



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

SEPTEMBER 2010

**BUSINESS STUDIES
MEMORANDUM**

This memorandum consists of 24 pages.

NOTES TO EDUCATORS:

1. Candidate's responses must be in full sentences for SECTION B and C depending on the nature of the question.
 Full sentence ✓✓ (2)
 Words/phrases ✓ (1)
2. A comprehensive memorandum has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
 - Uses a different expression from that which appears in the memorandum.
 - Comes from another source.
 - Is correct and original.
 - Relates to another applicable LO or AS.
3. Please take careful note of other relevant answers provided by candidates and allocate marks accordingly.
4. SECTION B
 - 4.1 If, for example, FIVE facts are required, mark the candidates FIRST FIVE responses and ignore the rest of the responses.
 - 4.2 If two facts are written in one sentence, award the candidate FULL credit.
 - 4.3 In questions that require candidates to "name", the answers of the candidates can be in phrases and not necessarily in full sentences.
5. SECTION C
 - 5.1 The breakdown of the mark allocation for essays is as follows:

Introduction	3	Maximum: 32
Content	27 Minimum	
Conclusion	2	
Insight	8	
Total marks	40	

5.2 INSIGHT CONSISTS OF THE FOLLOWING COMPONENTS

Layout/Structure: (Is there an introduction, body, using proper paragraphs and conclusion/is there a logical flow/link in the discussion?)	2
Analysis and interpretation: (Did the candidate analyse the question to show understanding of what was asked?)	2
Synthesis: (Did the candidate put together only the relevant facts in the answer?)	2
Originality: (Has the candidate been able to illustrate the concepts with examples, preferably his/her own? Originality in approach, ideas and responses. Current trends and developments.)	2
TOTAL FOR INSIGHT:	8
TOTAL MARKS FOR FACTS:	32
TOTAL MARKS FOR ESSAY (8 + 32):	40

- 5.3 Indicate insight in the left-hand margin with a symbol e.g. LASO.
- 5.4 The components of insight are indicated at the end of the suggested answer for each question. Note: The components may vary for each question.
- 5.5 Mark all relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 5.6 At the end of each essay, indicate the allocation of marks for facts and marks for insight as follows: (L (layout/structure) and/or A (analysis) / S (synthesis) / O (originality) as in the table below).

CONTENT	MARKS
Facts	32
L	2
A	2
S	2
O	2
Total marks	40

The mark allocation for insight may vary for each essay.

- 5.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same sub-headings. Remember, headings and sub-headings are encouraged and contribute to insight (Structuring/logical flow/sequencing) and indicate clarity of thought. (See BREAKDOWN of MARKS at the end of each question.)
- 5.8 If the candidate identifies/interprets the question **incorrectly**, then he/she can still obtain marks for insight.
- 5.9 If a different approach is used by candidates ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.
- 6. Take particular note of the repetition of facts. Indicate with an 'R'.
- 7. Sub-totals to questions must be written in the right margin. Only the total for each question should appear in the left margin next to the appropriate question.
- 8. Allocate TWO marks for complete sentences. Allocate ONE mark for phrases, incomplete sentences and vague answers.

SECTION A**QUESTION 1**

1.1	1.1.1	B ✓✓		
	1.1.2	B ✓✓		
	1.1.3	A ✓✓		
	1.1.4	C ✓✓		
	1.1.5	D ✓✓		
	1.1.6	D ✓✓		
	1.1.7	B ✓✓		
	1.1.8	C ✓✓		
	1.1.9	D ✓✓		
	1.1.10	A ✓✓	(10 x 2)	(20)
1.2	1.2.1	F ✓✓		
	1.2.2	D ✓✓		
	1.2.3	A ✓✓		
	1.2.4	H ✓✓		
	1.2.5	B ✓✓	(5 x 2)	(10)
1.3	1.3.1	Recruitment ✓✓		
	1.3.2	Arbitration ✓✓		
	1.3.3	Tax evasion ✓✓		
	1.3.4	Cession ✓✓		
	1.3.5	Autocratic ✓✓	(5 x 2)	(10)

TOTAL SECTION A: 40

SECTION B**QUESTION 2****2.1 2.1.1 (LO1 AS4)**

Pillars of BBBEE

- Ownership ✓✓
- Making sure that black people have shares/direct interest in businesses. ✓✓
- Management ✓✓
- Involving black people in management positions so that they can take part in the running of businesses. ✓✓
- Employment equity ✓✓
- Employing more black people, women and people with disabilities. ✓✓
- Skills development ✓✓
- Training and developing black employees to realise their potential in the workplace. ✓✓
- Preferential procurement ✓✓
- Using services and products from black-owned companies. ✓✓
- Enterprise development ✓✓
- Empowering and assisting small business initiatives to contribute to the economy of South Africa. ✓✓
- Socio-economic development ✓✓
- Sponsoring community initiatives such as HIV training, sports development and other projects. ✓✓

Pillar = 2 ✓✓

Explanation = ✓✓

(Any 5 x 4) (20)

2.1.2 (LO1 AS4)

Ownership ✓

- Selected store managers who were historically disadvantaged, but displayed strong retail skills were given the opportunity to own 50% of the store which they currently managed. ✓✓

Management ✓

- Selected store managers who were historically disadvantaged.... ✓✓

Skills development ✓

- Selected store managers... but displayed strong retail skills. ✓✓

Enterprise development ✓

- Fifty-fifty project which forms part of the 'Enterprise development' pillar of BBBEE. ✓✓

Pillar = 1 ✓

Application = ✓✓

(Any 3 x 3) (9)

2.1.3 (LO1 AS4)

Advantages of BBBEE

- An economy that is built on prosperity for all.√√
- An economy that reflects the rich cultural and ethnic diversity of our country.√√
- The reduction of poverty.√√
- Decrease in unemployment.√√
- Opportunities for enterprises to do business with the government.√√

(Any other relevant advantage)

(5 x 2) (10)

2.1.4 (LO1 AS4) (LO4 AS3)

Skills Development Act aims at:

- Addressing the shortage of skilled labour. √√
- Increased employment and social development. √√
- Increasing employability, productivity and higher competitiveness. √√
- Improving the level of investment in educating and training in the workforce. √√
- Using the workplace as a learning environment. √√
- Encouraging employees to take part in learnerships and skills training programmes. √√
- Ensuring quality training and education in the workplace. √√
- Improve the quality of life for workers. √√
- Promote self employment. √√
- Assist retrenched workers to re-enter the labour market. √√
- Assist employers to find qualified employees. √√
- Improve employment prospects of previously disadvantaged persons. √√

(Any 5 x 2) (10)

2.1.5 (LO3 AS3)

Expected professional behaviour:

- Respect for themselves, other people and clients √√
- Commitment to quality and setting high standards √√
- They take responsibility for their own actions. √√
- Personal integrity and reliability √√
- They shall not steal from their place of work. √√
- They cannot be corrupt/accept bribes. √√
- Managing to the best of their ability. √√
- Involvement with the community. √√

(Any other relevant behaviour)

(Any 4 x 2) (8)

2.1.6

(LO1 AS2)

- Opening a total of 25 Fifty-fifty stores by the year 2014. ✓✓
- Step towards achievement, progress and partnership/
- Development of entrepreneurs/ Beneficial for communities. ✓

(3)
[60]

QUESTION 33.1 3.1.1 **(LO2 AS4)**

Successful entrepreneurs:

- Have vision and are motivated: ✓✓
Make sure you know where you are heading **or** Ensure that you meet your goals ✓✓
- Are creative: ✓✓
Bee farming is an obvious choice for rural entrepreneurs. **/or** Honey is liquid gold. ✓✓
- Take responsibility: ✓✓
Research the topic / **or** Go for training. ✓✓
- Are energetic: ✓✓ **Not relevant in case study** ✓✓
- Take risks ✓✓: This one is **not applicable** since there is no real expense (capital outlay). ✓✓
- Are committed to the task: ✓✓
Once you have a hive up and running you visit it once every three weeks. ✓✓
- Are adaptable: ✓✓ This one is **not relevant** since there were no changes. ✓✓
- Have integrity: ✓✓ **Nothing** in the case study to support this one. ✓✓
- Are well informed: ✓✓
Knowledge is power **or** Research the topic **or** Find out everything about bees **or** Go for training. ✓✓
- Have good communication skills: ✓✓ **Not relevant** ✓✓
- Are able to plan/organise/solve problems: ✓✓
Plan all the time/**or** have time-lines/**or** meet your goals. ✓✓

(Any 6 x 4) (24)

3.1.2 **(LO2 AS4)**

Bee-farming success factors:

- Start small. ✓✓
- Planning. ✓✓
- No real expense/ cheap ✓✓
- Large pieces of land not necessary. ✓✓
- Not much input from human element. ✓✓
- Skills developed/ training/read a lot on topic. ✓✓

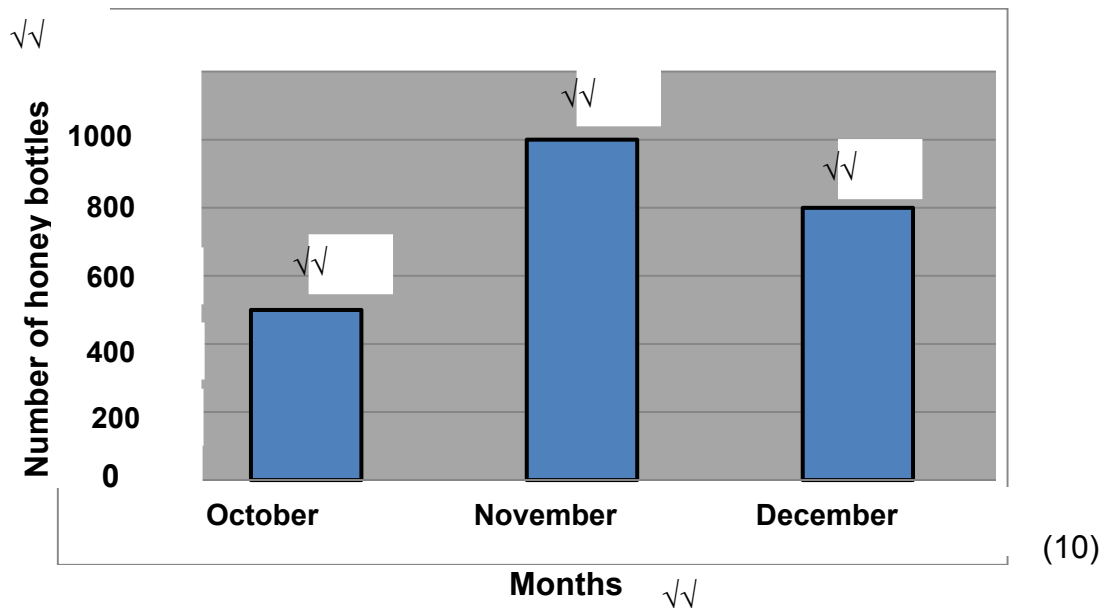
(Any 4 x 2) (8)

3.2 3.2.1 (LO2 AS6)

Honey sales

4th Quarter 2009

Bar Graph



3.2.2 (LO2 AS7)

$$\begin{aligned}
 \text{Return on Investment} &= 0,07 \sqrt{} \times 1\,000 \sqrt{} = R70 \sqrt{} \\
 &= \frac{0,07 \sqrt{} \times 100 \sqrt{}}{3,50 \sqrt{}} \text{ OR } \frac{70 \sqrt{} \times 100 \sqrt{}}{3\,500 \sqrt{}} \\
 &= 2\% \sqrt{}
 \end{aligned}$$

If only correct answers are given allocate marks as follow:

- R70 $\sqrt{}\sqrt{}$
- 2% $\sqrt{}\sqrt{}\sqrt{}\sqrt{}$

(8)

3.3 (LO2 AS7)

Insurable risks:

- Fire $\sqrt{}\sqrt{}$
- Theft $\sqrt{}\sqrt{}$
- Storm damage $\sqrt{}\sqrt{}$
- Money in transit $\sqrt{}\sqrt{}$
- Fidelity insurance $\sqrt{}\sqrt{}$
- Vehicle insurance $\sqrt{}\sqrt{}$
- Business Insurance $\sqrt{}\sqrt{}$
- Glass Insurance $\sqrt{}\sqrt{}$
- Life Insurance $\sqrt{}\sqrt{}$
- Professional insurance $\sqrt{}\sqrt{}$
- Crop insurance $\sqrt{}\sqrt{}$

(Any 5 x 2) (10)
[60]

QUESTION 4**4.1 4.1.1 (LO3 AS4)**

Sexual harassment:

- Any unwelcome sexual advance. ✓✓
- Request for sexual favours. ✓✓
- Verbal or physical sexual conduct/abuse in the workplace. ✓✓
- That causes discomfort, humiliation, distress. ✓✓ (Any 3 x 2) (6)

4.1.2 (LO3 AS2,4)

- Adhere to the businesses sexual harassment policy. ✓✓
- Follow set grievance and disciplinary procedures. ✓✓
- Treat the matter with strict confidentiality. ✓✓
- Consult with all relevant parties. ✓✓
- Handle the complaint in terms of the Code of Good Practice on the Handling of Sexual Harassment. ✓✓
- Take steps to eliminate/prevent sexual harassment. ✓✓
- Provide support/counselling to victim. ✓✓
- Refer unresolved matters to CCMA. ✓✓
- If still unresolved take to the Labour Court. ✓✓
- (Any other relevant answer) (Any 5 x 2) (10)

(LO3 AS3)

4.1.3	Challenges to ethical and professional behaviour	Solutions
	<ul style="list-style-type: none"> - Tax evasion√ Is the purposeful falsifying of financial records. √√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - A business should report its financial performance in an accurate manner.√√ - Internal audit measures.√√ - SARS audit.√√
	<ul style="list-style-type: none"> - Misleading advertising√ Deceptive pricing, promotion and packaging.√√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - The ASA withdraws such advertisements.√√ - Consumers to report cases to ASA√√
	<ul style="list-style-type: none"> - Unfair pricing of goods in rural areas.√ Smaller shops often charge very high prices.√√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - Government is focusing on infrastructure development in rural areas including shopping centres.√√ - Dept. of Trade and Industry must monitor rural shops.√√ - Train consumers on consumer skills/rights.√√
	<ul style="list-style-type: none"> - Corruption√ Bribing of/by employees in exchange for preferential treatment/favours.√√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - Management to institute control measures against corruption.√√ - Internal Audit measures.√√ - Improved risk management.√√
	<ul style="list-style-type: none"> - Unfair/Poor working conditions√ Conditions that impact negatively on workers health, safety and basic human rights.√√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - Employee's service contract should specify important issues e.g. working hours, leave conditions etc.√√ - Monitor adherence to Basic Conditions of Employment Act.√√
	<ul style="list-style-type: none"> - Unauthorised use of funds√ Fraud is the misuse of money that belongs to the employer, by employees for personal gain. √√ E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - Business must educate employees about the impact of fraud.√√ - Systems must be put in place to reduce fraud e.g. internal audit and risk management.√√
	<ul style="list-style-type: none"> - Abuse of working time√ Employees using working time for their personal activities√√. E.g. Accept relevant example.√ 	<ul style="list-style-type: none"> - Business must put applicable policy in place.√√ - Implement time monitoring systems.√√

Award marks as follow:

- 1 x for naming the challenge
- 2 x for explanation of challenge
- 2 x for solution
- 1 x for example

MAXIMUM 5 per challenge

(Any 5 x 5) (25)

4.2 4.2.1 (LO4 AS5)

Functions of Trade Unions

- Improve working conditions. √√
 - Secure benefits for workers, such as pension, medical aid, housing allowance etc. √√
 - Improve wages and reduce working hours. √√
 - Ensure that as many people as possible are employed. √√
 - Ensure fair treatment of workers. √√
 - Ensure job security of members. √√
 - Promote skills development, education and training of workers. √√
 - Participate in decision-making of the government. √√
 - Participation in decision-making of the business. √√
 - Protect the rights of members in the workplace. √√
 - Promote gender equality in the workplace. √√
- (Accept other relevant functions/roles of unions.) (Any 6 x 2) (12)

4.2.2 (LO4 AS5)

Yes √

The employer will incur losses and might feel the pressure and give in. √√

OR

No√

The employees lose wages/salaries. √√

There is no guarantee that the employer will submit to their demands. √√

(Accept any applicable motivation.)

(1 x 3) (3)

4.2.3 (LO4 AS5)

CCMA/Commission for Conciliation, Mediation and Arbitration √√

Conciliation/Mediation√√

Arbitration √√

Bargaining Council √√

Labour court √√

(Any 2 x 2) (4)

[60]**TOTAL SECTION B: 180**

SECTION C**QUESTION 5 (LO1 AS2)****5.1 Introduction**

- Businesses continuously experience challenges from the different environments.✓
 - The different environments are as follows: Micro, market and macro.✓
 - The degree of control varies from environment to environment.✓
 - A business has full control in the micro environment.✓
 - Businesses need to devise strategies to enable them to respond to the challenges they encounter.✓
- (Any relevant introduction) (Any 3 x 1) (3)

5.2 Classification of challenges**5.2.1 Micro-environment**

- Producing one type of shoe using basic colours from one type of leather. ✓✓
 - Lack of interest in shoes on the part of the owner.✓✓
 - Employees not trained in any other aspect of manufacturing shoes.✓✓
 - Employees not employable in other factories due to specialisation.✓✓
 - Low profit margins.✓✓
 - Low stock levels.✓✓
 - Retrenchment of workers.✓✓
- (Any 3 x 2) (6)

5.2.2 Market environment

- Changing market.✓✓
 - New fashion due to international influences.✓✓
 - Lost customers.✓✓
 - Low competitiveness – stagnant market.✓✓
 - Sales decreased✓✓
- (Any 3 x 2) (6)

5.2.3 Macro environment

- Political: ✓ None✓
 - Economical: ✓ Bankruptcy/low income/low contribution towards GDP.✓
 - Social: ✓ Unemployment/poverty.✓
 - Technological: ✓ No innovation/ same materials used/ old machines used.✓
 - Legal: ✓ None✓
 - Environmental: ✓ None✓
- (Any 3 x 2) (6)

5.3 Strategies to overcome challenges

Challenge	Strategy
Heading for bankruptcy.√	<p>Horizontal integration √√ – means the take-over or merging with a similar business.√√ E.g. Merge with ABC shoes.√</p> <p>or</p> <p>Liquidation √√ – converting assets into cash to pay creditors/retrenching of workers/ and closure of business. √√ E.g. Any relevant example.√</p>
Decreased sales/ Changing market.√	<p>Market penetration √√ – producers deliberately charge a low price to get the product established in the market.√√ E.g. Selling good quality boots at very low prices in order to obtain high volume production.√</p> <p>or</p> <p>Market development √√ – to develop the existing market for existing products more intensely, through aggressive marketing campaigns and promotions, as well as selling in new areas.√√ E.g. New line fashion boots/model new fashion line in the world market.√</p> <p>or</p> <p>Concentric diversification √√ – Business adds new products that are very similar to existing products, but will be popular with clients.√√ E.g. Fashion boots added to plain shoe line.√</p>
Stagnant, outdated shoe line/styles/materials.√	<p>Product development √√ – development of new products or adaptation of existing products.√√ E.g. The use of patent leather.√</p> <p>or</p> <p>Innovation strategy.√√ – Ongoing change and improvement of products.√√ E.g. New materials, new fashion and styles.√</p>
Employees not trained.√	<p>Skills development programme√√ – send workers for training in new skills needed.√√ E.g. Utilise SETAs, how to operate new machines.√</p>
Small profits.√	<p>Retrenchment√√ – entails the retrenchment of workers to save costs.√√ E.g. Motorcar manufacturers during recent recession/ workers had to be retrenched.√</p>

Mark allocation:

Challenge = 1 mark

Name strategy = 2 marks

Explain strategy = 2 marks

Example = 1 mark

Total per challenge = 6 marks maximum

(Any 3 x 6) (18)

5.4 Strong points and opportunities

- Availability of his previously trained staff – could re-employ experienced staff. √√
- Had an existing, equipped factory. √ √
- Friendship with Ms King – well connected in fashion world. √√
- International exposure at fashion show. √√
- Orders from all over the world. √√
- New line/shoes/boots. √√
- Low prices. √√
- (Any other relevant answer)

(Any 4 x 2) (8)

5.5 Conclusion

- Challenges in business will always be there and therefore need to be managed or controlled. √
- The business must carefully implement the relevant strategies to overcome the challenges. √
- (Any other appropriate conclusion)

(2 x 1) (2)
[40]**(MAX.) 32****Breakdown of mark allocation**

Details	Maximum	Reduced to	Sub-total	Total
Introduction			3	Max 32
Classification of challenges	18	Max 16	32	
Strategies to overcome challenges	18	Max 16		
Strengths and opportunities	14	Max 8		
Conclusion			2	
INSIGHT*(LASO)				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality				2
TOTAL MARKS				40

***LASO – For each component:**

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 6 (LO2 AS8)

6.1 Introduction

- When starting a business it is important to consider the form of ownership that will suit the type of business planned. ✓
- Madoda will therefore need to familiarise himself with all the factors that are considered when choosing a form of ownership. ✓
- His business plan will have to indicate clearly, on which form of ownership he has decided. ✓
(Any other relevant introduction)

(3 x 1) (3)

6.2 Important issues to consider

6.2.1 Capacity/Capital ✓✓

- Madoda has enough funds to start his own business. ✓✓
- He has sufficient surety to apply for a loan if necessary. ✓✓
- A sole trader cannot be considered because he does not want to risk his personal assets. ✓✓
- A close corporation or a private company would be ideal. ✓✓
- These forms of ownership will assist him, should he require more capital investment in his business. ✓✓
- Continuity – Sole proprietor and partnership have limited continuity. ✓✓
- CCs and companies have unlimited continuity and will suit his needs better. ✓✓

6.2.2 Legal status ✓✓

- CCs and companies are legal entities while sole traders and partnerships are not. ✓✓
- Companies and CC owners have limited liability and cannot lose their personal assets, while owners of sole traders and partnerships can lose everything. ✓✓
- Therefore, companies and CC's will be better suited for Madoda. ✓✓

- 6.2.3 Taxation √√
- Sole Proprietorships and Partnerships do not have to register for tax, but their owners must. √√
 - Companies and CC's are liable for payment of business tax and not their owners.
 - Members of a CC and directors of a company still pay their own personal income tax. √√
 - Both CCs and companies are taxed at 28%. √√
- 6.2.4 Establishment procedures. √√
- In the case of partnerships, sole traders as well as CC's, establishment procedures are relatively simple and cheap. √√
 - Companies require a complicated establishment procedure with many documents to prepare and with big costs. √√.
- 6.2.5 Management/Control. √√
- Madoda wants to be part of decision making and therefore companies and CC's satisfy this requirement. √√
 - If he wants full control, a sole trader is proposed but the risk of losing his personal assets poses a threat. √√
 - Companies and CCs will attract managers with lots of experience and skills required to manage a business. √√
- 6.2.6 Legislation √√
- CC's and companies are subject to legislation, e.g. Companies Act. √√
 - CCs and companies must be registered. √√
 - No/few laws governing sole traders and partnerships. √√
 - Sole traders and partnerships may need to register for employee tax, VAT, etc. √√
- 6.2.7 Sharing of profits/losses √√
- Sole trader owner receives all profits/losses, while partners in a partnership and members in a CC share profits/losses. √√
 - Shareholders receive dividends as part of the profit of companies. √√
 - Shareholders also share in the losses of a company. √√

Mark allocation:**- 2 x marks for heading****- 4 x marks for explanation (7 x 6) (42)****(MAX.) (29)**

6.3 Choice of form of ownership for Madoda

- A CC or a private company is suggested. ✓✓✓
- He does not want to lose his personal belongings, wants to participate in decision making and the continuity of the business must be ensured – therefore a sole trader and partnership is not for him. ✓

Proposal of form of business = 3 marks

Supporting motivation = 2 marks

(5)
(MAX.) (3)

6.4 Conclusion

- As Madoda's business will be growing and expanding, he can in future consider a public company. ✓
 - Madoda should consult expert advice before he makes his final decision. ✓
- (Any other appropriate conclusion)

(Any 2 x 1) (2)
(MAX.) 32

Breakdown of mark allocation

Details	Maximum	Reduced to	Sub-total	Total
Introduction			3	Max 32
Important issues to consider	42	Max 29	32	
Choice of form of business	5	Max 3		
Conclusion			2	
INSIGHT*(LASO)				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality				2
TOTAL MARKS				40

***LASO – For each component:**

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 7 (LO3 AS6)**7.1 Introduction**

- Conflicts exist in businesses due to differences between employees or between employers and employees. ✓
- If conflict is not resolved, it can have a negative influence on the business. ✓
- Managers need to be trained on how to manage conflict in the working environment. ✓
- Conflict also occurs in teams, where people are supposed to work together. ✓

(Any other relevant introduction)

(3 x 1)

(3)

7.2 Conflict resolution

- Acknowledge that there is conflict between the employees. ✓✓
- Identify the causes of the conflict. ✓✓
- Arrange for a meeting between the conflicting parties and management. ✓✓
- Analyse the situation. ✓✓
- Negotiate with the parties – identify possible solutions/strategies. ✓✓
- Choose the best solution/strategy. ✓✓
- Implement the chosen solution/strategy. ✓✓
- Written memorandum of understanding if necessary. ✓✓
- Monitor implementation – analyse the results ✓✓

OR

Alternative answer:

- Ignore the conflict. ✓✓
- Pre-negotiation. ✓✓
- Negotiation. ✓✓
- Post-negotiation. ✓✓
- Follow-up of the process. ✓✓
- Right to appeal. ✓✓

OR

Alternative answer:

- Approach the conflict directly. ✓✓
- Bargaining ✓✓
- Mediation ✓✓
- Arbitration ✓✓
- Right to appeal. ✓✓

OR

Alternative answer:

- Meet with conflicting parties. √√
- Make sure the parties understand that it is okay to disagree. √√
- Allow each party to state their mind. √√
- Consider the manager's perspective on how to resolve the conflict. √√
- Set a timeframe for resolving the conflict. √√
- Implement decisions/solutions. √√

Candidates must discuss only ONE of the alternatives and not mix them.

(Any 5 x 2) (10)

7.3 Conflict handling skills

- Listen attentively to all parties concerned. √√
- Control the emotions – instil calmness. √√
- Show understanding for all viewpoints. √√
- Lay down ground rules within which all parties must operate. √√
- Focus on the main conflict only. √√
- Stay objective/neutral. √√

(Any 4 x 2) (8)

7.4 Characteristics of effective teams

- Size of the team is right – number of members. √√
- Compilation of the team is right – variety of qualities and skills √√
- Team members understand the goal of the team – common goal. √√
- Team members know what is expected of them. √√
- Open communication channels within the team. √√
- Team values – team have values that describe acceptable behaviour within the team. √√
- Organisational citizenship behaviour – work to the advantage of the organisation. √√
- Support – team members support each other emotionally. √√
- Attention is given to the individual needs of team members. √√
- Mutual trust and respect of members and ideas. √√
- Credit is shared – individuals sacrifice personal recognition. √√
- Good team spirit – healthy relationships, laughter, positivity and empathy. √√
- Negativity amongst team members are avoided. √√

(Any 7 x 2) (14)

7.5 Conclusion

- Effective teams contribute to the success of the business. √
 - Management should put measures in place to prevent conflict. √
- (Any other appropriate conclusion) (Any 2 x 1) (2)

(MAX.) [32]

Breakdown of mark allocation

Details	Maximum	Reduced to	Sub-total	Total
Introduction			3	Max 32
Conflict resolution	10	10	32	
Conflict handling skills	12	Max. 8		
Characteristics of effective teams	26	Max.14		
Conclusion			2	
INSIGHT*(LASO)				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality				2
TOTAL MARKS				40

***LASO – For each component:**

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some requirements are met.

Allocate 0 marks where requirements are not met at all.

QUESTION 8 (LO4 AS3)**8.1 Introduction**

- The recruitment and appointment of employees is the task of the human resources function. ✓
 - Recruitment is the process of finding employees with the necessary knowledge, skills, experience and qualifications to fill a post. ✓
 - Other factors such as affirmative action and equal opportunities also influence recruitments and appointments. ✓
- (Any other relevant introduction)

(3 x 1)

(3)

8.2 The Recruitment and Selection Process

8.2.1 Recruitment ✓

- Job description – the job title, job location and duties of the position. ✓✓
- Job specification – the qualifications, personal qualities and experience needed for the position. ✓✓
- Decide on the recruitment source – external advertisement in this case, e.g. newspapers. ✓✓
- Design the advertisement – self or recruitment agencies. ✓✓
- Place the advertisement in the selected media. ✓✓

8.2.2 Selection/Short listing ✓

- Draft selection criteria – skills, characteristics and experience that are applicable to the post. ✓✓
- Select the most suitable candidates from the applications (CV's) received. ✓✓
- Compile a shortlist of most suitable candidates. ✓✓
- Inform shortlisted candidates of the interview. ✓✓

8.2.3 Interview ✓

- The interview panel must be thoroughly prepared – venue, time, preparation of questions, etc. ✓✓
- Avoid discriminatory questions. ✓✓
- The candidates must be made to feel at ease. ✓✓
- This process should be recorded/minuted for reference purposes. ✓✓
- The candidates must also be given an opportunity to respond and ask questions. ✓✓
- Also plan for possible profile/practical tests as part of interview. ✓✓

8.2.4 Employee contracts ✓

- When a candidate is appointed, a letter of appointment and a contract of employment must be given to the person. ✓✓
- The letter of appointment is an offer to work for a particular employer. ✓✓
- The contract of employment is a contract between the employer and the employee which binds both parties. ✓✓
- The contract should be in writing. ✓✓
It must include the following:
 - Date of appointment. ✓✓
 - Salary agreed upon. ✓✓
 - Number of days leave. ✓✓

- Specification of work. ✓✓
- Clothing attire and behaviour codes. ✓✓

8.2.5 Induction/Orientation ✓

- Introduction of the new worker to the work/co-workers. ✓✓
- The purpose is to give the worker an overview of the business and make him/her feel comfortable. ✓✓
- Worker must also be introduced to company practices and policies. ✓✓

*** If learner explains placement award 2 marks max.**

Mark allocation:

1 x mark for heading

6 x marks for explanation

7 Marks maximum per section.

(7 x 5)

(35)

8.3 SETA's

- All work sectors are covered by about 27 SETA's. ✓✓
- They identify the skills needs for each business sector. ✓✓
- Is responsible for the drafting of sectoral skill plans. ✓✓
- Implement skills development strategies. ✓✓
- Establish learnerships. ✓✓
- Identify suitable work places for learnerships. ✓✓
- Support the development of training material. ✓✓
- Arrange for training. ✓✓
- SETA's handle the administration of skills development levy's. ✓✓
- SETA's liaise with the National Skills Authority. ✓✓
- SETA's implement two important programmes of the Skills Development Act, i.e. Learnerships and Skills programmes. ✓✓

(Any 5 x 2)

(10)

8.4 Conclusion

- Each step of the recruitment plan should be followed to ensure that the correct person is selected for the job. ✓
- SETA's play an important role in the training and skills development of workers. ✓

(Any other appropriate conclusion)

(Any 2 x 1)

(2)

Breakdown of mark allocation

Details	Maximum	Reduced to	Sub-total	Total
Introduction			3	Max 32
Recruitment	11	7	45	
Selection/short listing	9	7		
Interviews	13	7		
Employee contracts	19	7		
Induction/Orientation	7	7		
SETAs	22	10		
Conclusion			2	
INSIGHT*(LASO)				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality				2
TOTAL MARKS				40

***LASO – For each component:**

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some requirements are met.

Allocate 0 marks where requirements are not met at all.

TOTAL SECTION C: 80

TOTAL MARKS: 300