education

MPUMALANGA PROVINCE

REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P1

SEPTEMBER 2024

MEMO

MARKS: 150

These marking guidelines consist of 28 pages.

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NOTES TO MARKERS

PREAMBLE

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

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

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

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

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

3. A Comprehensive marking guidelines 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 guidelines
   - Comes from another source
   - Is original
   - A different approach is used

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.
5. The word 'Submax' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.

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7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guideline. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or sub-questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidates's responses. Candidates will be penalized if the letter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an R.

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

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

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

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

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

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

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

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

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

Cognitive verbs, such as:

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

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

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

14. **SECTION B**

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

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

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

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

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

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

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

The 'fact' and 'explanation' are given separately in the marking guidelines to facilitate mark allocation.

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

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

15. **SECTION C**

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

Introductions	Maximum : 32
Content	
Conclusions	
Insight	8
TOTAL	**40**

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15.2. Insight consists of the following components:

Layout/Structure	Is there an introduction, body, proper paragraphs and a conclusion?	**2**
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/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	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Option **1: Only relevant facts: 2 marks (No'-S')** Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: **Some relevant facts: 1 mark (One '-S')** Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: **Some relevant facts: 1 mark (One '-S')** Where a candidate answers FOUR questions, but one sub-question of the questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4:**No relevant facts: 0 mark (Two '-S')** Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-s' appears in the left margin. Award a ZERO mark for synthesis	**2**
Originality	Is there evidence of one example in any TWO of the four sub-questions, not older than two (2) years that are based on recent information, current trends and developments?	**2**
	TOTAL FOR INSIGHT: **TOTAL MARKS FOR FACTS:** **TOTAL MARKS FOR ESSAY (8 + 32)**	**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.

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3 No marks will be allocated for layout, if the headings 'INTRODUCTION and CONCLUSION are not supported by an explanation.

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

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

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

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

15.7. 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.)

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

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

15.10.

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

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

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

SECTION A (COMPULSORY)

QUESTION 1

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

1.2 1.2.1 technological
1.2.2 National Credit Regulator
1.2.3 Forty five
1.2.4 compulsory
1.2.5 purchasing

(5 X 2) **(10)**

(5 X 2) **(10)**

1.3. 1.3.1. D √√
1.3.2. F √√
1.3.3. B √√
1.3.4. A √√
1.3.5. C √√

(5 X 2) **(10)**

TOTAL SECTION A 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1.	10
1.2.	10
1.3.	10
TOTAL	**30**

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SECTION B

Mark the FIRST TWO answers only

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 **Consumer rights as stipulated in the Consumer Protection Act/CPA.**

- Right to choose.√
- Right to privacy. √
- Right to fair and honest dealings. √
- Right to disclosure and information.√
- Right to fair value/good quality and safety.√
- Right to accountability by suppliers.√
- Right to fair/just and responsible terms and conditions √
- Right of equality in consumer market. √

NOTE: Mark the first TWO (2) only.

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

2.2 **Role of SETAs in supporting Skills Development Act (SDA)**

- Report to the director general. √√
- Promote and establishes learnerships. √√
- Collect levies and pay out grants as required.
- Provide accreditation for skills development facilitators.√√
- Register learnership agreements/learning programmes. √√
- Approve workplace skills plans and annual training reports.√√
- Monitor/evaluate the actual training by service providers.√√
- Allocate grants to employers, education and training providers.√√
- Oversee training in different sectors of the South African economy.√√
- Develop skills plans in line with the national skills development strategy.√√
- Draw up skills development plans for their specific economic sectors. √√
- Provide training programmes for skills development facilitators. √√
- Payout grants to companies that are complying with the requirements of the Skills Development Act. √√
- Promote learnerships and learning programmes by identifying suitable workplaces for practical work experience, identify suitable workplaces for practical work experience. √√
- Any other relevant answer related to the Role of SETAs in supporting Skills Development Act (SDA)

Max (6)

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2.3 **Business Sector**

2.3.1 Tertiary sector.√√ **(2)**

	CHALLENGES (2.3.2)	**BUSINESS ENVIRONMENTS (2.3.3)**
1	SCW's employees are not well trained to provide quality services to its customers.√	Micro environments.√
2	Another car wash by the name of clean it all, has started operating alongside the same street.√	Market environment.√
3	Both businesses's operations are experiencing electricity outages (load shedding).√	Macro environment.√
	Max(3)	Max(3)

Max (6)

2.4 **How the following PESTLE elements/factors can pose challenges to businesses.**

2.4.1 **Technological**

- These factors pertain to ever-changing/innovative/ updated technology√ that may affect the operations of the business and the market favourably/unfavourably. √
- These factors reflect/ indicate the various laws/ Acts/policies√ that affect the operations of the business. √
- These factors indicate/ highlight the various ecological/environmental aspects√ that may influence the operations of the business. √
- Any other relevant answer related to the technological factor.

Max (4)

2.4.2 **Economic**

- Inflation/Interest rates√ may negatively impact on business/negatively impact the business/decrease the market share of business as customers cannot afford high prices/ increases in taxes lower consumer spending. √
- Loans may be expensive√ due to high-interest rates. √
- Fluctuations in foreign currency√ may restrict imports. √
- Any other relevant answer related to the economical factor.

Max (4)

2.5 **Advantages of diversification strategies**

- Increase sales/revenue/income√ and business growth.√
- Improves√ the business brand and image.√
- Reduces the risk√ of relying only on one product.√
-

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- More products can be sold to existing customers√ and additional new markets can be established.√
- Businesses gain more technological capabilities√ through product modification.√
- Diversification into a number of industries or product lines√ can help create a balance during economic fluctuations.√
- Businesses produce more output using fewer inputs√ as one factory may be used to manufacture more products.√
- Establish additional new markets√ in unrelated markets/industries. √
- Remain relevant/functional/operational√ in the context of ever-changing business environments.√
- Retain its competitive advantage√ by meeting the needs of current/new customers/expanding into new unexplored markets.√
- Any other relevant answer related to the advantages of diversification strategies.

Max (6)

2.6 **TWO pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) implemented by AW. Motivation**

BBBEE		MOTIVATIONS
1.	Skills Development. √√	The management of ZZM provide learnerships and learning programmes to black employees. √
2.	Ownership. √√	. Small investors are encouraged to invest in big companies and become shareholders.√
	Max(4)	Max(2)

NOTES:
1. **Mark the first Two (2) only.**
2. **Award marks for the pillars even if the motivation is incomplete.**
3. **Do not award marks for motivation if pillars were incorrectly identified.**
4. **Accept responses in any order.**

Max (6)

2.7 **Steps in strategy evaluation**

- Examine the underlying basis of a business strategy.√√
- Look forward and backward into the implementation process.√√
- Compare the expected results in order to determine the reasons for deviations and analyse these reasons.√√
- Take corrective action so that deviations may be corrected.√√
- Set specific dates for control and follow-up.√√
- Draw up a table of the advantages and disadvantages of a strategy.√√

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- Decide on the desired outcome as envisaged when strategies were implemented. √√
- Consider the impact of the strategic implementation in the internal and external environments of the business. √√
- Any other relevant answer related to the steps in strategy evaluation.

Max (4)

Breakdown of Marks

QUESTION 2	Marks
2.1.	2
2.2.	6
2.3.1.	2
2.3.2.	3
2.3.3	3
2.4.1.	4
2.4.2.	4
2.5.	6
2.6.	6
2.7	4
TOTAL	**40**

QUESTION 3: BUSINESS ROLES

3.1 **Examples of fringe benefits in the workplace**

- Medical Aid Fund/Health Insurance Fund. √
- Pension Fund. √
- Provident Fund. √
- Funeral benefits. √
- Car/Travel/Housing/Cell phone/Clothing allowance. √
- Performance based incentives. √
- Issuing of bonus shares. √
- Staff discount/Free or low cost meal/Canteen facilities. √

NOTE Mark the first TWO (2) only

Max (2)

3.2 **Selection procedure**

Option 1

- Determine fair assessment criteria on which selection will be based. √√
- Use the assessment criteria to assess all CVs / application forms received during recruitment /Conduct preliminary screening, which is sorting the applicantions received according to the criteria for the job. √√
- Sort the received documents/CVs according to the assessment/selection criteria. √√
- Screen/Determine which applications meet the minimum job requirements and separate these from the rest. √√

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- Preliminary interviews are conducted if many suitable applications were received. √√
- Reference checks should be made to verify the contents of CV's, e.g. contact previous employers to check work experience. √√
- Compile a shortlist of potential candidate's identified. √√
- Shortlisted candidates may be subjected to various types of selection tests e.g.skills tests, etc.√√
- Invite shortlisted candidates for an interview. √√
- Once candidates have been selected, a written offer is made to them. √√
- Inform unsuccessful applicants about the outcome of their application./Some adverts indicate the deadline for informing only successful candidates.√√
- Any other relevant answer related to the selection procedure

Option 2

- Receive documentation, e.g. application forms and sort it according to the criteria of the job.√√
- Evaluate CVs and create a shortlist/Screen the applicants. √√
- Check information in the CVs and contact references.√√
- Conduct preliminary sifting interviews to identify applicants who are not suitable for the job, although they meet all requirements. √√
- Assess/Test candidates who have applied for senior positions/to ensure the best candidate is chosen. √√
- Conduct interviews with shortlisted candidates. √√
- A written employment offer is made to the selected candidates. √√
- Any other relevant answer related to the selection procedure

NOTE The procedure can be in any order

Max (6)

3.3 **Implications of Skills Development Act**

3.3.1
- He has to identify the training needs of the employees and provide them with training opportunities. √
- He also assists other managers to introduce learnerships. √

NOTE **Mark the first TWO (2) only**

Max (2)

3.3.2 **Other implications of Skills Development Act on Human Resources function**

- The human resources manager should interpret the aims and requirements of the SDA and adapt workplace skills training programmes accordingly. √
- Use the National Qualification Framework/NQF to assess the skills levels of employees. √
- Interpret/Implement the aims/requirements of the framework for the National Skills Development Strategy. √
- Contribute 1% of their salary bill to the Skills Development Levy/SDL. √
- Ensure training in the workplace is formalised /structured. √
- Appoint a full/part time consultant as a Skills Development Facilitator. √

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- Any other relevant answer related to the implications of Skills Development Act on Human Resources function

NOTE: Do not award marks for answers quoted in QUESTION 3.3.1

Max (4)

3.4 **Link between salary determination and the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).**

- BCEA outlines legalities, such as the employment contract√, which may affect salary determination. √
- Payment of salaries should be based√ on whether the employee is permanent or employed on a fixed contract. √
- The BCEA sets out conditions that ensure fair labour√ and human resources practices. √
- According to the BCEA, businesses may use different remuneration methods√ to pay their employees. √
- Businesses are supposed to deduct income tax (PAYE) √ from the employees' taxable salaries. √
- Any other relevant answer related to link between salary determination and the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).

Max (6)

3.5 **Meaning of Total Quality Management (TQM)**

- TQM is an integrated system/methodology applied throughout the organization, √ which helps to design/produce/provide quality products/services to customers. √
- It is a thought revolution in management, √ where the entire business is operated with customer orientation in all business activities. √
- TQM enables businesses to continuously improve on the delivery of products/ services √ in order to satisfy the needs of customers. √
- Management ensures that each employee is responsible√ for the quality of his/her work/actions. √
- TQM focuses on achieving customer satisfaction √ and looks for continuous improvement in all the business's processes, products and services. √
- TQM takes steps to ensure the full involvement and co-operation √ of all employees in improving quality. √
- Any other relevant answer related to the meaning of Total Quality Management (TQM).

Max (4)

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3.6 **Quality concepts**

QUALITY CONCEPT	MOTIVATIONS
Quality control.√√	The owner checks the raw materials and machinery to ensure that high quality standards are met.
Quality assurance.√√	
Submax(4)	Submax(2)

NOTE: Mark the first TWO (2) only.

: The answer does not have to be in tabular form

: Award marks for TQM elements even if the quote is incomplete

: Do not award marks for motivations if the TQM elements were incorrectly identified

Max (6)

3.7 **Quality indicators of the general management function**

- Develop/Implement/Monitor √ effective strategic plans. √
- Efficient organisation/allocation of business resources√ to provide for the successful achievement of long-term and short-term plans. √
- Structured standards and norms should be in place√ so that control mechanisms can be implemented. √
- Learn about/understand changes in the business environment√ on an on-going basis. √
- Effectively communicate shared vision, √ mission and values. √
- Set direction and establish priorities√ for their business. √
- Be prepared to set an example√ of the behaviour that is expected from employees in terms of ethics as well as productivity. √
- Be proactive and always seeks to improve √ competitive advantage over competitors. √
- Ensure that all departments/the business √ meet their deadlines/targets. √
- Any other relevant answer related to Quality indicators of the general management function

Max (4)

3.8 **TQM if poorly implemented by businesses**

- Setting unrealistic deadlines that may not be achieved.√√
- Employees may not be adequately trained resulting in poor quality products.
- Decline in productivity, because of stoppages.√√
- Businesses may not be able to make necessary changes of products/services to satisfy the needs of customers.√√
- Business reputation/image may suffer because of poor quality/defective goods. Customers will have many alternatives to choose from and the impact could be devastating to businesses.√√
- Investors might withdraw investment, if there is a decline in profits.√√
- Decline in sales as more goods are returned by unhappy customers.√√

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- High staff turnover, because of poor skills development.√√
- Undocumented/Uncontrolled quality control systems/processes could result in errors/ deviations from pre-set quality standards.√√
- Any other relevant answer related to TQM if poorly implemented by businesses

Max (6)

Breakdown of Marks

QUESTION 3	Marks
3.1	2
3.2	6
3.3.1	2
3.3.2	4
3.4	6
3.5	4
3.6	6
3.7	4
3.8	6
TOTAL	**40**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 **Defensive strategies**

- Divestiture. √
- Retrenchment.√
- Liquidation √

NOTE 1 Mark the first Two (2) only.

(2x1) **(2)**

4.2 **Porter's Five Forces**

4.2.1 Power of suppliers.√√ **(2)**

4.2.2 Power of competitors/Competitive rivalry. √√ **(2)**

4.3 **Actions regarded as non-compliance by the Compensation for Occupational Injuries and Diseases Amended Act, 1997 (Act 61 of1997)**

4.3.1
- Management discourages employees from reporting accidents.√
- CC does not pay levies as mandated by the Compensation Fund. √

NOTE **Mark the first TWO (2) only**

Max (2)

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4.3.2 **Other actions regarded as non-compliance by the Compensation for Occupational Injuries and Diseases Amended Act, 1997 (Act 61 of 1997)**

- Falsifying information about previous, serious accidents/occupational diseases√ on the grounds of race/religion/culture/language/gender/sexual orientation. √
- Deliberately contributing the incorrect amounts to the Compensation Fund√, which prevents employees from receiving compensation. √
- Employers who do not allow claims√ for injuries discriminate against injured employees. √
- Discriminating against injured employees when claims have to be submitted/ employers√ who refuse to submit claims of injured employees to the Compensation Board. √
- Employers that take too long to process claims/delay√ the claiming process. √
- Failing to disclose all information to the Compensation Board√ when accidents or injuries occur for specific employees. √
- Compensation that is set off against any debt√ of the person entitled to the compensation. √
- Refusing to lodge the claims√ of domestic workers. √
- Any other relevant answer related to the Other actions regarded as non-compliance by the Compensation for Occupational Injuries and Diseases Amended Act, 1997 (Act 61 of 1997)

NOTE: Do not award marks for answers quoted in QUESTION 4.3.1

Max (4)

4.4 **Purpose of Labour Relations Act (LRA) , 1995 (Act 66 of 1995)**

- Promotes collective bargaining √ at the workplace./sectoral level. √
- Promotes fair labour practices √ between employers and employees. √
- Promotes workplace forums√ to accommodate employees in decision-making. √
- Provides for the right to lock out by the employer√ as a reaction to lengthy strikes.√
- Promotes simple procedures√ for the registration of trade unions and employer organisations. √
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) Labour Courts and Labour Appeal Courts√ for dispute resolutions. √
- Provides a framework/structure√ for labour relations between employers and employees., trade unions and employer organisations. √
- Clarifies the transfer of employment contracts√ between the existing and new employers. √
- Advances /social justice/economic development/√ labour peace which ensures that the workplace maintains the basic rights of employees. √
- Any other relevant answer related to the ppurpose of Labour Relations Act (LRA) , 1995 (Act 66 of 1995)

Max (4)

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4.5 **Ways in which businesses can comply with the National Credit Act (NCA), 2005 (Act 34 of 2005).**

- Conduct a credit check with a registered credit bureau and/or consult the National Credit Register. √√
- Register the business with the National Credit Regulator (NCR) √√
- Submit an annual compliance report to the National Credit Regulator (NCR).
- Conduct an affordability assessment to ensure the consumer can meet their obligation. √√
- Comply with the necessary procedures regarding the provisions of the Financial Intelligence Centre Act. √√
- Verify the identity of clients, report suspicious transactions/train staff on their obligations in terms of FICA. √√
- Offer applicants pre-agreement statements.√√
-
- Disclose all costs of loan/No hidden costs should be charged/added. √√
- Businesses must have procedures in place to comply with the provisions of the Financial Intelligence Centre Act (FICA). √√
- Credit providers must have procedures in place to comply with the provision of the Financial Intelligence Centre Act (FICA). √√
- Any other relevant answer related to the Ways in which businesses can comply with the National Credit Act (NCA), 2005 (Act 34 of 2005).

Max (4)

BUSINESS OPERATIONS

4.6 **Sources of internal recruitment**

- Internal e-mails/Intranet/web sites to staff.√
- Word of mouth.√
- Business newsletter/circulars.√
- Internal/management referrals.√
- Notice board of the business.√
- Internal bulletins.√
- Recommendation of current employees.√
- Head hunting within the business/organisational database.√
- Any other relevant answer related to problem solving steps.

NOTE: Mark the first FOUR (4) only

(4x1) **(4)**

4.7 **Purpose of the interview from the scenario.**

4.7.1
- LCE conducted interviews to help them in making an informed decision about the most suitable candidates.√
- They also matched the information provided by the applicant to the job requirements.√

NOTE: Mark the first TWO (2) only (2x1) **(2)**

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4.7.2 **Other purposes of an interview for the business**

- To determine a candidate's suitability√ for the job.√
- Obtains information about the strengths and weaknesses√ of each candidate.√
- Evaluate the skills and personal characteristics√ of the applicant.√
- Helps the employer in choosing/making an informed decision √ about the most suitable candidate. √
- Matches information provided by the applicant √ to the job requirements.√
- Creates an opportunity√ where information about the business and applicant can be exchanged.√
- Any other relevant answer related to the purpose of interview

NOTE 1 Do not award marks for facts stated in QUESTION 4.7.1

Max (4)

4.8 **Benefits of good quality management system.**

- Effective customer services are rendered, √ resulting in increased customer satisfaction. √
- Time and resources √ are used efficiently.√
- Productivity increases√ through proper time management/using high quality resources.√
- Products/Services are constantly improved √ resulting in increased levels of customer satisfaction.√
- Vision/Mission/Business goals√ may be achieved. √
- Business has a competitive advantage √ over its competitors. √
- Regular training will continuously improve√ the quality of employees' skills/ knowledge.√
- Employers and employees will have a healthy working relationship √resulting in happy/productive workers.√
- Increased market share√ /more customers improve profitability.√
- Improves business image√ as there are less defects/returns.√
- Any other relevant answer related to the Benefits of good quality management system.

Max (6)

4.9 **Ways in which Total Quality Management (TQM) can reduce the cost of quality**

- Introduce quality circles to discuss ways of improving the quality of work/ workmanship.√√
- Schedule activities to eliminate duplication of tasks.√√
- Share responsibility for quality output amongst 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 quality challenges/deviations, so that everyone can learn from experience. √√
-

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- 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 ways in which Total Quality Management (TQM) can reduce the cost of quality

Max (4)

Breakdown of Marks

QUESTION 4	Marks
4.1.	2
4.2.1	2
4.2.2	2
4.3.1	2
4.3.2	4
4.4.	4
4.5.	4
4.6	4
4.7.1	2
4.7.2	4
4.8	6
4.9	4
TOTALS	40

SECTION C

Mark the answers of the FIRST question only

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATIONS)

5.1 **Introduction**

- The aim of the Act is to ensure that transformation takes place in the workplace.√
- Labour inspectors have the power to issue compliance order.√
- Employment policies and procedures must be aligned with the requirements of the Act. √
- The employment Equity Act (EEA) was introduced to redress the imbalances of the past. √
- Any other relevant introduction related to the purpose/impact of the EEA on businesses, penalties businesses may face for non-compliance with the act and ways in which businesses can comply with EEA.

Any (2x1) **(2)**

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5.2 **Purpose of Employment Equity Act.**

- The EEA allows employees who do the same work to be paid equally. √√
- Advocates that employees who do work of the same or equal value must be paid equally.√√
- Eliminate discrimination on grounds of gender/race/disability in the workplace. √√
- Promotes equal opportunity and fair treatment in the workplace.√√
- Promotes diversity in the workplace by ensuring that people of diverse backgrounds are appointed.√√
- Protects employees from victimisation in the context of exercising their rights as outlined in the EEA.√√
- Ensures equal representation in the workplace through the implementation of affirmative action.√√
- Any other relevant answer related to the purpose of Employment Equity Act

Max (12)

5.3 **Impact of the EEA on businesses.**

- Encourages consultation √ between employer and employees. √
- Promotes equal opportunity and fair treatment√ in the workplace.
- Impacts positively on BEE ratings√ for businesses. √
- The appointment process is clearly defined, √ so all parties are well informed. √
- Motivates employees √ because the workforce is more diverse/representative/inclusive.√
- Motivates employees√ because everyone has the same employment opportunities. √
- Promotes the implementation of affirmative action measures √ to redress the imbalances in employment. √
- Provides all employees with an equal opportunity √ to be selected/appointed/ promoted in a position. √
- Systematically prevents unfair discrimination√ as it ensures that the workforce represents the demographics of the country. √
- Creates a framework of acceptable employment practices√ /affirmative action measures. √
- Encourages diversity in business √ by employing people from various racial backgrounds. √
- Businesses are in a better position √ to negotiate contracts with the government/Impact positively of BEE ratings of businesses. √
- Certified psychometric tests may be used √ to assess applicants/employees to ensure that suitable. √
- Any other relevant answer related to the positive impact of the EEA on businesses

AND/OR

Negatives/Disadvantages

- The training costs of the business increase√ because employees need to be correctly trained regarding the implementation of the EEA. √

- Fines/Penalties for non-compliant businesses √ may be expensive for the business. √
- Diversity in the workplace√ may lead to conflict/unhappiness. √
- Businesses find it difficult to make appointments √ because of the unsuitability of candidates, which results in the position not being filled. √
- Skilled people from designated groups may demand higher salaries√ which increases salary expenses. √

- Job hopping of skilled/trained EE appointees√ may increase staff turnover. √
- Increased administration burden, √ as businesses must compile/submit employment equity reports every two years. √
- Employers have to appoint one or more senior managers√ to ensure the implementation of the plan, which increases salary expenditure. √
- Businesses must submit a compliance certificate√ before they can conduct business with state businesses. √
- Businesses find it difficult to make appointments √ because of the unsuitability of candidates, which results in the position not being filled.√
- Other groups may not respect the knowledge/skills/experience √ of an EEA appointment and it may lead to conflict.√
- Any other relevant answer related to the negative impact of the EEA on businesses

Max (12)

5.4 **Penalties businesses may face for non-compliance with the act**

- Businesses may face heavy fines√ for non-compliance.√
- They can be ordered to pay compensation and damages√ to the employee.√
- Labour inspectors may investigate/inspect/ask questions √ about complaints.√
- Labour inspectors may conduct onsite visits, √ to interview employees which can create a bad image for the business. √
- A compliance order may be issued to businesses √ that do not comply with the EEA.
- Businesses may be brought before the Labour Court√ if compliance orders are not adhered to or/no efforts are made to reach targets. √
- The Department of Labour may block non-compliant companies from doing business√ with the government/ especially in the context of government tenders. √
- Businesses that do still not comply after the compliance order has been issued √ may then be charged/prosecuted by the Labour Court for non-compliance. √
- Businesses that neglect to comply with the EEA may receive large fines, √ which will be dependent on the degree of non-compliance, especially in the context of fronting. √
- Labour inspectors can visit the business and conduct interviews with employees√ to determine whether the information supplied on the employment equity plans is true or has been falsified.√
- Any other relevant answer related Penalties businesses may face for non-compliance with the act

Max (10)

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5.5 **Ways in which businesses can comply with EEA.**

- Businesses must guard against discriminatory appointments.√√
- Promote equal opportunities and fair treatment Implement an employment equity plan. √√
- Implement affirmative action measures to promote diversity in the workplace.√√
- Reasonable accommodation of people from designated groups.√√
- Ensure that there is equal representation of all racial groups at every level of employment.√√
- Compile employment equity plans that specify how affirmative action will be implemented in the workplace. √√
- Prepare an employment equity plan in consultation with employees.√√
- Ensure that diversity/inclusivity in the workplace is achieved. √√
- Submit the employment equity plan to the Department of Labour. √√
- Retain designated groups, including skills development of such groups. √√
- Assess the racial composition of all employees, including senior management.√√
- Clearly define the appointment process, so that all parties are well informed. √√
- Use certified psychometric tests to assess applicants/employees to ensure that suitable candidates are appointed. √√
- Conduct medical/psychological tests fairly to employees/when deem necessary.√√
- Assign one or more senior managers to ensure the implementation and monitoring of the employment equity plan.√√
- Eliminate barriers that have an adverse impact on designated groups.√√
- Retain/Develop/Train designated groups, including skills development. √√
- Regularly report to the Department of Labour on progress in implementing the plan. √√
- Display a summary of the Act where employees where it is visible to all the employees. √√
- Restructure/Analyse current employment policies/practices/procedures to accommodate designated groups.√√
- Businesses should ensure that employees are paid equally for work of equal value. √√
- Current employment policies/practices/procedures must be restructured and evaluated to accommodate the various designated groups. √√
- Any other relevant answer related to ways in which businesses can comply with EEA.

MAX (12)

5.6 **Conclusion**

- The EEA provides employees with legal recourse if they believe that they have been unfairly discriminated against.√√
- Businesses can access the skills and expertise of previously disadvantaged individuals.√√

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- The EEA does not only promote and regulate affirmative action, but also gives guidance in conducting a fair appointment process.√√
- Penalties for non-compliance can may have a negative financial implications for the business.√√
- Any other relevant conclusion related to the purpose/impact of the EEA on businesses, penalties businesses may face for non-compliance with the act and ways in which businesses can comply with EEA.

Any(1x2) **(2)**

QUESTION 5 BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max. 32**
Purpose of Employment Equity Act.	**12**	
Impact of the EEA on businesses.	**12**	
Penalties businesses may face for non-compliance with the act	**10**	
Ways in which businesses can comply with EEA.	**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 6: BUSINESS OPERATIONS

6.1 **Introduction**

- The human resources manager must be well conversant with the job description and job specification to ensure that the recruitment procedure is accurate.√ A
- An employment contract sets out the legal conditions of employment that must be observed by both the employer and the employee. √
- The recruitment process enables the business to identify vacancies and attract suitable candidates for it.√
- Induction helps new employees to have a basic knowledge of what is expected of the job. √
- Any other relevant introduction related to job description and job specification/legal requirements of the employment contract/impact of external recruitment/purpose of induction.

Any (2x1) **(2)**

6.2 **Difference between job description and job specification**.

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

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

Max (8)

6.3 **Legal requirements of the employment contract**

- Employment contract is an agreement between the employer and the employee√ and is legally binding. √
- Employer and employee must agree√ to any changes to the contract.√
- Aspects of the employment contract can be renegotiated√ during the course of employment. √

- No party may unilaterally change aspects√ of the employment contract. √
- The employer and employee√ must both sign the contract. √
- The employment contract should include a code of conduct √and code of ethics. √
- The employer must explain the terms and conditions √ of the employment contract to the employee. √
- It may not contain any requirements √ that are in conflict with the BCEA.√
- Conditions of employment/duties/responsibilities √ of the employees must be stipulated clearly.√
- The remuneration package/including benefits√ must be clearly indicated.√
- All business policies, procedures and disciplinary codes/rules√ can form part of the employment contract.√
- The employer must allow the employee√ to thoroughly read through the contract before it is signed.√
- Any other relevant answer related to the Legal requirements of the employment contract

Max (12)

6.4 **Discuss the impact of external recruitment on the business**

Positives /Advantages

- New candidates bring new talents√ /ideas/experiences/skills into the business. √
- There is a larger pool of candidates√ to choose from. √
- There is a better chance of getting a suitable candidate with the required skills/ qualifications/ competencies √ who do not need much training/ development which reduce costs. √
- It may help the business√ to meet affirmative action and BBBEE targets. √
- Minimises unhappiness/conflict√ amongst current employees who may have applied for the post. √
- Any other relevant answer related to the positives / advantages of external recruitment

AND/OR

Negatives/Disadvantages

- External sources can be expensive, √ e.g. recruitment agencies' Fees/advertisements in newspapers/magazines. √
- The selection process may not be effective √ and an incompetent candidate may be chosen. √
- Information on CV's/referees √ may not be reliable. √
- Recruitment process takes longer√ /is more expensive as background checks must be conducted. √
- New candidates generally take longer√ to adjust to a new work environment. √

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- In-service training may be needed√ which decreases productivity during the time of training. √
- Many unsuitable applications √ can slow down the selection process.√
- Any other relevant answer related to the Negatives/Disadvantages of external recruitment

Max (12

6.5 **Advise the business on the purpose of induction.**

- Introduce new employees to management/colleagues to establish relationships with fellow colleagues at different levels. √√
- Make new employees feel welcome by introducing them to their physical work space. √√
- Give new employees a tour/information about the layout of the building/office. √√
- Familiarise new employees with the organisational structure/their supervisor. √√
- Allow new employees the opportunity to ask questions that will put them at ease/reduce insecurity/anxiety/fear. √√
- Improve skills through in-service training. √√
- Create opportunities for new employees to experience/explore different departments. √√
- Explain safety regulations and rules, so that new employees will understand their role/responsibilities in this regard. √√
- Communicate information about the products/services offered by the business.√√
- Ensure that employees understand their roles/responsibilities so that they will be more efficient/productive. √√
- Communicate business policies regarding ethical/professional conduct/procedures/employment contract/conditions of employment, etc. √√
- Any other relevant answer related to the purpose of induction.

Max (12)

6.6 **Conclusion:**

- The correct job analysis is important in order to avoid unnecessary cost of re-advertising the vacancy.√√
- Businesses should align the employment contract according to the requirements of the BCEA to avoid unnecessary legal activities. √√
- Business need to analyse negative impact of external recruitment and thus turn it into new business opportunities / growth. √√
- Properly orientated new employees are more likely to provide valuable input for the business's recovery strategies. √√
- Any other relevant conclusion related to job description and job specification/legal requirements of the employment contract/impact of external recruitment/purpose of induction.

Any (1x2) **(2)**

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QUESTION 6 BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Differences between job description and job specification	8	
Legal requirements of the employment contract	12	
Impact of external recruitment	12	
Purpose of induction process to the business	12	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis	2	
Synthesis	2	
Originality	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: [40]

GRAND TOTAL: 150

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