# Basic Education

KwaZulu-Natal Department of Basic Education
REPUBLIC OF SOUTH AFRICA

## BUSINESS STUDIES

## COMMON TEST

## JUNE 2015

**NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**MARKS: 300**

**TIME: 3 hours**

**N.B. This question paper consists of 12 pages including this page.**

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## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers all broad topics.

   SECTION A: COMPULSORY

   SECTION B: Consists of FOUR questions.
   Answer any THREE of the FOUR questions in this section.

   SECTION C: Consists of FOUR questions.
   Answer any TWO of the four questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

3. Number the answers correctly according to the numbering system used in this question paper.

4. Except where other instructions are given, answers must be written in full sentences.

5. Use the mark allocation and the nature of each question to determine the length of an answer.

6. Use the table below as a guide for marks and time allocation when answering each question.

| SECTION | QUESTION | MARKS | TIME |
|---|---|---|---|
| **A: Objective type questions COMPULSORY** | **1** | **40** | **30 minutes** |
| **B: FOUR direct/indirect type questions (CHOICE: Answer any THREE)** | **2** | **60** | **30 minutes** |
| | **3** | **60** | **30 minutes** |
| | **4** | **60** | **30 minutes** |
| | **5** | **60** | **30 minutes** |
| | | | |
| **C: FOUR essay type questions (CHOICE: Answer any TWO)** | **6** | **40** | **30 minutes** |
| | **7** | **40** | **30 minutes** |
| | **8** | **40** | **30 minutes** |
| | **9** | **40** | **30 minutes** |
| **TOTAL:** | | **300** | **180 minutes** |

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.

8. Non-programmable calculator may be used.

9. Write neatly and legibly.

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## SECTION A: (COMPULSORY)

## QUESTION 1: MULTIPLE CHOICE

1.1 Each of the following statements / questions is followed by four options, only ONE of which is correct. Choose the correct option and indicate this by placing the letter of the alphabet that corresponds to it next to the number.
**For example: 1.11 E.**

1.1.1 The board members of Samsung realises that the company's mission statement Is outdated and needs to be revised .This decision will take place within the.....enviroment

A micro
B market
C social
D macro

1.1.2 Creativity is----------

A the generation of frequent and common ideas
B the ability to think of original, varied and innovative ideas
C an innate skill that cannot be acquired by means of training
D the development of new products

1.1.3 The way Mango Airlines makes decisions to manage its affairs is known as.....

A corporate citizenship
B corporate governance
C corporate social responsibility
D corporate social investment

1.1.4 Sinethemba is the marketing manager at Ackermans. As such she is responsible for setting the functional objectives for the marketing department. .As head of a functional area within the business Sinethemba is a member of----------management.

A top
B middle
C lower
D tactical

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1.1.5 At SAB, Competition Act compliance training is provided as a part of the induction of new employees. Annual training is compulsory for all senior executives and their colleagues in marketing, sales and distribution. In this case SAB is driven by ... drivers.

A ethical.
B employee.
C corporate.
D engagement.

1.1.6 OLD MUTUAL applies corporate governance in order to ensure sustainability of the organisation and its business. These principles and practices are applied in line with the ...

A Kyoto Protocol
B King 3 report
C Global Reporting Initiative (GRI)
D JSE SRI index

1.1.7 Small groups of employees who voluntarily meet on a regular basis to discuss problems relating to an improvement in production is known as ...

A Quality circles
B MBO strategies
C Entrepreneurship
D Empowerment

1.1.8 Kim is a Human Resource Manager at Marketing Exclusive, a small marketing and adverting consulting firm. He has to draw up a summary and outline the requirements of a specific job, including tasks and responsibilities This is known as ...

A job analysis.
B job description.
C job specification.
D induction.

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1.1.9 At Woolworths ,a manager has the right to give commands to, and demand actions from employees .This is known as----------.

A delegation
B accountability
C responsibility
D authority

1.1.10 Kimbelin is the owner of a small bookshop. Her assistant has recently resigned and she needs to appoint another assistant. What are the advantages for Kimbelin appointing someone internally?

1 Current employees are familiar with the business
2 Current employees' careers are advanced
3 Current employees are not suitably qualified
4 Current employees do not bring new ideas to the business

A 1, 2
B 1, 2, 3
C 2, 3, 4
D 1, 2, 3, 4

10 x 2 (20)

1.2 Choose a term from column B that matches a description in column A. Write only the letter (A - E) next to the question for example 1.2.6 F.

| COLUMN A | COLUMN B |
|---|---|
| 1.2.1 A tyre manufacturing company purchasing a tyre fitment centre. | A Strategy |
| 1.2.2 compulsory scheme created by the government | B Conflict |
| 1.2.3 A bakery buys a wheat farm to reduce the risk associated with the bakery's dependency on flour. . | C Forward vertical integration |
| 1.2.4 A plan of action to achieve business objectives. | D Backward vertical integration |
| 1.2.5 Differences in opinions, values, beliefs and attitude. | E Unemployment Insurance Fund |

5 x 2 (10)

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1.3 Choose the correct word(s) from those given in brackets. Write only the words(s) next to the question number (1.3.1- 1.3.5) in the answer book.

1.3.1 A (SWOT analysis/ job analysis) is a tool for assessing a business and its environment.

1.3.2 (Brainstorming / Empty Chair) is a creative problem-solving technique in which several people think about a single problem and suggest ideas that could lead a solution.

1.3.3 The (Belbin/Jungian) theory is based on the idea that people are born with preferences for certain attitudes and functions.

1.3.4 When a business enterprise supports (the triple bottom line / human right) they will consider the social, environmental and economic impact in its region.

1.3.5 (Time-related/Piecemeal) pay is received when each task is completed.

5 x 2 (10)

**TOTAL SECTION A: 40**

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## SECTION B: (COMPULSORY)

**Answer ANY THREE questions from this section.**

Clearly indicate the QUESTION NUMBER of each chosen question.
The answer to EACH question must start on a NEW page, for example QUESTION 2 on a NEW page, QUESTION 3 on a NEW page, et cetera.

### QUESTION 2: BUSINESS ENVIRONMENT

2.1 Read the following extract and answer the questions that follow.

**Regulator cracks down on credit ads**

The National Credit Regulator (NCR) has taken action against a magazine publisher for carrying advertisements containing statements or phrases that are prohibited in terms of the National Credit Act (NCA).
In terms of the Act, an advert or a direct solicitation for credit may not contain the following statements, or phrases ,or similar phrases:
"no credit checks required," "blacklisted consumers welcome," or "free credit".
Junk mail publishing ,the publishers of the Auto Mart magazine also quoted the interest rate and the monthly instalment.

2.1.1 Distinguish between a credit provider and the National Credit Regulator. (4)

2.1.2 According to the article **Junk mail publishing, the publishers of the Auto Mart magazine, quoted the interest rate and the monthly instalment. The NCR** says that an advert for credit may not disclose the interest rate nor the monthly instalment only. Briefly explain what an advert for credit should disclose. (3)

2.1.3 Discuss the consequences that a business may face for granting credit recklessly. (4)

2.1.4 The National Credit Act, 2005 (Act 34 of 2005) protects both the credit provider and the consumer. Do you agree with the statement? Motivate you answer. (6)

2.1.5 Evaluate the impact of the Consumer Protection Act, 2008 (Act 68 of 2008) on businesses. (12)

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2.2 Strategic management is a process which ensures that suitable business strategies are developed and implemented in response to challenges in the business environment.

2.2.1 Outline how the strategic management process can be applied by businesses. (10)

2.2.2 Justify how each of the THREE defensive strategies can be implemented. (9)

2.3 Justify the introduction of broad-based black economic empowerment (BBBEE). (6)

2.4 Businesses operate in diverse communities and they have a diverse workforce. Discuss the obligations of businesses in terms of their broad-based approach with specific reference to inclusivity. (6)
**[60]**

**QUESTION 3: BUSINESS ROLES**

3.1 Identify the unethical business practice illustrated in each scenario below AND suggest ONE business strategy to address each scenario in order to promote ethical conduct:

3.1.1 PEERS MOTORS is paid cash for its services in order to avoid paying VAT on the transaction. This transaction is not recorded. (4)

3.1.2 John , a manager at FRISKYS RESTAURANT, requests sexual favours from a waitress in return for employment benefits (4)

3.1.3 Employees of FAST AND FURIOUS are often on social networks on the Internet during work time. (4)

3.2 Distinguish between a grievance and a dispute. (4)

3.3 When people work together they can learn from one another and achieve more than they can as individuals. Discuss FOUR criteria that individuals can use to assess themselves with regard to team performance. (12)

3.4 Suggest SIX ways that businesses can use to deal with difficult employees. (12)

3.5 Explain the steps to be followed when dealing with a grievance procedure. (12)

3.6 Discuss how South African businesses should address environmental issues to maintain sustainability and also explain the benefits of addressing these issues. (8)
**[60]**

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## QUESTION 4: BUSINESS OPERATIONS

4.1 Read the scenario below and answer the questions that follow.

> Kia Motors realised that they require the services of an experienced marketing manager to take over the management of the marketing department. They contacted, Quest Personnel, a recruitment agency in order to find a suitable candidate for the job.

4.1.1 What type of recruitment did KIA MOTORS use? Justify your answer. (4)

4.1.2 State FOUR advantages of this type of recruitment. (8)

4.1.3 KIA MOTORS has recently appointed two new managers. The human resources manager has decided to draw up an induction programme for the new employees. Indicate the benefits that KIA MOTORS could gain from an induction programme. (8)

4.2 Explain the impact of quality on different business structures (big and small) taking in to account the element of TOTAL QUALITY MANAGEMENT (TQM) namely:

4.2.1 Continuous skills development/Education and training (10)

4.2.2 Total clients/customer satisfaction (10)

4.2.3 Continuous improvements to systems and processes (10)

4.3 Briefly state the benefits of implementing a good quality control system in a business. (10)
**[60]**

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## QUESTION 5: MISCELLANEOUS

5.1 Distinguish between management and leadership. (12)

5.2 Your attitude towards your work determines how successful you will be in your work and career. Experience and knowledge is not enough. Discuss the role of personal attitude in successful leadership. (6)

5.3 Discuss the following unethical advertising practices and give a practical example of each:

5.3.1 False promises (4)

5.3.2 Misleading packaging (4)

5.4 Recommend the quality indicators for each of the following business functions:

5.4.1 Public relations (8)

5.4 2 Administration (8)

5.5 Using Porter's five forces model, name the FIVE forces that should be used to analyse the market environment. (10)

5.6 Describe the purpose of the Skills Development Act. (8)
**[60]**

**TOTAL SECTION B: 180**

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**SECTION C**

**Answer ANY TWO questions.**

**NOTE:** Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, for example QUESTION 7 on a NEW page, QUESTION 8 on a NEW page, et cetera.

## QUESTION 6: BUSINESS ENVIRONMENT

The Labour Relations Act,1995 (Act 66 of1995) and the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) were put in place to ensure a better South Africa for all the people in the country.

Discuss the nature and purpose of each Act .Evaluate the impact of these Acts on both employers and employees. **[40]**

## QUESTION 7: BUSINESS ROLES




### *Get the business: Making a difference*

Fruitful business relationships can be made at the most unexpected times or places. It is important to build relationships with people within the community that you serve. Your service will attract more business by harnessing the power of the community. By being involved in corporate social responsibility (CSR) and corporate social investment (CSI) programmes in the community , your business can gain the trust of the people in the community, reach more potential clients and even become a household name. Your business, *AZARINES EXCUTIVE BOQUITE* wants to make a difference by creating a legacy of involvement.

With reference to the above scenario, *AZARINES EXCUTIVE BOQUITE* is involved in a corporate social responsibility (CSR) and corporate social investment (CSI) programmes in the community.

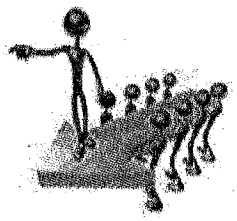
- Distinguish between corporate social investments and corporate social responsibility.

- Critically assess the role of CSR in both the business and its communities
- Suggest CSI programmes that *AZARINES EXCUTIVE BOQUITE* can focus on
- Recommend how *AZARINES EXCUTIVE BOQUITE* can ensure that their CSI programmes satisfy the needs of different stakeholders

**[40]**

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**QUESTION 8: BUSINESS VENTURES (± 30 minutes)**



## DO YOU HAVE AN EAR FOR LEADERSHIP?

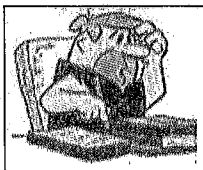
A monumental mind shift is needed amongst South African business leaders. Leaders need to focus on being far-sighted and inspirational instead of concentrating on the act of managing. A study, which was conducted, maintains that most leaders do not possess the qualities that their followers most value.

In South Africa many business people are highly successful in their business ventures. This can be attributed to the different management and leadership theories adopted by them in their particular business organisation.

Distinguish between followers and leaders. Evaluate the charismatic, transformational and situational leadership theories. Also explain when each theory can be applied by management. **[40]**

**QUESTION 9**

**BUSINESS OPERATIONS**



The Financial Manager of your company resigned. You as the Human Resources manager were informed that the vacancy must be filled as soon as possible.

- Explain the human resources procedures of selecting and interviewing that you will apply in order to identify the most suitable candidate.
- Discuss the legalities of the employment contract that both the employer and new employee should sign.
- Briefly outline the contents that should appear in the employment contract.

**[40]**

**GRAND TOTAL: 300**

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# Basic Education

KwaZulu-Natal Department of Basic Education
REPUBLIC OF SOUTH AFRICA

**BUSINESS STUDIES**

**MEMORANDUM**

**JUNE 2015**

**COMMON TEST**

**NATIONAL SENIOR CERTIFICATE**

**GRADE 12**

**MARKS: 300**

**TIME: 3 HOURS**

**N.B. This memorandum consists of 34 pages including this page.**

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**SECTION A (COMPULSORY)**

**QUESTION 1**

1.1

1.1.1 A
1.1.2 B
1.1.3 B
1.1.4 B
1.1.5 A
1.1.6 B
1.1.7 A
1.1.8 B
1.1.9 D
1.1.10 A

10 x 2 (20)

1.2

1.2.1 C
1.2.2 E
1.2.3 D
1.2.4 A
1.2.5 B

5 x 2 (10)

1.3

1.3.1 Swot analysis
1.3.2 Brainstorming
1.3.3 Jungian
1.3.4 The Triple bottom line
1.3.5 Piecemeal

5 x 2 (10)

**TOTAL SECTION A: 40**

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**SECTION B (COMPULSORY)**

**QUESTION 2**

2.1.1 **Differentiate between:**

- **Credit provider –** financial institution (bank, micro lenders) etc. ✓ who provides credit to a customer. ✓✓ **(Max: 2)**

- **National Credit Regulator** – A body (watchdog) ✓ responsible for the registration of credit providers/ ✓✓ enforcement of compliance with the NCA/ ✓✓ regulates the credit market/industry. ✓✓ **(Max: 2)** (2 x 2 = 4)

2.1.2

- It must state that an initiated fee and a service fee will be charged, if such fees are applicable. ✓
- An advertisement that discloses a monthly instalment or any other cost of credit must also disclose the number of instalments, ✓
- The total amount of all instalments (including interest fees and compulsory insurance) ✓,
- The interest rate and the residual or final amount payable (if any). ✓ (Any 1X3)

2.1.3 Consequences for reckless granting of credit

- The court may declare the granting of the credit by the credit provider reckless✓ and may order clients/consumers not to repay the credit or part thereof . ✓
- Credit provider may not demand payment, ✓sue or attach the clients/ customers salary/assets. ✓
- Credit provider may not charge any fee/interest/other charges✓ under that specific credit agreement. ✓
- The National Credit Regulator may impose a fine/penalty (R30 million) ✓ on the business. ✓
- May be deregistered✓ as an accredited✓ service provider.

Max (4)

2.1.4 YES

Motivation: Credit Provider

- Protects the credit provider against bad debts. ✓✓
- Allowed to charge interest and other fees for the provision of credit. ✓✓
- Credit providers will be controlled by a regulatory body. ✓✓
- The credit agreement must be in writing. ✓✓
(Any other relevant answer related to benefits of the NCA to credit providers.)

(Any 3 x 2) = 6

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**AND**

Motivation: Consumer

- Right not to be discriminated against by credit providers when deciding to provide credit or not. ✓✓
- Consumers are entitled to be given reasons for credit refusal. ✓✓
- Consumers have right to information in any official language. ✓✓
- Consumers have rights to receive information free of charge. ✓✓
- They have rights to receive monthly statements of accounts. ✓✓
- All costs of credit such as documentation fees, administration fees must be disclosed to the consumer. ✓✓
- (Any other relevant answer related to benefits of the NCA to consumers).

(any 3 x 2) = 6

**NOTE:** **If the motivation for both credit provider and consumer is given together allocate marks according to the maximum of 6 marks.**

2.1.5 Impact of Consumer Protection Act on businesses
Positive impact

- Prohibits unfair, exploitative and aggressive business and marketing activities. ✓✓
- Promotes consumer rights and ensures that businesses do not violate these rights. ✓✓
- Allow all consumers fair access to goods and services. ✓✓
- Educate consumers about how to participate in the goods and services market responsibly. ✓✓
- Enable consumers and businesses to resolve disputes fairly and in a way that respects the rights of both parties. Disputes may also be addressed by the National Consumer Commission. ✓✓
- Ensure that consumers do not buy goods of poor quality which do not meet quality standards. ✓✓
- Forces business to promote and provide consumer education. ✓✓
- Any other relevant answer related to the advantages of CPA on business. ✓✓

OR

Negative impact

- Businesses must disclose more information about their products and processes. ✓✓
- The Act encourages consumers to complain. ✓✓
- Consumers can take advantage of businesses. ✓✓
- The processes and procedures required of the businesses by the Act can be expensive and time consuming. ✓✓
- Some businesses feel they are unnecessarily burdened by the processes required by the CPA. ✓✓

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- Non-compliance may result in heavy penalties. ✓✓
- Staff need to be trained and legal experts need to be consulted, which can be expensive for smaller businesses. ✓✓
- Many business documents need to be redone/translated in order to comply with the requirement that consumers have a right to receive contracts in simple and understandable language. ✓✓
- The provisions in the Act increase the risks for insurance companies in protecting businesses against unforeseen claims and lawsuits. ✓✓
- Supply chain management for stock levels will have to be managed differently as defective goods have to be replaced within six months at the request of the customer. ✓✓
- Legal contracts must be worded in plain language and understood at the level of the consumer who is being targeted. ✓✓
- Information technology systems need to be improved as the retailer must keep more detailed records of interactions with consumers and be able to report to the National Consumer Commission. ✓✓
- Any other relevant answer related to the disadvantage impact of CPA on businesses.

Max (12)

2.2.1 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 environ-mental 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 how the strategic management process can be applied.

Max (10)

OR

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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 how the strategic management process can be applied.

Max (10)

**NOTE: The steps may be in any order.**

2.2.2 **Implementing 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. ✓

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

- Liquidation: ✓
- Sells all assets/stops operating✓ to pay off debts. ✓
- Forced liquidation✓ may be used as an option by creditors. ✓
- Any other relevant answer related to the implementation of defensive strategy

Defensive strategy (1)
Explanation (2)
Sub max (3)
**Max (3 x 3) (9)**

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2.3

- 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). Any 3 x 2 (6)

2.4 **Inclusivity in the workplace**

- Inclusivity means giving everyone an equal opportunity.✓✓
- No discrimination against anyone on the basis of race, gender, sexual orientation, disabilities and HIV/Aids should be allowed.✓✓
- A diverse workforce should represent the demographics of the country and should work together harmoniously to the benefit of the business and society.✓✓
- No one should be excluded because of the language they speak or because they are disabled.✓✓
- No one should be excluded from the economic mainstream because of their race or status.✓✓
- All employees should have access to company resources and skills development programmes.✓✓
- Any other relevant answer related to inclusivity in the workplace.

Max (6)
**[60]**

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**QUESTION 3: BUSINESS ROLES**

3.1.1 Tax evasion ✓✓
Possible strategy:

- Policy regarding payment to service providers must be followed. ✓✓
- Every transaction should be properly documented/recorded. ✓✓
- Ensure that all financial records are checked/audited. ✓✓
- Any other relevant answer related to addressing tax evasion.

Identification (2)
Strategy (2)
Sub max (4)

3.1.2 Sexual harassment ✓✓
Possible strategy:

- A code of conduct/ethics should be in place, containing a framework of corrective action and procedures. ✓✓
- Formulate a clear policy on sexual harassment. ✓✓
- Educate employees to use/understand the policy/procedure contained in the code of conduct/ethics. ✓✓
- Encourage employees to report cases of sexual harassment. ✓✓
- Address complaints. ✓✓
- Conduct disciplinary procedures. ✓✓
- Ensure that all complaints are dealt with in a sensitive/serious way. ✓✓
- Take action against those found guilty. ✓✓
- Any other relevant answer related to addressing sexual harassment.

Identification (2)
Strategy (2)
Sub max (4)

3.1.3 Abusing work time/resources ✓✓
Possible strategy:

- The code of conduct/ethics should contain clear rules about abusing work time. ✓✓
- Policy should be signed by all employees so that they are aware of it's content. ✓✓
- Implement policies for employees to have restricted access to business assets. ✓✓
- Employees should be monitored and work towards realistic goals to get work done. ✓✓
- Structure working hours in such a way that employees have free/flexible time for personal matters. ✓✓
- Create a culture of responsibility towards the business/Strengthen team spirit so that all employees feel responsible for what has to be achieved. ✓✓
- Any other relevant answer related to addressing abuse of work time.

Identification (2)
Strategy (2)
Sub max (4)
Max (12)

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3.2 **Grievance**

- It is a formal complaint laid by an employee ✓✓ when he/she feels that he/she has been ill-treated by the employer. ✓✓ **(Max: 2)**

**Dispute**

- Takes place when the employee disagrees with the resolution taken on the grievance, then he/she can lodge a dispute. ✓✓
- Any other relevant differences between a grievance and dispute. (2) 2X2(4)

3.3 **Criteria for team performance**

**Interpersonal attitudes and behaviour** ✓✓

- Has a positive attitude of support and motivation towards co-team members. ✓
- Has a positive attitude and passion to achieve team objectives.
- There must be clear objectives and agreed goal.
- Team members must be committed to achieve the team objectives.

**Shared values**✓✓

- Shows loyalty and respect towards team members despite differences. ✓
- Perform team tasks with integrity, responsibility and meeting team deadlines with the necessary commitment to team goals.

**Communication**✓✓

- Speaks clearly and listens attentively. ✓
- Communicates with team members and allows for feedback.
- Encourage discussions about problems so that solutions can be found.

**Co-operation**✓✓

- Willing to co-operate in the team to achieve team objectives. ✓
- Willingness to co-operate with management to achieve team and business objectives.
- Any other relevant answer related to criteria that individuals can use to assess themselves against team performance.

**Identification (2)**
**Explanation (1)**
**4 x 3 (12)**

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3.4 **Dealing with difficult employees**

- Be calm and in control of the situation to get the person to collaborate. ✓✓
- Understand the person's intentions and why they react in a certain way. ✓✓
- Get perspective from others who have experienced the same kind of situation. ✓
- Let the person know what your intentions and the reasons for your actions are, this will make them at ease. ✓✓
- Build rapport by re-establishing personal connection with colleagues' instead of relying on e-mails, messaging and computers. ✓✓
- Treat people with respect, not as if he/she is stupid/incapable/ incompetent. ✓✓
- Ask someone in authority for their input into the situation. ✓✓
- If you have already tried everything above and the person is still not responding, ignore them. ✓✓
- Any relevant answer related to ways of dealing with a difficult employee.

**NOTE:** Mark first SIX (6) only. Any 6 x 2 (12)

3.5 **STEPS TO FOLLOW IN A GRIEVANCE PROCEDURE**

- An employee who has a grievance must first bring it to the supervisor's attention, who must attempt to resolve the issue within one working day since the issue was raised. ✓✓
- If the employee is not satisfied with the supervisor's decision, the employee will have a right to raise a formal complaint in writing. ✓✓
- This is done by completing a Formal Grievance Form and submitting it to the relevant level of management. ✓✓
- The relevant manager will arrange a meeting within one working day. The time period may be extended upon agreement by both parties. ✓✓
- This meeting shall be attended by the employee, a representative, the supervisor or manager. The manager ensures that the minutes are kept and that decisions made are recorded on the Formal Grievance Form. ✓✓
- If the employee is not satisfied, he/she will be advised to take it to the next level of management. ✓✓
- The manager will advise top management who shall arrange the meeting, consisting of the parties named. Minutes shall be kept in writing/tape recording or electronically. The decision will be recorded onto the Formal Grievance Form. ✓✓
- Should the employee still be dissatisfied with the results, he/she may make use of the statutory dispute resolving procedures, which includes the Bargaining Council and the Council for Conciliation, Mediation and Arbitration (CCMA). ✓✓
- A worker can appeal if he /she is not satisfied with the outcome. ✓✓

Any other relevant answer related to the steps in the grievance procedure.

**Max::12**

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3.6 How SA businesses should address environmental issues

- Comply with laws and regulations put in place by SA government such as National Environmental Management Act, Environment Conservation Act and other strategies. ✓✓
- Promote environmental sustainability through minimising pollution. ✓✓
- Use alternative sources of energy with minimum impact on the environment. ✓✓
- Take an active role in environmental sustainability initiatives organised by government or communities, e.g. by funding those initiatives. ✓✓
- Any relevant answer related to how South African businesses should address environmental issues.

(8)
**[60]**

**QUESTION 4: BUSINESS OPERATIONS**

4.1.1 External recruitment ✓✓ because the filling of the vacancy was given to a recruitment agency/ Quest Personnel ✓✓

Max (4)

4.1.2 Advantages of external recruitment

- New candidates bring new talents, ideas, insight and experience into the business.✓✓
- It supports the implementation of affirmative action and BEE plans. ✓✓
- There are more candidates to choose from. ✓✓
- Chances are better of finding suitable candidates with the right skills, qualifications and competencies. ✓✓
- Prevents unhappiness between existing employees who have applied for the post. ✓✓
- Recruitment agencies can find candidates and this saves the business time. ✓✓
- Any other relevant answer related to the advantages of external recruitment.

NOTE: Mark first FOUR (4) only.

Any (4 x 2) (8)

4.1.3 Benefits of the induction programme

- New employees are introduced to the company's policies and procedures. ✓✓ New employees learn more about the business. ✓✓
- Increased productivity and quality of service/performance ✓✓
- Minimises the need for on-going training and development. ✓✓
- New employees will know where everything is and who the supervisors/low-level managers are. ✓✓
- New employees will have basic knowledge of what is expected in the job. ✓✓
- New employees may feel part of the team resulting in positive morale and motivation. ✓✓
- Better/More focussed training may be provided based on the results obtained from the induction process. ✓✓
- Any other relevant answer related to the benefits of an induction programme.

Max (8)

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**4.2.1 Continuous Skills Development**

**Small enterprise (Sole Trader)**

- It is essential to empower the employees and this comes through constant training and development so that they are able to critically look at the systems, processes and products during the process and reflect on the quality. ✓✓
- Continuous skills development is not always easy in a small company as there is often no time as everyone is involved in so many different aspects of the business. ✓✓
- There is a more holistic approach to the training as there is a smaller group of employees. ✓✓
- People employed in smaller businesses are often required to perform a wide range of tasks ✓✓
- Hence, skills development is vital to ensure survival of small businesses. ✓✓
- Smaller businesses can, however, find it more difficult to cope with their daily operations when staff is sent away for skills development training. ✓✓
- It is expensive to use training consultants. ✓✓

**Large enterprise**

- Large businesses have a human resource department that is dedicated to skills training and development. ✓✓
- They need to make sure that the training is relevant to the product and will in fact result in improved customer satisfaction. ✓✓
- It is very difficult to get the same message out to everyone in the company. ✓✓
- Poor communication system may prevent effective training from taking place. ✓✓
- Trained employees may leave for better jobs after they gained more skills. ✓✓
- Demotivate employees, if they do not receive recognition for training. ✓✓
- Large businesses have access to a greater range of skills than smaller businesses, because they usually employ more people. ✓✓
- Large businesses can do skills training on a rotation basis – which limits the impact on the continuity of business operations. ✓✓
- Any other relevant responses related to the impact of continuous skills development on large businesses.

Max (10)

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### 4.2.2 Total Client Satisfaction

**Small enterprise (Sole Trader)**

- Smaller companies often have a closer and more personal relationship with the client. ✓✓
- They are often more in contact with the client and are able to determine their ongoing satisfaction levels. ✓✓
- Smaller enterprises may find it difficult to find employees to run the business and to give their full attention to total customer satisfaction. ✓✓
- Small businesses often do not have enough staff to justify a customer service department. ✓✓
- Hence, staff members must divide their time between customer service and completing all their other tasks as well. ✓✓

**Large enterprise**

- The employees of larger companies very seldom come into any contact with their clients and often do not have a very clear idea of what will satisfy their needs. ✓✓
- Market research and customer surveys are essential and should be made available to all employees to see how the clients felt about the product. ✓✓
- In order to have total client satisfaction, a company needs total involvement and commitment to the total quality management system from all of the employees. ✓✓

Max (10)

### 4.2.3 Continuous Improvements to Systems and Processes

**Small enterprise (Sole Trader)**

- Improving systems and processes can become costly especially if it involves the purchasing of new machinery and equipment. ✓✓
- It is easier for the employees of a smaller staff to buy into the idea of a change in system or process than in a large company. ✓✓
- Employees in smaller businesses are often required to multitask. ✓✓
- This means that finding ways of improving a business is only one of many tasks needed to be performed by the same employees. ✓✓
- Quality work and good performance is often compromised when employees focus on many tasks at the same time. ✓✓
- Small business often do not enjoy the benefits of having on-site IT-specialists or engineers-if problems arise, time is wasted on waiting for outside specialists. ✓✓

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**Large enterprise**

- Large companies often have a person dedicated to the improvement of systems and processes. ✓✓
- Systems and processes take time and effort to implement in a large company as the message takes a lot longer to spread. ✓✓
- Large companies have the capital for new equipment required for systems and processes. ✓✓
- Large companies are often more willing to take the risk or trying a new process and system. ✓✓
- Larger businesses usually employ a team of people to look for ways of improving processes and systems ✓✓
- Large businesses often have people like engineers and IT-specialists on site – this enables them to address problems immediately. ✓✓

max (10)

4.3 Benefits of a good quality control system

- Effective customer services will be rendered, resulting in an 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. ✓✓
- 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 (10)

**[60]**

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**QUESTION 5**

5.1 **Distinguish between management and leadership**

| MANAGEMENT | LEADERSHIP |
|---|---|
| Demands respect, authority and wants to control. ✓✓ | Invites and motivates freedom of speech and inspires trust. ✓✓ |
| Gives orders/instructions. ✓✓ | Seeks to empower/facilitates employees. ✓✓ |
| Thinks that they know all the answers. ✓✓ | Asks the right questions to get to the right answers. ✓✓ |
| Focuses on the task. ✓✓ | Focuses on individuals/groups. ✓✓ |
| Focuses on the implementation of policies. ✓✓ | Focuses on motivating workers to help with the implementation processes. ✓✓ |
| Follows/Implements the vision of the enterprise. ✓✓ | Provides a vision for the enter-prise. ✓✓ |
| Minimises and controls risk. ✓✓ | Always on the lookout for business opportunities. ✓✓ |
| Ensures that profit targets are met. ✓✓ | Strategises to increase profitability. ✓✓ |
| Administer ✓✓ | Innovate ✓✓ |
| Have a short-term view ✓✓ | Have a long-term view ✓✓ |
| Monitor people ✓✓ | Inspire people ✓✓ |
| Implement plans ✓✓ | Develop goals ✓✓ |
| Maintain and monitor ✓✓ | Challenge staff and managers ✓✓ |
| Ask when, how, where and who ✓✓ | Ask why ✓✓ |

Any other relevant distinction between management and leadership.
Award 4 marks each for direct comparison made. If no direct comparison, mark management or leadership only to a max of 6 marks. Max (12)

5.2 **Discuss the role of personal attitude in successful leadership:**

- Enthusiasm ✓– passionate involvement✓
- Self-confidence and believing✓ – belief in yourself as a leader✓
- Desire and drive ✓– strong feeling of wanting to have something✓
  Courage✓– never gives up – the strength to take on challenges✓
  Persistence✓– dedication and commitment to overcome obstacles
- Belief✓ in others – see the good in others and recognize their abilities✓
  Taking personal responsibility (accept it) ✓– see you role in situations, don't blame others. ✓
  Perseverance✓– seeing things through, not giving up✓, being patient
- Optimism – ✓seeing opportunities and possibilities✓
- Reliability, ✓ honesty and professional ethics. ✓ (any 3x 2 = 6)

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5.3 **Unethical advertising and practical examples**

5.3.1 False promises

- To lure customers with promising guarantees or explanations that sound promising,✓ but is too good to be really true. ✓
- Example: high return on investments✓in times of unfavourable economic conditions. ✓
- Any other relevant discussion and example on false promises.

Discussion (2)
Example (2)
Sub max (4)

5.3.2 Misleading packaging

- Oversized packaging is used✓to make the product look bigger/better. ✓
- Example: A well-known chips manufacturer did not change the size of their packaging✓, but reduced the contents from 30 g to 25 g. ✓
- Information on labels/package✓is not always correct/accurate. ✓
- Example: Benefits ✓not scientifically proven√/States that it leads to weight loss✓, when it is not proven. ✓
- Any other relevant discussion and example on misleading packaging.

Discussion (2)
Example (2)
Sub max (4)

5.4.1 **Quality indicators for Public Relations function**

- Management deals quickly with negative publicity. ✓✓
- Less/Little/No incidents of negative publicity. ✓✓
- Regular positive press releases. ✓✓
- Implement sustainable Corporate Social Investment (CSI) programmes. ✓✓
- Good results of public surveys on business image. ✓✓
- High standard of internal publicity/Appearance of building(s)/Professional way of answering telephones/Appearance of correspondence. ✓✓
- Deliver quality goods/services that promote the brand/image with key stakeholders, e.g. customers/suppliers/government/service providers. ✓✓
- Compliance with recent legislation, e.g. BEE compliant. ✓✓
- Any other relevant answer related to quality indicators for the Public Relations function.

Max (8)

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5.4.2 **Quality indicators for 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. ✓✓
- Any other relevant answer related to quality indicators for the Administration function.

Max (8)

5.5 Barriers to entry / threat of new entrants
Bargaining power of buyers
Bargaining Power of suppliers
Threat of substitution (product / services)
Competitive rivalry. 5 x 2 (10)

5.6

- Encourage workers to get involved in training programmes. ✓✓
- Improve employment opportunities for disadvantaged people. ✓✓
- Ensure that workplaces are transformed as places of learning. ✓✓
- Ensure that workers participate in learnership ✓✓
- Provide quality education and training at the workplace. ✓✓
- Reduce the high unemployment rate and skills shortage. ✓✓
- To assist work-seekers in finding employment, retrenched workers in re-entering the labour market and employers in finding qualified employees. ✓✓
- To promote self-employment. ✓✓
- To improve the employment prospects of persons previously disadvantaged by unfair discrimination. ✓✓
- To redress past disadvantaged through education and training. ✓✓
- To develop the skills of the South Africa workforce. ✓✓
- To encourage employers to use the workplace as an active learning environment. ✓✓
- To ensure quality of education and training in the workplace. ✓✓
- (any other relevant answer related to the purpose of Skills Development Act)

Max:8
**[60]**

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**SECTION C**

**QUESTION 6**

6.1 Introduction

- Labour Relations Act regulates the fundamental rights of employers and employees. ✓
- Contributes to economic development and social justice. ✓
- Standardises labour practices in business organisations. ✓
- Any other relevant introduction related to the Labour Relations Act and Basic Conditions of Employment Act (2 x 1) (2)

6.2 Basic Conditions of Employment Act

6.2.1 Nature

- Gives people the right to fair labour practice ✓✓
- Ensure basic rights of Basic Conditions of Employment Act are put into effect ✓✓
- Ensures that the rights in the constitution are put in place ✓✓
- Any other relevant answer related to the nature of the Basic Conditions of Employment Act.

(1 x 2) (2)

Purpose

- Promotes economic and social development ✓✓
- Right of workers to fair labour practice ✓✓
- Regulates basic conditions of employment for all employers and employees ✓✓
- Sets minimum standards for employment contracts ✓✓
- Regulates minimum requirement with regards to: working hours / leave / remuneration / prohibition of child and forced labour ✓✓
- Any other relevant answer related to the purpose of BCEA.

(3 x 2) (6)
Max. 8

6.2.2 Evaluation (from employer/employee perspective)

Positive impact

- Promotes equal opportunity and fair treatment in employment ✓✓
- Prevents unfair discrimination of employees (race/gender disability etc.) ✓✓
- creates a framework for acceptable employment practices (working hours/ leave etc.) ✓✓
- Encourage consultation between employer and employee ✓✓
- Any other relevant answer related to the positive impact of BCEA. ✓✓

OR/AND

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Negative impact

- Preparation/writing of employment contracts can be costly and time consulting ✓✓
- workers are restricted to working hours-could affect production level ✓✓
- Employers are restricted within the framework of BCEA. ✓✓
- Business may not be able to adhere to all provisions of BCEA due to capacity and size ✓✓
- Businesses cannot hire cheaper labour ✓✓
- Need to have a dedicated human resource department-many administrative duties ✓✓
- Minister of labour may appoint inspectors to monitor and enforce compliance of employment laws ✓✓
- Government imposes fines on those companies that do not comply✓✓
- Any other relevant answer related to negative impact of BCEA.

(4 x 2) (8)
Max. 8

6.3 Labour Relations Act

6.3.1 Nature

- To provide the framework were the employees/trade unions/employers can collectively bargain for wages and other working conditions. ✓✓
- To advance economic development and labour peace. ✓✓
- Any other relevant answer related to nature of LRA (1 x 2) (2)

Purpose

- Employees can be informed about their right to strike.✓✓
- To formulate industrial policies. ✓✓
- Giving effect to obligations to be met by South Africa as a member of the International Labour Organisation (ILO). ✓✓
- Forces companies to register with the Department of Labour.
- Any other relevant answer related to the nature and purpose of LRA.

(3 x 2) (6)
Max. 8

6.3.2 Evaluation

Positive impact

- Unfair wages/situations are limited. ✓✓
- Economic growth. ✓✓
- Workers are involved in decision-making. ✓✓
- Trade unions play a major role. ✓✓
- Strikes are reduced to cycles where recognition agreements are signed. ✓✓

OR/AND

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Negative impact

- Employees in senior management positions should not be part of unions. ✓✓
- Too many strikes (legal/illegal). ✓✓
- Trade unions can get too powerful. ✓✓
- Indefinite striking leads to loss of production/profits. ✓✓
- More expenses for the business. ✓✓
- Any other relevant answer related to evaluation of impact of LRA. (4 x 2) (8)
Max. 8

6.4 Conclusion

- Since these two Acts have been implemented, employees as well as employers are benefiting in the workplaces. ✓✓
- In South Africa there is an increasing awareness of contraventions in workplaces and also employees are being treated fairly. ✓✓
- Any other relevant conclusion related to the Labour Relations and Basic Conditions of Employment Acts

(1 x 2) (2)

NOTE: If the evaluation of both these Acts are discussed together, allocate a maximum of 16 marks according to the mark allocated per subtopic.

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**BREAKDOWN OF MARK ALLOCATION**

| DETAILS | MAXIMUM | TOTAL |
|---|---|---|
| Introduction | 2 | 32 |
| **Basic Conditions of Employment Act** | | |
| Nature and purpose | 8 | |
| Evaluation | 8 | |
| **Labour Relations Act** | | |
| Nature and purpose | 8 | |
| Evaluation | 8 | |
| 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 mark where requirements are not met at all.

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**QUESTION 7**

**INTRODUCTION:** BUSINESS ROLES (SOCIAL RESPONSIBILITY)

7.1 **INTRODUCTION**

- Businesses and their communities are interdependent and the one cannot do without the other. ✓
- The interdependence can be improved if businesses and communities recognize their social responsibility. ✓
- A responsible business should contribute towards the upliftment of the community. ✓
- CSR is a business's obligation to protect/promote the welfare of all stakeholders, who have an interest in or that will be affected by a business. ✓
- 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 CSR/CSI.

(2 x 1) = (2)

**NOTE:**

1. The definition/description of CSR may also be included in the introduction.
2. Take particular note of repetition.
3. Allocate a maximum of 8 marks when the definition/description of CSR is discussed in both 7.1 and 7.2.

7.2 **DISTINGUISH BETWEEN CSI AND CSR**
**Corporate social investment**

- Refer to any project undertaken by an organisation which is over and above 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.

Any (2x 2) (4)

**Corporate social responsibility**

- 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.

Any (2 x 2) (4)
SUB Max (8)

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7.3 Critical assessment/evaluation of the role of CSR
Positives for the business

- 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 which could increase productivity. ✓✓
- It helps to attract and retain staff/Lower staff turnover as employees' health and safety are considered/Improve the health of its employees. ✓✓
- The business enjoys the goodwill and support of communities. ✓✓
- CSR helps to attract investors. ✓✓
- If 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 a better success rate if it is fully supported by top management. ✓✓
- Sustained environmental conservation 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 a positive evaluation/assessment of the role of CSR in the business.

AND/OR

Negatives for the business

- 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 communities. ✓✓

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- 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 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 a negative evaluation/ assessment of the role of CSR in the business.

Sub max (12)

AND/OR

Positives for the community

- Supports the business by purchasing its products and thereby contributing to business profitability. ✓✓
- Provides labour, customers and are suppliers to the business. ✓✓
- Provision of bursaries. ✓✓
- Improves the welfare of society. ✓✓
- The standard of living of the community is uplifted / quality of life of communities is improved. ✓✓
- Involves employees in community projects. ✓✓
- Better educational facilities are established in poor communities. ✓✓
- Any other relevant answer related to a positive evaluation/assessment of the role of CSR in the community.

AND/OR

Negatives for the community

- Distribution of scarce CSR resources to selected beneficiaries in the community may cause problems such as discrimination. ✓✓
- The benefits of the programmes may not filter to the intended persons within the community. ✓✓
- Programmes that do not satisfy all the needs of the community may be rejected. ✓✓
- Hand-out programmes discourage locals from taking their own initiative by making them dependent on social investment programmes. ✓✓
- Sustaining projects after businesses withdraw their assistance are often difficult without the right expertise. ✓✓
- Spending money on CSR means the business has to recover it somehow and this will lead to higher prices and inflation which has a negative impact on the economy. ✓✓
- Any other relevant answer related to a negative evaluation/assessment of the role of CSR in the community.

Sub max (12)
Max (20)

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7.4 Possible CSI programmes

- Build schools in communities. ✓✓
- Offer bursaries to needy students. ✓✓
- Protect the environment, e.g. use paper-based recyclable packaging/reduce water and electricity usage/recycling and waste recovery. ✓✓
- Support youth programmes. ✓✓
- Sponsor sporting activities and sport development programmes. ✓✓
- Businesses can donate their old computers to under privileged schools. ✓✓
- Teach entrepreneurial skills and offer support to individuals starting new ventures. ✓✓
- Provide/Support adult education and training in local communities. ✓✓
- Sponsor art and cultural programmes. ✓✓
- Establish programmes to promote early childhood development. ✓✓
- Conduct job creation programmes. ✓✓
- Any other relevant answer related to examples of CSI programmes.

Max (10)

7.5 Recommendation on how CSI programmes can satisfy stakeholders.

- Consumers✓

• Ingredients and other information that might affect consumers' safety should be displayed on product labels when sponsoring feeding scheme programmes. ✓✓
• Product should be tested for safety and bare the SABS mark of approval where applicable. ✓✓
• Any other relevant answer related to ways in which CSI programmes can satisfy consumer needs.

- Employees✓

• Business should create equal opportunities and cater for diversity through CSI programmes. ✓✓
• Implement CSI programmes that address issues of sexual harassment/ HIV/AIDS and/or TB. ✓✓
• Provide better education and training facilities in the business and the community. ✓✓
• Skills improvement programmes may reduce unemployment levels. ✓✓
• Any other relevant answer related to ways in which CSI programmes can satisfy employee needs.





- Government ✓

• Business should promote the implementation of legislation/government policies, e.g. skills development. ✓✓
• Business should support government initiatives, e.g. by co-operating with local government in supplying housing. ✓✓
• By creating job opportunities in communities, the pressure on government to address unemployment, is reduced. ✓✓
• Any other relevant answer related to ways in which CSI programmes can satisfy government needs.

NOTE: Allocate a maximum of THREE (3) marks for identifying the stakeholders. Max (6)

7.6 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. ✓✓
- CSI programmes will contribute positively if they are strategically planned and not just be given hand-outs/contributions randomly. ✓✓
- Any other relevant conclusion related to CSR/CSI.

(Any 1 x 2) (2)

[40]

**BREAKDOWN OF MARK ALLOCATION**

| DETAILS | MAXIMUM | TOTAL |
|---|---|---|
| Introduction | 2 | MAX 32 |
| Difference between CSI and CSR | 8 | |
| Role of CSR – assessment | 20 | |
| Possible CSI programmes | 10 | |
| Recommendations | 6 | |
| 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 some requirements are met.
Allocate 0 marks where requirement are not met at all.

## QUESTION 8

8.1 **Introduction:**

- Today, many business persons are familiar with the different leadership and management theories that can be adopted in their business venture. ✓
- They will apply different theories and choose and adapt a style to suit their business. ✓
- Leaders have vision for their businesses. ✓
- Leaders encourage workers through motivation. ✓
- Leaders who take calculated risks are able to make use of profitable
- opportunities. ✓
- Managers are able to manage the business effectively. ✓
- Any other relevant introduction related to leadership and management.

Any 2 x 1 (2)

8.2 **Distinguish between followers and leaders**

| FOLLOWERS | LEADERS |
|---|---|
| A follower is only responsible for getting his/her task done ✓✓ | A leader is responsible for the whole organisation ,and not just one specific task✓✓ |
| A follower has limited ,structured goal to achieve.. ✓✓ | A leader is responsible for all the other team members,their individual goals as well as the larger goals. ✓✓ |
| A follower is part of the entire organization ,accountable for a particular goal. ✓✓ | A leader has to maximize others potential and strength to enhance the organisation. ✓✓ |
| Followers follow. ✓✓ | A leader makes the first move. ✓✓ |
| Followers turn to the leader for direction and advice and how to fun ction in a situation✓✓ | A leader decides what has to be done ,no matter how new or unpredictable or difficult a situation might be. ✓✓ |
| A follower is only concerned with getting a tssk completed and needs inspiration,usually by the leader . ✓✓ | A leader must be able toinspire,earn respect And win the confidence of others .. ✓✓ |
| Followers usually wait around for things to happen and wait for someone to suggest a change. ✓✓ | Leaders put their ideas into action. ✓✓ |
| Ensures that profit targets are met. ✓✓ | Strategises to increase profitability. ✓✓ |
| Administer ✓✓ | Innovate ✓✓ |
| Have a short-term view ✓✓ | Have a long-term view ✓✓ |
| Monitor people ✓✓ | Inspire people ✓✓ |
| Implement plans ✓✓ | Develop goals ✓✓ |
| Maintain and monitor ✓✓ | Challenge staff and managers ✓✓ |
| Ask when, how, where and who ✓✓ | Ask why ✓✓ |

Any other relevant distinction between followers and leaders
Award 4 marks for each direct comparison. If no direct comparison, award marks for followers or leaders (maximum 3)

Max (6)

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8.3.1 CHARISMATIC **Leadership theory:**

- The leader uses personal charm, inspiration and emotion rather than power and authority to influence or lead subordinates. ✓✓
- The leader serves as a role model and people follow him/her. ✓✓
- The leader has vision and is able to communicate well with others. ✓✓
- The leader praises subordinates, even for little success achieved. ✓✓
- Charismatic leaders are intolerant of challenges and they perceive themselves as irreplaceable. ✓✓
- This leader has good values and may lead the company to greater success. ✓✓
- This style is commonly used by politicians, religious leaders and business teams. ✓✓

**COMMENT/APPLICATION**

- This type of management theory is used when the management has identified low morale amongst its employees. ✓✓
- Used as a method to motivate employees. ✓✓
- Any other relevant answer on charismatic theory.

**(any 5 facts x 2) (10)**
**Comment/Application 2**
**Max: 10**

8.3.2 **Transformational Leadership:**

- The leader has vision, passion and injects enthusiasm in his subordinates to enable them to succeed. ✓✓
- The leader cares about his subordinates. ✓✓
- Leaders uses discussion to voice criticism and not attack employees. ✓✓
- Leader uses creative strategies to encourage staff to meet high expectations. ✓✓
- Leader motivates followers to believe in themselves and their ability to achieve goals. ✓✓
- The leaders develops a vision for the organisation and sells it to his subordinates and convinces them to follow the vision. ✓✓
- Any other relevant answer on transformational leadership.

**COMMENT/APPLICATION**

- This leadership theory can be used to motivate and inspire subordinates. ✓✓
- This leadership theory can be used to communicate change. ✓✓
- This leadership theory is suitable when an organisation is undergoing transformation ✓✓
- Any other relevant answer on transformational leadership.

**(Any 5 facts x 2) (10)**
**Comment / Application 2**
**Max: 10**

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8.3.3 **Situational Leadership theory:**

- This leadership theory depends on the following factors :
- Forces within the organisation. ✓✓
- Forces within the subordinates. ✓✓
- Distant factors from outside the organisation may personally affect the leader and his performance. ✓✓
- Highly motivated workers allow the leader to assume the role of facilitator. ✓✓
- Workers who constantly need guidance and motivation make the leader assume the role of an autocratic leader. ✓✓
- The success of this leadership theory depends on the kind of relationship that exists between the leader and his subordinates. ✓✓

**COMMENT/APPLICATION:**

- The application of this theory depends on the particular situation / circumstance that prevails within the organisation✓ ✓
- Any other relevant answer on situational leadership.

**(Any 5 facts x 2) (10)**

**Comment/Application 2**

**Max: 10**

8.4 **Conclusion:**

- The above discussion clearly indicates that different leadership theories are influenced by the nature of the organization ✓ and the expertise of the leaders. ✓
- The personality of the leader plays an integral part in the type of leadership theory administered. ✓

(any 2 x 1) (2)

**Subtotal 39: Max 32**





**Breakdown of mark allocation:**

| DETAILS | MAXIMUM | REDUCED TO | SUBTOTAL | TOTAL |
|---|---|---|---|---|
| Introduction | | | **2** | |
| Differences between leaders and **followers and leaders** | 6 | | **6** | |
| Charismatic,<br>Description<br>Comment / Application | <br>10<br>2 | Max 10 | | **Max 32** |
| Transformational<br>Description<br>Comment / Application | <br>10<br>2 | Max 10 | **30** | |
| **Situational**<br>Description<br>Comment / Application | <br>10<br>2 | Max 10 | | |
| Conclusion | | | **2** | |
| **INSIGHT** | | | | |
| Structure | | | | **2** |
| Synthesis | | | | **2** |
| Analysis, Interpretation | | | | **2** |
| Originality, Examples | | | | **2** |
| **TOTAL MARKS** | | | | **40** |

LASO - For each component:
Allocate 2 marks if all requirements are met.
Allocate 1 mark if some requirements are met.
Allocate 0 marks where requirement are not met at all.

**QUESTION 9**

**BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**

**9.1 Introduction**

- The human resources manager is responsible for recruiting and Appointing competent and skilled employees. ✓
- It is important that the human resources manager follows correct and fair procedures in selecting en interviewing. ✓
- If selection and interviewing are properly done, the best candidate for the job will be appointed. ✓
- Any other relevant introduction related to the human resources function

Any (2 x 1) (2)

9.2 Procedure for selecting and interviewing

9.2.1 Receive documentation. ✓✓

- Applicants submit the application forms, curriculum vitae and certified copies of personal documents such as ID and proof of qualifications. ✓✓

9.2.2 Screen applicants. ✓✓

- Candidates who obviously meet the requirements are separated from those who do not. ✓✓

9.2.3 Evaluate CVs and create a shortlist. ✓✓

- Applicants are evaluated against pre-set requirements. ✓✓

- Applicants are ranked from most suitable to less suitable candidates. ✓
- Candidates with the highest ranked order are placed on a shortlist. ✓
- The shortlist should contain between 3 and 5 candidates. ✓

9.2.4 Check information supplied in CVs. ✓ ✓

- The candidates' qualifications and their employment history are checked and confirmed. ✓✓

- Referees are contacted to verify or testify to the person's character, abilities and skills. ✓✓

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9.2.5 Conduct interviews. ✓✓

- Candidates whose names appear on the short list, are invited to a Personal interview, usually on the premises of the business. ✓✓
- Interview is a formal meeting between employer and candidate ✓✓
- The meeting allows the employer to get information about the candidates and to evaluate the candidates further. ✓✓
- Candidates also have a chance to assess their possible workplace and can get more information about the post and the business. ✓✓
- This step in the process may involve more than one round of interviews. ✓✓

**AND/OR**

Interview procedure ✓✓

- Establish and initial link and communication.✓ This is when interviewer forms an impression about a candidate. ✓
- Gather the necessary information. ✓ Key questions ask by the interviewer to make informed decisions. ✓
- Allow candidate to ask questions ✓about the position or company. ✓
- Close the interview ✓thank the candidate for attending. ✓

Max (16)

9.3 Legalities of the employment contract. ✓✓

- Employment contract is an agreement between the employer and the employee and is legally binding. ✓✓
- It may not contain any requirements that are in conflict with the BCEA. ✓✓
- Aspects of the employment contract can be re-negotiated during the course of employment. ✓✓
- Employer and employee must agree to any changes to the contract. ✓✓
- No party may unilaterally change aspects of the employment contract. ✓✓
- The employment contract should include a code of conduct and code of ethics. ✓✓
- The HR manager must explain the terms and conditions of the employment contract to the employee. ✓✓
- Conditions of employment, duties and responsibilities of the employees must be stipulated clearly. ✓✓.
- Benefits must be stipulated clearly. ✓✓
- All company policies, procedures and disciplinary codes/rules can form part of the employment contract. ✓✓
- Employers must allow the employees to thoroughly read through the contract before it is signed. ✓✓
- Any other relevant answer related to the legalities of the employment contract.

Max (12)

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9.4 **Contents of the employment contract**

Details of the employer. ✓

- The employment contract must contain the address and contact details of the business. ✓

Personal details of the employee ✓

- The contract must have the physical address, contact details as well as other details of the employee, e.g. ID number, age, full name(s) ✓

Job title✓ and job description. ✓

- The contract must clearly state the job title and outline the duties and responsibilities of the employee. ✓

Working hours ✓

- Hours of work, in line with the BCEA, must be clearly stated in the contract✓

Overtime ✓

- Overtime hours per day and per week must be clearly outlined in the contract. ✓ Work time that will be deemed as overtime should be explained in detail, e.g. Sundays and public holidays. ✓

Remuneration package ✓

- The contract must stipulate the amount payable to the employee.
- It should state whether it is a weekly wage or monthly salary, how the amount will be calculated, bonuses, fringe benefits (e.g. clothing allowance, car allowance, etc.) and any other agreements regarding remuneration. ✓

Leave ✓

- Employment contract must stipulate the different types of leave and the number of days allowed for each type of leave. ✓

- It should also stipulate when leave is deemed as paid leave ✓

Termination of the contract. ✓

- Employment contract must give clear guidelines regarding the procedures involved in terminating the contract. ✓

- Any other relevant answer related to the contents of the employment contract.

Max (10)

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9.5 Conclusion

- The goals and objectives of businesses cannot be achieved without qualified and skilled employees. ✓✓
- The human resources manager must ensure that employees are well motivated, trained and committed to perform their duties. ✓✓
- Any other relevant conclusion related to the human resources management.

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

**BREAKDOWN OF MARK ALLOCATION**

| Details | Maximum | Total |
|---|---|---|
| Introduction | 2 | |
| Selection and Interviewing | 16 | |
| Legal requirements | 12 | Max 32 |
| Contents of contract | 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 some requirements are met.
Allocate 0 marks where requirements are not met at all.

**GRAND TOTAL: [300]**

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