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Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATIONS

BUSINESS STUDIES

2017

MARKING GUIDELINES

MARKS: 300

These marking guidelines consist of 49 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 purposes, the following colours are recommended:
Marker: Red
Senior Marker: Green
Deputy Chief Marker: Brown/Black/Blue
Chief Marker: Pink
Internal Moderator: Orange
External Moderator: Turquoise
2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. Comprehensive marking guidelines have been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct, but:
 - Uses a different expression from that which appears in the marking guidelines
 - Comes from another source
 - Original
 - A different approach is used

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

4. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word '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 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. Incorrect numbering of answers to questions or sub-questions in SECTION A and B will be severely penalised. Therefore, correct numbering is strongly recommended in all sections.
10. No additional credit must be given for repetition of facts. Indicate with a 'R'.
11. Note that no marks will be awarded for indicating Yes/No in evaluation type questions requiring substantiation or motivation. (Applicable to SECTIONS B and C)
12. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
 - 12.1 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.'*\
 - 12.2 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: The above could apply to 'analyse' as well.

13. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guidelines and the context of each question.

Cognitive verbs, *such as:*

- 13.1 Advise, name, outline, state, mention, recommend, suggest, motivate (*list not exhaustive*) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 13.2 Describe, explain, discuss, elaborate, justify, devise, analyse, evaluate, critically evaluate, compare, distinguish, differentiate (*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.

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 or use the word 'Cancel'.

NOTE: This applies only to questions where the number of facts is specified.

- 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 marking centre to finalise alternative answers.
- 14.4 **Use of the cognitive verbs and allocation of marks:**

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

- Fact 2 marks (or as indicated in the marking guidelines)
- Explanation 1 mark

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

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

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

15. **SECTION C**

- 15.1 The breakdown of the mark allocation for the 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?	2
Synthesis	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide: No relevant facts: 0 (Two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S')</p> <p>NB: 1. If there are no '-S' indicated, award the maximum of TWO (2) marks. 2. Where a candidate answers less than 50% of the question with relevant facts, one '-S' appears in the left margin. In this case award a maximum of ONE (1) mark.</p>	2
Originality	Is there evidence of examples, recent information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY (8 + 32):		40

- NOTE:**
1. No marks will be awarded for contents repeated from the introduction and conclusion.
 2. The candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.
 3. No marks will be allocated for layout, if the headings **INTRODUCTION** and **CONCLUSION** are not supported by an explanation.
 4. With effect from November 2017 a candidate will be awarded a maximum of **ONE (1)** mark for headings/sub-headings and **ONE (1)** mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.

15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').

15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guidelines to each question.

15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained.

- 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 complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy/where businesses aim to introduce new products✓ into existing markets.'✓
- 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 D✓✓
 1.1.2 C✓✓
 1.1.3 A✓✓
 1.1.4 C✓✓
 1.1.5 B✓✓
 1.1.6 B✓✓
 1.1.7 C✓✓
 1.1.8 B✓✓
 1.1.9 D✓✓
 1.1.10 A✓✓ (10 x 2) (20)
- 1.2 1.2.1 Compensation for Occupational Injuries and Diseases✓✓
 1.2.2 shareholders✓✓
 1.2.3 dispute✓✓
 1.2.4 rent✓✓
 1.2.5 fringe ✓✓ (5 x 2) (10)
- 1.3 1.3.1 F✓✓
 1.3.2 E✓✓
 1.3.3 H✓✓
 1.3.4 A✓✓
 1.3.5 D✓✓ (5 x 2) (10)

TOTAL SECTION A: 40**BREAKDOWN OF MARKS**

QUESTION 1	MARKS
1.1	20
1.2	10
1.3	10
TOTAL	40

SECTION B

Mark **ONLY** the **FIRST THREE** answers.

QUESTION 2: BUSINESS ENVIRONMENTS**2.1 PESTLE analysis model**

- Political✓
- Economical✓
- Social✓
- Technological ✓
- Legal✓
- Environmental✓

NOTE: Mark the first FIVE (5) only.

(5 x 1) (5)

2.2 Business strategies

- 2.2.1 Liquidation/Defensive✓✓ (2)
 - 2.2.2 Market development/Intensive✓✓ (2)
 - 2.2.3 Horizontal diversification/Diversification✓✓ (2)
 - 2.2.4 Backward integration/Vertical Integration/Integration✓✓ (2)
 - 2.2.5 Market penetration/Intensive✓✓ (2)
- (10)**

2.3 Steps for strategy evaluation

- Examine the underlying basis of a business strategy.✓✓
- Formulate strategies to effectively meet objectives.✓✓
- Implement strategies using action plans✓✓, etc.
- Look forward and backward into the implementation process.✓✓
- Compare the expected performance with the actual performance.✓✓
- Measure business performance in order to determine the reasons for deviations and analyse these reasons.✓✓
- Take corrective action so that deviations may be corrected.✓✓
- Set specific dates for control and follow up.✓✓
- Draw up a table of the advantages and disadvantages of a strategy.✓✓
- Decide on the desired outcome.✓✓
- Consider the impact of the implementation of a strategy in the internal and external environments of the business.✓✓
- Any other relevant answer related to the steps in strategy evaluation.

NOTE: 1. Accept steps in any order.

2. Mark the first FOUR (4) only.

(4 x 2) (8)

2.4 Business environments and extent of control

ENVIRONMENT	EXTENT OF CONTROL BY BUSINESS
Micro✓✓ (2)	Full control✓ (1)
Market✓✓ (2)	Little/Limited control/influence✓ (1)
Macro✓✓ (2)	No control✓ (1)
Sub max (6)	Sub max (3)

NOTE: The extent of control must be linked to the environment.

Max (9)

2.5 SWOT analysis**2.5.1**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> - Sells traditional food.✓ - Sells at/Charges reasonable prices.✓ <p>Sub max (2)</p>	<ul style="list-style-type: none"> - Uses an old cash register/cash register that does not always accurately record all cash transactions.✓ - Megan does not have a good marketing strategy to retain her customers/poor marketing strategies.✓ <p>Sub max (2)</p>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - The municipality invited Megan/MAC to open a food stall at their cultural market.✓ - The market/food stall will attract many tourists/local customers.✓ <p>Sub max (2)</p>	<ul style="list-style-type: none"> - Suppliers have increased their prices due to inflation.✓ - Losing customers to a competitor/Nozizwe Buy & Braai.✓ - A competitor/Nozizwe Buy & Braai sells at lower prices.✓ <p>Sub max (2)</p>

NOTE: 1. Do not award marks if the components of the SWOT analysis are not indicated.
2. Aspects under each component of the SWOT analysis must be linked to the scenario.

Max (8)

2.5.2 Ways MAC can deal with the identified weaknesses

WEAKNESSES	RECOMMENDATIONS
- Uses an old cash register	<ul style="list-style-type: none"> - Buy a new cash register/the latest technology available.√√ - Lease a new/computerised cash register.√√ - Trade in the old cash register for a new one.√√ - Any other relevant recommendation to deal with the use of an old cash register. <p style="text-align: right;">Sub max (2)</p>
- Not having a good marketing strategy/Poor marketing strategies	<ul style="list-style-type: none"> - Outsource marketing activities to a professional marketing agency.√√ - Develop intensive marketing strategies through creative thinking.√√ - Decrease prices to match that of the competition/competitors/Nozizwe Buy & Braai.√√ - Any other relevant recommendation to deal with the poor marketing strategies. <p style="text-align: right;">Sub max (2)</p>

NOTE: 1. The recommendations must be linked to the weaknesses identified in QUESTION 2.5.1.

2. Do not award marks for the identified weaknesses.

3. If the weaknesses were not identified correctly/left blank in QUESTION 2.5.1:

- **Allocate ONE (1) mark for a recommendation based on the scenario.**
- **Award full marks if the weaknesses were integrated in the recommendations.**

Max (4)

2.6 Promotion of consumer rights**2.6.1 Right to choose**

- Businesses should not force consumers√ to purchase their goods√/Respect consumers' right to choose√ their own suppliers/goods.√
- Allow consumers to shop around√ for the best prices.√
- Allow consumers to cancel/renew√ fixed term agreements.√
- Consumers may reject goods√ that are not the same as the sample marketed/displayed.√
- Provide consumers with written quotations/cost estimates√ upon request.√
- Any other relevant answer related to the promotion of the consumer's right to choose as stipulated in the CPA.

Max (4)

2.6.2 Right to information

- Contracts and agreements√ should be in plain language/easy to understand.√
- Businesses should display prices√ fully inclusive of all costs.√
- Provide information on unit/bulk price√ of the same product on request.√
- Businesses should label products/trade descriptions√ correctly/clearly.√
- Any other relevant answer related to the promotion of the consumer's right to information as stipulated in the CPA.

Max (4)

2.7 Impact of the EEA on businesses**Positives/Advantages**

- Promotes equal opportunity✓ and fair treatment in employment.✓
- Prevents unfair discrimination/discriminatory appointments✓ as it ensures that the workforce represents the demographics of the country/promotes diversity in the workplace.✓
- Motivates employees✓ because everyone has the same employment opportunities.✓
- Appointment process is clearly defined✓, so all parties are well informed.✓
- Promotes the implementation of affirmative action measures✓ to redress the imbalance in employment.✓
- Encourages consultation✓ between employer and employees.✓
- Businesses are in a better position✓ to negotiate contracts with the government.✓
- Impacts positively✓ on BEE ratings for businesses.✓
- Any other relevant answer related to the positive impact of the EEA on businesses.

AND/OR**Negatives/Disadvantages**

- Increased administration burden✓, as businesses must compile/submit employment equity reports every two years.✓
- Expensive to train/employ someone✓ who knows little about the Act.✓
- Other groups may not respect the knowledge/skills/experience of an EE appointment✓ which may lead to conflict.✓
- Fines/Penalties for non-compliant businesses✓ may be expensive for the business.✓
- Employers have to appoint one or more senior managers✓ to ensure the implementation of the plan, which increases salary expenditure.✓
- Skilled people from designated groups may demand higher salaries✓ which increase salary expenses.✓
- Job hopping of skilled/trained EE appointees✓ may increase staff turnover.✓
- Businesses must submit a compliance certificate✓ before they can conduct business with the government.✓
- Diversity in the workplace✓ may lead to conflict/unhappiness.✓
- Businesses are sometimes pressurized to appoint✓ an unsuitable EE candidate just to meet EE requirements.✓
- Often positions go unfilled✓ because there are no suitable EE candidates.✓
- Any other relevant answer related to the negative impact of the EEA on businesses.

Max (8)
[60]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	5
2.2	10
2.3	8
2.4	9
2.5.1	8
2.5.2	4
2.6.1	4
2.6.2	4
2.7	8
TOTAL	60

QUESTION 3: BUSINESS VENTURES**3.1 Examples of long term insurance**

- Endowment policy✓
- Life cover policy/Life insurance✓
- Retirement annuity/Pension fund/Provident fund✓
- Disability policy✓
- Trauma insurance✓
- Funeral insurance✓
- Health insurance/Medical aid✓
- Any other relevant examples related to long term insurance.

NOTE: Mark the first FIVE (5) only.**(5 x 1) (5)****3.2 Compulsory and non-compulsory insurance**

- 3.2.1 Compulsory✓✓ (2)
- 3.2.2 Compulsory✓✓ (2)
- 3.2.3 Non-compulsory✓✓ (2)
- 3.2.4 Compulsory✓✓ (2)
- 3.2.5 Non-compulsory✓✓ (2)
- (10)**

3.3 Investments**3.3.1 RSA Retail Savings Bonds/Government (RSA) Retail Savings Bonds✓✓**

Sub max (2)

MOTIVATION

- Invest in a safe and low risk investment/Return on investment is guaranteed/No charges, fees or commission payable.✓

Sub max (1)

NOTE: Do not award a mark for the motivation if the type of investment is incorrectly identified.

Max (3)**3.3.2 Advantages of RSA Retail Savings Bonds/Government (RSA) retail bonds**

- Easy to buy✓ as it is electronically available on the RSA Retail Savings Bond website/directly from the National Treasury/from any branch of the Post Office/Pick 'n Pay.✓
- The interest rate can be more✓ than what banks offer.✓
- The longer the investment, the higher✓ the rate of return.✓
- Returns offered by retail bonds are good✓ as it can outperform the effect of inflation.✓
- Investors can choose to reinvest their interest✓ at the same rate as the initial investment.✓
- Interest is paid out/reinvested twice a year✓ at a fixed rate.✓
- Interest rate is fixed for the entire investment period✓, so it is not affected by rate changes/fluctuations.✓
- Any other relevant answer related to the advantages of RSA Retail Savings Bonds/Government (RSA) retail bonds.

**NOTE: 1. Do not award marks for 'safe, secured and low risk investment/no charges, fees or commission payable'.
2. Award marks for relevant advantages if the type of investment was incorrectly identified in QUESTION 3.3.1.**

Max (6)**3.4 Leadership styles****3.4.1 Charismatic✓✓ (2)****3.4.2 Democratic/Participative/Consultative✓✓ (2)****3.4.3 Laissez-faire/Free reign✓✓ (2)****(6)**

3.5 Impact of autocratic leadership style on business**Positives/Advantages**

- Quick decisions can be taken✓ without consulting/considering followers/employees.✓
- Work gets done✓ in time/on schedule.✓
- Line of command/communication is clear✓ as it is top-down/followers know exactly what to do.✓
- Direct supervision and strict control✓ ensure high quality products/service.✓
- Provides strong leadership✓ which makes new employees feel confident and safe.✓
- Works well in large companies✓ where consultation with every employee is impractical.✓
- Clear guidance can be given✓ to low-skilled/inexperienced/new staff.✓
- Useful in a crisis/urgent situation✓, e.g. after an accident/meeting tight deadlines.✓
- Any other relevant analysis related to the positive impact of the autocratic leadership style on business.

AND/OR**Negatives/Disadvantages**

- Leaders and followers may become divided✓ and may not agree on ways to solve problems.✓
- Workers can become demotivated✓ if their opinions/ideas are not considered.✓
- De-motivated workers✓ impact negatively on productivity.✓
- New/Creative/Cost reducing ideas✓ may not be used/implemented/never be considered.✓
- Followers may feel that they are not valued✓ resulting in high absenteeism/high employee turnover.✓
- Experienced/Highly skilled workers will resist an autocratic leadership style✓ because it results in slow growth/low participation/less creativity.✓
- Any other relevant analysis related to the negative impact of the autocratic leadership style on business

Max (8)

3.6.1 Methods of calculation/Types of interest**Marie:** Simple interest✓✓

(2)

Motivation

- Received interest only on the initial amount invested.✓
- Simple interest yields less return/R2 000.✓
- $R10\,000 \times 10\% \times 2 = R2\,000$ interest✓

(1)

Sub max (3)

Tsolo: Compound interest✓✓

(2)

Motivation

- Received interest on the initial amount invested and on accumulated interest that was reinvested every year.✓
- Compound interest yields more return/R2 100.✓
- $R10\,000 (1.1)^2 = R12\,100 - R10\,000 = R2\,100$ interest✓

(1)

Sub max (3)

Max (6)**3.6.2 Differences between the calculation methods of simple and compound interest**

SIMPLE INTEREST	COMPOUND INTEREST
- Interest earned on the original amount✓ and not on the interest accrued.✓	- Interest earned on original amount invested✓, as well as interest earned in previous period(s).✓
- The principal amount remains the same✓ over the entire period of investment.✓	- The principal amount grows✓ with the addition of interest to it.✓
- The interest is kept separate/paid out✓ unless it is reinvested at the end of the investment term.✓	- Interest is calculated on the higher principal amount✓ and again added to it.✓
- Yields less✓ return on investment.✓	- Yields higher✓ return on investment.✓
- Total amount of interest earned✓ on investment is less.✓	- Total amount of interest earned✓ on investment is high.✓
- Any other relevant answer related to simple interest.	- Any other relevant answer related to compound interest.
Sub max (4)	Sub max (4)

NOTE: 1. The answer does not have to be in tabular format, but the differences must be clear.**2. Do not award marks for differences that are based on motivations from QUESTION 3.6.1.****Max (8)**

3.7 Success and/or failure factors of Mishaak Spares Ltd/a public company

CRITERIA	SUCCESS	FAILURE
3.7.1 Management	<ul style="list-style-type: none"> - Mishaak Spares Ltd/A public company is managed by a competent board of directors who are accountable to the shareholders.√√ - Directors use their expertise to manage the business effectively.√√ - Directors bring creative ideas which encourage innovation/high productivity/efficiency in the company.√√ - Any other relevant answer related to the contribution of management to the success of Mishaak Spares Ltd/a public company. <p style="text-align: right;">Sub max (4)</p>	<ul style="list-style-type: none"> - The board of directors may not have a personal interest in the company.√√ - Directors may not be motivated to work very hard because shareholders decide on the directors' remuneration.√√ - Quick decisions cannot be made due to a large management structure.√√ - Any other relevant answer related to the contribution of management to the failure of Mishaak Spares Ltd/a public company. <p style="text-align: right;">Sub max (4)</p>

Max (4)

CRITERIA	SUCCESS	FAILURE
3.7.2 Capital	<ul style="list-style-type: none"> - Mishaak Spares Ltd/A public company can raise large amounts of capital to start large business undertakings.√√ - Extra capital for company expansion/growth can be raised by issuing shares to the public.√√ - Mishaak Spares Ltd's/A public company's shares are listed on the JSE√ which gives the company exposure to more potential investors.√√ - Any other relevant answer related to the contribution of capital to the success of Mishaak Spares Ltd/a public company. <p style="text-align: right;">Sub max (4)</p>	<ul style="list-style-type: none"> - The growth of Mishaak Spares Ltd/a public company is limited if sufficient capital cannot be raised.√√ - An increase in the number of shares issued may lead to more dividends paid out/less retained income from company profits.√√ - Raising extra capital may be difficult if the economic climate is unfavourable/Share prices change all the time and they may lose value.√√ - Any other relevant answer related to the contribution of capital to the failure of Mishaak Spares Ltd/a public company. <p style="text-align: right;">Sub max (4)</p>

Max (4)**[60]**

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	5
3.2	10
3.3.1	3
3.3.2	6
3.4	6
3.5	8
3.6.1	6
3.6.2	8
3.7.1	4
3.7.2	4
TOTAL	60

QUESTION 4: BUSINESS ROLES**4.1 Economic rights of employees**

- No forced labour✓
- Free to accept/choose a job✓
- Fair salaries and wages/Equal pay✓
- Fair/Reasonable working hours✓
- Safe and healthy working conditions✓
- Right to form/belong to a trade union✓
- Right to participate in a legal strike✓
- Any other relevant answer related to the economic rights of employees.

NOTE: 1. Mark the first THREE (3) only.**2. Do not allocate marks for human- and/or social rights.****(3 x 1) (3)****4.2 Unethical issues that may pose challenges to businesses**

- Unfair advertising techniques/practices✓
- Sexual harassment✓
- Unauthorised use of business funds and resources✓
- High/Unfair pricing of goods in rural areas✓
- Taxation/Tax evasion✓
- Abuse of work time✓

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

4.3 Contribution of time and effort in improving the wellbeing of the employees and the community

4.3.1 Employees

- Businesses should improve the general quality of life of employees✓, e.g. pay fair wages/ skills development✓, etc.
- Start a nutritional programme✓ so that employees can enjoy one nutritional meal per day to keep them in a healthy condition.✓
- Provide subsidised housing/accommodation✓ for their employees.✓
- Give time to staff✓ to get involved in projects they choose✓/Allow staff to use some of their work hours✓ to participate in the projects of their choice.✓
- Encourage employees to stay fit and healthy✓ by getting them involved in health activities to minimise stress/substance abuse/obesity.✓
- Provide transport for employees✓ who work unusually long hours.✓
- Establish coaching and mentoring programmes✓ for junior employees.✓
- Conduct team-building sessions✓ to improve employees' morale.✓
- Encourage employees✓ to attend capacity-building workshops/training programmes/staff-development programmes/team-development programmes.✓
- Offer counselling sessions✓ to employees with personal/emotional challenges.✓
- Any other relevant answer related to how businesses can contribute time and efforts in improving the wellbeing of their employees.

Max (4)

4.3.2 Community

- Businesses should improve the general quality of life of employees' families in their community✓, e.g. develop skills in the community/invest in education✓, etc.
- Ensure that the product✓ they supply do not harm consumers/the environment.✓
- Refrain from engaging in illegal/harmful practices✓ such as employing children under the legal age/selling illegal substances✓, etc.
- Make ethically correct business decisions✓, e.g. not engage in unfair/misleading advertising✓, etc.
- Participate in community projects✓ involving HIV/AIDS/education/counselling/ other meaningful causes.✓
- Donate money to a community project/run a project✓ to uplift the community.✓
- Provide recreational/sport facilities✓ to promote social cohesion/healthy activities.✓
- Any other relevant answer related to how businesses can contribute time and efforts in improving the wellbeing of the community.

Max (4)

4.4 Distinction between decision making and problem solving

DECISION MAKING	PROBLEM SOLVING
<ul style="list-style-type: none"> - It is often done by one person/a member of senior management✓ who makes it authoritarian.✓ - Various alternatives are considered✓ before deciding on the best one.✓ - It is part of the problem solving cycle✓ as decisions need to be taken in each step.✓ - Any other relevant answer related to decision making. <p style="text-align: right;">Sub max (2)</p>	<ul style="list-style-type: none"> - Problems can be solved by a group/team✓ or an individual team member.✓ - Alternative solutions are generated/identified✓ and critically evaluated.✓ - Process of analysing a situation✓ to identify strategies to bring about change.✓ - Any other relevant answer related to problem solving. <p style="text-align: right;">Sub max (2)</p>

NOTE: 1. The answer does not have to be in tabular format, but the distinction must be clear.

2. If the distinction is not clear, award a maximum of TWO (2) marks/ Mark either decision making or problem solving only.

Max (4)

4.5 Advantages of the Delphi technique

- Businesses save time/costs✓, when using a group of experts without bringing them together.✓
- Experts will give clear ideas/solutions✓ on how to improve on low productivity/ profitability.✓
- Panel members/Experts can give new information✓ on problems.✓
- Information received from experts✓ can be kept confidential.✓
- It reduces noise levels in an office environment✓ since there is no group discussion.✓
- Panel members/Experts need to reach consensus✓, so that the best solution is found.✓
- All experts are given an equal opportunity to give their opinions✓, so no-one dominates the process.✓
- Any other relevant answer related to the advantages of the Delphi technique in solving business problems.

Max (8)

4.6.1 Diversity issues in the scenario

- Culture/Workers are intolerant towards other cultures/cultural backgrounds.✓
- Race/Workers are intolerant towards other races.✓
- Language/Some employees struggle to speak the language.✓

NOTE: 1. Mark the first THREE (3) only.

2. Diversity issues must be relevant to the scenario.

(3 x 1) (3)

4.6.2 Dealing with diversity issues**Culture**

- ST must be sensitive to special requirements for different cultural groups, e.g. allow day(s) off for cultural holidays/festivals.✓✓
- Cater for special food/preparation methods in the workers' canteen.✓✓
- ST should acknowledge and respect cultural differences of employees.✓✓
- The business may not discriminate against employees on the grounds of their cultural background.✓✓
- Any other relevant answer related to how ST should deal with culture as a diversity issue in the workplace. Sub max (2)

Race

- Implement affirmative action policies as required by law.✓✓
- Comply with the Employment Equity Act and BBBEE when appointing/training staff.✓✓
- No discrimination should be made based on skin colour.✓✓
- Employ people from different race groups.✓✓
- Any other relevant answer related to how ST should deal with race as a diversity issue in the workplace. Sub max (2)

Language

- ST may specify that all communications should be in one specific language only and could expect employees to have a certain level of fluency in that language.✓✓
- It may sometimes be necessary to employ an interpreter so that everyone can fully understand what is being said in a meeting.✓✓
- All business contracts should be in easy-to-understand language and should be available in the language of choice for the parties signing.✓✓
- Workplace policies should be prepared in more than one language so that it can be understood by all workers.✓✓
- No worker should feel excluded in meetings by conducting it in more than one language.✓✓
- Any other relevant answer related to how ST should deal with language as a diversity issue in the workplace. Sub max (2)

NOTE: If the diversity issues were not identified correctly/left blank in QUESTION 4.6.1:

- **Allocate ONE (1) mark for a recommendation based on the scenario.**
- **Award full marks if the diversity issues were integrated in the recommendations.**

Max (6)

4.6.3 Correct grievance procedure

- Themba/An unhappy employee must verbally report the incident/grievance to his supervisor/manager✓, who needs to resolve it within 3 to 5 working days.✓
- Should the employee and supervisor not be able to resolve the grievance✓, the employee may take it to the next level of management.✓
- The employee may move to a more formal process✓ where the grievance must be lodged in writing/completes a business grievance form.✓
- Themba should receive a written reply✓ in response to the written grievance.✓
- A grievance hearing/meeting✓ must be held with all relevant parties present.✓
- Minutes of the meeting must be recorded✓ and any resolution passed must be recorded on the formal grievance form.✓
- Should Themba/the employee not be satisfied✓, then he could refer the matter to the highest level of management.✓
- Top management should arrange a meeting✓ with all relevant parties concerned.✓
- Minutes of this meeting should be filed/recorded✓ and the outcome/decision must be recorded on the formal grievance form.✓
- Should Themba/the employee still not be satisfied, he may refer the matter to the CCMA✓ who will make a final decision on the matter.✓
- Any other relevant answer related to the correct grievance procedure that Themba should follow.

NOTE: The procedure may be in any order.

Max (8)

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

- Emphasise the importance of creative thinking to ensure that all staff know that management 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 swaps 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 who come up with creative ideas.✓✓
- Provide a conducive working environment free from distractions.✓✓
- Any other relevant recommendations related to ways in which a business can stimulate creative thinking.

Max (8)

4.8 Strategies to manage socio-economic issues**4.8.1 HIV/Aids**

- Develop counselling programmes for infected/affected persons/employees.√√
- Conduct workshops on HIV/Aids programmes/campaigns.√√
- Roll out anti-retroviral (ARV) treatment programmes (ART) for the infected employees.√√
- Encourage employees to join HIV/Aids support groups.√√
- Develop strategies to deal with stigma and discrimination.√√
- Participate in the HIV/Aids prevention programmes implemented in the community.√√
- Support non-governmental organisational/community based organisation/NPC HIV/Aids initiatives.√√
- Any other relevant strategies that business may use to manage HIV/Aids as a socio-economic issue.

NOTE: Mark the first TWO (2) only.**Max (4)****4.8.2 Unemployment**

- Provide skills development programmes through learnerships.√√
- Offer bursaries to the community to improve the level of education.√√
- Create jobs for members of the community.√√
- Provide entrepreneurial programmes that can promote self-employment.√√
- Support existing small businesses to create more employment opportunities.√√
- Any other relevant strategies that business may use to manage unemployment as a socio-economic issue.

NOTE: Mark the first TWO (2) only.**Max (4)**
[60]**BREAKDOWN OF THE MARKS**

QUESTION 4	MARKS
4.1	3
4.2	4
4.3.1	4
4.3.2	4
4.4	4
4.5	8
4.6.1	3
4.6.2	6
4.6.3	8
4.7	8
4.8.1	4
4.8.2	4
TOTAL	60

QUESTION 5: BUSINESS OPERATIONS**5.1.1 Examples of job description and job specification quoted from the scenario**

JOB DESCRIPTION	JOB SPECIFICATION
- Coordinate in-service training for staff✓	- Good interpersonal relations✓
- Compile reports and give feedback timeously✓	- Excellent computer skills✓
Sub max (2)	Sub max (2)

NOTE: 1. Mark the first TWO (2) examples for job description and job specification.

2. The examples must be clearly linked to job description and job specification.

Max (4)

5.1.2 Type of recruitment

- Internal recruitment✓✓

Sub max (2)

Motivation

- It was advertised on their notice board.✓

Sub max (1)

NOTE: Do not allocate a mark for the motivation if the type of recruitment was incorrectly identified.

Max (3)

5.1.3 Other sources of internal recruitment

- Internal e-mails✓
- Referrals from management✓
- Recommendations from current employees✓
- Internal newsletter of the business✓
- Head hunting within the business✓
- Any other relevant answer related to the sources of internal recruitment.

NOTE: Mark the first TWO (2) only.

(2 x 1) (r)

5.1.4 Placement procedure

- JT should outline the specific responsibilities of the new position✓, including the expectations/skills required for this position.✓
- Determine the successful candidate's strengths/weaknesses/interests/skills✓ by subjecting him/her to a range of psychometric tests.✓
- Determine the relationship between the position✓ and the competencies of the new candidate.✓
- Any other relevant answer related to the placement procedure.

Max (6)

5.2 Role of the interviewer when preparing for an interview

- Jane should develop a core set of questions based on the skills/knowledge/ability required.√√
- She should check the application/verify the CV of every candidate for anything that may need to be explained.√√
- Book and prepare the venue for the interview.√√
- Set the interview date/Ensure that all interviews take place on the same date, if possible.√√
- Inform all shortlisted candidates about the date and place of the interview.√√
- Notify all panel members conducting the interview about the date and place of the interview.√√
- Allocate the same amount of time to interview each candidate on the program.√√
- Any other relevant answer related to the role of the interviewer when preparing for an interview.

Max (8)**5.3.1 Reasons why the contract was terminated**

- She often reported late for work.√
- She sometimes took business products without permission.√
- Emma refused to correct her negative behaviour.√

**NOTE: 1. Only award marks for responses quoted directly from the scenario.
2. Mark the first THREE (3) only.**

(3 x 1) (3)**5.3.2 Other reasons for the termination of an employment contract**

- Employee resigns voluntarily.√√
- Employer has no work for the employee any longer/business is closing down/retranchment/redundancy.√√
- Employee reaches the retirement age as stipulated in the contract.√√
- If the employee dies.√√
- By mutual agreement between the employer and employee.√√
- Any other relevant answer related to the reasons for terminating an employment contract.

NOTE: Do not award marks for reasons mentioned in QUESTION 5.3.1 or dismissal/misconduct.

Max (6)**5.4 Quality indicators of the marketing function**

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

- Determine gaps between customer expectations and actual experiences, so that problems/unhappiness may be diagnosed and addressed.√√
- Making adjustments 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 quality indicators of the marketing function.

NOTE: Mark the first THREE (3) only.

(3 x 2) (6)

5.5 Differences between quality control and quality assurance

QUALITY CONTROL	QUALITY ASSURANCE
<ul style="list-style-type: none"> - System that ensures the desired quality is met√ by inspecting the final product.√ - Ensure that finished products√ meets the required standards.√ - Process of ensuring that products are consistently√ manufactured to high standards.√ - Checking raw materials/employees/machinery/workmanship/products√ to ensure that high standards are maintained.√ - Any other relevant answer related to the explanation of quality control. 	<ul style="list-style-type: none"> - Checks carried out during√ and after the production process.√ - Ensure that required standards√ have been met at every stage of the process.√ - Processes put in place to ensure that the quality of products/services/systems adhere to pre-set standards√ with minimal defects/delays/short-comings.√ - Ensuring that every process is aimed to get the product “right the first time”√ and prevent mistakes from happening.√ - Any other relevant answer related to the explanation of quality assurance.
Sub max (2)	Sub max (2)

NOTE: 1. The answer does not have to be in tabular format, but the difference must be clear.

2. Award a maximum of TWO (2) marks if the differences are not clear/ Mark either quality control or quality assurance.

Max (4)

5.6 Meaning of quality circles

- This is a group of employees with a variety of skills and experience√ coming together to solve problems related to quality/to implement improvements.√
- They investigate problems√ and suggest solutions to management.√
- Suggestions can be implemented by management√ to improve quality.√
- In a small business√ all staff forms part of the quality circle.√
- Typical topics discussed√ by quality circles include, e.g. improving safety/product design/the manufacturing process√, etc.
- Any other relevant answer related to the meaning of quality circles.

Max (4)

5.7 Business functions

- 5.7.1 Human resource function✓✓ (2)
- 5.7.2 Production function✓✓ (2)
- 5.7.3 Administrative function✓✓ (2)
- (6)**

5.8. Positive impact of monitoring and evaluation of quality processes as a TQM element on large businesses

- Large businesses have a system of monitoring and evaluation/quality assurance processes in place✓ to prevent product defects.✓
- Key performance indicators are carefully selected✓ to set realistic baselines.✓
- Data gathered from indicators/Control charts✓ are used to effectively monitor outcomes.✓
- Large businesses have quality control checks and procedure✓ to ensure zero tolerance.✓
- May be better equipped✓ to get thing right the first time with no defects.✓
- Use benchmarking to find the best practices✓ to compare results with it.✓
- Quality circles meet often✓ to evaluate the progress in terms of quality/to check whether the monitoring system is still effective.✓
- Any other relevant answer related to the positive impact of monitoring and evaluation of quality processes as a TQM element on large businesses.

Max (8)
[60]

BREAKDOWN OF MARKS

QUESTION 5	MARKS
5.1.1	4
5.1.2	3
5.1.3	2
5.1.4	6
5.2	8
5.3.1	3
5.3.2	6
5.4	6
5.5	4
5.6	4
5.7	6
5.8	8
TOTAL	60

QUESTION 6: MISCELLANEOUS TOPICS**BUSINESS ENVIRONMENTS****6.1 Legislation**

- 6.1.1 Labour Relations Act, 1995 (Act 66 of 1995)/Labour Relations Act/LRA✓✓ (2)
- 6.1.2 Skills Development Act, 1998 (Act 97 of 1998)/Skills Development Act/SDA✓✓ (2)
- 6.1.3 Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)/Broad-Based Black Economic Empowerment Act/BBBEE✓✓ (2)
- (6)**

6.2 Porter's Five Forces**6.2.1 Power of buyers**

- Buyers are the final users✓ of products/services.✓
- Business must assess how easy it is for its buyers/customers✓ to drive prices down.✓
- This will depend on the number of buyers/the importance of each buyer to the business✓ and the cost of switching to other products.✓
- A few powerful buyers✓, are often able to dictate terms to the business.✓
- If customers can do without the business's products✓ they may have more power to determine the prices and terms of sale.✓
- Businesses should conduct market research✓ to gather more information about its buyers.✓
- Any other relevant answer related to the power of buyers as a Porter's Five Force.

Max (4)

6.2.2 Competitive rivalry

- Competitors are businesses✓ selling the same/similar products or rendering the same/similar services.✓
- If the competitors have a unique products /services✓ they have greater power.✓
- The business must draw up a competitor's profile of each similar business in the area✓ to determine its strength✓/Business should determine how many competitors there are✓ and how influential they are in the market.✓
- If a business has many competitors with similar products✓ the business will have very little power in the market.✓
- Some businesses have the necessary resources to start price wars✓ and continue selling at a loss until some/all competitors leave the market.✓
- Any other relevant answer related to competitive rivalry as a Porter's Five Force.

Max (4)

BUSINESS VENTURES**6.3 Difference between partnerships and private companies**

PARTNERSHIPS	PRIVATE COMPANIES
- Partners contribute√ skills/assets/capital.√	- Shareholders contribute√ share capital.√
- No specific√ name requirements√/ May be any√ acceptable name.√	- Name must end√ with Proprietary Limited/(Pty) Ltd.√
- Only needs a partnership agreement√ for establishment.√	- Must register a Memorandum of Incorporation (MOI)√ with the Companies and Intellectual Property Commission (CIPC).√
- Partners√ have unlimited liability.√/Partners are liable√ for debts of the partnership.√	- Shareholders have limited liability√ for the debts of the private company.√
- Partnership has no continuity√, if one partner dies/retires, the remaining partners need to draw up a new agreement.√	- The company has unlimited continuity√, if one shareholder dies/retires, the company will still continue to exist.√
- Partners are all actively involved in the management√ of the partnership.√	- Company is managed√ by at least one director.√
- Partnership does not pay income tax√ but partners pay in their private capacity.√	- Subject to double taxation√, as companies and shareholders are taxed separately on company profit.√
- Any other relevant answer related to partnerships.	- Any other relevant answer related to private companies.
Sub max (4)	Sub max (4)

NOTE: 1. The answer does not have to be in tabular format, but the differences must be clear.

2. Award a maximum of FOUR (4) marks if differences are not clear/ Mark either partnerships or private companies only.

Max (8)

6.4.1 Johannesburg Stock/Securities Exchange/JSE/JSE Limited√√

(2)

6.4.2 Functions of JSE

- Gives opportunities to financial institutions such as insurance companies to invest their funds in shares/Mobilises the funds of insurance companies and other institutions.√√
- Serves as a barometer/indicator of economic conditions in South Africa.√√
- Keeps investors informed on share prices by publishing it daily.√√
- Acts as a link between investors and public companies.√√
- Shares are valued and assessed by experts.√√
- Small investors are invited to take part in the economy of the country through the buying/selling of shares.√√
- Access to venture capital markets is made possible.√√

- Strict investment regulations ensures an orderly market for securities/shares.√√
- Encourages new investments in South African companies.√√
- Raises primary capital.√√
- Plans, researches and advises on investment possibilities.√√
- Ensures that the market operates in a transparent manner.√√
- Provides protection for investors.√√
- Encourages short-term investment.√√
- Facilitates electronic trading of shares/STRATE.√√
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange/JSE.

NOTE: 1. Mark the first THREE (3) only.

2. Do not award marks for 'listing of companies'.

(3 x 2) (6)

BUSINESS ROLES

6.5 Problem solving steps

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

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

2. Accept steps in any order.

3. Award marks when different approaches in problem solving are used, e.g. 3 or 5 steps, etc.

(4 x 1) (4)

6.6 Advantages of CSI for businesses

- May attract experienced employees/increase the pool of skilled labour√ which could increase productivity.√
- The business may have a good public image/reputation√ as they look after their employees/conduct themselves in a responsible way.√
- The business may have a competitive advantage√, resulting in good publicity and an improved reputation.√
- Promotes customer loyalty√ resulting in increased sales/profit/more consumers.√
- CSI projects may be used as a marketing strategy√ to promote products/services.√
- CSI projects promote teamwork√ amongst employees.√
- CSI helps to attract investors√ which may lead to expansion/growth.√
- Business may enjoy tax advantages√, e.g. tax reduction/rebates.√
- Assist in addressing socio-economic issues√ e.g. poverty.√
- If the corporate sector gets voluntarily involved in CSI√, it is less likely that government will enforce the issue through legislation.√
- Employees feel like they are making a difference√ in working for this business.√

- It helps to retain staff/lower staff turnover✓ as employees' health/safety is considered.✓
- Improves the health of its employees✓ through focussed CSI projects.✓
- The business may become more community-based✓ by working closely with the community to roll out skills development projects.✓
- Any other relevant answer related to the advantages of CSI on businesses.

Max (6)**6.7 Strategy to deal with difficult personalities:**

TYPE OF PERSONALITY	STRATEGY TO DEAL WITH THE PERSONALITY
6.7.1 Complainer	<ul style="list-style-type: none"> - Listen to the complaints but do not acknowledge them.✓✓ - Interrupt the situation and move to the problem-solving process as soon as possible.✓✓ - Any other relevant strategy to deal with a complainer. Max (2)
6.7.2 Aggressive	<ul style="list-style-type: none"> - Allow them time to speak and blow off.✓✓ - Be firm, but do not attack them.✓✓ - Do not allow them to be hostile towards others.✓✓ - Any other relevant strategy to deal with an aggressive personality. Max (2)
6.7.3 Quiet	<ul style="list-style-type: none"> - Do not fill their silence with words.✓✓ - Wait for their response.✓✓ - Prompt them through the process so that they can give input/ Encourage them to give inputs.✓✓ - Restrict the time of the discussion.✓✓ - Any other relevant strategy to deal with a quiet personality. Max (2)

NOTE: Mark the first strategy for each type of personality only.**BUSINESS OPERATIONS****6.8.1 Aspects of the induction programme in the scenario**

- Employees are usually taken on a tour of the premises.✓
- Introduced to senior management and colleagues.✓

NOTE: 1. Aspects must be quoted directly from the scenario.
2. Mark the first TWO (2) only.

(2)**6.8.2 OTHER aspects to be included in the induction programme**

- Overview of the business.✓✓
- Safety rules and regulations/measures.✓✓
- Information about the business products/services.✓✓
- Departmental policies/procedures/rules and regulations.✓✓
- Administration details, including systems/processes/logistics.✓✓
- Meeting with senior management who will explain the company's vision/values/job description/daily tasks.✓✓

- Assigning a senior colleague to act as a mentor.√√
- Conditions of employment including working hours/leave application process/disciplinary procedures√√, etc.
- Discussion of the employment contract/specific conditions of the post.√√
- Discussion on personnel policies, e.g. private phone calls/Internet use√√, etc.
- Discussion on employees' benefits.√√
- Corporate social responsibility programmes.√
- Pointing out the new employee's workplace/workstation.√√
- Any other relevant answer related to the content of the induction programme.

NOTE: 1. Mark the first THREE (3) only.

2. Do not award marks for aspects already mentioned in QUESTION 6.8.1.

(3 x 2) (6)

6.9 Benefits of a good quality management system

- Effective customer services will be rendered√, resulting in increased customer satisfaction.√
- Time and resources√ are used efficiently.√
- Productivity increases through proper time management√ and using high quality resources.√
- Products/Services√ are constantly improving.√
- Vision and mission/Business goals√ may be achieved.√
- The business may achieve a competitive advantage√ over its competitors.√
- Continuous training√ will improve the quality of employees' skill and knowledge.√
- Employers and employees will have a healthy working relationship√ which generally results in happy workers.√
- Increased market share/profitability√ may result in business growth/expansion.√
- Improved business image√, as there is less defects/faulty products/returns.√
- Any other relevant answer related to the benefits of a good quality management system.

**Max (6)
[60]**

BREAKDOWN OF MARKS

QUESTION 6	MARKS
6.1	6
6.2.1	4
6.2.2	4
6.3	8
6.4.1	2
6.4.2	6
6.5	4
6.6	6
6.7.1	2
6.7.2	2
6.7.3	2
6.8.1	2
6.8.2	6
6.9	6
TOTAL	60

TOTAL SECTION B: 180

SECTION C

Mark only the first TWO (2) questions.

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

- The BCEA sets out conditions that ensure fair labour and human resources practices.✓
- The Act applies to all employers and employees, except for members of the National Defence Force, National Intelligence Agency, South African Secret Services and unpaid volunteers working for charities.✓
- The BCEA applies to casual, temporary and permanent employees as well as independent contractors.✓
- Businesses should ensure that they comply with this Act to avoid penalties.✓
- Any other relevant introduction related to the BCEA.

Max (2)

7.2 Purpose of the Basic Conditions of Employment Act

- Provides clear terms and conditions of employment✓ for employers and employees.✓
- Set minimum requirements/standards✓ for the employment contract.✓
- Regulates the right to fair labour practices✓ as set out in the Constitution.✓
- It adheres to the rules and regulations✓ set out by the International Labour Organisation.✓
- Regulates the variations✓ of basic conditions of employment.✓
- Advance economic development✓ and social justice.✓
- Any other relevant answer related to the purpose of the BCEA.

Max (10)

7.3 Provisions of the BCEA**7.3.1 Hours of work/Work hours✓✓**

- Workers may not work for more than✓ 45 hours in any week.✓
- Workers may work nine hours a day✓ if they work five days or less per week✓/eight hours a day✓ if they work more than five days a week.✓
- Night work performed after 18:00 and before 6:00 the next day by agreement✓, must be compensated by allowance/reduction of work hours.✓
- Ordinary work hours may be extended by agreement✓ by a maximum of 15 minutes per day/maximum of sixty minutes per week to complete duties when serving the public.✓
- Ordinary work hours may be reduced✓ to a maximum of 40 hours per week/8 hours per day.✓
- Any other relevant answer related to hours of work as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

7.3.2 Overtime

- Workers must agree to work overtime.
- Workers cannot work more than three hours overtime per day/10 hours per week.
- Overtime must be compensated as follows:
 - o One and half times the normal rate of pay for overtime worked on week days and Saturdays.
 - o Double the normal rate of pay for overtime worked on Sundays and public holidays.
- Overtime must be paid either at specified rate for overtime or an employee may agree to receive paid time off.
- Minister of Labour may prescribe the maximum permitted working hours, including overtime, for health and safety reasons for a certain category of work.
- Any other relevant answer related to overtime as a provision of the BCEA.

Provision (2)

Discussion (2)

Sub max (4)

7.3.3 Leave**• Annual leave**

Workers are entitled to:

- 21 consecutive days annual leave per year/One day for every 17 days worked/One hour for every 17 hours worked.
- An employer can only pay a worker in lieu of leave if that worker leaves the job.
- Any other relevant answer related to annual leave as a provision of the BCEA.

• Sick leave

Workers are entitled to:

- Six weeks paid sick leave in a period of 36 months/1 day paid sick leave for every 26 days worked during the first six months of employment.
- A medical certificate may be required before paying an employee who is absent for more than two consecutive days/who is frequently absent.
- Any other relevant answer related to sick leave as a provision of the BCEA.

• Maternity leave

- A pregnant employee is entitled to four consecutive months' leave.
- A pregnant employee may not be allowed to perform work that is hazardous to her unborn child.
- The starting date is usually any time from four weeks before the expected date of birth or on advice of a doctor/midwife.
- Any other relevant answer related to maternity leave as a provision of the BCEA.

NOTE: Adoption leave may also be accepted.

- **Family responsibility leave**✓✓

- Three to five (3 to 5) days paid leave per year on request✓ in the event of the death of the employee's spouse/life partner/parent/ adoptive parent/ grandparent/child/adoptive child/grandchild/sibling.✓
- An employer may require reasonable proof✓, before granting this leave.✓
- Male employees are entitled to a maximum of three/five day's paternity leave✓ when his child is born.✓
- Any other relevant answer related to family responsibility leave as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

Note: Award a maximum of FOUR marks for leave.

7.3.4 **Meal breaks and rest periods**✓✓

- Workers must have a meal break of 60 minutes✓ after five continuous hours of work.✓
- This can be reduced to 30 minutes by written agreement✓, when working less than 6 hours per day.✓
- A worker must have a daily rest period✓ of 12 continuous hours✓/a weekly rest period of 36 continuous hours✓ which must include Sundays.✓
- Any other relevant answer related to meal breaks and rest periods as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

7.3.5 **Public holidays**✓✓

- Workers must be paid for any public holidays✓ that fall on a working day.✓
- Work on public holidays is by agreement✓ and paid at double the rate.✓
- Any other relevant answer related to public holidays as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

7.3.6 **Termination of employment**✓✓

- A contract of employment may only be terminated following one week's notice✓, if the worker has been employed for six months or less.✓
- A minimum of four weeks' notice must be given✓, if the worker has been employed for a year or longer.✓
- The employee must be given notice✓ in writing.✓
- An employee who is retrenched/dismissed for restruactional reasons✓ is entitled to one week's severance pay for every year of service.✓
- Any other relevant answer related to termination of employment as a provision of the BCEA.

Provision (2)
Discussion (2)
Sub max (4)

7.3.7 Child and forced labour

- It is illegal to employ a child younger than 15 years of age.
- It is also illegal to force someone to work.
- Businesses may employ children over the age of 15 years, if employment is not harmful to their health/well-being/education/moral and social development/minors under 18 years of age may not do dangerous work/work meant for an adult.
- Any other relevant answer related to child and forced labour as a provision of the BCEA.

Provision (2)

Discussion (2)

Sub max (4)

(4 x 4) (16)**NOTE: Mark the first FOUR (4) provisions only.****7.4 Penalties businesses may face for not complying with this Act**

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

Max (8)**7.5 Positive impact of BCEA on business**

- Creates a framework of acceptable employment practices, e.g. legal employment contracts, work hours, leave, etc.
- Promotes fair treatment of employees in business.
- The rules and regulations are very specific, which clearly guides the employer how to deal with employment issues.
- Encourages consultation between employers and employees.
- Outlines minimum requirements that forms the basis of employment contracts.
- Work hours are specified so that the employer cannot exploit employees.
- Employees are permitted to consult labour unions in cases where the BCEA conditions are violated.
- Employees may submit complaints to labour inspectors who can address it.
- Any other relevant answer related to the positive impact of the BCEA on businesses.

Max (12)

7.6 Conclusion

- Employers must keep record of employees/their work hours and remuneration.√√
- Businesses should display employees' rights in terms of the BCEA in an area of the workplace where all employees can see it.√√
- Minister of Labour may make variations on BCEA regulations/provisions, so businesses must stay informed about amendments to the act.√√
- Any other relevant conclusion related to the BCEA.

Max (2)
[40]**QUESTION 7: BREAKDOWN OF MARK ALLOCATION**

Details	Maximum	Total
Introduction	2	Max 32
Purpose of the BCEA	10	
Provisions of the BCEA	16	
Penalties for non-compliance	8	
Positive impact of BCEA	12	
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 8: BUSINESS VENTURES (PRESENTATION)**8.1 Introduction**

- A verbal presentation will focus on an oral/spoken presentation to investors.√
- The purpose of a presentation is to exchange information as it involves speaking and listening for both the presenter and the audience.√
- An overhead projector is useful in enhancing the quality of the presentation.√
- Various factors need to be considered when designing a multimedia presentation to make it effective/eye-catching/memorable.√
- When responding to audience questions/remarks, the presenter should not be aggressive/defensive.√
- Any other relevant introduction related to a presentation.

Max (2)

8.2 Aspects for designing a multimedia presentation

- Use legible font and font size.√√
- Start with the text.√√
- Keep the text/images/language simple.√√
- Structure information in logical order.√√
- Limit information on a slide.√√
- Make sure there are no spelling mistakes.√√
- Use bright colours to increase visibility.√√
- Use pictures to make it interesting for the audience.√√
- Select a relevant/appropriate background.√√
- Choose images that help communicate your message.√√
- Create clear/relevant graphics.√√
- Add special effects, e.g. sound/animation.√√
- Create hyperlinks to allow access to files/other slides/video clips.√√
- Any other relevant answer related to the aspects that must be considered when designing a multimedia presentation.

Max (10)**8.3 Visual aids****8.3.1 Advantages of PowerPoint slides**

- Graphic programmes have the capacity to convey ideas√ and support what the presenter says.√
- Easy to combine√ with sound/video clips.√
- Simple/Less cluttered slides√ may capture the interest of the audience.√
- Video clips can provide variety√ and capture the attention of the audience.√
- Variations of colour/background/sound immediately capture the attention of the audience√ and retain their interest throughout the presentation.√
- Slides should only be used√ where they can enhance the facts or summarise information.√
- PowerPoint slides can help to convey a large amount of facts√ in a short time.√
- Any other relevant answer related to the advantages of PowerPoint slides as a type of visual aid.

Sub max (4)

8.3.2 Advantages of an overhead projector

- Summaries/Simple graphics/Diagrams/Processes√ may be explained easily on transparencies.√
- It can be prepared manually (OHP pens)√ or electronically on computer/copier.√
- A useful replacement/back-up exists√ if computer/electronic equipment fail or are not available.√
- Effective transparencies/projections should be clear and visible√, e.g. large print, few words/lines.√
- OHP transparencies can be used to reflect√ colour images.√
- It may be an effective/useful reminder to the presenter√ of all the points to be covered.√
- Any other relevant answer related to the advantages of an overhead projector as a type of visual aid.

Sub max (4)

8.3.3 Advantages of hand-outs

- Meaningful hand-outs may be handed out at the start of the presentation✓ to attract attention.✓
- Notes/Hard copies of the slide presentation can be distributed at the end of the presentation✓ as a reminder of the key facts of the presentation.✓
- Extra information, e.g. contact details/price lists✓ may be handed out✓ to promote the services of the business.✓
- Useful information for improving the next presentation may be obtained✓, when the audience completes feedback questionnaires after the presentation.✓
- Any other relevant answer related to the advantages of hand-outs as a type of visual aid.

Sub max (4)

Max (12)**8.4 Factors to be considered during a presentation**

- Wiseman must make eye contact with the audience✓ and look in all directions.✓
- Be audible✓ to all listeners/the audience.✓
- He should adjust his voice level/tone✓ to avoid monotony.✓
- Add some appropriate humour✓ in the presentation.✓
- Use visuals effectively✓ to enhance the presentation.✓
- Wiseman should state the aims/main points of the presentation✓ in the introduction.✓
- Put the most important information first✓ to capture the audience attention.✓
- Summarise the presentation✓ in the conclusion.✓
- He should stand upright✓ during his presentation✓/Avoid hiding himself✓ behind the equipment.✓
- Pace himself/do not rush/talk✓ too slowly.✓
- Keep it short✓ and simple.✓
- Make appropriate use of gestures e.g. hands✓, to emphasize points.✓
- Any other relevant answer related to the factors to be considered during a presentation.

Max (12)**8.5 Aspects to consider when responding to questions in a professional/non-aggressive manner**

- Wiseman should stand✓ throughout the feedback session.✓
- Be polite/confident/courteous✓ when responding to questions.✓
- Ensure that each question/comment is clearly understood✓ before responding✓/re-phrase✓ questions if uncertain.✓
- Wiseman should first listen✓ and then respond.✓
- Provide feedback as soon as possible✓ after the question was asked or after the session.✓
- Be direct/honest/sincere✓ when responding to questions.✓
- Use simple language✓ to support the examples used in the presentation.✓
- Keep answers short✓ and to the point.✓
- Encourage questions✓ from the audience/investors.✓
- Always address the questions✓ and not the person.✓
- Acknowledge good questions✓ to motivate audience to ask more questions.✓
- Wiseman should not involve himself in a debate✓ when responding to questions.✓

- Wiseman should not avoid the questions✓ if he does not know the answer, but rather promise feedback on it.✓
- Address the full audience/investors✓ and not only the person who posed the question.✓
- Any other relevant answer related to the aspects to consider when responding to questions in a professional and non-aggressive manner.

Max (12)**8.6 Conclusion**

- A well-prepared presentation creates a good impression and will attract potential investors.✓✓
- A good presentation promotes the image of the business/owner/management.✓✓
- Being professional during a presentation/feedback/questions session should contribute to the success of the presentation.✓✓
- All methods of presentation must be effectively used to retain the attention of the audience.✓✓
- Any other relevant conclusion related to a presentation.

Max (2)
[40]**QUESTION 8: BREAKDOWN OF MARK ALLOCATION**

Details	Maximum	Total
Introduction	2	Max 32
Designing a multi-media presentation	10	
Advantages of PowerPoint slides, overhead projector and hand-outs	12	
Factors to consider during a presentation	12	
Responding to questions in a professional/non-aggressive manner	12	
Conclusion	2	
INSIGHT		
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 9: BUSINESS ROLES (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)**9.1 Introduction**

- Teamwork refers to a number of people collaborating/working together effectively in order to reach a common goal.✓
- Each team member should contribute towards the success of the team.✓
- Successful teams go through different stages of team development in order to become successful/effective.✓
- Managers should be well conversant with the causes of conflict in order to develop relevant strategies on how to deal with conflict in the workplace.✓
- A grievance is when an employee has a complaint about work related issues.✓
- Any other relevant introduction related to team performance and conflict management.

Max (2)**9.2 Criteria for successful team performance****9.2.1 Interpersonal attitudes and behaviour✓✓**

- Members have a positive attitude of support✓ and motivation towards each other.✓
- Good/Sound interpersonal relationships✓ will ensure job satisfaction/increase productivity of the team.✓
- Members are committed/passionate✓ towards achieving a common goal/objectives.✓
- Team leader acknowledges/gives credit to members✓ for positive contributions.✓
- Any other relevant answer related to interpersonal attitudes and behaviour as a criterion for successful team performance.

Criterion (2)

Explanation (2)

Sub max (4)

9.2.2 Shared values/Mutual trust and support✓✓

- Show loyalty/trust towards team members✓ despite mutual differences.✓
- Show respect✓ for the knowledge/skills of each member.✓
- Perform team tasks with integrity/pursuing responsibility/meeting team deadlines✓ with necessary commitment to team goals.✓
- Any other relevant answer related to shared values/mutual trust and support as a criterion for successful team performance.

Criterion (2)

Explanation (2)

Sub max (4)

9.2.3 Communication

- A clear set of processes/procedures for team work ensures that every team member understands his/her role.
- Ability to communicate well and make quick decisions.
- Communicates with team members and allows for feedback.
- Encourages discussion about the problem so that solutions can be found.
- Continuous review of team progress ensures that team members can rectify mistakes/ act pro-actively to ensure that goals/targets are reached.
- Any other relevant answer related to communication as a criterion for successful team performance.

Criterion (2)
Explanation (2)
Sub max (4)

9.2.4 Co-operation/Collaboration

- Clearly defined realistic goals are set, so that all members know exactly what is to be accomplished.
- Willingness to co-operate as a unit to achieve team objectives.
- Co-operate with management to achieve team/business objectives.
- Agree on methods/ways to get the job done effectively without wasting time on conflict resolution.
- All members take part in decision making.
- A balanced composition of skills/knowledge/experience/expertise ensures that teams achieve their objectives.
- Any other relevant answer related to co-operation/collaboration as a criterion for successful team performance.

Criterion (2)
Explanation (2)
Sub max (4)

NOTE: Mark the first THREE (3) criteria only.

(3 x 4) (12)

9.3 Stages of team development**9.3.1 Forming**

- Individuals gather information/impressions about each other/the scope of the task and how to approach it.
- This is a comfortable stage to be in as the work has not yet started.
- Individuals focus on being busy with routine tasks, such as team organisation/who does what/when to meet each other, etc.
- Individuals are motivated by the desire/drive to be accepted by fellow team members.
- Team members can determine how each one, as an individual, will respond under pressure.
- Any other relevant answer related to forming as a stage in team development.

Stage (2)
Discussion (2)
Sub max (4)

9.3.2 Storming√√

- Teams go through a period of unease/conflict√ after formation.√
- Different ideas from team members√ will compete for consideration.√
- Team members open up to each other√ and confront each other's ideas/perspectives.√
- Tension/struggle/arguments occur√ and upset the team members/there may be power struggles for the position of team leader.√
- In some instances storming can be resolved quickly√; In others, the team never leaves this stage.√
- Many teams fail during this stage√ as they are not focused on their task.√
- This phase can become destructive for the team/will negatively impact on team performance√, if allowed to get out of control.√
- This stage is necessary/important√ for the growth of the team.√
- Some team members tolerate each other√ to survive this stage.√
- Any other relevant answer related to storming as a stage in team development.

Stage (2)
Discussion (2)
Sub max (4)

9.3.3 Norming/Settling and reconciliation√√

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

Stage (2)
Discussion (2)
Sub max (4)

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

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

Stage (2)
Discussion (2)
Sub max (4)

9.3.5 Adjourning/Mourning✓✓

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

Stage (2)
Discussion (2)
Sub max (4)
Max (16)

9.4 Causes of conflict that may arise in the workplace

- Lack of proper communication✓ between leaders and members.✓
- Ignoring rules/procedures✓ may result in disagreements /conflict.✓
- Leaders and/or members✓ may have different personalities/backgrounds.✓
- Different values/levels✓ of knowledge/skills/experience of team members.✓
- Little/no co-operation✓ between internal and/or external parties/stakeholders.✓
- Lack of recognition for good work✓, e.g. a leader may not show appreciation for extra hours worked to meet deadlines.✓
- Lack of member development✓ may increase frustration levels as members may repeat errors due to a lack of knowledge/skills.✓
- Unfair✓ disciplinary procedures, e.g. favouritism.✓
- Little/no support from management✓ with regard to supplying the necessary resources.✓
- Leadership styles used✓, e.g. autocratic leaders, may not always consider members' inputs.✓
- Unrealistic deadlines and heavy workloads✓ lead to stress resulting in conflict.✓
- Lack of agreement✓ on mutual matters, e.g. remuneration/working hours.✓
- Unhealthy competition/Inter-team rivalry✓ may cause members to lose focus on team targets.✓
- Lack of commitment✓ which may lead to an inability to meet pre-set targets.✓
- Any other relevant answer related to the causes of conflict that may arise in the workplace.

Max (10)

9.5 Application of steps when resolving conflict in a team

- Identify/Acknowledge that there is conflict in a team.✓✓
- The team must clearly define the problem.✓✓
- Analyse the cause(s) of conflict by breaking it down into different parts.✓✓
- Evaluate the situation objectively.✓✓
- Make intentions for intervention clear, so that parties involved may feel at ease.✓✓
- Arrange a meeting between conflicting parties and management/A time and a place for the discussion of the conflict is arranged.✓✓
- The team must recognise that their views on a situation/issue are different.✓✓
- Each party must get an opportunity to express their opinions and feelings.✓✓
- Blame shifting should be avoided and joint team solutions must be found.✓✓

- The team must brainstorm/devise/suggest ideas to find solutions to the situation.√√
- The best possible solution(s) is/are selected for consideration.√√
- The parties must agree on the criteria to evaluate the alternatives.√√
- The most appropriate solution must be selected and implemented.√√
- The solution must be evaluated and its progress monitored.√√
- Expertise on handling conflict may be sourced from outside the business.√√
- Any other relevant answer related to the application of steps when resolving conflict in a team.

NOTE: Award a maximum of 4 marks, if problem-solving steps do not demonstrate the resolving of conflict.

Max (8)

9.6 Conclusion

- The success of a business depends on the successful collaboration within a team to ensure that the objectives of the business will be met.√√
- Conflict is a situation in which there are opposing ideas/opinions/feelings which make it difficult to choose.√√
- Conflict cannot always be resolved/avoided/eliminated, therefore people need to learn how to manage conflict within a team in order to work in harmony.√√
- Any other relevant conclusion related to team performance and conflict management.

**Max (2)
[40]**

QUESTION 9: BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
Criteria for successful teams	12	
Stages of team development	16	
Causes of conflict in the workplace	10	
Conflict resolution steps	8	
Conclusion	2	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality/Examples		2
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.

QUESTION 10: BUSINESS OPERATIONS (QUALITY OF PERFORMANCE)**10.1 Introduction**

- Each business function and all employee activities should be properly managed to ensure quality goods and services.✓
- A quality management system is a framework that a business uses to manage key processes.✓
- The principles/values of quality are embedded in the organisational culture and ethics of the business.✓
- Quality management should not just be an inspection process, but become part of the culture of the business.✓
- The quality of performance within the financial and public relations functions may influence the success or failure of the business.✓
- Any other relevant introduction related to quality of performance.

Max (2)**10.2 Description of total quality management (TQM)**

- TQM is an integrated system/methodology applied throughout the organisation✓, which helps to design/produce/provide quality products/services to customers.✓
- It is a thought revolution in management✓, where the entire business is operated with customer orientation in all business activities.✓
- TQM enables businesses to continuously improve on the delivery of products/services✓ in order to satisfy the needs of customers.✓
- Management ensures that each employee is responsible✓ for the quality of his/her work/actions.✓
- Any other relevant answer related to the description of total quality management (TQM).

Max (4)**10.3 Impact of TQM on large businesses****10.3.1 Continuous improvement to processes and systems****Positives/Advantages**

- Large businesses have more resources✓ to check on quality performance in each unit/business function.✓
- Enough capital resources are available for new equipment required✓ to stay relevant to new developments.✓
- Large businesses have a person dedicated✓ to the improvement of systems and processes.✓
- Willing to take risk on/try new processes and systems✓ because they are able to absorb the impact of losing money.✓
- They can afford to use the services of the quality circles✓ to be competitive.✓
- Large businesses use the PDCA model✓ to continuously plan/do/check/act on new/revised processes and systems.✓
- Any other relevant answer related to the positives/advantages of continuous improvement to processes and systems as an element of TQM for large businesses.

AND/OR

Negatives/Disadvantages

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

Sub max (6)

10.3.2 Total client/customer satisfaction**Positives/Advantages**

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

AND/OR**Negatives/Disadvantages**

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

Sub max (6)

10.3.3 Continuous skills development**Positives/Advantages**

- Large businesses have a human resources department✓ dedicated to skills training and development.✓
- Human resources experts✓ ensure that training programmes are relevant/focused to increased customer satisfaction.✓
- Financially able to afford✓ specialised/skilled employees.✓
- May be able to conduct skills audits✓ to establish the competency/education levels of staff.✓
- May be able to hire qualified trainers✓ to train employees on a regular basis.✓
- Any other relevant answer related to the positives/advantages of continuous skills development as an element of TQM for large businesses.

AND/OR**Negatives/Disadvantages**

- Poor communication systems✓ may prevent effective training from taking place.✓
- Trained employees may leave for better jobs✓ after they gained more skills.✓
- Low/No recognition for training✓ result in de-motivated employees.✓
- Employees who specialise in narrowly defined jobs✓ may become frustrated/de-motivated.✓
- Employees may not be aware of the level of competency they should meet✓ in order to achieve their targets.✓
- It may be difficult to monitor/evaluate✓ the effectiveness of training.✓
- Any other relevant answer related to the negatives/disadvantages of continuous skills development as an element of TQM for large businesses.

Sub max (6)

Max (18)**10.4 Contribution of the quality performance in business functions to the success of a business****10.4.1 Financial function**

- Obtain capital✓ from the most suitable/available/reliable sources.✓
- Negotiate better interest rates✓ in order to keep financial cost down.✓
- Draw up budgets✓ to ensure sufficient application of monetary resources.✓
- Keep financial records up to date✓ to ensure timely/accurate tax payments.✓
- Analyse strategies✓ to increase profitability.✓
- Invest surplus funds✓ to create sources of passive income.✓
- Implement financial control measures/systems✓ to prevent fraud.✓
- Implement credit granting/debt collecting policies✓ to monitor cash flow.✓
- Draw up accurate✓ financial statements timeously/regularly.✓
- Accurately analyse and interpret✓ financial information.✓
- Invest in strategies✓ that will assist the business to remain profitable.✓
- Avoid over/under-capitalisation✓ so that financial resources will be utilised effectively.✓
- Any other relevant answer related to the contribution of the quality performance in the financial function to the success of a business.

Sub max (8)

10.4.2 Public Relations function

- Dealing quickly✓ with negative publicity/less/little/no incidents of negative publicity.✓
- Providing regular/positive✓ press releases.✓
- Implement sustainable✓ Corporate Social Investment (CSI) programmes.✓
- Good results of/Positive feedback✓ from public surveys on business image.✓
- High standard✓ of internal publicity/appearance of buildings/professional telephone etiquette✓, etc.
- Deliver quality goods/services✓ that promote the brand/image with key stakeholders/ customers/suppliers/government/service providers.✓
- Compliance with recent legislation✓, e.g. BEE compliant.✓
- Any other relevant answer related to the contribution of the quality performance in the public relations function to the success of a business.

Sub max (8)

Max (16)**10.5 Negative impact if TQM is poorly implemented**

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

Max (8)

10.6 Conclusion

- A quality management system shows a belief in the employee's ability to solve problems.√√
- Top management should act as the main driver of TQM and create an environment that ensures success.√√
- Improvement in quality should improve customer satisfaction.√√
- Businesses require excellent management skills to coordinate the quality of performance various business functions in order to ensure success..√√
- Any other relevant conclusion related to quality of performance.

Max (2)
[40]

QUESTION 10: BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max 32
Description of TQM	4	
Impact of TQM elements on large business	18	
Quality performance of financial and public relations functions	16	
Impact of poorly implemented TQM	8	
Conclusion	2	
INSIGHT		
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: 80
GRAND TOTAL: 300