



BUSINESS STUDIES GRADE 12 PAPER 2

BUSINESS ROLES SUMMARY

1 COOPERATE SOCIAL RESPONSIBILITY/CSR

1.1 Meaning of CSR

- The way businesses manage their process to affect their stakeholders in a positive way.
- Corporate Social Responsibility is an obligation required by law and benefits both business and society.

1.2 Purpose of CSR

- CSR aims at creating a safe working environment for employees.
- Businesses use internal CSR programmes to comply with laws and ethics.
- They want to comply with the expectations of government and the law, for example, by not exploiting natural resources.

1.3 Components of Corporate Social Responsibility (CSR)

- Environment
- Health and safety
- Corporate governance
- Business ethics
- Employment equity
- Employees and customers
- Community

1.4 Impact of CSR/CSI on businesses

C3MB

Advantages/Positives of CSR/CSI on **BUSINESSES**

- CSI projects promote teamwork within businesses.
- CSI helps to attract investors because of increased profits.
- CSI promote customer loyalty, which may result in more sales.

Negatives/Disadvantages

- Most managers are not trained to handle social programmes.
- Businesses find it difficult to adhere to legislation governing CSI.

NOTE: that the impact of CSR AND CSI on business are the SAME

1.5 Impact of CSR/CSI ON COMMUNITIES

Positives/Advantages

TTBBB

- The standard of living of the community is uplifted
- The provision of medical infrastructure improves the health of communities.
- Better educational and educational facilities are established in poor communities.

Negatives/Disadvantages

- Business cannot deliver sustainable CSR programmes.
- Businesses are not always equipped to address social problems.

NOTE: that the impact of CSR and CSI on the community are the same

2 COOPERATE SOCIAL INVESTMENT (CSI)

2.1 The meaning of CSI

- The projects are not directly for purposes of increasing company profits.
- Money that the business spend on the community to improve their standard of living.

2.2 Purpose of CSI

- CSI projects are long-term investment
- CSI projects play a positive role in the development of communities.
- CSI reveals a business's attitude towards the community in which it operates.
- Aims at contributing towards sustainable development of its immediate communities.
- CSI is enforceable by law and government requires business to make CSI contributions.

2.3 CSI focus areas

- Community
- Rural development
- Employees
- Environment

2.4 Examples of CSI projects

- Building infrastructure
- Investing in job creation projects
- Providing adult basic education
- Teaching entrepreneurial skills
- Donation to support local organisations
- Being involved in conversation projects
- Sponsoring arts and culture programmes

2.5 Differences between Corporate Social Responsibility (CSR) and Corporate Social Investment (CSI)

Corporate Social Responsibility	Corporate Social Investment
- The intention is to change business practices.	- Actively committing money and resources to uplift the community.
- Focus is on increasing image and profits.	- Focus is on the upliftment of community without return on investment.
- Often intended as a marketing initiative.	- Intended to benefit and uplift communities through social development.

2.6 Impact of CSI on business and communities

NOTE: This is the same as the impact of CSR on businesses and communities as mentioned on page 7.

1.1 The meaning of social responsibility

- It is an obligation to work towards improving the welfare of society.
- It is the duty of all businesses to maintain a balance between the economy and the environment.

1.2 The meaning of triple bottom line

- A triple bottom line means that businesses should focus on profit, people and environment.
- It is a way to measure business performance by evaluating its social, environmental and economic success.



1.3 Relationship/Link between social responsibility and Triple bottom line

Profit/Economic

- Businesses should not make a profit at the expense of its community
- Triple Bottom line means that businesses should not only focus on profit but should also invest in CSI projects.

People/Social

- Improve the lifestyle of their employees.
- Business operations should not have a negative impact on people, employees, customers, community.
- Businesses should invest in sustainable community projects that will benefit communities.

Planet/Environment

- Businesses should not harm the environment for profit purposes.
- They may support energy-efficient production methods.
- Recycle, Reduce, Re-use waste, e.g. packaging from recycled material.

1.3 Ways in which a business project can contribute towards the community

TIMEC

- Train people within the community, especially the unemployed.
- Involvement in the community education, health and other programmes.
- Management could mentor new business owners to improve.
- Employee volunteer where they contribute to the community without getting paid.
- Charitable contributions to NGOs focused on the needs of the community.



1.5 Socio-economic issues

- HIV/Aids
- Unemployment
- Poverty

N/B: You may also be required to suggest strategies to deal with the above mentioned socio-economic issues.

1.6.1 Strategies to deal with HIV/Aids

CEDPD

- Conduct workshops on HIV/Aids programmes.
- Encourage employees to join HIV/Aids support groups.
- Develop strategies to deal with stigma and discrimination.
- Provide counselling programmes for infected and affected employees.
- Develop counselling programmes for infected and affected employees.

1.6.2 Strategies to deal with unemployment

POPCU

- Provide skills development programmes through learnerships programmes.
- Offer bursaries to the community to improve the level of education.
- Provide entrepreneurial programmes that can promote self-employment.
- Create jobs for members of the community in the business.
- Use members of the community for implementing CSI projects in the community.

1.6.3 Strategies to deal with poverty

DISA

- Donate money/food parcels to local NGOs.
- Invest in infrastructure and housing programmes in the local area.
- Support poverty alleviation programmes that are offered by the government.
- Attract the best employees by being socially responsible and offering the best programs.

1.7 Ways in which businesses can contribute time and effort in improving the well-being of employees

POCAPE

- Provide recreational facilities for employees.
- Offer annual medical assessments to workers.
- Conduct team-building sessions to improve employees' morale.
- Allow flexible working hours to enhance productivity.
- Provide transport for employees who work unusually long hours.
- Establish coaching and mentoring programmes for junior employees.

1.8 Ways in which businesses can contribute time and effort in improving the well-being of communities

PERDM

- Provide sport facilities to promote healthy activities.
- Ensure that the product they supply do not harm consumers.
- Refrain from engaging in illegal practices such as selling illegal substances
- Donate money to a community project to uplift the community.
- Make ethically correct business decisions, e.g. not engage in unfair advertising.

1.1 HUMAN RIGHTS IN THE WORKPLACE

- Privacy
- Dignity
- Equity
- Freedom of speech and expression
- Information
- Safety, security and protection of life.

1.1.1 Ways in which businesses could deal with the above-mentioned human rights in the workplace

Privacy

- Business must respect the rights of employees and clients and must not violate them.
- They should not provide personal information about employees to anyone else.

Dignity

- Workers should not be forced to do embarrassing or degrading work.
- Value all employees regardless of their socio-economic status and treat all employees with respect and dignity.

Equity

- The business must ensure that its workers receive equal pay for work of equal value.
- Businesses must not discriminate against their employees based on gender, race, religion, sexual orientation.

Freedom of speech and expression

- The employee has the right to express their opinions and should not be punished for voicing their opinion.
- Businesses should give employees a platform to raise their grievances without any victimisation by appointing workplace representatives.

Information

- When new information is available, the business should inform employees about it.
- Employees must receive information on the CSI projects and it will affect them.

Safety, security and protection of life

- Employees should work in a safe working environment free from dangerous areas.
- Businesses should provide workers with protective clothing, e.g. gloves and footwear.

1.2 The economic rights of employees in the workplace

- Freedom from forced labour
- Free to accept or choose work
- Join or form trade unions
- Right to participate in a legal strike
- Safe and healthy working conditions

1.3 THE SOCIAL RIGHTS OF EMPLOYEES IN THE WORKPLACE

- Clean water
- Education
- Protection
- Health care

1.3.1 Ways in which businesses could promote social rights

- Ensure that employees have access to clean water and social security.
- Encourage employees to participate in special events, e.g. World Aids day.
- Register workers with UIF to provide adequate protection in the event of unemployment.

1.4 Cultural rights

Ways to promote cultural rights in the workplace

- Encourage employees to participate in cultural activities.
- Respect the right of workers to participate in the cultural life of their choice.
- Train employees to tolerate other cultures in the workplace.
- Allow employees to provide solutions to challenges from their own cultural perspective.

1.5 Implications of equality, respect and dignity businesses

- Workers should be treated with respect and dignity by recognising work well done.
- The mission statement of the business should include values of equality and respect.
- Employees must be treated equally, regardless of their race, colour, age, gender, disability
- Equal access to opportunities, positions, and resources must be available to all employees.
- Employers must ensure that the workplace environment is safe, fair, and free from embarrassment.

2.1 The meaning of diversity in the workplace

- Businesses employ people from different cultural backgrounds.
- Diversity means that people are different in terms of gender, age, and background.

2.2 Diversity issues in the workplace

- Poverty
- Race
- Gender
- Language
- Age
- Culture
- Disability



2.3 Ways in which businesses could deal with the above-mentioned diversity issues in the workplace

Poverty

- Businesses should employ people from different socio-economic status.
- The business should offer subsidised meals on the premises for their employees.
- Train all employees so that they can be able to deal with retrenchment.

Race

- Implement affirmative action policies as required by EEA and other laws.
- There should be no discrimination in the workplace based on skin colour.
- Businesses should comply with the EEA and BBBEE Act when appointing people.

Gender

- Women should be employed to comply with EEA.
- The business should offer equal employment opportunities to males and females.
- New appointments should be based on skills and ability, despite the gender of the person.

Language

- Must provide training to the employees in the official language of the business.
- No worker should feel excluded in meetings conducted in one language only.
- Employ an interpreter to enable everyone to understand what is being said in a meeting.

Age

- A business may not employ children aged 15 or younger
- Young employees must be advised to respect and learn from older employees.
- Promotions should not be linked to age, but rather to a specific set of skills.

Culture/Religion

- Cater for special food and preparation methods in the workers' canteen.
- Nobody must be forced to do work that could be against their religion.
- Businesses should acknowledge and respect cultural differences of employees.

Disability/Physically challenged/People living with disability

- Businesses should be well-informed on how to deal with disabled employees.
- Create an organisational culture or a climate that is conducive for people with disabilities.
- Train their employees on how to deal with colleagues who have any form of disability.

2.4 Benefits of diversity in the workplace

- Diversity in the workforce improves morale and motivation.
- Workforce diversity improves the ability of businesses to solve problems.
- A diversified workforce stimulates debate on new ways of getting things done.
- Being respectful of differences makes good business sense and improves profitability.
- Employees from different backgrounds can bring different perspectives to businesses.

3 Environmental issues

3.1 Responsibilities of employers in promoting human health and safety in the workplace

- Remove dangers to workers and provide personal protective clothing
- Emergency exit door signs should be visible to all employees
- Provide and maintain all the equipment that is necessary to perform the work.
- Equipment must be used under the supervision of a designated trained worker
- Comply with safety laws which seek to promote a healthy working environment

3.2 Roles of health and safety representatives in protecting the workplace environment

- Promote and review safety measures in the workplace.
- Identify potential dangers in the workplace, e.g. a loose railing at a staircase.
- Ensure that dangerous equipment is used under the supervision of trained workers.
- They must ensure that employers comply with COIDA, e.g, reporting accidents that occurred in the workplace.

3.3 Responsibility of workers in promoting human health and safety in the workplace

- If there are unsafe working conditions, they must report it to the relevant management.
- Workers must be aware that they should take care of their health and safety in the workplace.
- Workers must always comply with the rules and procedures of the business, e.g. they wear safety clothing.
- Accidents must be reported to the relevant management immediately and paperwork must be completed.

3.4 Strategies businesses may use to protect the environment and human health.

- The business must educate workers about hygiene issues, e.g. washing of hands.
- The business must look after natural resources and promote nature conservation.
- The business must also take steps to become involved in environmental awareness programmes.
- Servicing and maintaining all machines regularly in order to reduce accidents in the workplace.

1.1 Meaning of problem solving

- It is the process of analysing a situation to identify strategies that can be used to change the situation.

1.2 Meaning of decision making

- Decision making is a choice made by using one's judgement.

1.3 Problem solving steps

- Identify the problem.
- Define the problem.
- Select the most appropriate alternative.
- Develop an action plan.
- Implement the action plan.

NOTE: Steps can be in any order

1.4 Problem solving techniques

- Delphi technique
- Force field analysis
- Brainstorming
- Nominal group technique

2.1 Meaning of creative thinking

- It focuses on generating ideas and looking for many answers.

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

- Encourage alternative ways of doing things.
- Provide a working environment conducive to creativity, free from distractions
- Make time for brainstorming sessions to generate new ideas, e.g. regular workshops.

2.3 Benefits/Advantages of creative thinking in the workplace

- Better and unique ideas are generated.
- Complex business problems may be solved.
- Improves motivation amongst staff members.



ETHICS AND PROFESSIONALISM

1.1 The meaning of ethical behaviour

- Acting according to a set of values that is morally acceptable in society.
- Ethical behaviour is expected from every employee in the business.

1.2 The meaning of ethics

- Business practices that are acceptable to society.
- Inherently forms part of the employees' code of conduct.

Examples of ethical and unethical practice

Ethical business practices	Unethical business practices
<ul style="list-style-type: none"> • Using fair advertising • Treating all employees equally • Paying fair wages 	<ul style="list-style-type: none"> • Unfair advertising • Taxation • Paying employees unfair wages

1.3

The meaning of professional behaviour

- Refers to what is right, wrong or acceptable in a business
- Applying a code of conduct of a profession or business.

1.3.1 Examples of professional and unprofessional business practice

Professional business practice	Unprofessional business practice
<ul style="list-style-type: none"> • Good use of work time • Treating all people the same. • Using polite language to colleagues. 	<ul style="list-style-type: none"> • Using rude language • Abuse of work time. • Giving some people special favours.

1.4 Differences between ethical behaviour and professional behaviour

Ethical behaviour	Professional behaviour
<ul style="list-style-type: none"> • Refers to the principles of right, wrong or acceptable in society. 	<ul style="list-style-type: none"> • Refers to what is right, wrong or acceptable in a business.
<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.

1.5 Ways in which businesses can apply King Code principles for good corporate governance

1.5.1 Transparency

- Decisions and actions must be clear to all stakeholders.
- Staffing and other processes should be open and transparent.

1.5.2 Accountability

- Businesses should be accountable for their actions.
- There must be regular communication between management and stakeholders.

1.5.3 Responsibility

- The business should develop remedial programmes to protect the environment, e.g, reduce pollution.
- The business should develop and implement programmes that should be aimed at protecting the communities in which they operate.

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

- Plan properly and put preventative measures in place.
- The mission statement should include values of equality and respect.
- All workers should have access to equal opportunities and resources.
- Business decisions and actions must be clear/transparent to all stakeholders.

1.7 Types of unethical business practices and examples

Type of unethical/business practices	Examples
Unfair advertising	Selling second-hand goods as new goods. False promises & False labelling.
Pricing of goods in rural areas	Inflating prices Charging higher for goods of inferior quality in rural areas.
Taxation/Tax evasion	Businesses that do not declare all their income to SARS. Falsifying the business financial statements.

NOTE: You must be able to identify the above-mentioned types of unethical business practices from given statements and scenarios

Challenges posed by the above-mentioned types of unethical business practices

1.7.1 Challenges posed by unfair advertising as an unethical business practice

- Unfair advertisements could be harmful to consumers.
- Deceptive advertising can violate the trust of consumers and destroy business relationships.

Ways/strategies to deal with unfair advertising in the workplace

- Advertisements should not contain anything that is discriminatory
- Businesses must make sure not to omit key information from the advertisements.

1.7.2 Challenges posed by pricing in rural areas as an unethical business practice

- There might be more complaints from customers about bad quality products.
- Businesses may experience a decline in sales due to high costs added to the price of the final product.

Ways/strategies to deal with pricing in rural areas in the workplace

- Businesses must charge fair prices for goods and services.
- Businesses can buy in bulk to get a discount to avoid charging high prices.

1.7.3 Challenges posed by taxation as an unethical business practice

- Businesses may pay heavy fines for evading tax.
- Tax evasion may negatively impact the business image.

Ways to deal with taxation/tax evasion in the workplace

- Submit the correct tax returns to SARS on time.
- Disclose all sources of income for tax payment purposes.

1.8 Type of unprofessional business practices and examples

Type of unprofessional business practices	Examples
Sexual harassment	-Manages who promise employees promotions if they agree to have a relationship with them.
Unauthorised use of workplace funds and resources	-Employees who download music and movies using the business data.
Abuse of work time	-Making personal calls during work hours.

NOTE: You must be able to identify the above-mentioned types of unprofessional business practices from the given statements and scenarios.

Challenges posed by the above-mentioned types of unprofessional business practice

1.8.1 Challenges posed by sexual harassment

- The business can lose workers because they do not feel safe in the business.
- Sometimes the victim prefers to stay away from work and the business loses productivity.

Ways/strategies to deal with sexual harassment in the workplace

- They must educate employees on sexual harassment matters.
- They must formulate a policy regarding sexual harassment

1.8.2 Challenges posed by unauthorised use of workplace funds and resources

- It may affect the competitiveness of the business.
- The business can experience substantial loss if it goes unchecked.

Ways/strategies to deal with unauthorised use of workplace funds and resources

- The business conducts regular audits.
- They must identify risk areas.

1.8.3 Challenges posed by abuse of work time in the workplace

- It may result in employees often abusing work time.
- Wasting time costs the business money and affects productivity.

Ways/strategies in which businesses deal with abuse of work time

- Speak directly to those employees who abuse work time.
- Monitor employees to ensure that tasks are completed on time.