Province of the
EASTERN CAPE
EDUCATION

NATIONAL SENIOR CERTIFICATE

GRADE 12

JUNE 2018

BUSINESS STUDIES MARKING GUIDELINE

MARKS: **300**

This marking guideline consists of 49 pages.

NOTES TO MARKERS

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

2. A comprehensive 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.

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

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

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

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

7. **Incorrect numbering of questions or sub-questions in SECTION A and B will be severely penalised. Therefore, correct numbering is strongly recommended in all sections.**

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

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

10. **SECTION B**

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

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

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

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

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

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

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

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

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

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

11. **SECTION C**

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

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

11.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, body and a conclusion?	**2**
Analysis and interpretation	Is the candidate able to breakdown the question into headings/sub-headings/interpret it correctly to show understanding of what is being asked? 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: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S') Option 1: Where a candidate answers 50% or more of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Where a candidate answers less than 50% of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Where a candidate answers less than 50% of the question with no relevant facts; two '-S' appear in the left margin. Award a ZERO mark for synthesis.	**2**
Originality	Is there evidence of examples, recency of information, current trends and developments?	**2**
	TOTAL FOR INSIGHT:	**8**
	TOTAL MARKS FOR FACTS:	**32**
	TOTAL MARKS FOR ESSAY (8 + 32)	**40**

NOTE:

1. **No marks will be awarded for contents repeated from the introduction and conclusion.**

2. **The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**

3. **No marks will be allocated for layout, if the headings 'Introduction, Conclusion,' etc. in 'Insight' is not supported by an explanation.**

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

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

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

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

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

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

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

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

11.10 11.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

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

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

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SECTION A (COMPULSORY)

QUESTION 1

1.1	1.1.1	B √√		(2)
	1.1.2	D √√		(2)
	1.1.3	D √√		(2)
	1.1.4	B √√		(2)
	1.1.5	C √√		(2)
	1.1.6	C √√		(2)
	1.1.7	A √√		(2)
	1.1.8	B √√		(2)
	1.1.9	C √√		(2)
	1.1.10	D √√		(2)
			(10 x 2)	(20)
1.2	1.2.1	R500 000 √√		(2)
	1.2.2	charismatic √√		(2)
	1.2.3	environmental √√		(2)
	1.2.4	Delphi technique √√		(2)
	1.2.5	quality control √√		(2)
			(5 x 2)	(10)
1.3	1.3.1	C √√		(2)
	1.3.2	E √√		(2)
	1.3.3	A √√		(2)
	1.3.4	B √√		(2)
	1.3.5	I √√		(2)
			(5 x 2)	(10)

BREAKDOWN OF MARKS	
1.1	20
1.2	10
1.3	10
TOTAL	**40**

TOTAL SECTION A: 40

SECTION B

Mark the FIRST THREE answers only.

QUESTION 2: BUSINESS ENVIRONMENT

2.1 PESTLE analysis model

- Political √
- Economical √
- Social √
- Technological √
- Legal √
- Environmental √

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

2.2 Steps in evaluating strategies

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

Any other relevant answer related to the steps in strategy evaluation.
NOTE: Accept steps in any order. Max. (10)

2.3 Intensive strategies

Market penetration √√

- New products √ enter/penetrate an existing market √ at a low price, √ until it is well known to the customers √ and then the prices increase. √
- It is a growth strategy where businesses focus on selling existing products √ to existing markets. √
- Businesses do market research on existing clients √ to decide how to improve their marketing mix. √
- Reduce prices √ to increase sales. √
- Embark on an intensive advertising campaign √ to increase awareness and customer loyalty. √
- Employ more sales staff √ to improve sales services. √

Any other relevant answer related to market penetration.

Strategy (2)
Explanation (1)
Sub-max. (3)

Market development √√
- A process of exploring/finding/searching new markets √ for existing products. √
- Businesses sell their existing products √ to new markets. √
- Involves targeting consumers in a potential market √ that is outside its normal target market. √

Any other relevant answer related to market development.

Strategy (2)
Explanation (1)
Sub-max. (3)

Product development √√
- Businesses generate new ideas √ and develop a new product or service.√
- The introduction of a new product or service √ into existing markets. √
- Businesses improve their product line √ by adding different types or related products. √
- Conduct test marketing/market research √ to establish whether new products will be accepted by existing customers. √
- Ensure that new products are different/of a higher quality/more reasonably priced√ than those of competitors. √

Any other relevant answer related to product development.

Strategy (2)
Explanation (1)
Sub-max. (3)

NOTE: Mark the first THREE (3) only. (3 x 3) (9)

2.4 **BBBEE Act Pillars**

2.4.1 Skills development √√
2.4.2 Ownership √√
2.4.3 Social responsibility/Socio-economic development √√
2.4.4 Management/Management and control √√ (8)

2.5 **Consumer rights**

Right to choose √√
- Consumers have the right to:
  - Choose suppliers and/or goods. √
  - Shop around for the best prices. √
  - Reject goods that are unsafe/defective for a full refund. √
  - Cancel/renew fixed term agreements. √
  - Request written quotations and cost estimates. √

Any other relevant answer related to the consumer's right to choose as defined in the CPA. Sub-max. (3)

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Right to return goods/have goods replaced/claim a refund √√
- Goods that are unsafe/defective may be replaced by the supplier. √
- Faulty items may be returned for a full refund. √
- They may return faulty items if the fault occurs within six months after purchasing the item. √

Any other relevant answer related to the consumer's right to return goods/have it replaced/claim a refund as defined in the CPA. Sub-max. (3)

Right to complain √√
- Consumers may use various methods/channels to complain about poor quality goods/services. √
- They can complain via customer care desks/consumer hotlines/ombudsman etc. √

Any other relevant answer related to the consumer's right to complain as defined in the CPA. Sub-max. (3)

Right to privacy/confidentiality √√
- Consumers have the right to stop/restrict unwanted direct marketing. √
- They can object to unwanted promotional e-mails and telesales. √
- They have the right to stop/lodge complaints about sharing personal details. √

Any other relevant answer related to the consumer's right to privacy and confidentiality as defined in the CPA. Sub-max. (3)

Right to fair/honest dealings √√
- Suppliers may not use physical force/harass customers. √
- They may not give misleading/false information about the product/service/ transaction. √
- Businesses cannot promote pyramid/chain-letter schemes. √
- Businesses may not overbook/oversell goods/services and then not honour the agreement. √

Any other relevant answer related to the consumer's right to fair and honest dealings as defined in the CPA. Sub-max. (3)

Right to equality in the consumer market place. √√
- Business should not limit access to goods/services. √
- They may not vary the quality of their goods/services supplied to different types of consumers. √
- Different prices for identical goods/services may not be charged. √
- Businesses should not discriminate when marketing their products/services in different areas/places. √

Any other relevant answer related to consumer rights to equality in the consumer market place as defined in the CPA Sub-max. (3)

NOTE: Mark the first THREE (3) only (3 x 3) (9)

2.6.1 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)/COIDA √√ (2)

2.6.2 **Reasons from the scenario**

- Marvella did not report the accident. √
- He did not wear his protective clothing despite being advised to do so regularly. √ (2)

2.6.3 **Impact of COIDA on businesses (employers and employees)**

Positives

- Promotes safety√ in the workplace. √
- Creates a framework√ for acceptable employment practices/safety regulations. √
- Supply administrative guidelines/mechanisms√ for dealing with/ processing claims. √
- Eliminates time and costs spent √ on lengthy civil court proceedings. √
- Covers all employees at the workplace √ if both parties meet all the necessary safety provisions in the Act. √
- Employees are compensated financially for any injury/disability √ resulting from performing their duties at their workplace. √
- In the event of the death of an employee as a result of a work-related accident/disease, √ his/her dependant(s) will receive financial support. √
- Employers are protected from financial burden should an accident occur in the workplace √ provided that the employer was not negligent. √
- Employees do not have to contribute √ towards this fund. √
- The employees receive medical assistance √ provided there is no other party. √
- Any compensation to an employee/the family √ is exempt from income tax. √
- The processes √ are relatively simple. √
- Makes businesses more socially responsible √ as they cannot just employ workers at random in dangerous working conditions. √
- Workers are treated with dignity and respect √ as businesses view them as valuable assets and not just as workers. √

Any other relevant answer related to the positive impact of COIDA on businesses.

AND/OR

Negatives

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

Any other relevant answer related to the negative impact of COIDA on businesses. Max. (8)

2.7 **Effectiveness of the Employment Equity Act (EEA) on businesses**

- Promotes equal opportunity √ and fair treatment in the workplace. √
- Ensures the implementation of affirmative action measures √ to redress the imbalances in employment. √
- Encourages diversity in business √ by employing people from various racial/ cultural/religious backgrounds. √
- Provides all employees with an equal opportunity √ to be selected/appointed/ promoted in a position. √
- Prevents unfair discrimination against employees √ in any employment policy/ practice on one/more grounds, including race/gender/disability/language, √ etc.
- Creates a framework of acceptable employment practices √ and affirmative action measures. √
- Provides employees with legal recourse √ if they believe they have been unfairly discriminated against. √
- Encourages consultation √ between employer and employees. √
- Compels businesses to develop/implement√ an employment equity plan. √

Any other relevant answer related to the effectiveness of EEA on businesses. Max. (8)

[60]

BREAKDOWN OF MARKS	
2.1	4
2.2	10
2.3	9
2.4	8
2.5	9
2.6.1	2
2.6.2	2
2.6.3	8
2.7	8
TOTAL	**60**

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QUESTION 3: BUSINESS VENTURES (LEADERSHIP AND MANAGEMENT)

3.1 Leadership styles

3.1.1 Laissez-faire/Free reign leadership √√
3.1.2 Charismatic leadership √√
3.1.3 Democratic/Participative/Consultative leadership √√
3.1.4 Bureaucratic leadership √√
3.1.5 Autocratic leadership √√ (10)

3.2 Distinction between leadership and management

Leadership	Management
- Influences human behaviour √√	- Guides human behaviour √√
- Communicates by means of interaction/behaviour/vision/ values/charisma √√	- Communicates through management functions, e.g. line function. √√
- Encourages new ideas to increase productivity. √√	- Administer plans/programs/tasks to reach targets. √√
- Inspire staff to trust and support each other √√	- Controls systems and procedures to get the job done. √√
- Focuses on what and why. √√	- Focuses on how and when √√
- Does the right things. √√	- Does the right things. √√
- Focuses on the horizon to take long-term decision. √√	- Focuses on the bottom line to take short/medium/long term decisions √√
- Leaders are born with natural/instinctive leadership skills. √√	- A person becomes a manger because he/she is appointed in position/trained/qualified. √√
- Guides/Leads people to become active participants √√	- Manages the process of getting things done by exercising authority. √√
- Have power/influence because of his/her knowledge/ intelligence/skills. √√	- Have power/authority because of the position into which they are appointed. √√
- Always trying to find more efficient ways of completing tasks. √√	- Enforce rules on subordinates to ensure that tasks are completed. √√
- Motivational/Inspirational in their approach. √√	- Instructional in their approach. √√
- People orientated √√	- Task oriented √√
- Lead by example/trust/respect √√	- Manage by planning/ organising/leading/control √√
Any other relevant answer related to leadership.	Any other relevant answer related to management.
Sub-max. (6)	Sub-max. (6)

NOTE: 1. **The answer does not have to be in tabular format but differences must be clear.**
2. **Award a maximum of SIX (6) marks if differences are not clear./Mark either leadership or management only.** Max. (12)

3.3.1 Bureaucratic leadership style √√ (2)

3.3.2 **Effectiveness of bureaucratic leadership style**
Positives
- Managers ensure that rules/regulations √ are always followed accurately. √
- Works well when tight control measures √ need to be implemented/ followed. √
- Health and safety are increased √ in a dangerous workplace, e.g. construction sites/mines. √
- Followers know what is expected of them √ because of detailed instructions. √
- The quality of work √ can be ensured. √
- Ensures accountability √ to the general public/customers. √
- Ultimate/Strict control over systems/procedures √ ensure high quality output. √

Any other relevant answer related to a positive evaluation of a bureaucratic leadership style.

AND/OR

Negatives
- Complicated official rules √ may seem unnecessary/time consuming. √
- Leaders may acquire power/become authoritative √ and can disregard inputs from others. √
- Very little room for error, √ so workers feel they are not always treated with dignity. √
- Lack of creativity/innovation/self-fulfilment √ may lead to stagnation/ decrease in productivity. √
- Employees may feel they have become objects of work √ and are not treated as humans. √

Any other relevant answer related to a negative evaluation of a bureaucratic leadership style.

NOTE: Accept relevant facts, if the autocratic style was incorrectly identified as answer in QUESTION 3.3.1.

Max. (12)

3.3.3 **Reasons why employees prefer a laissez-faire/free-reign leadership style**

- Workers/Followers are allowed to make their own decisions. √√
- Subordinates have maximum freedom and can work independently. √√
- Leader motivates workers by trusting them to do things themselves/ on their own. √√
- Authority is delegated, which can motivate workers and increase productivity. √√
- Subordinates are experts and know what they want/can take responsibility for their actions. √√
- Suitable for coaching/mentoring to motivate employees to achieve more/better things. √√
- Empowers competent followers as they are completely trusted to do their job. √√
- Individual team members may improve/develop leadership skills. √√

Any other relevant answer related to reasons why employees prefer laissez-faire/free-reign leadership style.

NOTE: **1. Mark the first FOUR (4) only.**
2. Award marks if a different but relevant approach is used. (4 x 2) (8)

3.4 **Role of personal attitude in successful leadership**

- Positive attitude √ releases leadership potential √
- A leader's good/bad attitude √ can influence the success/failure of the business. √
- Leaders must know their strengths and weaknesses √ to apply their leadership style effectively. √
- Great leaders understand that the right attitude √ will set the right atmosphere. √
- Leaders' attitude can influence employees'/teams' thoughts √ and behaviour. √
- Leaders should model the behaviour √ that they want to see in team members. √
- Leaders must know/understand their teams √ to be able to allocate tasks/roles effectively. √
- Enthusiasm √ produces confidence in a leader. √
- A positive attitude is critical for good leadership √ because good leaders will stay with the task regardless of difficulties/challenges. √
- Successful employees and leaders have a constant desire to work √ and achieve personal and professional success. √
- Leaders with a positive attitude know that there is always more to learn √ and space to grow. √

Any other relevant answer related to the role of personal attitude in successful leadership. Max. (8)

3.5 **Impact of Transactional leadership styles on businesses**
Positives/Advantages

- Encourages employees to work hard √ because they will receive rewards. √
- Improves employees' productivity √ and morale because they feel motivated / good about themselves. √
- The goals and objectives of the business can be achieved √ as workers are motivated. √
- Employees know √ what is expected of them. √
- Disciplinary actions/procedures √ is well communicated. √

Any other relevant answer related to the positives/advantages of the transactional leadership style.

AND/OR

Negatives/Disadvantages

- Employees can become bored √ because they have to follow rules/procedures/there is no creativity in the workplace. √
- A transactional leader will have to monitor the work performance of employees/ensure that expectations are met √ which can be time-consuming. √
- Some employees may be demoralised/unmotivated, √ if they fail to reach/meet targets despite having worked very hard. √
- Usually not suitable for team work, √ because all team members can be punished for poor performance caused by a member of a team. √

Any other relevant answer related to the negatives/disadvantages of the transactional leadership style.

Max. (8)
[60]

BREAKDOWN OF MARKS	
3.1	10
3.2	12
3.3.1	2
3.3.2	12
3.3.3	8
3.4	8
3.5	8
TOTAL	**60**

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QUESTION 4: BUSINESS ROLES

4.1 **Economic rights of employees**

- Free from forced labour. √
- Free to accept or choose work. √
- Fair wages/Equal pay. √
- Reasonable limitation of working hours. √
- Safe and healthy working conditions. √
- Right to join/form trade unions. √
- Right to participate in a legal strike. √

Any other relevant answer related to the economic rights of employees.
NOTE: Mark the first FIVE (5) only. (Any 5 x 1) (5)

4.2 **Professional business behaviour**

4.2.1
- 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 methods of addressing unprofessional behaviour. (Any 2 x 1) (2)

4.2.2
- Block social websites on business computers/networks. √√
- Take disciplinary action against managers who are found guilty. √√
- Train managers to understand the impact of their actions on the business. √√
- Create a culture of professionalism. √√

Any other relevant answer related to methods of addressing unprofessional behaviour of managers. Any 2 x 1) (2)

4.2.3
- Train him/her in good telephone practice. √√
- Suggest how he/she can improve his/her behaviour. √√
- Discuss the importance of good public relations with all stakeholders. √√

Any other relevant answer related to methods of addressing unprofessional behaviour of the secretary. (Any 2 x 1) (2)

4.2.4
- Introduce board meeting policies that clearly lay out procedures to follow when any board member is late for meetings. √√
- CEO should let someone know that he/she will be late, giving an acceptable reason, so that the meeting may continue. Less urgent matters may then be discussed in his/her absence. √√

Any other relevant answer related to methods of addressing unprofessional behaviour of the CEO. (Any 2 x 1) (2)

NOTE: Mark the FIRST method only. Max. (8)

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4.3 Principles of ethical business conduct

4.3.1 Transparency

- Decisions / Actions must be clear √ to all stakeholders. √
- Business should give details of shareholders' voting rights to them√ before / at the Annual General Meeting (AGM). √
- Business dealings / transactions √ must be open / honest. √
- Business policies and process √ must be clear and understood by all stakeholders. √
- The board of directors must report on both the negative and positive impact √ of the business on the community / environment. √

Any other relevant answer related to transparency as a principle of ethical business conduct. Max. (4)

4.3.2 Accountability

- Business should be accountable / responsible √ for their decisions / actions. √
- Business should present accurate annual reports to shareholders √ at the Annual General Meeting (AGM). √
- Top management should ensure that other levels of management are clear about their roles and responsibilities √ to improve accountability. √

Any other relevant answer related to accountability as a principle of ethical business conduct. Max. (4)

4.4 Strategies to manage socio-economic issues

4.4.1 Unemployment

- Provide skill development programmes through learnerships. √√
- Offer bursaries to the community to improve the level of education. √√
- Create jobs for members of the community. √√
- Provide entrepreneurial programmes that can promote self-employment. √√
- Support existing small businesses to create more employment opportunities. √√

Any other relevant strategies that business may use to manage unemployment as a socio-economic issue.
NOTE: Mark the first TWO (2) only. Max. (4)

4.4.2 **HIV/Aids**

- Develop counselling programmes for infected/affected persons/employees. √√
- Conduct workshops on HIV/Aids programmes/campaigns. √√
- Roll out anti-retroviral (ARV) treatment programmes (ATR) for infected employees. √√
- Encourage employees to join HIV/Aids support groups. √√
- Develop strategies to deal with stigma and discrimination. √√
- Participate in the HIV/Aids prevention programmes implemented in the community. √√

Any other relevant strategies that business may use to manage HIV/Aids as a socio-economic issue.

NOTE: Mark the first TWO (2) only. **Max. (4)**

4.5 **Diversity**

4.5.1

DIVERSITY ISSUES	MOTIVATION
- Gender/Inequality √√	- ECC employs only females of one race. √
- Physical disability/ old age √√	- No lifts facilities or facilities for disabilities. √
- Language √√	- IsiXhosa is the only language of communication. √
Sub-max. (4)	Sub-max. (2)

1. **The answer does not have to be in tabular format.**
2. **Mark the first TWO (2) diversity issues only.**
3. **Do not award marks for motivation without the correct identification of the diversity issue.**

Max. (6)

4.5.2 **Dealing with identified diversity issues in the workplace**
Gender/Inequality

- Males and females of different races should be offered equal employment opportunities. √√
- ECC directors should promote both men and women in managerial positions. √√
- Men and women should be employed to comply with the EEA. √√
- Targets may be set for gender equity in the business. √√
- New appointments should be based on skills and ability. √√
- Introduce affirmative action by ensuring that male/female employees are remunerated fairly/equally. √√

Any other relevant answer related to ways on how ECC should deal with gender as a diversity issue in the workplace. Sub-max. (4)

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Disability/Physically challenged/People living with disability

- ECC should provide employment opportunities for people with disabilities. √√
- Accommodate people with disabilities by providing facilities/ramps for wheelchairs, √√ etc.
- Ensure that workers with special needs are not marginalised/feel excluded from workplace activities. √√
- ECC should be well informed with how to deal with disabled employees. √√
- Policies and programs should accommodate the needs of people with disabilities. √√
- Create an organisational culture and climate that is conducive for people with disabilities. √√
- Employees should be trained to deal with colleagues with disabilities. √√
- ECC should bring in external experts to help with disability and accommodation issues. √√
- Ensure that employees with disabilities are treated fairly. √√
- Focus on skills/work performance of the disabled worker, rather than his/her disability/possible problems he/she may pose in future. √√

Any other relevant answer related to ways on how ECC should deal with disability as a diversity issue in the workplace.

Sub-max. (4)

Language

- ECC may specify that all communications must be in one specific language only and would expect employees to have a certain level of fluency in that language. √√
- Provide training in the official language of the business. √√
- It may sometimes be necessary to employ an interpreter so that everyone can fully understand what is being said in a meeting. √√
- All business contracts should be in easy-to-understand language and should be available in the language of choice for the relevant parties signing. √√
- No worker should feel excluded in meetings conducted in one language only. √√

Any other relevant answer related to ways on how ECC should deal with language as a diversity issue in the workplace. Sub-max. (4)

NOTE:

1. **Mark the first TWO (2) recommendations of each diversity issue identified in QUESTION 4.5.1.**
2. **Award full marks for recommendations on the diversity issues if motivation was given without identifying diversity issues in QUESTION 4.5.1.**
3. **If QUESTION 4.5.1 was not answered (left blank): Allocate ONE (1) mark for a recommendation if the diversity issue was not identified in QUESTION 4.5.2, but was based on the case study. If the diversity issue/motivation was identified in QUESTION 4.5.2, allocate full marks for recommendation. Max. (8)**

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4.6 **Advantages of CSI for businesses**

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

Any other relevant answer related to the advantages of CSI on business

Max. (8)

4.7 **Link between triple bottom line and social responsibility**
Profit/Economic √√

- Triple Bottom line means that businesses should not only focus on profit/charge high prices √, but should also invest in CSI projects. √
- Businesses should not make a profit √ at the expense of its community. √

Any other relevant answer related to the relationship between profit/economic and social responsibility.

Aspect (2)
Explanation (1)
Sub-max. (3)

People/Social √√

- Business operations should not have a negative impact on/exploit √ people/employees/customers/community. √
- Businesses should engage/invest in sustainable community programmes/projects √ that will benefit/uplift communities. √
- Improve the life style/quality of life √ of their human resources/employees. √

Any other relevant answer related to the relationship between people/social responsibility.

Aspect (2)
Explanation (1)
Sub-max. (3)

Planet/Environment √√

- Businesses should not exhaust resources/harm the environment√ for production/profit purposes. √
- They may support energy-efficient/eco-friendly √ products/production methods √
- Recycle/Re-use waste, √ e.g. packaging from recycled material. √

Any other relevant answer related to the relationship between the planet/environment and social responsibility.

Aspect (2)
Explanation (1)
Sub-max. (3)

NOTE:

1. **The relationship should be clear in each of the three P's (people, planet and profit).**
2. **Award a maximum of THREE (3) marks for listing the aspects without a clear explanation.**

Max. (9)
[60]

BREAKDOWN OF MARKS	
4.1	5
4.2	8
4.3.1	4
4.3.2	4
4.4.1	4
4.4.2	4
4.5.1	6
4.5.2	8
4.6	8
4.7	9
TOTAL	**60**

QUESTION 5: BUSINESS OPERATIONS

5.1 **Aspects to be included in an induction programme**

- Safety regulations and rules. √
- Overview of the business. √
- Information about business products/services. √
- Tour of the premises. √
- Introduction to management and close colleagues. √
- Conditions of employment, e.g. working hours/leave application process/ disciplinary procedures √, etc.
- Administration details, e.g. systems/processes/logistics. √
- Meeting with senior management who will explain the company's vision/values/ and job description/daily tasks. √
- Discussion of the employment contract and conditions of service. √
- Discussions on staff policies, e.g. making private calls/using the internet √, etc.
- Discussion on employees' benefits. √
- Information on CSR/CSI programmes. √

Any other relevant answer related to aspects that should be included in an induction programme.

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

5.2 5.2.1 External recruitment √√

Motivation

The post has been advertised in the local newspaper. √

Identification (2)
Motivation (1)
Max. (3)

5.2.2 **External recruitment methods/sources**

- Printed media, e.g. newspapers/flyers √
- Electronic media, e.g. radio/TV √
- Social media/Social networks/Internet/Business websites √
- Recruitment agencies √
- Walk-ins√
- Head hunting √
- Professional associations √
- Networking √
- Educational/Training institutions √
- Posters/Bill boards just outside the business √

Any other relevant answer related to the methods of external recruitment.

NOTE: 1. Mark the first FOUR (4) only.
2. Allocate a maximum of ONE (1) mark for examples on each method. **(4 x 1)** (4)

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5.2.3 **Content/details of employment contract**

- Name/Address/Contact details of Employee. √
- Details of the business/Employer e.g. name/address etc. √
- Job title. √
- Job description. √
- Date of commencement of employment/Starting date. √
- Working hours, e.g. normal working hours/overtime. √
- Salary/Remuneration package, e.g. weekly or monthly remuneration. √
- Benefits/Perks/Allowances
- Normal place of work. √
- Leave, e.g. sick/maternity/annual/adoption leave. √
- Employee deductions (compulsory/optional) √
- Duration of contract/ Details of termination of the contract. √
- Probation period. √
- Code of conduct and/or Code of ethics. √
- Disciplinary policy, e.g. rules and disciplinary procedures for unacceptable behaviour. √

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

NOTE: Mark the first FIVE (5) only. (Any 5 x1) (5)

5.2.4 **Procedure of Selection**

- Determine fair assessment criteria √ on which selection will be based. √
- Use the assessment criteria to assess all CV's/application forms √ received during recruitment. √
- Screening: √ determine which applications meet the minimum job requirements and separate these from the rest. √
- Compile a shortlist √ of potential candidates identified. √
- Inform unsuccessful applicants √ about the outcome of their application. √
- Reference checks should be made to verify the contents of CV's, √ e.g. contact previous employers to check work experience. √
- Invite shortlisted candidates √ for an interview. √
- Shortlisted candidates may be subjected to various types of selection tests√ e.g. skills tests. √

Any other relevant answer related to the procedure of selection.

Max. (8)

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5.3 **Differences between job description and job specification**

JOB DESCRIPTION	JOB SPECIFICATION
• Describes duties/responsibilities √ of a specific job√/Summary √ of the nature/type of the job. √	• Specifies the minimum acceptable personal qualities/skills/qualifications √ needed for the job. √
• Written description of the job √ and its requirements. √	• Written description of specific qualifications/skills/ experience √ needed for the job. √
• 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 √, etc.	• Describes key requirements for the person who will fill the position √, e.g. formal qualifications/willingness to travel/work unusual hours √, etc.
• Any other relevant answer related to job description.	• Any other relevant answer related to job specification.
Sub max (4)	Sub max (4)

NOTE: 1. The answer does not have to be in a tabular format but the distinction must be clear.
2. Award a maximum of FOUR (4) marks if the distinction is not clear./Mark either job description and job specification.

Max. (8)

5.4.1 **Application of a PDCA model/cycle**

- Businesses should identify the opportunity for improvement. √√
- Plan the method and approach. √√
- Decide whether new processes/changes are necessary. √√
- Implement the change on a small scale. √√
- Check whether the processes are working effectively. √√
- Use data to analyse results to determine whether change(s) made a difference. √√
- If the change was successful, implement it on a wider scale and continuously assess results. √√
- Revise the process/Take necessary actions if new systems are not working. √√

Any other relevant answer related to how businesses can apply the PDCA model/cycle to improve the quality of their products and systems.

Max (8)

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5.4.2 **Advantages/Benefits of a good quality management 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 √ when using high quality resources. √
- Products and services are constantly improved, √ resulting in greater customer satisfaction. √
- Vision and mission/Business objectives √ may be achieved. √
- The business may achieve a competitive advantage √ over its competitors. √
- Continuous training √ will constantly 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 management system.

Max. (8)

5.5 **Meaning of quality circles**

- This is a group of employees with a variety of skills and experience √ coming together to solve problems related to quality/to implement improvements. √
- They investigate problems √ and suggest solutions to management. √
- Suggestions can be implemented by management√ to improve quality. √
- In a small business √ all staff forms part of the quality circles. √
- Typical topics discussed √ by quality circles include, e.g. improving safety/product design/the manufacturing process, etc. √.

Any other relevant answer related to the meaning of quality circles.

Max. (6)

5.6 **Continuous skills development/Education and Training Positives/Advantages**

- Large businesses have a human resources department √ dedicated to skills training and development. √
- Human resources experts √ ensure that training programmes are relevant to increased customer satisfaction. √
- Ability to afford √ specialised/skilled employees. √
- May be able to conduct skills audits √ to establish the competency/ education levels of staff performing work which could affect the quality of products/processes. √
- May be able to hire qualified trainers √ to train employees on a regular basis. √

Any other relevant answer related to the positives/advantages of continuous skills development.

AND/OR

Negatives/Disadvantages

- Poor communication system √ may prevent effective training from taking place. √
- Trained employees may leave for better jobs √ after they gained more skills. √
- De-motivates employees, √ if they do not receive recognition for training. √
- Employees who specialise in narrowly defined jobs √ may become frustrated/demotivated. √
- Employees may not be aware of the level of competency they should meet √ in order to achieve their targets. √
- It may be difficult to monitor/evaluate √ the effectiveness of training. √

Any other relevant answer related to the negatives/disadvantages of continuous skills development.

Max. (6)

[60]

BREAKDOWN OF MARKS	
5.1	4
5.2.1	3
5.2.2	4
5.2.3	5
5.2.4	8
5.3	8
5.4.1	8
5.4.2	8
5.5	6
5.6	6
TOTAL	**60**

QUESTION 6: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENT

6.1.1 SWOT analysis

STRENGTHS	WEAKNESSES
- Employ 18 permanent employees. √ - Have 650 vendors who supply material. √	- White dominated business. √
Sub-max. (1)	Sub-max. (1)
OPPORTUNITIES	**THREATS**
- Expand to Mpumalanga, Limpopo and the Eastern Cape. √	- Lose recyclable material due to break-ins. √
Sub-max. (1)	Sub-max. (1)

Max. (4)

6.1.2 Strategies to handle the weakness and threat

WEAKNESS	STRATEGY
- White dominated business	- Ensures the implementation of affirmative action measures to redress the imbalances in business √√ - Encourages diversity in business by employing people from various racial/cultural/religious backgrounds. √√ - Promotes equal opportunity and fair treatment in the workplace. √√ - Compels businesses to develop/implement an employment equity plan. √√ Any other relevant strategies to handle the weakness.
	Sub max (2)
THREATS	**STRATEGY**
- Lose recyclable material due to break-ins.	- BWR should install security systems/hire more security to safeguard the business. √√ - Provide employment opportunities for local people/the community. √√ - Work together with the Community Policing Forums (CPF). √√ Any other relevant strategy on how BWR may address the threat of the high crime area in which it operates.
	Sub max (2)

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NOTE: 1. Do not award marks for strategies that are not linked to the identified threat or weakness in QUESTION 6.1.1.

2. Mark the FIRST strategy for each weakness and threat.

3. Do not award marks for the weakness/threat.

Max. (4)

6.2 **Purpose of the Labour Relations Act**

- Provides a framework where the employees, trade unions and employers work together √ to discuss matters relating to employment, e.g. wages, conditions of employment. √
- Promotes orderly negotiations and employee participation √ in decision making in the workplace. √
- Promotes resolution √ of labour disputes. √
- Promotes fair √ employment practices. √
- Outlines the relationship √ between employees and employers. √
- Provides simple procedures √ for the registration of trade unions and employers' organisations. √
- Regulates the rights of trade unions and facilitates √ collective bargaining. √
- Regulates the effectiveness of bargaining councils √ and statutory councils. √
- Allows workplace forums √ where employees may participate in decision-making. √
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes √ through statutory conciliation, mediation and arbitration. √
- Endorses the right to strike against retrenchments, √ and facilitates labour disputes. √
- Clarifies the transfer √ of contracts of employment procedures. √
- Establishes Labour Courts and Labour Appeal Courts √ to deal with labour issues. √
- Offers codes √ of good practice. √
- Deals with √ strikes and lockouts and workplace forums. √
- Establishes workplace forums to promote √ the interest of all employees in the workplace whether they belong to the trade union or not. √

Any other relevant answer related to the purpose of the Labour Relations Act.

Max. (6)

BUSINESS VENTURES (LEADERSHIP AND MANAGEMENT)

6.3 **Transformational leadership theory**

- Suitable for a dynamic environment, √ where change could be drastic. √
- The passion/vision/personality of leaders inspire followers √ to change their expectations/perceptions/motivation to work towards a common goal. √
- Strategic thinking leaders develop a long-term vision for the organisation √ and sell it to subordinates/employees. √
- Leaders have the trust/respect/admiration√ of their followers/subordinates. √
- Promotes intellectual stimulation/creative thinking/problem solving √ which result in the growth/development/success of the business. √
- Followers are coached/led/mentored/emotionally supported through transformation/change √ so that they can share their ideas freely. √
- Encourages followers √ to explore/try new things/opportunities. √
- Leaders lead by example √ and make workers interested in their work. √
- Leaders have strong, charismatic personalities √ and are very good at motivating staff to achieve results. √
- Enable employees to take greater ownership for their work √ and to know their strengths and weaknesses. √

Any other relevant answer related to the transformational leadership theory. Max. (8)

6.4 **Democratic leadership style**

Positives

- Creates a positive work environment √ for both employers and employees. √
- Employees contribute toward the decision-making process, √ which minimises conflict. √
- Encourages creative thinking amongst employees √ as they contribute towards decision making. √
- Productivity increases, √ as happy workers have better work ethics. √
- Staff turnover is reduced √ because job satisfaction is high amongst workers. √

Any other relevant answer related to a positive evaluation of a democratic leadership style.

AND/OR

Negatives

- Consulting all stakeholders/participants for decision making is time consuming √ as everyone is expected to agree. √
- Can only be effective in situations where employees are skilled and eager to share ideas √ in order to make informed decisions. √
- Profitable opportunities may be missed √ due to slow decision-making. √
- Poor leadership skills may result in not achieving business objectives √ and this may lead to conflict. √
- Contributions by participants may not be considered by the leader in his/her final decision √ as he/she has the final responsibility for making decisions. √
- Leader may make poor decisions √ based on misleading contributions by participants. √

Any other relevant answer related to a negative evaluation of democratic leadership style. Max. (8)

BUSINESS ROLES

6.5 6.5.1 Nominal group technique √√

6.5.2 Empty chair technique √√

6.5.3 Force-field analysis √√

6.5.4 SCAMPER √√

6.5.5 Brainstorming √√ (10)

6.6 6.6.1 Forming stage √√

6.6.2 Storming stage √√ (4)

BUSINESS OPERATIONS

6.7 **Reasons for terminating an employment contract**

- Dismissal of employees for valid reason(s), √ e.g. unsatisfactory job performance, misconduct, √ etc.
- Business may no longer have work for redundant employees √/ cannot fulfil the contract/is restructuring. √
- Retrenchment √ of some employees due to insolvency/may not be able to pay the employees. √
- Employees decided to leave √ and resign voluntarily. √
- An employee may have reached the pre-determined age √ for retirement. √

Any other relevant answer related to the conditions for termination of an employment contract. Max. (8)

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6.8 6.8.1 Financial function √√

6.8.2 Administration function/Management information system/MIS/Information system/information technology √√

6.8.3 Human Resource function √√

6.8.4 Production function √√ (8)
[60]

BREAKDOWN OF MARKS	
6.1.1	4
6.1.2	4
6.2	6
6.3	8
6.4	8
6.5	10
6.6.1	2
6.6.2	2
6.7	8
6.8	8
TOTAL	**60**

TOTAL SECTION B: 180

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SECTION C

Mark only the first TWO (2) questions.

QUESTION 7: BUSINESS ENVIRONMENT (LEGISLATION)

7.1 **Introduction**

- The BCEA sets out conditions that ensure fair labour and human resources practices. √
- The Act applies to all employers and employees, except for members of the National Defence Force, National Intelligence Agency, South African Secret Services and unpaid volunteers working for charities. √
- The BCEA applies to casual, temporary and permanent employees as well as independent contractors. √
- Businesses should ensure that they comply with this Act to avoid penalties. √

Any other relevant introduction related to the BCEA. (Max.) (2)

7.2 **Purpose of the Basic Conditions of Employment Act (BCEA)**

- Provides clear terms and conditions of employment √ for employers and employees. √
- Set minimum requirements/standards √ for the employment contract. √
- Regulates the right to fair labour practices √ as set out in the Constitution. √
- It adheres to the rules and regulations √ set out by the International Labour Organisation. √
- Regulates the variations √ of basic conditions of employment. √
- Advance economic development √ and social justice. √

Any other relevant answer related to the purpose of the BCEA.act.

(Max.) (10)

7.3 **Provisions of the BCEA**

7.3.1 **Hours of work/Work hours** √√

- Workers may not work for more than √ 45 hours in any week. √
- Workers may work nine hours a day √ if they work five days or less per week √/ eight hours a day √ if they work more than five days a week. √
- Night work performed after 18:00 and before 6:00 the next day by agreement √, must be compensated by allowance/reduction of work hours. √
- Ordinary work hours may be extended by agreement √ by a maximum of 15 minutes per day/maximum of sixty minutes per week to complete duties when serving the public. √
- Ordinary work hours may be reduced √ to a maximum of 40 hours per week/ 8 hours per day. √

Any other relevant answer related to hours of work as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

7.3.2 **Overtime** √√

- Workers must agree √ to work overtime. √
- Workers cannot work more than √ three hours' overtime per day/10 hours per week. √

Overtime must be compensated as follows:

- One and half times the normal rate of pay √ for overtime worked on week days and Saturdays. √
- Double the normal rate of pay for overtime √ worked on Sundays and public holidays. √
- Overtime must be paid either at specified rate for overtime √ or an employee may agree to receive paid time off. √
- Minister of Labour may prescribe the maximum permitted working hours, including overtime, √ for health and safety reasons for a certain category of work. √

Any other relevant answer related to overtime as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

7.3.3 **Leave**

Annual leave√√

- Workers are entitled to:
  - 21 consecutive days √ annual leave per year √/One day √ for every 17 days worked √/One hour √ for every 17 hours worked. √
  - An employer can only pay a worker in lieu of leave√ if that worker leaves the job. √

Any other relevant answer related to leave as provision of the BCEA.

Sick leave √√

- Workers are entitled to:
  - Six weeks paid sick leave √ in a period of 36 months √/1 day paid sick leave √ for every 26 days worked during the first six months of employment. √
  - A medical certificate may be required before paying an employee who is absent √ for more than two consecutive days/who is frequently absent. √

Any other relevant answer related to sick leave as a provision of the BCEA.

Maternity leave √√
- A pregnant employee √ is entitled to four consecutive months' leave. √
- A pregnant employee may not be allowed to perform work √ that is hazardous to her unborn child. √
- The starting date is usually any time from four weeks before √ the expected date of birth or on advice of a doctor/midwife. √

Any other relevant answer related to maternity leave as a provision of the BCEA.
NOTE: Adoption leave may also be accepted.

Family responsibility leave √√
- Three to five (3 to 5) days paid leave per year on request √ in the event of the death of the employee's spouse/life partner/parent/ adoptive parent/ grandparent/child/adoptive child/grandchild/sibling. √
- An employer may require reasonable proof√, before granting this leave. √
- Male employees are entitled to a maximum of three/five day's paternity leave √ when his child is born. √

Any other relevant answer related to family responsibility leave as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

NOTE: Award a maximum of FOUR marks for leave.

7.3.4 **Meal breaks and rest periods** √√
- Workers must have a meal break of 60 minutes √ after five continuous hours of work. √
- This can be reduced to 30 minutes by written agreement, √ when working less than 6 hours per day. √
- A worker must have a daily rest period √ of 12 continuous hours√/a weekly rest period of 36 continuous hours √ which must include Sundays. √

Any other relevant answer related to meal breaks and rest periods as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

7.3.5 **Public holidays** √√
- Workers must be paid for any public holidays √ that fall on a working day. √
- Work on public holidays is by agreement √ and paid at double the rate. √

Any other relevant answer related to public holidays as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

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7.3.6 **Termination of employment** √√

- A contract of employment may only be terminated following one week's notice, √ if the worker has been employed for six months or less. √
- A minimum of four weeks' notice must be given, √ if the worker has been employed for a year or longer. √
- The employee must be given notice √ in writing. √
- An employee who is retrenched/dismissed for restructuring reasons √ is entitled to one week's severance pay for every year of service. √

Any other relevant answer related to termination of employment as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

7.3.7 **Child and forced 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 and forced labour as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub-max. (4)

NOTE: Mark the first FOUR (4) provisions only. (4 x 4) (16)

7.4 **Penalties businesses may face for not complying with this Act**

- Labour inspectors may serve a compliance order by writing to the Department of Labour √√
- The Director General may agree/change/cancel the compliance order. √√
- Labour inspectors may investigate/inspect/ask questions about complaints and remove records as evidence. √√
- Businesses may be taken to the labour court for a ruling. √√
- Businesses that are found guilty of non-compliance may face heavy fines/ penalties. √√
- They can be ordered to pay compensation and damages to the employee. √√

Any other relevant answer related to the penalties businesses may face for non-compliance with the BCEA. Max. (8)

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7.5 **Positive impact of BCEA on business**

- Creates a framework of acceptable employment practices, √ e.g. legal employment contracts, work hours, leave, √ etc.
- Promotes fair treatment √ of employees in business. √
- The rules and regulations are very specific √, which clearly guides the employer how to deal with employment issues. √
- Encourages consultation √ between employers and employees. √
- Outlines minimum requirements √ that form the basis of employment contracts. √
- Work hours are specified so that the employer √ cannot exploit employees. √
- Employees are permitted to consult labour unions √ in cases where the BCEA conditions are violated. √
- Employees may submit complaints √ to labour inspectors who can address it. √

Any other relevant answer related to the positive impact of the BCEA on businesses. Max. (12)

7.6 **Conclusion**

- Employers must keep record of employees/their work hours and remuneration. √√
- Businesses should display employees' rights in terms of the BCEA in an area of the workplace where all employees can see it. √√
- Minister of Labour may make variations on BCEA regulations/provisions, so businesses must stay informed about amendments to the act. √√

Any other relevant conclusion related to the BCEA. Max. (2)

[40]

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	**Max. 32**
Purpose of the BCEA	10	
Provisions of the BCEA	16	
Penalties for non-compliance	8	
Positive impact of BCEA	12	
Conclusion	2	
INSIGHT		**8**
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.

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QUESTION 8: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)

8.1 **Introduction**

- Good leaders can also be good managers, as both can inspire/energise people and bring about change. √
- Leaders and managers can create opportunities and motivate people to be productive which lead to successful businesses. √
- Many managers are also good leaders with excellent management skills. √
- Some managers are task driven which may result in conflict if employees' interests are neglected. √
- Managers who ignore their leadership role will not be able to motivate people to get the job done successfully. √
- Theories of leadership and management guide leaders/managers on how to address/manage certain situations. √

Any other relevant introduction related to management and leadership styles/theories. Max. (2)

8.2 **The meaning of management**

- Function that guides √ human behaviour. √
- Communicates through √ management functions, e.g. line functions. √
- Controls systems and procedures √ to get things done. √
- A person becomes a manager √ because he/she is appointed in the position. √
- The manager has power/authority √ because of the position into which he/she is appointed. √
- Enforce rules on subordinates√ to ensure that tasks are completed. √
- Managed √ by planning/organising/leading/controlling. √

Any other relevant answer related to the meaning of management. Max. (6)

8.3 **Leadership styles**

8.3.1 **Autocratic**

Positives

- Quick decisions can be taken √ without consulting/considering followers/ employees. √
- Work gets done √ in time/on schedule. √
- Line of command/communication is clear √ as it is top-down/followers know exactly what to do. √
- Direct supervision and strict control √ ensure high quality products/service. √
- Provides strong leadership √ which makes new employees feel confident and safe. √
- Works well in large companies √ where consultation with every employee is impractical. √
- Clear guidance √ can be given to low-skilled/inexperienced/new staff. √
- Useful in a crisis/urgent situation, √ e.g. after an accident/meeting tight deadlines. √

Any other relevant answer related to a positive evaluation of an autocratic leadership style.

AND/OR

Negatives

- Leaders and followers may become divided √ and may not agree on ways to solve problems. √
- Workers can be demotivated √ as their opinions/ideas are not considered. √
- De-motivated workers √ impact negatively on productivity. √
- New/Creative/Cost reducing ideas √ may not be used/implemented/never be considered. √
- Followers may feel that they are not valued √ resulting in high absenteeism and high employee turnover. √
- Experienced and highly skilled workers will resist an autocratic leadership style √ because it results in less growth, participation and creativity. √

Any other relevant answer related to a negative evaluation of an autocratic leadership style. Sub-max. (8)

8.3.2 **Charismatic style**

Positives

- This leadership style is used √ when management has identified low morale amongst employees. √
- The leader uses personal charm/inspiration √ rather than power and authority to influence or lead subordinates. √
- Serves as a role model √ and people follow him/her. √
- Has vision √ and is able to communicate well with others. √
- Praises subordinates, √ even for little success achieved. √
- Has good values √ that may lead the company to greater success. √
- Charismatic leaders have faith and believe in themselves, √ that is why they inspire their subordinates. √

Any other relevant answer related to a positive evaluation of a charismatic leadership style.

AND/OR

Negatives

- Charismatic leaders are tolerant of challenges, because they want to make subordinates feel special/happy. √
- Perceive themselves √ as irreplaceable. √
- May not always be objective in assessing employees' capabilities √ as they are focussing on making them feel good. √

Any other relevant answer related to a negative evaluation of a charismatic leadership style. Sub-max. (8)

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8.3.3 **Laissez-Faire style**

Positives

- Workers/Followers are allowed to make decisions √ on their own policies/methods. √
- Subordinates have maximum freedom √ and can work independently. √
- Leader motivates workers √ by trusting them to do things themselves/on their own. √
- Authority is delegated, which can be motivating/empowering √ to competent workers/increase productivity. √
- Subordinates are experts √ and know what they want/can take responsibility for their actions. √
- Suitable for coaching/mentoring to motivate employees √ to achieve more/better things. √
- It can be empowering for competent followers √ as they are completely trusted to do their job. √
- Individual team members √ may improve/develop leadership skills. √

Any other relevant answer related to a positive evaluation of a laissez-faire leadership style.

AND/OR

Negatives

- Lack of clear direction/leadership √ may be demotivating to employees. √
- Employees can be held responsible for their own work √ which may lead to underperformance. √
- Could lead to conflict √ when some team members act as leaders and dictate to other team members. √
- Workers are expected to solve √ their own conflict situations. √
- Productivity may be compromised √ with a lack of tight control over workers not meeting deadlines. √
- Productivity might be low, √ if employees lack the necessary knowledge or skills. √

Any other relevant answer related to a negative evaluation of laissez-faire leadership style. Sub-max. (8)

Max. (24)

8.4 **Situational leadership theory**

- Different leadership characteristics √ are needed for different situations. √
- The task/situation dictates the leadership style that should be applied, √ so leaders are adaptable/flexible/self-assured. √
- Effective application of this theory may enable leaders √ to accomplish their goals. √
- Relationships between leaders and employees √ are based on mutual trust/respect/loyalty/integrity/honesty. √
- Leaders have the ability to analyse the situation/get the most suitable people in the right positions √ to complete tasks successfully. √
- Leaders analyse group members/objectives/time constraints, √ to adopt a suitable/relevant leadership style. √
- May lead to conflict √ when leaders use different leadership styles/when managing employees in different situations. √
- The success of this theory depends on the kind of relationship that exists √ between the leader and followers/subordinates/employees. √
- The maturity levels of team members determine √ the type of leadership style. √

Any other relevant answer related to a situational leadership theory. Max. (10)

8.5 **Application of situational leadership theories**

- Suitable to manage changes caused by internal and external factors of the three business environments. √√
- Application of the theory depends on the particular situation/circumstance that prevails within the organisation. √√
- Used when it matches the needs of followers, e.g. inexperienced employees/ followers require a different form of leadership than more experienced employees/followers. √√
- Applied to address a crisis/conflict in the workplace. √√

Any other relevant answer related to the application of the situational leadership theory in the workplace.
NOTE: Mark the first THREE (3) only. (3 x 2) (6)

8.6 **Conclusion**

- Leader who is positive/enthusiastic/energetic will inspire his followers to improve/empower/uplift themselves to achieve their own personal goals. √√
- Managers can also be successful leaders if they not only focus on the task at hand, but also on the people/workers who will execute the task. √√
- Leaders who understand various leadership styles and theories may be able to lead effectively and handle any situation. √√

Any other relevant conclusion related to leadership styles/theories of management and leadership that will ensure the success of any business. Max. (2)

[40]

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BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	2	**Max 32**
Meaning of management	6	
Evaluate autocratic, charismatic & laissez- faire	24	
Situational leadership theory	10	
Application of situational leadership theories	6	
Conclusion	2	
INSIGHT		
Layout	2	**8**
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		**40**

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

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QUESTION 9: BUSINESS ROLES (CONFLICT MANGEMENT AND GRIEVANCE)

9.1 **Introduction**

- Conflict is a situation in which there are opposing ideas, opinions, feelings/ a situation in which it is difficult to choose. √
- Conflict cannot always be resolved/avoided/eliminated, therefore people need to learn how to manage conflict within a team so that they continue to work harmoniously. √
- Managers should be well conversant with the causes of conflict in order to develop relevant strategies on how to deal with conflict in the workplace. √
- It is important for every professional to develop the skills to manage and deal with difficult people. √
- It is important to employ people from various backgrounds to break down stereotypes and prejudice. √
- A grievance is when an employee has a complaint about work-related issues √

Any other relevant introduction related to conflict and grievance. Max. (2)

9.2 **Differences between grievance and conflict**

GRIEVANCE	CONFLICT
- When an employee is unhappy/has a problem/complaint in the workplace. √√	- Clash of opinions/ideas/view points in the workplace. √√
- It is when an individual/group has a work-related issue. √√	- Disagreement between two or more parties in the workplace. √√
- Examples that can cause a grievance: Discrimination, unfair treatment, poor working conditions. √√	- Examples that can cause conflict: A lack of trust/miscommunication/ personality clashes/different values. √√
- Any other relevant answer related to the meaning of a grievance.	- Any other relevant answer related to the meaning of conflict.
Sub-max. (4)	Sub-max. (4)

NOTE: The answer does not have to be in a tabular format but the distinction must be clear.
Award a maximum of FOUR (4) marks if the distinction is not clear./Mark either grievance or conflict.

Max. (8)

9.3 **Causes of conflict**

- Lack of proper communication between leaders and members. √√
- Ignoring rules/procedures may result in disagreements/conflict √√
- Leaders and/or members may have different personalities/backgrounds. √√
- Different values/levels of knowledge/skills/experience of team members. √√
- Little/no co-operation between internal/or external parties/stakeholders. √√
- Lack of recognition for good work, e.g. a leader may not show appreciation for extra hours worked to meet deadlines. √√
- Lack of member development may increase frustration levels as members may repeat errors due to lack of knowledge/skills. √√
- Unfair disciplinary procedures, e.g. favouritism. √√
- Little/no support from management with regard to supplying the necessary resources. √√
- Leadership styles used, e.g. autocratic leaders, may not always consider member's inputs. √√
- Unrealistic deadlines and heavy workloads lead to stress resulting in conflict. √√
- Lack of agreement on mutual matters, e.g. remuneration/working hours. √√
- Unhealthy competition/inter-team rivalry may cause members to lose focus on team targets. √√
- Lack of commitment which may lead to inability to meet pre-set targets. √√

Any other relevant answer related to the causes of conflict in the workplace.

Max. (14)

9.4 **Procedure for dealing with grievances in the workplace**

- An aggrieved employee must verbally report the incident/grievance to his/her supervisor/manager, √ who needs to resolve the issue within 3 to 5 working days. √
- Should the employee and supervisor not be able to resolve the grievance, √ the employee may take it to the next level of management. √
- The employee may move to a more formal process √ where the grievance must be lodged in writing/completes a business grievance form. √
- He/She must receive a written reply √ in response to the written grievance. √
- A grievance hearing/meeting √ must be held with all relevant parties present. √
- Minutes of the meeting must be recorded √ and any resolution passed must be recorded on the formal grievance form. √
- Should the employee not be satisfied, √ then he/she could refer the matter to the highest level of management. √
- Top management should arrange a meeting √ with all relevant parties concerned. √
- Minutes of this meeting should be filed/recorded √ and the outcome/decision must be recorded on the formal grievance form. √

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- Should the employee still not be satisfied, he/she may refer the matter to the CCMA √ who will make a final decision on the matter. √
- The case can be sent to the Labour Court on appeal if the employee is not satisfied with the CCMA judgement √

Any other relevant answer related to the correct procedure to deal with grievances in the workplace.
NOTE: The procedure may be in any order. Max. (12)

9.5 **Benefits of a diverse workforce**

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

Any other relevant answer related to the benefits of a diverse work force.
Max. (12)

9.6 **Conclusion**

- Conflict is inevitable in a workplace and can either pose a challenge or opportunity for the growth in a business. √√
- Businesses should immediately identify the causes of conflict and ensure that conflict is resolved amicably in the workplace. √√
- It is important that employees understand the grievance procedure in order to manage conflict effectively. √√
- A diverse workforce enables employees to understand and tolerate each other's backgrounds/cultures/values resulting in better work relations. √√

Any other relevant conclusion related to conflict in the workplace. Max (2)
[40]

BREAKDOWN OF MARK

Details	Maximum	Total
Introduction	2	**Max. 32**
Conflict versus grievance	8	
Causes of conflict	14	
Grievance procedure	12	
Benefits of a diverse workforce	12	
Conclusion	2	
INSIGHT		**8**
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		**40**

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

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QUESTION 10: BUSINESS OPERATIONS (HUMAN RESOURCE AND QUALITY OR PERFORMANCE)

10.1 **Introduction**

- The objective of recruitment is to attract the best possible applicants with the required skills, qualifications and competency to fill vacancies in a business. √
- All recruitment 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. √
- The general manager should take a lead in ensuring that all activities that are performed by various departments/functions meet the required standards. √

Any other relevant introduction related to recruitment/training/quality of performance. Max. (2)

10.2 **Recruitment procedure**

- The human resource manager (HRM) should evaluate the job/prepare a job analysis, √ that includes the job specification/job description/in order to identify recruitment needs. √/HRM should indicate the job specification/key performance areas √ to attract suitable candidates. √
- Choose the source of recruitment, e.g. internal/external, √ to reach/target the suitable applicants/candidates. √
- Vacancies can be internally advertised√ via internal email/word of mouth/posters/ staff notices. √
- External recruitment should be considered √ if internal recruitment was unsuccessful. √
- If the external recruitment is done, the relevant recruitment method should be selected, √ e.g. recruitment agencies, tertiary institutions, newspapers, √ etc.
- The advertisement should be prepared with the relevant information, √ e.g. the name of the company, contact details, contact person, √ etc.
- Place the advertisement in the selected media √ that will ensure that the best candidates apply. √

Any other relevant answer related to recruitment procedures. Max. (12)

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10.3 **Impact of Employment Equity Act (EEA) on businesses**

Positives

- Discriminatory appointments √ are discouraged. √
- Equal opportunities and fair treatment √ are promoted. √
- Appointment process is clearly defined, √ so all parties are well informed. √
- Certified psychometric tests may be used to assess applicants/employees √ to ensure that suitable candidates are appointed. √
- Outlines affirmative action measures √ to redress past injustices. √
- Diversity/Inclusivity in the workplace √ can be achieved. √
- Consultation between employer and employees√ are encouraged. √
- Businesses are in a better position to negotiate contracts √ with the government. √
- Impacts positively√ on BBBEE ratings for businesses. √

Any other relevant positive impact of EEA on making new appointments.

AND/OR

Negatives

- Applying the employment equity quota √ may not always allow employers to make the most suitable appointment. √
- Productivity may decrease √, as inexperienced employees may be appointed into positions where they may not be able to cope. √
- Other groups may not respect the knowledge, skills and experiences of an EEA appointee. √ They think the position was awarded based on race and not on skills. √
- Skilled people from designated groups are in strong demand and may demand higher salaries/do job hopping, √ which may result in high staff turnover. √
- Additional and costly administrative duties √ are required for implementing/ monitoring the Employment Equity Plan. √
- The implementation of employment equity can be costly to businesses √ as it requires investment in training. √
- Additional resources should be made available to execute the Employment Equity Plan, √ resulting in sufficient funds not being made available for profit opportunities. √
- Diversity in the workplace √ may lead to conflict/unhappiness. √
- Employers who want to apply for government tenders must apply for a compliance certificate with the Minister of Labour, √ resulting in increased expenses. √
- Non-compliance with the administrative requirements of the EEA √ may result in the payment of heavy penalties. √
- Position may remain unfilled, √ because there are no suitable EEA candidates. √

Any other relevant negative impact of EEA on making new appointments.

Max. (12)

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10.4 **Advantages of monitoring and evaluating quality processes**

- Monitoring and evaluating quality processes prevent product defects √ and minimises customer complaints. √
- Good quality control checks/procedure minimises √ the replacement/breakdown of items/equipment/machinery on a regular basis. √
- May be better equipped √ to get things right the first time. √
- Improve performance √ and increase productivity/sales/profitability. √
- Improve current and future management √ of quality outputs/outcomes/impact. √
- Provide a clear indication about quality aspects √ that are contributing to the achievement of goals/targets. √
- Modify interventions √ that may improve the efficient use of resources. √
- Support management √ to acquire information needed to make informed decisions about processes. √

Any other relevant answer related to the advantages of monitoring and evaluating quality processes as a TQM element. Max. (12)

10.5 **Reduction of cost of quality through TQM**

- Introduce quality circles/small teams of five to ten employees, √ who meet regularly to discuss ways of improving the quality of their work. √
- Schedule activities to eliminate √ duplication of tasks/activities. √
- Share responsibility for quality output √ between management and workers. √
- Train employees at all levels, √ so that everyone understands their role in quality management. √
- Develop work systems that empower employees √ to find new ways of improving quality. √
- Work closely with suppliers √ to improve the quality of raw materials/inputs. √
- Improve communication about the quality challenges/deviations, √ so that everyone can learn from past experiences. √
- Reduce investment √ on expensive, but ineffective inspection procedures in the production process. √
- Implement pro-active maintenance programmes for equipment/ machinery √ to reduce/eliminate breakdowns. √

Any other relevant answer related to ways in which business can reduce the cost of quality through TQM. Max. (10)

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10.6 **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. √√

Any other relevant conclusion related to recruitment, interviewing and EEA.

Max. (2)

[40]

BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	2	**Max. 32**
Recruitment procedure	12	
Impact of EEA	12	
Advantages of monitoring and evaluation	12	
Reduction of cost of quality	10	
Conclusion	2	
INSIGHT		**8**
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		**40**

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

TOTAL SECTION C: 80
GRAND TOTAL: 300

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