



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

JUNE 2016

**BUSINESS STUDIES
MEMORANDUM**

MARKS: 300

This memorandum consists of 43 pages.

NOTES TO MARKERS

1. Candidates' responses for SECTIONS B and C must be in full sentences; however this would depend on the nature of the question.
2. A comprehensive memorandum 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 memorandum
 - Comes from another source
 - Original
 - A different approach is used

NOTE: SECTION A:

- There are no alternative answers.
 - Each question has only one correct answer.
3. 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.)
 4. The word 'sub-max.' is used to facilitate the allocation of marks within a question or sub-question.
 5. 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.
 6. In an indirect question, the theory as well as the response must be relevant and related to the question.
 7. **Incorrect numbering of questions or sub-questions will be penalised. This is applicable to all the sections of the paper.**
 8. No additional credit must be given for repetition of facts. Indicate with an R.
 9. 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 memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
 10. **SECTION B**
 - 10.1 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 or use the word 'Cancel'.
NOTE: This only applies to questions where the number of facts is specified.
 - 10.2 If two facts are written in one sentence, award the candidate FULL credit. Point 10.1 above still applies.

- 10.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.
- 10.4 **USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS:**
- 10.4.1 Where the number of facts are specified questions that require candidates to 'explain/discuss/ describe' will be marked as follows:
- Heading 2 marks
 - Explanation 1 mark (or as indicated in the memorandum).
- The 'heading' and 'explanation' are given separately to facilitate mark allocation.
- 10.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.
- 10.5 **ONE mark will be awarded for answers that are easy to recall, requires one-word answers, or is quoted directly from scenario/ case study. This applies to SECTIONS B and C in particular.**

11. SECTION C

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

Introduction	Maximum: 32
Content	
Conclusion	
Insight	8
TOTAL	40

11.2 Insight consists of the following components:

Layout/Structure:	(Is there an introduction, body, proper paragraphs and a conclusion?)	2
Analysis and interpretation:	(Learners' ability to break down the question/interpret it correctly to show understanding of what is being asked.)	2
Synthesis:	(What parts of the question would you have included in the answer? Are there decisions made from a combination of relevant points?) Marks to be allocated using this guide: Mostly irrelevant facts/No relevant facts: 0 Some irrelevant facts/Some relevant facts 1 No irrelevant facts/Only relevant facts: 2	2
Originality:	(Examples, recency of 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 allocated for layout, if the headings 'Introduction, Conclusion,' etc. in 'Insight' is not supported by an explanation.**
- 11.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 11.4 The components of insight are indicated at the end of the suggested answer for each question.
- 11.5 Mark all the relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follow: (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

- 11.7 When awarding marks for facts, take note of the sub-maxim indicated, especially if candidates do not make use of the same subheadings. Remember headings and sub-headings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARKS BREAKDOWN at the end of each question.)
- 11.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 11.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.
- 11.10 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.

SECTION A**QUESTION 1**

- 1.1 1.1.1 B ✓✓
 1.1.2 C ✓✓
 1.1.3 A ✓✓
 1.1.4 A ✓✓
 1.1.5 D ✓✓
 1.1.6 B ✓✓
 1.1.7 B ✓✓
 1.1.8 A ✓✓
 1.1.9 C ✓✓
 1.1.10 C ✓✓ (10 x 2) (20)
- 1.2 1.2.1 Product development ✓✓
 1.2.2 Resignation ✓✓
 1.2.3 Negative ✓✓
 1.2.4 Strict rules ✓✓
 1.2.5 Tertiary ✓✓ (5 x 2) (10)
- 1.3 1.3.1 D ✓✓
 1.3.2 E ✓✓
 1.3.3 B ✓✓
 1.3.4 C ✓✓
 1.3.5 F ✓✓ (5 x 2) (10)

BREAKDOWN OF MARKS	
QUESTION 1	MARKS
1.1	20
1.2	10
1.3	10
TOTAL	40

TOTAL SECTION A: 40

SECTION B

Mark the FIRST THREE answers only.

QUESTION 2: BUSINESS ENVIRONMENT**2.1 Types of business strategies**

- 2.1.1 Horizontal integration strategy ✓✓
- 2.1.2 Market penetration strategy ✓✓
- 2.1.3 Retrenchment strategy ✓✓
- 2.1.4 Backward integration strategy ✓✓
- 2.1.5 Market development strategy ✓✓ (5 x 2) (10)

2.2 Legislation**2.2.1 Aims of SDA**

- Promoting skills development ✓
- Increasing investment in education and training. ✓
- Building skills inside and outside the workplace. ✓
- Encourage workers to participate in training programmes. ✓
- Obtaining a return on investment ensuring quality education and training. ✓
- Improve the employment prospect of previously disadvantaged groups. ✓

NOTE: Mark the first FOUR (4) aims only. (Any 4 x 1) (4)

2.2.2 Impact of SDA on employees**Positives**

- Higher skilled employees' ✓ have a better standard of living. ✓
- Improves work prospects ✓ and labour mobility. ✓
- Increases self-esteem ✓ when learnerships are completed. ✓
- Promotes self-employment ✓ and entrepreneurship. ✓
- More employment opportunities for new entrants ✓ who find it difficult to be employed. ✓
- Encourages on-going skills development ✓ and learning. ✓
- Employees have the opportunity ✓ to acquire new skills/qualifications/work experience. ✓
- Improves the quality of life of employees ✓ resulting in higher job satisfaction/morale. ✓
- Any other relevant answer related to the positive impact of the SDA on employees.

AND/OR

Negatives

- Some employees may not be interested in skills development ✓ and may perceive skills development programmes as a waste of time. ✓
- Employees are expected to acquire practical work experience ✓ and attend education/training programmes, which may increase their stress levels/workload. ✓
- Skills programmes may not always address training needs of employees, ✓ so it may discourage them from attending other training programmes. ✓
- Employees may not be credited by SETA ✓ when attending certain workshops. ✓
- Accumulation of credits ✓ may not be transferable/recognised by the relevant stakeholders. ✓
- Any other relevant answer related to the negative impact of the SDA on employees.

Max (10)**2.2.3 Compliance with the SDA**

- Businesses should register with SARS. ✓✓
- Skills development levy must be paid. ✓✓
- Register employees with SARS to be able to claim back after training. ✓✓
- Businesses with more than 50 employees must appoint a skills development facilitator. ✓✓
- Assess the skills of employees to determine areas in which skills development are needed. ✓✓
- Encourage employees to participate in learnerships and other training programmes. ✓✓
- Provide all employees with the opportunity to improve their skills. ✓✓
- Businesses should register with the relevant SETAs. ✓✓
- Any other relevant answer related to the ways in which businesses may comply with the SDA.

NOTE: Mark the first THREE (3) only.**(Any 3 x 2) (6)****2.3 Employment Equity Act****2.3.1 Purpose of EEA**

- Employees who do the same work (work of equal value) ✓ must be paid equally. ✓
- No discrimination ✓ on grounds of gender in the workplace. ✓
- Promotes equal opportunity ✓ and fair treatment in the workplace. ✓
- Protects employees from victimisation ✓ if they exercise the rights given to them by the EEA. ✓
- Provides for employees to refer unresolved disputes ✓ to the CCMA. ✓
- Any other relevant answer related to the purpose of the EEA.

Max. (8)

2.3.2 Actions regarded as discriminatory by the EEA

- Not employing a young woman because she will want to have children. ✓✓
- Refusing to employ a person because he/she has strong religious beliefs/has a disability. ✓✓
- Doing HIV testing unless justified by the Labour Court. ✓✓
- Denying people access to the workforce based on gender/race/culture/etc. and treating them unfairly. ✓✓
- Any other relevant actions that can be regarded as discriminatory.

NOTE: Mark the first THREE (3) only

(Any 3 x 2) (6)

2.4 Strategic management process

OPTION 1

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

OR

OPTION 2

- Review ✓ vision statement. ✓
- Analyse/Re-examine ✓ mission statement. ✓
- Conduct an analysis ✓ using models such as PESTLE/PORTERS. ✓
- Formulate strategy, ✓ referring to strategies such as defensive/retrenchment. ✓
- Implement strategy, ✓ using templates such as action plans. ✓
- Control of strategy ✓ to identify gaps in planning. ✓
- Evaluate strategy ✓ to identify deviations in implementation. ✓
- Take corrective action ✓ to ensure goals/ ✓ objectives are met. ✓
- Any other relevant answer related to a description of the strategic management process.

NOTE: The steps may be in any order.

Max. (8)

2.5 SWOT analysis for Solathiso

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> - Graduated with a degree in Public Management. ✓ - Combining management skills with business passion. ✓ - Saved own capital (R30 000). ✓ - Supplying big hardware stores. ✓ - IDC funding (R1,8 million). ✓ - Bought new machinery. ✓ - Employ six young employees. ✓ - Any other relevant answer. <p style="text-align: right;">Sub-max. (2)</p>	<ul style="list-style-type: none"> - Unemployed after graduation. ✓ - First time funding for new business is very hard/Lack of capital. ✓ - Loyalty of construction businesses to their current suppliers in Port Shepstone. - Any other relevant answer. <p style="text-align: right;">Sub-max.</p>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Looking around neighbourhood and found something it lacked. ✓ - Started his own business. ✓ - Empower more young people. ✓ - Any other relevant answer. <p style="text-align: right;">Sub-max. (2)</p>	<ul style="list-style-type: none"> - High unemployment in the area. ✓ - Similar business. ✓ - Competing with other business. ✓ - Any other relevant answer. <p style="text-align: right;">Sub-max.</p>

Max.**(8)**
[60]

BREAKDOWN OF MARKS	
2.1	10
2.2.1	4
2.2.2	10
2.2.3	6
2.3.1	8
2.3.2	6
2.4	8
2.5	8
TOTAL	60

QUESTION 3: BUSINESS VENTURES (MANAGEMENT AND LEADERSHIP)**3.1 3.1.1 Reasons**

- Thuli helped Mandla to set certain goals.√
- Thuli assisted Mandla in deciding how to achieve them.√
- Thuli gave Mandla more responsibilities.√
- Thuli encouraged Mandla to develop additional driving skills.√

NOTE: Marks first FOUR only.**Max (4)****3.1.2 Distinguish between management and leadership**

Management	Leadership
Demands respect, authority √ and wants to control.√	Invites and motivates freedom of speech √ and inspires trust. √
Gives orders/instructions √ to guide human behaviour. √	Seeks to empower/facilitates employees √ to influence human behaviour. √
Thinks that they know √ all the answers. √	Asks the right questions √ to get to the right answers. √
Focuses √ on the task. √	Focuses √ on individuals/groups. √
Focuses on the implementation √ of policies. √	Focuses on motivating √ workers to help with the implementation processes. √
Follows/Implements √ the vision of the enterprise. √	Provides a vision √ for the enterprise. √
Minimises √ and controls risks. √	Always on the lookout√ for business opportunities.√
Ensures that profit targets√ are met.√	Strategises √ to increase profitability. √
Any other relevant answer related to management.	Any other relevant answer related to leadership.
Sub-max. (6)	Sub-max. (6)

NOTE:

1. The distinction must be clear.
2. Allocate a maximum of SIX (6) marks if distinction is not clear.
3. Answer does not have to be in tabular format.

Max. (12)

3.2 Effect of personal attitude in successful leadership

- Positive attitude ✓ releases leadership potential. ✓
- A leader's good/bad attitude ✓ can influence the success/failure of the business. ✓
- Leaders must know their strengths and weaknesses ✓ to apply their leadership style effectively. ✓
- Great leaders understand that the right attitude ✓ will set the right atmosphere. ✓
- Leaders' attitude can influence employees'/teams' thoughts ✓ and behaviour. ✓
- Leaders should model the behaviour ✓ that they want to see in team members. ✓
- Leaders must know/understand their teams ✓ to be able to allocate tasks/roles effectively. ✓
- Enthusiasm ✓ produces confidence in a leader. ✓
- A positive attitude is critical for good leadership ✓ because good leaders will stay with the task regardless of difficulties/challenges. ✓
- Successful employees and leaders have a constant desire to work ✓ and achieve personal and professional success. ✓
- Leaders with a positive attitude know that there is always more to learn ✓ and space to grow. ✓
- Any other relevant answer related to the effect of personal attitude in successful leadership.

Max. (12)

3.3 Leadership styles

3.3.1 Transformational ✓✓

3.3.2 Laissez-faire/Free reign ✓✓

3.3.3 Situational ✓✓

3.3.4 Bureaucratic ✓✓

3.3.5 Democratic ✓✓

(5 x 2) (10)

3.4 Autocratic and Democratic leadership styles

Autocratic leadership	Democratic leadership
- Quick decision ✓ can be taken without consulting followers/employees. ✓	- Leaders allow ✓ followers/employees to participate in decision-making
- Work gets done ✓ in time/on schedule. ✓	- Leaders allow ✓ followers/employees to participate in decision-making. ✓
- Direct supervision and strict control ✓ ensure high quality products/service. ✓	- Staff gives variety of ideas/inputs ✓ before final decision. ✓
- Line of command/communication is clear ✓ as it is top-down. ✓	- Staff gives variety of ideas/inputs ✓ before final decision. ✓
- Strong leadership ✓ makes new employees confident and feel safe. ✓	- Variety of ideas/inputs leads to innovation result to increase productivity. ✓
- Clear guidance ✓ is given to low-skilled/inexperience/new staff. ✓	- Two way communication ✓ ensures group commitment to final decision. ✓
- Useful in crises/urgent situation, ✓ e.g. after an accident/meeting tight deadlines. ✓	- Authority is delegated which motivate/inspire workers to be more productive. ✓
- Leaders/followers may be divided ✓ if not agree on ways to solve problems. ✓	- Workers feel empowered ✓ as they are involved in decision-making. ✓
- Any other relevant answer to autocratic leadership style.	- Complex decision can be made ✓ with inputs from specialists/skilled workers. ✓
	- Incorrect decisions ✓ may be if staff is inexperienced/not fully informed. ✓
	- Any other relevant answer to autocratic leadership style
Sub-max. (6)	Sub-max. (6)

NOTE: The differences must be clear.

Max. (12)

3.5 Application of bureaucratic leadership style

Positives

- Managers ensure that government policies/business rules/procedures ✓ are always followed accurately. ✓
- Tight control measures implemented/followed ✓ ensure high quality service delivery. ✓
- Ensures accountability ✓ to the general public/community. ✓
- Managers ensure those government policies/business rules/procedures ✓ are always followed accurately. ✓
- Improves health and safety in dangerous workplaces, ✓ e.g. mines, and construction sites. ✓
- Any other relevant answer related to positives of a bureaucratic leadership style.

AND/OR

Negatives

- Complicated/Involving/Official rules ✓ may seem unnecessary/time consuming. ✓
- Leaders/Directors may acquire power ✓ and can be disregard/ignore inputs from others. ✓
- Very little room for error, ✓ so workers feel they are not treated as humans. ✓
- Lack of creativity/innovation/self-fulfilment ✓ may lead to stagnation/decrease in productivity. ✓
- Any other relevant answer related to negatives of a bureaucratic leadership style.

Max (10)

[60]

BREAKDOWN OF MARKS	
3.1.1	4
3.1.2	12
3.2	12
3.3	10
3.4	12
3.5	10
TOTAL	60

QUESTION 4: BUSINESS ROLES**4.1 Unethical advertisement**

- 4.1.1 - Businesses that make use of unfair or deceptive advertising may mislead customers ✓ to believe that they will get more value for their money than they actually do. ✓
 - Any other relevant answer related to the description of unethical advertising. (2)

4.1.2 Motivation

- Customers in South Africa relate '3G' with broadband denoting speed and connectivity. ✓✓
 - Cell C has used 'speed cover 4G' in its connectivity. ✓✓
 - The '4G' logo is dishonest ✓✓ and misleading. ✓✓
 - '4G' logo may be perceived as 4G standard of network. ✓✓
 - Any other relevant answer why Cell C's advertisement is unethical. (Any 2 x 2) (4)

4.1.3 Recommendations of addressing unethical advertisement

- Adhere to the Code of Advertisement Practice as determine by the Advertisement Standard Authority. ✓✓
 - All advertising should be legal, decent, honest and truthful. ✓✓
 - Advertisement should not contain anything that may cause mental, moral, physical or emotional harm. ✓✓
 - Anyone can lodge a complaint over unfair advertising with ASA. ✓✓
 - ASA deals with all complaints free of charge. ✓✓
 - Consumers has a right to fair and responsible marketing according to the Consumer Protection Act 2008 (Act 68 of 2008). ✓✓
 - Any other relevant answer related to the recommendations of addressing unethical advertising.

NOTE: Mark the first FOUR (4) only. (Any 4 x 2) (8)

4.2 Sustainability

- 4.2.1 - Ability to continue over the long term, ✓ without damaging the environment. ✓
 - Refers to a business's long term commitment ✓ to a community and to CSI. ✓ (Any 2 x 1) (2)

4.2.2 Link between triple bottom line and social responsibility**Profit/Economic** ✓

- Triple Bottom line means that businesses should not only focus on profit/charge high prices, ✓ but should also invest in CSI projects. ✓
 - Businesses should not make a profit ✓ at the expense of its community. ✓
 - Any other relevant answer related to the link between profit and social responsibility.

Sub-max. (2)

People/Social ✓

- Business operations should not have a negative impact on/ exploit ✓ people/employees/customers. ✓
- Businesses should engage/invest in sustainable community programmes/ projects ✓ that will benefit/uplift communities. ✓
- Improve the life style/quality of life ✓ of their human resources/employees. ✓
- Any other relevant answer related to the link between people and social responsibility.

Sub-max. (2)

Planet/Environment ✓

- Businesses should not exhaust resources/harm the environment ✓ for production purposes. ✓
- They may support energy-efficient/eco-friendly ✓ products/programmes. ✓
- Recycle/Re-use waste, ✓ e.g. packaging from recycled material. ✓
- Any other relevant answer related to the link between the planet/environment and social responsibility.

Sub-max. (2)

NOTE: The link should be clear in each of the three 'P's (people, planet and profit).

Max. (6)4.2.3 **Benefits of CSI projects to community**

- Job opportunities ✓ – provide jobs for unemployed members ✓ of the communities. ✓
- Educational bursaries ✓ – employee's family and/or community members ✓ receive bursaries to further their studies. ✓
- Welfare of workers/society ✓ – provide rehabilitation centres ✓ to employees/community members who have addiction problems. ✓
- Medical facilities ✓ – improve the health of workers/communities by providing medical infrastructure ✓, e.g. building of clinics. ✓
- Upliftment of the standard of living ✓, e.g. skills should be developed ✓ that will lead to the empowerment of previously disadvantaged communities. ✓
- Any other relevant answer related to the benefit of CSI projects for the community.

NOTE: Mark the first FOUR (4) only

(Any 4 x 3) (12)

4.3 4.3.1 Well-being of employees

- Business must ensure fair wages/salaries ✓ for workers based on the nature of work and prevailing economic conditions in the markets. ✓
- Working conditions must not only consider safety, medical ✓ and canteen facilities, but also benefits like housing, leave, retirement etc. ✓
- Fair bonuses, based on business earnings, ✓ should be paid as acknowledgement for hard work and commitment. ✓
- Provision for employees' participation in decision-making ✓ that affects them. ✓
- Recreation facilities ✓ for employees should be provided. ✓
- Physical, medical assessments should be offered annually ✓ to workers. ✓
- Trauma debriefing, counselling or assistance ✓ to any employee who requires these services should be readily available. ✓
- Financial assistance may be offered ✓ in the case of any hardship caused unexpected medical costs. ✓
- Flexible working hours ✓ may be allowed to enhance productivity. ✓
- Support programmes ✓ for employees infected and affected by HIV/Aids may be offered. ✓
- Childcare facilities should be available ✓ on the premises for working mothers in the business. ✓
- Any relevant answer related to the well-being of employees.

Max. (10)

4.4	Meaning	Implication
Respect	4.4.1 - To value a person ✓ because he/she is a human being. ✓ - Any other relevant answer related to the meaning of respect.	4.4.2 - Business must create opportunities ✓ where employees interact to one another. ✓ - Workforce who respects ✓ one another will be very effective. ✓ - Any other relevant answer related to the implication of respect on the business.
	Sub-max. (2)	Sub-max. (2)
Dignity	4.4.3 - Refers to a person's right ✓ to be treated with respect. ✓ - Any other relevant answer related to the meaning of dignity	4.4.4. - Employees interact and learn ✓ to know one another. ✓ - Any other relevant answer related to the implication of dignity on the business.
	Sub-max. (2)	Sub-max. (2)

Max (8)

4.5 Creative thinking

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

NOTE: The emphasis is on 'ways', not necessarily advantages.

**Max. (8)
[60]**

BREAKDOWN OF MARKS	
4.1.1	2
4.1.2	4
4.1.3	8
4.2.1	2
4.2.2	6
4.2.3	12
4.3.1	10
4.4	8
4.5	8
TOTAL	60

QUESTION 5: BUSINESS OPERATION

5.1 5.1.1 External recruitment ✓

Motivation:

- Vacancy is advertised in the newspaper ✓ and on the internet. ✓
- Advertisement takes place outside the business. ✓

Type of recruitment (1)**Explanation (3)****Max****(4)**5.1.2 **Advantages of external recruitment**

- New candidates bring new talents, ideas, insights ✓ and experience into the business. ✓
- It supports the implementation of affirmative action ✓ and BEE plans. ✓
- There are more candidates' ✓ to choose from. ✓
- Chances are better of finding suitable candidates ✓ with the right skills, qualifications and competences. ✓
- Prevents unhappiness ✓ between existing employees who have applied for post. ✓
- Recruitment agencies can find candidates ✓ and this saves the business time. ✓
- Any other relevant answer related to the advantage of external recruitment.

(Any 4 x 2)

(8)5.1.3 **Differentiate between job description and job specification**

Job Description	Job Specification
- Describe duties/responsibilities ✓ of a specific job ✓/Summary ✓ of the nature/type of the job. ✓	- Specifies the minimum acceptable personal qualities/skills/qualifications ✓ needed for the job. ✓
- Written description of the job ✓ and its requirements. ✓	- Written description of specific qualification/skills/experience ✓ needed for the job. ✓
- Describes key performance areas/tasks for a specific job ✓ e.g. job title/working conditions/relationship of the job with other jobs in the business ✓, etc.	- Describe key requirements for the person who will fill the position, ✓ e.g. formal qualification/willingness to travel/work unusual hours ✓, etc.
- Any other relevant answer related to job description.	- Any other relevant answer related to job specification.
Sub-max. (4)	Sub-max. (4)

NOTE: 1. The differences must be clear.**2. Answers do not have to be in tabular form.****Max****(8)**

5.2 Reasons why an employment contract may be terminated

Dismissal ✓✓

- Employees can be dismissed by the company on different reasons, e.g. misconduct, ✓ illegal behaviour ✓ and not complying with the employment contract on a continuous basis. ✓

Resignation ✓✓

- This is when an employee chooses ✓ to leave ✓ the business. ✓
- There should be a clause ✓ in a contract to specify the process of resignation and length of notice period. ✓

Retrenchment ✓✓

- Focuses when businesses are forced to let ✓ employee go. ✓
- This is the result of financial reasons, company is closing down ✓ or particular department/section is not performing or redundant. ✓

Retirement ✓✓

- When an employee reaches a certain age (normally 65) ✓ and does not have to work anymore. ✓
- Employee had encountered serious injuries or illness ✓ as a result of his/her employment and incapable to perform any duties. ✓

NOTE: Mark the first FOUR (4) only.

Reason (2)
 Explanation (1)
 (Any 4 x 3) (12)

5.3 5.3.1 Continuous Improvement of Woodlands Bakery

- Plan: ✓
 - o Woodlands Bakery should identify the problem. ✓
 - o Develop a plan for improvement to processes and systems. ✓
 - o Answer questions such as 'what to do' and 'how to do it.' ✓
 - o Plan the method and approach. ✓

Sub-max. (2)

- Do: ✓
 - o Woodlands Bakery should implement the change on a small scale. ✓
 - o Implement the processes and systems. ✓

Sub-max. (2)

- Check/Analyse: ✓
 - o Woodlands Bakery should use data to analyse the results of change. ✓
 - o Determine whether it made a difference. ✓
 - o Check whether the processes are working effectively. ✓
 - o Assess, plan and establish if it is working/if things are going according to plan. ✓

Sub-max. (2)

- Act as needed: ✓
 - o Woodlands Bakery should institutionalise the improvement. ✓
 - o Devise strategies on how to continually improve. ✓
 - o If the change was successful, implement it on a wider scale. ✓
 - o Continuously revise the process. ✓

Sub-max. (2)

- Any other relevant answer related to how continuous improvement to processes and systems cycle can improve the quality of products.

Max (8)

5.3.2 **Total Client Satisfaction and Continuous Improvement and Processes**

Total client satisfaction

- The business should understand ✓ current and future customer needs. ✓
- Provide quality products and services ✓ to satisfy customer's needs and expectations. ✓
- Customers will be satisfied ✓ if products and services meet their needs, requirements and expectations. ✓
- Businesses need to conduct effective market research ✓ to determine customers' needs and develop products and services that will meet and exceed these needs. ✓
- Businesses need to implement ✓ efficient, friendly customer services and customer care system. ✓
- Any other relevant answer related to total client satisfaction.

Submax (4)

Continuous improvement of systems and processes

- Processes and systems are the flow of activities implemented ✓ to create or deliver products/services to customers. ✓
- Businesses that have quality processes and systems in place ✓ will produce good quality products and can provide excellent customer service. ✓
- It should be easy for customers to understand processes ✓ so that they do not waste their time with long and/or complicated procedures. ✓
- Employees need to understand ✓ the operating and the service delivery systems. ✓
- Identify problem areas of the business ✓ to be able to devise relevant solutions thereof. ✓
- Encourage team work ✓ by introducing the idea of corporate culture change. ✓
- Give detailed and specific instructions ✓ on improvement strategies. ✓
- Encourage team work ✓ and delegate responsibilities. ✓
- Any other relevant answer to continuous improvement to systems and processes.

Submax (4)

Max (8)

5.3.3 **Benefit of implementing good quality control**

- Effective customer service will be rendered√, resulting in increased customer satisfaction.√
- Time and resources√ are used efficiently.√
- Productivity increase√ through proper time management√ and using high quality resources.√
- Products and services are constantly improved√, resulting in greater customer satisfaction.√
- Vision and mission√ may be achieved.√
- The business may achieve a competitive advantage√ over its competitors.√
- Continuous training√ will continuously improve the quality of employees' skills and knowledge.√
- Employers and employees will have a healthy working relationship√ which results in happy workers.√
- Increased market share√ and profitability.√
- Any other relevant answer related to the benefits of a good quality control system

Max 12
[60]

BREAKDOWN OF MARKS	
5.1.1	4
5.1.2	8
5.1.3	8
5.2	12
5.3.1	8
5.3.2	8
5.3.3	12
TOTAL	60

QUESTION 6: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENT**

6.1 6.1.1 Primary sector✓

Motivation: He is a dairy farmer.✓✓ (3)

6.1.2	Challenge	Environment	Extent of control
A	Drought ✓	Macro✓✓	No control✓
B	Electricity hikes✓	Macro✓✓	No control✓
C	Salary increases✓	Micro✓✓	Full control✓

NOTE: Mark the first THREE (3) only**Max (12)**6.2 **Intensive strategies**

- Market penetration✓
- Market development✓
- Product development✓

NOTE: Mark the first THREE only.

(Any 3 x 1) (3)

BUSINESS VENTURE6.3 **Impact of Transactional leadership style in the work place****Positives:**

- Assumes that people are motivated✓ by reward and punishment.✓
- Communicates clearly what is required from subordinates✓ and how subordinates will be awarded for following orders.✓
- Subordinates are awarded✓ for completing their tasks successfully.✓
- A formal system of discipline✓ is usually in place.✓
- When the transactional leader allocates work✓, subordinates are considered to be fully responsible for the work.✓
- Minimises errors✓ as it focuses on objectives/standards/policies/procedures/evaluation/correctness of performance.✓
- Any other relevant answer related to the positive impact of transactional leadership.

AND/OR**Negatives:**

- Subordinates are considered to be personally at fault✓, when things go wrong.✓
- Subordinates are punished✓ for their failure to complete tasks.✓
- This leadership style is not flexible✓, as it is based on standards/policies/procedures/correctness of performance.✓
- Any other relevant answer related to the negative impact of transactional leadership.

Max (8)

6.4 Reason why employees prefer a Laissez-faire/Free-reign leadership style

- Workers/Followers are allowed to make decisions√ on their own policies/methods.√
- Subordinates have maximum freedom√ and can work independently.√
- Leader motivates workers√ by trusting them to do things themselves/on their own.√
- Authority is delegated√, which can be motivating/empowering to competent workers/increase productivity.√
- Subordinates are experts√ and know what they want/can take responsibility for their actions.√
- Suitable for coaching/mentoring√ to motivate employees to achieve more/better things.√
- It can be empowering for competent followers√ as they are completely trusted to do their job.√
- Individual team members may improve/develop√ leadership skills.√
- Any other relevant answer related to a positive evaluation of a laissez-faire leadership style.

NOTE: Mark the first THREE (3) only.

Max (6)

BUSINESS ROLES**6.5 6.5.1 Reasons for the conflict**

- Suspected use of drugs/alcohol.√
- Dismissal of workers without evidence.√
- No policy on drugs and substance abuse.√
- Wrong disciplinary procedures.√

NOTE: Mark the first FOUR (4) only.

Max (4)

6.5.2 Conflict resolution process

- Identify/Acknowledge that there is conflict. √√
- Analyse the cause(s) of conflict by breaking it down into different parts. √√
- Pre-negotiations may be arranged where members will be allowed to state their case/views separately. √√
- Arrange a meeting between conflicting team members. √√
- A time and place for discussion is arranged for negotiations where all members are present. √√
- Each member has the opportunity to express his/her own opinions/feelings/Conflicting members may recognise that their views are different. √√
- Devise/Brainstorm possible ways of resolving the conflict. √√
- Conflicting members agree on criteria to evaluate the alternatives.√√
- The best possible solution(s) is/are selected and implemented. √√
- Evaluate/Follow up on the implementation of the solution(s). √√
- Monitor progress to ensure that the conflict has been resolved. √√
- Any other relevant answer related to the conflict resolution process.

Max (10)

BUSINESS OPERATION

6.6 Quality performance

- Assessment and analysis√ of processes√, goods and services in order to improve/measure the performance of a business√

(2)

6.7 Quality performance

6.7.1 General management

- Develop, implement √ and monitor effective strategic plans. √
- Efficient organisation √ and allocation of resources to allow for the successful achievement of long-term and short-term plans. √
- Ensure that structured standards √ and norms are in place so that control mechanisms can be implemented. √
- Learn about and understand changes√ in the business environment on an on-going basis. √
- Set direction√ and establish priorities for their business. √
- Communicate shared vision, mission √ and values effectively. √
- Be prepared to set an example of the behaviour √ they expect from employees in terms of ethics as well as productivity. √
- Ensure that employees have the resources needed √ to do their work (effective allocation of resources). √
- Be proactive√ and always seek to improve comparative advantage over competitors. √
- Any other relevant answer related to the quality of performance within the general management function.

Max (6)

6.7.2 Marketing function

- Increasing√ their market share. √
- Winning customers by satisfying their needs/wants √ and building positive relationships. √
- Adhering to ethical advertising practices √ when promoting products/services. √
- Identifying a competitive advantage √ to focus/improve on marketing strengths. √
- Differentiating products√ in order to attract more customers.√
- Constantly reviewing√ value issues. √
- Communicating effectively with customers √ to get feedback about their experiences of products/services sold. √
- Co-ordinating distribution √ with production and advertising strategies. √
- Using pricing techniques √ to ensure a competitive advantage. √
- Measuring gaps between customer expectations and actual experiences √, so that problems/unhappiness may be diagnosed and addressed. √
- Making adjustments and changes to products/services √ based on feedback from customers/results of market research. √

- Using aggressive advertising campaigns ✓ to sustain/increase the market share. ✓
- Any other relevant answer related to the quality of performance within the marketing function.

Max (6)**[60]**

BREAKDOWN OF MARKS	
6.1.1	3
6.1.2	12
6.2	3
6.3	8
6.4	6
6.5.1	4
6.5.2	10
6.6	2
6.7.1	6
6.7.2	6
TOTAL	60

TOTAL SECTION B: 180

SECTION C

Mark only the first TWO questions.

QUESTION 7 : BUSINESS ENVIRONMENTS (LEGISLATION)**7.1 Introduction**

- COIDA was introduced to protect the health and safety of employees in the workplace.√
- COIDA provides guidelines for the compensation of employees who are disabled because of injuries sustained/diseases contracted at work.√
- It also provides for compensation if a worker dies due to a work-related injury/disease.√
- Injuries and diseases for which claims can be made are specified in the Act.√
- Any other relevant introduction related to COIDA.

Max (2)

7.2 The Purpose of COIDA

- COIDA applies to all casual and full-time workers who become ill/injured/ disabled/killed√ due to a workplace accident/disease.√
- It excludes workers√ who are guilty of wilful misconduct/workers working outside South Africa for at least twelve months/members of the SA Defence Force/ Police services.√
- It provides for the establishment of a Compensation Board√ whose function is to advise the Minister of Labour on the application/provisions of COIDA.√
- Medical expenses/other types of compensation are paid to employees and/or their families√ depending on the type/severity of the injuries.√
- Employers have to pay a monthly amount to the Compensation Fund√ depending on the number of employees/the level of risk they are exposed to.√
- Any other relevant answer related to the purpose of COIDA.

Max (12)

7.3 Rights of employees as outline in COIDA

- Ensure they are not injured√ as a result of serious/wilful misconduct.√
- Notify the employer of the accident√ as soon as possible.√
- Comply with the necessary medical assessment√ to assess the nature of the injury/disease.√
- May claim for compensation√, if he/she is partially/permanently disabled.√
- Employees' dependants have a right to claim√ when the employee dies as a result of injuries at work.√
- Any other relevant answer related to the rights of employees outlined in COIDA.

Max (10)

7.4 The impact of the COIDA on businesses

Positives/Advantages

- Promotes safety√ in the workplace.√
- Creates a framework√ for acceptable employment practices/safety regulations.√
- Supply administrative guidelines/mechanisms√ for dealing with/processing claims.√
- Eliminates time and costs spent√ on lengthy civil court proceedings.√
- Covers all employees at the workplace√ if both parties meet all the necessary safety provisions in the Act.√
- Employees are compensated financially for any injury/disability√ resulting from performing their duties at their workplace.√
- In the event of the death of an employee as a result of a work-related accident/disease√, his/her dependant(s) will receive financial support.√
- Employers are protected from financial burden should an accident occur in the workplace√ provided that the employer was not negligent.√
- Employees do not have to contribute√ towards this fund.√
- Employees receive medical assistance√ provided there is no other party involved.√
- Any compensation to an employee/the family√ is exempt from income tax.√
- The processes√ are relatively simple.√
- Makes businesses more socially responsible√ as they cannot just employ workers at random in dangerous working conditions.√
- Workers are treated with dignity/respect√ as businesses view them as valuable assets and not just as workers.√
- Any other relevant answer related to the advantages/positives of COIDA.

AND/OR

Negatives/Disadvantages

- Claiming processes/procedures√ can be time consuming.√
- Processes/Procedures required by this Act may be costly√ as paperwork places an extra administrative burden on businesses.√
- Employers have to register all their workers/make annual contributions to COIDA√, which may result in cash flow problems.√
- Employers may be forced to pay heavy penalties√ if they are found guilty of negligence/not enforcing safety measures.√
- Workers who are temporarily/permanently employed in foreign countries√ are not covered.√
- Domestic/Military workers√ are not covered.√
- Any other relevant answer related to the disadvantages/negatives of COIDA.

Max (14)

7.5 Ways to comply with the Act

- Businesses should provide a healthy/safe working environment.√√
- They should register with the Compensation Commissioner and provide the particulars of the business.√√
- Must keep records of employees' income and details of work for four years.√√
- Obligated to report all incidents causing death/injury/illness of employees.√√
- Businesses should submit returns of earnings by no later than 1 March annually.√√
- Levies must be paid to the Compensation Fund.√√
- Ensure that the premises/equipment/machinery is in good working condition.√√
- Should allow regular assessment of the workplace by inspectors in order to determine the level of risk their employees are exposed to.√√
- Employers may not make deductions for COIDA from employees' remuneration packages.√√
- Businesses must ensure that claims are lodged within twelve months of the date of the accident.√√
- Any other relevant answer related to ways in which businesses have to comply with COIDA.

Max (10)

7.6 Conclusion

- Good progress has been made as businesses are now more socially responsible in improving safety measures/working conditions/being responsible for workers and their dependents.√√
- Workers in some industries are being compensated for contracting diseases such as tuberculosis, silicosis√√, etc.
- If death occurs, families may benefit as the deceased worker may be substituted by another family member in the same industry.√√
- Any other relevant conclusion related to COIDA.

Max (2)
[40]

BREAKDOWN OF MARKS		
Details	Maximum	Total
Introduction	2	Max 32
Nature of COIDA	12	
Rights of employees	10	
Impact of the Act	14	
Compliance of the Act	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis	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 8: BUSINESS ENVIRONMENT (BUSINESS STRATEGIES)**8.1 Introduction**

- Businesses should conduct a strategic management process in order to devise effective strategies that are relevant to identified challenges.√
- A strategy is a plan of action to address an opportunity or to solve a problem.√
- Porter's Five Forces model helps the business to understand/analyse/consider both the strength of its current competitive position and the advantages of a position it is considering moving into its market.√
- Porter's Five Forces model assumes that there are five important forces that determine competitive power in its market environment of a business.√
- Any other relevant introduction related the importance of devising a strategy and/or the importance of Porter's Five Forces model.

Max (2)**8.2. Suggested strategies for Wall Stores to overcome the challenges**

- Wall Stores can launch√ an intensive advertising campaign (intensive strategies).√
- Improve the quality√ of his products.√
- Sell his products√ at lower the prices.√
- Takeover/Merge√ with similar business enterprises.√
- Diversify√ - Wall Stores can develop new products and sell them in new markets.√
- Any other relevant answer related to strategies that will lead to increased sales on attracting customers.

NOTE: Mark the first THREE (3) only.**Max (6)****8.3 Porter's Five Forces****Power of Suppliers√√**

- Suppliers refer to all Wall Stores suppliers√ of, e.g. raw materials/equipment/transport services/support services such as financial services/municipal services, etc.√
- Wall Stores must assess√ the power of the suppliers to drive up the prices.√
- Suppliers that manufacture products may decide to sell directly to consumers√ and thus may have power over Wall Stores business.√
- The fewer suppliers Wall Stores can choose from, the more he will need suppliers' help/support√ and the more powerful the suppliers will be√
- Wall Stores must identify the kind of power his suppliers have in terms of the uniqueness of their products or services,√ their reliability and their ability to make prompt deliveries.√
- Any other relevant answer related to the power of suppliers.

Force: (2)

Discussion: (6)

Submax: (8)

Power of Buyers (including intermediaries)✓✓

- Wall Stores must assess how easy✓ it is for his buyers to drive prices down.✓
- Buying power will depend on the number of buyers, the importance of each buyer for Wall Stores business✓ and the cost of switching to other products/services.✓
- If Wall Stores business is dealing with a few powerful buyers,✓ then they are often able to dictate terms to the business.✓
- If Wall Stores customers can easily go without his products/services,✓ then they have more power over Wall Stores to determine prices and terms of sales.✓
- Wall Stores must conduct market research✓ so that he can know his buyers.✓
- Any other relevant answer related to the power of buyers.

Force: (2)

Discussion: (6)

Submax: (8)

Power of Competitors✓✓

- Competitors refer to businesses selling/rendering the same/similar✓ products or services than Wall Stores.✓
- Wall Stores must find out how many competitors✓ there are in the market and how strong they are.✓
- If Wall Stores's competitors have unique products/services,✓ then they have great power over Wall Stores 's business or the market.✓
- Some competitors have the necessary resources to start✓ and survive price wars and will continue selling at a loss until other competitors leave the market.✓
- If Wall Stores has many competitors✓, then his business has very little power over the situation.✓
- Wall Stores must draw up a competitor's profile of each rival✓ so that he knows exactly who he is up against.✓
- Any other relevant answer related to the power of competitors.

Force: (2)

Discussion: (6)

Submax: (8)

Threat of Substitution✓✓

- Substitute products/services are other products/services that can completely or partly satisfy the same needs of consumers✓ and can be used to replace Wall Stores's products/services.✓
- If Wall Stores's product can easily be substituted, this weakens the power of his business in the market.✓
- Substitute products can cause Wall Stores's business to reduce/lose✓ its market share completely.✓
- If Wall Stores's products are unique✓ then he will not be threatened by substitute products.✓
- If Wall Stores's business operates in the industry where the buyers tend to switch regularly between different products without much effort or costs,✓ the threat of substitution is high.✓
- Wall Stores must do market research✓ to assess if customers are using substitute products/services and why are they choosing these alternatives.✓
- It is important that Wall Stores changes or improves his existing product/services✓ to remain competitive.✓

- Any other relevant answer related to the threat of substitution.

Force: (2)
 Discussion: (6)
 Submax: (8)

Threat of New Entrants to the Market√√

- The power Wall Stores's business has in the market√ will depend on how easy it is for new competitors to enter the market.√
- If Wall Stores's business is highly profitable√ it may attract more investors, which will put him in a more competitive position.√
- If the barriers to enter Wall Stores's market are low√, then it will be easy for other businesses to enter the market√.
- New competitors can quickly/easily enter the market√ if it takes little time or money to do so.√
- If there are only a few traders but many buyers in the market√, it will also be easy to enter the market.√
- Any other relevant answer related to the threat of new entrants.

Force: (2)
 Discussion: (6)
 Submax: (8)

Max (40)

8.4 Conclusion

- With a clear understanding of where the power lies, the business can take advantage from a position of strength, improve a situation of weakness and avoid taking any wrong steps.√√
- Porter's Five Forces model is useful for analysing the power of the business to yield a favourable return on investment.√√
- This model makes it possible for businesses to analyse how to shift the power of the forces in their favour.√√
- Although implementing intensive strategies may be costly, it usually results in growth and continuous improvement.√√
- Any other relevant conclusion related to strategies and Porter's Five Forces.

Max (2) [40]

BREAKDOWN OF MARK ALLOCATION		
Details	Maximum	Total
Introduction	2	Max 32
Strategies	6	
Porter Five Forces	40	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis	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 9: BUSINESS ROLES & HUMAN RIGHTS**9.1 Introduction**

- Conflict is a situation in which there are opposing ideas, opinions, feelings/a situation in which it is difficult to choose.√
- Conflict cannot always be resolved/avoided/eliminated, therefore people need to learn how to manage conflict within a team so that they continue to work harmoniously.√
- It is important for every professional to develop the skills to manage and deal with difficult people.√
- Any other relevant answer related to diversity, conflict and dealing with difficult people.

Max (2)**9.2 Diversity**

- Diversity refers to the variety of people√ employed based on age/race/ gender/ethnic groups/people with disabilities/material wealth/personalities/ how employees see themselves and others.√
- Any other relevant answer related to diversity.

Max (2)**9.3 Benefits of a diverse workforce**

- Workforce diversity improves the ability of a business√ to solve problems/innovate/cultivate diverse markets.√
- Employees value each other's diversity√ and learn to connect and communicate across lines of difference.√
- Diversity in the workforce improves√ morale and motivation.√
- Employees demonstrate greater loyalty to the business√ because they feel respected/accepted/understood.√
- A diversified workforce can give businesses a competitive advantage√ as they can render better services.√
- Being respectful of differences/demonstrating diversity√ makes good business sense/improves profitability.√
- Diverse businesses ensure that its policies/practices√ empower every employee to perform at his/her full potential.√
- Customers increasingly evaluate businesses√ on how they manage diversity in the workplace.√
- Employees from different backgrounds√ can bring different perspectives to the business.√
- A diversified workforce stimulates debate√ on new and improved ways of getting things done.√
- Employees represent various groups√ and are therefore better able to recognise customer needs/satisfy consumers.√
- Businesses with a diverse workforce are more likely to have a good public image√ and attract more customers.√
- Any other relevant answer related to value of diversity in the workplace.

Max (12)

9.4 Causes of conflict

9.4.1 Personal differences/Different personalities√√

- Conflict is inevitable when people from different backgrounds/cultures/values races/gender√ work in the same environment.√
- When employees fail to understand or accept the differences in each other's personalities√, problems arise in the workplace.√
- Humour and sarcasm may be perceived as insulting behaviour√ by employees of other cultures/backgrounds.√
- Different personality types within a group can cause conflicts√ because some employees may be introverts while others are extroverts resulting in different perceptions.√
- Different opinions√ may make it difficult to reach agreements.√
- Any other relevant answer related to personal differences/different personalities as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.2 Poor communication√√

- Poor communication can lead to all types of misunderstanding√ and can become very destructive.√
- If employees or management decide to sidestep each other's opinions√, team members may become unhappy.√
- Any other relevant answer related to poor communication as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.3 Competition√√

- Although competition may be a good motivator√, it can become negative if the focus is on competition only, as team members may lose their team spirit.√
- Team members who always loose when competing√, may feel incompetent/demotivated and may not complete their tasks/reach deadlines.√
- Unhealthy workplace competition may spark conflict√ as it demoralises employees who cannot always meet targets.√
- When salary is linked to employee productivity√, a workplace may experience strong competition between employees.√
- Any other relevant answer related to competition as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.4 Ignoring rules/procedures√√

- Employees who do not follow the rules/procedures√ can cause conflict as tasks may not be performed according to the business specification.√
- Team members who ignore/disobey rules/procedures√ may delay the completion of tasks.√
- Any other relevant answer related to ignoring rules/procedures as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.5 Poor organisation/leadership/administrative procedures and systems√√

- Poor systems and procedures cause stress to workers√ and makes them frustrated√.
- If there are not enough guidelines for team members√, they will be unorganised/uncoordinated in their work.√
- Any other relevant answer related to poor organisation/leadership/administrative procedures and systems as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.6 Workload and stress/Unrealistic expectation√√

- When employees are overloaded with work√, they become stressed/feel unappreciated/burnt-out.√
- Some employees may depend on their colleagues√ to help them to complete their work.√
- Any other relevant answer related to workload and stress/unrealistic expectation as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

9.4.7 Confusion about scheduling and deadlines√√

- Individual deadlines and the team schedules that are not clearly communicated/are not easily available√ can cause confusion.√
- Employees working in a team may be available at different times/finding a suitable time when everyone is available√, which can be a challenge in reaching deadlines.√
- Any other relevant answer related to confusion about scheduling and deadlines as a possible cause of conflict.

Cause (2)
Discussion (2)
Submax (4)

- 9.4.8 **Unclear responsibilities**√√
- Employees who are not clear about their responsibilities√ are more likely to avoid and blame others for work not done.√
 - They may not effectively perform√ their task as expected.√
 - Any other relevant answer related to unclear responsibilities as a possible cause of conflict.
- Cause (2)
Discussion (2)
Submax (4)
- 9.4.9 **Distracted by personal objectives**√√
- Some employees may pursue their own personal objectives√ and they will try to force their own desires onto the team.√
 - They may lose focus of the task at hand√ and distract others from performing their tasks effectively.√
 - Any other relevant answer related to being distracted by personal objectives as a possible cause of conflict.
- Cause (2)
Discussion (2)
Submax (4)
- 9.4.10 **Lack of/Insufficient resources**√√
- Limited resources may cause conflict, because employees may all√ want to use the resources at the same time.√
 - Team members may fight over the limited resources available√ to accomplish their/the team's tasks.√
 - Any other relevant answer related to insufficient resources as a possible cause of conflict.
- Cause (2)
Discussion (2)
Submax (4)
- 9.4.11 **Constant changes**√√
- Constant changes in a business may cause instability/lack of clarity√ regarding the roles and responsibilities of each employee/team member.√
 - Staff of businesses that continuously change√, may experience 'change fatigue'.√
 - People may have less patience√ and fail to understand the reasons for change.√
 - Any other relevant answer related to constant changes as a possible cause of conflict.
- Cause (2)
Discussion (2)
Submax (4)
- **Any other relevant answer related to causes of conflict.**
- Max (22)**

9.5 Ways of dealing with difficult people

OPTION 1

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

AND/OR

OPTION 2 (Personalities)

Type of personality	Strategy to deal with a personality
- Complainer√	- Listen to the complaints but do not acknowledge them.√ - Interrupt the situation and move to the problem-solving process as soon as possible.√
- Indecisive√	- Guide them through alternatives.√ - Stay in control and emphasise the importance of making a decision.√ - Help them make the decision or solve the problem.√
- Over agree√	- Be firm and do not let them make promises that they cannot keep.√ - Follow up on their actions.√
- Negativity√	- Be firm with them and do not let them draw you into their negativity.√ - Listen to them but do not agree with them.√
- Expert√	- Be firm and assertive.√ - Do not accuse them of being incorrect and do not get caught in their game.√ - Know your facts.√
- Quiet√	- Do not fill their silence with words.√ - Wait for their response.√ - Prompt them through the process so that they give input.√ - Restrict the time of the discussion.√
- Aggressive√	- Allow them time to speak and blow off.√ - Be firm, but do not attack them.√ - Do not allow them to be hostile towards others.√

NOTES (applicable to OPTION 2):

1. Allocate a maximum of **THREE (3)** marks for only identifying the type of personality without a strategy.
2. Allocate **TWO (2)** marks for indicating the strategy without identifying the type of the personality/Take particular note of overlap of strategies.

Max (10)

9.6 Conclusion

- A diverse workforce enables employees to understand and tolerate each other's backgrounds/cultures/values resulting in better work relations.√√
- Conflict is inevitable in a workplace and can either pose a challenge or opportunity for the growth in a business.√√
- Businesses should immediately identify the causes of conflict and ensure that conflict is resolved amicably in the workplace.√√
- Business should effectively deal with difficult people to avoid conflict in the workplace.√√
- Any other relevant answer related to diversity, conflict and dealing with difficult people.

Max (2)
[40]

BREAKDOWN OF MARK ALLOCATION		
Details	Maximum	Total
Introduction	2	Max 32
Diversity	2	
Benefits of diversity	12	
Causes of conflict	22	
Dealing with difficult people	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis	2	
Synthesis	2	
Originality	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 10 : HUMAN RESOURCE FUNCTION**10.1 Introduction**

- The human resource manager (HRM) is responsible for selecting and appointing competent and skilled employees.√
- It is important that the HRM follows correct/fair procedures in selecting a suitable candidate.√
- Selection is a process of determining which applicants will best suit which specific jobs.√
- Induction is a process of introducing new employees to their job and working environment.√
- Placement is the process in which the new employee is placed in his/her new position.√
- Any other relevant answer related to selection, purpose of induction and placement procedure.

Max (2)**10.2 10.2.1 Selection procedure****Receive documentation√√**

- Applicants submit the application forms, curriculum vitae and certified copies of personal documents√, e.g.ID, proof of qualifications√, etc.
- Sort the applications received√ according to the criteria for the job.√
- Any other relevant answer related to documentation received during the selection procedure.

Step (2)

Explanation (2)

Submax (4)

10.2.2 Evaluate CVs and create a shortlist/Screen applicants √√

- Make a list of all applicants √ who qualify for a job √/Candidates who obviously meet the requirements are separated √ from those who do not.√
- Applicants are evaluated √ against pre-set criteria.√
- Applicants are ranked √ from the most suitable to less suitable candidates. √
- Candidates with the highest score √ are placed on a shortlist in ranked order. √
- The shortlist √ should contain between 3 and 5 candidates. √
- Any other relevant answer related to the evaluation of a CV/creating a shortlist/screening applicants during the selection procedure.

Step (2)

Explanation (2)

Submax (4)

10.2.3 Check information in the CVs/Contact references √√

- The candidates' qualifications/employment history √ are checked and confirmed. √
- Referees are contacted √ to verify/testify to the person's character/abilities/skills. √
- Check the criminal records √ and credit history of the applicant. √
- Any other relevant answer related to checking of CVs/references during the selection procedure.

Step (2)

Explanation (2)

Sub-max (4)

10.2.4 Conduct preliminary interviews √√

- Preliminary interviews are conducted √ if many good applicants were received. √
- The main purpose is to sift out applicants who qualify for the job √ but who might not be suitable for a business environment. √
- Any other relevant answer related to preliminary interviews during the selection procedure.

Step (2)

Explanation (2)

Sub-max (4)

10.2.5 Assess/Test candidates √√

- Various assessments may need to be completed √ before the best candidate is chosen. √
- Candidates who have applied for senior positions √ could be given personality/interest/aptitude tests. √
- Some businesses require candidates √ to take medical screening/skills tests. √
- Any other relevant answer related to assessing candidates/testing applicants during the selection procedure.

Step (2)

Explanation (2)

Sub-max. (4)

10.2.6 Conduct interviews √√

- Candidates whose names appear on the shortlist √ are invited to a personal interview, usually on the premises of the business. √
- Interview is a formal meeting √ between employer and candidate. √
- The interviewing team has a list of pre-set questions √ to be able to compare the candidates on equal criteria. √
- The meeting allows the employer to collect information about the candidates √ and to evaluate them further. √
- Candidates also have a chance to assess their possible new workplace √ and obtain more information about the post and the business. √
- Business may hold more than one round of interviews, √ depending on the nature of the vacancy. √
- Any other relevant answer related to conducting interviews during the selection procedure.

Step (2)

Explanation (2)

Sub-max. (4)

10.2.7 Offer employment/Letter of appointment √√

- A written offer is made √ to the selected candidate. √
- The selected candidate must accept the offer √ in writing. √
- An employment contract will be negotiated and signed √ by the new employee and employer. √
- Unsuccessful candidates may be informed, √ unless stated otherwise in the job advertisement. √
- Any other relevant answer related to offering employment as the final stage of the selection procedure.

Step (2)

Explanation (2)

Sub-max. (4)

Max (24)**NOTE: 1. Accept any order related to steps/procedures.**

10.3 Purpose of induction

- Introduce new employees ✓ to management and colleagues/to establish relationships with fellow employees at different levels. ✓
- Familiarise new employees with organisational structure, ✓ e.g. who are their supervisors/low level managers. ✓
- New employees will know where everything is ✓ and saves production time. ✓
- Learn more about the business ✓ so that new employees understand their roles/responsibilities in order to be more efficient. ✓
- Familiarise new employees with Mega Furniture's product range ✓ with regard to which products they manufacture and/or services they provide. ✓
- Make new employees feel at ease in the workplace ✓ to reduce anxiety/insecurity/fear. ✓
- Communicate company policies, ✓ regarding conduct and procedures/safety and security/employment contract/conditions of employment/working hours/leave. ✓
- Give new employees a tour/information ✓ about the layout of the building/factory and offices. ✓
- Create realistic expectations for new employees ✓ as well as the business. ✓
- New employees may feel part of the team ✓ resulting in positive morale and motivation. ✓
- Proper training can be provided ✓ based on the results obtained during the induction process. ✓
- Any other relevant answer related to the purpose for induction.

Max (16)**10.4 Placement procedure**

- Mega Furniture (MF) must outline the specific responsibilities of the new position, including the expectations and skills required for this position. ✓✓
- MF should determine the new employee's strengths, weaknesses, interest, and skills by subjecting him/her to a range of psychometric tests. ✓✓
- MF must determine the relationship between the position and the competencies of the new employee. ✓✓
- Any other relevant answer related to the placement procedure.

Max (6)

10.5 CONCLUSION

- The goals and objectives of businesses cannot be achieved without qualified and skilled employees. √√
- The HRM can appoint the best candidate if the selection and interviewing procedures are properly applied. √√
- The induction process is important to ensure that the newly appointed person feels welcome and has the necessary information. √√
- It is important that the business places the right person in the right position. √√
- Any other relevant answer related to selection, purpose of induction and placement procedure.

Max (2)
[40]

BREAKDOWN OF MARK ALLOCATION		
Details	Maximum	Total
Introduction	2	Max 32
Selection procedure	24	
Purpose of induction	16	
Placement procedure	6	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis	2	
Synthesis	2	
Originality	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: 80
GRAND TOTAL 300