education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 12

MARKS: 150

This marking guideline consists of 24 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

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1. For marking and moderation purposes, the following colours are recommended:
   Marker: Red
   DH: Green
   Subject advisor: Black

2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.

3. A comprehensive marking guideline has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:

   ● Uses a different expression from that which appears in the marking guideline
   ● Comes from another credible source
   ● Original
   ● A different approach is used

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

4. Take note of other responses provided by candidates that are relevant within the context of a particular question, 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. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.

10.   No additional credit must be given for 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 candidates are also expected to support their responses with more depth, e.g. 'COIDA eliminates time and costs spent√ on lengthy civil court proceedings√, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'√

   NOTE: 1. The above could apply to 'analyse' as well.
               2. Note the placing of the tick (√) in the allocation of marks.

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

        Cognitive verbs, such as:

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

   12.2   Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, 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 assessment is conducted according to established norms so that uniformity, consistency and fairness are achieved.

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

14.   **SECTION B**

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

   NOTE: 1.   This applies only to 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 candidate FULL credit. Point 14.1 above still applies.

14.3   If candidates are required to provide their own examples/views, brainstorm this at the school to finalise alternative answers.

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 (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 the essays is as follows:

Introduction	Maximum: 32
Content	
Conclusion	
Insight	**8**
TOTAL	**40**

15.2   Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, and a conclusion?	**2**
Analysis and interpretation	Is the candidate able to break down the question into headings/sub-headings/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	**2**
Synthesis	Are there relevant decisions/facts/responses made based on the questions? Option 1: **Only relevant facts: 2 marks (No '-S')** Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis. Option 2: **Some relevant facts: 1 mark (One '-S')** Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 3: **Some relevant facts: 1 mark (One '-S')** Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4: **No relevant facts: 0 mark (Two '-S')** Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO-mark synthesis.	**2**
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?	**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 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/ marking guideline to each question.

15.5   Mark all relevant facts until the SUBMAX/MAX mark in a subsection has been attained. Write SUBMAX/MAX after maximum marks have been obtained, but continue reading for originality "O".

15.6   At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
TOTAL	40

15.7   When awarding marks for facts, take note of the sub maxima indicated, especially if candidates do not make use of the same subheadings. Remember, headings and subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)

15.8   If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.

15.9   If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking 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 ($\sqrt{}$) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy $\sqrt{}$, where businesses aim to introduce new products into existing markets.'$\sqrt{}$

                   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 C√√
1.1.3 A√√
1.1.4 D√√
1.1.5 B√√

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

1.2 1.2.1 CPA√√
1.2.2 Human resource √√
1.2.3 social√√
1.2.4 retrench√√
1.2.5 marketing√√

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

1.3 1.3.1 G√√
1.3.2 A√√
1.3.3 J√√
1.3.4 C√√
1.3.5 F√√

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

TOTAL SECTION A: 30

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	**10**
1.2	**10**
1.3	**10**
TOTAL	**30**

SECTION B

Mark the FIRST TWO questions answers only.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1   **Provisions of the Basic Conditions of Employment Act/BCEA**
- Regulation of working time/Ordinary hours of work/overtime/meal intervals and rest periods/Sunday work/public holidays. √
- Leave/annual/sick/family responsibility/maternity/paternity/parental. √
- Particulars of employment and remuneration. √
- Termination of employment. √
- Prohibition of employment of children and forced labour. √
- Any other relevant answer related to the provisions of the BCEA.
 NOTE: Mark the first FOUR (4) only.

                                                                       (4 x 1)   (4)

2.2   **Rights of employers in terms of LRA**
- Form employer organisations to represent them in labour related matters. √√
- Form a bargaining council for collective bargaining purposes. √√
- Employers have the right to lockout employees who engage in unprotected/illegal strike/labour action. √√
- Dismiss employees who are engaged in an unprotected strike/misconduct such as intimidation/violence during a strike action. √√
- Right not to pay an employee who has taken part in a protected strike for services/work they did not do during the strike. √√
- Any other relevant answer related to the rights of employers in terms of LRA

                                                                        Max (4)

2.3   **Employment Equity Act**
2.3.1   **Penalties for non-compliance with Employment Equity Act (EEA) from scenario**
- The Labour inspector issued out a fine to BC for not submitting an equity plan. √
- BC was also blocked from doing business with the government. √
 NOTE: 1. Mark the first TWO (2) only.
           2. Only award marks for responses that are quoted from the scenario.
                                                                      (2 x 1) (2)

2.3.2   **Positive impact of Employment Equity Act**
- Encourages consultation √ between employer and employees. √
- Promotes equal opportunity √ and fair treatment in the workplace. √
- Impacts positively √ on BEE ratings for businesses. √
- Appointment process is clearly defined, √ so all parties are well informed. √
- Motivates employees √ because the workforce is more diverse/representative/inclusive√
- Motivates employees √ because everyone has the same employment opportunities. √
- Promotes the implementation of affirmative action measures√ to redress the imbalances in employment. √
- Provides employees with legal recourse √ if they believe they have been unfairly discriminated against. √
- Provides all employees with an equal opportunity√ to be selected/appointed/ promoted in a position. √
- 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. √
- Encourages diversity in business √ by employing people from various racial

backgrounds. √
- Businesses are in a better position to negotiate contracts √ with the government. √
- Certified psychometric tests may be used√ to assess applicants/employees to ensure that they are suitable for the vacancy. √
- Any other relevant answer related to the positive impact of EEA on businesses.

Max (4)

2.4   **Meaning of *learnerships***
- Theoretical/Practical training opportunities √ that can lead to a recognised occupational qualification. √
- Structured learning programme completed during work hours √ for a specified period of time. √
- Agreement between a learner/trainee, employer √ and a training provider. √
- May include employment for a specified period √ after learnership is completed. √
- Includes a training course with learning material √ as well as practical work experience √
- Any other relevant answer related the meaning of learnerships.

Max (4)

2.5   **PESTLE factor**
2.5.1   Technological factor √√   **(2)**

2.5.2   **Ways to deal with the challenges of technological factor**
- Continuous research on the latest available technology/equipment in the market. √√
- Train existing/appoint new employees to maintain/use new equipment. √√
- Compare prices/Select suitable suppliers for new equipment at reasonable prices. √√
- Businesses must be geared for online trading/e-commerce. √√
- Any other relevant answer related to ways in which business can deal with technological challenges.

Max (4)

2.6   **Types of integration strategies**
        Forward vertical integration √√
- The business combines business with or take over its distributors down the supply chain/production chain/The business merges with businesses that were once their customers, while still maintaining control of the initial /primary business activity. √
- Involves expansion of business activities to gain control over the direct distribution of the products/services. √
- The business takes over the distribution system and sells products/services directly to consumers/customers. √
- Increases profitability as the intermediary/distributor/middleman is excluded. √
- Any other relevant answer related to forward vertical integration strategy.

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

Backward vertical integration √√
- The business combines with/merges/takes over suppliers up the supply chain/production chain. / The business expands its role to fulfil activities/tasks that were formerly/previously completed by the suppliers. √
- The aim is to decrease the business's dependency on the supplier. √
- Enables the businesses to cut the costs and have the influence over the prices/quality/quantity of raw materials. √
- Any other relevant answer related to backward vertical integration strategy.

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

Horizontal integration √√
- A business takes control of/ incorporates other businesses in the same industry/which produce/sell the same/similar goods/services./It is the acquisition /takeover of a related business that operates at the same level of supply chain in the industry. √
- The aim is to reduce the threat of competition /substitute products/services. √
- Increases the market share /sales/profits and enhance the production/distribution. √
- Suitable for businesses that operate in multiple geographical areas through joint ventures/licensing/franchising. √
- Any other relevant answer related to horizontal integration strategy.

Strategy (2)
Explanation (1)
Sub max (3)
NOTE: Mark the first TWO (2) only.   **Max (6)**

2.7 **Advantages of intensive strategies**
- Increase in sales/income and profitability √ due to a variety of advertising campaigns. √
- Regular sales to existing customers √ may increase. √
- Gain customer loyalty √ through effective promotion campaigns. √
- Improved service delivery √ may positively impact/increase sales. √
- Eliminate competitors √ and dominate market prices. √
- Decrease in price could influence customers √ to buy more products. √
- Businesses can have more control √ over the prices of products/services. √
- Enables the business to focus on markets/well researched quality products √ that satisfies the needs of consumers. √
- Increased market share √ reduces the business's vulnerability to actions of competitors√
- Any other relevant answer related to the advantages of intensive strategies.

Max (6)

2.8 **Steps in strategy evaluation**
- Examine the underlying basis of a business strategy. √√
- Look forward and backwards into the implementation process. √√
- Compare the expected performance with the actual performance. √√
- 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 as envisaged when strategies were implemented√√
- Consider the impact of the strategic implementation in the internal and external environments of the business. √√
- Any other relevant answer related to steps in strategy evaluation.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	**4**
2.2	**4**
2.3.1	**2**
2.3.2	**4**
2.4	**4**
2.5.1	**2**
2.5.2	**4**
2.6	**6**
2.7	**6**
2.8	**4**
TOTAL	**40**

QUESTION 3: BUSINESS OPERATIONS

3.1   **Examples of employee fringe benefits**
- Medical Aid Fund/Health Insurance Fund √
- Pension Fund √
- Provident Fund √
- Funeral benefits√
- Car/Travel/Housing/Cell phone/Clothing allowance√
- Performance-based incentives√
- Issuing of bonus shares√
- Staff discount/Free or low-cost meal/Canteen facilities√
- Any other relevant answer related to employee fringe benefits.
    NOTE: Mark the first FOUR (4) only.

                                                                      (4x1)   (4)

3.2   **Selection Procedure**

    Option 1
- Determine fair assessment criteria on which selection will be based. √√
- Applicants must submit the application forms/curriculum vitae and certified copies of personal documents/IDs/proof of qualifications, etc. √√
- Sort the received documents/CVs according to the assessment/selection criteria. √√
- Screen/Determine which applications meet the minimum job requirements and separate these from the rest. √√
- Preliminary interviews are conducted if many suitable applications were received. √√
- Reference checks should be made to verify the contents of CV's, e.g. contact previous employers to check work experience. √√
- Compile a shortlist of potential candidates identified. √√
- Shortlisted candidates may be subjected to various types of selection tests e.g. skills tests, etc. √√
- Invite shortlisted candidates for an interview. √√
- A written offer is made to the selected candidate. √√
- Inform unsuccessful applicants about the outcome of their application. /Some adverts indicate the deadline for informing only successful candidates. √√
- Any other relevant answer related to the section procedure.

OR

Option 2
- Receive documentation, e.g. application forms and sort it according to the criteria of the job. √√
- Evaluate CVs and create a shortlist/Screen the applicants. √√
- Check information in the CVs and contact references. √√
- Conduct preliminary sifting interviews to identify applicants who are not suitable for the job, although they meet all requirements. √√
- Assess/Test candidates who have applied for senior positions/to ensure the best candidate is chosen. √√
- Conduct interviews with shortlisted candidates. √√
- Offer employment in writing to the selected candidate(s). √√
- Any other relevant answer related to the section procedure.
  NOTE: The procedure can be in any order.

Max (4)

3.3

3.3.1 **Type of recruitment from the scenario**
Internal recruitment √√ **(2)**

3.3.2 **Role of the interviewer during the interview**
- Allocate the same amount of time √ to each candidate. √
- Introduce members of the interviewing panel √ to each candidate/interviewee. √
- Make the interviewee feel at ease. √
- Explain the purpose of the interview √ to the panel and the interviewee. √
- Record interviewees' responses √ for future reference. √
- Do not misinform/mislead the interviewee. √
- Avoid discriminatory/controversial types of questions√, e.g. asking a female candidate about family planning/having children. √
- Provide an opportunity for the interviewee √ to ask questions. √
- Close the interview by thanking the interviewee √ for attending the interview √
- Any other relevant answer related to the role of the interviewer during the interview.

Max (6)

3.4 **Benefits of induction**
- Increases quality of performance/productivity√ which promotes the effective use of working methods/resources. √
- Allows new employees to settle in quickly √ and work effectively. √
- Ensures that new employees understand rules √ and restrictions in the business. √
- New employees may establish relationships √ with fellow employees at different levels. √
- Employees will be familiar with organisational structures √, e.g. who are the supervisors/low level manager. √
- Make new employees feel at ease in the workplace √, which reduces anxiety/ insecurity/fear. √
- New employees will understand their role/responsibilities √ concerning safety regulations and rules. √
- Minimises/Decreases the need for on-going training √ and development. √
- The results obtained during the induction process √ provide a base for focused training. √
- Opportunities are created for new employees √ to experience/explore different departments√
- New employees will know the layout of the building/factory/offices/where everything is √, which saves production time. √

- Learn more about the business so that new employees understand their roles/ √ responsibilities in order to be more efficient. √
- Company policies are communicated, √ regarding conduct and procedures/safety and security/employment contract/conditions of employment/working hours/leave. √
- Realistic expectations for new employees √ as well as the business are created. √
- New employees may feel part of the team √ resulting in positive morale and motivation. √
- Employees may have a better understanding of business policies √ regarding ethical/professional conduct/procedures/CSR, etc. √
- Reduces the staff turnover √ as new employees have been inducted properly√
- Any other relevant answer related to the benefits of induction for businesses.

Max (4)

3.5 **Difference between quality control and quality assurance**

QUALITY CONTROL	QUALITY ASSURANCE
- Inspection of the final product √ to ensure that it meets the required standards. √	- Carried out during and after the production process √ to ensure that required standards have been met at every stage of the process. √
- Includes setting targets/measuring performance √ and taking corrective measures. √	- Ensures that every process is aimed at getting the product right the first time √ and prevents mistakes from happening again. √
- Checking raw materials/employees/ machinery/ workmanship/products √ to ensure that high standards are maintained. √	- The 'building in' of quality √ as opposed to 'checking for' quality √
- Any other relevant answer related to quality control.	- Any other relevant answer related to quality assurance.
Sub max (2)	Sub max (2)

NOTE: 1. The answer does not have to be in tabular format.
   2. The differences do not have to link, but must be clear.
   3. Award a maximum of TWO (2) marks if the differences are not clear/ Mark either quality control or quality assurance only.

Max (4)

3.6 **Quality of performance of the purchasing function**
- Buy raw materials in bulk√ at lower price.√
- Select reliable suppliers that render the best quality raw materials/capital goods √ at reasonable prices. √
- Place orders timeously and regular follow-ups √ to ensure that goods are delivered on time. √
- Effective co-ordination between purchasing and production departments √ so that purchasing staff understand the requirements of the production process. √
- Required quantities should be delivered at the right time √ and place. √
- Implement and maintain stock control systems √ to ensure the security of stock. √
- Maintain optimum stock levels √ to avoid overstocking/reduce outdated stock. √
- Monitor and report on minimum stock levels√ to avoid stock-outs. √
- Effective use of storage space √ and maintain product quality while in storage. √
- Involve suppliers√ in strategic planning/product design/material selection/quality control process. √
- Ensure that there is no break in production due √ to stock shortages. √
- Establish relationships with suppliers √ so that they are in alignment with the business's vision/mission/values. √
- Have a thorough understanding of supply chain management√ to apply the correct

procurement procedures/processes. √
- Any other relevant answer related to the quality performance of the purchasing function.

Max (4)

3.7 PDCA Model

STEPS OF THE PDCA MODEL	MOTIVATIONS
1. Plan √√	DE identified the problems and developed a plan improve the processes and systems.√
2. Check/Analyse√√	They used data to analyse the results of change.√
Sub max (4)	Sub max (2)

NOTE: **1. Mark the first TWO (2) only.**
          2. The answer does not have to be tabular format.
          3. Award marks for the steps of the PDCA model even if the quotes are incomplete.
          4. Do not award marks for the motivations if the steps of the PDCA model were incorrectly identified.
          5. Accept responses in any order.

Max (6)

3.8 Role of quality circles
- Solve problems related to quality and implement improvements. √√
- Investigate problems and suggest solutions to management. √√
- Ensure that there is no duplication of activities/tasks in the workplace. √√
- Make suggestions for improving√ processes and systems 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. √√
- Increase employees' morale/motivation. √√
- Contribute towards the improvement and development of the organisation. √√
- Reduce costs of redundancy/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 working relationship between the employer and employee. √√
- Improve employees' loyalty and commitment to the organisational 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 role of quality circles as part of continuous improvement to processes and systems.

Max (6)
[40]

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1	**4**
3.2	**4**
3.3.1	**2**
3.3.2	**6**
3.4	**4**
3.5	**4**
3.6	**4**
3.7	**6**
3.8	**6**
TOTAL	**40**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1   **Business environments**
- Micro environment √
- Market environment √
- Macro environment √
  NOTE: Mark the first TWO (2) only.

                                                                                    (2 x 1)   (2)

4.2   **Pillars of BBBEE**
4.2.1   Ownership √√   **(2)**
4.2.2   Management Control √√   **(2)**

4.3   **National Skill Development Strategy**
- Increase access √ to programmes that train people. √
- Promote the public FET college system that has programmes √ to meet the skills needed by SETA's/ local/regional/provincial/national organisations. √
- Address the low level of language and mathematical skills √ among the youth and adults. √
- Make better use of workplace-based skills development. √
- Encourage/support small business/community-training groups/NGO's/worker-initiated √ training initiatives. √
- Increase the skills of the public sector √ to improve service delivery. √
- Build career/vocational guidance/training centres. √
- Guides work of SETA's√ /the use of the National Skills Fund. √
- Sets out the responsibilities √ of other education and training stakeholders. √
- Provides for the participation √ of government/organised business/organised labour. √
- Improves social development √ through economic development√
- Any other relevant answer related to National Skills Development Strategy.

                                                                                    Max   (4)

4.4   **Types of Diversification Strategies**
        Concentric diversification √√

- The business adds a new product or service that is related to existing products and which will appeal to new customers. √
- Occurs when a business wants to increase its product range and target markets.√
- Any other relevant answer related to concentric diversification.

<div align="right">

Strategy (2)
Discussion (1)
Sub max (3)
</div>

Conglomerate diversification√√
- The business adds new products or services that are unrelated to existing products which may appeal to new groups of customers. √
- Conglomerate diversification means that a business grows into new products, services and markets. √
- Any other relevant answer related to conglomerate diversification.

<div align="right">

Strategy (2)
Discussion (1)
Sub max (3)
</div>

Horizontal diversification√√
- The business adds new products or services that are unrelated/ different to existing products, but which may appeal to existing/current customers. √
- Occurs when a business acquires or merges with a business that is at the same production stage, but it may offer a different product. √
- Any other relevant answer related to horizontal diversification.

<div align="right">

Strategy (2)
Discussion (1)
Sub max (3)
</div>

NOTE: Mark the first TWO (2) only.   **Max (6)**

4.5 **Ways in which business can comply with BCEA**
- Workers should only work 9 hours per day in a 5 day work week./8 hours per day in a 6 day work week./Overtime should not exceed 10 hours per week. √√
- Workers can take up to six weeks paid sick leave during a 36-month cycle √√
- Workers must receive double if they work during public holidays/Sunday √√
- They must have a break of 60 minutes after five hours of work √√
- Businesses should not employ children under the age of 16. √√
- Any other relevant answer related to ways in which businesses can comply with BCEA.

<div align="right">

Max (4)
</div>

BUSINESS OPERATIONS

4.6   **Placement procedure**
- Business should outline specific responsibilities/expectations/skills of the new position. √√
- Determine the successful candidate's strengths/weaknesses/skills/ interests by subjecting him/her to various range of psychometric tests. √√
- Determine the relationship between the position and the competencies of new candidates. √√
- Any other relevant answer related to placement procedure.

Max (6)

4.7   **Meaning of *induction***
- New employees are familiarised √ with their new physical work environment/ organisational culture/products and services. √
- New employees are informed √ about the processes/procedures of the business. √
- New employees should have a basic knowledge√ of what is expected in the job. √/ Understand his/her role √ and responsibilities in his/her new job. √
- New employees must be well conversant √ with the business safety regulations and rules. √
- Any other relevant answer related to meaning of induction.

Max (4)

4.8   **TQM Elements**

TQM ELEMENTS	MOTIVATIONS
1. Adequate financing and capacity√√	They can afford to replace outdated equipment for the spa. √
2. Monitoring and evaluation of quality processes √√	They are able to improve performance and maintain high quality standards in their business.√
Sub max (4)	Sub max (2)

NOTE: 1. Mark the first TWO (2) only.
2. The answer does not have to be in tabular format.
3. Award marks for the TQM elements even if the quotes are incomplete.
4. Do not award marks for the motivations if the TQM elements were incorrectly identified.
5. Accept responses in any order.

Max (6)

4.9   **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 on expensive, but ineffective inspection procedures in the production process. √√

- Implement pro-active maintenance programmes for equipment/machinery to reduce/eliminate breakdowns. √√
- Any other relevant answer related to ways in which TQM can reduce the cost of

quality.

Max (4)
[40]

BREAKDOWN OF MARKS

QUESTION 4	MARKS
4.1	**2**
4.2.1	**2**
4.2.2	**2**
4.3	**4**
4.4	**6**
4.5	**4**
4.6	**6**
4.7	**4**
4.8	**6**
4.9	**4**
TOTAL	**40**

TOTAL SECTION B: 80

SECTION C

Mark the answers to the FIRST question only.

QUESTION 5: BUSINESS ENVIRONMENTS (LEGISLATION)

5.1 **Introduction**
  - The National Credit Act regulates the terms and conditions for all goods and services that are sold/delivered on credit. √
  - The Act enables businesses and consumers to enter into transparent credit agreements. √
  - Businesses must receive assistance from legal experts to ensure compliance with the NCA. √
  - Penalties/Consequences for non-compliance compel businesses to put systems in place that will improve their compliance status. √
  - Any other relevant introduction related to the rights of consumers in terms of the NCA/ ways to comply with NCA/ impact of the NCA/ /penalties for non-compliance to the NCA.

Any (2 x 1)   (2)

5.2 **Rights of consumers in terms of the National Credit Act/NCA**
  Consumers have a right to:
  - Apply for credit and to be free from discrimination. √√
  - Obtain reasons for credit being refused. √√
  - Receive pre-agreement documentation/credit quote that is valid for 7 days before concluding any credit transaction. √√
  - Fair and responsible marketing. √√
  - Surrender/Return goods to the credit provider in order to settle the outstanding amount/debt. √√
  - Apply for debt review/counselling if the consumers cannot afford to repay their debts. √√
  - Receive information in plain and understandable language. √√
  - Receive documents/statements as required by the Act. √√
  - Access and challenge credit records and information. √√
  - Receive protection of their personal information. √
  - Receive protection from being held accountable for the use of their credit facility after they reported the loss/theft. √√
  - Refuse a credit limit increase. √√
  - Any other relevant answer related to the rights of consumers in terms of the NCA.

Max (10)

5.3 **Ways in which businesses could comply with the NCA**
  - Offer applicants√ pre-agreement statements. √
  - Disclose all costs√ of the loan√/No hidden costs√ should be charged/added. √
  - Obtain credit records/checks of clients√ before granting loans. √
  - Businesses should be registered√ with the National Credit Regulator. √
  - Submit an annual compliance report√ to the National Credit Regulator. √
  - Conduct affordability assessment√ to ensure that consumers have the ability to meet their obligations. √
  - Conduct credit checks with a registered credit bureau√ and consult the National Credit Register. √
  - Businesses must have procedures in place√ to comply with the provision of the Financial Intelligence Centre Act (FICA). √
  - Verify the identity of clients, report suspicious transactions/train staff√ on their obligations in terms of FICA. √
  - Any other relevant answer related to ways in which businesses could comply with the NCA.

Max   (14)

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

                                    AND/OR

        Negative/ Disadvantages
        - Businesses can no longer √ carry out credit marketing. √
        - Businesses struggle to get credit √ such as bank loans/overdrafts. √
        - Businesses that do not comply with the NCA √ may face legal action. √
        - Debt collection procedures are more complex √ and expensive. √
        - Fewer customers buy on credit √ as it is more difficult to obtain credit. √
        - Increases the administration burden √ on credit providers. √
        - Leads to loss of sales √ as many consumers may no longer qualify to buy on credit. √
        - The paperwork and administrative process √ required by the Act are costly and time consuming. √
        - Businesses need to appoint additional staff √ to deal with the extra administration. √
        - Should the credit agreement be declared reckless √ businesses can forfeit the outstanding debt and the goods. √

        - Businesses that are official credit providers, √ must submit a compliance report every year. √
        - Businesses must make sure that all attempts have been made to recover the debt √ before blacklisting the customer. √
        - Credit providers cannot collect from consumers √ who are under debt review. √
        - More working capital is needed √ as businesses cannot sell many goods on credit/due to stricter credit application processes. √
        - Any other relevant answer related to the negative impact/disadvantages of the NCA on businesses.

                                                                        Max (14)

5.5   **Penalties for non-compliance to the NCA**
        - Businesses may not demand payment/sue/attach the clients/consumers salaries/assets. √√
        - They may not charge any fee/interest/other charges under that specific credit agreement. √√
        - The court may order consumers not to repay their debts if the business is found guilty of reckless credit granting. √√
        - The National Consumer Tribunal may impose a fine on businesses for non-compliance. √√
        - Businesses will bear all costs of removing the negative information of clients/

consumers who were blacklisted as a result of reckless credit lending. √√
- The business license may be revoked/deregistered as a credit provider for reckless credit granting and gross violations of the NCA. √√
- Any other relevant answer related to the penalties that businesses may face for non-compliance to the NCA.

Max (8)

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

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

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	
Rights of consumers in terms of the NCA	**10**	
Ways in which businesses could comply with the NCA	**14**	**Max 32**
Impact of the NCA on businesses	**14**	
Penalties for non-compliance to the NCA	**8**	
Conclusion	**2**	
INSIGHT		
Layout	**2**	
Analysis/Interpretation	**2**	**8**
Synthesis	**2**	
Originality/Examples	**2**	
TOTAL MARKS		**40**

LASO – For each component:
Allocate 2 marks if all requirements are met.
Allocate 1 mark if some requirements are met.
Allocate 0 marks where requirements are not met at all

QUESTION 6: BUSINESS OPERATIONS (HUMAN RESOURCES FUNCTION)

6.1 **Introduction**

- Recruitment is the process used by business to identify vacancies in the business and attract suitable candidates for it. √
- External recruitment involves the use of external sources to advertise vacancies outside the business.√
- Interview is a conversation between a job applicant and a representative of an employer which is conducted to assess whether the applicant should be hired for a vacancy. √
- Training/ skills development allows the workforce to adapt to changing work trends to ensure that the business to stay competitive.√
- Any other relevant introduction related to the recruitment procedure/ impact of external recruitment/purpose of interview/ importance of training/skills development in human resources.

Any (2 x 1)   (2)

6.2   **Recruitment procedure**
- The human resource manager should evaluate the job/prepare a job analysis, that includes the job specification/job description/in order to identify recruitment needs. √√
- The human resource manager (HRM) should prepare the job description in order to identify recruitment needs. √√
- HRM should indicate the job specification/description/key performance areas to attract suitable candidates. √√
- Choose the method of recruitment, e.g. internal/external, to reach/target the suitable applicants/candidates. √√
- Vacancies can be internally advertised via internal email/word of mouth/ posters/staff notices. √√
- If internal recruitment is unsuccessful, external recruitment should be considered. √√
- If the external recruitment is done, the relevant recruitment source should be selected, e.g. recruitment agencies, tertiary institutions, newspapers, √√
- The advertisement should be prepared with the relevant information, e.g. the name of the company, contact details, contact person, etc. √√
- Place the advertisement in the appropriate media that will ensure that the best candidates apply. √√
- Any other relevant answer related to recruitment procedure.
  NOTE: The procedure may be in any order.

Max (10)

6.3   **Impact of external recruitment**
        Positive/ Advantages
- New candidates bring new talents/ideas/experiences/skills√ into the business. √
- There is a larger pool of candidates√ to choose from. √
- It may help the business to meet affirmative action √ and BBBEE targets. √
- Minimises unhappiness/conflict amongst current employees √ who may have applied for the post√
- There is a better chance of getting a suitable candidate √ with the required skills/qualifications/competencies who do not need much training/development which reduce costs. √
- Any other relevant answer related to the positive impact/advantages of external recruitment on businesses.
        AND/OR

        Negative/ Disadvantages
- Information on CV's/referees √ may not be reliable. √
- Many unsuitable applications can slow down √ the selection process. √

Please turn over

- New candidates generally take longer to adjust √ to a new work environment. √
- External sources can be expensive, √ e.g. recruitment agencies' fees/advertisements in newspapers/magazines. √
- The selection process may not be effective√ and an incompetent candidate may be chosen. √
- Recruitment process takes longer/is more expensive √ as background checks must be conducted. √
- In-service training may be needed √ which decreases productivity during the time of training. √
- Any other relevant answer related to the negative impact/disadvantages of external recruitment on businesses.

Max   (14)

6.4   **Purpose of interview**
- To determine a candidate's √ suitability for the job. √
- Obtains information about the strengths and weaknesses √ of each candidate. √
- Evaluate the skills √ and personal characteristics of the applicant √
- Helps the employer in choosing/making an informed decision √ about the most suitable candidate. √
- Matches information provided by the applicant √ to the job requirements. √
- Creates an opportunity where information about the business √ and applicant can be exchanged. √
- Any other relevant answer related to the purpose of interview.

Max   (12)

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

Max   (10)

6.6   **Conclusion**
- Employees are the most important resource in any business and its success is strongly influenced by a good recruitment procedure. √√
- A well prepared and organised interview process will result in identifying and appointing the most deserving candidate that will help the business to reach its goals. √√
- External recruitment enables businesses to employ people from outside the business whose skills and qualifications are in line with the requirements of the job. √√

- Training/skills development leads to knowledgeable and competent employees who will be skilled to carry out their responsibilities, thereby increasing the businesses ability to deliver quality products and services.√√

– Any other relevant introduction related to the recruitment procedure/ impact of external recruitment/purpose of interview/ importance of training/skills development in human resources.

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

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	**2**	**Max 32**
Recruitment procedure	**10**	
Impact of external recruitment	**14**	
Purpose of interview	**12**	
Importance of training development in human resources	**10**	
Conclusion	**2**	
INSIGHT		**8**
Layout	**2**	
Analysis/Interpretation	**2**	
Synthesis	**2**	
Originality/Examples	**2**	
TOTAL MARKS		**40**

LASO – For each component:
Allocate 2 marks if all requirements are met.
Allocate 1 mark if some requirements are met.
Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 40
GRAND TOTAL: 150