# education

Department:
Education
PROVINCE OF KWAZULU-NATAL

# NATIONAL SENIOR CERTIFICATE

**GRADE 12** 

# BUSINESS STUDIES PAPER 1

PREPARATORY EXAMINATION

**SEPTEMBER 2020** 

Marks: 150

Time: 2 hours

This question paper consists of 11 pages.

### INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

This question paper consists of THREE sections and covers TWO main topics.

**SECTION A:** 

COMPULSORY

**SECTION B:** 

Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C:

Answer any ONE of the two questions in this section

- 2. Read the instructions for each question carefully and take particular note of what is required.
- 3. Note that ONLY the first TWO questions in SECTION B and first question answered in SECTION C will be marked.
- 4. Number the answers correctly according to the numbering system used in this question paper.
- 5. No marks will be awarded for answers that are numbered incorrectly.
- 6. Except where other instructions are given, answers must be in full sentences.
- 7. Use the mark allocation and nature of each question to determine the length and the depth of an answer.
- 8. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	30	20
B: THREE direct/indirect type questions	2	40	35
CHOICE:	3	40	35
Answer any TWO	4	40	35
C: TWO essay-type questions CHOICE:	5	40	30
Answer any ONE	6	40	30
TOTAL		150	120

- 9. Begin, the answer to EACH question on a NEW page, e.g. QUESTION 1-new page, QUESTION 2- new page.
- 10. You may use a non-programmable calculator.
- 11. Write neatly and legibly.

#### **QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions.

  Choose the answer and write only the letter (A-D) next to the question numbers (1.1.1 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 C
  - 1.1.1 The body that is responsible for the regulation of South African credit industry is ...
    - A National Consumer Commission.
    - B National Credit Register.
    - C National Credit Regulator.
    - D Commission for Conciliation, Mediation and Arbitration.
  - 1.1.2 Government is offering financial subsidy to agricultural co-operatives. This will be an/a ... to Vukuzenzele Agricultural Co-operative.
    - A threat
    - B weakness
    - C opportunity
    - D strength
  - 1.1.3 Commercial banks operate in the ... sector as they provide banking services.
    - A secondary
    - B primary
    - C business
    - D tertiary
  - 1.1.4 A National Diploma in Business Management is an example of ...
    - A job specification.
    - B job description.
    - C job analysis.
    - D key performance area.
  - 1.1.5 A group of workers who meet regularly to discuss quality related matters in the workplace, is known as ...
    - A quality performance
    - B quality circles
    - C quality management systems
    - D quality management

 $(5 \times 2) (10)$ 

1.2 Complete the following statements by using the words provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to1.2.5) in the ANSWER BOOK.

management control; no control; annual; quality; full control; legal; ownership; family responsibility; total quality management; political

- 1.2.1 A BBBEE pillar which businesses should include black people in shareholding/ partnership.
- 1.2.2 Businesses have ... over the micro environment.
- 1.2.3 Mrs. Molope requested ... leave from her employer due to death of her mother.
- 1.2.4 ... refers to a good /service's ability to satisfy a specific need.
- 1.2.5 Businesses must comply with certain Acts to avoid penalties, is a ... factor of PESTLE analysis.

(5x2) (10)

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1.3 Choose the description from COLUMN B that matches the term in COLUMN A. Write only the letter (A-J) next to the question number (1.3.1 to 1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

	COLUMN A	СО	LUMN B
1.3.1	Learnership	A.	can be achieved if all departments work together towards same quality standards.
1.3.2	Primary sector		
1.3.3	Recruitment	B.	theoretical and practical training opportunities that can lead to a recognized occupational qualification.
1.3.4	Conglomerate		•
	diversification	C.	determine which applications meet the minimum job requirements and separate them from others
1.3.5	Quality performance		
		D.	business adds new products or services that are unrelated to existing product, but which appeal to existing customers.
		E.	plans training opportunities that businesses put in place to upskill employees.
		F.	processes raw material acquired from nature into useful products.
		G.	finding candidates who have necessary experience/qualification to fill in the vacancy.
		Н.	is inspecting the final product to ensure that it meets the required standards.
		1.	deals with extraction of raw materials and natural resources.
		J.	business adds new products or services that are unrelated to existing products which may appeal to new groups of customers.

 $(5 \times 2)(10)$ 

**TOTAL SECTION A:** 

30

#### **SECTION B**

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on a NEW page.

#### **QUESTION 2: BUSINESS ENVIRONMENTS**

2.1	List TI	HREE types of business environments	(3)
2.2		fy the element of Porter's Five Forces model that applies to each of the ing statements:	
	2.2.1	Zamo wants to start a printing services business as it is easy to enter the market.	(2)
	2.2.2	Taicom Mobile Network attracts more customers with its reasonable data price than Aitcom Mobile Network.	(2)
	2.2.3	Customers prefer designer jackets than expensive formal coats.	(2)
2.3		in the purpose of Compensation for Occupational Injuries and Diseases OIDA), 1997 (Act 61 of 1997).	(6)
2.4		guish between Black Economic Empowerment (BEE) and Broad-Based Economic Empowerment (BBBEE)	(4)

BLACK ECONOMIC EMPOWERMENT (BEE)	BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)

Use the following table as a GUIDE to answer QUESTION 2.4

2.5 Read the scenario below and answer the questions that follow:

#### **QHAKAZA BOUTIQUE (QB)**

Qhakaza Boutique advertised a vacancy for a shop assistant. Sam applied for the job but was unsuccessful due to him being a male and over the age of 50 years.

2.5.1 Identify the Act that Qhakaza Boutique has violated.

(2)

2.5.2 Suggest ways in which Qhakaza can comply with the Act identified in QUESTION 2.5.1.

(4)

2.6 Discuss the types of intensive strategies that a business can use to increase its market share.

(9)

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

#### MOYO FINANCIAL SOLUTIONS (MFS)

Moyo Financial Solutions grants loans to its employees. Additional costs to loans are not disclosed and no credit checks are conducted before granting loans.

2.7.1 Quote from the above scenario TWO ways in which MFS is not complying with the National Credit Act(NCA), 2005 (Act 34 of 2005).

(2)

2.7.2 Analyse the effectiveness of National Credit Act (NCA), 2005 (Act 34 of 2005) on businesses.

[40]

(4)

#### **QUESTION 3: BUSINESS OPERATIONS**

3.1 Name TWO examples of fringe benefits.

(2)

- 3.2 Identify the reason for terminating an employment contract applied by Snakho Traders in each statement below:
  - 3.2.1 The employment contract of five employees were terminated as business profitability was declining and could no longer pay their salaries.
  - 3.2.2 Zekhethelo voluntarily leaves Snakho Traders and is employed by Toss Traders.

(4)

3.3 Read the scenario below and answer the questions that follow:

#### THABISA HAIRDRESSING SALON (THS)

Nono and Nana are employees at THS. Nana is a hair stylist and is paid according to the number of customers she has rendered her services. Nono is a receptionist and is paid according to hours worked.

3.3.1 Name salary determination method applicable to Nana and Nono.

Use the table below as a GUIDE to answer QUESTION 3.3.1

EMPLOYEE	SALARY DETERMINATION METHOD
Nana	
Nono	

3.3.2 Explain the link between salary determination and the Basic Conditions of Employment Act (BCEA), 1997(Act 75 of 1997).

(6)

(2)

3.4 Discuss Unemployment Insurance Fund (UIF) as a compulsory form of insurance.

(6)

3.5 Read the scenario below and answer the questions that follow:

#### **TOTO FURNITURE STORE (TFS)**

Inaccurate business information has been presented to the directors at their monthly meeting. TFS is unable to migrate to digital resources due to budgetary constraints.

3.5.1 Identify the business functions that are directly affected by challenges in the scenario above.

(4)

3.5.2 Suggest to TFS the quality indicators of any ONE of the business functions identified in QUESTION 3.5.1

(4)

3.6 Explain how businesses can apply PDCA model to improve the quality of its products.

(8)

3.7 Evaluate the impact of adequate financing and capacity as an element of total quality management on large businesses.

(4)

[40]

#### QUESTION 4: MISCELLANEOUS TOPICS

#### **BUSINESS ENVIRONMENTS**

4.1 State THREE industrial analysis tools that can used to analyse the business environment.

(3)

4.2

#### **GIJIMA TRANSPORT SERVICES (GTS)**

Employees at GTS are refusing to work as their demands regarding salary increase and improving working conditions have not been met. GTS management has denied them access to business premises whilst the dispute is being resolved.

4.2.1 Identify the right that the employees' (workers) and employer (GTS) is exercising according to the Labour Relations Act (LRA), 1995 (ACT 66 OF 1995).
Quote from the scenario to support your answer.

Use the following table as a GUIDE to answer QUESTION 4.2.1

	Identification of right	Quote from the scenario
Employee		
Employer		

4.3 Outline customer rights according to National Credit Act (NCA), 2005 Act 34 of 2005).

(6)

4.4 Suggest how businesses can evaluate a strategy.

(8)

(4)

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#### **BUSINESS OPERATIONS**

- 4.5 List THREE aspects that should be contained in the employment contract. (3)
- 4.6 Read the following scenario and answer the questions that follow:

### TWINKLE STARS DAYCARE (TSD)

Twinkle Stars Daycare has a vacancy for an assistant teacher. The manager advertised the vacant post in a local newspaper.

- 4.6.1 Identify the method of recruitment used by TSD in the scenario above. (2)
- 4.6.2 Discuss the negative impact of the recruitment method identified in QUESTION 4.6.1 (8)
- 4.7 Recommend how businesses can reduce the cost of quality (6)

TOTAL SECTION B: 80

Please Turn Over

#### **SECTION C**

Answer ANY ONE question in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of question chosen. The answer to EACH question must start on a NEW page, e.g. QUESTION 5 on a NEW page, QUESTION 6 on a NEW page.

### QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

The Skills Development Act (SDA, 1998 (Act 97 of 1998) was introduced to address scarcity of skills in the South African workforce. It provides for establishment of SETAs to ensure that training and skills development are approved and of good quality. It also provides for implementation of strategies on national sector and workplace basis.

Give an in-depth analysis of Skills Development Act by elaborating on the following aspects:

- Outline the purpose of Skills Development Act
- Differentiate between the National Skills Development Strategy and Human Resource Development Strategy.
- Discuss the impact of this Act on businesses
- Advise business on the ways in which it can comply with this Act.

[40]

## QUESTION 6 (HUMAN RESOURCE AND QUALITY OF PERFORMANCE)

Businesses must ensure that a proper selection procedure and an induction programme is conducted. This enables businesses to select the best candidate who is motivated, productive and efficient. Appointment and dismissal of employees must follow correct legal procedures to avoid disputes.

Write an essay on human resources and quality of performance on the following aspects:

- Outline the selection procedure
- Discuss the benefits of an induction program
- Describe the implications of Employment Equity Act (EEA),1998 ( Act 55 of1998)
   on human resources function
- Suggest quality indicators of the human resources function.

[40]

TOTAL SECTION C: GRAND TOTAL: 40

150



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# NATIONAL SENIOR CERTIFICATE

**GRADE 12** 

# BUSINESS STUDIES P1 PREPARATORY EXAMINATION

**MARKING GUIDELINE** 

2020

Marks: 150

Time: 2 hours

This marking guideline consists of 28 pages.

#### **NOTES TO MARKERS**

#### **PREAMBLE**

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

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

Marker: Red
Senior Marker: Green
Deputy Chief Marker: Brown
Chief Marker: Pink
Internal Moderator: Orange
DBE Moderator: Turquoise

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

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

- 4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
- 5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
- 6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
- 7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

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- 8. In an indirect question, the theory as well as the response must be relevant and related to the question.
- Correct numbering of answers to questions or sub-questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
- 10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
- 11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
  - When 'evaluate' is used, candidates are expected to respond in either appositive/negative manner or take a neutral (positive and negative) stance, e.g. **Positive**: 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings.'√
  - When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√

NOTE:

- 1. The above could apply to 'analyse' as well.
- 2. Note the placing of the tick  $(\sqrt{})$  in the allocation of marks.
- 12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.

Cognitive verbs, such as:

- 12.1 Advise, name, state, 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.
- Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, justify, 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 or use the word 'Cancel'.

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

- 14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.
- 14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.
- 14.4 Use of the cognitive verbs and allocation of marks:
  - 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 guideline to facilitate mark allocation.
  - 14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.
- 14.5 ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study.

  This applies to 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:

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

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	2
Analysis and Interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?	
	Marks to be allocated using this guide: All headings addressed: Interpretation (16 to 32 marks): 1 (One 'A')	
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 based on recent information, current trends and developments?	2
TOTAL FOR INS TOTAL MARKS TOTAL MARKS		8 32 40

#### NOTE:

- 1. No marks will be awarded for contents repeated from the introduction and conclusion.
- 2. The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
- 3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.
- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows:(L Layout, A Analysis, S Synthesis, O Originality)as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
Α	2
S	2
0	2
TOTAL	40

- 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 subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.

- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
  - 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (√) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy √, where businesses aim to introduce new products into existing markets.'√

This will be informed by the nature and context of the question, as well as the cognitive verb used.

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

#### **SECTION A**

#### 1.1 MULTIPLE CHOICE

1.1.1 C √√

1.1.2 C √√

1.1.3 D √√

1.1.4 A √√

1.1.5 B  $\sqrt{\sqrt{ }}$  (5x2) (10)

#### 1.2 CONCEPTS

1.2.1 ownership √√

1.2.2 full control  $\sqrt{\sqrt{}}$ 

1.2.3 family responsibility  $\sqrt{\sqrt{}}$ 

1.2.4 quality  $\sqrt{\sqrt{}}$ 

1.2.5 legal √√ (5X2) (10)

#### 1.3 MATCHING

1.3.1 B √√

1.3.2 I √√

1.3.3 G √√

1.3.4 J √√

1.3.5 A √√

(5x2)(10)

(30)

TOTAL SECTION A:

**BREAKDOWN OF MARK ALLOCATION** 

QUESTION	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

#### **SECTION B**

# Mark only FIRST TWO answers. QUESTION 2: BUSINESS ENVIRONMENTS

#### 2.1 Types of business environments

- -micro √
- -market √
- -macro √ (3)

#### 2.2 Porters Five Forces

- 2.2.1 Threat / barrier of new entrants to the market  $\sqrt{\sqrt{}}$  (2)
- 2.2.2 Competitive rivalry / power of competitors  $\sqrt{\sqrt{}}$  (2)
- 2.2.3 Threat of substitution  $\sqrt{\sqrt{}}$  (2)

#### 2.3 Purpose of COIDA

- -Provides a comprehensive protection to employees√ who are injured in the course of performing their duties√
- -COIDA applies to all casual and full-time workers who become ill/ injured/disabled/ killed√ due to workplace accident/ disease.√
- -It excludes workers who are guilty of willful misconduct√/workers outside South Africa for at least twelve months/members of SA Defense Force/Police services√.
- -It provides for the establishment of a Compensation Board $\sqrt{\ }$  whose function is to advise the Minister of Labour on the application /provision of COIDA $\sqrt{\ }$
- -Any other relevant answer related to purpose of COIDA

Max (6)

#### 2.4 Distinction between BEE AND BBBEE

BEE	BBBEE
-It is a government policy√ which may not	-It is an Act√ that is enforced / must be
be enforced√.	complied with by businesses√.
-Benefits only a few previously disadvantaged people√in the economy√.	-Encourages a wider group of previously disadvantaged people/ black women/ people who are physically challenged/ youth/people in rural areas√ to participate in the economy√
-Few previously disadvantaged individuals share√ in the wealth of economy√.	-Aims to distribute the country's wealth√ across a broader spectrum of society√.
-Focuses only on three pillars√ that did not	-Focuses on five pillars√which include all
include all previously disadvantaged people $\sqrt{}$	sectors of the society, especially the previously disadvantaged√
-Any other relevant answer related to BEE	-Any other relevant answer related to BBBEE
Sub max (2)	Sub max (2)

**MAX (4)** 

#### NOTE:

- 1. The answer does not have to be in tabular format, but distinction must be clear.
- Award maximum of TWO marks if distinction is not clear/ Mark either BEE or BBBEE only.

2.5

2.5.1 Employment Equity Act,1998 (Act 55 of 1998) / EEA  $\sqrt{\sqrt{}}$ 

(2)

#### 2.5.2 Ways to comply with EEA

- Business must guard against discriminatory appointments√√
- Promote equal opportunities and equal treatment√√
- Implement affirmation action measures to redress disadvantaged experienced by designated group  $\sqrt{\sqrt{}}$
- Ensure that diversity/inclusivity in the workplace is achieved.  $\sqrt{\sqrt{}}$
- Implement affirmative action measures to redress disadvantages experienced by designated groups  $\sqrt{\sqrt{}}$
- Clearly define the appointment process, so that all parties are well informed  $\sqrt{\sqrt{}}$
- Reasonable accommodation of people from designated groups√√
- Prepare an employment equity plan in consultation with employees√√
- Eliminate barriers that have an adverse impact on designated groups.  $\sqrt{\sqrt{}}$
- Restructure/analyse current employment policies/practices/procedures to accommodate designated groups  $\!\sqrt{\sqrt{}}$
- Ensure that there is equal representation of all racial groups in every level of employment  $\sqrt{\sqrt{}}$
- Submit the employment equity plan to the Department of Labour $\sqrt{\sqrt{}}$
- Retain designated group, including skills development of such groups  $\sqrt{\sqrt{}}$
- Access the racial composition of all employees, including senior management  $\sqrt{\sqrt{}}$
- Regularly report to the Department of Labour on progress in implementing the plan.  $\sqrt{\sqrt{}}$
- Any other relevant answer related to ways of complying with EEA. Max (4)

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# 2.6 Types of intensive business strategies Market development $\sqrt{\sqrt{}}$

- A process of exploring/ finding/ searching new markets for existing products.√
- Targeting consumers in a potential market that is outside normal target market. $\sqrt{\ }$
- Changing the way the products are distributed to reach a different market.√
- Businesses sell their existing products to new markets√
- It is a growth strategy where businesses aim to sell its existing products in new markets√
- This strategy involves finding new markets and new ways to distribute product√

Strategy: (2) Discussion: (1)

Sub max : (3)

#### Product development√√

- Businesses generate new ideas and develop a new product or service√.
- Business may improve/change packaging of current products so they look and seem different and appeal to the market  $\!\!\!\!\sqrt{}$
- The introduction of a new product or service into existing markets√.e.g. powdered soap manufacturer introduces a new powdered soap which also has a fabric softener.
- It is a growth strategy which businesses aims to introduce new products into existing markets/ modifies an existing product√
- Businesses generate new ideas and develop new products/ services√

Strategy: (2)

Discussion: (1) Sub max: (3)

### Market penetration√√

- Businesses use aggressive marketing campaigns√, e.g. low prices to attract competitors' clients/ attempt to persuade consumers that are already buying their products to continue supporting them.
- Increase the market share of existing products/Promote new products that have become well established.√
- Reduce prices to increase sales√
- -New products penetrate an existing market at a low price, until it is well known to the customers and then the prices changes  $\sqrt{}$
- It is a growth strategy where businesses focus on selling existing products to existing markets√
- Focuses on gaining a larger share of the market by reducing prices to increase sales / increasing advertising and promotion√

Strategy: (2)

Discussion: (1)

Sub max: (3)

Max: (9)

Max: (2)

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#### 2.7 Non-compliance

#### 2.7.1

- additional costs to loans are not disclosed. √
- no credit checks are conducted before granting loans/

### Note: 1. The quote must be from the scenario

#### 2. Mark the first TWO ways ONLY

# 2.7.2 Effectiveness of NCA on businesses Positives/ Advantages

- -Lower bad debts√ resulting in better cash flow√
- Authorised credit providers√ may attract more customers√
- Protects businesses against√ non-paying consumers√
- Increases cash sales as credit can only be granted√ to qualifying customers√
- Stamps out reckless lending√ and prevents businesses from bankruptcy√
- The whole credit process √is transparent√, e.g. both businesses and customers know their responsibilities.
- Businesses can do thorough credit checks √and receive up to date documentation from the consumers as the proof they can afford the repayment√
- Leads to more customers through credit sales√ as they are now protected from abuse.√
- Credit bureau information is made available to businesses√ so that they can check the credit worthiness of consumers before granting credit√
- Any other relevant answer related to the positive (advantages) effectiveness of NCA on businesses.

#### AND OR

#### Negative/Disadvantages

- Businesses can no longer carry out credit marketing.  $\sqrt{\phantom{a}}$
- Leads to loss of sales as many consumers may no longer qualify to buy on credit.  $\sqrt{\phantom{a}}$
- The paperwork and administrative process required by the act are costly and time consuming. √
- The business needs to appoint additional staff to deal with the extra administration.  $\sqrt{\phantom{a}}$
- Should the credit agreement be declared reckless the business can forfeit the outstanding debt and the goods.  $\sqrt{}$
- Businesses that are official credit providers, must submit a compliance report every year.  $\sqrt{\phantom{a}}$
- A business must make sure that all attempts have been made to recover the debt before blacklisting the customer. √
- Debt collection procedures are more complex and expensive.  $\sqrt{\phantom{a}}$

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  Credit providers cannot collect from consumers who are under debt reviews. √
- Increases the administration burden on credit providers.  $\sqrt{\phantom{a}}$
- More working capital is needed as businesses cannot sell many goods on credit due to stricter credit application processes. √
- Fewer customers buy on credit as it is more difficult to obtain credit.  $\sqrt{\phantom{a}}$
- Businesses struggle to get credit such as bank loans/overdrafts. √
- Businesses that do not comply with the NCA may face legal action  $\sqrt{\ }$ .
- Any other relevant answer related to the negative (disadvantages) effectiveness of NCA on businesses.

Max (4) **BREAKDOWN OF MARKS** 

QUESTION	MARKS
2.1	3
2.2.1	2
2.2.2	2
2.2.3	2
2.3	6
2.4	4
2.5.1	2
2.5.2	4
2.6	9
2.7.1	2
2.7.2	4
TOTAL	40

(2)

(2)

#### **QUESTION 3**

#### **BUSINESS OPERATIONS**

3	1	Fringe	benefits

- Car/travel/housing/cell phone/clothing allowances√
- Bonus√
- Funeral benefit√
- Medical aid/Health Insurance Fund√
- Provident Fund√
- Performance based incentives√
- Issuing of bonus shares√
- Staff discount/free or low/ Canteen facilities√
- Any other relevant answer related to the examples of fringe benefits

**NOTE: Mark first TWO examples of fringe benefits** 

3.2 Reasons of terminating the employment contract

3.2.1 Retrenchment  $\sqrt{\sqrt{}}$  (2)

3.2.2 Resignation  $\sqrt{\sqrt{}}$  (2)

#### 3.3 Salary determination methods

3.3.1

EMPLOYEE	SALARY DETERMINATION METHOD
Nana	Piecemeal√
Nono	Time related√

NOTE: 1. Salary determination method must be linked to the employee.

#### 3.3.2 Link between salary determination and the BCEA

- BCEA outlines legalities such as the employment contract√ which may affect salary determination√
- Businesses are supposed to deduct income tax (PAYE) $\sqrt{}$  from the employees' taxable salaries $\sqrt{}$
- 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√
- Payment of salaries should be based on whether the employee√ is permanent or employed on a fixed contract√
- Any other relevant answer related to link between salary determination and the BCEA

Max (8)

#### 3.4 UIF as a benefit required by the law.

- It is a fund that offers short term financial assistance√ to workers when they become unemployed or unable to work due to illness, maternity, adoption leave√
- The employer and the employee each contribute 1%, therefore 2% of the value of of the value of each employee's salary √ is contributed towards the Unemployment Insurance Fund√
- The fund also assists the dependents of a contributing worker√ who has died√.
- Contributions are paid  $\sqrt{\ }$  to the Unemployment Insurance Fund (UIF) or the South African Revenue Service  $\sqrt{\ }$
- Any other relevant answer related to UIF as a compulsory form of insurance

Max (6)

#### Note:

- 1. Accept responses based on UIF as a compulsory insurance.
- 2. This applies ONLY to this 2020 preparatory paper.

#### 3.5 BUSINESS FUNCTIONS

#### 3.5.1

- Administration function√√
- Financial Function√√ (4)

# 3.5.2 Quality indicators Administration function

- Documents are kept neatly and orderly in a safe place  $\sqrt{\sqrt{}}$
- Financial documents are kept up to date and recorded accurately  $\sqrt{\sqrt{}}$
- Handle complaints quickly and effectively  $\sqrt{\sqrt{}}$
- Easy to recall/find information/documentation √√
- Use modern technology effectively √√
- Make relevant information available for quick decision making  $\sqrt{\sqrt{}}$
- Fast and reliable information available to management on time  $\sqrt{\sqrt{}}$
- Make reliable information available to management  $\sqrt{\sqrt{}}$
- Quality assurance/control/ evaluation is recorded accurately √√
- Implement effective risk management policies to minimize business losses  $\sqrt{\sqrt{}}$
- All systems and processes are documented  $\sqrt{\sqrt{}}$
- Any other relevant answer related to quality indicators of the administration function

Max (4)

**OR** 

#### Preparatory Examination 2020

#### **Financial function**

- Draw up budgets to ensure sufficient application of monetary resources  $\sqrt{\sqrt{}}$
- Keep financial records up to date to ensure timely/accurate tax payments√√
- Analyse strategies to increase profitability√√
- Accurately analyse and interpret financial information. √√
- Implement credit granting / debt collecting policies to monitor cash flow√√
- Invest surplus funds to create sources of passive income√√
- Draw up accurate financial statements timeously/regularly√√
- Obtain capital from the most reliable /suitable/available sources√√
- -Negotiate better interest rates in order to keep financial cost down $\sqrt{\sqrt{}}$ .
- Implement financial control measures/ systems to prevent fraud√√
- Invest in strategies that will assist the business to remain profitable  $\sqrt{\sqrt{}}$
- Avoid over / under capitalisation so that financial resources will be used effectively√√
- Any other relevant answer related to quality indicators of financial function

Max (4)

#### NOTE:

1. Award marks for quality indicators of the administration function OR the financial function.

### 3.6 Application of PDCA cycle

#### Plan√

- Develop a plan for improvement to processes and systems√
- Plan the method and approach√
- The business should identify the problem√
- Answer questions such as 'what to do' and 'how to do it'√

Name: (1) Discussion: (1) Sub Max: (2)

Do√

- Implement the processes and systems√
- ullet The business should implement the change on a small scale  $\sqrt{\phantom{a}}$
- Put plan into action√

Name: (1) Discussion: (1) Sub Max : (2)

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#### Check√

- Check whether plan is working effectively√
- Use data to analyse the results of change√
- Businesses should assess, plan and establish if it is working things are going accordingly√
- Determine whether it made difference.√

Name: (1)
Discussion: (1)
Sub Max : (2)

#### Act√

- Continuously revise the process√
- Devise strategies on how to continually improve√
- Institutionalise the improvement√
- Take corrective actions, if there are deviations√
- If change was successful, implement it on a wider scale√

Name: (1)
Discussion: (1)
Sub Max : (2)

Max (8)

# 3.7 Impact of adequate financing and capacity on large business Positive impact

- Large businesses can afford $\sqrt{}$  to purchase quality raw material and equipment  $\sqrt{}$
- It can afford product research / market research $\sqrt{}$  to gather information $\sqrt{}$
- Large businesses have sufficient financing  $\sqrt{}$  to test everything before implementing  $\sqrt{}$
- They can afford to have systems in place√ to prevent errors in process/defects raw material/products √
- Any other relevant answer related to positive impact of adequate financing and capacity on large businesses

#### AND/OR

#### **Negative impact**

- If business grows it may demand large amount of capital√ to balance to balance normal operations and expansions√
- If the demand for company's product increases, orders begin coming in faster than expected√, and the company lacks the capital required to fund the production of the stock to fill the orders. √
- Any other relevant answer related negative impact of adequate financing and capacity.

  Max (4)

### **BREAKDOWN MARK ALLOCATION**

QUESTION	MARKS
3.1	2
3.2.1	2
3.2.2	2
3.3.1	2
3.3.2	6
3.4	6
3.5.1	4
3.5.2	4
3.6	8
3.7	4
TOTAL	40

#### QUESTION 4 MISCELLANEOUS TOPICS

#### **BUSINESS ENVIRONMENTS**

#### 4.1 Industrial analysis tools

- SWOT analysis√
- Porters Five Forces model√
- PESTLE model √ (3X1) (3)

Note: Mark the first THREE industrial tools only.

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4.2 Employer and employees' rights

	Identification of right	Quote from the scenario
Employee	-Right to embark on a legal strike as a remedy for grievances√ √	-employees at GTS are refusing to work as their demands regarding salary increase and improving working conditions have not been met√.
Employer	-Right to lockout employees who engage in labour action. √√ Sub max (4)	-GTS management has denied them access to business premises whilst dispute was being resolved.√ Sub max (2)

(6)

#### NOTE: 1. Right must be linked to the employee/ employer.

The quote must be linked to the right.

#### 4.3 Consumers rights according to NCA

Consumers have the right to:

- Apply for credit without discrimination√√
- Obtain reasons if credit application was declined √√
- Fair and responsible marketing√√
- Receive information in plain and understandable language √√
- Choose which goods they will buy and return such goods if they are not satisfied √√
- Receive documents as required by the Act√√
- Access and challenge credit records and information√√
- Receive pre-agreement documentation before concluding any credit transaction
- Any other relevant answer related to consumer rights according NCA Max (8)

### Strategy evaluation

- Examine the underlying basis √ of a business strategy √
- Look forward and backwards√ into the implementation process√
- Compare expected performance√ with actual performance√
- Measure business performance in order to determine√ the reasons for deviation and analyse these reasons √
- Take corrective action√ so that deviations may be corrected √
- Set specific dates √ for control and follow up √.
- Draw up table√ of the advantages and disadvantages of a strategy√.
- Decide on √ the desired outcome √.
- Consider the impact of the strategic implementation √in the internal and external environments of the business√
- Any other relevant answer related to the steps in evaluating a strategy. Max (4)

#### **BUSINESS OPERATIONS**

#### 4.5 Aspects in an employment contract

- Job title/ position√
- Job description, e.g. duties/ working conditions√
- Personal details of the employee
- Details of the business/employer√, e.g. name/address, etc.
- Date of employment/ commencement of employment
- Place where employee will spend most of his/her working time√
- Benefits/fringe benefits/ perks/allowances probation period√
- Signature of both the employer and employee√
- Employee deductions (compulsory /non-compulsory)√
- Leave, e.g. sick/maternity/ annual/ adoption leave√
- Period of contract/ details of termination√.
- Hours of work, e.g. normal time/ overtime√.
- Remuneration, e.g. weekly/ monthly pay√
- Any other relevant answer related to contents of employment

(3X1)(3)

#### Note: Mark the first THREE aspects only

#### TYPE OF RECRUITMENT

#### 4.6.1 Identification

-External recruitment  $\sqrt{\sqrt{}}$ 

#### 4. 6.2 Negative impact

- Information on CV√ may not be reliable√
- New candidates generally take longer√ to adjust to a new work environment√
- Any unsuitable applications can slow down $\sqrt{}$  the selection process  $\sqrt{}$
- The selection process may not be effective  $\!\sqrt{}$  and incompetent candidate may be chosen  $\!\sqrt{}$
- External sources can be expensive√, e.g. recruitment agencies' fees/ in newspaper/ may be expensive√
- In service training may be needed√which decreases productivity during the time of training√
- Any other relevant answer related to negative impact of external recruitment

Max (8)

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#### 4.7 HOW TQM CAN REDUCE THE COST OF QUALITY

- Schedule activities to eliminate duplication of tasks√√
- Train employees at all levels, so that everyone understands their roles quality  $\sqrt{\surd}$
- Introduce quality circles to discuss ways of improving the quality of work/ workmanship  $\sqrt{\surd}$
- Share responsibility for quality output amongst management and workers  $\sqrt{\sqrt{}}$
- Work closely with suppliers to improve the quality of raw materials/ output  $\sqrt{\sqrt{}}$
- Improve communication about quality challenges/ deviations, so that everyone can learn from experience.  $\!\!\!\sqrt{\sqrt{}}\!\!\!$
- Reduce investment on expensive, but ineffective inspection procedures in the production process  $\sqrt{\sqrt{}}$ .
- Service machineries regularly to avoid delays in production and processes√√
- Any other relevant answer related to ways of reducing cost of quality

Max (6)

#### **BREAKDOWN MARK ALLOCATION**

QUESTION 4	MARKS
4.1	3
4.2.1	6
4.3	8
4.4	4
4.5	3
4.6.1	2
4.6.2	8
4.7	6
TOTAL	40

**TOTAL SECTION B (80)** 

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**SECTION C** 

Note: Mark the FIRST question only.

#### QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

#### 5.1. Introduction

- The Skill Development Act 97 of 1998(SDA) is one of recent legislation was developed in response to the demand to redress and equity. 

  √
- SDA gives the right to workers who have had little or no formal education to acquire skills and training in the workplace√.
- The workplace must be viewed as an active learning environment in which skills can be gained through formal training programmes and practical experience√
- The National Skills Development Strategy a comprehensive framework for skills improvement that includes government, organized business and organized labour√
- Any other relevant introduction related to purpose / differences between NSDS and HRDS/ impact and ways to comply with SDA

(Any 2x1) (2)

#### 5.2 Purpose of SDA

- -To develop skills of people of South Africa in order to improve productivity  $\sqrt{\sqrt{}}$
- -To improve chances of getting a job for previously disadvantaged  $\sqrt{\sqrt{}}$
- -To redress the disadvantages through education and training  $\sqrt{\sqrt{}}$
- -To encourage businesses to improve the skills of their workers  $\sqrt{\sqrt{}}$ .
- -To get businesses to invest in education and training of workers√√
- -To encourage workers to participate in learnership and training programmes in order to become more skilled in the workplace  $\sqrt{\sqrt{}}$
- -To ensure quality education that is globally competitive  $\sqrt{\sqrt{}}$
- -Any other relevant answer related to purpose of SDA

Max (8)

# 5.3 Differentiation between National Skills Development Strategy (NSDS) and Human Resource Development Strategy (HRDS)

National Skills Development Strategy	Human Resources Development Strategy
-Builds/ Provide career/vocational guidance/	- Increases employee participation in
training centers $\sqrt{}$	lifelong learning.√√
-Increases / improves access to training programmes√√	-Improves supply of skills $\sqrt{}$
-Improves social development through economic development $\sqrt[]{}$	-Promotes social development/social justice and helps to alleviate poverty $\sqrt{\surd}$
-Indicates how Sector Education and Training Authorities (SETAs) should use the money allocated from the Skills Development Levy.√√	- Develops short term and long term workforce skills.√√
-Provides for participation of government, organized business and labour. $\sqrt{}$	-Aims at achieving faster economic growth/ higher employment levels of poverty.√√
-Encourages good quality training in the workplace to ensure on-going development of skills. $\sqrt{}$	-Addresses skills shortages in South African workforce.√√
-Any other relevant answer related to NSDS	-Any other relevant answer related to HRDS
Sub Max 6	Sub Max 6

Max (12)

#### NOTE:

- 1. Answers need not be in a tabular format but the distinction must be clear.
- 2. Do not award full marks if distinction is not clear, mark either NSDS or HRDS.

# 5.4 Impact of SDA on businesses Positive impact

- Promotes self-employment√ and black entrepreneurship√
- Business could become globally√ more competitive√
- Workplace discrimination can be addressed√ through training√
- Increases the number of skilled employees√ in areas where these skills are scarce√
- Trains employees√ to improve in the workplace√
- Encourages on-going skills development and learning√ to sustain the improvement of skills development√

- Workplace is used as an active environment√ where employees can gain practical job experience√
- BBBEE-compliant businesses can improve their products / service delivery√ as they employ more skilled workers√.
- Any other relevant answer related to positive impact of SDA on businesses

#### AND/OR

#### **Negative impact**

- -Implementation of the Act can be difficult √ to monitor and control √I.
- -The time and money spent on improving employee skills is wasted√ if they leave the business√
- -Skills programme may not always address training needs√ of employees√
- -Skills development levy could be an extra financial burden√ to financially struggling businesses√
- -The process increases administration cost and volume of paperwork
- -Many providers that are offering the training services √ are not SAQA accredited √
- -It is costly for the business√ to employ skills development facilitator√
- -Some businesses may not support√ this government initiative√.
- -Business time may be wasted when employees are attending learnerships  $\sqrt{\ }$  could affect the production process/ productivity  $\sqrt{\ }$ .
- -Government departments monitoring and controlling SDA √may not have education and training as their priority√
- -Any other relevant answer related to negative impact of SDA on businesses

Max (16)

#### 5.5 Ways to comply with SDA

- Businesses with more than 50 employees must appoint skills development facilitator  $\sqrt{\sqrt{}}$
- Business that has a payroll of R500 000 or more should contribute 1% towards skills development  $\!\!\!\sqrt{\sqrt{}}$
- Business that collects PAYE should register with SARS in the area in which their business is classified  $\sqrt{\sqrt{(in terms of the SETA)}}$
- Assess the skills of employees to determine areas in which skills development are needed provide all employees with the opportunity to improve their skills  $\sqrt{\sqrt{}}$
- Businesses should register with relevant SETAs√√
- Business should submit a workplace skills plan and provide evidence that it was implemented  $\sqrt{\sqrt{}}$
- Encourage employees to participate in learnerships and other training programmes  $\sqrt{\sqrt{}}$
- Any other relevant answer related to the ways in which businesses comply with the SDA.

Max (10)

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#### 5.6 Conclusion

- Companies must pay skills development levy to offer learnership programmes/ claim grants
- Businesses that encourage their workers to participate in learnership and training programme, entitles them to tax concessions  $\sqrt{\sqrt{}}$
- Businesses may claim a learnership for incentive payment for employing workers who find it difficult to be employed due to lack of skill  $\sqrt{\sqrt{}}$
- NSDS encourages good quality training in the workplace to ensure on-going development of skills  $\sqrt{\sqrt{}}$ .
  - Any other relevant conclusion related SDA.

(Any 1X2) (2)

#### **QUESTION 5**

#### **BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	
Introduction	2	
Purpose of Skills Development Act	8	
National Skills Development Strategy Human	12	
and Resource Development Strategy		MAX
Impact of Skills Development Act	16	32
Ways to comply with Skills Development Act	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality, examples	2	
TOTAL		40

LASO- For each component

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 1 mark 0 where requirements are not met at all.

# QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION AND QUALITY OF PERFORMANCE)

#### 6.1 Introduction

- Businesses follow different selection procedures depending on the type of job advertised, the size of the business and their internal human resource processes√
- Businesses should provide ongoing support to new employees to ensure that they settle as quickly as possible to be productive  $\sqrt{}$
- -Government have put certain policies to ensure that labour practices and human resources practices are fair and equitable.  $\sqrt{\phantom{a}}$
- It is essential to instill a value of quality in the business that all employees uphold√
- Any other relevant introduction related to the selection procedure / benefits of induction program / implications of EEA on human resources function and quality indicators of the human resources function.

(Any 2 X1) (2)

# 6.2 Selection procedure Option 1

- Determine fair assessment criteria on which selection will be based  $\sqrt{\sqrt{}}$
- Applicants must submit the application forms /curriculum vitae and certified copies of personal documents  $\sqrt{\sqrt{IDs}}$  /proof of qualifications, etc.
- Sort the received documents/ CVs according to the assessment / selection criteria  $\sqrt{\sqrt{}}$
- Screen/ Determine which applications meet the minimum job requirements and separate these from the rest  $\sqrt{\sqrt{}}$
- Preliminary interviews are conducted if many suitable applications received√√
- Reference checks should be made to verify the contents of CV's, e.g. contact previous employers to check work experience  $\sqrt{\sqrt{}}$
- Compile shortlist of potential candidates identified √√
- Shortlisted candidates may be subjected to various types of selection tests e.g. skills tests,  $\sqrt{\sqrt{\ }}$  etc.
- Invite shortlisted candidates for an interview
- A written offer is made to the selected candidate
- 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

NOTE: The procedure can be in any order

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#### Option 2

- Receive documentation, e.g. application forms and sort it according to the criteria of the job $\sqrt{\sqrt{}}$
- 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 the requirements  $\sqrt{\sqrt{}}$
- Assess /Test candidates who have applied for senior positions / ensure the best candidate is chosen  $\sqrt{\sqrt{}}$
- Conduct interviews with sorted shortlisted candidates√√
- Offer employment in writing to the selected candidates √√
- Any other relevant answer related to the selection procedure

Max (10)

#### NOTE: The procedure may be in any order

#### 6.3 Benefits of induction to businesses

- New employee may establish relationship  $\sqrt{}$  with fellow employees at different levels  $\sqrt{}$
- Make new employees feel at ease in the workplace√, which reduces anxiety/ fear/insecurity√
- Increases√ quality of performance/productivity√
- Minimises the need for√ ongoing training and development√
- Allows employees to settle in quickly√ and work effectively√
- Employees will be familiar√ with organizational structures√ e.g. supervisors departmental managers, etc.
- Ensures new employees understand√ rules and restrictions in the business
- New employees may feel part of the team√ resulting in positive morale and motivation√
- New employee will know the layout of the building /factory/ offices/where everything is  $\!\!\!\!\sqrt{}$  which saves production time  $\!\!\!\!\!\sqrt{}$
- Any other relevant answer related to benefits induction to businesses

Max (12)

#### 6.4 implications of Acts on human resources function

#### **Employment Equity Act**

- Equal pay√for work of equal value√
- Ensure that affirmative action √promotes diversity in the workplace√
- Conduct medical / psychological tests fairly√ to employees/if necessary√
- Define appointment process clearly√ to ensure all parties are well informed√
- Ensure that the workplace represents the demographics √ of the country at all levels √.
- -Retrain/Develop/Train designated group√ through skills development programmes.√
- Assign a manager to ensure that the employment equity plan√ will be implemented/ regularly monitored.√
- Display a summary of Act√ where employees can clearly see it/ have access to it.√
- Report to the Department of Labour√ on the progress in the implementation of equity plan√
- Compile employment equity plans that indicate √ how they will implement affirmative action √.
- Restructure /Analyse/Train designated groups√ through skills development programmes.√
- Any other relevant answer related to implications of Employment Equity Act.

Max (14)

#### 6.5 Quality indicators of human resources function

- Management must have good relationship with employees√√
- Ensure that there is fair and equitable selection process, there should beno nepotism/ <code>bribery</code>  $\sqrt{\checkmark}$
- Offer performance incentives for staff to enhance productivity  $\sqrt{\sqrt{\ }}$
- Offer fair remuneration packages that is aligned to the industry  $\sqrt{\sqrt{}}$
- Maintain low staff turnover in the business√√
- Ensure there is good recruitment policy that attracts best candidates  $\sqrt{\sqrt{}}$
- Acknowledge good work by bonuses, promotions, awards etc. to boost employees' morale  $\sqrt{\sqrt{}}$
- Conduct staff development programmes, staff appraisals and mentorship programmes to keep staff content and productive  $\!\!\!\sqrt{\sqrt{}}$
- Any other relevant answer related to quality indicator of human resources function

Max (10)

#### 6.6 Conclusion

- A correct selection procedure will ensure that a qualified/ knowledgeable/ experienced/ skilled/ competent applicant is selected
- Proper induction programme ensures that new employees know expectations as they are made aware of business rules policies and procedures  $\sqrt{\sqrt{}}$
- Businesses must take into cognizance the implications of EEA. $\sqrt{\sqrt{}}$
- Incentives like bonuses, promotions will keep staff motivated, content and productive  $\sqrt{\sqrt{}}$
- Any relevant conclusion that is related to human resource and quality of Performance

(Any 1x2) (2)

#### **QUESTION 6**

#### **BREAKDOWN OF MARK ALLOCATION**

DETAILS	MARKS	
Introduction	2	
Selection procedure	10	
Benefits of induction to businesses	12	
Implications EEA on human resources	14	
function		MAX
Quality indicators of the human	10	32
resources function		
Conclusion	2	
INSIGHT		
Layout	2	
Analysis, interpretation	2	8
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 where all requirements are not met at all.

**TOTAL SECTION C (40)** 

**GRAND TOTAL: 150**