



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES P1
SEPTEMBER 2024

Stanmorephysics.com

MARKS: 150

TIME: 2 hours



This question paper consists of 10 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

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

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

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

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

- 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.
- Except where other instructions are given, answers must be written in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

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

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

SECTION A (COMPULSORY)**QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 The right to ... outlines that businesses should honor credit vouchers and prepaid services, according to the Consumer Protection Act (CPA), 2008 (Act 68 of 2008).

- A fair and honest dealings
- B reasonable terms and conditions
- C accountability from suppliers
- D equality in the consumer market

1.1.2 Segapo Construction uses this growth strategy to introduce new products into existing markets:

- A Market penetration
- B Product development
- C Market development
- D Marketing

1.1.3 Spax Bakery operates in the ... sector, as they deliver bread to various customers.

- A primary
- B secondary
- C tertiary
- D economic

1.1.4 The process of matching a new employee's skills and abilities with the requirements of a job is known as ...

- A placement.
- B interview.
- C induction.
- D training.

1.1.5 Businesses use ... to solve problems related to quality and implement improvements.

- A quality performance
- B total quality management
- C quality management
- D quality circles

(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.

conglomerate; piece-meal; screening; ten; purchasing;
time-related; recruitment; three; concentric; financial

- 1.2.1 Workers may not work more than ... hours overtime per day.
- 1.2.2 Zonke Traders adds new products that are related to existing products when applying ... diversification.
- 1.2.3 During the ... procedure, a background check is performed on applicants who qualify for the job.
- 1.2.4 The manager of the ... department ensures that required quantities are delivered at the right time and place.
- 1.2.5 According to the ... salary determination method, employees are paid for the amount of time they spend at work. (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 BBBEE	A describes minimum acceptable and personal qualities needed for the job
1.3.2 Power of suppliers	B implement improvement to meet the needs of the business
1.3.3 Macro environment	C focuses on five pillars which include all sectors of the society
1.3.4 Job description	D refers to the factors within the business
1.3.5 Act	E assess how easy it is to drive prices down
	F describes duties of a specific job
	G focuses on three pillars that did not include all previously disadvantaged people
	H refers to the external factors outside the business
	I assess the power in influencing prices
	J implement the change on a small scale

(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 Name any THREE Integration strategies. (3)
- 2.2 Outline the steps in strategy evaluation. (6)
- 2.3 Identify the leave provision stipulated in the Basic Conditions of Employment Act (BCEA), 1997 (Act 75 of 1997) that complied with EACH statement below:
- 2.3.1 Fifi, the typist, was prevented from performing work that may be hazardous to her and the unborn child.
- 2.3.2 Lerato brought a medical certificate, after being absent for three days, due to health problems.
- 2.3.3 The secretary was granted five days paid leave to attend to the funeral of her sister. (6)
- 2.4 Explain the National Skills Development Strategy. (4)



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

RORI NAIL ART (RNA)

Rori Nail Art is well known for their beautiful art when designing nails. RNA is operating in a high crime area which affects the trading hours resulting in decreased profit. As a result RNA may not be able to afford new technology. Obtaining a loan will be expensive due to high interest rates.

2.5.1 Quote THREE challenges for RNA from the scenario above. (3)

2.5.2 Classify RNA's challenges according to the relevant PESTLE factor. (6)

Use the table below as a GUIDE to answer QUESTIONS 2.5.1 to 2.5.2.

CHALLENGES (2.5.1)	PESTLE FACTORS (2.5.2)
1.	
2.	
3.	

2.6 Discuss any TWO types of defensive strategies. (6)

2.7 Advise businesses on the implications of Enterprise and Supplier Development (ESD) as one of the pillars of Broad Based Black Economic Empowerment Act (BBBEE), 2003 (Act 53 of 2003) for businesses. (6) [40]

QUESTION 3: BUSINESS OPERATIONS

3.1 State any THREE examples of employee benefits (3)

3.2 Outline the benefits of *induction* for businesses. (6)

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

ZAIN'S CURTAIN (ZC)

Sully has been working at ZC for the past 10 years. She decided to leave ZC voluntarily for a better job opportunity. She gave her employer (ZC) a month's notice.

3.3.1 Identify the reason why Sully's employment contract was terminated. Motivate your answer by quoting from the scenario above. (3)

- 3.3.2 Explain other reasons for the termination of an employment contract. (4)
- 3.4 Discuss the impact of internal recruitment. (4)
- 3.5 Elaborate on the meaning of quality management systems. (4)
- 3.6 Read the scenario below and answer the questions that follow.

BAFANA BAKERY (BB)

Bafana Bakery is well known for baking delicious cakes. BB adheres to ethical advertising practices when promoting his cakes. BB also offers performance incentives for staff to enhance productivity. BB is planning to expand his business as it is growing rapidly.

- 3.6.1 Quote TWO quality indicators of the business functions from the scenario above. (2)
- 3.6.2 Classify EACH quality indicator quoted in QUESTION 3.6.1 according to the relevant business function. (4)

Use the table below as a GUIDE to answer QUESTIONS 3.6.1 to 3.6.2.

QUALITY INDICATORS (3.6.1)	BUSINESS FUNCTIONS (3.6.2)
1.	
2.	

- 3.7 Explain the benefits of a good quality management system. (4)
- 3.8 Recommend ways in which total quality management (TQM) can reduce the cost of quality. (6)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name any FOUR elements of the SWOT analysis. (4)
- 4.2 Outline the rights of employees in terms of the Labour Relations Act (LRA), 1995 (Act 66 of 1995). (6)
- 4.3 Elaborate on the meaning of learnership. (4)

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

SENWELO SALON (SS)

Senwelo Salon is experiencing a decrease in terms of their services. SS conducted an environmental analysis using Porter's Five Forces Model. SS formulated alternative strategies in response to their business challenges. She organized a training session to improve the quality of her employee's services.

- 4.4.1 Quote TWO ways in which SS applied the strategic management process from the scenario above. (2)
- 4.4.2 Explain other ways in which SS can apply the strategic management process. (4)

BUSINESS OPERATIONS

- 4.5 Name any TWO sources of External Recruitment. (2)
- 4.6 Outline the role of the Interviewer before the interview. (4)
- 4.7 Explain the recruitment procedure. (4)
- 4.8 Identify the following quality concepts from the given statements below:
- 4.8.1 Processes are put in place to ensure that the quality of products adheres to pre-set standards with minimal defects. (2)
- 4.8.2 Checking raw materials to ensure that high quality standards are maintained. (2)
- 4.9 Discuss the impact of total quality management (TQM) if poorly implemented by businesses. (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 the question must start on a NEW page, e.g.
QUESTION 5 on a NEW page OR QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

The National Credit Act (NCA), 2005 (Act 34 of 2005) provides a framework to regulate the credit market. It protects the rights of consumers and provides guidelines on how businesses should comply with this Act. Businesses may face penalties for not complying with the National Credit Act.

Write an essay on the National Credit Act in which you include the following aspects:

- Outline the rights of consumers in terms of the National Credit Act.
- Explain ways in which businesses could comply with the NCA.
- Discuss the impact of the NCA on businesses.
- Advise businesses on the penalties they may face for non-compliance to the Act.

[40]

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)

Sustainable businesses follow the correct selection procedure. The business must implement UIF as a benefit, as it is required by law. Businesses offer fringe benefits to their employees in addition to their salaries. They also investing in training their employees to show them that they are valued. An effective training programme is important for employees to enhance their current skills.

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

- Outline the selection procedure.
- Explain UIF as a benefit required by law.
- Discuss the impact of fringe benefits on businesses.
- Advise businesses on the importance of skills development in human resources.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150



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GRADE 12

BUSINESS STUDIES P1

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MARKING GUIDELINES

MARKS: 150



These marking guidelines consist of 25 pages.

NOTES TO MARKERS**PREAMBLE**

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

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

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

Marker:	Red
DH:	Green
Cluster moderator:	Orange
Provincial moderator:	Pink

2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct, but:
 - Uses a different expression from that which appears in the marking guideline
 - Comes from other sources
 - 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 candidate and allocate marks accordingly. (In case where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation and moderation purposes.
7. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub questions is recommended in 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 the repetition of facts. Indicate 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 guideline and the context of each question.

Cognitive verbs, *such as:*

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

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

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

14. **SECTION B**

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

NOTE: 1.This applies only to the questions where the number of fact 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 at the school to finalise alternative answers and consult with the internal moderator at province for approval.

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

14.4.1 If the number of facts is 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

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

15. **SECTION C**

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40



15.2. Insight consists of the following components:

Layout/Structure	Is there an introduction, a body and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/sub-headings/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? Marks to be allocated using this guide: 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 writes FOUR questions, but one sub-question of the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: No relevant facts: 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark for synthesis.	2
Originality	Is there evidence of one example in any TWO of the four sub-questions, 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:**
- No marks will be awarded for contents repeated from the introduction and conclusion.**
 - The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**
 - No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.**

- 15.3. 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/marketing guideline to each question.
- 15.5. Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6. At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
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 MARK BREAKDOWN at the end of each question.)
- 15.8. If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9. If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guidelines.
- 15.10. 15.10.1. Award TWO marks for completed sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2. With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy ✓ where businesses aim to introduce new products into existing markets.' ✓
- This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11. With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.

SECTION A

QUESTION 1

- 1.1 1.1.1 C✓✓
1.1.2 B✓✓
1.1.3 C✓✓
1.1.4 A✓✓
1.1.5 D✓✓

(5 x 2) (10)

- 1.2 1.2.1 three ✓✓
1.2.2 concentric ✓✓
1.2.3 screening ✓✓
1.2.4 purchasing ✓✓
1.2.5 time-related ✓✓

(5 x 2) (10)

- 1.3 1.3.1 C✓✓
1.3.2 I✓✓
1.3.3 H✓✓
1.3.4 F✓✓
1.3.5 B✓✓

(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 Three Integration strategies**

- Forward vertical integration ✓
- Backward vertical integration ✓
- Horizontal integration ✓

NOTE: Mark the first THREE (3) only.

(3 x 1) (3)

2.2 Steps in strategy evaluation

- Examine the underlying basis of a business strategy. ✓✓
- Look forward and backward into the implementation process. ✓✓
- Compare the expected performance with the actual performance. ✓✓
- 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 as envisaged when strategies were implemented. ✓✓
- Consider the impact of the strategic implementation in the internal and external environments of the business. ✓✓
- Compare the expected results in order to determine the reasons for deviations and analyse these reasons. ✓✓
- Any other relevant answer related to steps in strategy evaluation.

Max (6)

2.3 Leave provisions identified from the statements:

- 2.3.1 Maternity leave ✓✓
- 2.3.2 Sick leave ✓✓
- 2.3.3 Family responsibility leave ✓✓

(6)

2.4 Explanation of the National Skills Development Strategy (NSDS)

- Increases access to programmes ✓ that train people. ✓
- Addresses the low level/deficit/shortage of language and mathematical skills ✓ among the youth and adults. ✓
- Promotes the public FET college system ✓ that has programmes to meet the skills needed by SETAs/local/regional/provincial/national organisations. ✓
- Makes better use of/enhances/improves ✓ workplace-based skills development. ✓
- Encourages/supports ✓ small business/community-training groups/NGOs/worker-initiated training initiatives. ✓
- Increases/improves the skills ✓ of the public sector to improve service delivery. ✓
- Builds career/vocational guidance/training centres ✓
- Sets out/outlines the responsibilities ✓ of other education and training stakeholders. ✓
- Improves social development ✓ through economic development. ✓
- Any other relevant answer related to the National Skills Development Strategy.

Max (4)

2.5 **PESTLE factors from the scenario**

CHALLENGES (2.5.1)	PESTLE FACTORS (2.5.2)
1. RNA is operating in a high crime area which affects the trading hours resulting in decreased profit ✓	Social ✓✓
2. As a result RNA may not be able to afford new technology ✓	Technological ✓✓
3. Obtaining a loan will be expensive due to high interest rates ✓	Economic ✓✓
Submax (3)	Submax (6)

- NOTE:**
1. **Award marks for the PESTLE factors even if the quotes are incomplete.**
 2. **Do not award marks for the motivations if the PESTLE factors were incorrectly identified.**
 3. **Accept responses in any order.**

Max (9)

2.6 **Types of defensive strategies**

Divestiture ✓✓

- Disposing/Selling some assets/divisions that are no longer profitable/productive. ✓
- Selling off divisions/product lines with slow growth potential. ✓
- Decreasing the number of shareholders by selling ownership. ✓
- Paying off debts by selling unproductive assets. ✓
- Withdrawing/Divesting their investment share in another business. ✓
- Any other relevant answer related to divestiture/divestment as a type of defensive strategy.

Strategy (2)
 Explanation (1)
 Sub max (3)

Retrenchment ✓✓

- Decreasing the number of product lines/Closing certain departments may result in some workers becoming redundant. ✓
- Terminating the employment contracts of employees for operational reasons. ✓
- Any relevant answer related to retrenchment as a type of defensive strategy.

Strategy (2)
 Explanation (1)
 Sub max (3)

Liquidation ✓✓

- Selling all assets to pay lack of creditors due to capital. ✓
- Selling the entire business in order to pay shareholders a fair price for their shares. ✓
- Allowing creditors to apply for forced liquidation in order to have their claims settled. ✓
- Any relevant answer related to liquidation as a type of defensive strategy.

Strategy (2)
 Explanation (1)
 Sub max (3)

NOTE: Mark the first TWO (2) only.

Max (6)

2.7 **Enterprise and supplier development (ESD)**

- Be encouraged to invest in and support black-owned Small Medium and Micro Enterprises (SMMEs).√√
- Create jobs as ESD promotes and supports local manufacturing.√√
- Make monetary contributions to BBBEE compliant businesses and SMMEs, such as loans/donations/investments.√√
- Also make non-monetary contributions to BBBEE compliant businesses and SMMEs, such as advisory services/consulting services/entrepreneurial programmes.√√
- ESD promotes preferential procurement and businesses often do not have a choice but to transact with BBBEE approved vendors that are not necessarily their first choice.√√
- Any relevant answer related to the Implications of Enterprise and supplier development.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	3
2.2	6
2.3.1	2
2.3.2	2
2.3.3	2
2.4	4
2.5.1	3
2.5.2	6
2.6	6
2.7	6
TOTAL	40



QUESTION 3: BUSINESS OPERATIONS**3.1 Examples of employee benefits**

- 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 ✓
- Any other relevant answer related to examples of employee benefits.

NOTE: Mark the first THREE (3) only.**(3 x 1) (3)****3.2 Benefits of induction for businesses**

- 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. ✓✓
- Make new employees feel at ease in the workplace, which reduces anxiety/insecurity/fear. ✓✓
- The results obtained during the induction process provide a base for focussed training. ✓✓
- Increases quality of performance/productivity. ✓✓
- Minimises the need for on-going training and development. ✓✓
- Employees will be familiar with organisational structures, e.g. who are their supervisors/ low level managers. ✓✓
- Opportunities are created for new employees to experience/explore different departments. ✓✓
- New employees will understand their role/responsibilities concerning safety regulations and rules. ✓✓
- New employees will know the layout of the building/factory/offices/ where everything is, which saves production time. ✓✓
- Learn more about the business so that new employees understand their roles/responsibilities in order to be more efficient. ✓✓
- Company policies are communicated, regarding conduct and procedures/safety and security/employment contract/conditions of employment/working hours/ leave. ✓✓
- Realistic expectations for new employees as well as the business are created. ✓✓
- New employees may feel part of the team resulting in positive morale and motivation. ✓✓
- Employees may have a better understanding of business policies regarding ethical/professional conduct/procedures/CSR, etc. ✓✓
- Any other relevant answer related to the benefits of induction.

Max (6)

3.3 Termination of contract

3.3.1 Resignation ✓✓ (2)

Motivation:

She decided to leave ZC voluntarily for a better job opportunity. ✓ (1)

NOTE: Do not award marks for the motivation if the reason for termination of contract was incorrectly identified. Max (3)

3.3.2 **Other reasons for the termination of an employment contract**

- The employer may dismiss an employee for valid reason(s) ✓, such as unsatisfactory job performance/misconduct. ✓
- Employer may no longer have work for redundant employees ✓ /cannot fulfil the contract/is restructuring. ✓
- The employer may retrench some employees ✓ due to the reasons for the termination of an employment contract insolvency/may not be able to pay the employees. ✓
- An employee may have reached the pre-determined age ✓ or retirement ✓
- Incapacity to work ✓ due to illness/injuries. ✓
- By mutual agreement ✓ between the employer and employee. ✓
- Any other relevant answer related to reasons for termination of contract.

NOTE: Do not award marks for the response that was quoted in QUESTION 3.3.1.

Max (4)

3.4 Impact of Internal Recruitment

Positives/advantages

- The business recruits existing employees ✓ through promotions/transfers from inside the business ✓
- Opportunities for promotion rewards good work ✓ and motivates current employees. ✓
- Reliable/key staff members are retained ✓ if they are promoted/transferred within the business ✓
- Staff morale and productivity increases ✓ if suitable staff members are promoted regularly. ✓
- Current employees understand ✓ the operations/functions of the business ✓
- The business knows the personality ✓ strength and weaknesses of the candidate. ✓
- The recruitment process is faster/less expensive ✓ if the candidate is known to the business.
- Any other relevant answer related to the positives/advantages of Internal recruitment.

AND/OR

Negatives/disadvantages

- Current employees may not bring new ideas ✓ into the business. ✓ /Limited ideas generated from current employees. ✓
- Promoting a current employee may cause resentment ✓ amongst existing other employees. ✓
- The number of applicants is limited ✓ to current staff only. ✓ / Limited pool of applicants
- Employees who do not have the required skills for the new job may be promoted
- Current employees may need to be trained/developed before they can be promoted, ✓ which can be expensive/time-consuming. ✓
- Any other relevant answer related to the negatives/disadvantages of Internal recruitment

Max (4)

3.5 Meaning of Quality Management System

- A quality management system is a framework that a business uses ✓ to manage key organisational processes. ✓
- It is a formalised system that documents procedures/processes/responsibilities ✓ for achieving quality policies/objectives. ✓
- Coordinated/directs organisational activities to meet customer/regulatory requirements ✓ improve its effectiveness/efficiency/accuracy on a continuous basis. ✓
- It is expressed as organisational goals/aspirations/processes/policies/ ✓ documented information needed to implement and maintain quality standards in the business ✓
- Any other relevant answer related to the meaning of Quality management system.

Max (4)

3.6 Quality Indicators and Business functions

QUALITY INDICATORS (3.6.1)	BUSINESS FUNCTIONS (3.6.2)
BB adheres to ethical advertising practices when promoting his cakes ✓	Marketing function ✓✓
BB offers performance incentives for staff to enhance productivity ✓	Human Resources function ✓✓
Submax (2)	Submax (4)

NOTE:

1. Award marks for business functions even if the quotes are incomplete.
2. Do not award marks for the motivations if the business functions were incorrectly identified.
3. Accept responses in any order

Max (6)

3.7 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's skills/knowledge. ✓
- Employers and employees will have a healthy working relationship ✓ resulting in happy/productive workers. ✓
- Increased market share/Financial sustainability ✓ as more customers improves profitability. ✓
- Improves business image ✓ as there are less defects/returns. ✓
- Any other relevant answer related to the benefits of a good quality management system

Max (4)

3.8 Ways in which TQM can reduce the cost of quality

- Introduce quality circles to discuss ways of improving the quality of their work/workmanship. √√
- Schedule activities to eliminate duplication of tasks. √√
- Share responsibilities 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 the quality challenges/deviations, so that everyone can learn from past experiences. √√
- Reduce investment on expensive, but ineffective inspection procedures in the production process. √√
- Implement pro-active maintenance programmes for equipment/machinery to reduce/eliminate breakdowns. √√
- Any other relevant answer related to ways in which TQM can reduce the cost of quality.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	3
3.2	6
3.3.1	3
3.3.2	4
3.4	4
3.5	4
3.6.1	2
3.6.2	4
3.7	4
3.8	6
TOTAL	40



QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****4.1 Elements of SWOT analysis**

- Strength ✓
- Weaknesses ✓
- Opportunity ✓
- Threat ✓

NOTE: Mark the first FOUR (4) only.

(4 x 1) (4)

4.2 Rights of employees in terms of the Labour Relations Act (LRA)**Employees have the right to:**

- join a trade union of their choice. ✓✓
- establish a workplace forum where a business has 100 or more employees to resolve work related issues. ✓✓
- request trade union representatives to represent and assist employees during the grievance procedures/disciplinary hearings ✓✓
- embark upon legal strikes as a remedy for grievances. ✓✓
- trade union representatives may take reasonable time off work with pay, to attend to trade union duties. ✓✓
- refer unresolved workplace disputes to the Commission for Conciliation, Mediation and Arbitration (CCMA). ✓✓
- refer unresolved CCMA disputes to the Labour Court for an appeal. ✓✓
- Any other relevant answer related to rights of employees in terms of the LRA

Max (6)

4.3 Meaning of learnerships

- Learnerships are theoretical/practical training opportunities ✓ that lead to a recognized occupation qualification ✓
- They provide structured learning programmes ✓ that are completed during work hours for a specified period. ✓
- It includes a training course with learning material ✓ as well as practical work experience. ✓
- Agreement between a learner/trainee, ✓ employer and training provider. ✓
- It may sometimes include employment for a specified period ✓ after the learnership is completed. ✓
- Any other relevant answer related to the meaning of learnership.

Max (4)

4.4 Strategic management process from the scenario

- 4.4.1
- SS conducted an environmental analysis using Porter's Five Forces Model. ✓
 - SS formulated alternatives strategies in response to their business challenges. ✓

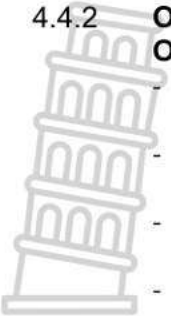
NOTE: 1. Mark the first TWO (2) only.

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

(2 x 1) (2)

4.4.2 **Other ways in which SS can apply the strategic management process**

Option 1

- 
- Business should have a clear vision, mission statement/measurable/realistic ✓ objective in place. ✓
 - Identify opportunities/weaknesses/strength/threats ✓ by conducting environmental scanning/situational analysis. ✓
 - 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 businesses 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 ✓
- Implement a strategy ✓, using a template such as an action plan ✓
- Control/Evaluate/Monitor the implemented strategy ✓ to identify gaps/deviations in implementation. ✓
- Take corrective action ✓ to ensure goals/objectives are met. ✓
- Any other relevant answer related to the strategic management process.

Max (4)

BUSINESS OPERATIONS

4.5 **Sources of External Recruitment**

- Printed media, for example newspaper, flyers/magazines/posters/government gazette ✓
- Electronic media, for example, radio/TV ✓
- Billboards ✓
- Social media/social network/internet/business websites ✓
- Recruitment agencies
- Walk-ins ✓
- Headhunting ✓
- Professional associations ✓
- Networking ✓
- Educational/training institutions ✓
- Posters/billboards just outside the business ✓
- Any other related answer to source of external recruitment.

NOTE: Mark the first TWO (2) only.

(2 x 1) (2)

4.6 **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 interview 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 (4)**4.7 Recruitment procedure**

- The human resource manager should evaluate the job/prepare job analysis ✓ that includes the job specification/job description/in order to identify recruitment needs ✓.
- The HRM should indicate the job specification/key performance areas ✓ to attract suitable candidates. ✓
- Choose the method of recruitment, ✓ e.g. internal/external recruitment, to reach/target the suitable applicants/ candidates. ✓
- If external recruitment is chosen, the relevant recruitment sources should be selected, ✓ e.g. recruitment agencies/tertiary institutions/newspapers/electronic media, etc. ✓
- Vacancies can be internally advertised ✓ via internal email/word of mouth/posters/office notice boards etc. ✓
- The advertisement should be prepared with the relevant information, ✓ e.g. the name of the company, contact details, contact person, etc. ✓
- External recruitment should be considered ✓ if internal recruitment was unsuccessful. ✓
- Place the advertisement in the selected media ✓ that will ensure that the best candidates apply. ✓
- Any other relevant answer related to recruitment procedure.

Max (4)**4.8 Quality concepts from the scenario**

4.8.1 Quality Assurance ✓✓

(2)

4.8.2 Quality Control ✓✓

(2)**4.9 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. ✓
- Business may not be able to make necessary changes of products/services ✓ to satisfy the needs of customers. ✓
- Business reputation/image may suffer ✓ because of poor quality/deceptive goods. ✓
- 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. ✓
-
-
-
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-

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

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	4
4.2.	6
4.3	4
4.4.1	2
4.4.2	4
4.5	2
4.6	4
4.7	4
4.8.1	2
4.8.2	2
4.9	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 National Credit Act regulates the terms and conditions for all goods and services that are sold/delivered on credit. ✓
- The Act enables businesses and consumers to enter into transparent credit agreements. ✓
- Businesses must receive assistance from legal experts to ensure compliance with the NCA. ✓
- Penalties/Consequences for non-compliance compel businesses to put systems in place that will improve their compliance status. ✓
- Any other relevant introduction related to the rights of consumers in terms of the NCA/impact of the NCA/ways to comply with NCA/penalties for non-compliance of the NCA.

Any (2 x 1) (2)

5.2 Rights of consumers in terms of the National Credit Act/NCA

Consumers have a right to:

- Apply for credit and to be free from discrimination. ✓✓
- Obtain reasons for credit being refused. ✓✓
- Receive pre-agreement documentation/credit quote that is valid for 7 days before concluding any credit transaction. ✓✓
- Fair and responsible marketing. ✓✓
- 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 information in plain and understandable language. ✓✓
- Receive documents/statements as required by the Act. ✓✓
- Access and challenge credit records and information. ✓✓
- Receive protection of their personal information. ✓✓
- Receive protection from being held accountable for the use of their credit facility after they reported the loss/theft. ✓✓
- Refuse a credit limit increase. ✓✓
- Any other relevant answer related to the rights of consumers in terms of the NCA.

Max (10)

5.3 Ways in which businesses could comply with the NCA

- Offer applicants ✓ pre-agreement statements. ✓
- Disclose all costs ✓ of the 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 that consumers have the ability to meet their obligations. ✓
- Conduct credit checks with a registered credit bureau ✓ and consult National Credit Register. ✓
- Businesses 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 ✓ of their obligations in terms of FICA. ✓
- Any other relevant answer related to ways in which businesses could comply with the NCA

Max (14)

5.4 **Impact of the National Credit Act/NCA on businesses**

Positives/Advantages

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

AND/OR

Negatives/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. ✓
- Leads to loss of sales ✓ as many consumers may no longer qualify to buy on credit. ✓
- The paperwork and administrative process ✓ required by the Act are costly and time consuming. ✓
- Businesses need to appoint additional staff ✓ to deal with the extra administration. ✓
- Should the credit agreement be declared reckless ✓ businesses can forfeit the outstanding debt and the goods. ✓
- Businesses that are official credit providers, ✓ must submit a compliance report every year. ✓
- Businesses 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 review. ✓
- More working capital is needed ✓ as businesses cannot sell many goods on credit/due to stricter credit application processes. ✓
- Any other relevant answer related to the negative impact/disadvantages of the NCA on businesses.

Max (14)

5.5 Penalties for non-compliance to the NCA

- Businesses may not demand payment/sue/attach the clients /consumers salaries/assets. ✓✓
- They may not charge any fee/interest/other charges under that specific credit agreement. ✓✓
- The court may order consumers not to repay their debts if the business is found guilty of reckless credit granting. ✓✓
- The National Consumer Tribunal may impose a fine on businesses for non-compliance. ✓✓
- Businesses will bear all costs of removing the negative information of clients/consumers who were blacklisted as a result of reckless credit lending. ✓✓
- The business license may be revoked/deregistered as a credit provider for reckless credit granting and gross violations of the NCA. ✓✓
- Any other relevant answer related to the penalties that businesses may face for non-compliance to the NCA.

Max (8)

5.6 Conclusion

- The NCA ensures that consumers are not exploited by providing guidelines on how they can exercise their rights in the credit market. ✓✓
- Businesses benefit through the debt restructuring as they receive part of the outstanding debt. ✓✓
- Businesses that comply with the NCA are more likely to receive good publicity and attract more customers. ✓✓
- Businesses should adhere to the regulations of the NCA to avoid penalties that could lead to financial obligations/constraints. ✓✓
- Any other relevant conclusion related to the rights of consumers in terms of the NCA/impact of the NCA/ways to comply with NCA/penalties for non-compliance to the NCA

**Any (1 x 2) (2)
[40]**

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Rights of consumers in terms of the NCA	10	
Ways in which businesses could comply with the NCA	14	
Impact of the NCA on businesses	14	
Penalties for non-compliance to the NCA	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 some requirements are met.

Allocate 0 marks where requirements are not met at all.

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

- Selection refers to choosing the best candidates with necessary skills and abilities to execute given tasks successfully. ✓
- UIF is essential in providing basic income security to employees and it helps to decrease the potentially devastating effects of not having an income when unemployed. ✓
- Fringe benefits have significant impact on employee performance and retention staff. ✓
- The human resources manager must ensure that employees are trained continuously so that they can keep abreast with the latest development in the business world. ✓
- Any other relevant introduction related to the selection procedure, UIF as a benefit required by law, impact of fringe benefits on businesses, importance of training development in human resources

Any (2 x 1) (2)**6.2 Selection procedure****OPTION 1**

- Determine fair assessment criteria on which selection will be based. ✓✓
- 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. ✓✓
- Reference checks should be made to verify the content of CVs such as contacting previous employers to check work experience. ✓✓
- Compile a shortlist of potential candidate's identified. ✓✓
- Invite shortlisted candidates for an interview. ✓✓
- Shortlisted candidates may be subjected to various types of selection tests such as skills tests as a human resource activity. ✓✓
- A written offer is made to the selected candidate. ✓✓
- Inform unsuccessful applicants about the outcome of their applications / 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 identify applicants to who are not suitable for the job, although they meet all requirements. ✓✓
- Assess/Test candidates who have applied for senior position/to ensure the best candidates is chosen. ✓✓
- Conduct interviews with shortlisted candidates. ✓✓
- Offer employment in writing to the selected candidate. ✓✓
- Any other relevant answer related to the selection procedure as a human resource activity.

NOTE: The procedure may be in any order**Max (10)**

6.3 **UIF as required by law a benefit**

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

Max (12)

6.4 **Impact of fringe benefits**

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. ✓
- Any other relevant answer related to the positives/advantages of fringe benefits on businesses.

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/remuneration 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 increases benefits ✓ need to be correctly recorder 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 legislation. ✓
- Any other relevant answer related to the negative impact of fringe benefits on businesses.

Max (14)

6.5 Importance of training/skills development in human resources

- An employee who receives the necessary training can perform in their job/improve performance in their job/Employees are more knowledgeable and can perform tasks more efficiently. √√
- The investment in training that a business makes shows employees that they are valued appreciated. √√
- An effective training program allows employees to strengthen/ improve/ enhance their skills√√
- Productivity usually increases when the human resources function implements training courses. √√
- Overall profitability of the business will improve because of effective/regular training.√√
- Ongoing training and upskilling of the workforce encourages creativity. √√
- Contributes positively towards the aims/compliance of the SDA. √√
- Any other relevant answer related to the importance of training development/ skills development in human resources.

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. √√
- UIF compliance and contributions are essential as these funds provide relief from economic burdens placed on individuals by assisting them while they seek new work opportunities. √√
- Fringe benefits stimulates employees' interest and make job more attractive and conducive. √√
- Many businesses are investing in training their employees to show them that they are valued. √√
- Any other relevant conclusion related to the selection procedure, UIF as a benefit required by law, impact of fringe benefits on businesses, importance of training development in human resources.

**Any (2 x 1) (2)
[40]**



QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Selection procedure	10	
UIF as a benefit required by law	12	
Impact of fringe benefits on businesses	14	
Importance of training development in human resources	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
GRAND TOTAL: 150

