

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES P1  
SEPTEMBER 2023**



**MARKS: 150**

**TIME: 2 hours**

**This question paper consists of 9 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:** Consists of TWO questions.

Answer any ONE of two questions in this section.

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

Note that ONLY the first TWO questions in SECTION B and the FIRST question in SECTION C will be marked.

- Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>30</b>
<b>B: THREE direct/indirect-type questions CHOICE: Answer any TWO.</b>	<b>2</b>	<b>40</b>	<b>60</b>
	<b>3</b>	<b>40</b>	
	<b>4</b>	<b>40</b>	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	<b>5</b>	<b>40</b>	<b>30</b>
	<b>6</b>	<b>40</b>	
<b>TOTAL</b>		<b>150</b>	<b>120 minutes</b>

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

**SECTION A (COMPULSORY)****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 number (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D

1.1.1 This Act compels businesses to display the prices of all goods and services.

- A National Credit Act (NCA) 2005, (Act 34 of 2005)
- B Labour Relations Act, 1995 (Act 66 of 1995)
- C Consumer Protection Act, 2008 (Act 68 of 1998)
- D Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

1.1.2 Businesses apply the ... to analyse their position in the market.

- A SWOT analysis
- B PESTLE model
- C Porter's Five Forces
- D Environmental scanning

1.1.3 A business that takes over its suppliers to reduce the risk of dependency applies the ... integration strategy.

- A forward vertical
- B backward vertical
- C horizontal
- D conglomerate

1.1.4 The process of choosing the five most suitable candidates for the job is known as ...

- A shortlisting
- B placement
- C reference checking
- D recruitment

1.1.5 Jay Jay Supermarket terminated the employment contracts of some employees due to insolvency. This is known as ...

- A retrenchment
- B redundancy
- C resignation
- D retirement



(5x 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 to 1.2.5) in the ANSWER BOOK.

forty; quality control; marketing; time-related; National Debt Counsellor; public relations; quality assurance; forty five; National Credit Regulator; piecemeal

- 1.2.1 The...is responsible to register businesses that allow customers to use their products and pay installments.
- 1.2.2 Workers at More Carpenters may not work more than ... hours in any week.
- 1.2.3 Jones Manufactures applies ... salary method by paying workers according to the number of units produced.
- 1.2.4 Bianca electronics implemented ...when they inspected their final products to ensure that required standards are met.
- 1.2.5 The ...function is responsible for conducting an aggressive advertising campaign to attract more customers.

(5x2) (10)



1.3 Choose a description from COLUMN B that matches a 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, e.g.1.3.6 K.

COLUMN A		COLUMN B	
1.3.1	Concentric diversification	A	group of workers responsible to solve problems related to quality and implements improvements
1.3.2	Learnership	B	set specific dates for planning and implementation
1.3.3	Strategy evaluation	C	adding new products that are unrelated to existing products but may appeal to existing customers
1.3.4	Job analysis	D	theoretical or practical training opportunities that can lead to a recognised qualification
1.3.5	Quality circles	E	tool used by managers to recruit candidates internally and externally
		F	adding a new product that is related to existing product and which will appeal to new customers
		G	set specific dates for control and follow up
		H	tool used by managers to obtain and analyse information about business workforce
		I	theoretical training that requires employers to only attend external practical courses
		J	group of workers who investigate problems and suggest solutions to employees

(5x2) (10)

**TOTAL SECTION A: 30**



**SECTION B**

Answer ANY TWO questions from 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.

- 2.1 Name THREE types of business sectors. (3)
- 2.2 Outline the strategic management process to solve business related problems. (6)
- 2.3 Identify the force of Porter's Five Forces model applied by Top Tee Wholesalers in EACH statement below.
- 2.3.1 It was easy for Top Tee Wholesalers to enter the market as they only need a trading certificate.
- 2.3.2 Trevor Manufacturers is the only provider of raw materials for Top Tee Wholesalers.
- 2.3.3 A new wholesaler selling the same product as Top Tee Wholesalers has been established nearby. (6)
- 2.4 Read the scenario below and answer the questions that follow:

**PRINGLE CLOTHING FACTORY (PCF)**

Pringle Clothing Factory is committed to comply with the Employment Equity Act. The business ensures that all racial groups are promoted to senior management. Employees at PCF who do work of equal value are paid equally. PCF also accommodate people from different designated groups.

- 2.4.1 Quote THREE ways in which PCF is complying with the Employment Equity Act from the scenario above. (3)
- 2.4.2 Describe other ways in which PCF can comply with the Employment Equity Act. (6)
- 2.5 Explain the National Skills Development Strategy as Sector Education and Training Authorities. (4)
- 2.6 Discuss the rights of consumers in terms of the National Credit Act (NCA), 2005 (Act 34 of 2005). (4)
- 2.7 Recommend ways in which businesses can deal with the challenges posed by the following PESTLE factors.
- 2.7.1 Technological (4)
- 2.7.2 Economic (4)

**[40]**



**QUESTION 3: BUSINESS OPERATIONS**

- 3.1 Name any TWO sources of external recruitment. (2)
- 3.2 Outline the placement procedure as human resource activity. (4)
- 3.3 Read the scenario below and answer the questions that follow.



**SPEEDY COURIER SERVICES (SCS)**

Speedy Courier Services offered Caryl an employment contract that included remuneration, hours of work, probation period, tour to the premises and leave.

- 3.3.1 Quote any TWO aspects of the employment contract from the scenario above. (2)
- 3.3.2 Explain the legal requirements of the employment contract. (6)
- 3.4 Describe the importance of training skills development in human resources. (6)
- 3.5 Explain the following steps of the PDCA model to improve the quality of the business products
  - 3.5.1 Plan (2)
  - 3.5.2 Check/analyse (2)
- 3.6 Read the scenario below and answer the questions that follow.

**E-LEARNING SOFTWARES (ELS)**

E-Learning Softwares sell variety of educational support materials. The purchasing manager monitors and reports on minimum stock levels to avoid running out of stock. He places orders timeously and follow-up to ensure that goods are delivered on time.

- 3.6.1 Quote TWO quality indicators of the purchasing function from the scenario above. (2)
- 3.6.2 Explain other quality indicators of the purchasing function (4)
- 3.7 Discuss the negative impact of total quality management (TQM) if poorly implemented by businesses. (4)
- 3.8 Suggest ways in which total quality management (TQM) can reduce the cost of quality. (6)



**[40]**

**QUESTION 4: MISCELLANEOUS TOPICS**

**BUSINESS ENVIRONMENTS**

- 4.1 State any FOUR provisions as stipulated in the Basic Conditions of Employment (BCEA), 1997 (Act 75 of 1997). (4)
- 4.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (6)
- 4.3 Read the scenario below and answer the questions that follow:

**DESREE UPHOLSTERY FACTORY (DUF)**

Desree’s upholstery offers antique refurbished furniture. Frequent load shedding forced DUF to close earlier on most of the days. DUF also lost many clients to Tracy upholstery who offer similar services at lower prices. The management of DUF is not experienced to control the decline in profitability

Use the table below as a GUIDE to answer QUESTION 4.3.1 to 4.3.2

CHALLENGES (4.3.1)	BUSINESS ENVIRONMENTS (4.3.2)
1.	
2.	
3.	

- 4.3.1 Quote THREE challenges for DUF from the scenario above. (3)
- 4.3.2 Classify DUF’s challenges to the THREE business environments. (3)
- 4.4 Advise businesses on the advantages of intensive strategies. (4)

**BUSINESS OPERATIONS**

- 4.5 State FOUR aspects that must be included in the induction programme. (4)
- 4.6 Describe the Unemployment Insurance Fund (UIF) as a benefit required by law. (6)
- 4.7 Explain the difference between *quality management* and *quality performance*. (4)
- 4.8 Advise businesses on the advantages of continuous improvement to processes and systems as a total quality management (TQM) element on large businesses. (6)

**TOTAL SECTION B: 80**

**[40]**



**SECTION C**

Answer ONE question in this section.

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

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

The Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) (amended in 2013) was introduced to overcome the challenges of Black Economic Empowerment (BEE). Businesses are now compelled to comply with this Act. The government also uses the Skills Development Act (SDA), 1998 (Act 97 of 1998) to support the implementation of the BBBEE.

Write an essay on BBBEE in which you include the following aspects:

- Outline the differences between BEE and BBEE Act.
- Explain the impact of BBBEE on businesses.
- Discuss the implications of the following BBBEE pillars of businesses.
  - Management control.
  - Enterprise and supplier development.
- Advise businesses on penalties they may face for non-compliance with the Act.


**[40]****QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**

The human resource managers should follow correct selection procedures and prepare for the interviews. They should also implement a comprehensive induction programme to the advantage of the business. Businesses that offer fringe benefits stand to benefit more than their competitors.

Write an essay on human resources in which you address the following aspects:

- Outline the selection procedure as a human resource activity.
- Explain the role of the interviewer before the interview.
- Discuss the benefits of induction for businesses.
- Advise businesses on the impact of fringe benefits.

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**



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**EDUCATION**



**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**BUSINESS STUDIES P1**

**PREPARATORY EXAM**

**MARKING GUIDELINES**

**2023**

**MARKS: 150**

**This marking guideline consists of 25 pages**



**NOTES TO MARKERS:****PREAMBLE**

The notes to makers are provided for quality assurance purpose 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 making and moderation purpose, the following colours are recommended:  
Marker: Red  
School based HOD: Green  
Subject advisor: Orange  
Provincial Moderator: Pink  
DBE moderator Turquoise
2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. 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 guideline
  - comes from another source
  - original
  - a different approach is used**NOTE: There is only ONE correct answer in SECTION A.**
4. Take care 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 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 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 SECTION 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 a 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:

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

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

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

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

Cognitive verbs, *such as:*

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

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

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 and use the word 'MAX'.

**NOTE: The above also applies to responses in section C (where applicable).**

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

**14.3** If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers.

#### **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 guideline)
- Explanation : 1 mark (2 marks will be allocated in section C).

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

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

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


## **15 SECTION C**

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

Introduction	<b>Maximum: 32</b>
Content	
Conclusion	
LASO	<b>8</b>
<b>TOTAL</b>	<b>40</b>



## 15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	<b>2</b>
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')	<b>2</b>
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Marks to be allocated using this guide:  Option 1: <b>Only relevant facts: 2 marks (No '-S')</b> 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: <b>Some relevant facts: 1 (One '-S')</b> 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: <b>Some relevant facts: 1 mark (One '-S')</b> Where a candidate writes four questions but one sub-question of the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.  Option 4: <b>No relevant facts: 0 (Two '-S')</b> Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark for synthesis.	<b>2</b>
Originality	Is there evidence of examples based on recent information, current trends and developments?	<b>2</b>
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>
<b>TOTAL MARKS FOR ESSAY (8 + 32):</b>		<b>40</b>

- NOTE:**
- No marks will be awarded for contents repeated from the introduction and conclusion.**
  - The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
  - No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

- 15.3** Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 15.4** The breakdown of marks is indicated at the end of the suggested answer/marking guidelines to each question.
- 15.5** Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write 'SUBMAX'/MAX' after maximum marks have been obtained but continue reading for the 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	<b>32(max.)</b>
L	<b>2</b>
A	<b>2</b>
S	<b>2</b>
O	<b>2</b>
<b>TOTAL</b>	<b>40</b>

- 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 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 guidelines.
- 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 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 C ✓✓

1.1.2 C ✓✓

1.1.3 B ✓✓

1.1.4 A ✓✓

1.1.5 A ✓✓



5 x 2 (10)

#### 1.2

1.2.1 National Credit Regulator ✓✓

1.2.2 forty five ✓✓

1.2.3 piecemeal ✓✓

1.2.4 quality control ✓✓

1.2.5 marketing ✓✓

5 x 2 (10)

#### 1.3

1.3.1 F ✓✓

1.3.2 D ✓✓

1.3.3 G ✓✓

1.3.4 H ✓✓

1.3.5 A ✓✓

5 x 2 (10)

**TOTAL SECTION A: 30**

### BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
<b>TOTAL</b>	<b>30</b>





**SECTION B**

Mark **ONLY** the **FIRST TWO** questions.

**QUESTION 2: BUSINESS ENVIRONMENTS****2.1 Business sectors**

- Primary ✓
- Tertiary ✓
- Secondary ✓

**NOTE:** Mark the first **THREE (3)** only.

**(3 x 1) (3)**

**2.2 Strategic management process****OPTION 1**

- Have a clear vision, mission statement and measurable/realistic objectives in place. ✓✓
- Identify opportunities/weaknesses/strengths/threats by conducting environmental scanning/situational analysis. ✓✓
- Tools available for environmental scanning may include a SWOT analysis/Porter's Five Forces model/PESTLE analysis/industrial analysis tools. ✓✓
- Formulate alternative strategies to respond to business challenges. ✓✓
- Develop (an) action plan(s), including the tasks to be done/deadlines to be met/resources to be procured, etc. ✓✓
- Organise the business resources and motivate staff. ✓✓
- Implement selected strategies by communicating it to all stakeholders. ✓✓
- Continuously evaluate/monitor/measure strategies in order to take corrective action. ✓✓
- Any other relevant answer related to the strategic management process.

**OR**

**OPTION 2**

- Review / Analyse / Retest their vision / mission statement. ✓✓.
- Conduct an environmental analysis using models such as PESTLE/PORTER'S/SWOT. ✓✓
- Formulate a strategy such as a defensive/retrenchment strategy. ✓✓
- Implement a strategy, using a template such as an action plan. ✓✓
- Control/Evaluate/Monitor the implemented strategy to identify gaps/deviations in implementation. ✓✓
- Take corrective action to ensure goals/objectives are met. ✓✓
- Any other relevant answer related to the strategic management process.

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

**Max (6)**



## 2.3 Porter's Five model from the scenario

- 2.3.1 Threat / Barrier of new entrants in the market ✓✓
- 2.3.2 Bargaining power of suppliers/ Power of suppliers ✓✓
- 2.3.3 Competitive rivalry / Power of competitors ✓✓

**Max (6)**

## 2.4. Ways in which PCF is complying with the Employment Equity Act

### 2.4.1 Ways in which PCF is complying with the Employment Equity Act from the scenario

- The business ensures that all racial groups are promoted to senior management. ✓
- PCF also accommodated people from different designated groups. ✓
- Employees are paid equal for work of equal value. ✓

**NOTE:** 1. **Mark the first (3) THREE only.**  
2. **Only award marks for responses that are quoted from the scenario.**

**(3 x 1) (3)**

### 2.4.2 Other ways in which PCF/businesses can comply with the Employment Equity Act/EEA

- Guard against ✓ discriminatory appointments. ✓
- 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. ✓
- Ensure that diversity/inclusivity ✓ in the workplace is achieved. ✓
- Implement affirmative action measures to redress disadvantages experienced ✓ by designated groups. ✓
- Prepare an employment equity plan ✓ in consultation with employees. ✓
- Implement ✓ an employment equity plan. ✓
- Submit the employment equity plan ✓ to the Department of Labour. ✓
- Assign one or more senior managers ✓ to ensure implementation and monitoring of the employment equity plan. ✓
- Eliminate barriers that have an adverse impact ✓ on designated groups. ✓
- Retain/Develop/Train designated groups ✓, through skills development. ✓
- Regularly report to the Department of Labour ✓ on progress in implementing the plan. ✓
- Any other relevant answer related to ways in which PCF/ businesses can comply with the Employment Equity Act/EEA.

**NOTE: Do not award marks for the responses quoted in QUESTION 2.4.1**

**Max (6)**

## 2.5 National Skills Development Strategy (NSDS)

- Increase access to programmes. ✓ that train people. ✓
- Promote the public FET college system ✓ that has programmes to meet the skills needed by SETA's/ local/regional/provincial/national organisations. ✓
- Address the low level of language and mathematical skills ✓ among the youth and adults. ✓
- Make better use ✓ of workplace-based skills development. ✓
- Encourage/support small business/community-training groups/NGO's/worker- ✓ initiated training initiatives. ✓
- Increase the skills of the public sector ✓ to improve service delivery. ✓
- Build career/vocational guidance ✓ /training centres. ✓

- Guides work of SETA's ✓ / the use of the National Skills Fund ✓
- Sets out the responsibilities ✓ of other education and training stakeholders. ✓
- Provides for the participation ✓ of government/organised business/organised labour. ✓
- Improves social development ✓ through economic development. ✓
- Any other relevant answer related to National Skills Development Strategy (NSDS)

**Max (4)**

## 2.6 Consumer rights in term of the NCA

Consumers have a right to:

- Apply for credit ✓ and to be free from discrimination. ✓
- Obtain reasons for credit ✓ being refused. ✓
- Receive pre-agreement documentation ✓ before concluding any credit transaction. ✓
- Fair and / responsible ✓ marketing. ✓
- Choose which goods they will buy ✓ and return such goods if they are not satisfied. ✓
- Receive information in plain ✓ and/ understandable language. ✓
- Receive documents ✓ as required by the Act. ✓
- Access and/ challenge credit records ✓ and information. ✓
- Surrender/Return goods ✓ to the credit provider in order to settle the outstanding amount/debt. ✓
- Apply for debt review/counselling ✓ if the consumer cannot afford to repay their debts. ✓
- Receive protection ✓ of their personal information. ✓
- Receive protection from being held accountable for the use of their credit facility ✓ after they reported the loss/theft. ✓
- Refuse a credit ✓ limit increase. ✓
- Any other relevant answer related to the Consumer rights in term of the NCA

**Max (4)**

## 2.7 Ways in which businesses can deal with the challenges posed by PESTLE factors

### 2.7.1 Technological

- Continuous research on the latest available technology/equipment in the market. ✓✓
- Train existing/appoint new employees to maintain/use new equipment. ✓✓
- Compare prices/Select suitable suppliers for new equipment at reasonable prices. ✓✓
- Businesses must be geared for online trading/e-commerce. ✓✓
- Any other relevant answer related to ways in which businesses can deal with the Technological challenges as a PESTLE factor.

**Max (4)**

### 2.7.2 Economic

- Consider decreasing profit margins rather than increasing product prices. ✓✓
- Borrow money from financial institutions when interest rates are favourable. ✓✓
- Consider exchange rates when trading with other countries. ✓✓
- Any other relevant answer related to ways in which businesses can deal with the Economic challenges as a PESTLE factor.

**Max (4)****[40]**

**BREAKDOWN OF MARK ALLOCATION**

QUESTION 2	MARKS
2.1	3
2.2.	6
2.3.1	2
2.3.2	2
2.3.3	2
2.4.1	3
2.4.2	6
2.5	4
2.6	4
2.7.1	4
2.7.2	4
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS OPERATIONS****3.1 Sources of external recruitment**

- Recruitment agencies ✓
- Billboards ✓
- Printed media, e.g. newspapers/flyers/magazine/posters ✓
- Electronic media, e.g. radio/TV ✓
- Social media/Social networks/Internet/Business websites ✓
- Walk-ins ✓
- Head hunting ✓
- Professional associations ✓
- Networking ✓
- Educational/Training institutions ✓
- Word-of-mouth ✓
- Any other relevant answer related to the sources of external recruitment.

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

**(2x1) (2)**

**3.2 Placement procedure as a human resource activity**

- Businesses should outline the specific responsibilities of the new position, including the expectations/skills required for this position. ✓✓
- Determine the successful candidate's strengths/weaknesses/interests/skills by subjecting him/her to a range of psychometric tests. ✓✓
- Determine the relationship between the position and the competencies of the new candidate. ✓✓
- Any other relevant answer related to the placement procedure as a human resource activity.



**Max (4)**

**3.3.1 Employment contract****3.3.1 Aspects included in the employment contract from the scenario.**

- Remuneration ✓
- Hours of work. ✓
- Probation period ✓
- Leave ✓

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

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

**3.3.2 Legal requirements of the employment contract**

- The employer and employee ✓ must both sign the contract. ✓
- Employer and employee must agree ✓ to any changes to the contract. ✓
- No party may unilaterally ✓ change aspects of the employment contract. ✓
- The remuneration package/including benefits ✓ must be clearly indicated. ✓
- It may not contain any requirements ✓ that conflict with the BCEA. ✓
- The employment contract should include ✓ a code of conduct and code of ethics. ✓
- Aspects of the employment contract ✓ can be renegotiated during the course of employment. ✓
- The employer must explain ✓ the terms and conditions of the employment contract to the employee. ✓
- Conditions of employment/duties/responsibilities of the employees ✓ must be stipulated clearly. ✓
- 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 (6)**

**3.4 The importance of training/skills development in HRM**

- The employee who receives the necessary training ✓ is more able to perform in their job. ✓
- The investment in training ✓ that a company makes shows employees that they are valued. ✓
- An effective training program ✓ allows employees to strengthen their skills. ✓
- Productivity usually increases ✓ when the human resources function implements training courses. ✓
- Ongoing training and up-skilling of the workforce, ✓ encourages creativity. ✓
- Any other relevant answer related to the importance of training/skills development in HRM

**Max (6)**



### 3.5 PDCA model

#### 3.5.1 Plan

- The business should identify ✓ the problem. ✓
- Develop a plan ✓ for improvement to processes and systems. ✓
- Answer questions ✓ such as 'what to do' and 'how to do it'. ✓
- Plan the method ✓ and approach. ✓
- Any other relevant answer related to Plan as the PDCA model steps

Submax (2)

#### 3.5.2 Check/Analyse

- Use data to analyse ✓ the results of change. ✓
- Determine whether it made ✓ a difference. ✓
- Check whether the processes ✓ are working effectively. ✓
- The business should assess/establish, ✓ if it is working/if things are going according to plan. ✓
- Any other relevant answer related to check/analyse as steps of the PDCA model.

Submax (2)

Max (4)

### 3.6 Quality indicators

#### 3.6.1 Quality indicators of the purchasing function from the scenario

- The Purchasing Manager monitors and reports on minimum stock levels to avoid running out of stock. ✓
- He places orders timeously and follow-up to ensure that goods are delivered on time. ✓

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

(2 x 1) (2)

#### 3.6.2 Other quality indicators of the purchasing function

- Businesses should buy raw materials/products in bulk ✓ at lower prices. ✓
- Select reliable suppliers ✓ that render the best quality raw materials/capital goods at reasonable prices. ✓
- Effective co-ordination between purchasing and production departments ✓ so that purchasing staff understand the requirements of the production process. ✓
- Required quantities should be delivered ✓ at the right time and place. ✓
- Implement and maintain stock control systems ✓ to ensure the security of stock. ✓
- Maintain optimum stock levels ✓ to avoid overstocking/reduce out-dated stock. ✓
- Effective use of storage space ✓ and maintain product quality while in storage. ✓
- Involve suppliers ✓ in strategic planning/product design/material selection/quality control process. ✓
- Ensure that there is no break in production ✓ due to stock shortages. ✓
- Establish relationships with suppliers ✓ so that they are in alignment with the business's vision/mission/values. ✓
- Have a thorough understanding ✓ of supply chain management. ✓
- Any other relevant answer related to other quality indicators of the purchasing function.

**NOTE: Do not award marks for responses quoted in QUESTION 3.6.1.**

Max (4)

**3.7. Negative impact TQM poorly implemented**

- Lack of training/skills development√ may lead to poor quality products. √
- Decline in sales√, as returns from unhappy customer's increase. √
- Decline in productivity√, because of stoppages. √
- Investors might withdraw investment√, if there is a decline in profits. √
- Bad publicity√ due to poor quality products supplied. √
- High staff turnover√, because of poor skills development. √
- Setting unrealistic deadlines√ that may not be achieved. √
- Businesses may not be able to make/afford the necessary changes√ that will satisfy customers' needs. √
- Loss of customers√ may lead to bankruptcy/closure. √
- Undocumented quality control systems/processes√ could result in error/deviations from pre-set quality standards. √
- Any other relevant answer related to the negative impact of TQM if poorly implemented by businesses.

**Max (4)****3.8 Ways in which 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. √√
- Reduce investment on expensive, but ineffective inspection procedures in the production process. √√
- Implement pro-active maintenance programmes for equipment/machinery to reduce/eliminate breakdowns. √√
- Any other relevant answer related to ways in which TQM can reduce the cost of quality.

**Max (6)****BREAKDOWN OF MARK ALLOCATION**

QUESTION 3	MARKS
3.1	2
3.2.	4
3.3.1	2
2.3.2	6
3.4	6
3.5.1	2
3.5.2	2
3.6.1	2
3.6.2	4
3.7	4
3.8	6
<b>TOTAL</b>	<b>40</b>

**[40]**

**QUESTION 4: MISCELLANEOUS TOPICS  
BUSINESS ENVIRONMENTS**

**4.1 Provisions of the Basic Conditions of Employment Act (BCEA)**

- Regulation of working time: Ordinary hours of work/Overtime/Meal Intervals/Sunday work/Public holidays. ✓
- Leave: This includes all types of leave. ✓
- Particulars of employment and remuneration. ✓
- Termination of employment. ✓
- Prohibition of employment of children and forced labour ✓
- Any other relevant answer related to the provisions of the BCEA

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

**(4 x 1) (4)**

**4.2 Role of SETAs**

- Report to the Director General. ✓✓
- Promote and establishes learnerships. ✓✓
- Collect levies as required by the Skills Development Act. ✓✓
- 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 material/programmes for skills development facilitators. ✓✓
- Pay out grants to companies that are complying with the requirements of the Skills Development Act. ✓✓
- Identify suitable workplaces for practical work experience. ✓✓
- Promote learnerships and learning programmes by identifying suitable workplaces for practical work experience. ✓✓
- Any other relevant answer related to the role of SETAs in supporting the Skills Development Act.

**Max (6)**

**4.3 Challenges and Business environments from the scenario**

<b>CHALLENGES (4.3.1)</b>	<b>BUSINESS ENVIRONMENTS (4.3.2)</b>
1. The management of DUF is not experienced to control the decline in profitability. ✓	Micro ✓
2. Frequent load shedding forced DUF to close earlier on most of the days. ✓	Macro ✓
3. DUF also lost many clients to Tracy upholstery who offer similar services at lower prices. ✓	Market ✓
Submax (3)	Submax (3)

- NOTE:**
1. Mark the first THREE (3) challenges only.
  2. If the business environment is not linked to the challenge, mark the challenge only.
  3. Award marks for the business environment even if the challenges were incomplete.
  4. Accept responses in any order.

**Max (6)**



**4.4 Advantages of intensive strategies**

- Increase in sales / revenue / profitability ✓ due to a variety of advertising campaigns. ✓
- Regular sales to existing customers ✓ may increase. ✓
- Gain customer loyalty ✓ through effective promotional campaigns. ✓
- Improved service delivery may positively impact ✓/ increase sales. ✓
- Eliminate competitors ✓ and dominate market prices. ✓
- Reduction in prices can influence customers ✓ to buy more products. ✓
- Businesses can have more control ✓ over the prices of products / services. ✓
- Enables the business to focus on markets ✓ / thoroughly researched quality products that satisfy customers' needs. ✓
- Increased market share reduces the business's vulnerability ✓ to actions of competitors. ✓
- Any other relevant answer related to the Advantages of intensive strategies.

**Max (4)****BUSINESS OPERATIONS****4.5 Aspects to be included in an induction programme**

- Introduction to key people and immediate colleagues. ✓
- Safety regulations and rules. ✓
- Overview of the business. ✓
- Tour of the premises. ✓
- Discussion of the employment contract and conditions of service. ✓
- Discussion of employee benefits. ✓
- Information about the business products/services. ✓
- Meeting with senior management who will explain the company's vision/value descriptions/daily tasks. ✓
- Conditions of employment, e.g. working hours/leave application process/disciplinary procedures, etc. ✓
- Administration details on systems/processes/logistics. ✓
- Discussion of personnel policies, e.g. making private phone calls/using the Internet, etc. ✓
- Corporate social responsibility programmes. ✓
- Any other relevant answer related to the aspects that must be included in the induction programme.

**NOTE: Mark the first FOUR (4) only****(4x1) (4)****4.6 Unemployment Insurance Fund (UIF)**

- The fund offers short-term financial assistance to workers ✓ when they become unemployed or are unable to work due to illness, maternity or adoption leave. ✓
- The fund also assists the dependants of a contributing worker ✓ who has died. ✓
- Employers must pay unemployment insurance contributions of 2% ✓ of the value of each worker's salary per month. ✓
- The employer contributes 1% ✓ as well as the worker. ✓
- Contributions are paid to the Unemployment Insurance Fund (UIF) ✓ or the South African Revenue Services (SARS). ✓
- Any other relevant answer related to the Unemployment Insurance Fund.

**Max (6)**

4.7 Differences between Quality management and Quality performance

QUALITY MANAGEMENT	QUALITY PERFORMANCE
- Techniques/tools used to design/improve the quality of a product	- Total performance of each department measured against the specified standards
- Can be used for accountability within each of the business functions.	- Can be obtained if all departments work together towards the same quality standards.
- Aims to ensure that the quality of goods/ services consistent/focuses on the means to achieve consistency.	- Quality is measured through physical product/ statistical output of processes/ surveys of the users and/ or buyers of goods/ services
- Any other relevant answer related to quality management.	- Any other relevant answer related to quality performance.
Submax (2)	Submax (2)

**NOTE:**

1. The answer does not have to be in tabular format.
2. The differences does not have to link but must be clear.
3. Award a maximum of TWO (2) marks if the difference is not clear/ Mark either quality management OR quality performance only

**Max (4)**

4.8 Advantages of continuous improvement to processes and systems on large businesses.

- Business have more resources to check on quality performance in each unit.
- Enough capital resources are available for new equipment required for processes and systems.
- Business have a person dedicated to the improvement of processes and systems.
- Willing to take risk on/try new processes and systems because they are able to absorb the impact of losing money.
- They can afford to use the services of the quality circles to stay ahead of their competitors.
- Any other relevant answer related to the advantages of continuous improvement to processes and systems on large businesses.

**Max (6)**

**[40]**

**BREAKDOWN OF MARK ALLOCATION**

QUESTION 4	MARKS
4.1	4
4.2	6
4.3.1	3
4.3.2	3
4.4	4
4.5	4
4.6	6
4.7	4
4.8	6
<b>TOTAL</b>	<b>40</b>

**SECTION C**

Mark the FIRST question ONLY.

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

**5.1 INTRODUCTION**

- Black Economic Empowerment is an integrated and connected socio-economic development process which contributes directly to SA’s economic transformation. ✓
- The increased number of black people that manage/own/control the economy is encouraged. ✓
- Enterprise and supplier development enable large businesses to empower black owned businesses and suppliers. ✓
- Businesses enjoy the benefits of the BBBEE Act even though this Act may disadvantage other businesses. ✓
- Penalties/Consequences for non-compliance encourage businesses to comply with this Act. ✓
- Any other relevant introduction related to the difference between BEE and BBBEE /impact of BBBEE on businesses/ implications of BBBEE pillars/ penalties for non-compliance with the Act.

**(2x1) (2)**

**5.2 DIFFERENCES BETWEEN THE BEE AND THE BBBEE**

<b>BLACK ECONOMIC EMPOWERMENT (BEE)</b>	<b>BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)</b>
- It is a government policy which may not be enforced. ✓✓	- It is an Act that is enforced and must be 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 the economy. ✓✓	- Aims at distributing the country's wealth across a broader spectrum of society. ✓✓
- Focuses only on three pillars that did not include all previously disadvantaged people. ✓✓	- Focuses on seven/five pillars, which includes all sectors of the society, especially the previously disadvantaged. ✓✓
- Any other relevant answer related to BEE.	- Any other relevant answer related to BBBEE.
Sub-max. (4)	Sub-max. (4)

**NOTE:**

- 1. The answer does not have to be in tabular format.**
- 2. The differences does not have to link but must be clear.**
- 3. Award a maximum of FOUR (4) marks if the difference is not clear/ Mark either BEE OR BBBEE only**

**Max (8)**

**5.3 IMPACT OF THE BBBEE ACT ON BUSINESSES****Positives/ Advantages**

- Encourages businesses to address the demands√ for redress/equity directly. √
- Provides a variety of business codes√ to improve employment equity√.
- A good BBBEE rating√ improves the image of the business. √
- Promotes enterprise development√, by developing entrepreneurial skills of PDI's. √
- Businesses that comply with BBBEE regarding the pillars√ will be rated high on the BEE scorecard√
- May get government tenders/√ may attract other BBBEE business partners/suppliers. √
- Provides for human resources development√ through training and development. √
- Promotes enterprise development, √ by developing entrepreneurial skills of designated people to start their own businesses. √
- Businesses will have a good overview√ on how it is performing in comparison to other businesses in the rest of the country. √
- Any other relevant answer related to the positive impact/advantages of BBBEE on businesses.

**AND/OR****Negatives/Disadvantages**

- Businesses have to go through the process of having their BBBEE compliance/verified √ by an independent BBBEE verification agency. √
- Businesses that wish to do business with the government, √ must have their BBBEE status assessed annually. √
- Provides for preferential procurement, √ so certain businesses may be excluded from supplying goods/services. √
- Processes may lead to corruption/nepotism, √ if not monitored properly. √
- Many businesses have been disadvantaged due to BBBEE ratings √ as they may not be able to meet all the scoring. √
- Processes and procedures may be costly for a business √ as there are many legal requirements for scoring enough points to be compliant. √
- Businesses could experience large financial implications/penalties √ if they do not comply with BBBEE. √
- Businesses will have to spend money in areas covered by the seven/five BBBEE pillars √ to obtain a good BBBEE rating. √
- Investment/Ownership issues √ can cause unhappiness between existing shareholders. √
- Any other relevant answer related to the negative impact/ disadvantages/ advantages of BBBEE on businesses.

**Max (14)****5.4 THE IMPLICATIONS OF THE BBBEE PILLARS ON BUSINESSES****5.4.1 Management control**

- Business must ensure that transformation is implemented√ at all levels. √
- Appoint black people in senior executive positions√ /to management. √
- Involve black people√ in the decision-making processes. √
- Ensure that black females are represented√ in management. √
- Businesses score points in both management and ownership√ when selling more than 25 % of their shares to black investors so that some of them can become directors. √

- Due to a shortage of skilled black managers/directors, ✓ some businesses find it difficult to make appointments. ✓
- Businesses are directly penalised ✓ for not implementing this pillar. ✓
- Any other relevant answer related to the implication of management control as a BBEE pillar on businesses.

Sub max (8)

#### 5.4.2 Enterprise and supplier development.

- Business must create jobs ✓ as ESD promotes local manufacturing. ✓
- Businesses are encouraged to invest/support ✓ black owned SMMEs. ✓
- Contribution can be monetary, ✓ e.g. loans/investments/donations. ✓
- Contribution can be non-monetary, ✓ e.g. consulting services/advice/entrepreneurial programmes, etc. ✓
- Outsource services to suppliers ✓ that are BBEE compliant. ✓
- Identify black owned suppliers ✓ that are able to supply goods and services. ✓
- Develop the business skills of small/black owned suppliers, ✓ e.g. sales techniques, legal advice, etc. ✓
- Support the cash flow of small suppliers ✓ by offering them preferential terms of payment. ✓
- SMMEs will be encouraged to use their own business initiatives ✓ to make them sustainable. ✓
- Develop and implement ✓ a supplier development plan/supply chain. ✓
- Small/Large businesses may not be able to afford ✓ enterprise development investment/support. ✓
- Black owned SMMEs may become too reliant ✓ on support from other businesses/ unable to take their own initiatives. ✓
- Any other relevant answer related to the implication of Enterprise and Supplier development as a BBEE pillar on businesses.

Sub max (8)

**Max (16)**

#### 5.5. PENALTIES FOR NON-COMPLIANCE WITH THE BBEE

- Businesses may face imprisonment for non-compliance and fronting practices. ✓✓
- The penalty could be a fine of up to 10% of the company's annual turnover. ✓✓
- A business can be banned from participating in government contracts for a period of 10 years. ✓✓
- Business licenses may not be renewed and authorisations may not be issued. ✓✓
- Government will cancel any contract awarded that was based on false information regarding BBEE status. ✓✓
- Businesses that fail to achieve at least a minimum 40% of compliance with ownership, skills development and new enterprise and supplier development will be automatically downgraded the by one level. ✓✓
- Any other relevant answer related to penalties that businesses may face for non-compliance with the BBEE.

**Max (8)**

**5.6 CONCLUSION**

- The BBBEE Act is an enabling framework that allows for the development of Codes of Good Practice. ✓✓
- Businesses should strive to comply with the BBBEE Act to avoid unnecessary fines and negative publicity. ✓✓
- Limitation/barrier. ESD promotes preferential procurement and businesses often do not have a choice, but to transact with BBBEE approved vendors that are not necessarily their first choice. ✓✓
- To obtain a good rating, businesses will have to spend money in the area covered by the BBBEE pillars. ✓✓
- Any other relevant conclusion related to the difference between BEE and BBBEE /impact of BBBEE on businesses/ implications of BBBEE pillars/ penalties for non-compliance with the Act.

(1 x2) (2)

[40]

**QUESTION 5: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max
Differences between the BEE and the BBBEE.	08	
The Impact of BBBEE on businesses.	14	
The implications of BBBEE Pillars - Management control - Enterprise and Supplier development	16	
Penalties for non-compliance with the Act	08	
Conclusion	2	
<b>INSIGHT</b>		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.



**QUESTION 6: BUSINESS OPERATIONS****6.1 INTRODUCTION**

- The human resources manager (HRM) is responsible for selecting and appointing competent and skilled employees. ✓
- The interviewers should be well conversant with the interview process to enable them to make necessary planning arrangements before the interview. ✓
- The aim of induction is to introduce the new employee to the job/the new environment. ✓
- Some businesses offer fringe benefits in addition to the salaries to employees. ✓
- Any other relevant introduction related to selection procedure/roles of the interviewer when preparing for an interview/advantages of induction/impact of fringe benefits.

**(Any 2 x 1) (2)****6.2 SELECTION PROCEDURE****OPTION 1**

- Businesses should determine fair assessment criteria on which selection will be based. ✓✓
- Use the assessment criteria to assess all CVs/application forms received during recruitment/preliminary screening is done by sorting the applications received according to the criteria for the job. ✓✓
- Check that applicants have not submitted false documents such as forged certificates/degrees. ✓✓
- Make a preliminary list of all applicants who qualify for the post. ✓✓
- Screen and check references, e.g. check applicants' criminal records/credit history/social media ✓✓, etc.
- Conduct preliminary interviews to identify suitable applicants. ✓✓
- Inform all applicants about the outcome of the application. ✓✓
- Compile a shortlist of approximately five people. ✓✓
- Invite the shortlisted applicants/candidates for an interview. ✓✓
- Shortlisted candidates may be subjected to various types of selection tests, e.g. skills test. ✓✓
- A written offer is made to the chosen candidate. ✓✓
- Any other relevant answer related to the selection procedure/steps as an activity of the human resources function.

**OR****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. ✓✓
- Offer employment in writing to the selected candidate(s). ✓✓

- Any other relevant answer related to the selection procedure/steps as an activity of the human resources function.

**NOTE: Accept the procedure/steps in any order.**

**Max. (10)**

### 6.3 Roles of the interviewer before an interview

- The interviewer should develop a core set of questions ✓ based on the skills/knowledge/ability required. ✓
- Check the application/verify the CV of every candidate ✓ for anything that may need to be explained. ✓
- Book and prepare the venue ✓ for the interview. ✓
- Set the interview date ✓/Ensure that all interviews take place on the same date, if possible. ✓
- Inform all shortlisted candidates about the date ✓ and place of the interview. ✓
- Notify all panel members conducting the interview about the date ✓ and place of the interview. ✓
- Allocate the same amount of time ✓ to interview each candidate on the program. ✓
- Any other relevant answer related to roles of the interviewer when preparing for an interview.

**Max. (12)**

### 6.4 Benefits of an induction for businesses

- Increases quality ✓ of performance/productivity. ✓
- Allows new employees to settle in quickly ✓ and work effectively. ✓
- Ensures that new employees understand rules ✓ and restrictions in the business. ✓
- New employees may establish relationships ✓ with fellow employees at different levels. ✓
- Employees will be familiar with organisational structures ✓, e.g. who are their supervisors/low level manager. ✓
- Make new employees feel at ease in the workplace ✓, which reduces anxiety/insecurity/fear. ✓
- New employees will understand their role/responsibilities ✓ concerning safety regulations and rules. ✓
- Minimises/Decreases the need ✓ for on-going training and development. ✓
- The results obtained during the induction process ✓ provide a base for focused training. ✓
- Opportunities are created for new employees to experience/explore ✓ different departments. ✓
- New employees will know the layout of the building/factory/offices/ where everything is ✓, which saves production time. ✓
- Learn more about the business so that new employees understand their roles/responsibilities ✓ in order to be more efficient. ✓
- Company policies are communicated ✓, regarding conduct and procedures/safety and security/employment contract/conditions of employment/working hours/leave. ✓
- Realistic expectations for new employees ✓ as well as the business are created. ✓



- New employees may feel part of the team ✓ resulting in positive morale and motivation. ✓
- Employees may have a better understanding of business policies ✓ regarding ethical/professional conduct/procedures/CSR, etc. ✓
- Any other relevant answer related to the advantages/benefits of an induction programme for businesses.

**Max (14)**

## 6.5 Impact of fringe benefits on businesses

### Positives/Advantages

- Attractive fringe benefit packages may result in higher employee retention/reduces employee turnover. ✓✓
- Attracts qualified/skilled/experienced employees who may positively contribute towards the business goals/objectives. ✓✓
- Improves productivity resulting in higher profitability. ✓✓
- It increases employee satisfaction/loyalty as they may be willing to go the extra mile. ✓✓
- Businesses save money as benefits are tax deductible. ✓✓
- Fringe benefits can be used as leverage for salary negotiations. ✓✓
- Any other relevant answer related to the positive impact/ advantages of fringe benefits on businesses

### AND/OR

### Negatives/Disadvantages

- Fringe benefits are additional costs that may result in cash flow problems. ✓✓
- Administrative costs increase as benefits need to be correctly recorded for tax purposes. ✓✓
- Decreases business profits, as incentive/package/remuneration costs are higher. ✓✓
- It can create conflict/lead to corruption if allocated unfairly. ✓✓
- Workers only stay with the business for fringe benefits, and may not be committed/loyal to the tasks/business. ✓✓
- Businesses who offer employees different benefit plans may create resentment among those who receive fewer benefits resulting in lower productivity. ✓✓
- Businesses who cannot offer fringe benefits fail to attract skilled workers. ✓✓
- Businesses have to pay advisors/attorneys to help them create benefit plans that comply with legislation. ✓✓
- Errors in benefit plans may lead to costly lawsuits/regulatory fines. ✓✓
- Any other relevant answer related to the negative impact/ disadvantages of fringe benefits on businesses

**Max (10)**

## 6.6 CONCLUSION

- The goals and objectives of businesses cannot be achieved without qualified and skilled employees. ✓✓
- Businesses should have suitable/effective selection procedure in place. ✓✓
- Employees are the most important resource in any business and its success is strongly influenced by a good selection process which includes a fair and well-planned interview. ✓✓

- A well prepared and organised interview process will result in identifying and appointing the most suitable and deserving candidate. ✓✓
- A good induction programme enables new employees to have a basic understanding of what is expected in the new job/position. ✓✓
- Businesses should plan carefully for fringe benefits so that potential candidates can consider the advantages and disadvantages of joining the business. ✓✓
- Any other relevant conclusion related to selection procedure/roles of the interviewer when preparing for an interview/advantages of induction/ impact of fringe benefits.

**(Any 1 x 2) (2)****[40]****BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTAL
Introduction	2	<b>Max. 32</b>
Selection procedure	10	
Roles of the interviewer when preparing for an interview	12	
Benefits of an induction programme for businesses	14	
Impact of fringe benefits on businesses	10	
Conclusion	2	
<b>INSIGHT</b>		
Layout	2	<b>8</b>
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

LASO - For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.

**TOTAL SECTION C: 40****GRAND TOTAL: 150**