



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

CURRICULUM GRADES 10-12 DIRECTORATE

JUST IN TIME

TEACHER GUIDE DOCUMENT

BUSINESS STUDIES P 1&2

GRADE 12

2024



This document contains 98 pages

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1.IMPACT OF RECENT LEGISLATIONS ON BUSINESS

ACTIVITY 1

1.1.1 D✓✓

1.1.2 B✓✓

1.1.3 A✓✓

1.1.4 B✓✓

(2x4)

ACTIVITY 2

2.1.1

- YCM ensures that employees are not unfairly dismissed. ✓
- They also support the establishment of workplace forum✓

(2)

2.1.2

- Employees may join a trade union✓ of their choice. ✓
- Embark on legal strikes✓as a remedy for grievances. ✓
- Refer unresolved workplace disputes✓ to the CCMA. ✓
- Refer unresolved CCMA disputes✓ to the Labour Court on appeal. ✓
- Request trade union representatives to assist/represent employees✓ in the grievance/disciplinary hearing. ✓
- Trade union representatives may take reasonable time off work with pay, ✓to attend to trade union duties. ✓
- Establish a workplace forum where a business has 100 or more employees✓to resolve work related issues. ✓

Max (6)

2.2 Ways in which businesses can comply with the EEA

- Businesses must guard against✓ discriminatory appointments. ✓
- Promote equal opportunities✓ and fair treatment✓
- Implement✓ an employment equity plan. ✓
- Implement affirmative action measures✓ to redress disadvantages experienced by designated groups. ✓
- Reasonable accommodation of people✓ from designated groups. ✓

- Ensure that there is equal representation of all racial groups ✓ in every level of employment. ✓
- Compile employment equity plans that indicate ✓ how they will implement affirmative action. ✓
- Ensure that affirmative action measures promote diversity ✓ in the workplace. ✓
- Prepare an employment equity plan ✓ in consultation with employees. ✓
- Ensure that diversity/inclusivity ✓ in the workplace is achieved. ✓
- Submit the employment equity plan ✓ to the Department of Labour. ✓
- Retain designated groups, ✓ including skills development of such groups. ✓
- Assess the racial composition of all employees, ✓ including senior management. ✓
- Clearly define the appointment process, ✓ so that all parties are well informed. ✓
- 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, ✓ including skills development. ✓
- Regularly report to the Department of Labour ✓ on progress in implementing the plan. ✓
- Display a summary of the Act ✓ where employees can clearly see/have access to the document. ✓

Max (6)

2.3.

2.3.1 Right to fair and honest dealings ✓✓ (2)

2.3.3 Right to fair value, good quality and safety ✓✓ (2)

2.3.3 Right to fair/responsible marketing/promotion/ fair and honest dealing ✓✓ (2)

2.3.4 Right to privacy and confidentiality ✓✓ (2)

2.4 How SETAs are funded

- Skills Development levies are paid by employers to SARS ✓ as a collecting agency for the government. ✓
- Employers who have a salary bill that exceeds R500 000 per annum, ✓ should pay one percent (1%) of their annual salaries as a levy. ✓



- The different SETAs receive 80% of the levy for organisational expenses ✓ and the remaining 20% is paid to the National Skills Fund. ✓
- Donations/Grants received ✓ from the public/businesses/CSI programmes. ✓
- Surplus funds ✓ from government institutions. ✓
- Funds received ✓ from rendering their services ✓

Max (4)

2.5

2.5.1 Broad-based Black Economic Empowerment Act (BBBEE) (no. 53 of 2003, as amended in 2013) ✓

2.5.2

PILLARS	MOTIVATION
1. Management ✓✓	Appointed a black female in the management position ✓
2. Skills Development ✓✓	Contributed 1% of their payroll to fund the skills development program ✓

Max (6)

2.6.1 Implications of ownership in businesses

- Business should include black people ✓ in shareholding/partnerships/franchises. ✓
- Encourage small black investors to invest in big companies ✓ and share ownership. ✓
- Exempted Micro Enterprises (EMEs) with an ownership of 50% or more of black people are promoted ✓ to level 3 of the BEE scorecard. ✓
- More opportunities are created for black people ✓ to become owners/entrepreneurs. ✓
- Large businesses should form joint ventures with small black owned businesses ✓ and share business risks. ✓
- Businesses sometimes find it difficult to locate ✓ suitable black business partners/ shareholders. ✓
- Many black people cannot afford shares ✓ in companies/contributions to partnerships. ✓

Submax (2)

2.6.2 Implications of social responsibility / social development on businesses

- Businesses should focus on critical areas√ which can affect growth and development in the country e.g. environmental awareness/education/housing, poverty/unemployment etc. √
- They should distribute scarce CSI resources √to selected beneficiaries in the community. √

SubMax (2)

2.7 Provisions of leave as stipulated in the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997).

- Maternity leave√
- Sick leave√
- Family responsibility leave√
- Parental / paternity leave√
- Annual leave√

(2)

MARK THE FIRST TWO**2.8.1**

- He prevents workers from having access to employment contracts. √
- He also refuses to grant some workers family responsibility leave to support sick family member. √

Max (2)

2.8.2 Penalties businesses may face for not complying with the BCEA

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

Max (4)

2.9 Purpose of COIDA



- Provides a comprehensive protection to employees who 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 a workplace accident/disease. √√
- It excludes workers who are guilty of wilful misconduct/workers working outside South Africa for at least twelve months/members of the SA Defence Force/Police services. √
- It provides for the establishment of a Compensation Board whose function is to advise the Minister of Labour on the application/provisions of COIDA. √√

Max (4)

ACTIVITY 3**Introduction**

- The National Credit Act (NCA) was developed in response to demands for redress and equity. √
- It impact significantly on small and large businesses. √
- A credit provider must adhere to the regulations set out in the NCA in order to comply with the ACT√
- Many consumers overspend where buying on credit √
- Any relevant introductions related to NCA (1X2) 2

Outline the rights of consumers in terms of the National Credit Act.

- Apply for credit and to be free from discrimination. √√
- Receive Information in plain and understandable language. √√
- Receive documents as required by the Act. √√
- Receive pre-agreement documentation before concluding any credit transaction√
- Obtain reasons for credit being refused. √√
- Fair and responsible marketing. √√
- Access and challenge credit records and information. √√
- Choose which goods they will buy and return such goods if they are not satisfied. √√

- Surrender/Return goods to the credit provider in order to settle the outstanding amount/debt. ✓✓
- Apply for debt review/counselling if the consumers 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. ✓✓
- Discuss the impact of the NCA on businesses ✓✓

Positives/Advantages

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

Negative/Disadvantages

- Businesses can no longer ✓ carry out credit marketing. ✓
- Businesses struggle to get credit ✓ such as bank loans/overdrafts. ✓
- Businesses that do not comply with the NCA ✓ may face legal action. ✓
- Debt collection procedures ✓ are more complex and expensive. ✓
- Fewer customers buy on credit ✓ as it is more difficult to obtain credit. ✓
- Increases the administration burden on credit providers ✓ / The paperwork and administrative process required by the act are costly and time consuming. ✓
- Leads to loss of sales ✓ as many consumers may no longer qualify to buy on credit. ✓

- Businesses can no longer carry out credit marketing. ✓
- Businesses struggle to get credit such as bank loans/overdrafts. ✓
- Businesses that do not comply with the NCA may face legal action. ✓
- Debt collection procedures are more complex and expensive. ✓
- Fewer customers buy on credit as it is more difficult to obtain credit. ✓
- Increases the administration burden on credit providers/The paperwork and administrative process required by the act are costly and time consuming. ✓
- Leads to loss of sales as many consumers may no longer qualify to buy on credit. ✓
- The business needs to appoint additional staff to deal with the extra administration. ✓
- Should the credit agreement be declared reckless the business can forfeit the outstanding debt and the goods. ✓
- Businesses that are official credit providers, must submit a compliance report every year. ✓
- A business must make sure that all attempts have been made to recover the debt before blacklisting the customer. ✓
- Credit providers cannot collect from consumers who are under debt reviews. ✓
- More working capital is needed as businesses cannot sell many goods on credit due to stricter credit application processes. ✓

Explain ways in which businesses could comply with the NCA

- Offer applicants pre-agreement statements. ✓
- Disclose all costs of loan/No hidden costs should be charged/added ✓
- Obtain credit records/checks of clients before granting loans. ✓
- Businesses should be registered with the National Credit Regulator. ✓
- Submit an annual compliance report to the National Credit Regulator. ✓
- Conduct affordability assessment to ensure the consumer has the ability to meet his/her obligation. ✓
- Conduct credit check with a registered credit bureau and consult with National Credit Register. ✓
- Businesses must have procedures in place to comply with the provision of the Financial Intelligence Centre Act (FICA). ✓

- Credit providers must have procedures in place to comply with the provision of the Financial Intelligence Centre Act (FICA). ✓
- Verify the identity of clients, report suspicious transactions/train staff on their obligations in terms of FICA. ✓

Advise businesses on the penalties they may face for non-compliance to the Act.

- The business may not demand payment, sue or attach the clients/consumers salaries/assets. ✓✓
- The business may not charge any fee/interest/other charges under that specific credit agreement. .✓✓
- The court may declare the granting of credit by the business reckless and may order consumers not to repay the credit/or part thereof to the business. ✓✓
- The National Credit Regulator may impose a fine/penalty on the business for non-compliance. ✓✓
- The business will bear all costs of removing the negative information of clients/consumers who were blacklisted as a result of reckless lending. .✓✓

Conclusion

- Customers have the responsibility to take ownership of credit by honouring the payment ✓✓
- This ACT allows and enables responsible lending and eliminate reckless borrowing.
- Any other relevant conclusion relating to the NCA. ✓✓



BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	32
Rights of consumers in terms of the National Credit Act.	12	
Impact of NCA on businesses	12	
Ways in which businesses could comply with the NCA	12	
The penalties they may face for non-compliance to the Act.	10	
Conclusion	2	
Insight		
Layout	2	8
Analysis/interpretation	2	
Synthesis	2	
Originality/ examples	2	
TOTAL MARKS		40

- - 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.**
-

2. BUSINESS STRATEGIES

ACTIVITY 1

1.1

- 
- 1.1.1 Market development ✓✓
 - 1.1.2 Concentric diversification ✓✓
 - 1.1.3 Forward integration ✓✓
 - 1.1.4 Strengths ✓✓
 - 1.1.5 Buyers ✓✓

(10)

ACTIVITY 2

2.1 Types of intensive strategies

- market development ✓
- product development ✓
- market penetration ✓
- Any other relevant answer related to types of intensive strategies (3)

2.2.1 Retrenchment ✓✓

Motivation: Due to Covid-19, JF terminated the employment contract of few employees.

✓

2.2.2 Other two types of defensive strategies

- Liquidation ✓✓
- All assets are sold to pay creditors ✓ due to a lack of capital/cash flow. ✓
- Retrenchment ✓✓
 - The business disposes/sells some assets/divisions that are no longer profitable/ productive ✓
- Any other relevant answer related to meaning of liquidation and retrenchment

(Sub-max 3)

(MAX 6)**2.3 Advantages of intensive strategies.**

- Control over prices may increase/improve. ✓✓
- Increase in sales/income and profitability. ✓✓
- Improved service delivery may positively impact/increase sales ✓✓
- Businesses can have more control over the prices of products/services. ✓✓
- Gain customer loyalty through effective promotion campaigns. ✓✓
- Decrease in price could influence customers to buy more products. ✓✓
- Regular sales to existing customers may increase. ✓✓
- Eliminate competitors and dominate market prices. ✓✓
- Enables the business to focus on markets/well researched quality products that satisfy the needs of consumers. ✓✓
- Any other relevant answer related to the advantages of intensive strategies.

(4)**2.4**

2.4 .1 Horizontal ✓✓

2.4.2 Conglomerate ✓✓

(4)**2.5 Threat/Barriers of new entrants to the market**

- If the barriers to enter the market are low, then it is easy for new businesses to enter the market/industry. ✓✓
- If there are a few suppliers of a product/service but many buyers, it may be easy to enter the market. ✓✓
- If the business is highly profitable, it will attract potential competitors that want to benefit from high profits. ✓✓
- New competitors can quickly/easily enter the market if it takes little time/ money to enter the market. ✓✓
- Any other relevant answer related to threat of new entry

(4)**2.6 Ways to deal with legal factor as PESTLE analysis**

- Comply with all relevant legislation that may impact on businesses. ✓✓

- Comply with the legal requirements for operating businesses, registration/patents. ✓✓
- Budget for high legal establishment costs. ✓✓
- Businesses must know the legalities of business contracts so that they comply with all the requirements ✓✓
- Any other relevant answer related to ways to deal with legal as a PESTLE component (6)

ACTIVITY 3: BUSINESS ENVIRONMENTS

3.1 Introduction

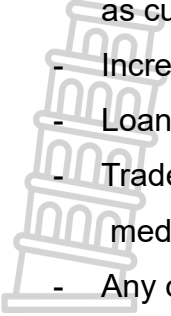
- Businesses should always conduct the strategic management process as they operate in a dynamic environment that poses many challenges. ✓
- PESTLE analysis is used to identify and evaluate the factors in the external environment that can influence the business. ✓
- Businesses should continuously review their strategies so that they can have a competitive advantage in the market. ✓
- Any other relevant introduction related to the strategic management process/diversification strategies/challenges posed by PESTLE analysis factors/strategy (2)

3.2 Strategic management process

- Review the vision statement. ✓✓
- Analyse/Re-examine 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 strategic management process (10)

3.3 How economic and technological factors can pose challenge on businesses

3.3.1 Political

- 
- High inflation/Interest rate ✓ may decrease the market share of businesses as customers cannot afford high prices.
 - Increase in taxes will result in lower customer spending. ✓
 - Loans may be expensive ✓ due to high interest rates. ✓
 - Trade agreements may prevent businesses from importing ✓ some medicine/products. ✓
 - Any other relevant answer related to political factors as challenge of the macro environment. (Sub-max 6)

3.3.2 Technological


- Inflation/Interest rates ✓ may negatively impact on business. ✓
- Loans may be expensive ✓ due to high interest rates ✓
- Fluctuations in foreign ✓ currency may restrict import. ✓
- Any other relevant answer related to economic factors as a challenge of the macro environment.

(Sub-max 6)

(MAX 12)

3.4 How businesses can deal with the following pestle factors

3.4.1 Economic

- 
- The business should consider decreasing their profit margin ✓ rather than increasing the price of their products. ✓
 - Negotiate favourable ✓ interest rates with creditors. ✓
 - Negotiate payment terms ✓ with suppliers. ✓
 - Sell /Dispose off assets ✓ that are no longer profitable ✓
 - Sell substitute products ✓ at lower prices. ✓
 - Any other relevant answer related to the application of economic factors to deal with the challenges of the macro environment economic

(Sub-max 4)

3.4.2 Social

- Sell substitute products ✓ at lower prices. ✓
- The business must be well conversant ✓ with the demands/trends of their customers. ✓
- Support the Community Police Forum ✓ and support anti-crime campaigns ✓
- Learn the local language /hire employees ✓ who are well conversant with local language ✓
- Any other relevant answer related to the application of economic factors to deal with the challenges of the macro environment economic

(Sub-max 4)

3.4.3 Technological

- The business must keep up with ✓ /be aware of the latest technology. ✓
- The business must budget ✓ to cater for new technology. ✓
- Continuously research on the latest available technology ✓ /equipment in the market. ✓
- Any other relevant answer related to how the business can apply technological factors to deal with the challenges of the macro environment.

(Sub-max 4)

(MAX 12)

3.5 Steps in strategy evaluation

- Examine the underlying basis of a business strategy. ✓✓
- Look forward and backwards into the implementation process. ✓✓
- Compare the expected e to determine the reasons for deviations and analyse these reasons. ✓✓
- Take corrective action so that deviations may be corrected. ✓✓
- Set specific dates for control and follow up. ✓✓
- Draw up a table of the advantages and disadvantages of a strategy. ✓✓
- 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 strategies. (8)

3.6 Conclusion

- The strategic management process enables businesses to stay ahead of its competitors and increase their market share. ✓✓

- Businesses that apply the PESTLE analysis are able to respond quickly to the external pressures and adapt to them. ✓✓
- Strategy evaluation enables businesses to keep abreast with changes in the business environments ✓✓
- Any other relevant conclusion related to the strategic management process/diversification strategies/challenges posed by PESTLE analysis factors/dealing with the PESTLE factors challenges. (2)

Max (40)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	32
Strategic management process	12	
How PESTLE pose challenge (economic and technological)	12	
How business can deal with PESTLE factors (economic, technological and social)	12	
Steps in strategy evaluation	10	
Conclusion	2	
Insight		
Layout	2	8
Analysis/interpretation	2	
Synthesis	2	
Originality/ examples	2	
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BUSINESS SECTORS**ACTIVITY 1**

1.1 1.1.1 – A ✓✓

1.1.2 – A ✓✓

1.1.3 – B ✓✓

ACTIVITY 2

2.1

2.1.1 Business sector

– Primary Sector ✓✓

Motivation: Zopha Forest specialises in the cutting of forestry

CHALLENGES (2.1.2)	BUSINESS ENVIRONMENTS (2.1.3)	EXTENT OF CONTROL (2.2.3)
1. Their suppliers of trees fertilisers have increased their prices by more than 13%✓	- Market environment ✓	- Partial/Limited/ Little control/No control, but can influence ✓
2. They have just employed a supervisor who lacks basic managerial skills✓	- Micro environment ✓	- Full control ✓
3. ZF is struggling to get a loan due to increase in the repo rate by Reserve Bank. ✓	- Macro environment ✓	- No control ✓

NOTE THE FOLLOWING MARKING PRINCIPLES THAT WILL BE USED TO MARK THIS TOPIC:

- You will not be awarded marks for challenges that are not fully quoted from the scenario
- You will not be awarded marks for business environments if it is not linked to the challenges.

- You will not be awarded marks for the extent of control if it is not linked to the business environment.
- You will not be awarded marks for the extent of control if the business environment is not mentioned

2.1 Extent of control for the THREE business environment.

BUSINESS ENVIRONMENT	EXTENT OF CONTROL
1. Micro Environment	– Full Control ✓
2. Market environment	– Partial/Limited/ Little control/No control, but can influence ✓
3. Macro environment	– NO control ✓

2.3.1 Business sector

- Secondary Sector

Motivation: AK Cereals produces instant soft porridge and cereals

CHALLENGE (2.3.2)	BUSINESS ENVIRONMENT (2.3.2)
(a) AC employees are always absent at work. ✓	Micro ✓
(b) They buy their raw material from Zodwa Wheat & Maize Farm which is out of stock sometimes. ✓	Market ✓
(c) The local municipality has pronounced an increase in trading licence prices. ✓	Macro ✓

HUMAN RESOURCES MARKING GUIDELINES**SECTION A****QUESTION 1**

1.1.1 Recruitment√√

1.1.1 Internal√√

1.1.2 Induction√√

1.1.3 Job description√√

1.1.4 Overview of the business. √√

(2X5) 10

SECTION B**QUESTION 2**

2.1.1 Examples of job description and job specification

Job description	Job specification
Job title: √	Qualifications√
Key performance areas√	Experience√

(4)

2.2 Recruitment procedure

- The human resource manager should evaluate the job/prepare a job analysis, that includes the job specification/job description/in order to identify recruitment needs. √√
- The human resource manager (HRM) should prepare the job description in order to identify recruitment needs. √√
- HRM should indicate the job specification/description/key performance areas to attract suitable candidates. √√
- Choose the method of recruitment, e.g. internal/external, to reach/target the suitable applicants/candidates. √√
- Vacancies can be internally advertised via internal email/word of mouth/posters/staff notices. √√
- If the external recruitment is chosen, the relevant recruitment sources should be selected, e.g. recruitment agencies/tertiary institutions/ newspapers, etc√√

- If internal recruitment is unsuccessful, external recruitment should be considered. ✓✓
- If the external recruitment is done, the relevant recruitment source should be selected, e.g. recruitment agencies, tertiary institutions, newspapers, etc. ✓✓
- The advertisement should be prepared with the relevant information, e.g. the name of the company, contact details, contact person, etc. ✓✓
- Place the advertisement in the appropriate media that will ensure that the best candidates apply. ✓✓ (6)

2.3 Examples of fringe benefits in the workplace

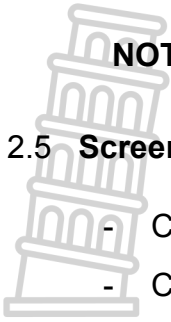
- Medical Aid Fund/Health Insurance Fund ✓
- Pension Fund ✓
- Provident Fund ✓
- Funeral benefits ✓
- Car/Travel/Housing/Cell phone/Clothing allowance ✓
- Performance based incentives ✓
- Issuing of bonus shares ✓
- Staff discount/Free or low cost meal/Canteen facilities ✓ (2)

NOTE: MARK THE FIRST TWO

2.4 Sources of external recruitment

- Recruitment agencies ✓
- Bill boards ✓
- Printed media, e.g. newspapers/flyers/magazines/posters ✓
- Electronic media, e.g. radio/TV ✓
- Social media/Social networks/Internet/Business websites ✓
- Recruitment agencies ✓
- Walk-ins ✓
- Head hunting ✓
- Professional associations ✓
- Networking ✓

- Educational/Training institutions ✓ (4)



NOTE: MARK THE FIRST FOUR

2.5 Screening as part of the selection procedure

- Check application documents ✓ against the requirements of the job. ✓
- Candidates who meet the minimum requirements ✓ are separated from others. ✓
- Do background/credit/reference checks of applicants ✓ who qualify for the job. ✓
- Prepare a shortlist of suitable candidates ✓ after screening. ✓

(4)

2.6. Role of the INTERVIEWEE during the interview

- Greet the interviewer by name ✓ with a solid handshake and a friendly smile. ✓
- Listen carefully to the questions ✓ before responding. ✓
- Make eye contact ✓ and have good posture/body language. ✓
- Show confidence ✓ and have a positive attitude/be assertive. ✓
- Be inquisitive ✓ and show interest in the business. ✓
- Ask clarity seeking questions, ✓ about the job/position offered. ✓
- Show respect ✓ and treat the interview with its due importance. ✓
- Be honest about mistakes ✓ and explain how you dealt with it. ✓
- Know your strengths and weaknesses ✓ and be prepared to discuss it. ✓
- Thank the interviewer for the opportunity ✓ given to be part of the interviews. ✓
- Any other relevant answer related to role of the interviewee during the interview.



(

6)

2.7 Salary determination methods

PIECE-MEAL PAY	TIME RELATED PAY
-----------------------	-------------------------

<ul style="list-style-type: none"> - Workers are paid according to the number of items/units produced/actions performed. ✓ 	<ul style="list-style-type: none"> - Workers are paid for the amount of time they spend at work/on a task. ✓
<ul style="list-style-type: none"> - Workers are not remunerated for the number of hours worked, regardless of how long it takes them to make the items. ✓ 	<ul style="list-style-type: none"> - Workers with the same experience/ qualifications are paid on salary scales regardless of the amount of work done. ✓
<ul style="list-style-type: none"> - Mostly used in factories particularly in the textile/technology industries ✓ 	<ul style="list-style-type: none"> - Many private and public sector businesses use this method. ✓

(4)

2.8.1 Roles Nthabi as the interviewer before the interview:

- She prepared a set of questions that will be asked during the interviews. ✓
- Lihle also booked a suitable venue for the interviews. ✓

(2)

2.9 Purpose of an interview

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

(6)

2.10 Meaning of placement

- Selected candidates are placed where they will function optimally and add value to the business. ✓
- A specific job is assigned to the selected candidate. ✓
- The qualifications/skills/personality of the selected candidate is matched with the requirements of the job. ✓
- Any other relevant answer related to meaning of replacement. (4)

2.11 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

(4)

2.12 Implication of the Skills Development Act (SDA) on the Human Resources function

- The human resources function/HRM should interpret the aims and requirements of the SDA and adapt workplace skills training programmes accordingly. Training conducted by the business/HRM should be aligned to the SDA. ✓
- Identify the training needs of the employees and provide them with training opportunities so that they will perform their tasks efficiently. ✓
- Use the NQF to assess the skills levels of employees. ✓
- Interpret/Implement the aims/requirements of the framework for the NSDS. ✓
- Assist managers in identifying skills/training needs to help them to introduce/promote learnerships. ✓
- The business should contribute 1% of its salary bill to the SDL. ✓
- Ensure training in the workplace is formalised/structured. ✓

- Appoint a full/part-time consultant ✓ as a Skills Development Facilitator (SDF). ✓
- Any other relevant answer related to the implication of the Skills Development Act on the human resources function. (6)

2.13 Purpose of induction

- Cindy will be given the opportunity to experience different departments. ✓
- The management of LC agreed that Cindy will be offered in-service training to improve her skills. ✓ (4)

2.14 Aspects that should be included in an employment contract

- Personal details of the employee. ✓
- Details of the business/employer e.g. name/address, etc. ✓
- Job title/Position ✓
- Job description e.g. duties/ working conditions ✓
- Job specification e.g. formal qualifications/willingness to travel. ✓
- Date of employment/commencement of employment. ✓
- Place where employee will spend most of his/her working time. ✓
- Hours of work, e.g. normal time/overtime. ✓
- Remuneration, e.g. weekly or monthly pay. ✓
- Benefits/Fringe benefits/Perks/Allowances. ✓
- Leave, e.g. sick/maternity/annual/adoption leave. ✓
- Any other relevant answer related to aspects that should be included in an employment contract. (4)

NOTE: MARK THE FIRST FOUR

2.16 Benefits of induction

- Increases quality ✓ of performance/productivity ✓
- 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. ✓
- Allows new employees to settle in quickly ✓ and work effectively. ✓
- Ensures that new employees understand rules and restrictions ✓ in the business. ✓
- 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. ✓
- Reduces the staff turnover ✓ as new employees have been inducted properly. ✓
- Any other relevant answer related to the benefit of induction. (6)

2.17 Fringe benefits applicable in the scenario

- Medical Aid Fund/Health Insurance Fund ✓
- Pension Fund ✓
- Provident Fund ✓
- Funeral benefits ✓
- Car/Travel/Housing/Cellphone/Clothing allowance ✓

- Performance-based incentives ✓
- Issuing of bonus shares ✓
- Staff discount/Free or low-cost meal/Canteen facilities ✓ (3)

NOTE: MARK THE FIRST THREE

2.18 Sources of Internal recruitment

- Internal e-mails/Intranet/web sites to staff ✓
- Word of mouth/Staff meetings ✓
- Business newsletters/circulars to staff ✓
- Internal/management referrals ✓
- Office notice boards ✓
- Internal bulletins ✓
- Recommendation by current employees/staff ✓
- Head hunting within the business/organisational database ✓ (3)

NOTE: MARK THE FIRST THREE

2.19 LINK BETWEEN SALARY DETERMINATION AND THE BCEA

- BCEA outlines legalities, such as the employment contract, ✓ which may affect salary determination. ✓
- Payment of salaries should be based on whether the employee is permanent ✓ or employed on a fixed contract. ✓
- The BCEA sets out conditions that ensure fair labour ✓ and human resources practices. ✓
- According to the BCEA, businesses may use different remuneration methods ✓ to pay their employees. ✓
- Businesses are supposed to deduct income tax (PAYE) ✓ from the employees' taxable salaries. ✓
- Any other relevant answer related to the link between salary determination and the BCEA. (6)

2.20.1

REASON FOR TERMINATING AN EMPLOYMENT CONTRACT	MOTIVATION
Retirement√√	The management terminated her employment contract when she reached the age of 65. √

(3)

2.21 Other reasons for terminating an employment contract.

Resignation √√

- Occurs when an employee chooses to leave the organisation voluntary for better job opportunities. √
- **Example:** An employee seeking employment with another employer. √

Retrenchment √√

- The employer may let go of some employees due to insolvency. √

Example: Employer may not be able to pay the employees. √

Dismissal√√

- Occurs when the employee is asked to leave the organisation due to bad conduct, breach of contract or illegal behaviour. √


Example: Dishonesty / Absence with-out leave. √

Redundancy√√

- Occurs when an employer no longer has work for employees and cannot fulfil the contract. √
- **Example:** When a sub-contract is not renewed, and workers are no longer required. √

(4)

2.22 Placement procedure

- 
- Employer should outline specific responsibilities/expectations√ of the employee new position. √
 - The employer should determine the relationship/similarities√ between the expectations of the position and the competencies of the employee. √
 - Determine the employee's strengths/weaknesses/skills/ interests√ by subjecting him to various psychometric tests. √
 - Any other relevant answer related to placement procedure.

(4)

2.23.1 Steps of the selection procedure

- They conducted preliminary interviews as there were many applicants. √
- GA gave a written offer for the job to the successful candidate. √


(2)

2.23.2 Other steps in the selection procedure

- 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. √
- Assess/Test candidates who have applied for senior positions√ to ensure the best candidate is chosen. √
- Conduct interviews√with shortlisted candidates. √
- Any other relevant answer related to steps in the selection procedure.

(6)

2.24 Benefits of induction

- 
- 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. √√
- Any other relevant answer related to the benefits of induction.

(6)

2.25 Purpose of induction

- Introduce new employees to management/colleagues√ to establish relationships with fellow colleagues at different levels. √
- Give new employees a tour/information√ about the layout of the building/office. √
- Make new employees feel welcome√ by introducing them to their physical work space. √
- Improve skills√ through in-service training√
- Familiarise new employees√ with the organisational structure/their supervisors. √
- Allow new employees the opportunity to ask questions√ that will put them at ease/reduce insecurity/anxiety/fear. √
- Any other relevant answer related to
- Create opportunities for new employees√ to experience/explore different departments. √
- Explain safety regulations and rules, √ so that new employees will understand their role/responsibilities in this regard. √

- Ensure that employees understand their roles/responsibilities ✓ so that they will be more efficient/productive. ✓
- Communicate information about the products/services ✓ offered by the business ✓
- Communicate business policies ✓ regarding ethical/professional conduct/ procedures/employment contract/conditions of employment, etc. ✓
- Any other relevant answer related to the purpose of induction.(6)

2.26.1

Type of recruitment method	Motivation
Internal recruitment ✓✓	TC advertised a vacancy for a project manager on their business noticeboard. ✓

(3)

2.27 Advantages of internal recruitment

- Cheaper/Quicker ✓ to fill the post. ✓
- Provides opportunities ✓ for career paths within the business. ✓
- Reduces the chances of losing employees, ✓ as future career prospects are available. ✓
- Placement is easy, ✓ as management knows the employees' skills/personality/ experience/strengths. ✓
- The employee already has an understanding of how the business operates ✓. / Induction/Training is not always necessary. ✓
- Detailed, reliable information can be obtained ✓ from the supervisors/ Employee records. ✓
- Any other relevant answer related to the advantages of internal recruitment.

(4)

2.28 Implications of the Labour Relations Act on the Human Resources Function

- Promotes resolution ✓ of labour disputes. ✓
- Protects the rights of employees/employers ✓ as outlined in the Constitution. ✓
- Advances ✓ economic development/social justice/labour peace. ✓

- Provides for unresolved disputes to be referred to Labour Courts/Labour Appeal Courts. ✓
- Promotes orderly negotiations and employee participation in decision making in the workplace. ✓
- Workers cannot be easily dismissed as bargaining council/Commission for Conciliation, Mediation and Arbitration (CCMA) processes need to be followed. ✓
- Provides a framework for bilateral meetings where employees, trade and employers discuss matters relating to employment. ✓
- The human resource manager should allow workers to form workplace forums/trade unions to promote the interests of all employees. ✓
- Clarify the transfer of contracts of employment/If a business is transferred to another owner then the employee contracts are also transferred. ✓ (6)
- Any other relevant answer related to the implications of Labour Relations Act on human resource

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- Promotes orderly negotiations and employee participation in decision making in the workplace. ✓
- Workers cannot be easily dismissed as bargaining council/Commission for Conciliation, Mediation and Arbitration (CCMA) processes need to be followed.
- Provides a framework for bilateral meetings where employees, trade unions and employers discuss matters relating to employment. ✓ (6)
- Any other relevant answer related to implications of the Labour Relations act on the human resources.

ACTIVITY 3**SECTION C**

Introduction

- Businesses should prepare an employment contract in line with the BCEA, which is written down. ✓
- The business that offers benefits to workers is most likely to attract skilled workers than the ones that does not offer benefits. ✓
- The employment Equity Act ensure equal opportunities and fair treatment in employees within a business. ✓ (1x2)

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 are in 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. ✓✓

Implications of the Employment Equity Act on the Human Resources function

- Equal pay for work of equal value. ✓

- Ensure that affirmative action promotes diversity in the workplace. ✓
- The human resource manager must treat employees fairly and promote/provide equal opportunities in the workplace. ✓
- Retrain/Develop/Train designated groups through skills development programmes. ✓
- Define the appointment process clearly to ensure all parties are well informed. ✓
- Compile employment equity plans that indicate how they will implement affirmative action. ✓
- Assign a manager to ensure that the employment equity plan will be implemented/regularly monitored. ✓
- Display a summary of the Act where employees can clearly see it/have access to it. ✓
- Report to the Department of Labour on the progress in the implementation of the equity plan. ✓
- Conduct medical/psychological tests fairly to employees/when deemed necessary. ✓
- Ensure that the workplace represents the demographics of the country at all levels. ✓
- Restructure/Analyse current employment policies/practices/procedures to accommodate designated groups. ✓
- Any other relevant answer related to implications of the Employment Equity Act on Human resources function.

IMPACT OF FRINGE BENEFITS ON BUSINESSES:

Positives/Advantages

- Improves productivity/resulting in higher profitability. ✓
- 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. ✓
- 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. √

AND/OR

Negatives/Disadvantages

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

Benefits of induction

- 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. ✓✓
- Reduces the staff turnover as new employees have been inducted properly. ✓✓
- Any other relevant answer related to the benefits of

Conclusion

- The employers and employees must adhere to terms and conditions of employment contract, as it is legally binding. ✓✓ (2x1)

5. TOTAL QUALITY PERFORMANCE

ACTIVITY 1

1.1.1. A ✓✓

1.1.2. D√√

1.1.3. C√√

(2x3) (6)

1.2.1. Administration √√

1.2.2. Continuous improvement of processes and systems√√

1.2.3. Performance√√

(2x3) (6)**ACTIVITY 2****2.1 Steps of the PDCA model from the scenario**

STEPS OF PDCA MODEL	MOTIVATION
2.1.1. Plan√√	They have developed ideas to improve their processes and systems.√
2.1.2. Do√√	DB has decided to implement the changes on a small scale.√
Submax (4)	Submax (2)

Max (6)

NOTE:

1. Mark only the first TWO (2) steps of the PDCA model.
2. Allocate marks for the steps of the PDCA model even if the quotations were incomplete.
3. No marks will be awarded for the motivations if the steps of the PDCA model were incorrectly identified.
4. Accept answers in any order.

2.2. Quality indicators of the public relations function

- Quick handling of negative publicity / less / less / no incidents of negative publicity. √√
- Provide regular / positive press releases. √√
- Implement sustainable corporate social investment / CSI programs. √√

- Good results / Positive feedback from public surveys on the business's image. √√
- High standards of internal publicity / appearance of buildings / professional telephone etiquette. √√
- Delivery of quality goods / services that can promote the brand / image to key stakeholders / customers / suppliers / government / service providers. √√
- Compliance with current legislation such as BEE compliance. √√
- Any other relevant answer related to the public relations function quality indicators.

Max. (4).

2.3. Impact of total client/customer satisfaction as a TQM element on large businesses

Positives/Advantages

- Large businesses use market research/customer surveys√ to measure/monitor customer satisfaction/analyse customers' needs. √
- Continuously promote√ a positive company image. √
- May achieve a state of total client/customer satisfaction√, if businesses follow sound business practices that incorporate all stakeholders. √
- Strive to understand and fulfil customer expectations√ by aligning cross functional teams across critical processes. √
- Ensures that cross-functional teams understand their core competencies√ and develop/strengthen it. √
- May lead to higher customer retention/loyalty√ and businesses may be able to charge higher prices. √
- Large businesses may be able to gain access√ to the global market. √
- May lead to increased √ competitiveness/profitability. √
- Any other relevant answer related to the positive impact/advantages of total client/customer satisfaction as a TQM element on large businesses.

AND/OR

Negatives/Disadvantages

- Employees who seldom come into contact with customers ✓ often do not have a clear idea of what will satisfy their needs. ✓
- Monopolistic companies have an increased bargaining power ✓ so they do not necessarily have to please customers. ✓
- Not all employees may be involved /committed ✓ to total client/customer satisfaction. ✓
- Any other relevant answer related to the negative impact/disadvantages of total client/customer satisfaction as a TQM element on large businesses.

Max (6)

2.4

2.4.1.

“Brandin owes his success to a competitive advantage by using the latest technology ✓
“This has resulted in him achieving an increased level of customer satisfaction.” ✓

(1x2) (2)

2.5. Benefits/Advantages of a good quality management system

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

- Any other relevant answer relating to benefits of a good quality management

system

Max (4)

2.6

2.6.1. "The customers of MCM has been complaining of poor quality clothing which has caused the business image to suffer." ✓

"Unhappy customers are returning their clothing resulting in a decline in sales." ✓

(1x2) (2)

2.7. Impact of TQM if poorly implemented by businesses.

- Setting unrealistic deadlines that may not be achieved. ✓✓
- Employees may not be adequately trained resulting in poor quality products. ✓✓
- Decline in productivity, because of stoppages. ✓✓
- Customers will have many alternatives to choose from and the impact could be devastating to
- businesses. ✓✓
- Investors might withdraw investment, if there is a decline in profits. ✓✓
- Decline in sales as more goods are returned by unhappy customers. ✓✓
- High staff turnover, because of poor skills development. ✓✓
- Undocumented/Uncontrolled quality control systems/processes could result in errors/ deviations from present quality standards. ✓✓
- Any other relevant answer relating to the impact of TQM if poorly implemented by businesses

(6)

2.8

2.8.1. "Management uses quality circles to investigate problems that relate to poor quality products". ✓

" Quality circles are responsible for the increase in productivity through regular reviewing of quality processes". ✓

(1x2) (2)

2.9 Roles of quality circles as part of continuous improvement to processes and systems

- Solve problems related to quality ✓ and implement improvements. ✓

- Investigate problems and suggest solutions to management. ✓
- Ensure that there is no duplication of activities/tasks in the workplace. ✓
- Make suggestions for improving systems and processes in the workplace. ✓
- Monitor/Reinforce strategies to improve the smooth running of business operations. ✓
- Reduce cost and redundancy and wasteful efforts in long run ✓
- Increase employees' morale/motivation. ✓
- Quality circles discuss ways of improving the quality of work/workmanship. ✓
- Contribute towards the improvement and development of the organisation. ✓
- Increase the demand for products/services of the business. ✓
- Create harmony and high performance in the workplace. ✓
- Build a healthy workplace relationship between the employer and employee. ✓
- Improve employees' loyalty and commitment to the organisation and its goals. ✓
- Improve employees' communication at all levels of the business. ✓
- Develop a positive attitude/sense of involvement in decision making processes of the services offered. ✓
- Any other relevant answer relating to the role of quality circles as part of continuous improvement to processes and systems

Max (4)

ACTIVITY 3

3.1. Introduction

- Quality control enables business to reduce defective products and yield a better return on investment or improve their image. ✓
- Quality assurance allows businesses to identify product defects at an early stage. ✓
- The purchasing function must follow the correct procedures when making procurement and handling stock. ✓
- The marketing function should conduct on-going research to identify current needs/trends of customers. ✓
- The aim of total quality management is to satisfy consumers' needs beyond their expectations. ✓
- Continuous improvement to processes and systems require businesses to be innovative in their approach. ✓

- The effective implementation of TQM may give businesses a competitive advantage over other businesses. ✓
- Any other relevant introduction related to quality control/quality assurance/quality indicators for the purchasing/marketing function/ impact of continuous improvement to processes and systems/ways in which TQM can reduce the cost of quality.

Any (1x2) (2)

3.2. Differences between quality control and quality assurance

QUALITY CONTROL	QUALITY ASSURANCE
- Inspection of the final product to ensure that it meets the required standards. ✓✓	- Inspection carried out during and after the production process. ✓✓
- Includes setting targets/measuring performance and taking corrective measures. ✓✓	- Ensures that the required standards have been met at every stage of the process. ✓✓
- Checking raw materials/employees/machinery/workmanship/products to ensure that high standards are maintained. ✓✓	- Ensures that every process is aimed at getting the product right the first time/prevents mistakes/defects/delays/shortcomings from happening again. ✓✓
	- The 'building in' of quality as opposed to 'checking for' quality. ✓✓
- Any other relevant answer related to quality control.	- Any other relevant answer related to quality assurance.
Submax (4)	Submax (4)

NOTE:

1. The answer does not have to be in a tabular format.
2. The differences do not have to link, but must be clear.
3. Award a maximum of FOUR (4) marks if the differences are not clear/Mark either quality control or quality assurance only.

3.3. Impact of continuous improvement to processes and systems on large businesses

Positives/Advantages

- Large businesses have more resources ✓ to check on quality performance in each unit/department/business function. ✓
- Enough capital resources are available for new equipment ✓ required for processes and systems. ✓
- Large businesses 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 quality circles ✓ to stay ahead of their competitors. ✓
- Large businesses use the PDCA model ✓ to continuously plan/do/check/act on new/revised processes and systems. ✓
- Any other relevant answer related to the positive impact/advantages of continuous improvement to processes and systems as a TQM element on large businesses.

- **AND/OR**

Negatives/Disadvantages

- Large scale manufacturing ✓ can complicate quality control. ✓
- Processes and systems take time and effort to be implemented in large businesses ✓ as communication/buy-in/distrust may delay the implementation process. ✓
- Face the risk of changing parts of the business ✓ that are actually working well. ✓
- Not all negative feedback from employees and customers is going to be accurate ✓, which may result in incorrect/unnecessary changes to processes and systems. ✓
- Any other relevant answer related to the negative impact/disadvantages of continuous improvement to processes and systems as a TQM element on large businesses.

Max (12)

3.4. Quality indicators for business functions

- 3.4.1. Quality indicators for 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. ✓
- Place orders timeously and regular follow-ups✓ to ensure that goods are delivered on time. ✓
- 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/Maintain stock control systems✓ to ensure the security of stock. ✓
- Maintain optimum stock levels✓ to avoid overstocking/reduce out-dated stock. ✓
- Monitor and report on minimum stock levels✓ to avoid stock shortages. ✓
- 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 the quality indicators for the purchasing function.

Submax (8)

3.4.2. Quality indicators for the marketing function

- Winning customers by satisfying their needs/wants✓ and building positive relationships. ✓
- Adhering to ethical advertising practices✓ when promoting products/services. ✓
- Identifying a competitive advantage✓ to focus/improve on marketing strengths. ✓
- Differentiating products✓ in order to attract more customers. ✓
- Constantly reviewing✓ value issues. ✓
- Communicating effectively with customers✓ to get feedback about their experience of products sold/services rendered. ✓
- Co-ordinating distribution✓ with production and advertising strategies. ✓
- Using pricing techniques✓ to ensure a competitive advantage. ✓

- Determine gaps between customer expectations and actual experiences[√], so that problems/unhappiness may be diagnosed and addressed. [√]
- Making adjustments/changes to products/services[√] based on feedback from customers/results of market research. [√]
- Using aggressive advertising campaigns[√] to sustain/increase the market share. [√]
- Any other relevant answer related to quality indicators for the marketing function.

Submax (8)

Max (16)

3.5. 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 roles 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 (10)

3.6. Conclusion

- Businesses implement quality control and quality assurance in their quest for zero defects and sustainability. ^{√√}
- The quality of raw materials/products that are purchased may influence the quality of performance of other departments. ^{√√}

- The marketing department needs to communicate their research findings to all departments so that customer satisfaction becomes a joint effort. ✓✓
- Continuous improvement to processes and systems enables businesses to produce quality products which will meet the customer needs. ✓✓
- The reduction in the cost of quality allows businesses to reduce prices of products which will lead to an increase in profitability/market share. ✓✓
- Any other relevant conclusion related to quality control/quality assurance/quality indicators for the purchasing/marketing function/impact of continuous improvement to processes and systems/ways in which TQM can reduce the cost of quality.

(1 x 2) (2)

ACTIVITY 3.1: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Differences between quality control and quality assurance	8	
Impact of continuous improvement to processes and systems as a TQM element on large businesses	16	
Quality indicators for the business functions: o Purchasing o Marketing	12	
Ways in which TQM can reduce the cost of quality	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:**Allocate 2 marks if all requirements are met.****Allocate 1 mark if some requirements are met.****Allocate 0 marks where requirements are not met at all****TOTAL SECTION C: 40**

LEADERSHIP AND MANAGEMENT

ACTIVITY 1

- 1.1
- 1.1.1 C ✓✓
- 1.1.2 J ✓✓
- 1.1.3 A ✓✓
- 1.1.4 G ✓✓
- 1.1.5 F ✓✓

(2x5) [10]

ACTIVITY 2

2.1 Management

- The coordination of planning, organising, leading and controlling employees to achieve goals. ✓✓
- A person becomes a manager because of the position in which he/she is appointed. ✓✓
- Managers have power because of the position of authority into which they are appointed. ✓✓
- Any other relevant answer related to management. **Max(4)**

2.2

2.2.1

Leadership style	Motivation
Democratic leadership style ✓✓	Sipho the manager of VS decided to invite all employees to give their inputs on how they can improve sales ✓
Transactional leadership style ✓✓	Management of VS also promised to reward employees for good performance ✓

(4)max

(2)max

2.2.2 Impact of democratic leadership

Positives

- The leader allows the employees to participate in the decision making process√, so they feel empowered/positive√.
- Staff give a variety of ideas/inputs/feedback√ that can lead to innovation/improved production/increase sales√.
- Complex decisions can be made√ with input from skilled workers√
- Any other relevant answer related to the positive impact of democratic leadership style

Negatives

- Incorrect decisions can be made√,if staff is inexperienced /not fully informed√
- Decision making may be time consuming√ because stakeholders have to be consulted√
- Employees may feel discouraged√ if their opinions/ inputs are not considered√
- Any other relevant answer related to the negative impact of democratic leadership style.

max(6)

Impact of transactional leadership

Positives

- Encourage employees to work hard√ because they will receive rewards√
- Improve employees morale√ and productivity√.
- Employees know what is expected√ of them√.
- The goals and objectives of the business can be achieved√ as workers are motivated√.
- Any other relevant answer related to the positive impact of transactional leadership style

Negative

- Employees may become bored/loss creativity√ as they have to follow rules and procedures√
- A transactional leader will have to monitor the work performance of employees√ to ensure that expectations are met√.
- Managing/controlling employees√ maybe time consuming√
- Some employees may be demoralised/unmotivated√ if they fail to reach/meet targets despite having worked very hard√

- Any other relevant answer related to the negative impact of transactional leadership style. max(6).

2.4 Application of charismatic leadership style could be applied in the workplace.

- The organisation wants to implement changes ✓ and uses the leader to get the support of employees. ✓
- The leader wants to boost the morale of employees ✓, who may be demotivated. ✓
- The leader wants employees to continue on the path ✓ of high productivity/efficiency levels. ✓
- Confidence levels of employees are low, ✓ and employees need to be inspired. ✓

max(6)

2.5

2.5.1

'Management of MM understands that leaders positive attitude may influence employees thoughts'. ✓

'Positive attitude may releases leadership potential'. ✓ (2)

2.5.2

- Leaders must know their strengths and weaknesses ✓ to apply their leadership styles effectively ✓.
- Enthusiasm produces confidence ✓ in a leader. ✓
- Leaders with a positive attitude know that there is always more to learn/space ✓ to grow ✓.
- Great leaders understand that the right attitude ✓ will set the right atmosphere.
- Successful employees and leaders have a constant desire to work ✓ and achieve personal successful ✓.
- Leaders should model the behaviour ✓ that they want to see in team members ✓
- Any other relevant answer relating to roles of personal attitude in successful leadership.

Max(4)

ACTIVITY 3

3.1 Introduction

- Managers are critical thinkers as they are able to come up with many different innovative/creative ideas/decisions that improve productivity√.
- Sometimes autocratic leaders take decisions on their own to benefit the business√.
- Transactional leaders they focus on improving employees' performance through a system of reward and punishment. √
- Situational leadership theory encourages leaders to focus on the application of different leadership styles depending on the situation√.
- Any other relevant introduction relating to democratic and autocratic leadership, situational leadership theory, laissez-faire leadership and transactional leadership style. (2)

3.2 Difference between democratic and autocratic leadership styles

Democratic	Autocratic
- Two way communication ensures group commitment to final decision(s)√√	- Line of command is clear as it is top-down/followers know exactly what to do.√√
- Workers feel empowered as they are involved in the decision making process√√	- New employees feel confident/safe as strong leadership is provided√√
- Useful when the leader depends on the inputs of experienced followers√√	- Useful in a crisis /urgent situation, e.g. meeting tight deadline√√
- Handles conflict situations by involving followers in the best solutions√√	- Handles conflict situations by telling followers what they should do√√
- People –oriented , as employees feelings and opinions are considered√√	- Task=oriented as the opinions of employees are not considered√√

- Any other relevant answer relating to democratic leadership	- Any other relevant answer relating to autocratic leadership
Submax (6)	Submax (6)

max(12)

3.3 Situational leadership theory

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

Max(8)

3.4 Impact of laissez-faire leadership style

Positives:

- Worker/followers are allowed to make decisions√ on their own work/methods√.
- Subordinates have maximum freedom√ and can work independently√.
- Leaders motivates workers√ by trusting them to do things themselves/on their own√.
- Authority is delegated√, which can be motivating/empowering to competent workers/increase productivity√.
- Suitable for coaching /mentoring to motivate employees to achieve more/better things
- Individuals team members may improve√/develop leadership skills√.

- Any other relevant answer related to the positive impact/advantages of the laissez-faire leadership on businesses.

Submax (8)

Negatives:

- Lack of clear direction/leadership[✓] may be demotivating to employees[✓]
- Employees can be held responsible for their own work[✓] which may lead to underperformance[✓].
- Workers are expected to solve[✓] their own conflict situations[✓]
- Productivity may be compromised with a lack of tight control[✓] over workers not meeting deadlines[✓]
- Any other relevant answer related to the negative impact/disadvantages of the laissez-faire leadership style on businesses.

Submax(8)

Max (16)

3.5 Application of transactional leadership style

- When the business want to maximise employees performance^{✓✓}.
- When deadlines have to be met on short notice/under pressure^{✓✓}.
- When worker have a low morale/demotivated^{✓✓}.
- When the strategies/business structures do not have to change^{✓✓}.

Max(8)

3.6 Conclusion

- Laissez-faire leadership style is beneficial to both leaders and employees as they develop leadership skills[✓]
- Successful businesses have competent managers who develop strategies and plan ahead of time[✓].
- Any other relevant answer related to the democratic and autocratic leadership style, transactional leadership style, situational leadership theory and laissez-faire leadership style.

Max(1x2) (2)

INVESTMENT SECURITIES**ACTIVITY 1****1.1 Multiple choice questions**

1.1.1 D ✓✓

1.1.2 A ✓✓

1.1.3 B ✓✓

1.1.4 C ✓✓

1.1.5 D ✓✓

ACTIVITY 2**2.1 Factors that should be considered when making investment decisions.**

- Return of investment (ROI) ✓
- Risk ✓
- Investment term/period ✓
- Inflation rate ✓
- Taxation ✓
- Liquidity ✓

NOTE: Mark the first THREE (3) only.**(3 x 1)(3)****2.2 Type of shares applicable to Milner LTD**

2.2.1 Ordinary shares ✓✓

(2)

2.2.2 Bonus shares ✓✓

(2)

2.3 Scenario:

2.3.1 Fixed deposit ✓✓

(2)

2.3.2 **Impact of fixed deposits** ✓✓

(2)

Positives/Advantages

- The period of investment ✓ can be over a short/medium/long term. ✓
- Investors can choose the investment period ✓ that suits them. ✓
- Principal amount plus interest earned is paid out ✓ on the maturity date. ✓

- Ensures financial discipline as investors cannot withdraw ✓ their funds before the maturity date. ✓
- Investors earn a better return on investment ✓ than on an ordinary savings account. ✓
- The higher the principal amount/the longer the investment period, the higher the interest rate ✓ offered by a financial institution. ✓

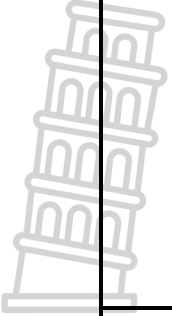
AND/OR

Negatives/Disadvantages

- The investor cannot withdraw their funds ✓ before the maturity date. ✓
- Low returns ✓ compared to other investments. ✓
- May not outperform the effect of inflation ✓ over long term. ✓
- Penalties may be charged ✓ for early withdrawal. ✓
- Any other relevant answer related impact of fixed deposits **Max (6)**

2.4 Differences between ordinary and preference shares

ORDINARY SHARES	PREFERENCE SHARES
- Ordinary shares only receive dividends ✓ when profit is made. ✓	- Some of these types of shares receive dividends ✓ regardless of profit made. ✓
- Normally the higher the profit, ✓ the higher the dividend. ✓	- A fixed rate of return is paid ✓ on this type of shares. ✓
- Shareholders are the last to be paid, if the company is declared bankrupt/liquidated. ✓	- Shareholders have a preferred claim on company assets in the event of bankruptcy/liquidation. ✓
- Ordinary shares are standard shares with no special rights or restriction.	- These shares enjoy preferential rights to dividends/repayment over ordinary shares. ✓
- Dividends vary from year to year according to profits made ✓ as determined by the company. ✓	- Dividends are payable according to the type of preference shares. ✓ - Non-cumulative preference shareholders will not receive any

	outstanding dividends ✓ from previous years. ✓ - Cumulative shareholders will receive outstanding dividends ✓ from previous years. ✓
- Shareholders have a right to vote ✓ at the Annual General Meeting. ✓	- Voting rights are restricted ✓ to particular circumstances/resolutions. ✓
Sub-max (4)	Sub-max (4)

- NOTE:**
1. The answer does not have to be in tabular format.
 2. The differences do not have to link, but must be clear.
 3. Award a maximum of TWO (2) marks if the differences are not clear, mark either ordinary shares or preference shares only

Max (8)

2.5 Scenario:

2.5.1 Stambee Bank- simple interest

Formula for interest

$$\begin{aligned}
 &= P \times R \times T \checkmark \\
 &= R50\,000 \times 15/100 \checkmark \times 3 \text{ years } \checkmark \\
 &= R22\,500 \checkmark
 \end{aligned}$$

Max (4)

2.5.2 Fanato Bank- compound interest

FORMULA for interest:

$$\begin{aligned}
 &P \times (1 + r)^n \checkmark \\
 &= R50\,000 \times (1 + 15\%)^3 \checkmark \\
 &= R76\,043.75 \\
 &= R76\,043.75 - R50\,000 \checkmark \\
 &= R26\,043.75 \checkmark
 \end{aligned}$$



Max (4)

2.5.3 **Motivation:**

Compound interest ✓✓ - yields a higher interest of **R3 543.75**

(from the calculation above) than the simple interest. ✓

Max (3)

ACTIVITY 3

3.1 INTRODUCTION

- Before engaging to the actual investment, investors would examine the differences between simple and compound interest. ✓
- Johannesburg Securities Exchange (JSE) is an important platform for informing, analysing financial data and making informed decision on different investments. ✓
- The rights of ordinary and preference shareholders are guiding principles in terms of voting, claim on business profits and existence or non-existence of special rights. ✓
- A mutual fund is a type of investment opportunity which is a pool of money managed by a professional fund manager with a risk factor spread. ✓
- Any other relevant introduction related to distinction between compound and simple interest/ functions of the Johannesburg Securities Exchange/ the rights of the following shareholders ordinary shareholders and preference shareholders/ mutual funds as a type of investment opportunity and its risk factors.

(1x2) (2)

3.2 Differences between compound and simple interest.

COMPOUND INTEREST	SIMPLE INTEREST
-Interest earned on original amount invested, as well as interest earned in previous period(s). ✓✓	-Interest earned on the original amount and not on the interest accrued. ✓✓
-The principal amount grows with the addition of interest to it. ✓✓	-The principal amount remains the same over the entire period of investment. ✓✓
-Interest is calculated on the higher principal amount and again added to it. ✓✓	-The interest is kept separate unless it is reinvested. ✓✓

-Yields high return on investment. ✓✓	-Yields less return on investment. ✓✓
-Total amount of interest earned on investment is high. ✓✓	-Total amount of interest earned on investment is less. ✓✓
Sub-max (4)	Sub-max (4)

NOTE:

1. The answer does not have to be in tabular format.
2. The differences do not have to link, but must be clear.
3. Award a maximum of TWO (2) marks if the differences are not clear, mark either compound interest or simple interest only

3.3 Functions of the Johannesburg Securities Exchange.

- Gives opportunities to financial institutions✓ such as insurance companies to invest their funds in shares. ✓
- Serves as a barometer/indicator of economic conditions✓ in South Africa. ✓
- Keeps investors informed on share prices✓ by publishing the share prices daily.✓
- Acts as a link between investors✓ and public companies. ✓
- Shares are valued and assessed✓ by experts. ✓
- Small investors are invited to take part in the economy of the country✓ through the buying/selling of shares. ✓
- Venture capital market is made available✓ on the open market. ✓
- Orderly market for securities✓ serves as a disciplined market for securities. ✓
- Mobilises the funds of insurance companies✓ and other institutions. ✓
- Regulates the market✓ for dealing with shares. ✓
- Plans, researches✓ and advises on investment possibilities. ✓
- Ensures that the market operates✓ in a transparent manner. ✓
- Provides protection for investors ✓through strict rules/legislation. ✓
- Encourages✓ short-term investment. ✓
- Facilitates electronic trading✓ of shares/STRATE. ✓
- Enhance job creation✓ and increases economic growth /development.
- Raises primary capital✓ by encouraging new investments in listed companies ✓
- Any other relevant answer related to functions of the Johannesburg Securities Exchange.

Max (12)

3.4 Rights of the following shareholders:


3.4.1 Ordinary shareholders

- vote✓ at the Annual General Meeting. ✓
- attend the Annual General Meeting✓ to learn about the company's performance.✓
- receive interim✓ and annual reports. ✓
- claim on company assets in the event of bankruptcy after all other creditors✓ and preferential shareholders have been paid. ✓

3.4.2 Preference shareholders.

- Some of these types of shares receive dividends✓ regardless of whether a profit is made or not. ✓
- A fixed rate of return is paid✓ on this type of shares. ✓
- Shareholders have a preferred claim on company assets✓ in the event of bankruptcy/liquidation. ✓
- These shares enjoy preferential rights to dividends/repayment✓ over ordinary shares. ✓
- Dividends are payable according to the type✓ of preference share. ✓
- Voting rights are restricted✓ to particular circumstances/resolutions. ✓
- Non-cumulative preference shareholders will not receive any outstanding dividends✓ from previous years. ✓
- Cumulative preference shareholders will receive outstanding dividends✓ from previous years. ✓
- Redeemable preference shares can be redeemed/bought back at the option of the issuing company✓ on a pre-determined future date. ✓
- Non-redeemable preference shares are only bought back when the company closes down✓ for reasons other than bankruptcy. ✓
- Convertible preference shares are converted to ordinary shares after a fixed period/on the date specified✓ when the preference shares were issued. ✓
- Non-convertible preference shares will not be converted✓ into ordinary shares. ✓

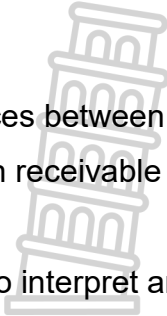
3.5 Mutual funds as types of investments opportunity.

- 
- It is an informal savings scheme to which a relatively small group of people contribute. ✓✓
 - Each member takes a turn to draw from the scheme/fund/stokvels for their own personal gain. ✓✓
 - No/Small return on investment, as contributions are distributed monthly to one of the members. ✓✓
 - It encourages people to save each month for a specific reason. ✓✓
 - Banking fees are shared by the members, resulting in low cost of investment per member. ✓✓
 - In times when it is hard to get bank loans, stokvel pay-outs may come in handy. ✓✓
 - A stokvel is usually managed by a trustworthy chairman/treasurer, who will be responsible for keeping records and managing the bank account. ✓✓
 - Members usually discuss how the money will be invested and agree on the risks they are willing to take. ✓✓

Risk

- Schemers who claim to be running stokvels may actually be running illegal pyramid schemes and pay-outs may not be possible as cash has run out/members may lose their savings. ✓✓
- Money in a savings account is a safe investment, but with low interest rates/the returns are low. ✓✓

3.6 Conclusion

- 
- It is advisable for all investors to examine the differences between simple and compound interest so that they can estimate the return receivable at a specified time. ✓✓
 - Investors must have necessary skills and knowledge to interpret and process data from Johannesburg Securities Exchange (JSE). ✓✓
 - The rights of ordinary and preference shares have a direct link to voting power the shareholders will enjoy. ✓✓
 - It is advisable to choose the mutual fund because it is a managed by the professional fund manager who has a deeper understanding of securities. ✓✓

- Any other relevant conclusion related to the distinction between compound and simple interest/ functions of the Johannesburg Securities Exchange/ the rights of the following shareholders ordinary shareholders and preference shareholders/ mutual funds as a type of investment opportunity and its risk factors.

Any (1X2) (2)

[40]



INVESTMENT: INSURANCE**ACTIVITY 1**

1.1.1 Over insurance ✓✓

1.1.2 Non insurable risks ✓✓

1.1.3 Compulsory ✓✓

1.1.4 Dependents ✓✓

1.1.5 Indemnity ✓✓

(10)

ACTIVITY 2

2.1.1 Meaning of insurance

- Insurance refers to cover for a possible event that may cause a specified loss/damage. ✓✓
- An agreement whereby the insurer undertakes to indemnify the insured in the event of a specified loss/damage ✓✓.

(02 max)

2.2.1 Illness benefits/Sickness/Disability ✓✓

2.2.2 Maternity benefits ✓✓

(4)

2.3.1

Types of Compulsory insurance	Motivate
-Compensation Fund/COIDA ✓✓	TC management provides their workers with PPEs to prioritise their safety. ✓
-Road Accidents Fund ✓✓	Recently one of the truck drivers was involved in a car accidents. ✓

(6)

2.3.2 Compensation Fund/Compensation for Occupational Injuries and Diseases/COIDA

- The fund covers occupational diseases and workplace injuries. ✓✓
- Compensates employees for injuries and diseases incurred at work ✓✓.
- Compensation paid is determined by the degree of disablement.
- The contribution payable is reviewed every few years according to the risk associated with that type of work ✓✓.

- All employers are obliged to register with the compensation fund so that employees may be compensated for accidents and diseases sustained in the workplace. ✓✓
 - The fund covers employers for any legal claim that workers may bring against them ✓✓.
 - Employers are required to report all accidents within 7 days and occupational diseases within 14 days to the Compensation Commissioner ✓✓.
 - Employers are responsible for contributing towards the fund and may not claim money back from employees/deduct contributions from wages ✓✓.
 - In the event of the death of an employee as a result of a work-related accident/disease, his/her dependant(s) will receive financial support. ✓✓
 - Employees do not have to contribute towards this fund ✓✓.
 - Employees receive medical assistance provided there is no other party/medical fund involved ✓✓
- (max 6.)

Road Accident Fund (RAF)/Road Accident Benefit Scheme (RABS)

- RAF/RABS insures road-users against the negligence of other road users ✓✓.
 - The RAF/RABS provides compulsory cover for all road users in South Africa, which include South African businesses ✓✓.
 - Drivers of business vehicles are indemnified against claims by persons injured in vehicle accidents. ✓✓
 - RAF/RABS is funded by a levy on the sale of fuel/diesel/petrol ✓✓.
 - The amount that can be claimed for loss of income is limited by legislation.
 - The next of kin of workers/ breadwinners who are injured/killed in road accidents, may claim directly from RAF/RABS ✓✓
 - Injured parties and negligent drivers are both covered by RAF/RABS. ✓✓
 - The injured party will be compensated, irrespective of whether the negligent driver is rich/poor/insured/uninsured. ✓✓
-
- RABS aims to provide a benefit scheme that is reasonable/equitable/affordable/sustainable, etc ✓✓.
 - RABS aims to simplify/speed up the claims process as victims of road accidents no longer have to prove who caused the accident ✓✓.
 - RABS enables road accident victims speedy access to medical care as delays due to the investigation into accidents has been minimised ✓✓ (max 6)
- **Learners can discuss any of the TWO compulsory insurances**

2.4 Differences between over and under-insurance

OVER-INSURANCE	UNDER-INSURANCE
-Property/Assets that are insured for more than their value. ✓✓	-Property/Assets that are not insured for their full market value. ✓✓
The insurer can choose to reinstate the insured. ✓✓	The insurer will implement the average clause to determine the amount that will be paid. ✓✓
Businesses will not receive a pay-out larger than the value of the loss at market value ✓✓	Businesses will only be paid out for the amount that the goods/assets are insured for. ✓✓
Sub max2	Sub max2

(4)

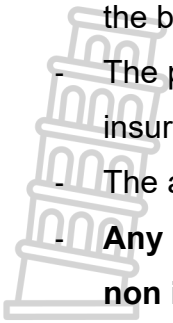
2.5 Advantages/Importance of insurance for businesses

- Transfers the risk from the business/insured to an insurance company/insurer ✓✓.
- Transfer of risk is subject to the terms and conditions of the insurance contract. ✓✓
- Protects businesses against dishonest employees. ✓✓
- Protects businesses against losses due to death of a debtor. ✓✓
- Protects the business against theft/loss of stock and/or damages caused by natural disasters such as floods, storm damage, etc. ✓✓
- **Any relevant answer on the importance of insurance** (max6)

ACTIVITY 3

3.1 Introduction

- Insurance cover helps to protect the businesses in unforeseen circumstances as the business will be compensated for insurable losses. ✓
- The principle of insurance form the bases of an insurance contract between the insurer and the insured ✓.
- The average clause applies when goods/assets are under insured ✓



Any relevant introduction related to distinguishing between Insurable and non insurable risks, principles of insurance, insurance concepts and UIF as type of compulsory insurance **Max (2)**

3.2 Difference between Insurable Risks and Non insurable risks

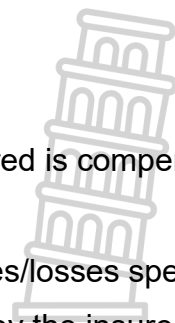
Insurable Risks	Non Insurable Risks
These risks are insured by insurance companies. ✓✓	These risks are not insured by insurance companies as insurance cost/risks are too high/remains the responsibility of the business. ✓✓
Insurance companies decide on the likelihood of an event and then decide if they want to insure the risk ✓✓ Sub max 4	The insurance company cannot calculate the profitability of the risk and therefore they cannot work out a premium that the business must pay ✓✓. Sum Max 4

Max 8

3.3 Principles of insurance

Indemnification/Indemnity ✓✓

- Usually applies to short term insurance ✓, as the insured is compensated for specified/proven harm/loss. ✓
- Insurer agrees to compensate the insured for damages/losses specified in the insurance contract ✓, in return for premiums paid by the insured to the insurer ✓.
- Protects the insured ✓ against the specified event that may occur ✓.
- Pay-outs from insurance companies/insurer will only be made ✓; if there is proof that the specified event took place/if the insured can prove the amount of the loss/ damage. ✓



- The amount of indemnification/compensation is limited ✓ to the amount of provable loss/damage, even if the amount in the policy/insurance contract is higher. ✓
 - The insured must be placed in the same position as before ✓ the occurrence of the loss/damage/The insured may not profit from insurance ✓
- Sub Max 6.

Security/Certainty ✓✓

- Applies to long-term insurance where the insurer undertakes to pay out ✓ an agreed upon amount in the event of loss of life. ✓
- A predetermined amount will be paid out ✓ when the insured reaches a pre-determined age/or gets injured due to a predetermined event. ✓
- Aims to provide financial security to the insured at retirement/the dependents of the deceased

Sub Max 6

Utmost good faith ✓✓

- Insured has to be honest in supplying details ✓ when entering in an insurance contract. ✓
- Both parties/insurer and insured ✓ must disclose all relevant facts. ✓
- Insured must disclose everything ✓ that may affect the extent of the risk ✓.
- Details/Information supplied when claiming should be accurate/true ✓ Sub Max 6 .

Insurable interest

- Insured must prove that he/she will suffer a financial loss ✓ if the insured object is damaged/lost/ceases to exist ✓.
- An insurable interest must be expressed ✓ in financial terms ✓.
- Insured must have a legal relationship ✓ with the insured object in the contract ✓

Mark any THREE principles of insurance

Sub Max 6

3.4 Insurance Concepts

The average clause ✓✓

- A stipulation set by the insurer which is applicable when property/goods is under insured/insured for less than its market value ✓.
- The insurer will pay for insured loss/damages in proportion to the insured value ✓.

- This means that the insured is responsible for a part of the risk that is not insured ✓

Sub Max 6

Reinstatement ✓✓

- It is a stipulation whereby the insurer may replace ✓ lost/damaged property/goods instead of reimbursing the insured ✓.
- This stipulation is applicable when property/goods are over insured ✓.
- The re-instatement value will not be higher ✓ than the market value of the loss ✓.
- Insured is returned to almost the same financial position ✓ as before the loss occurred ✓.

Sub Max 6

Max 12

3.5 Unemployment Insurance Fund (UIF)

- The UIF provides benefits to workers who have been working and become unemployed for various reasons. ✓✓
- Employees contribute 1% of their basic wage to UIF ✓✓.
- Businesses contribute 1% of basic wages towards UIF, therefore reducing the expense of providing UIF benefits themselves. ✓✓
- The contribution of businesses towards UIF increases the amount paid out to employees that become unemployed ✓✓.
- All employees who work at least 24 hours per month are required to be registered for UIF/contribute to the UIF ✓✓.
- It is an affordable contribution that makes it possible for businesses to appoint substitute workers in some instances ✓✓.
- The business cannot be held responsible for unemployment cover as the UIF pays out to contributors directly/dependants of deceased contributors. ✓✓

Max 10

3.6 Conclusion

- The business must provide UIF benefits to workers who have been working and are now unemployed for reasons such as retrenchment. ✓✓

(2)

DETAILS	MAX	TOTAL
Introduction	2	
Differences between insurable risk and non insurable risk	8	
Principles of insurance	18	
Definition of insurance	8	
UIF	2	
Conclusion	2	
Layout	2	
Analysis	2	
Synthesis	2	
Originality	2	
Total marks		40



ETHICS AND PROFESSIONALISM**ACTIVITY 1**

1.1.1 B ✓✓

1.1.2 C ✓✓

1.1.3 D ✓✓

1.1.4 B ✓✓

1.1.5 C ✓✓

Max (2x5) (10)

ACTIVITY 2

2.1 - Unfair advertising ✓

- Pricing of goods in rural areas ✓

- Taxation/tax evasion ✓

Max (3x1) (3)

2.2.1 Abuse of worktime ✓✓

2.2.2 Unauthorised use of workplace funds and resources ✓✓

2.2.3 Sexual harassment ✓✓

Max (3x2) (6)

2.3.1 Types of unethical business practice

TYPES OF UNETHICAL BUSINESS PRACTICES	MOTIVATION
1. Unfair advertising ✓✓	EH is giving deceptive names to some of their building material. ✓
2. Taxation/tax evasion ✓✓	They also provided false financial statement to SARS trying to save money for the business. ✓
3. Pricing of goods in rural areas ✓✓	EH opened a new branch in Centocow village and inflated prices by doubling the normal prices. ✓

(9)

2.4 Ways in which professional, responsible, ethical and effective business practice should be conducted.

- Mission statement should include values of equality/respect. √√
- Treat workers with respect/dignity by recognising work well done. √√
- Treat all their employees equally, regardless of their race/colour/age/gender/disability etc. √√
- All workers should have access to equal opportunities/positions/resources. √√
- Plan properly and put preventative measures in place. √√
- Pay fair wages/salaries which is in line with the minimum requirements of the BCEA/Remunerate employees for working overtime/during public holidays. √√
- Ensure that employees work in a work environment that is conducive to safety/
- Fairness/free from embarrassment. √√
- Refrain from starting a venture using other businesses' ideas that are protected by law. √√
- Engage in environmental awareness programmes/Refrain from polluting the environment, e.g. by legally disposing of toxic waste. √√
- Employers and employees need to comply with legislation with regard to equal
- opportunities/human rights in the workplace. √√
- Businesses should develop equity programmes/promote strategies to ensure that all employees are treated equally regardless of status/rank/power. √√
- Training/Information/Business policies should include issues such as diversity/
- discrimination/harassment. √√
- Employers should respond swiftly and fairly to reported incidents of discrimination in the workplace. √√
- Orders/Tasks should be given respectfully and allow the recipient/employee to
- have a say in the manner in which the task should be performed. √√
- Business decisions and actions must be clear/transparent to all stakeholders. √√
- Businesses should be accountable /responsible for their decisions and actions/
- patent rights. √√
- Hire honest/trustworthy accountants/financial officers with good credentials. √√
- Regular/Timeous payment of taxes √√
- Draw up a code of ethics/conduct. √√
- On-going development and training for all employees. √√

- Performance management systems/Appraisals should be in place. √√
- Adequate internal controls/monitoring/evaluation. √√

Max (4x2) (8)

2.5 Examples of professional business practice

- Good use of work time √
- Treating all people, the same. √
- Using polite language to colleagues. √
- Keeping clients details confidential/Not using clients" information for personal gain. √

Max (3x1) (3)

2.6 Meaning of ethical behaviour

- Refers to acting in ways consistent with what society√ and individuals think are good values. √
- Ethical behaviour is expected from every employee √in the business. √
- It means that the highest legal and moral standards are upheld√ when dealing with stakeholders √

Max (2x1) (2)

2.7.1 Unprofessional business practices

UNPROFESSIONAL BUSINESS PRACTICES	MOTIVATION
(a) Sexual harassment √√	<ul style="list-style-type: none"> • The HR manager ask employees sexual favours in return for promotion √
(b) Abuse of worktime√√	<ul style="list-style-type: none"> • employees are always taking extended lunch breaks. √

(6)

2.7.2 Challenges for sexual harassment

- The affected party may stay away√ regularly from work. √
- Businesses could lose female employees√ and attract/retain less female applicants. √

- Sexual harassment causes discomfort/humiliation[√] and negatively affects work relations in the workplace[√]
- A victim may be severely traumatised, [√] and this may affect other employees' emotionally. [√]
- The affected party is normally reluctant to report the incident[√] due to fear of victimisation which can reduce productivity. [√]

Max (2x2) (4)

Challenges for abuse of worktime

- It may result in employees' often abusing[√] work time. [√]
- Abuse of work time could result in losing customers[√] or not meeting deadlines. [√]
- Wasting time costs the business money[√] and affects productivity. [√]
- Abuse of work time results in a decline in profits[√] which could damage the financial wealth of the business. [√]
- Effective customer services may not be rendered[√] resulting in the negative image of the business. [√]

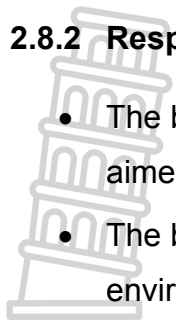
Max (2x2) (4)

2.8.1 Transparency

- Decisions/Actions must be clear to all stakeholders.
- Staffing and other processes should be open and transparent.
- Employees/Shareholders/Directors should be aware of the employment policies of the business.
- Auditing and other reports must be accurate/ available to shareholders/employees.
- Regular audits should be done to determine the effectiveness of the business.
- Business deals should be conducted openly so that there is no hint/sign of dishonesty/corruption.
- Businesses should give details of shareholders' voting rights to them before/at the Annual General Meeting (AGM).
- The board of directors must report on both the negative and positive impact of the business on the community/environment.
- The board should ensure that the company's ethics are effectively implemented.

Max (2x2) (4)

2.8.2 Responsibility



- The business/ board should develop and implement programmes that should be aimed at protecting the communities in which they operate.
- The business/ board should develop remedial programmes to protect the environment for example, reduce air and water pollution.

Max (2x2) (4)

2.9 King Code principles for good corporate governance

- Transparency ✓
- Accountability ✓
- Responsibility ✓

Max (3x1) (3)

2.10 The differences between ethical and professional behaviour

Ethical behaviour	Professional behaviour
<ul style="list-style-type: none"> • Refers to the principles of right and wrong ✓/acceptable in society. ✓ 	<ul style="list-style-type: none"> • Refers to what is right/wrong/acceptable in a business ✓
<ul style="list-style-type: none"> • Conforms to a set of values ✓ that are morally acceptable. ✓ 	<ul style="list-style-type: none"> • Professional behaviour is a certain standard of behaviour/specific level of competence ✓ that adheres to an ethical code of conduct ✓
<ul style="list-style-type: none"> • Forms part of a code of conduct ✓ to guide employees to act ethically. ✓ 	<ul style="list-style-type: none"> • Applying a code of conduct ✓ of a profession or business. ✓
<ul style="list-style-type: none"> • Focuses on developing a moral compass ✓ for decision making. ✓ 	<ul style="list-style-type: none"> • Focuses on upholding the reputation ✓ of a business/profession. ✓

<ul style="list-style-type: none"> Involves following the principles of right and wrong in business activities/practices/dealings 	<ul style="list-style-type: none"> Includes guidelines on employees appearance/communication/attitude/responsibility
--	---

Max (4)

2.11.1 Ways in which SL conduct business professionally, responsible and ethically

- The management of Shayamoya treat their workers with respect by recognising work well done. ✓
- SL ensures that all workers have access to equal opportunities. ✓
- They engage in environmental awareness programmes. ✓

Max (3)

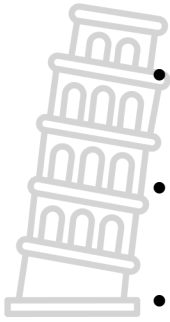
2.12.1 Ways to deal with unauthorised use of workplace funds and resources.

- Conduct regular audits. ✓✓
- Identify risk areas/ vulnerable areas ✓✓
- Educate employees about the impact of fraud ✓✓
- Implement/Introduce fraud prevention strategies ✓✓
- Limit the number of employees having access to business funds/assets. ✓✓
- Fraud prevention should be a collective responsibility of business and workers. ✓✓
- Clear policies should be in place so that employees are aware of what is considered to be fraud. ✓✓
- Set up systems in the organisation for the reporting of fraud and corruption ✓✓

Max (2x2) (4)

2.12.2 Ways to deal with sexual harassment

- Provide a framework for corrective action. ✓✓
- Educate employees on sexual harassment matters. ✓✓
- Formulate a policy regarding sexual harassment ✓✓
- Implement internal complaints and disciplinary procedures. ✓✓
- Ensure compliance with the law/business code of conduct ✓✓



- Ensure that all employees are familiar with the code of ethics of sexual abuse. √√
- Create a good working environment where all employees' rights and dignity are respected. √√
- Internal investigation should be done in order to determine the seriousness of the harassment. √√
- Serious cases/matters on sexual harassment should be reported to the appropriate institutions such as the South African Police Services (SAPS). √√

Max (2x2) (4)

ACTIVITY 3

3.1 Introduction

- Employees are expected to project a professional behaviour image by applying the principles of professionalism√
- Businesses need to apply King Code principles for good corporate governance on their businesses √
- Unethical business practices can result in negative business image and hamper business growth √
- Businesses need to develop suitable and progressive ways to deal with challenges posed by each type of unethical business practice. √
- Any other relevant answer related to meaning of professional behaviour/application of king code principles/challenges posed by unethical business practice/ways to deal with unethical business practices

Max (2x1) (2)

3.2 Meaning of professional behaviour

- Professionalism is the term used to describe a certain standard of behaviour√/ a specific level of competence and adherence to an ethical code of conduct. √
- It is a behaviour suitable for a job√/profession done for payment. √
- It includes showing respect for others√/take responsibility for your work/performing according to a job description etc. √
- Refers to what is right/wrong√/acceptable in a business√
- Applying a code of conduct√ of a profession or business. √

- Includes guidelines on employees"
√appearance/communication/attitude/responsibility, etc√
- Any other relevant answer relevant to the meaning of professional behaviour

Max (6)

3.3.1 Ways in which businesses can use accountability as part of the King Code principles

- There must be regular communication√ between management and stakeholders.
√
- Businesses should be accountable√/ responsible for their decisions/actions√
- Company should appoint internal and external auditors√ to audit financial statements. √
- The board should ensure that the company's ethics√ are effectively implemented.
√
- Businesses should present accurate annual reports to shareholders√ at the Annual General Meeting (AGM). √
- Top management should ensure that other levels of management are clear about their roles√ and responsibilities to improve accountability. √
- Any other relevant answer related to business can use accountability as part of the King Code principles

Sub max (6)

3.3.2 Ways in which business can use responsibility as part of the King Code principles

- The business/ board should develop and implement programmes√ that should be aimed at protecting the communities in which they operate. √
- The business/ board should develop remedial programmes to protect the environment√ for example, reduce air and water pollution. √
- Any other relevant answer related to responsibility as part of the King Code principles

Sub max (6)

Max (12)

3.4.1 Challenges posed by unfair advertising

- Unfair advertisements could be harmful to consumers. √√

- The use of false or misleading statements in advertising leading to misrepresentation of the concerned product, which may negatively affect consumers. ✓✓
- Businesses can make unwise advertising choices when they are under pressure to increase their profits. ✓✓
- Some advertisements may be regarded as discriminatory because they exclude/target some sections of the population. ✓✓
- Deceptive advertising can violate the trust of consumers and destroy business relationships. ✓✓
- Any other relevant answer related to challenges posed by unfair advertising

Sub max (6)

3.4.2 Challenges posed by pricing of goods in rural areas

- Some businesses in the rural areas exploit their customers by adding much more than necessary to their prices. ✓✓
- Business may form monopolies in rural areas and increase their prices unilaterally. ✓✓
- It may be common practice to pay higher prices for goods of inferior quality in rural areas. ✓✓
- Businesses may experience a decline in sales due to high costs added to the price of the final product. ✓✓
- Some stock may become obsolete due to low rate of stock turnover/reduced number of customers. ✓✓
- Any other relevant answer related to challenges posed by pricing of goods in rural areas

Sub max (6)

3.4.3 Challenges posed by tax evasion

- Businesses may pay heavy fines for evading tax. ✓✓
- Tax evasion may negatively impact on the business image. ✓✓
- The accountant may charge high fees for falsifying financial statements. ✓✓
- Businesses may lose key stakeholders if the act of tax evasion is reported. ✓✓

- Some businesses submit fraudulent/incorrect returns to SARS resulting to penalties ✓✓
- Businesses may not be familiar with the latest changes in tax legislation. ✓✓
- Any other relevant answer related to challenges posed by tax evasion

Sub max (6)

Max (16)

3.5.1 Ways to deal with unfair advertising

- Business should be encouraged to keep their advertising fair and in line with the constitution. ✓✓
- Businesses must know and understand the Code of Advertising as determined by the Advertising Standard Authority (ASA) and apply its regulations. ✓✓
- Advertisements should be honest/legal and not abuse consumer's trust/lack of knowledge. ✓✓
- Advertisements should not contain anything that is discriminatory/likely to cause offence/support act of violence. ✓✓
- Any other relevant answer related to ways to deal with unfair advertising

Sub max (4)

3.5.2 Ways to deal with pricing of goods in rural areas

- Work together with suppliers to share delivery costs to remote rural areas. ✓✓
- Businesses can buy in bulk to get a discount to avoid charging high prices. ✓✓
- Charge fair/market related prices for goods and services. ✓✓
- Avoid unethical business practices to attract customer loyalty. ✓✓
- A business may lobby with other businesses in the area to convince government to improve infrastructure in the rural area ✓✓
- Any other relevant answer related to ways to deal with pricing of goods in rural areas

Sub max (4)

3.5.3 Ways to deal with tax evasion

- VAT needs to be charged on VAT-able items. ✓✓
- Submit the correct tax returns to SARS on time. ✓✓

- All products should be correctly invoiced and recorded.
- Disclose all sources of income for tax payment purposes. ✓✓
- Keep abreast with the latest SARS regulations and tax laws. ✓✓
- Businesses that have evaded tax should apply for amnesty and declare their income. ✓✓
- Effective systems to determine the appropriate amount of tax to be paid should be in place. ✓✓
- Business should keep an accurate record of income statements/financial transactions. ✓✓
- The employees' payroll needs to reflect accurate deductions according to the progressive tax system. ✓✓

Sub max (4)

Max (12)

3.5 Conclusion

- Businesses should develop simple and clear code of conduct that will easily be implemented ✓✓
- Businesses should make sure that they always apply king code principles to achieve good corporate governance ✓✓
- Awareness of the types of unethical business practices may enable businesses to take precautionary measures and prevent negative publicity. ✓✓
- Dealing with each type of unethical business practice may increase market share resulting in business sustainability and profitability. ✓✓
- Any other relevant conclusion related to the meaning of professional behaviour/application of king code principles/challenges posed by unethical business practices/dealing with unethical business practices

Any (1 x 2) (2)

[40]

ACTIVITY 3: Breakdown of mark allocation


DETAILS	MAXIMUM	TOTAL
Introduction	2	

Meaning of professional behaviour	6	Max 32
Ways businesses can use accountability and responsibility as part of the King Code principles	12	
THREE types of unethical business practices pose challenges to businesses.	16	
ways in which businesses could deal with these types of unethical business practices in the workplace.	12	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40



CREATIVE THINKING & PROBLEM SOLVING

ACTIVITY 1

- 
- 1.1
 - 1.1.1 B ✓✓
 - 1.1.2 B ✓✓
 - 1.2
 - 1.2.1 C ✓✓
 - 1.2.2 D ✓✓

(2x2 (4))

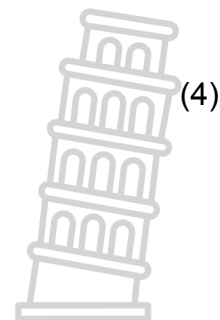
ACTIVITY 2

2.1.1 Problem solving steps

- Identify the problem. ✓
- Define the problem. ✓
- Identify possible solutions to the problem. ✓
- Select the most appropriate alternative. ✓
- Develop an action plan. ✓
- Implement the suggested solution/action plan. ✓
- Monitor the implementation of the solution ✓
- Evaluate the implemented solution. ✓



2.2.

- 2.2.1 Brainstorming ✓✓
- 2.2.2 Nominal group technique ✓✓
- 2.2.3 Force field analysis ✓✓



(6)

2.3 Application of the Delphi technique

- 
- Businesses must invite a panel of experts to research the complaints from customers.
 - Experts do not have to be in one place and will be contacted individually
 - Design a questionnaire consisting of questions on how to improve the quality of their products and distribute it to the panel members/experts'
 - Request the panel to individually respond to the questionnaire/suggest improvements to the products and return it to the business
 - Summarise the responses from the experts in a feedback report.
 - Send the feedback report and a second set of questions/questionnaire based on the feedback report to the panel members.
 - Request panel members to provide further input/ideas on how to improve the quality of products after they have studied the results/documentation.
 - Distribute a third questionnaire based on previous feedback from the second round.
 - Prepare a final summary/feedback report with all the methods to improve the quality of the business's products
 - The business should choose the best solution/proposal after reaching consensus.
- 
- (4)

2.5

PROBLEM SOLVING TECHNIQUES	MOTIVATION
----------------------------	------------

<ul style="list-style-type: none"> Nominal group technique ✓✓ 	<p>Employees were requested to suggest new ideas in a large group without working individual. ✓</p>
<ul style="list-style-type: none"> Delphi technique ✓✓ 	<p>The management of BF use the different expects to solve business problem. ✓</p>

(6)

2.6

Positives/Advantages

- Businesses may use a group of experts without bringing them together. ✓✓
- The experts will give the business clear ideas/solutions on how to improve on productivity/profitability. ✓✓
- Information received from experts can be used to solve complex business problems. ✓✓
- Experts may give honest/credible opinions as they do not have a direct/personal interest in the business. ✓✓
- Conflict may be avoided especially if all employees are knowledgeable and well qualified. ✓✓
- Dominating employees may not take over the process as they do not form part of the problem-solving process. ✓✓
- It reduces noise levels in an office environment since there is no group discussion. ✓✓

Impact of the Force-Field Analysis**Positives/Advantages**

- Employees feel included and understood. ✓✓
- Employees develop and grow with the business. ✓✓



- It provides a visual summary of all the various factors supporting and opposing a particular idea. ✓✓
- Informed decisions can be made as forces for and against are critically evaluated. ✓✓
- Enables businesses to strengthen the driving forces and weaken the restraining forces. ✓✓
- Businesses are able to have an idea of the timeline required and the requirements of additional resources. ✓✓

(6)

ACTIVITY 3

INTRODUCTION

- Constant market changes and increased competition levels compel businesses to promote creative thinking in the workplace. ✓
- Creative thinking is important because it allows people to be imaginative and explore all other possibilities of bringing about change in the business. ✓
- Thinking creatively removes the limits and boundaries from how processes and procedures currently operate, encouraging people to continue searching for alternative ways to complete tasks or think about concepts. ✓
- Creativity encourages people to examine why they do things in certain ways and inspires them to consider other ways to utilize available resources. ✓ (2)

Differences between Problem Solving and Decision Making

DECISION MAKING	PROBLEM SOLVING
-It is often done by one person/a member of senior management ✓who makes it authoritarian. ✓	-Problems can be solved by a group/team✓ or an individual team member. ✓
-Various alternatives are considered✓ before deciding on the best one. ✓	-Alternative solutions are generated/identified ✓and critically evaluated. ✓

-It is part of the problem-solving cycle[√] as decisions need to be taken in each step. [√]

-Process of analysing a situation to identify strategies[√] to bring about change. [√]

(12)

Advantages/Benefits of creative thinking in the workplace

- Better/Unique/Unconventional ideas/solutions are generated. ^{√√}
- Complex business problems may be solved. ^{√√}
- Improves motivation amongst staff members. ^{√√}
- Management/employees may keep up with fast changing technology which may lead to an increased in market share. ^{√√}
- Creativity may lead to new inventions which improves the general standard of living. ^{√√}
- May give the business a competitive advantage if unusual/unique solutions/ ideas/strategies are implemented. ^{√√}
- Productivity increases as management/employees may quickly generate multiple ideas which utilises time and money more effectively. ^{√√}
- Managers/Employees have more confidence as they can live up to their full potential. ^{√√}
- Managers will be better leaders as they will be able to handle/manage change(s) positively and creatively. ^{√√}
- Managers/Employees can develop a completely new outlook, which may be applied to any task(s) they may do. ^{√√}
- Leads to more positive attitudes as managers/employees feel that they have contributed towards problem solving. ^{√√}
- Managers/Employees have a feeling of great accomplishment, and they will not resist/obstruct the process once they solved a problem/contributed towards the success of the business. ^{√√}
- Stimulates initiative from employees/managers, as they are continuously pushed out of their comfort zone. ^{√√}
- Creativity may lead to new inventions which improves the general standards of living/attract new investors. ^{√√}

- Businesses can continuously improve on product development by exploring new ways to enhance growth. √√ (12)

Application of Nominal-Group technique

- Encourage group to clearly define the problem/√to improve the quality of their products due to various complaints so that all the small groups can work on the same problem. √
- The business must divide the employees√ into smaller groups. √
- Request each employee to silently brainstorm /generate many ideas on his/her own√, on how the quality of the product can be improved and to write it down. √
- Each employee in the small group has the opportunity to give one of his/her idea/solution√ with a short explanation. √
- Appoint one employee to write the ideas/solutions on a large sheet of paper/ capture solutions electronically on computer for all to see. √
- Allow each employee to give a second solution until all possible solutions have been recorded. √
- Encourage employees to ask clarity seeking questions. √
- Discourage criticism of ideas/solutions as this may prevent others from giving their solutions. √
- The business must eliminate ideas that are duplicated/ similar. √
- Each employee must read through all the suggestions and anonymously √rate them giving the highest points for the best solution. √
- Collect the ratings√ and calculate total points. √
- Small groups must present one solution to the large group√ that was deemed best according to the scores/votes in their small groups. √

(6)

Application of Force-Field Analysis

- Describe the current situation/problem√and the desired situation. √
- List all driving/pros and restraining/cons forces√that will support and resist change. √
- Allocate a score to each force using a numerical scale, √ where 1 is weak and 5 is strong. √

- Weigh up the positives and negatives√ then decide if the project is viable. √
 - Choose the force with the highest score√ as the solution. √
 - If the project is viable, find ways to increase the forces√ for change. √
 - Identify priorities √and develop an action plan. √
- (6)

Ways in which a business can create an environment that stimulates/promote creative thinking

- Encourage alternative ways of working/doing things. √√
- Respond enthusiastically to all ideas and never let anyone feel less important√
√
- Place suggestion boxes around the workplace and keep communication channels open for new ideas√√
- Emphasise the importance of creative thinking to ensure that all staff know that management want to hear their ideas √√
- Make time for brainstorming sessions to generate new ideas, e.g., regular workshops/ generate more ideas/build on one another's ideas. √√
- Train staff in innovative techniques/creative problem-solving skills/mind-mapping/ lateral thinking√√.
- Encourage job swops within the organisation/studying how other businesses are doing things'√√
- Reward creativity with reward schemes for teams/individuals that come up with creative ideas' √√
- Provide a working environment conducive to creativity, free from distractions. √ √

(12)

Conclusion

- Business should put system in place will enable them to overcome competition√ √
- Creative an environment that promote creative thinking in the workplace contribution in achieving business goals and increasing the market share√ √

(2)

Team performance & Conflict Management

ACTIVITY 1

1.1 Criteria for successful team performance from given statements.

1.1.1 Communication ✓✓

1.1.2 Co-operation /Collaboration ✓✓

1.2.3 Interpersonal attitudes and behaviour ✓✓

1.2.4 Shared values /Mutual trust and support ✓✓ **(8)**

1.2 Importance of team dynamic theories in improving team performance

- Team dynamic theories explain ✓ how effective teams work/operate. ✓
- Businesses are able to allocate tasks ✓ according to the roles of team members. ✓
- Team members can maximize performance ✓ as tasks are allocated according to their abilities/skills/attributes/personalities. ✓
- Team members with similar strengths may compete ✓ for team tasks/responsibilities that best suit their abilities/competencies. ✓
- Theories assist team leaders to understand the personality types ✓ of team members so that tasks are assigned more effectively. ✓
- Conflict may be minimised ✓ when team members perform different roles. ✓
- Any other relevant importance of team dynamic theories in improving team performance.

Max (6)

1.3 Characteristics of successful team performance

- Successful teams share a common goal as team members are part of the process of setting goals for the group. ✓✓
- There is a climate of respect/trust and honesty ✓✓
- Share a set of team values and implement group decisions. ✓✓
- Successful teams have sound intra-team relations ✓✓
- Teams value the contributions of individual members and reach consensus on differences. ✓✓
- Team members enjoy open communication and deal with items of conflict immediately. ✓✓
- Teams are accountable and members know the time frame for achieving their goals. ✓✓
- Teams pay attention to the needs of the individual team members. ✓✓

- Creates an environment where team members are given opportunities to develop so that team members grow and learn from the experience of working in a team. ✓✓
- Regular reviews of team processes and progress may detect/solve problems sooner. ✓✓
- Balance the necessary skills/knowledge/experience/expertise to achieve the objectives. ✓✓
- Any other relevant answer related to the characteristics of successful team performance.

Max (8)

ACTIVITY 2 – MARKING GUIDELINE

2.1 Differences between grievance and conflict

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

2.2.1 Difficult personalities from the scenario

EMPLOYEES	TYPE OF DIFFICULT PESORNALITY	MOTIVATION
JOSEPH	Expert ✓✓	A well experience employee in the transport industry ✓
PUMLA	Aggressive ✓✓	The supervisor at LSS is always arguing and fighting with the clients✓
	Sub max (4)	Sub max (2)

NOTE: Do not award marks for the motivation if the type of difficult personalities were incorrectly identified.

Max (6)

2.2.3 Dealing with an expert and aggressive personalities.

Dealing with an expert

- Be firm and assertive. √√
- Do not accuse them of being incorrect/Do not get caught in their game. Know your facts. √√

○ Sub max (2)

Aggressive

- Allow them time to speak and blow off √√
- Be firm, but do not attack them √√
- Do not allow them to be hostile toward others √√

○ Sub max (2)

NOTE: Mark the first strategy in EACH type of a difficulty personality.

Max (4)

2.3 Ways in which businesses can deal with difficult employees in the workplace

- Get perspective from others who have experienced the same kind of situation to be able to understand difficult employees. √√
- Act pro-actively if possible, as a staff/personnel problem is part of a manager's responsibilities. √√
- Regular meetings with supervisors/departmental heads should help to identify difficult/problem behaviour. √√
- Ask someone in authority for their input into the situation. √√
- Identify the type of personality which is creating the problem. √√
- Meet privately with difficult employees, so that there are no distractions from other employees/issues. √√
- Make intentions and reasons for action known, so that difficult person/people feel at ease. √√
- Employees should be told what specific behaviours are acceptable by giving details about what is wrong/ unacceptable and also an opportunity to explain their behaviour. √√
- A deadline should be set for improving bad/difficult behaviour. √√
- Any other relevant answer related to ways in which businesses can deal with difficult employees in the workplace

Max (8)

ACTIVITY 3

3.1.1 Introduction



- Teamwork is the interaction with team members to achieve a common goal. ✓
- Teams go through different stages of development that must be managed carefully. ✓
- Conflict is inevitable when two or more people work together as a team. ✓
 - Conflict is sometimes necessary for people to resolve differences and focus on key objectives. ✓
 - Managers should be well conversant with the causes of conflict and be able to handle it effectively in the workplace. ✓
 - Difficult employees may influence their colleagues to adapt the same behavior/ attitudes if businesses do not handle them in a correct manner. ✓
 - Any other relevant introduction related to stages of team development/causes of conflict/conflict resolution/ dealing with difficult people. **Any (2 x 1) (2)**

3.1.2 Stages of team development

3.2.1 Forming ✓✓

- Individuals gather information and impressions about each other ✓ and the scope of the task and how to approach it. ✓
- Teams are comfortable ✓ and polite with each other during this stage. ✓
- People focus on being busy with routines ✓, such as team organisation e.g. who does what, when to meet each other, ✓ etc.
- Any other relevant answer related to forming as a stage of team development.



Stage (2)
Description (2)
Sub max (4)

3.2.2 Storming ✓✓

- Teams go through a period of unease/conflict ✓ after formation. ✓
- Different ideas from team members will compete ✓ for consideration. ✓
- Team members open up to each other ✓ and confront each other's ideas/ perspectives. ✓
- Tension/struggle/arguments occur and upset the team members ✓, there may be power struggles for the position of team leader. ✓

- In some instances, storming can be resolved quickly√ while in others the team never leaves this stage. √
- Many teams fail during this stage√ as they are not focused on their task. √
- This phase can become destructive for the team√/will negatively impact on team performance, if allowed to get out of control. √
- This stage is necessary/ important√ for the growth of the team. √
- Some team members tolerate each other√ to survive this stage. √
- Any other relevant answer related to storming as a stage of team development.

Stage (2)

Description (2)

Sub max (4)

3.2.3 Norming/Settling/reconciliation√√

- Team members come to an agreement√ and reach consensus. √
- Roles and responsibilities are clear√ and accepted. √
- Processes/working style and respect develop√ amongst members. √
- Team members have the ambition to work√ for the success of the team. √
- Conflict may occur√, but commitment and unity are strong. √
- Any other relevant answer related to norming/settling/reconciliation as a stage of team development.

Stage (2)

Description (2)

Sub max (4)

3.2.4 Performing/Working as a team towards a goal√√

- Team members are aware of strategies√ and aims of the team. √
- They have direction√ without interference from the leader. √
- Processes and structures√ are set. √
- Leader's delegate√ and oversee the processes and procedures. √
- All members are now competent√, autonomous and able to handle the decision-making process without supervision. √
- Differences among members are appreciated√ and used to enhance the team's performance. √
- Any other relevant answer related to performing/working as a team towards a goal as a stage in team development.

Stage (2)

Description (2)

Sub max (4)

3.2.5 Adjourning/Mourning ✓✓

- The focus is on the completion ✓ of the task/ending the project. ✓
- Breaking up the team may be traumatic ✓ as team members may find it difficult to perform as individuals once again. ✓
- All tasks need to be completed ✓ before the team finally dissolves. ✓
- Any other relevant answer related to adjourning/mourning as a stage of team development.

Stage (2)

Description (2)

Sub max (4)

NOTE: Mark the first FOUR (4) only.**Max (16)****3.3 Causes of conflict in the workplace**

- Lack of proper communication ✓ between management and workers. ✓
- Ignoring rules/procedures may result ✓ in disagreements and conflict. ✓
- Management and/or workers may have different ✓ personalities/ backgrounds. ✓
- Different values/levels of knowledge/skills/experience ✓ of managers/workers. ✓
- Little/no co-operation ✓ between internal and/or external parties/stakeholders. ✓
- Lack of recognition for good work ✓, e.g. a manager may not show appreciation for extra hours worked to meet deadlines. ✓
- Lack of employee development ✓ may increase frustration levels as workers may repeat errors due to a lack of knowledge/skills. ✓
- Unfair disciplinary procedures ✓, e.g. favouritism/nepotism. ✓
- Little/no support from management ✓ with regards to supplying the necessary resources and providing guidelines. ✓
- Leadership styles used ✓, e.g. autocratic managers may not consider worker inputs. ✓
- Unrealistic deadlines/Heavy workloads ✓ lead to stress resulting in conflict. ✓
- Lack of agreement on mutual matters ✓, e.g. remuneration/working hours. ✓
- Unhealthy competition/Inter-team rivalry ✓ may cause workers to lose focus on team targets. ✓
- Lack of commitment/Distracted by personal objectives ✓ which may lead to an inability to meet pre-set targets. ✓

- Constant changes[√] may cause instability[√]
- Lack of clarity[√] regarding employees' roles and responsibilities. [√]
- Any other relevant answer related to the causes of conflict in the workplace.

Max (12)

3.4 Handling conflict in the workplace

- Acknowledge that there is conflict[√] in the workplace. [√]
- Identify the cause[√] of the conflict. [√]
- Arrange pre-negotiations where workers/complainants will be allowed[√] to state their case/views separately. [√]
- Arrange time and place for negotiations[√] where all employees involved are present. [√]
- Arrange a meeting[√] between conflicting employers/employees. [√]
- Make intentions for intervention clear [√] so that parties involved may feel at ease. [√]
- Each party has the opportunity to express [√] his/her own opinions/feelings[√]
- Conflicting parties may recognise that their views are different[√] during the meeting. [√]
- Analyse/Evaluate the cause (s) of conflict by breaking it down[√] into different parts. [√]
- Blame shifting should be avoided[√] and a joint effort should be made. [√]
- Direct conflicting parties[√] towards finding/focusing on solutions. [√]
- Devise/Brainstorm possible ways[√] of resolving the conflict. [√]
- Conflicting parties agree on criteria[√] to evaluate the alternatives. [√]
- Select and implement[√] the best solution. [√]
- Provide opportunities for parties[√] to agree on the best solution. [√]
- Evaluate/Follow up[√] on the implementation of the solution(s). [√]
- Monitor progress[√] to ensure that the conflict has been resolved. [√]
- Source experts on handling conflict[√] from outside the business. [√]
- Any other relevant answer related to how businesses could handle conflict in the workplace.

Max (10)

3.5 Ways to deal with difficult people in the workplace

- Get perspective from others who have experienced the same kind of situation to be able to understand difficult employees. √√
- Act pro-actively if possible, as a staff/personnel problem is part of a manager's responsibilities. √√
- Regular meetings with supervisors/departmental heads should help to identify difficult/problem behaviour. √√
- Ask someone in authority for their input into the situation. √√
- Identify the type of personality which is creating the problem. √√
- Meet privately with difficult employees, so that there are no distractions from other employees/issues. √√
- Make intentions and reasons for action known, so that difficult person/people feel at ease. √√
- Employees should be told what specific behaviours are acceptable by giving details about what is wrong/ unacceptable and also an opportunity to explain their behaviour. √√
- A deadline should be set for improving bad/difficult behaviour. √√
- The deadline date should be discussed with the difficult employee and his/her progress should be monitored/ assessed prior to the deadline. √√
- Guidelines for improvement should be given. √√
- Do not judge the person, but try to understand him/her/Understand his/her intentions and why he/she reacts in a certain way. √√
- Keep communication channels open/Encourage employees to communicate their grievances to management. √√
- Build rapport/sound relations by re-establishing personal connection with colleagues, instead of relying on e-mails/messaging/social media. √√
- Help difficult employees to be realistic about the task at hand. √√
- Remain calm and in control of the situation to get the person(s) to collaborate. √√
- Treat people with respect, irrespective of whether they are capable/ competent or not. √√
- Sometimes it may be necessary to ignore and only monitor a difficult person. √√
- Identify and provide an appropriate support program to address areas of weakness. √√
- Any other relevant answer related to ways in which the business could deal with difficult people in the workplace.

NOTE: Award a maximum of TWO (2) marks for negative strategies.

Max (8)

3.6 Conclusion

- It is important that business understand the stages of team development so that they are able to manage conflict effectively. √√
- Businesses should immediately identify the causes of conflict and ensure that conflict is resolved amicably in the workplace. √√
- Business objectives can be achieved if conflict is resolved effectively. √√
- Businesses must acknowledge employees' differences and develop strategies to deal with these differences. √√
- Dealing with difficult personalities will enable businesses to find better ways to manage employees. √√
- Any other relevant conclusion related to criteria/ stages of team development/causes of conflict/conflict resolution/dealing with difficult people.

(1 x 2) (2)

[40]

