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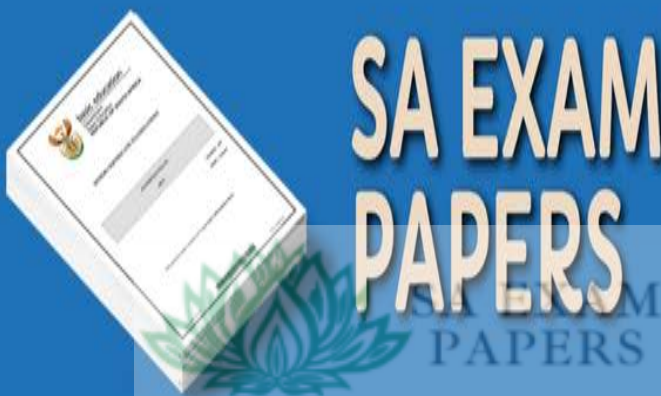


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**education**

Department of  
Education  
FREE STATE PROVINCE

**PREPARATORY EXAMINATION**

**GRADE 12**

**BUSINESS STUDIES P1**

**SEPTEMBER 2023**

**MARKING GUIDELINE**

**MARKS: 150**

**This marking guideline consists of 29 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 and Chief Marker:	Black/Blue
Internal Moderator:	Orange

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

**NB: There is only ONE correct answer in Section A.**

4. Take note of other relevant answers provided by learners 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 and moderation purposes.
7. Sub-totals to questions must be written in the right-hand margin. Circle the sub-totals as indicated by the allocation of marks. This must be guided by 'max' in marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.



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

Cognitive verbs, such as:

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



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

14. **SECTION B**

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

**NOTE:** 1. This applies only to questions where the number of facts is specified.

2. The above also applies to responses in SECTION C (where applicable)

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

- 14.3 If learners 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 is specified, questions that require learners to 'describe/discuss/explain' may be marked as follows:

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

The 'fact' and 'explanation' are given separately in the marking guideline 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 guideline.

- 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 essays is as follows:

Introduction	<b>MAXIMUM: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL MARKS</b>	<b>40</b>

15.2 Insight consists of the following components:

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

- NOTE:**
1. No marks will be awarded for contents repeated from the introduction and conclusion.
  2. The learner forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.
  3. No marks will be awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.
- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O')
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/marketing guideline for each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue leading for originality "O"
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L –Layout, A-Analysis, S-Synthesis, O-Originality) as in the table below:

CONTENT	MARKS
Facts	<b>32 (max.)</b>
L	<b>2</b>
A	<b>2</b>
S	<b>2</b>
O	<b>2</b>
<b>TOTAL</b>	<b>40</b>

- 15.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if learners 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 learner identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by learners, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.



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

(5 x 2) **(10)**

1.2

- 1.2.1 annual ✓✓
- 1.2.2 selection ✓✓
- 1.2.3 backward ✓✓
- 1.2.4 public relations ✓✓
- 1.2.5 time-related ✓✓

(5 x 2) **(10)**

1.3

- 1.3.1 C ✓✓
- 1.3.2 A ✓✓
- 1.3.3 D ✓✓
- 1.3.4 I ✓✓
- 1.3.5 G ✓✓

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

**SECTION B****QUESTION 2: BUSINESS ENVIRONMENTS****2.1 FOUR elements of the SWOT analysis**

- Strengths ✓
- Weaknesses ✓
- Opportunities ✓
- Threats ✓

**NOTE: Mark the first FOUR (4) only.****(4 x 1) (4)****2.2 Defensive strategies from the statements:**

2.2.1 Retrenchment ✓✓

2.2.2 Liquidation ✓✓

2.2.3 Divestiture/Divestment ✓✓

**(6)****2.3 The strategic management process****OPTION 1**

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

**OR**



**OPTION 2**

- Review/Analyse/Retest their vision/mission statement. ✓✓
- Conduct an environmental analysis using models such as PESTLE/ PORTER'S/SWOT. ✓✓
- Formulate a strategy such as a defensive/retrenchment strategy. ✓✓
- Implement a strategy, using a template such as an action plan. ✓✓
- Control/Evaluate/Monitor the implemented strategy to identify gaps/deviations in implementation. ✓✓
- Take corrective action to ensure goals/objectives are met. ✓✓
- Any other relevant answer related to the strategic management process.

**NOTE: The steps may be in any order.****Max (6)****2.4.1 Role of SETA's from the scenario**

- The MQA SETA reports to the Director General of the Department of Labour on implementation of its sector skills plans. ✓
- They also promote and establish learnerships. ✓

**NOTE: 1. Mark only the first TWO (2)****2. Allocate marks only for answers quoted from the scenario.****(2)****2.4.2 Other roles/functions of SETA's**

- Collect levies ✓ and pays out grants as required. ✓
- Provide accreditation ✓ for skills development facilitators. ✓
- Register learnership ✓ agreements/learning programmes. ✓
- Approve workplace skills plans ✓ and annual training reports. ✓
- Monitor/Evaluate the actual training ✓ by service providers. ✓
- Allocate grants ✓ to employers, education and training providers. ✓
- Oversee training in different sectors ✓ of the South African/economy. ✓
- Develop skills plans ✓ in line with the National Skills Development Strategy. ✓
- Draw up skills development plans ✓ for their specific economic sectors. ✓
- Provide training material/programmes ✓ for skills development facilitators. ✓
- Pay out grants to companies ✓ that are complying with the requirements of the Skills Development Act. ✓
- Promote learnerships and learning programmes ✓ by identifying suitable workplaces for practical work experience. ✓
- Any other relevant answer related to the role/functions of SETA's.

**NOTE: Do not award marks for roles quoted from the scenario****Max (6)**

**2.5 Advantages of intensive strategies**

- Increased market share ✓ reduces the business's vulnerability to actions of competitors. ✓
- Increase in ✓ sales/income and profitability. ✓
- Improved service delivery ✓ may improve business image. ✓
- Businesses may have more control ✓ over the prices of products/services. ✓
- Gain loyal customers ✓ through effective promotion campaigns. ✓
- Decrease in prices ✓ may influence customers to buy more/products. ✓
- Regular sales to existing customers ✓ may increase. ✓
- Eliminate competitors ✓ and dominate market prices. ✓
- Enables the business to focus on ✓ markets/well-researched quality products that satisfy the needs of customers. ✓
- Any other relevant answer related to the advantages of intensive strategies.

**Max (6)****2.6 Rights of employees according to the Labour Relations Act, 1995 (Act 66 of 1995).**

- Employees may join a trade union ✓ of their choice. ✓
- Embark on legal strikes ✓ as a remedy for grievances. ✓
- Refer unresolved CCMA disputes ✓ to the Labour Court on appeal. ✓
- Request trade union representatives to assist/represent employees ✓ in the grievance/disciplinary hearing. ✓
- Trade Union representatives may take reasonable time off with pay, ✓ to attend to trade union duties. ✓
- Any other relevant answer related to the rights of employees according to the Labour Relations Act.

**NOTE: Mark the first TWO (2) rights only. (4)****2.7 Penalties for non-compliance with COIDA**

- Businesses can be fined for refusing to lodge the claim/ contravening the Act. ✓✓
- Businesses can be forced to make large payments if it did not take the necessary precautions according to the Act. ✓✓
- They may be forced to pay any recovery costs required by the Compensation Fund. ✓✓
- Employees may take businesses to court for not registering them with the Commissioner of the Compensation Fund. ✓✓
- If businesses are found guilty of any misconduct, they will have to pay large penalties/face imprisonment. ✓✓
- Any other relevant answer related to penalties for non-compliance with COIDA.

**Max (6)  
[40]**



**BREAKDOWN OF MARKS**

QUESTION	MARKS
2.1	4
2.2.1	2
2.2.2	2
2.2.3	2
2.3	6
2.4.1	2
2.4.2	6
2.5	6
2.6	4
2.7	6
<b>TOTAL</b>	<b>40</b>

**QUESTION 3: BUSINESS OPERATIONS****3.1 Sources of external recruitment**

- Recruitment agencies ✓
- Billboards ✓
- Printed media, e.g. newspapers/flyers ✓
- Electronic media, e.g. radio/TV ✓
- Social media/Social networks/Internet/Business websites ✓
- Walk-ins ✓
- External moonlighting ✓
- Headhunting ✓
- Professional associations ✓
- Networking ✓
- Educational/Training institutions ✓
- Posters/Billboards just outside the business

**NOTE: Mark the first TWO (2) only** (2 x 1) **(2)**

**3.2 Aspects that must be included in the induction programme**

- Introduction to key people and immediate colleagues. ✓✓
- Safety regulations and rules. ✓✓
- Overview of the business. ✓✓
- Tour of the premises. ✓✓
- Discussion of the employment contract and conditions of service. ✓✓
- Discussion of employee benefits. ✓✓
- Information about the business products/services. ✓✓
- Meeting with senior management who will explain the company's vision/value descriptions/daily tasks. ✓✓
- Conditions of employment, e.g. working hours/leave application process/disciplinary procedures, etc. ✓✓
- Administration details on systems/processes/logistics. ✓✓



- Discussion of personnel policies, e.g. making private phone calls/using the Internet, etc. ✓✓
- Corporate social responsibility programmes. ✓✓
- Any other relevant answer related to the aspects that must be included in the induction programme. **Max (6)**

**3.3 3.3.1 Reason for termination of contract from scenario**

Resignation/resign ✓✓ **(2)**

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

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

**NOTE: 1. Do not award marks for 'leave the business voluntarily'.**

**2. Mark the first THREE answers only Max (6)**

**3.4 Legal requirements of an employment contract**

- Employer and employee must agree ✓ to any changes to the contract. ✓
- Aspects of the employment contract can be renegotiated ✓ during the course of employment. ✓
- No party may unilaterally change ✓ aspects of the employment contract. ✓
- The employer and employee ✓ must both sign the contract. ✓
- The employment contract should include a code of conduct ✓ and code of ethics. ✓
- The employer must explain the terms and conditions ✓ of the employment contract to the employee. ✓
- It may not contain any requirements that are in conflict ✓ with the BCEA. ✓
- Conditions of employment/duties/responsibilities of the employees ✓ must be stipulated clearly. ✓

- The remuneration package/including benefits ✓ must be clearly indicated. ✓
- All business policies, procedures and disciplinary codes/rules ✓ can form part of the employment contract. ✓
- The employer must allow the employee to thoroughly read through the contract ✓ before it is signed. ✓
- Any other relevant answer related to legal requirements of the employment contract

**Max (4)****3.5 Quality concepts from statements**

3.5.1 Quality performance ✓✓ (2)

3.5.2 Quality management ✓✓ (2)

3.6.1

BUSINESS FUNCTIONS	MOTIVATIONS
1. Financial ✓✓	TTC has a department that handles business-related aspects like funding and budgets. ✓
2. Marketing ✓✓	Another department is responsible for developing a brand, logo, website and social media advertising. ✓
Submax (4)	Submax (2)

**Max (6)**

- NOTE:**
1. The answer does not have to be in tabular format.
  2. Award marks for the business functions even if the quotes were incomplete.
  3. Do not award marks for the motivations if the business functions were incorrectly identified.

**3.7 The meaning of quality**

- Quality refers to goods/service's ability ✓ to satisfy a specific need. ✓
- The efficiency of services and the ability to provide an effective outcome ✓ without too many delays. ✓
- It is measured against specific criteria ✓ such as physical appearance/reliability/durability/sustainability/after-sales services. ✓
- Any other relevant answer related to the concept of quality **Max (4)**

**3.8 Ways in which TQM can reduce the cost of quality**

- Introduce quality circles to discuss ways of improving the quality of work/ workmanship. ✓✓
- Schedule activities to eliminate duplication of tasks. ✓✓
- Share responsibility for quality output amongst management and workers. ✓✓
- Train employees at all levels, so that everyone understands their role in quality management. ✓✓
- Develop work systems that empower employees to find new ways of improving quality. ✓✓
- Work closely with suppliers to improve the quality of raw materials/inputs. ✓✓
- Improve communication about quality challenges/deviations, so that everyone can learn from experience. ✓✓
- Reduce investment in expensive, but ineffective inspection procedures in the production process. ✓✓
- Implement proactive maintenance programmes for equipment/ machinery to reduce/eliminate breakdowns. ✓✓
- Any other relevant answer related to ways in which TQM can reduce the cost of quality.

**Max (6)**  
**[40]**

**BREAKDOWN OF MARKS**

QUESTION	MARKS
3.1	2
3.2	6
3.3.1	2
3.3.2	6
3.4	4
3.5.1	2
3.5.2	2
3.6	6
3.7	4
3.8	6
<b>TOTAL</b>	<b>40</b>



**QUESTION 4: MISCELLANEOUS TOPICS****BUSINESS ENVIRONMENTS****4.1 Consumer rights according to the Consumer Protection Act,**

- Right to choose ✓
- Right to privacy ✓
- Right to fair and honest dealings ✓
- Right to disclosure and information ✓
- Right to fair and responsible marketing
- Right to accountability by suppliers
- Right to fair/just/reasonable terms and conditions ✓
- Right to equality in the consumer marketplace ✓
- Right to fair value/good quality/safety ✓

**NOTE: Mark the first FOUR (4) only. (4)****4.2**

<b>BUSINESS ENVIRONMENT</b>	<b>EXTENT OF CONTROL</b>
1. Micro environment ✓	Full control ✓
2. Market environment ✓	Partial control/limited/some ✓
3. Macro environment ✓	No control ✓
Sub max 3	Sub max 3

- NOTE:**
1. Mark the first THREE (3) only
  2. The answer does not have to be in tabular format.
  3. Award marks for the business environments even if the extent of control is not indicated/incorrect.
  4. The extent of control must be linked to the business environment.
  5. Accept responses in any order. **Max (6)**

**4.3**

<b>BBBEE PILLARS</b>	<b>MOTIVATIONS</b>
1. Ownership ✓✓	TAF sold shares to its employees at a reasonable cost. ✓
2. Skills development ✓✓	Employees at TAF are engaged in various learnership programmes. ✓
Submax (4)	Submax (2)
	<b>Max (6)</b>

- NOTE:**
1. Mark the first TWO (2) only
  2. The answer does not have to be in tabular format.
  3. Award marks for the BBBEE pillars even if the quotes are incomplete.
  4. Do not award marks for the motivations if the BBBEE pillars were incorrectly identified.

**4.4 Steps in strategy evaluation**

- Examine the underlying basis of a business strategy. ✓✓
- Look forward and backwards into the implementation process. ✓✓
- Compare the expected results 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 strategic implementation in the internal and external environments of the business. ✓✓
- Any other relevant answer related to the steps in strategy evaluation

**NOTE: Steps can be in any order.****Max (4)****BUSINESS OPERATIONS****4.5 Aspects that must be included in the employment contract**

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

**NOTE: Mark the first FOUR (4) only****(4)**



**4.6 The role of the interviewer *before* the interview**

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

**Max (6)****4.7 Elements of the PDCA model****4.7.1 Do:**

- The business should implement ✓ the change on a small scale. ✓
- Implement the processes ✓ and systems ✓
- Any other relevant answer related to *do* as an element of the PDCA model.

**Max (2)****4.7.2 Act:**

- Institutionalise ✓ the improvement. ✓
- Devise strategies ✓ on how to continually improve. ✓
- If the change was successful, ✓ implement it on a wider scale. ✓
- Continuously revise ✓ the process ✓
- Any other relevant answer related to *act* as an element of the PDCA model.

**Max (2)****4.8 Benefits of a good quality system**

- Effective customer services are rendered, resulting in increased customer satisfaction. ✓✓
- Time and resources are used efficiently. ✓✓
- Productivity increases through proper time management/using high quality resources. ✓✓
- Products/Services are constantly improved resulting in increased levels of customer satisfaction. ✓✓
- Vision/Mission/Business goals may be achieved. ✓✓
- Business has a competitive advantage over its competitors. ✓✓
- Regular training will continuously improve the quality of employees' skills/knowledge. ✓✓



- Employers and employees will have a healthy working relationship resulting in happy/productive workers. ✓✓
- Increased market share/more customers improve profitability. ✓✓
- Improves business image as there are fewer defects/returns. ✓✓
- Any other relevant answer related to benefits of a good quality system.

**Max (6)**  
**[40]**

#### BREAKDOWN OF MARKS

QUESTION	MARKS
4.1	4
4.2.	6
4.3.	6
4.4	4
4.5	4
4.6	6
4.7.1	2
4.7.2	2
4.8	6
<b>TOTAL</b>	<b>40</b>

**TOTAL SECTION B: 80**

**SECTION C**

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

**QUESTION 5: Business Environments (Legislation: Employment Equity Act)****5.1 Introduction**

- The purpose of the EEA was to redress inequalities of the past in the workplace. ✓
- Businesses should apply and promote the same treatment to all their workers in the workplace. ✓
- The Act impacts almost every business sector in South Africa. ✓
- It is the responsibility of businesses to refrain from any action that might disadvantage employees. ✓
- Any other relevant introduction related to the purpose of the EEA/ the impact of the EEA/ the discriminatory actions/ways in which businesses can comply with the Employment Equity Act.

(Any 2 x 1) (2)

**5.2 Purpose of the Employment Equity Act/EEA**

- The EEA allows that employees who do the same work (work of equal value) are paid equally (equal pay). ✓✓
- Ensures equal representation of all population groups of South Africa in the workplace through the effective promotion and implementation of affirmative action. ✓✓
- Eliminates discrimination on grounds of gender/race/disability in the workplace. ✓✓
- Promotes diversity in the workplace by ensuring that people of diverse backgrounds are appointed. ✓✓
- Promotes equal opportunity and fair treatment in the workplace. ✓✓
- Provides for employees to refer unresolved disputes to the CCMA. ✓✓
- Protects employees from victimisation if they exercise the rights given to them by the EEA. ✓✓
- Ensures equal representation in the workplace through the implementation of affirmative action. ✓✓
- Ensures equal representation of all population groups in the workplace. ✓✓
- Any other relevant answer related to the purpose of the EEA.

**Max (12)**

### 5.3 The impact of the Employment Equity Act

#### Positives/Advantages

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

#### AND/OR

#### Negative/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. ✓
- Diversity in the workplace may lead to ✓ conflict/unhappiness. ✓
- 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. ✓
- Businesses must submit a compliance certificate ✓ before they can conduct business with state businesses. ✓
- Businesses are sometimes pressurised ✓ to appoint an unsuitable EE person to meet EE requirements. ✓



- Often positions go unfilled ✓ because there are no suitable EE candidates. ✓
- Skilled people from designated groups may demand higher salaries ✓ which increase salary expenses. ✓
- Job hopping of skilled/trained EE appointees ✓ may increase the staff turnover ✓
- Other groups may not respect the knowledge/skills/experience of an EEA appointment ✓ and it may lead to conflict. ✓
- Any other relevant answer related to the negative impact of EEA on businesses.

**Max (16)****5.4 Actions regarded as non-compliance in accordance with the Act.**

- Not employing a young woman ✓ because she would want to have children in future. ✓
- 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 answer related to the discriminatory actions according to the act

**Max (8)****5.5 Ways to comply with the Employment Equity Act/EEA**

- Businesses must guard against discriminatory appointments. ✓✓
- Promote equal opportunities and fair treatment. ✓✓
- Reasonable accommodation of people from designated groups. ✓✓
- Ensure that there is equal representation of all racial groups at every level of employment. ✓✓
- Compile employment equity plans that indicate how they will implement affirmative action. ✓✓
- Ensure that affirmative action measures promote diversity in the workplace. ✓✓
- Submit the employment equity plan to the Department of Labour. ✓✓
- Retain designated groups, including skills development of such groups. ✓✓
- Assess the racial composition of all employees, including senior management. ✓✓
- Clearly define the appointment process, so that all parties are well informed. ✓✓
- Use certified psychometric tests to assess applicants/employees to ensure that suitable candidates are appointed. ✓✓
- Ensure that diversity/inclusivity in the workplace is achieved. ✓✓
- Implement affirmative action measures to redress disadvantages experienced by designated groups. ✓✓

- Prepare an employment equity plan in consultation with employees. ✓✓
- Implement an employment equity plan. ✓✓
- Assign one or more senior managers to ensure implementation and monitoring of the employment equity plan. ✓✓
- Eliminate barriers that have an adverse impact on designated groups. ✓✓
- Retain/Develop/Train designated groups, including skills development. ✓✓
- Regularly report to the Department of Labour on progress in implementing the plan. ✓✓
- Conduct medical/psychological tests fairly to employees/when deemed necessary. ✓✓
- Display a summary of the Act where employees can clearly see/have access to the document. ✓✓
- Restructure/Analyse current employment policies/practices/procedures to accommodate designated groups. ✓✓
- Any other relevant answer related to how the business can comply with the EEA.

**Max (10)****5.6 Conclusion**

- The EEA requires employers to practice due diligence when appointing employees. ✓✓
- In appointing workers, it is very important that businesses do not infringe on the right of applicants. ✓✓
- Any discriminatory action by businesses when appointing workers is prohibited by law. ✓✓
- Businesses should refrain from preferential treatment. ✓✓
- Any other relevant conclusion related to the purpose of the EEA/the impact of the EEA/the discriminatory actions /ways in which businesses can comply with the EEA.

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

**BREAKDOWN OF MARKS**

DESCRIPTION	MAXIMUM	TOTAL
Introduction	2	<b>Max 32</b>
Purpose of the EEA	12	
The impact of EEA on the business	16	
Discriminatory actions according to the EEA	8	
Ways for the business to comply with the EEA	10	
Conclusion	2	
<b>INSIGHT</b>		<b>8</b>
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

LASO – For each component:

Allocate 2 marks if all requirements are met.

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

Allocate 0 marks where requirements are not met at all.



**QUESTION 6: BUSINESS OPERATIONS (Total Quality Management)****6.1 Introduction**

- Quality circles are important in the business because they assist management in resolving problems and improving production. ✓
- The business can experience several business-related problems if total quality management is poorly implemented ✓
- Monitoring and evaluation of quality processes allow the business to keep track of activities and identify potential problems. ✓
- Total client/customer satisfaction should not only meet requirements of the client regarding the product but also include other interactions with the client, eg technical support ✓
- The quality indicators of the general management function indicate the activities that management should perform to contribute to the success of the business. ✓
- Any other relevant introduction related to the importance of quality circles/the impact of TQM if poorly implemented/the impact of monitoring and evaluating quality processes and total client/customer satisfaction on large businesses/quality indicators of the general management function. (2 x 1) (2)

**6.2 The importance of quality circles in TQM**

- Solve problems related to quality and implement improvements. ✓✓
- Investigate problems and suggest management solutions. ✓✓
- Ensure that there is no duplication of activities/tasks in the workplace. ✓✓
- Make suggestions for improving systems and processes in the workplace. ✓✓
- Improve the quality of products/services/productivity through regular reviews of quality processes. ✓✓
- Monitor/Reinforce strategies to improve the smooth running of business operations. ✓✓
- Reduce costs of redundancy in the long run. ✓✓
- Increase employees' morale/motivation. ✓✓
- Quality circles discuss ways of improving the quality of work/workmanship. ✓✓
- Contribute towards the improvement and development of the organisation. ✓✓
- Reduce costs/wasteful efforts in the long run. ✓✓
- Increase the demand for products/services of the business. ✓✓
- Create harmony and high performance in the workplace. ✓✓
- Build a healthy workplace relationship between the employer and employee. ✓✓
- Improve employees' loyalty and commitment to the organisation and its goals. ✓✓
- Improve employees' communication at all levels of the business. ✓✓

- Develop a positive attitude/sense of involvement in decision-making processes of the services offered. ✓✓
- Any other relevant answer related to the importance of quality circles as part of continuous improvement of processes and systems.

**Max (10)****6.3 The impact of TQM if poorly implemented on businesses**

- Setting unrealistic deadlines ✓ that may not be achieved. ✓
- Employees may not be adequately trained ✓ resulting in poor quality products. ✓
- Decline in productivity, ✓ because of stoppages. ✓
- Businesses may not be able to make necessary changes to 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 impact of TQM if poorly implemented by businesses.

**Max (12)****6.4 The impact of total quality management/TQM elements on large businesses.****6.4.1 Monitoring and evaluation of quality processes****Positives/Advantages**

- Prevents product defects ✓ and minimises wastage/customer complaints. ✓
- Good quality checks/procedures ✓ minimise the replacement/breakdown of equipment/machinery on a regular basis. ✓
- May be equipped ✓ to get things done right the first time. ✓
- Improve performance ✓ and maintain high quality standards. ✓
- Improve current and future management ✓ of quality outputs/outcomes/impact. ✓
- Provide clear indication about quality aspects ✓ that are contributing to the achievement of goals/targets. ✓
- Modify interventions that may improve ✓ the efficient use of resources. ✓
- Support management to acquire information ✓ needed to make informed decisions about processes. ✓



- Cost of production is reduced ✓ as deviations from set standards can be corrected. ✓
- Strategies are revised in order to improve the quality ✓ of the product and services/business image. ✓
- Allows for quality control checks ✓ and procedures at key points. ✓
- Key performance indicators are carefully selected ✓ to monitor and evaluate the outcome. ✓
- Benchmarking is used to find best practices ✓ in order to determine the competitive position of the business. ✓
- Quality circles meet on regular basis ✓ to evaluate the progress in terms of quality. ✓
- Continuous research is conducted ✓ on latest developments to ensure that TQM planning is up to date. ✓
- Any other relevant answer related to the positive impact/advantage of monitoring and evaluation of quality processes as a TQM element on large businesses.

### AND/OR

#### Negatives/Disadvantages

- Large businesses are often divided ✓ and the departments work in silos. ✓
- It is difficult ✓ to get everyone to communicate. ✓
- It often takes longer to detect problems ✓ or respond to/weaknesses. ✓
- It is not viable to check ✓ the quality of all the products. ✓
- Any other relevant answer related to the negative impact/disadvantage of monitoring and evaluation as a TQM element on large businesses.

Submax (8)

#### 6.4.2 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 company image. ✓
- May achieve a state of total customer satisfaction, ✓ if businesses follow sound business practices that incorporate all stakeholders. ✓
- Strive to understand and fulfil customer expectations ✓ by aligning cross-functional teams across critical processes. ✓
- Ensures that cross-functional teams understand its core competencies ✓ and develop/strengthen them. ✓



- May lead to higher customer retention/loyalty ✓ and businesses may be able to charge higher prices. ✓
- Large businesses may be able to gain access ✓ to the global market. ✓
- May lead to increased ✓ competitiveness/profitability. ✓
- Any other relevant answer related to the positive impact/advantages of total client/customer satisfaction on 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 satisfaction. ✓
- Any other relevant answer related to the negative impact/disadvantage of total client/customer satisfaction on large businesses.

Submax (8)

**Max (16)****6.5 Quality indicators of the general management function**

- Develop/Implement/Monitor effective strategic plans. ✓✓
- Efficient organisation/allocation of business resources to provide for the successful achievement of long-term and short-term plans. ✓✓
- Structured standards and norms should be in place so that control mechanisms can be implemented. ✓✓
- Learn about/understand changes in the business environment on an ongoing basis. ✓✓
- Effectively communicate a shared vision, mission and values. ✓✓
- Set direction and establish priorities for their business. ✓✓
- Be prepared to set an example of the behaviour that is expected from employees in terms of ethics as well as productivity. ✓✓
- Be proactive and always seeks to improve competitive advantage over competitors. ✓✓
- Ensure that all departments/the business meet their deadlines/targets. ✓✓
- Set the example for expected behaviour in terms of ethics as well as productivity. ✓✓
- Any other relevant answer related to quality indicators in the general management function.

**Max (8)**

## 6.6 Conclusion

- Quality circles enable businesses to put operational systems in place aimed at achieving high customer satisfaction. ✓✓
- The cost of poor total quality management can impact negatively on company processes, practices or functions. ✓✓
- Monitoring and evaluating allow business to learn from experiences and improve practices in future. ✓✓
- There is a direct correlation between total client satisfaction and the profit of a business. ✓✓
- Quality in general management can only be achieved if it directs efforts of other business functions towards achievement of pre-determined goals. ✓✓
- Any other relevant introduction related to the importance of quality circles/the impact of TQM if poorly implemented on businesses/the impact of monitoring and evaluation of quality processes and total client/customer satisfaction on large businesses/quality indicators of the general management function. (2 x 1)

(2)  
[40]

## BREAKDOWN OF MARKS

DESCRIPTION	MAXIMUM	TOTAL
Introduction	2	Max 32
Outline the importance of quality circles	10	
The impact of TQM if poorly implemented on businesses.	12	
Impact of monitoring and evaluation of quality processes and total client/customer satisfaction on large businesses	16	
Quality indicators of the general management function on quality of performance	8	
Conclusion	2	8
<b>INSIGHT</b>		
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality/Examples	2	
<b>TOTAL MARKS</b>		<b>40</b>

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**