education

Department of
Education
FREE STATE PROVINCE

PREPARATORY EXAMINATION

GRADE 12

BUSINESS STUDIES P1

SEPTEMBER 2024

MARKS: 150

MARKING GUIDELINES

This marking guideline consists of 28 pages.

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NOTES TO MARKERS

PREAMBLE

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

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

1. For marking and moderation purposes, the following colours are recommended:

Marker:	Red
Senior Marker:	Green
Deputy Chief Marker:	Orange
Chief Marker:	Pink
Internal Moderator:	Blue/ Black
DBE Moderator:	Turquoise

2. Candidates' responses must be in full sentences for SECTIONS B and C however, this would depend on the nature of the question.

3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
   - Uses a different expression from that which appears in the marking guideline
   - Comes from another source
   - Original
   - A different approach is used

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)

5. The word 'Sub max' is used to facilitate the allocation of marks within a question or sub question.

6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation purposes.

7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in marking guideline. Only the total for each answer should appear in the left-hand margin next to the appropriate question number.

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8. In an indirect question, the theory as well as the response must be relevant and related to the question.

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

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

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

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

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

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

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

    Cognitive verbs, *such as*:

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

    12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (*list not exhaustive*) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.

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13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer?

14. **SECTION B**

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

NOTE: 1. This applies only to questions where the number of facts is specified.
2. The above also applies to responses in SECTION C. (where applicable)

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

14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers and consult with the Internal moderator at DBE for approval.

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

14.4.1 If the number of facts is specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- Fact 2 marks (or as indicated in the marking guideline)
- Explanation 1 mark (Two marks will be allocated in Section C

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

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

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

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15. **SECTION C**

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

Introduction	**Maximum: 32**
Content	
Conclusion	
Insight	**8**
TOTAL	**40**

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	**2**
Analysis and Interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show an understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One "A") Interpretation (16 to 32 marks): 1 (One "A")	**2**
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide: Option 1: **Only relevant facts: 2marks (No' – S')** Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no 'S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: **Some relevant facts: 1 mark (One – 'S')** Where a candidate answers less than 50% (only one sub-question) of the question with only/some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis Option 3: **Some relevant facts: 1 Mark (One – 'S')** Where a candidate writes four sub-questions, but one/two/three sub-questions with irrelevant facts; one – "S" appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: **No relevant facts: 0 marks (Two – "S")** Where a candidate answer less than 50% (only one sub-question) of the question with irrelevant facts; two – "S" appear in the left margin. Award a ZERO mark for synthesis.	**2**

Originality	Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and 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 awarded for layout, if the headings INTRODUCTION and Conclusion are not supported by an explanation.

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

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

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

15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:

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

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

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

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

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

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

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

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SECTION A

QUESTION 1

1.1 1.1.1 C √√
1.1.2 A √√
1.1.3 B √√
1.1.4 D
1.1.5 B

(5 x 2) **(10)**

1.2

1.2.1 double
1.2.2 quality
1.2.3 SWOT
1.2.4 National Credit Act
1.2.5 redundacy

(5 x 2) **(10)**

1.3

1.3.1 D
1.3.2 C
1.3.3 E
1.3.4 A
1.3.5 B

(5 x 2) **(10)**

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

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SECTION B

Mark the first TWO questions only.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 **Business sectors**
- Primary √
- Secondary √
- Tertiary √

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

2.2 **Act applicable to the scenario**

2.2.1 Compensation for Occupational Injuries and Diseases Act, 1993 (Act 130 of 1993)/Compensation for Occupational Injuries and Diseases Amendment Act, 1997 (Act 61 of 1997) √√

NOTE: Also accept COIDA/Compensation for Injuries and Diseases Act. (2)

2.2.2 **Actions that can be regarded as discriminatory**
- The management of CM failed to report serious incidents to the Commissioner on time. √
- They also bribe their employees not to report injuries sustained while on duty. √

NOTE: Only award marks for responses that are quoted from the scenario. (2)

2.2.3 **Penalties for non-compliance of COIDA**
- Businesses that do not comply with COIDA may receive a compliance order from the Labour Court √, which forces the business to comply with COIDA. √
- Businesses who neglect to comply with COIDA may receive large fines √ for refusing to lodge claims and may even be given a jail sentence/imprisonment, which will be dependent on the severity of the non-compliance. √
- Businesses can be forced to make large payments √ if they do not implement the necessary precautions to reduce accidents/fatalities, nor promote health and safety in the workplace. √
- Businesses may be forced to pay recovery costs √ required by the compensation fund. √
- Employees may take a business to court √ for not registering with the Commissioner of the Compensation Fund. √
- Any other relevant answer related to the penalties for non-compliance of COIDA. (6)

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2.3 **How SETAs are funded**

- Skills Development levies are paid by employers√ to SARS as a collecting agency for the government. √
- Employers who have a salary bill that exceeds R500 000 per annum, √ should pay one percent (1%) of their annual salaries as a levy. √
- The different SETAs receive 80% of the levy for organisational expenses √ and the remaining 20% is paid to the National Skills Fund. √
- Donations/Grants received √ from the public/businesses/CSI programmes. √
- Surplus funds√ from government institutions. √
- Funds received √ from rendering their services. √
- Any other relevant answer related to how SETA's are funded. (4)

2.4 **Purpose of Skills Development Act**

- Develop the skills of South Africans in order to improve productivity in the workplace. √√
- Encourages businesses to improve the skills of new and existing workers. √√
- Invests in the education and training of the South African workforce. √√
- Purposefully redresses imbalances of the past through education and training. √√
- Improves the job prospects of previously disadvantaged people. √√
- Provides the systematic implementation of strategies on a national, sector and workplace basis. √√
- Any other relevant answer related to the purpose of the Skill Development Act. (6)

2.5 **Identify the business strategy**

2.5.1 Liquidation √√ (2)

2.5.2 Market development √√ (2)

2.5.3 Vertical backward integration √√ (2)

2.6 **Advantages of diversification strategy**

- Increase in sales/revenue/income√ and business growth. √
- Sustained profitability from different product lines√ during times of fluctuating economic activity. √
- Increase in the number of products √being sold to existing/new customers/consumers. √
- Establish additional new markets√ in unrelated markets/ industries. √
- Gain more technological capabilities√ through product modification. √
- Improve brand/image/brand awareness√ of the business. √
- Reduce the risk √of relying only on one product for sales/revenue/income. √
- Retain its competitive advantage√ by meeting the needs of current/new customers/expanding into new unexplored markets. √
- Remain relevant/functional/operational√ in the context of ever-changing business environments. √
- Any other relevant answer related to the advantages of diversification strategy. (6)

2.7 **Types of defensive strategies**

Divestiture √√

- The business disposes/sells some assets/divisions that are no longer profitable/productive/functional/relevant. √
- Selling off divisions/product lines with slow growth potential. √/Paying off debts by selling unproductive assets. √
- The business decreases the number of shareholders by selling ownership. √
- Shareholders withdraw their investment share in another business (divesting). √
- Paying off debts by selling unproductive assets.√
- Any other relevant answer related to liquidation as a defensive strategy.

Strategy (2)
Discussion (1) (3)

Liquidation √√

- The business sells all assets to pay creditors due to a lack of capital/ the inability to repay creditors/bankruptcy. √
- Selling the entire business to pay shareholders a fair price for their shares upon the closure of the business. √
- The process of liquidation allows creditors to apply for forced liquidation to have their claims settled. √
- It is an unpleasant process of bringing business activities to an end/last resort to repay creditors. √

- Businesses in financial difficulty may apply for business rescue to avoid liquidation. √
- Any other relevant answer related to liquidation as a defensive strategy.

Strategy (2)
Discussion (1) (3)

Retrenchment √√
- The business terminates the employment contracts of employees for operational reasons. √
- Decreasing the number of product lines/Closing certain departments may result in some workers becoming redundant. √
- Any other relevant answer related to retrenchment as a defensive strategy.

Strategy (2)
Discussion (1)
Submax (3)
NOTE: Mark the first TWO (2) only. (6)

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	2
2.2.1	2
2.2.2	2
2.3	4
2.4	6
2.5.1	2
2.5.2	2
2.5.3	2
2.6	6
2.7	6
TOTAL	40

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QUESTION 3: BUSINESS OPERATIONS

3.1 **Examples of employee/fringe benefits**

- Medical Aid Fund/Health Insurance Fund √
- Pension Fund √
- Provident Fund √
- Funeral benefits √
- Allowances/Car/Travel/Housing/Cell phone/Clothing √
- Performance-based incentives √
- Issuing of bonus shares √
- Staff discount/Free or low-cost meals/Canteen facilities √
- Any other relevant examples of fringe benefits.

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

3.2 **Role of interviewer/interviewee**

3.2.1 Interviewer √√ (2)
3.2.2 Interviewee √√ (2)

3.3 3.3.1 **Quote two steps of the selection procedure from the scenario**

- TFP also compile a shortlist of more or less five candidates during the selection process. √
- They then invite applicants who made the shortlist for an interview. √

NOTE: Mark the first TWO steps only. (2)

3.3.2 **Other steps of selection procedure**

Option 1

- Determine fair assessment criteria √ on which selection will be based. √
- Use the assessment criteria to assess all CVs √ /application forms received during recruitment.√ /Conduct preliminary screening, √ which is sorting the applications received according to the criteria for the job. √
- Check that applicants are not submitting false documents √ such as forged certificates/degrees/achievements. √
- Screen and check references, √ for example, check applicants' criminal records/credit history/social media, etc. √
- Conduct preliminary interviews √ to identify suitable applicants. √
- Compile a shortlist √ of approximately five candidates. √
- Invite the shortlisted applicants/candidates √ for an interview. √
- Shortlisted candidates may be subjected to various types of selection tests, √ for example, skills tests. √
- Inform all applicants √ about the outcome of the application. √
- Once candidates have been selected, √ a written offer is made to them. √
- Any other relevant answer related to steps of the selection procedure.

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OR

Option 2

- Receive documentation, for example, application forms √ and sort it according to the criteria of the job. √
- Evaluate CVs and create a shortlist/screen √ the applicants. √
- Check the information in the CV's√ and contact references. √
- Conduct preliminary interviews to identify applicants √ who are not suitable for the job, even though they meet the requirements. √
- Assess/test candidates who have applied for senior positions/ √ to ensure that the best candidate is chosen. √
- Conduct interviews √ with shortlisted candidates.
- A written employment offer is made √ to the selected candidate(s).√
- Any other relevant answer related to the steps of the selection procedure.

NOTE: 1. DO NOT award marks for steps mentioned in the scenario.
2. Accept steps in any order. (6)

3.4 **Job description and job specification**

JOB DESCRIPTION	JOB SPECIFICATION
- Describes duties/responsibilities/ of a specific job.√	- Describes the minimum acceptable √ personal qualities/skills/qualifications needed for the job. √
- Written description √ of the job and its requirements. /√ Summary √ of the nature/type of the job. √	- Written description √ of specific qualifications/skills/ experience needed for the job. √
- Describes key performance areas tasks √ for a specific job, √ e.g. job title/working conditions/relationship of the job with other jobs in the business. √	- Describes key requirements of 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.
Sub max (2)	**Sub max (2)**

(4)

3.5 **Steps of the PDCA model**

- Plan √
- Do √
- Check/Analyse √
- Act as needed √ (4)

3.6

TQM ELEMENT	STATEMENT FROM THE SCENARIO
Continuous skills development/ Education and training. √√	They regularly send their workers on training courses to improve their skills. √
Total client/customer satisfaction. √√	Heavenly Sweets constantly improve the quality of their sweets to satisfy the needs of their clients. √
Submax (4)	**Submax (2)**

NOTE:

1. **Mark the first FOUR only.**
2. **Award marks for TQM elements even if the quotes are incomplete.**
3. **DO NOT award marks for motivations if the TQM elements were incorrectly identified.**
4. **Accept responses in any order.** (6)

3.7 **Impact of total quality management (TQM) if poorly implemented**

- Setting unrealistic deadlines √ that may not be achieved. √
- Decline in productivity, √ because of stoppages. √
- Businesses may not be able to make necessary changes to products/series to √ satisfy the needs of customers. √
- The reputation of the business may suffer because of faulty/poor quality goods. √
- Customers will have many alternatives to choose from √ and the impact could be devastating to businesses. √
- Investors might withdraw their investment √ if there is a decline in profits. √
- High staff turnover √ because of poor skills development. √
- Undocumented/uncontrolled quality control systems/processes√ could result in errors or deviations from pre-set quality standards. √
- Employees may not be adequately trained, √ resulting in poor quality products. √
- Decline in sales √ as unhappy customers return more goods. √
- Any other relevant answer related to the impact of TQM if poorly implemented by businesses. (4)

3.8 **Importance of quality circles**

- Solve problems related to quality and implement improvements. √√
- Investigate problems and suggest management solutions. √√
- Ensure that there is no duplication of activities/tasks in the workplace. √√
- Make suggestions for improving processes and systems in the workplace. √√
- Improve the quality of products/services/productivity through regular reviews of quality processes. √√
- Monitor/Reinforce strategies to improve the smooth running of business operations. √√
- Increase employees' morale and motivation to boost the team spirit in achieving organisational goals. √√
- Contribute towards the improvement and development of the organisation. √√
- Reduce costs of redundancy and wasteful efforts in the long run. √√
- Increase the demand for products/services of the business. √√
- Create harmony and high performance in the workplace. √√
- Build a healthy workplace relationship between the employer and employee. √√
- Improve employees' loyalty/commitment to the organisational goals. √√
- Improve employees' communication at all levels of the business. √√
- Develop a positive attitude/sense of involvement in decision making processes of the services offered. √√
- Any other relevant answer related to the role of quality circles as part of continuous improvement of processes and systems. (6)

[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	4
3.2.1	2
3.2.2	2
3.3.1	2
3.3.2	6
3.4	4
3.5	4
3.6	6
3.7	4
3.8	6
TOTAL	40

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QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 **Pillars of Broad-Based Black Economic Empowerment Act.**

- Management control √
- Skills development √
- Ownerships √
- Enterprise and supplier development/ESO√
- Socio-economic development/social responsibility √

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

4.2 **Rights of employees in terms of the Labour Relations Act**

- Join a trade union√ of their choice. √
- Establish a workplace forum√ where a business has 100 or more employees to resolve work-related issues. √
- Request trade union representatives to represent/assist employees √ during the grievance procedures/disciplinary hearings. √
- Embark upon legal strikes √ as a remedy for grievances. √
- Trade union representatives may take reasonable time off work with pay √, to attend to trade union duties. √
- Refer unresolved workplace disputes to the Commission for Conciliation, Mediation and Arbitration (CCMA). √√
- Refer unresolved CCMA disputes √ to the Labour Court for an appeal. √
- Any other relevant answer related to the rights of employees in terms of the Labour Relations Act. (6)

4.3 **Purpose of the Consumer Protection Act**

- Promotes fair/accessible and sustainable places√ for producers to sell their products. √
- Promotes responsible consumer behaviour√ amongst consumers. √
- Promotes the consistent application of laws√ relating to consumer transactions and agreements.
- Promotes the rights and full participation of historically disadvantaged individuals√ as consumers in the economy. √
- Establishes national standards to protect consumers√ regardless of economic status. √
- Provides guidelines for better consumer information√ and prohibits unfair business practices. √
- Protects consumers against contracts √ that include unfair terms which limit the liability of suppliers. √
- Establishes √ a National Consumer Commission (NCC). √
- Promote and protect the economic interests of consumers √ by providing access to information. √
- Promotes consumer safety√ by protecting them from hazardous products/services. √

- Ensures that consumers have access to information; √ they need to make informed choices. √
- Protects consumers against unscrupulous businesses √ such as fly-by-night franchisors. √
- Allows for consumers and businesses √ to resolve disputes fairly/effectively. √
- Empower consumers to take legal action √ if their rights are not upheld. √
- Any other relevant answer related to the purpose of the Consumer Protection Act. (6)

4.4 **Identify the challenges that technology as a PESTWO factor presents to businesses and recommend ways in which businesses can deal with the challenges.**

CHALLENGES	RECOMMENDATION
- May not keep up with/be aware/stay abreast √ of the latest technology. √ - Employees may not be skilled √ to operate/maintain new technology/equipment. √ - Businesses may not be able to √ afford new technology. √ - May not be able to cater for/afford/have access to √ online transactions/ecommerce. √ - Any other relevant challenge related to technological factors as a PESTLE factor.	- Conduct continuous research on √ the latest available technology/ equipment in the market. √ - Train existing/appoint new employees √ to maintain/use new equipment/technology. - Compare prices/Select suitable suppliers √ for new equipment at reasonable prices. √ - Businesses must be geared √ for online trading/e-commerce. √ - Any other relevant recommendation related to technological factors as PESTLE factor.
Sub max (2)	**Sub Max (2)**

(4)

BUSINESS OPERATIONS

4.5 **Sources of internal recruitment**

- Internal e-mails/Intranet/Websites to staff √
- Word of mouth/Staff meetings
- Business newsletter/Circulars to staff √
- Internal/Management referrals √
- Office notice board of the business √
- Internal bulletins √
- Recommendation by current staff/employees √
- Head hunting within the business/organisational database √

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

4.6 4.6.1 Induction √√ (2)

4.6.2. **Benefits of induction**

- New employees will be familiar with the business's policies √ regarding ethical/professional conduct/procedures/CSR√
- New employees learn more about the business √ and understand their role in order to be more efficient √
- Increased productivity/efficiency √ and quality of service/performance. √
- Minimises the need for √ ongoing training and development. √
- New employees may feel part of the team √ resulting in positive morale/motivation. √
- Reduces staff turnover √ as new employees have been inducted properly. √
- Realistic expectations for new employees √ as well as the business are created. √
- The results obtained during the induction process √ provide a base for focused training. √
- Allows new employees to settle in √ quickly and work effectively. √
- Employees will be familiar with organisational structures, √ e.g., who are their supervisors/low-level managers. √
- New employees will understand their roles/responsibilities √ concerning safety regulations and rules√
- Any relevant answer related to the benefits of induction. (4)

4.7 **The impact of Adequate financing and capacity as an element of Total Quality Management (TQM) on large businesses.**

Positives/Advantages

- Large businesses have sufficient financing √ to test all processes before their implementation. √
- They can afford to have systems in place √ to prevent errors in processes/defects in raw materials/products. √
- Able to afford product research/market researchers √ to gather information. √
- Can afford to purchase quality raw materials √ and equipment. √
- Large businesses can afford high-paid specialists √ to conduct advanced training with employees. √
- Any other relevant answer related to the positive impact of adequate financing and capacity as an element of TQM.

AND/OR

Negatives/Disadvantages

- If the demand for the business's product suddenly increases, √ orders begin coming in faster than expected, and the company lacks the capital required to fund production of the stock to fill orders. √
- Large rapidly growing businesses consume large amounts of capital √ as they try to balance normal operations and expansion. √
- Large businesses often spend large amounts of money on organisational resources/machinery √ and often the return on investment is not earned in the short term. √
- Financial capital is wasted √ when incorrect financial planning/ budgeting/ineffective financial management processes exist. √
- Huge amounts of accumulated debt by a large business may limit the growth strategy √ of the business/limit the ability of the business to meet its financial obligations. √
- Any other relevant answer related to the negative impact of adequate financing and capacity as an element of TQM. (6)

4.8 **Advice on how quality of performance of the marketing function can contribute to the success and/or failure of a business.**

- Acquire a greater market share through good/effective/efficient customer service. √√
- Gain customers' loyalty by satisfying/meeting/exceeding their needs/wants/building positive relationships. √√
- Adhere to ethical advertising practices when promoting products/services. √√
- Identify competitive edge/gaps in the market and conduct regular market research. √√
- Differentiate products from competitors to increase the target market/profitability. √√
- Use different pricing techniques such as promotional/penetration pricing, and so on, to ensure a competitive advantage. √√
- Use aggressive advertising campaigns to sustain market share. √√
- Any other relevant answer related to how quality of the marketing function can contribute to the success and /or failure of a business. (4)

[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2	6
4.3	6
4.4	4
4.5	4
4.6.1	2
4.6.2	4
4.7	6
4.8	4
TOTAL	40

TOTAL SECTION B: 80

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SECTION C

Mark FIRST answer ONLY.

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

5.1 **Introduction**

- The BCEA sets out the minimum conditions that ensure fair labour practices and human resources practices in the workplace. √
- The BCEA applies to all employers and employees, except for members of the National Defence Force, South African Secret Services, National Intelligence Agency, and unpaid volunteers working for charities. √
- The BCEA is applicable to all casual, temporary and permanent employees, as well as independent contractors. √
- Businesses must keep abreast of amendments made regarding the variations/changes in the BCEA provisions by the Minister of Labour. √
- Any other relevant introduction related to BCEA. **Any (2 x 1)** **(2)**

5.2 **Purpose of the act**

- Provides clear terms and conditions of employment for employers and employees. √√
- Regulates and promotes the right to fair labour practices as outlined in the Constitution of South Africa. √√
- Set minimum requirements/standards for the creation of employment contracts. √√
- Advances the economic development and social justice of employees. √√
- Adheres to the rules and regulations set out by the International Labour Organisation (ILO). √√
- Regulates the variations of the basic conditions of employment. √√
- Any relevant answer related to the purpose of the Act. **Max** **(8)**

5.3 **Provisions of the act**

5.3.1 **Sick leave**

- Employees are entitled to thirty (30) days/six (6) weeks paid sick leave √ in a three (3) year/thirty-six (36) months cycle. √
- One (1) day paid sick leave for every twenty-six (26) days work √ during the first six (6) months of employment. √
- A medical certificate may be required before paying an employer √ who is absent for more than two (2) consecutive days/who is frequently absent. √

- Thereafter, they may take all thirty (30) days of sick leave, √ provided they meet the legal requirements. √
- Any other relevant answer related to sick leave as a provision of the BCEA.

Sub max 6

5.3.2 **Child labour**

- It is illegal to employ a child √ younger than 15 years of age. √
- It is also illegal to force someone √ to work. √
- Businesses may employ children over the age of 15 years, √ if employment is not harmful to their health/well-being/education/moral and social development/minors under 18 years of age may not do dangerous work/work meant for an adult. √
- Any other relevant answer related to child labour as a provision of the BCEA.

Sub max 6
Max (12)

5.4 **The impact of the BCEA on businesses**

Positives/Advantages

- Promotes fair treatment of employees in business. √
- Creates/establishes an enabling framework of acceptable employment practices, √ for example, work hours, leave, and legalities of employment contracts. √
- Outlines the rules and regulations, √ and provides clear and specific guidelines for employers to deal with employment issues. √
- Encourages consultation √ between employers and employees in the workplace. √
- Outlines the minimum/basic requirements √ for employment contracts. √
- Specifies work hours √ to prevent exploitation of employees. √
- Employees are permitted/allowed to consult labour unions/trade unions √ in cases where the BCEA conditions are violated. √
- Any other relevant answer related to the positive impact of the BCEA on businesses.

AND/OR

Negatives/Disadvantages

- Developing/drafting a formal/legal employment contract √ may be time-consuming,/costly. √
- Businesses often regard employment contracts as a negative aspect √ and sometimes do not implement the requirements, which results in non-compliance. √
- Employers and managers may not force employees to work more than 45 hours per week, √ which may result in a reduction in productivity. √
- Employers cannot hire cheap labor, √ and therefore cannot exploit employees. √
- Businesses are forced to comply with the various legal requirements of the BCEA, √ which directly increases the labour costs of businesses. √
- Businesses not complying with the Act may be charged with high penalties, √ which may affect their cash flow negatively. √
- Business may consider the provisions of the BCEA √ as unimportant and an unnecessary administrative burden that increases operating costs. √
- Any other relevant answer related to the ways to comply with the BCEA. **Max (16)**

5.5 **Ways to comply with BCEA**

- Workers must receive double if they work during Public holidays/Sundays. √√
- They must have a break of 60 minutes after 5 hours of work. √√
- Worker should only work 9 hours per day in a 5 work day week/ 8 hours per day in a 6 day work week/Overtime should not exceed 10 hours per week. √√
- Allow sick employees to take off the required amount of sick leave i.e., six weeks in a 36-month cycle. √√
- Refrain from employing children under the age of 16. √√
- Any other relevant answer related to the ways to comply with the BCEA. **Max (10)**

5.6 **Conclusion**

- Businesses must keep abreast of amendments made regarding the variations on the BCEA provisions by the Minister of Labor. √√
- Businesses need to implement effective ways of improving compliance with the BCEA in order to avoid heavy penalties. √√
- Any other relevant conclusion related to the purpose of the BCEA.

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

[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	**Max 32**
Purpose of the Basic Conditions of Employment Act	8	
Provision of the BCEA Sick leave (sub max 6) Child labour (sub max 6)	12	
The impact of BCEA on business	16	
Ways business can comply with Act	10	
Conclusion	2	
INSIGHT		
Structure/Layout	2	
Analysis/Interpretation	2	**8**
Synthesis	2	
Originality/Examples	2	
TOTAL		**40**

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCE MANAGEMENT)

6.1 **Introduction**

- All screening procedures should be conducted within the framework of the Employment Equity Act (EEA) to ensure fairness. √
- Shortlisted applicants should be interviewed in order to evaluate their suitability for the job by the interviewer. √
- An employment contract is a legally binding contract. √
- The human resource function should operate within the boundaries of the EEA. √
- Any other relevant introduction related to screening, legal requirements of the employment contract.

Any (2 x 1) (2)

6.2 **Screening procedure**

- Check application documents against the requirements of the job. √√
- Candidates who meet the minimum requirements are separated from others. √√
- Conduct background/credit/reference checks of applicants who qualify for the job. √√
- Prepare a shortlist of suitable candidates after screening. √√
- Any other relevant answer related to screening procedure. **Max (8)**

6.3 **Legal requirements of an employment contract**

- Employer and employee must agree √ to any changes to the contract. √
- Aspects of the employment contract can be renegotiated √ during the course of employment. √
- No party may unilaterally change aspects√ of the employment contract. √
- The employer and employee must both sign √ the contract. √
- The employment contract should include a code of conduct √ and code of ethics. √
- It may not contain any requirements √ that are in conflict with the BCEA. √
- Conditions of employment/duties/responsibilities of the employees √ must be stipulated clearly. √
- The renumeration package/including benefits √ must be clearly indicated. √
- All business policies, procedures and disciplinary codes/rules √ can form part of the employment contract. √
- The employer must explain the terms and conditions √ of the employment contract to the employee. √
- Any other relevant answer related to the legal requirements of an employment contract. **Max (12)**

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6.4 **Role of interviewer before an interview**

- The interviewer should develop a core set of questions √ based on the skills/knowledge/ability required. √
- Check the application/ √ verify the CV of every candidate √ 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 and place of the interview. √
- Notify all panel members interviewing of the date and place of the interview. √
- Allocate the same amount of time √ to interview each candidate in the program. √
- Plan the interview program √ and determine the time to be allocated for each candidate. √
- Any other relevant answer related to roles of the interviewer when preparing for an interview. **Max (12)**

6.5 **The implications of the Employment Equity Act (EEA)**

- Equal pay for the work value. √√
- Ensure that affirmative action promotes diversity in the workplace. √√
- The human resource manager must treat employees fairly and promote/provide equal opportunities in the workplace. √√
- Retrain/Develop/Train designated groups through skills development programmes. √√
- Define the appointment process clearly to ensure all parties are well informed. √√
- Compile employment equity plans that indicate how they will implement affirmative action. √√
- Assign a manager to ensure that the employment equity plan will be implemented/regularly monitored. √√
- Display a summary of the Act where employees can clearly see it/have access to it. √√
- Report to the Department of Labour on the progress in the implementation of equity. √√
- Conduct medical/psychological tests fairly to employees/when deemed necessary. √√
- Ensure that the workplace represents the demographics of the country at all levels. √√
- Restructure/analyse current employment policies/practices/ procedures to accommodate designated groups. √√
- Any relevant answer related to the implications of the EEA on human resource function. **Max (14)**

6.6 **Conclusion**

- 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 result in identifying and appointing the most suitable and deserving candidate. √√
- The EEA not only promotes and regulates affirmative action, but also gives guidance in conducting a fair appointment process. √√
- The employment contract should adhere to the stipulations of the law and not disadvantage employees. √√
- Any other relevant conclusion related to selection, interviewing, legal requirements and EEA. **Any (1 x 2)** **(2)**

[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Screening procedure	8	
legal requirements of an employment	12	
Role of interviewer	14	
Implications of the EEA	12	
Conclusion	2	
INSIGHT		
Structure/Layout	2	
Analysis/Interpretation	2	8
Synthesis	2	
Originality/Examples	2	
TOTAL		**40**

TOTAL SECTION C: 40
GRAND TOTAL: 150

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