answer related to job specification.
Submax. (4)	Submax. (4)

Max. (8)

- NOTE:**
1. Answer does not have to be in tabular format.
 2. The differences must be clear.
 3. Award a maximum of FOUR (4) marks if the differences are not clear./Mark either job description or job specification only.

10.3 Internal recruitment

Positives/Advantages

- The business recruits from existing employees ✓ through promotions/transfer from inside the business. ✓
- Opportunities for promotion reward good work ✓ and motivate current employees. ✓
- Staff morale and productivity increases ✓ if suitable staff members are promoted regularly. ✓
- Current employees understand ✓ how the business operates. ✓
- The business knows the candidate, ✓ his/her personality, strengths and weaknesses. ✓
- Reliable/Key staff members are retained ✓ if they are promoted/transferred within the business. ✓
- Detailed, reliable information on candidates ✓ can be obtained from supervisors/employee records. ✓
- Recruitment process is faster and less expensive ✓ if the candidates are known. ✓
- Any other relevant answer related to positive impact of internal recruitment on businesses.

AND/OR

Negatives/Disadvantages

- Current employees may not bring ✓ new ideas into the business. ✓
- Promoting a current employee may cause resentment amongst ✓ other employees. ✓
- The number of applicants is limited ✓ to current staff only. ✓
- Employees who do not really have the required skills for the new job ✓ may be promoted. ✓
- Current employees may need to be trained/developed before they can be promoted, ✓ which can be expensive. ✓
- Staff that is not promoted may feel demotivated ✓ which may hamper productivity. ✓
- Any other relevant answer related to negative impact of internal recruitment on businesses.

Max. (12)

10.4 Selection procedure

- Determine fair assessment criteria ✓ on which selection will be based. ✓
- Use the assessment criteria to assess all CVs/application forms ✓ received during recruitment ✓/Preliminary screening ✓ is done by sorting the applications received according to the criteria for the job. ✓
- Check that applicants are not submitting false documents ✓ such as forged certificates/degrees. ✓
- Make a list of all applicants ✓ who qualify for the post. ✓
- Screen and check reference, ✓ e.g. check applicants' criminal records/credit history/social media, ✓ etc.
- Conduct preliminary interviews ✓ to sift out applicants who qualify for the job. ✓
- Inform all applicants ✓ about the outcome of the application. ✓
- Compile a shortlist ✓ of approximately five people. ✓
- Invite the shortlisted applicants/candidates ✓ for an interview. ✓

- Shortlisted candidates may be subjected to various types of selection tests, ✓ e.g. skills test. ✓
- A written offer is made ✓ to the chosen candidate. ✓
- Any other relevant answer related to the selection procedure.

NOTE: Procedure can be in any order.

Max. (14)

10.5 Purpose of the interview and role as interviewer

Purpose of the interview

- To determine a candidate's suitability for the job. ✓✓
- Match the information given by the applicant with the requirements of the job. ✓✓
- To get more information from the applicant. ✓✓
- Evaluate the skills and personal characteristics of the applicant. ✓✓
- Provides the applicant with the opportunity to find out more about the job and the company/ask questions about the job/salary/working conditions. ✓✓
- Any other relevant explanation of the purpose of an interview.

Submax. (6)

Role of the interviewer

- Peter must develop a core set of questions based on the required skills, knowledge and ability required. ✓✓
- Check the application and verify the CV for anything that may need to be explained. ✓✓
- Book and prepare the venue for the interview. ✓✓
- Set the interview date and ensure that all interviews take place on the same date, if possible. ✓✓
- Inform all shortlisted candidates about the date/place of the interview. ✓✓
- Notify all panel members conducting the interview about the date/place of the interview. ✓✓
- Allocate the same amount of time to each candidate. ✓✓
- Introduce members of the interviewing panel to each candidate/interviewee. ✓✓
- He should make the interviewee feel at ease. ✓✓
- Explain the purpose of the interview to the panel and the interviewee. ✓✓
- Do not misinform/mislead the interviewee. ✓✓
- Avoid discriminatory/controversial types of questions, e.g. asking a female candidate about family planning/having children. ✓✓
- Provide an opportunity for the interviewee to ask questions. ✓✓
- Peter must close the interview by thanking the interviewee for attending the interview. ✓✓
- Any other relevant answer related to the role of the interviewer.

Submax. (6)

Max. (12)

10.6 **Conclusion**

- The goals and objectives of the businesses cannot be achieved without qualified and skilled employees. √√
- Employees are the most important resource in any business and its success is strongly influenced by recruiting and appointing quality employees. √√
- A well prepared and organised interview process will results in identifying and appointing the most suitable and deserving candidate. √√
- Any other relevant conclusion related to the recruitment, selection, job description and specification and interviewing.

Max. (2)
[40]

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max. 32
Job description and job specification	8	
Internal recruitment	12	
Selection procedure	14	
Purpose of interview and role of the interviewer	12	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

*LASO – For each component:
 Allocate 2 marks if all requirements are met.
 Allocate 1 mark if only some of the requirements are met.
 Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 80
GRAND TOTAL: 300