



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PREPARATORY EXAMINATION



TIME: 2 hours

BUSINESS STUDIES P1

MARKS: 150



10721E



X05



INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions.

Answer any **TWO** of the three questions in this section.

SECTION C: Consists of **TWO** questions.

Answer any **ONE** of the two questions in this section.

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

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

3. Number the answers correctly according to the numbering system used in this question paper. **NO** marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and detail of an answer.
6. Use the table below as a guide for the mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions: COMPULSORY	1	30	20
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	2	40	70
	3	40	
	4	40	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		150	120

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

SECTION A (COMPULSORY)**QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g., 1.1.6 D.
- 1.1.1 This Act promotes a healthy relationship between the employer and employees in the workplace.
- A Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997)
 - B Employment Equity Act (EEA), 1998 (Act 55 of 1998)
 - C Labour Relations Act (LRA), 1995 (Act 66 of 1995)
 - D Skills Development Act, 1998 (Act 97 of 1998)
- 1.1.2 The technicians at Trendy Traders lack the skill on how to install new computer programmes. This is an example of a/an ... in a SWOT analysis.
- A strength
 - B weakness
 - C opportunity
 - D threat
- 1.1.3. Lloyd Logistics operate in the ... sector as they deliver products to various customers.
- A primary
 - B economic
 - C secondary
 - D tertiary
- 1.1.4 The human resources manager at Sunshine Consultants prepares a job analysis during the ... process.
- A recruitment
 - B placement
 - C selection
 - D interview
- 1.1.5 The ... function ensures that all documentation is kept neatly, in an orderly manner and stored in a safe place.
- A financial
 - B purchasing
 - C administrative
 - D public relations

(5 x 2) (10)

- 1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

piecemeal; environment; performance; Unemployment Insurance Fund; National Skills Development; management; economical; Human Resources Development; Compensation Fund; time-related

- 1.2.1 Strydom Traders uses packaging that is reusable when dealing with challenges posed by the ... as a PESTLE analysis factor.
- 1.2.2 The ... strategy aims at increasing employee participation in lifelong learning.
- 1.2.3 The ... is a compulsory benefit that offers short term financial assistance to workers who are unable to work due to illness.
- 1.2.4 Quality ... refers to techniques and tools used to improve the quality of a product.
- 1.2.5 Phila Manufacturers pay their workers according to the number of units produced. This is known as ... salary determination method. (5 x 2) (10)



- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A – J) next to the question numbers (1.3.1 to 1.3.5) in the ANSWER BOOK, e.g., 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Job description	A protects businesses against reckless lending and non-paying consumers
1.3.2 Total quality management system	B businesses take over their distributors
1.3.3 National Credit Act	C a training opportunity that can lead to a recognised occupational qualification
1.3.4 Backward vertical integration	D describes the minimum acceptable qualifications needed for the job
1.3.5 Learnership	E focuses on managing key organisational processes
	F a training opportunity that requires employees to only attend external practical courses
	G describes duties and responsibilities of a specific job
	H businesses take over their suppliers
	I focuses on achieving customer satisfaction and continuous improvement in business processes and products
	J protects businesses against unfair court orders

(5 x 2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions in this section.

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

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 List any FOUR pillars of the Broad-Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003). (4)
- 2.2 Outline the role of SETAs in supporting the Skills Development Act (SDA), 1998 (Act 97 of 1998). (6)
- 2.3 Identify the types of defensive strategies applied by Bricks Manufacturers (BM) in EACH statement below:
- 2.3.1 BM closed certain departments which resulted in some workers becoming redundant. (2)
- 2.3.2 They sold some of their assets that are no longer profitable, to pay creditors. (2)
- 2.4 Explain the advantages of intensive strategies. (6)
- 2.5 Read the scenario below and answer the question that follows.

FANTASTIC FRIES (FF)

Fantastic Fries sells tasty fish and chips to various customers in the community. Neo Smooth Fries sells fish and chips at a lower price to drive FF out of the market. Some of FF customers buy in bulk to determine the prices in their favour.

Identify TWO of Porter's Five Forces model that are applicable to FF. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.5.

PORTER'S FIVE FORCES MODEL	MOTIVATIONS
1.	
2.	

(6)

- 2.6 Explain the rights of employees in terms of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (4)
- 2.7 Discuss the penalties that businesses may face for non-compliance with the Compensation for Occupational Injuries and Diseases Amendment Act (COIDA), 1997 (Act 61 of 1997). (4)
- 2.8 Advise businesses on the strategic management process. (6)
- [40]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 Name any THREE aspects that should be included in an employment contract. (3)
- 3.2 Elaborate on the meaning of *placement* as a human resources activity. (4)
- 3.3 Read the scenario below and answer the questions that follow.

TSHEPO MANUFACTURERS (TM)

Tshepo Manufacturers specialises in the manufacturing of high-quality office chairs. TM advertised a vacancy for a production manager in newspapers.

- 3.3.1 Identify the method of recruitment used by TM. Motivate your answer by quoting from the scenario above. (3)
- 3.3.2 Explain the advantages of the recruitment method identified in QUESTION 3.3.1. (4)
- 3.4 Advise businesses on the reasons for the termination of an employment contract. (6)
- 3.5 Outline the difference between *quality control* and *quality assurance*. (4)
- 3.6 Explain the benefits of a good quality management system. (6)

- 3.7 Read the scenario below and answer the questions that follow.

TIMOL ENTERPRISE (TE)

The management at TE set unrealistic deadlines that may not be achieved. The business is about to close down because of the mismanagement of finances. Investors have withdrawn their investments due to a decline in profits.

- 3.7.1 Quote the impact of total quality management (TQM), if poorly implemented by businesses, from the scenario above. (2)
- 3.7.2 Explain any other impact of TQM if poorly implemented by businesses. (4)
- 3.8 Advise large businesses on the advantages of adequate financing and capacity as a TQM element. (4)
- [40]**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name any FOUR provisions of the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997). (4)
- 4.2 Read the scenario below and answer the questions that follow.

AMOOJEE TRADING ENTERPRISE (ATE)

Amoojee Trading Enterprise (ATE) sells a variety of products to different outlets. ATE always receives stock late from Freddie Wholesalers. ATE is experiencing a decline in sales due to unproductive employees.

- 4.2.1 Quote TWO challenges for ATE from the scenario above. (2)
- 4.2.2 Classify ATE's challenges according to the relevant business environments. (2)
- 4.2.3 State the extent of control that ATE has over EACH business environment classified in QUESTION 4.2.2.

Use the table below as a GUIDE to answer QUESTIONS 4.2.1 to 4.2.3.

CHALLENGES (4.2.1)	BUSINESS ENVIRONMENTS (4.2.2)	EXTENT OF CONTROL (4.2.3)
1.		
2.		

(2)

- 4.3 Discuss the advantages of the Employment Equity Act (EEA) (Act 55 of 1998) on businesses. (6)
- 4.4 Advise businesses on the steps in strategy evaluation. (4)

BUSINESS OPERATIONS

- 4.5 Name any FOUR sources of internal recruitment. (4)
- 4.6 Read the scenario below and answer the questions that follow.

NATHOO CONSTRUCTION (NC)

Nathoo Construction has appointed Lethabo as their new truck driver. The management of NC prepared an induction programme for Lethabo. The programme included a tour of the premises. They ensured that Lethabo settles in quickly and works effectively. Information about their business's products also formed part of the programme.

- 4.6.1 Quote TWO aspects of the induction programme from the scenario above. (2)
- 4.6.2 Explain other aspects that must be included in the induction programme. (4)
- 4.7 Discuss the quality indicators of the purchasing function. (4)
- 4.8 Advise the business on the role of quality circles as part of continuous improvement to processes and systems. (6)

[40]**TOTAL SECTION B: 80**

SECTION C

Answer ANY ONE question in this section.

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

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

Businesses are required to have a sound knowledge of the Consumer Protection Act (CPA), 2008 (Act 68 of 2008). They must also observe consumers' rights as outlined in the CPA. The implementation of this Act may have a direct impact on business operations, hence businesses must know how to comply with the Act.

Write an essay on the Consumer Protection Act (CPA) in which you include the following aspects:

- Outline the purpose of the Consumer Protection Act.
- Explain any FOUR rights of consumers in terms of the CPA.
- Discuss the impact of the CPA on businesses.
- Recommend ways in which businesses can comply with the CPA.

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

Businesses follow the correct selection procedure to appoint suitable candidates to fill vacant positions. They also ensure that the interviewer understands his/her role before conducting interviews. Others offer fringe benefits as part of their remuneration package. Additionally, they have a sound knowledge of the legal requirements of an employment contract.

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

- Outline the selection procedure as a human resources activity.
- Explain the role of the interviewer before the interview.
- Discuss the impact of fringe benefits on businesses.
- Advise businesses on the legal requirements of an employment contract.

[40]**TOTAL SECTION C: 40****TOTAL: 150**



PREPARATORY EXAMINATION 2024 MARKING GUIDELINES

BUSINESS STUDIES (PAPER 1) (10721)

31 pages



NOTES TO MARKERS**PREAMBLE**

The notes to markers are provided for quality assurance purposes to:

- (a) Ensure fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the districts
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

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

Marker:	Red
DH:	Green
District Moderator:	Orange
Provincial Moderator:	Pink

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

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

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

8. In an indirect question, the theory as well as the response must be relevant and related to the question.
9. Correct numbering of answers to questions or subquestions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. Positive: *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings.'* ✓
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. *'COIDA eliminates time and costs spent ✓ on lengthy civil court proceedings, ✓ because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'* ✓
- NOTE:**
1. The above could apply to 'analyse' as well.
 2. Note the placing of the tick (✓) in the allocation of marks.
12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guidelines and the context of each question.

Cognitive verbs, such as:

- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.

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

14. **SECTION B**

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

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

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

14.3 If candidates are required to provide their own examples/views, brainstorm this to finalise alternative answers and consult with the Internal Moderator.

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

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

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

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

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

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

15. **SECTION C**

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, paragraphs and a conclusion?	2
Analysis and Interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Option 1: Only relevant facts: 2 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 mark (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO-mark for synthesis.	2
Originality	Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

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

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.
- 15.5 Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

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

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARKS BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.
- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. '*Product development is a growth strategy* ✓, *where businesses aim to introduce new products into existing markets.*' ✓
 Stanmorephysics.com
 This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A (COMPULSORY)**QUESTION 1**

1.1 1.1.1 C ✓✓

1.1.2 B ✓✓

1.1.3 D ✓✓

1.1.4 A ✓✓

1.1.5 C ✓✓

(5 x 2) (10)

1.2 1.2.1 environment ✓✓

1.2.2 Human Resources Development ✓✓

1.2.3 Unemployment Insurance Fund ✓✓

1.2.4 management ✓✓

1.2.5 piecemeal ✓✓

(5 x 2) (10)

1.3 1.3.1 G ✓✓

1.3.2 I ✓✓

1.3.3 A ✓✓

1.3.4 H ✓✓

1.3.5 C ✓✓

(5 x 2) (10)**TOTAL SECTION A: 30****BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark the answers to the **FIRST TWO** questions only.

QUESTION 2: BUSINESS ENVIRONMENTS**2.1 BBEE pillars**

- Management control ✓
- Skills development ✓
- Ownership ✓
- Enterprise and supplier development/ESD ✓
- Socio-economic development/Social responsibility ✓

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

2.2 Role of SETAs in supporting the Skills Development Act/SDA

- Report to the Director General. ✓✓
- Promote and establish learnerships. ✓✓
- Collect levies and pay out grants as required. ✓✓
- Provide accreditation for skills development facilitators. ✓✓
- Register learnership agreements/learning programmes. ✓✓
- Approve workplace skills plans and annual training reports. ✓✓
- Monitor/Evaluate the actual training by service providers. ✓✓
- Allocate grants to employers/education/training providers. ✓✓
- Oversee training in different sectors of the South African economy. ✓✓
- Develop sector skills plans in line with the National Skills Development Strategy/for various economic sectors. ✓✓
- Draw up skills development plans for their specific economic sectors. ✓✓
- Provide training material/programmes for skills development facilitators. ✓✓
- Pay out grants to businesses that are complying with the requirements of the Skills Development Act. ✓✓
- Promote learning programmes by identifying suitable workplaces for practical work experience. ✓✓

Any other relevant answer related to the role of SETAs in supporting the SDA.

Max. (6)

2.3 Types of defensive strategies from statements

2.3.1 Retrenchment ✓✓

2.3.2 Divestiture ✓✓ (2 x 2) (4)

NOTE: Do not accept “Divestment” as reported in the 2023 National Diagnostic Report on learner performance.

2.4 Advantages of intensive strategies

- Increase in sales/income and profitability ✓ due to aggressive advertising campaign/more products/services are being sold. ✓
- Regular sales to existing customers ✓ may increase. ✓
- Gain customer loyalty ✓ through effective promotion campaigns. ✓
- Improved service delivery ✓ may positively impact/increase sales. ✓
- Eliminate competitors ✓ and dominate market prices. ✓
- Decrease in price ✓ could influence customers to buy more products. ✓
- Businesses can have more control ✓ over the prices of products/services. ✓
- Enables the business to focus on markets/well researched quality products ✓ that satisfy the needs of consumers. ✓
- Increased market share ✓ reduces the business’s vulnerability to actions of competitors. ✓
- Increase the control over the prices charged ✓ for products/services. ✓

Any other relevant answer related to the advantages of intensive strategies. **Max. (6)**

2.5 Porter’s Five Forces model from the scenario

PORTER'S FIVE FORCES MODEL		MOTIVATIONS
1.	Bargaining power of competitors/ Competitive rivalry ✓✓	Neo Smooth Fries sells fish and chips at a lower price to drive FF out of the market. ✓
2.	Power of buyers ✓✓	Some of FF customers buy in bulk to determine the prices in their favour. ✓
Submax. (4)		Submax. (2)

- NOTE:**
1. Mark the first TWO (2) only.
 2. Award marks for the Porter’s Five Forces model even if the quotes are incomplete.
 3. Do not award marks for the motivations if the Porter’s Five Forces model were incorrectly identified.
 4. Accept responses in any order.

Max. (6)

2.6 Rights of employees in terms of the Labour Relations Act/LRA

- Employees may join a trade union ✓ of their choice. ✓
- May 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. ✓

Any other relevant answer related to the rights of employees in terms of the LRA.

Max. (4)

2.7 Penalties for non-compliance with the Compensation for Occupational Injuries and Diseases Amendment Act/COIDA

- Businesses that do not comply with COIDA may receive a compliance order from the Labour Court ✓ which forces them to comply with COIDA. ✓
- Businesses can be forced to make large payments ✓ if they did not take the necessary precautions according to the Act. ✓
- Businesses can be forced to pay any recovery costs ✓ required by the Compensation Fund. ✓
- The employee may take the business to court ✓ for not registering him/her with the Commissioner of the Compensation Fund. ✓
- Business that neglect to comply with COIDA may receive large fines for refusing to lodge claims and may even be given a jail sentence/imprisonment, ✓ which will be dependent on the severity of the non-compliance. ✓
- Business can be forced to make large payment if they do not implement the necessary precaution ✓ to reduce accident/fatalities or promote health and safety in the workplace. ✓

Any other relevant answer related to penalties businesses may face for non-compliance with COIDA.

Max. (4)

2.8 Strategic management process

OPTION 1

- Businesses should have a clear vision, mission statement/measurable/realistic objective in place. ✓✓
- Identify opportunities/weaknesses/strengths/threats by conducting environmental scanning/situational analysis. ✓✓
- Tools available for environmental scanning may include a SWOT analysis/Porter's Five Forces model/PESTLE analysis/industrial analysis tools. ✓✓
- Formulate alternative strategies to respond to the challenges. ✓✓
- Develop (an) action plan(s), including the tasks to be done/deadlines to be met/resources to be procured. ✓✓
- Implement selected strategies by communicating it to all stakeholders/organising business resources/motivating staff. ✓✓
- Continuously evaluate/monitor/measure strategies in order to take corrective action. ✓✓

Any other relevant answer related to the strategic management process.

OR

OPTION 2

- Businesses should review/analyse/re-examine their vision/mission statement. ✓✓
- Conduct an environmental analysis using models such as SWOT/PESTLE/Porter's Five Forces. ✓✓
- 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 that goals/objectives are met. ✓✓

Any other relevant answer related to the strategic management process.

Max. (6)

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	4
2.2	6
2.3	4
2.4	6
2.5	6
2.6	4
2.7	4
2.8	6
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS**3.1 Aspects that should be included in an employment contract**

- Personal details of the employee. ✓
- Details of the business/employer such as the name and address. ✓
- Job title/Position. ✓
- Job description such as duties/responsibilities and working conditions. ✓
- Job specification such as formal qualifications and willingness to travel. ✓
- Date of employment/Commencement of employment. ✓
- Place where employee will spend most of his/her working time. ✓
- Hours of work such as normal time and overtime. ✓
- Remuneration such as weekly or monthly pay. ✓
- Benefits/Fringe benefits/Perks/Allowances. ✓
- Leave such as sick/maternity/annual/adoption leave.
- Employee deductions (compulsory/non-compulsory). ✓
- Duration/Period of employment contract/Details of termination/Expiry date of employment contract. ✓
- Probation period. ✓
- Signatures of both the employer and employee. ✓
- List of documents that form part of the contract such as appointment letter/code of conduct/ethics. ✓
- Disciplinary policy such as rules/disciplinary procedure for unacceptable behaviour. ✓

Any other relevant answer related to aspects that should be included in an employment contract.

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

3.2 Meaning of placement as a human resources activity

- Selected candidates are placed where they will function optimally ✓ and add value to the business. ✓
- A specific task ✓ is assigned to the selected candidate. ✓
- The qualifications/skills/personality of the selected candidate are matched ✓ with the requirements of the position. ✓

Any other relevant answer related to the meaning of placement as a human resource activity.

NOTE: No marks must be awarded for the placement procedure.

Max. (4)

3.3 Recruitment methods

3.3.1 Recruitment method from the scenario

External recruitment ✓✓ (2)

Motivation

TM advertised a vacancy for a production manager in newspapers. ✓ (1)

NOTE: Do not award marks for the motivation if external recruitment was incorrectly identified. **Max. (3)**

3.3.2 Advantages of the external recruitment

- New candidates bring new talents/ideas/experience/skills ✓ into the business. ✓
- There is a larger pool of candidates ✓ from which to choose. ✓
- It may help the business to meet ✓ affirmative action/EEA and BBBEE targets. ✓
- Minimises unhappiness/conflict amongst current employees ✓ who may have applied for the post ✓
- There is a better chance of getting a suitable candidate with the required skills/qualifications/competencies ✓ who does not need much training/development which reduces costs. ✓
- New employees may add value to the overall efficiency/productivity of the business. ✓

Any other relevant answer related to the advantages of external recruitment. **Max. (4)**

3.4 Reasons for the termination of an employment contract

- The employer may dismiss an employee for (a) valid reason(s), such as unsatisfactory job performance and misconduct. ✓✓
- Employer may no longer have work for redundant employees/cannot fulfil the contract/is restructuring. ✓✓
- The employer may retrench some employees due to insolvency/may not be able to pay the employees. ✓✓
- Employees decided to leave by resigning voluntarily for better job opportunities. ✓✓
- An employee may have reached the predetermined age for retirement. ✓✓
- Incapacity to work due to illness/injuries. ✓✓
- By mutual agreement between the employer and employee. ✓✓
- The duration of the employment contract expires/comes to an end. ✓✓

Any other relevant answer related to the reasons for termination for the employment contract. **Max. (6)**

NOTE: Award a maximum of TWO (2) marks for only naming the reasons.

3.5 Difference between *quality control* and *quality assurance*

QUALITY CONTROL	QUALITY ASSURANCE
- System that ensures the desired quality is met by inspecting the final product. ✓✓	- Checks carried out during and after the production process. ✓✓
- Ensures that finished products meet the required standards. ✓✓	- Ensures that required standards have been met at every stage of the process. ✓✓
- Process of ensuring that products are consistently manufactured to high standards. ✓✓	- Processes put in place to ensure that the quality of products/services/systems adhere to preset standards with minimal defects/delays/shortcomings. ✓✓
- Checks raw materials/employees/machinery/workmanship/products to ensure that high standards are maintained. ✓✓	- Ensures that every process is aimed to get the product 'right the first time' and prevents mistakes from happening. ✓✓
- Includes setting targets/measuring performance and taking corrective measures. ✓✓	- The 'building in' of quality as opposed to 'checking of' quality. ✓✓
Any other relevant answer related to quality control.	Any other relevant answer related to quality assurance.
Submax. (2)	Submax. (2)

- NOTE:**
1. The answer does not have to be in a tabular format.
 2. The difference does not have to link but must be clear.
 3. Award a maximum of TWO (2) marks if the difference is not clear/Mark either quality control or quality assurance only.

Max. (4)



3.6 Benefits 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. ✓
- A 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/financial sustainability. ✓
- Improves business image ✓ as there are less defects/returns. ✓
- Improves the financial sustainability of the business ✓ as customers are retained. ✓

Any other relevant answer related to the benefits of a good quality management system.

Max. (6)

3.7 Impact of TQM if poorly implemented by businesses

3.7.1 Impact of TQM if poorly implemented by businesses from the scenario

- The management at TE set unrealistic deadlines that may not be achieved. ✓
- Investors have withdrawn their investment due to decline in profits. ✓

NOTE: Only award marks for responses that are quoted from the scenario.

(2 x 1) (2)

3.7.2 Other impact of TQM if poorly implemented by businesses

- Employees may not be adequately trained ✓ resulting in poor quality products. ✓
- Decline in productivity ✓, because of stoppages. ✓
- Businesses may not be able to make necessary changes to products/services ✓ to satisfy the needs of customers. ✓
- Businesses' reputation/image may suffer ✓ because of poor quality/defective goods. ✓
- Customers will have many alternatives to choose from ✓ and the impact could be devastating to businesses. ✓
- Decline in sales ✓ as more goods are returned by unhappy customers. ✓



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

NOTE: Do not award marks for responses that were quoted in QUESTION 3.7.1.

Max. (4)

3.8 Advantages of adequate financing and capacity

- Large businesses have sufficient financing to test everything before implementing. ✓✓
- They can afford to have systems in place to prevent errors in processes/defects in raw materials/products. ✓✓
- Able to afford product research/market researchers to gather information about products/customers. ✓✓
- Large businesses can fund programmes aimed at improving quality processes. ✓✓
- Can afford to purchase quality raw materials and equipment. ✓✓

Any other relevant answer related to the advantages of adequate financing and capacity as a TQM element on large businesses.

Max. (4)

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2	4
3.3.1	3
3.3.2	4
3.4	6
3.5	4
3.6.	6
3.7.1	2
3.7.2	4
3.8	4
TOTAL	40

QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****4.1 Provisions of the Basic Conditions of Employment Act/BCEA**

- Regulation of working time/Ordinary hours of work/overtime/meal intervals and rest periods/Sunday work/public holidays. ✓
- Leave/annual/sick/family responsibility/maternity/paternity/parental. ✓
- Particulars of employment and remuneration. ✓
- Termination of employment. ✓
- Prohibition of employment of children and forced labour. ✓

NOTE: Mark the first FOUR (4) only.**(4 x 1) (4)****4.2 Challenges of business environments and the extent of control**

CHALLENGES 4.2.1	BUSINESS ENVIRONMENTS 4.2.2	EXTENT OF CONTROL 4.2.3
1. ATE always receives stock late from Freddie Wholesalers. ✓	Market ✓	Partial/Some/Limited/ Less/Little control ✓
2. ATE is experiencing a decline in sales due to unproductive employees. ✓	Micro ✓	Full control ✓
Max. (2)	Max. (2)	Max. (2)

- NOTE:**
1. Mark the first challenge for each environment only.
 2. If the business environment is not linked to the challenge mark the challenge only.
 3. Award full marks for the business environment even if the challenge is not indicated/incorrect.
 4. The extent of control must be linked to the business environment.
 5. Do not award marks for the extent of control if the business environment is not mentioned.
 6. Accept responses in any order.

4.3 Advantages of the Employment Equity Act/EEA

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

Any other relevant answer related to the advantages of the Employment Equity Act/EEA.

Max. (6)

4.4 Steps in strategy evaluation

- Examine the underlying basis of a business strategy. ✓✓
- Look forward and backwards into the implementation process. ✓✓
- Compare the expected performance with the actual performance. ✓✓
- 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 that will result in the achievement of business goals/envisaged when strategies are implemented. ✓✓
- Consider the impact of the strategic implementation in the internal and external environments of the business. ✓✓

Any other relevant answer related to the steps in strategy evaluation.

NOTE: Accept steps in any order

Max. (4)

BUSINESS OPERATIONS**4.5 Sources of internal recruitment**

- Internal e-mails/Intranet/websites to staff ✓
- Word of mouth/Staff meetings ✓
- Business newsletter/Circulars to staff ✓
- Internal/management referrals ✓
- Office notice boards ✓
- Internal bulletins ✓
- Recommendation by current employees/staff ✓
- Headhunting within the business/organisational database ✓

Any other relevant answer related to the sources of internal recruitment.

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

4.6 Aspects that must be included in the induction programme**4.6.1 Aspect that must be included in the induction programme from the scenario**

- The programme included a tour of the premises. ✓
- Information about their business's products also formed part of the programme. ✓

NOTE: 1. Mark the first TWO (2) only.

2. Only award marks for responses that are quoted from the scenario.

(2 x 1) (2)

4.6.2 Other aspects that must be included in the induction programme.

- Introduction to key people ✓ and immediate colleagues. ✓
- Safety regulations ✓ and rules. ✓
- Discussion of the employment contract ✓ and conditions of service. ✓
- Discussion of employee ✓ benefits. ✓
- Meeting with senior management ✓ who will explain the company's vision/value descriptions/daily tasks. ✓
- Conditions of employment, ✓ such as working hours/leave application process/disciplinary procedures, etc. ✓
- Administration details ✓ on systems/processes/logistics. ✓
- Discussion of personnel policies, ✓ such as making private phone calls/using the Internet, etc. ✓
- Corporate social responsibility ✓ programmes. ✓

Any other relevant answer related to other aspects that must be included in the induction programme.

NOTE: Do not award marks for responses that were quoted in QUESTION 4.6.1

Max. (4)

4.7 Quality indicators of the purchasing function

- Businesses should buy raw materials/products in bulk ✓ at lower prices. ✓
- Select reliable suppliers that render the best quality raw materials/capital goods ✓ at reasonable prices. ✓
- Place orders timeously and regular follow-ups ✓ to ensure that goods are delivered on time. ✓
- Effective coordination 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 outdated stock. ✓
- Monitor and report on minimum stock levels ✓ to avoid stock-outs. ✓
- Effective use of storage space ✓ and maintain product quality while in storage. ✓
- Involve suppliers ✓ in strategic planning/product design/material selection/quality control processes. ✓
- 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 of the purchasing function.

Max. (4)

4.8 Role 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. ✓✓
- Improve the quality of products/services/productivity through regular reviews of quality processes. ✓✓
- Monitor/Reinforce strategies to improve the smooth running of business operations. ✓✓
- Increase employees' morale/motivation to boost the team spirit in achieving organisational goals. ✓✓
- Contribute towards the improvement and development of the organisation. ✓✓
- Reduce costs of redundancy and wasteful efforts in the long run. ✓✓
- 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/commitment to the organisational 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 related to the role of quality circles as part of continuous improvement to processes and systems.

Max. (6)

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2.1	2
4.2.2	2
4.2.3	2
4.3.	6
4.4	4
4.5	4
4.6.1.	2
4.6.2	4
4.7	4
4.8	6
TOTAL	40

TOTAL SECTION B: 80

SECTION C

Mark the answers to the FIRST question only.

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)**5.1 Introduction**

- The establishment of the CPA has resulted in the protection of the rights of consumers. ✓
- The CPA compels both businesses and consumers to act responsibly when conducting business activities. ✓
- The CPA applies to all businesses that are involved in buying and selling of goods and services in South Africa. ✓
- Businesses should comply with the CPA to avoid penalties for non-compliance and having the business activities suspended. ✓

Any other relevant introduction related to the purpose of the CPA/rights of consumers in terms of the CPA/impact of the CPA on businesses/ways in which businesses can comply with the CPA.

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

5.2 Purpose of the Consumer Protection Act/CPA

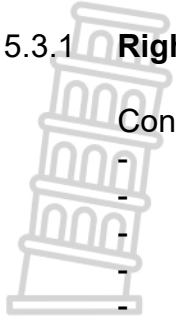
- Promotes fair/accessible and sustainable places for people to sell their products. ✓✓
- Establishes national standards to protect consumers regardless of economic status. ✓✓
- Provides guidelines for better consumer information and to prohibit unfair business practices. ✓✓
- Promotes responsible consumer behaviour amongst consumers. ✓✓
- Promotes consistent laws relating to consumer transaction and agreement. ✓✓
- Establishes a National Consumer Commission (NCC). ✓✓
- Ensures that consumers have access to information they need to make informed choices. ✓✓
- Promotes the rights and full participation of historically disadvantaged individuals as consumers in the economy. ✓✓
- Ensures that consumers are not misled/deceived by suppliers of goods/ services. ✓✓
- Promotes consumer safety by protecting them from hazardous products/ services. ✓✓
- Strengthens a culture of consumer rights and responsibilities. ✓✓
- Empowers consumers to take legal action if their rights are not upheld. ✓✓
- Protects consumers against contracts that include unfair terms which limit the liability of suppliers. ✓✓
- Protects consumers against unscrupulous businesses such as fly-by-night franchisors. ✓✓
- Allows for consumers and businesses to resolve disputes fairly/effectively. ✓✓

Any other relevant answer related to the purpose of the Consumer Protection Act.

Max. (10)

5.3 Rights of consumers in terms of the CPA

5.3.1 Right to choose ✓✓



Consumers have the right to:

- choose suppliers ✓ and goods. ✓
- shop around ✓ for the best prices. ✓
- return goods ✓ that are unsafe/defective for a full refund. ✓
- reject goods ✓ that are not the same as the sample marketed. ✓
- cancel/renew ✓ fixed term agreements. ✓
- request written quotations ✓ and cost estimates. ✓

Any other relevant answer related to the right to choose according to the CPA.

Right (2)

Explanation (2)

Submax. (4)

5.3.2 Right to privacy ✓✓

- Consumers have the right to stop/restrict ✓ unwanted direct marketing. ✓
- They can object ✓ to unwanted promotional e-mails and telesales. ✓
- They have the right to stop/lodge complaints ✓ about the sharing of their personal details. ✓

Any other relevant answer related to the right to privacy according to the CPA.

Right (2)

Explanation (2)

Submax. (4)

5.3.3 Right to fair and honest dealings ✓✓

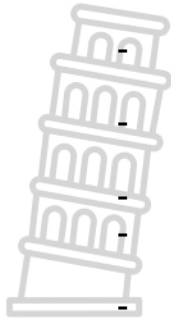
- Suppliers may not use physical force/harass customers ✓ to buy products. ✓
- Suppliers may not give misleading/false ✓ information. ✓
- Businesses may not promote pyramid schemes ✓ and chain-letter schemes. ✓
- Businesses may not overbook/oversell goods/services ✓ and then not honour the agreement. ✓

Any other relevant answer related to the right to fair and honest dealings according to the CPA.

Right (2)

Explanation (2)

Submax. (4)

5.3.4 **Right to disclosure and information** ✓✓

- Contracts/Agreements should be in plain language ✓ and easy to understand. ✓
- Businesses should display prices ✓ which are fully inclusive/disclosing all costs. ✓
- Consumers may request the unit/bulk price ✓ of the same product. ✓
- If two prices for the same product are displayed ✓, consumers should pay the lower price. ✓
- Businesses should label products ✓ and trade descriptions correctly. ✓

Any other relevant answer related to the right to disclosure and information according to the CPA.

Right (2)
Explanation (2)
Submax. (4)

5.3.5 **Right to fair and responsible marketing** ✓✓

- Businesses should not mislead consumers ✓ on pricing, benefits/uses of goods. ✓
- Consumers may cancel purchases made through direct marketing ✓ within five working days/cooling off-period. ✓
- All information related to the country of origin ✓, expiry dates/ingredients of the products should be disclosed. ✓

Any other relevant answer related to the right to fair and responsible marketing according to the CPA.

Right (2)
Explanation (2)
Submax. (4)

5.3.6 **Right to fair value, good quality and safety** ✓✓

- Consumers have the right to demand ✓ quality service or goods. ✓
- They have the right to return faulty items ✓ if the fault occurs within six months after purchasing the item. ✓
- Consumers may receive an implied/a written ✓ warranty. ✓

Any other relevant answer related to the right to fair value, good quality and safety according to the CPA.

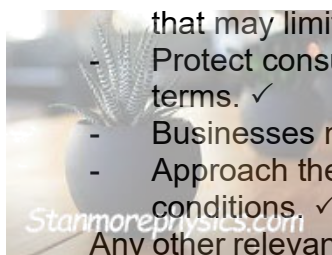
Right (2)
Explanation (2)
Submax. (4)



5.3.7 **Right to accountability by suppliers** ✓✓

- Consumers have the right to be protected ✓ in lay-by agreements. ✓
 - Businesses should honour credit vouchers ✓ and prepaid services. ✓
- Any other relevant answer related to the right to accountability by suppliers according to the CPA.

Right (2)
Explanation (2)
Submax. (4)

5.3.8 **Right to fair/just and reasonable terms and conditions** ✓✓

- Businesses should provide consumers with written notices of clauses ✓ that may limit consumer rights. ✓
 - Protect consumers against unfair ✓ and unreasonable/unjust contract terms. ✓
 - Businesses may not market/sell goods ✓ at unfair prices. ✓
 - Approach the court ✓ to ensure fair and just conduct/terms and conditions. ✓
- Any other relevant answer related to the right to fair/just and reasonable terms and conditions according to the CPA.

Right (2)
Explanation (2)
Submax. (4)

5.3.9 **Right of equality in the consumer market** ✓✓

- Businesses should not limit access ✓ to goods and services in the consumer market. ✓
 - Businesses may not vary the quality of their goods ✓ to different consumers. ✓
 - Businesses may not charge different prices ✓ for the same goods/services. ✓
 - Businesses should not discriminate ✓ when marketing their products and services in different areas. ✓
- Any other relevant answer related to the right of equality in the consumer market place according to the CPA.



Right (2)
Explanation (2)
Submax. (4)

NOTE: Mark the first FOUR (4) only

Max. (16)

5.4 Impact of CPA on businesses

Positives/Advantages

- Enables businesses to resolve disputes fairly ✓ through the National Consumer Commission/Consumer Court/Industrial ombudsman. ✓
- Businesses may build a good image ✓ when they ensure that consumer rights are not violated. ✓
- May gain consumer loyalty/improved profitability ✓, if they comply with the CPA. ✓
- Businesses are less likely to have court cases against them ✓ for consumer rights violations. ✓
- Businesses may be protected ✓ if they are regarded as consumers. ✓
- They may be safeguarded ✓ from dishonest competitors. ✓
- Prevents larger businesses ✓ from undermining smaller ones. ✓

Any other relevant answer related to the positive impact/advantages of the CPA on businesses.

AND/OR

Negatives/Disadvantages

- Businesses have to replace/repair faulty items/refund money ✓ if the fault occurs within six months after purchase. ✓
- Confidential business information ✓ may become available to competitors. ✓
- Consumers can take advantage of businesses ✓ and return goods when it is not necessary to do so. ✓
- Processes and procedures required by the CPA ✓ can be expensive and time consuming. ✓
- Businesses may feel unnecessarily burdened ✓ by legal processes. ✓
- Penalties for non-compliance ✓ may be very high. ✓
- Staff need to be trained/Legal experts need to be consulted ✓, which can increase costs. ✓
- Many business documents need to be simplified/revamped at extra cost ✓, as consumers have a right to receive contracts in simple/understandable language. ✓
- Administration costs increase ✓, as legal contracts need to be worded in plain language/pitched at the level of the consumer. ✓
- Businesses may need insurance ✓ against claims from consumers ✓/Provisions in the Act increase the risks ✓ for unforeseen claims and law suits. ✓
- Supply chain management in stock levels will have to change ✓, as defective goods have to be replaced within six months at the request of the customer. ✓
- Information technology systems need to be improved ✓ as the retailer must keep more detailed records of interactions with consumers/be able to report to the National Consumer Commission. ✓

Any other relevant answer related to the negative impact/disadvantages of the CPA on businesses.

Max. (12)

5.5 Ways in which businesses could comply with the CPA

- Display the business's name on all business documentation, for example, letterheads/invoices/contracts. ✓✓
- Allow consumers a five-day cooling off period in the sales agreement. ✓✓
- Disclose the prices of all products that are on sale. ✓✓
- Ensure that the quality of the goods and services is standardised and identical for all consumers. ✓✓
- Comply with requirements regarding the display of information on labels/ packaging, for example smoking is hazardous for pregnant women. ✓✓
- Conduct training with all staff members/stakeholders on the CPA. ✓✓

Any other relevant answer related to ways in which businesses could comply with the CPA. **Max. (8)**

5.6 Conclusion

- The CPA promotes good business practices between suppliers of goods and services and consumers of these goods and services. ✓✓
- Businesses should promote awareness/compliance of the consumer rights as stipulated in the CPA. ✓✓
- Businesses must be knowledgeable about the impact of the CPA to avoid unnecessary litigation and a negative public image. ✓✓
- Consumer rights enable businesses to guard against the violation of these rights. ✓✓

Any other relevant conclusion related to the purpose of the CPA/rights of consumers in terms of the CPA/impact of the CPA on businesses/ways in which businesses could comply with the CPA. Any (1 x 2) **(2)**

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Purpose of the CPA	10	
Rights of consumers in terms of the CPA	16	
Impact of the CPA on businesses	12	
Ways in which businesses can comply with the CPA	8	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)**6.1 Introduction**

- The selection procedure involves a series of steps followed to gather necessary information for making appointment decisions. ✓
- The interviewer must be well conversant with the job analysis to develop relevant questions for the interview. ✓
- Fringe benefits are offered to employees regardless of regular wages/salaries/ extra compensation over and above regular salaries. ✓
- The legal requirement of the employment contract provides guidelines on the contents that must be included in the contract. ✓

Any other relevant answer related to the selection procedure/role of the interviewer before the interview/impact of fringe benefits on businesses/legal requirements of the employment contract.

Any (2 x 1) (2)

6.2 Selection procedure**OPTION 1**

- Determine fair assessment criteria on which selection will be based. ✓✓
- Conduct preliminary interviews to identify suitable applicants. ✓✓
- Applicants must submit the application forms/curriculum vitae and certified copies of personal documents/IDs/proof of qualifications. ✓✓
- Sort the received documents/CVs according to the assessment/selection criteria. ✓✓
- Screen/Determine which applications meet the minimum job requirements and separate these from the rest. ✓✓
- Preliminary interviews are conducted if many suitable applications were received/to identify suitable applicants. ✓✓
- Reference checks/Vetting process should be made/followed to verify work experience/criminal records/credit records/qualifications on the CV. ✓✓
- Compile a shortlist of potential candidate's identified. ✓✓
- Shortlisted candidates may be subjected to various types of selection tests such as skills tests. ✓✓
- Invite shortlisted candidates for an interview. ✓✓
- A written offer is made to the selected candidate. ✓✓
- Inform unsuccessful applicants about the outcome of their application./Some adverts indicate the deadline for informing only successful candidates. ✓✓

Any other relevant answer related to the selection procedure as a human resource activity.

OR

OPTION 2

- Receive documentation such as application forms and sort it according to the criteria of the job. ✓✓
- Evaluate CVs and create a shortlist/screen the applicants. ✓✓
- Check information in the CVs and contact references. ✓✓
- Conduct preliminary sifting interviews to identify applicants who are not suitable for the job, although they meet all requirements. ✓✓
- Assess/Test candidates who have applied for senior positions/to ensure the best candidate is chosen. ✓✓
- Conduct interviews with shortlisted candidates. ✓✓
- Offer employment in writing to the selected candidate(s) ✓✓

Any other relevant answer related to the selection procedure as a human resource activity. **Max. (12)**

NOTE: Do not award marks for option 2 facts that were mentioned in option 1.

6.3 Role of the interviewer before the interview

- Book and prepare the venue ✓ for the interview. ✓
- Inform all shortlisted candidates about the date ✓ and place of the interview. ✓
- Set the interview date ✓ and ensure that all interviews take place on the same date, if possible. ✓
- Notify all panel members conducting the interviewing ✓ about the date and place of the interview. ✓
- The interviewer should develop a core set of questions ✓ based on the skills/knowledge/ability required. ✓
- Check/Read the application/verify the CV ✓ of every candidate for anything that may need to be explained. ✓
- Plan the programme for the interview ✓ and determine the time that should be allocated to each candidate. ✓

Any other relevant answer related to the role of the interviewer before the interview.

Max. (12)

6.4 Impact of fringe benefits on businesses**Positives/Advantages**

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

Any other relevant answer related to the positive impact/advantages of fringe benefits on businesses.

AND/OR

Negatives/Disadvantages

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

Any other relevant answer related to the negative impact/disadvantages of fringe benefits on businesses.

Max. (12)**6.5 Legal requirements of the employment contract**

- The employer and employee/Both parties must 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. ✓✓
- The employment contract may not contain any requirements that are in conflict with the BCEA. ✓✓
- 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. ✓✓
- The employment contract should include a code of conduct and code of ethics. ✓✓

Any other relevant answer related to the legal requirements of the employment contract.

Max. (10)

6.6 Conclusion

- The selection procedure serves as a guideline on how to eliminate unsuitable candidates and appoint competent candidates for available posts. ✓✓
- A well-prepared interviewer should conduct research on relevant questions that should be asked during the interview. ✓✓
- Offering fringe benefits is a great way to motivate employees to work hard towards achieving business goals. ✓✓
- Businesses should align the employment contract according to the requirements of the BCEA to avoid unnecessary legal action. ✓✓

Any other relevant conclusion related to selection procedure/role of the interviewer before the interview/impact of fringe benefits/legal requirements of the employment contract.

Any (1 x 2) (2)

[40]

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max. 32
Selection procedure as a human resources activity	12	
Role of the interviewer before the interview	12	
Impact of fringe benefits on businesses	12	
Legal requirements of the employment contract	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40

TOTAL: 150