



# basic education

Department:  
Basic Education  
REPUBLIC OF SOUTH AFRICA

## NATIONAL SENIOR CERTIFICATE

GRADE 12

BUSINESS STUDIES

NOVEMBER 2013

MEMORANDUM

MARKS: 300

This memorandum consists of 35 pages.

**NOTES TO MARKERS**

1. For marking and moderation purposes, the following colours are recommended:

Marker:	Red
Senior Marker:	Green
Deputy Chief and Chief Marker:	Black/Brown/Pink
Internal Moderator:	Orange

2. The numbering of assessment standards is in accordance with the principle of progression from Grades 10 to 12, e.g. the first assessment standard is 12.1.2.
3. Candidates' responses must be in full sentences for SECTIONS B and C. This would depend on the nature of the question.
4. 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.

**NOTE: There are no alternative answers for SECTION A.**

5. Please take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example one mark instead of the maximum of two marks.)
6. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
7. 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 calculations.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

**9. SECTION B**

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

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

- 9.2 If two facts are written in one sentence, award the candidate FULL credit. Point 9.1 still applies.

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

#### 9.4 **USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS**

9.4.1 All questions that require candidates to 'explain and discuss' a specified number of facts will be marked as follows:

- Heading 2 marks
- Explanation 1 mark or as indicated in the memorandum

The 'heading' and 'explanation' are given separately to facilitate mark allocation.

9.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.

9.5 With effect from October/November 2014, ONE mark will be awarded for answers that are easy to recall, require one-word answers or are quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular.

#### 10. **SECTION C**

10.1 The breakdown of the marks for the essays is as follows:

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

10.2 Insight consists of the following components:

Layout/Structure: (Is there an introduction, body, proper paragraphs and a conclusion?)	<b>2</b>
Analysis and interpretation: (Learners' ability to break down the question to show understanding of what is being asked.)	<b>2</b>
Synthesis: (What parts of the question would you have included in the answer? Are there decisions made from a combination of relevant points?)	<b>2</b>
Originality: (Examples, recency of 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 candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.
  3. Sythesis: 0 = Mostly irrelevant facts (not related to the topic)  
1 = Some irrelevant facts  
2 = No irrelevant facts

- 10.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O')
- 10.4 The components of insight are indicated at the end of the suggested answer for each question.
- 10.5 Mark all relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 10.6 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>

**NOTE: The mark allocation for insight may vary for each essay.**

- 10.7 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.)
- 10.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 10.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.
11. Take particular note of the repetition of facts. Indicate with a R.
12. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks at the end of each question. This must be guided by 'max' in the memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
13. Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
14. Please note that with effect from 2012 (final examination), no marks will be awarded for indicating Yes ( $\sqrt{\sqrt{}}$ )/No ( $\sqrt{\sqrt{}}$ ) in evaluation-type questions requiring substantiation or motivation. (Applicable for SECTIONS B and C.)
15. With effect from November 2013, no marks will be allocated if the headings 'Introduction, Conclusion,' etc. in 'Layout' as part of 'Insight' is not supported by an explanation.

**SECTION A****QUESTION 1**

1.1	1.1.1	A√√		
	1.1.2	D√√		
	1.1.3	B√√		
	1.1.4	C√√		
	1.1.5	D√√		
	1.1.6	A√√		
	1.1.7	C√√		
	1.1.8	D√√		
	1.1.9	B√√		
	1.1.10	D√√		(10 x 2) (20)
1.2	1.2.1	Assurance√√		
	1.2.2	Succession planning√√		
	1.2.3	Macro√√		
	1.2.4	Professional code of conduct√√		
	1.2.5	Collective bargaining√√		(5 x 2) (10)
1.3	1.3.1	F√√		
	1.3.2	C√√		
	1.3.3	B√√		
	1.3.4	G√√		
	1.3.5	E√√		(5 x 2) (10)

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

<b>QUESTION 1</b>	<b>MARKS</b>
<b>1.1</b>	<b>20</b>
<b>1.2</b>	<b>10</b>
<b>1.3</b>	<b>10</b>
<b>TOTAL</b>	<b>40</b>

**SECTION B****QUESTION 2****2.1 LO1 AS5 Porter's Five Forces**

- The bargaining power of suppliers.√√
- The bargaining power of buyers.√√
- The threat of substitutes.√√
- The intensity of rivalry among competitors.√√
- Threat posed by new entrants/Barriers to entry.√√

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

(4 x 2) (8)

**2.2 LO1 AS3 CSI**

- Housing.√√
- Creation of jobs/unemployment.√√
- Poverty.√√
- Sports development.√√
- Environmental awareness.√√
- HIV/Aids.√√
- Education and training.√√
- Rural development.√√
- Crime prevention.√√
- Any other relevant answer related to areas of focus for CSI.

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

(Any 4 x 2) (8)

**2.3 LO3 AS10 Stress reduction methods**

- Coaching.√√
- Mentoring.√√
- Engaging in wellness programmes.√√
- Providing incentives and rewards/recognition.√√
- Offering market related salary packages.√√
- Counselling employees.√√
- Improving/re-designing/simplifying tasks.√√
- Motivating employees.√√
- Taking part in decision-making.√√
- Good communication.√√
- Team-building exercises.√√
- Staff development programmes.√√
- Improving work environment.√√
- Treating employee's equally.√√
- Any other relevant answer related to stress reduction methods.

**NOTE: Mark first TWO (2) only**

(2 x 2) (4)

2.4 **LO1 AS 2 Business Strategies**

- 2.4.1 Conglomerate Diversification/Conglomerate.√√ (Diversification√)
- 2.4.2 Market development.√√ (Intensive√)
- 2.4.3 Backward vertical integration/Backward integration.√√  
(Accept Vertical Integration√√ / Vertical√ / Integration.√)
- 2.4.4 Liquidation.√√ (Defensive.√)
- 2.4.5 Horizontal integration.√√ (Horizontal√/Integration.√)

(5 x 2) (10)

2.5 **LO1 AS2 SWOT**

2.5.1

<p style="text-align: center;"><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>- Affordable suits for ladies and gentlemen.√√</li> <li>- Imported shoes and designer jackets/Unique products.√√</li> <li>- Thandi has a degree in business management.√√</li> <li>- Sales manager has a diploma in marketing.√√</li> <li>- New branches in Cape Town and Johannesburg.√√</li> </ul> <p style="text-align: right;">Sub max (4)</p>	<p style="text-align: center;"><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>- Increased transportation costs.√√</li> <li>- Decreased profit.√√</li> <li>- New cashier is inexperienced.√√</li> <li>- Poor customer services/ Unprofessional treatment of customers.√√</li> <li>- Shortened business hours.√√</li> </ul> <p style="text-align: right;">Sub max (4)</p>
<p style="text-align: center;"><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>- Increase in demand for a product.√√</li> <li>- Expansion of market to other cities.√√</li> <li>- BS Boutique closed down/Fewer competitors.√√</li> </ul> <p style="text-align: right;">Sub max (4)</p>	<p style="text-align: center;"><b>THREATS</b></p> <ul style="list-style-type: none"> <li>- Municipality regulations.√√</li> <li>- Increased municipality rates/Increased levies on rates.√√</li> <li>- Increase in fuel price.√√</li> </ul> <p style="text-align: right;">Sub max (4)</p>

Sub max for Strengths (4)

Sub max for Weaknesses (4)

Sub max for Opportunities (4)

Sub max for Threats (4)

**(Max) (16)**

2.5.2 **LO1 AS2 Skills Development**

- There is a lot of paperwork/administrative work.√√ Thandi has to complete the application form/registration form.√
- Thandi will have less money√√because she has to pay the skills levy/trainers.√
- Bureaucracy/Red tape√√ when applying for learnership programmes.√
- Less time is devoted to performance.√√ Thandi has to train/coach/mentor Sam.√
- Short-term loss of profitability√√ because Sam has to take time off to go for training.√
- Sam needs regular training√√ to keep up with the demands of a dynamic working environment/to improve customer care services.√

- Difficult to assess the service providers√√ of SETAs.√
- Once Sam's skills have been improved√√, he/she becomes marketable and may leave the business.√
- When Sam becomes more skilled√√, he/she may demand a higher salary.√
- Any other relevant answer related to challenges/impact of the Skills Development Act on Thandi's Boutique.

(Max) (6)

**2.6 LO3 AS7 Careers**

- Religion√, such as the influence it will have on the career.√
- Risk√, such as job security/skills required in the future.√
- Family ties√, such as the effect the career will have on family time.√
- Morals/Values√, such as the influences or temptations on beliefs and principles.√
- Ethics√, such as vulnerability to bribery and corruption.√
- Relocation√, such as relocation costs to another city/the availability of employment opportunities for spouses.√
- Financial implications√, such as earning a higher salary/fringe benefits.√
- Culture√, such as cultural values and beliefs.√
- Aptitude√, such as the possibility to undergo vocational tests.√
- Interest√, such as suitable personality traits.√
- Skills/qualifications/abilities√ required for the career.√
- Job opportunities√ available in the particular career.√
- Different career paths√ provide various opportunities.√
- Specific skills√ that are in short supply.√
- Working environment√ and associated risks.√
- Any other relevant answer related to factors to be considered when choosing a career.

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

(Any 4 x 2) (8)

**BREAKDOWN OF MARKS**

<b>QUESTION 2</b>	<b>MARKS</b>
<b>2.1</b>	<b>8</b>
<b>2.2</b>	<b>8</b>
<b>2.3</b>	<b>4</b>
<b>2.4</b>	<b>10</b>
<b>2.5.1</b>	<b>16</b>
<b>2.5.2</b>	<b>6</b>
<b>2.6</b>	<b>8</b>
<b>TOTAL</b>	<b>60</b>



**QUESTION 3****3.1 3.1.1 LO2 AS4 Entrepreneurial qualities**

- Vision/to be miles ahead of its competitors.√√
- Passion.√√
- Determination/Opening a successful business when the economy was not favourable.√√

(3 x 2) (6)

**3.1.2 LO2 AS7 JSE**

- Shares are sold to the public/Trading of shares are not restricted.√√
- The business is listed on the Johannesburg Securities Exchange/Johannesburg Stock Exchange (JSE)/JSE Ltd.√√
- Any other relevant meaning of the phrase 'went public on the JSE'.

(Any 1 x 2) (2)

**3.1.3 LO2 AS7 Functions of the JSE**

- Gives opportunities to financial institutions such as insurance companies√ to invest their funds in shares.√
- Serves as a barometer/indicator√ of economic conditions in South Africa. √
- Keeps investors informed on share prices√ by publishing the share prices daily.√
- Acts as a link√ between investors and public companies.√
- Shares are valued√ and assessed by experts.√
- Small investors√ are invited to take part in the economy of the country through the buying of shares.√
- Venture capital market√ is made possible.√
- Orderly market for securities√ serves as a disciplined market for securities.√
- Encourages√ new investments.√
- Mobilises the funds√ of insurance companies and other institutions.√
- Raises√ primary capital.√
- Regulates market √ for dealing with shares.√
- Plans, researches and advises√ on investment possibilities.√
- Ensures that the market√ operates in a transparent manner.√
- Provides protection√ for investors.√
- Encourages short-term √ investment.√
- Facilitates electronic trading√ of shares/STRATE√
- Any other relevant answer related to the functions of the Johannesburg Securities Exchange (JSE.)

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

(Any 4 x 2) (8)

**3.2 LO2 AS5 Human rights**

- **Privacy**√√
  - Business may not violate the rights of the employees and clients.√
  - Information on employees who have disclosed their HIV/Aids status or any chronic illness must be kept confidential.√
  - The employees' personal information must be kept confidential.√
  - Any other relevant answer related to privacy.

Sub max (3)

- **Respect/ Dignity**√√
  - Business must treat all employees with respect/dignity regardless of their socio-economic status.√
  - Any other relevant answer related to respect/dignity.Sub max (3)
  
- **Equity**√√
  - Business must give equal opportunities/not discriminate against their employees on the basis of race/gender/religion/sexual orientation, etc.√
  - Equal pay for work of equal value. √
  - Any other relevant answer related to equity.Sub max (3)
  
- **Freedom of speech**√√
  - Business should allow open communication channels between management and employees.√
  - Business should give employees a platform to raise their grievance without any victimisation and intimidation.√
  - Any other relevant answer related to freedom of speech.Sub max (3)
  
- **Information**√√
  - Business should make all information available to the employees, e.g. policies/work schedules/employment contracts/labour laws such as BCEA, EEA, etc.√
  - Employees should be updated as new information becomes available.√
  - Any other relevant answer related to information.Sub max (3)
  
- **Freedom of association**√√
  - Business should allow the employees to join the trade unions of their choice.√
  - Any other relevant answer related to freedom of association.Sub max (3)
  
- **Freedom to practise own religion**√√
  - Employees should be allowed to practise their religion without any fear.√
  - Employees should be allowed to observe their religious holidays/given time off.√
  - Any other relevant answer related to freedom to practise own religion.Sub max (3)
  
- **Right to health care**√√
  - Business must promote the basic human rights e.g. support workers living with HIV/Aids and those affected by occupationally related illnesses.√
  - Any other relevant answer related to the right to health care.Sub max (3)

- **Fair labour practices**√√
  - Businesses should pay fair salaries and wages.√
  - Businesses must adhere to the terms and conditions of BCEA.√
  - Any other relevant answer related to fair labour practices.

Sub max (3)
- **Education and training**√√
  - Employees should be sent for skills development training programmes.√
  - Coaching and mentoring to prepare employees for managerial positions.√
  - Any other relevant answer related to education and training.

Sub max (3)
- **Safety and protection**√√
  - Employees must work in a safe environment.√
  - Businesses should provide the workers with protective clothing e.g. gloves and footwear.√
  - Any other relevant answer related to safety and protection.

Sub max (3)

**NOTE: 1. Mark first FOUR (4) human rights issues.  
2. If the heading is part of the phrase or sentence, award FULL marks.**

Heading: (2)  
Explanation: (1)  
**(Max) (12)**

3.3 3.3.1 **LO2 AS7 Investments**

$$\begin{aligned} R5\ 000 + R500 (R5\ 000 \times 10\%) &= R5\ 500\sqrt{\sqrt{}} \\ R5\ 500 + R550 (R5\ 500 \times 10\%) &= R6\ 050\sqrt{\sqrt{}} \\ R6\ 050 + R605 (R6\ 050 \times 10\%) &= \mathbf{R6\ 655}\sqrt{\sqrt{}} \end{aligned}$$

**OR**

$$\begin{aligned} P(1+i)^N\sqrt{\sqrt{}} \\ 5\ 000(1+0,1)^3 \quad \mathbf{OR} \quad 5\ 000(1,1)^3 \quad \mathbf{OR} \quad 5\ 000(1,331)\sqrt{\sqrt{}} \\ = \mathbf{R6\ 655}\sqrt{\sqrt{}} \end{aligned}$$

- NOTE: 1. Allocate full marks (6) if the answer is correct and no workings are shown.  
2. If calculations were shown correctly, but the final answer is wrong, award a maximum of FOUR marks.  
3. If the answer is incorrect, award a maximum of TWO marks for the understanding of concept and method.  
4. If there are no workings shown and the answer is incorrect, allocate a ZERO mark.** (6)

3.3.2 **LO2 AS7**

$$\begin{aligned} R6\ 655 \text{ (answer from 3.3.1)} - R5\ 000\sqrt{\sqrt{}} \\ = R1\ 655\sqrt{\sqrt{}} \end{aligned}$$

- NOTE: 1. Award full marks (4) if answer is correct.  
2. If the answer is incorrect, award a maximum of TWO (2) marks for the understanding of concept, method and accuracy.  
3. If there are no workings shown and the answer is incorrect, allocate a ZERO mark.** (4)

**3.3.3 LO2 AS7 Types of investments**

- Unit trust.√√
- Off-shore investment.√√
- Shares.√√
- Notice deposit.√√
- Investment in art.√√
- Stokvel.√√
- Retail bonds.√√
- Investment in a business.√√
- Debentures.√√
- Savings account/Money market.√√
- Any other relevant answer related to the types of investment.

**NOTE: DO NOT ALLOCATE marks for fixed deposit, endowment, retirement annuity and life assurance.**

(Any 2 x 2) (4)

**3.4 LO3 AS3 Professional, responsible, ethical and effective business practice**

- **Regular payment of tax**√√
  - Business is compelled by the law to pay tax to generate income for the government.√
  - Business should not evade tax and should declare all income earned.√
  - Business should pay tax to avoid government penalties and fines.√
  - Any other relevant answer related to payment of tax.

Sub Max (3)
- **Treating all employees equally**√√
  - It is ethical to treat employees equally and this will also prevent conflict in the business.√
  - If a manager treats an employee unfairly, the manager is violating that employee's human rights.√
  - Any other relevant answer related to equal treatment of employees.

Sub Max (3)
- **Payment of fair wages/salaries**√√
  - Employees make a contribution to the success and profitability of the business, therefore they must be remunerated fairly.√
  - Remunerate for working overtime and during public holidays.√
  - Any other relevant answer related to payment of fair wages.

Sub Max (3)
- **Conserving the environment**√√
  - Must not pollute the environment, e.g. disposal/dumping of toxic waste.√
  - Must sustain the natural resources.√
  - Should be involved in environmental awareness programmes.√
  - Any other relevant answer related to conserving the environment.

Sub Max (3)

- **Fair pricing**√√
  - Should charge fair prices for their goods and services.√
  - Should not make unfair profit at the expense of customers/clients.√
  - Any other relevant answer related to fair pricing.

Sub Max (3)
  
- **Fair and ethical advertising**√√
  - Should not use deceptive advertising.√
  - Should not charge a different price for the same good/service that is advertised.√
  - Advertise only goods and services that are available.√
  - Any other relevant answer related to fair and ethical advertising.

Sub Max (3)
  
- **Not starting a venture at the expense of someone else**√√
  - Businesses should not start a venture using other businesses' ideas.√
  - The community/environment/employees must not be disadvantaged by the business.√
  - Any other relevant answer related to not establishing a venture at the expense of someone else.

Sub Max (3)
  
- **Transparency**√√
  - Decisions and actions must be clear to all stakeholders.√
  - Any other relevant answer related to transparency.

Sub Max (3)
  
- **Accountability**√√
  - Businesses should be accountable/responsible for their decisions and actions.√
  - Any other relevant answer related to accountability.

Sub Max(3)

**NOTE:** 1. If the heading is part of the phrase or sentence, award FULL marks.  
2. Mark first FOUR (4) only.

Heading (2)  
Explanation (1)  
**(Max) (12)**

**3.5 LO3 AS5 Importance of personal attitude in leadership****Positives:**

- Attitude releases leadership potential.√√
- A leader's good/bad attitude can influence the success or failure of the business.√√
- Leaders must know their strengths and weaknesses.√√
- Great leaders understand that the right attitude will set the right atmosphere.√√
- Leaders' attitude can influence employees'/ teams' thoughts and behaviour.√√
- Leaders should model the behaviour that they want to see in team members.√√
- Leaders must know and understand their team.√√

**Negatives:**

- May affect publicity/image of the business.√√
- Workers morale may be affected negatively.√√
- May be in conflict with the goals of the business.√√
- The leadership style may lead to conflict within management and employees.√√
- Any other relevant answer related to the importance of personal attitude of a leader in the success/failure of a business.

**NOTE: No sub max.**

(Max) (6)

<b>BREAKDOWN OF MARKS</b>	
<b>QUESTION 3</b>	<b>MARKS</b>
<b>3.1.1</b>	<b>6</b>
<b>3.1.2</b>	<b>2</b>
<b>3.1.3</b>	<b>8</b>
<b>3.2</b>	<b>12</b>
<b>3.3.1</b>	<b>6</b>
<b>3.3.2</b>	<b>4</b>
<b>3.3.3</b>	<b>4</b>
<b>3.4</b>	<b>12</b>
<b>3.5</b>	<b>6</b>
<b>TOTAL</b>	<b>60</b>

**QUESTION 4**

**4.1 4.1.1 LO4 AS5 Types of strikes**

<b>Protected Strike</b>	<b>Unprotected Strikes</b>
<ul style="list-style-type: none"> <li>- Authorised/Legal strike.√√</li> <li>- Procedures required by Labour Relations Act have been followed.√√</li> <li>- Employees cannot be dismissed for embarking on a strike/industrial action.√√</li> <li>- When a deadlock in a Bargaining Council/Collective Bargaining Chamber has been reached.√√</li> </ul>	<ul style="list-style-type: none"> <li>- Unauthorised/Wildcat/ Illegal strike √√</li> <li>- Strike where employees did not follow the procedure required by the Labour Relations Act.√√</li> <li>- Employees can be dismissed for embarking on a strike/industrial action.√√</li> <li>- No attempt to resolve dispute through conciliation.√√</li> </ul>
Sub max (2)	Sub max (2)

Any other relevant differentiation on protected and unprotected strikes.

**NOTE: The differentiation must be clear.**

Sub max for protected strikes (2)  
Sub max for unprotected strikes (2)  
**(Max) (4)**

**4.1.2 LO4 AS5 Grievance procedure**

- An employee with grievances must first bring it to the supervisor's attention, who must attempt to resolve the issue within one working day since the issue was raised.√√
- If the employee is not satisfied with the supervisor's decision, the employee will have a right to raise a formal complaint.√√
- This is done by completing a Formal Grievance Form and submitting it to the relevant level of management.√√
- The relevant management will arrange a meeting within one working day. The time period may be extended upon agreement of both parties.√√
- This meeting shall be attended by the employee, a representative, the supervisor or manager.√√
- The manager ensures that the minutes are kept and the decisions made are recorded on the Formal Grievance Form.√√
- If the employee is not satisfied, he/she will be advised to take it to the highest level of management.√√
- The manager will advise top management who shall arrange the meeting, consisting of the parties named. Minutes shall be kept either in writing or as a tape recording.√√
- The decision will be recorded onto the Formal Grievance Form.√√
- Should the employee still be dissatisfied with the results, he/she may make use of the statutory dispute resolving procedures, which include the Bargaining Council and the Council for Mediation and Arbitration (CCMA).√√

- If workers are still not satisfied, they may take it to the Labour Court.√√
- Any other relevant answer related to the steps in the grievance procedure.

**NOTE: 1. Accept steps in any order.**

**2. Award a maximum of TWO (2) marks for Formal Grievance Form.**

(Max) (10)

4.2 4.2.1 **LO4 AS3 Examples of voluntary deductions**

- Bond repayment.√√
- Insurance premium.√√
- Payment for cell phone contracts.√√
- Vehicle instalments.√√
- Membership fees to a staff association/trade union.√√
- Medical aid.√√
- Funeral scheme.√√
- Extra contribution to a pension fund.√√
- Any other relevant answer related to voluntary deductions.

**NOTE: Mark first TWO (2) only.**

(Any 2 x 2) (4)

4.2.2 **LO4 AS3 Compulsory deduction**

- Deductions as prescribed by law to be deducted from the employees' salaries.√√
- Examples: UIF/personal income tax/(SITE/PAYE)/Pension funds Membership of professional bodies/Garnishee order/Court order.√√

Explanation (2)

Example (2)

**(Max) (4)**

4.2.3 **LO4 AS3 Fringe benefits**

**Positives:**

- Attractive fringe benefit packages may result in higher employee retention/reduces employee turnover√√, e.g. car/cellphone allowance/ funeral benefits.√√
- It increases employee satisfaction/loyalty√√, e.g. wellness programmes/performance based incentives.√√
- Leads to higher productivity,√√ e.g. issuing shares to the employees.√√
- Any other relevant motivation related to fringe benefits.

(Max) (8)

**Negatives:**

- Fringe benefits are additional costs for businesses√√, e.g. travel allowance.√√
- Decreases business profits√√, e.g. high incentive/package costs.√√
- It can create conflict/lead to corruption if allocated unfairly,√√ e.g. favouritism/nepotism.√√
- Any other relevant motivation related to fringe benefits.

**NOTE: 1. Examples could be integrated in the motivation.**

**2. No sub max.**

(Max) (8)



4.3 4.3.1 **LO4 AS3 Employment contract**

- Key performance areas/Duties and responsibilities.√√
- Code of conduct.√√
- Job description.√√
- Name and address of the business/employer.√√
- Name and address and other personal information of the employee.√√
- Job title.√√
- Probation period.√√
- Bonus and salary/employee wage/salary and method of calculating the wage/salary.√√
- Remuneration package/other payments the employee is entitled to.√√
- The date of commencement of employment.√√
- Details of termination of a contract/notice period.√√
- Rate of overtime payment.√√
- All deductions that will be made from the employee salary/wage must be clearly indicated.√√
- Leave.√√
- Working hours.√√
- Any other relevant answer related to the aspects included in an employment contract.

**NOTE: Mark first FIVE (5) only.**

(Any 5 x 2) (10)

4.3.2 **LO4 AS3 Employment contract****Evaluation**

- The terms and conditions of employment are not in accordance with labour legislation/BCEA.√√
- Employees are entitled to leave regardless of work performance.√√
- Hours of work that are not specified could lead to labour exploitation.√√
- Any other relevant answer related to evaluation of leave and working hours.

Sub max (6)

**Recommendation**

- Employees are entitled to 21 days annual leave or 1 day after every 17 days worked.√√
- Working hours are restricted to 8 or 9 hours per day in a 45 hour work week, depending on the employment contract.√√
- A meal interval of 60 minutes after every 5 hours worked, should be allowed.√√
- The contract is incomplete e.g. maximum of 10 hours overtime per week. This must be specified in the contract.√√
- The business will experience many disputes where the contract is not clear/specific.√√
- Any other relevant answer related to recommendation of leave and working hours.

Sub max (6)

Evaluation (6)

Recommendations (6)

**(Max) (10)**

**4.4 LO3 AS4 Sexual harassment**

- Violation of basic human rights that normally happen when someone in power abuses his/her position√√, e.g. gesture/remark/action/suggestive behaviour which victimises the worker.√
- Sexual harassment is forbidden by law√√, e.g. any advances, gestures or remarks of sexual nature which victimises the individual/touching a person in a sexual manner.√
- The affected party is normally too scared to report the incident√√, due to fear of victimisation.√
- Manager promises an increase in salary or a promotion/Quid pro quo harassment√√ in exchange for sexual favours.√
- Any other relevant description, example in discussing sexual harassment.

Sub max (6)

**Proposal for improvement**

- Businesses must educate their employees in this regard.√√
- Act against the guilty party by notifying the police.√√
- Encourage victim to report the case.√√
- Formulate a clear policy regarding sexual harassment.√√
- Ensure compliance with the law.√√
- Make others aware of the problem, of their own rights and the rights of others.√√
- Create good working conditions where the employees' rights and dignity are respected.√√
- Implement disciplinary procedures.√√
- Implement clear complaint procedures.√√
- Any other relevant answer related to ways in which businesses should address sexual harassment.

Sub max (6)

Discussion (6)  
Proposal (6)  
**(Max) (10)**

**BREAKDOWN OF MARKS**

QUESTION 4	MARKS
4.1.1	4
4.1.2	10
4.2.1	4
4.2.2	4
4.2.3	8
4.3.1	10
4.3.2	10
4.4	10
<b>TOTAL</b>	<b>60</b>

**TOTAL SECTION B: 180**

**SECTION C****QUESTION 5 LO1 AS3 BBBEE pillars****5.1 Introduction**

- Broad-Based Black Economic Empowerment (BBBEE) creates opportunities for people who were previously excluded from participating in the South African economy.√
- BBBEE empowers black people including women, youth, and people with disabilities and people living in rural areas.√
- BBBEE is a mechanism to transform all business in South Africa.√
- The aim of BBBEE is to address the shortcomings of the Employment Equity Act, BEE and affirmative action as a whole.√
- The BBBEE Act deals with codes of good practice and industry charters.√
- Any relevant introduction related to BBBEE.

**NOTE: 'Black' in this question refers to Africans, Coloureds and Indians**

Any (3 x 1) (3)

**5.2 Explanation (OPTION 1)****5.2.1 Impact of BBBEE pillars on businesses****5.2.1.1 Ownership.√√**

- Business should include black people in shareholding/partnerships/franchises.√√
- Exempted Micro Enterprises (EME's) with an ownership of 50% or more of black people in management are promoted to level 3 of the BBBEE scorecard.√√
- More opportunities are created for black people to become owners/entrepreneurs.√√
- Businesses sometimes find it difficult to find suitable black business partners/ shareholders.√√
- Many black people cannot afford shares/contributions to partnerships.√√
- Any other relevant answer related to the impact of ownership/direct empowerment according to BBBEE.

Sub max (6)

**5.2.1.2 Management.√√**

- Appointing black people in senior executive positions/to management.√√
- Business must ensure black female representation in management.√√
- When companies sell 25,1% of their companies' shares to black investors to become directors e.g. the business will score points in both management and ownership.√√
- Due to a shortage of skilled black managers/directors, some businesses find it difficult to make appointments.√√
- Any other relevant answer related to the impact of management/human resources development according to BBBEE.

Sub max (6)

**5.2.1.3 Employment Equity.**√√

- Business should employ suitable and qualified employees regardless of gender/race/culture/etc.√√
- Workplace should represent the demographics of the country.√√
- Voluntary employment equity targets are set and then monitored by the government.√√
- Creates a brain drain e.g. qualified expertise emigrate to other countries where there will be no discrimination.√√
- Businesses must have Employment Equity Plan in place – costly and takes time to draft and keep updated.√√
- May lead to conflict between management and employees/colleagues.√√
- Any other relevant answer related to the impact of Employment Equity according to BBEE.

Sub max (6)

**5.2.1.4 Skills Development.**√√

- Business must engage black employees in skills development initiatives.√√
- Provide learnerships and learning programmes to black employees.√√
- Business must contribute 1% of their payroll to fund the skills development programmes.√√
- Business benefits from the increased pool of skilled/trained workers.√√
- Business must go the extra mile to train staff where learnerships are not offered.√√
- Productivity is compromised as mentors/coaches have to find the time to participate in learnerships/training.√√
- Any other relevant answer related to the impact of skills development according to BBEE.

Sub max (6)

**5.2.1.5 Preferential procurement/Suppliers.**√√

- Outsource services to suppliers that are BBEE compliant.√√
- Business should support suppliers with diversity in their ownership.√√
- Businesses must use suppliers who have a high BBEE rating.√√
- Suppliers purchasing from BBEE compliant businesses are given preference to Government tenders.√√
- Businesses are measured according to the ownership status of their suppliers and will score points if they come from disadvantaged groups.√√
- Businesses may not have a choice but to use the preferred suppliers.√√
- Business may outsource their services to unreliable suppliers.√√
- Any other relevant answer related to the impact of preferential procurement according to BBEE.

Sub max (6)

**5.2.1.6 Enterprise development.**√√

- Businesses are encouraged to invest/support black owned SMME's.√√
- Contribution can be monetary or non-monetary.√√
  - Monetary examples: Loans/investments/donations.√√
  - Non-monetary examples: consulting services/advice/entrepreneurial programmes/any other support.√√
- Small/Large businesses may not be able to afford enterprise development investment/support.√√
- Black owned SMME's may become too reliant on support from other businesses and are unable to take their own initiatives.√√
- Any other relevant answer related to the impact of enterprise development/ indirect empowerment according to BBBEE.

Sub max (6)

**5.2.1.7 Corporate Social investment (CSI)/Social Responsibility.**√√

- Business contributions towards social investment projects may be too costly and time consuming.√√
- CSI focuses on the following critical areas, e.g. environmental awareness, conservation, education, waste management, housing, poverty, unemployment etc., which can affect growth and development in the country.√√
- The community may not support the enterprise i.e. does not buy the product of the enterprise.√√
- Difficulty in adherence to legislation governing the CSI.√√
- Small and medium enterprises find it difficult to implement CSI programmes.√√
- Distribution of scarce CSI resources to selected beneficiaries in the community may cause problems such as discrimination.√√
- CSI activities can distract businesses from the core commercial functions.√√
- Social involvement is paid from enterprise's profit that could have been used to lower prices and this could benefit customers.√√
- Detailed reports must be drawn up.√√
- Social spending reduces an enterprise's economic efficiency, making it less competitive.√√
- Any other relevant answer related to the impact of CSI/Social responsibility according to BBBEE.

Sub max (6)  
**(Max) (30)****NOTE: Mark the first FIVE (5) pillars only.**

**OPTION 2**

**The alternative classification of BBBEE pillars:**

Direct Empowerment	Ownership	Sub max (6)
	Management	Sub max (6)
Human Resources Development	Employment Equity	Sub max (6)
	Skills Development	Sub max (6)
Indirect Empowerment	Preferential Procurement	Sub max (6)
	Enterprise development	Sub max (6)
	CSR/CSI	Sub max (6)

**OPTION 3**

**New amended BBBEE elements:**

Ownership
Management Control
Skills development
*Enterprise and *Supplier development
Socio-economic development

- NOTE: 1. Option 2 and 3 - Mark first FIVE(5) pillars.  
2. \* Denote two separate pillars.**

**5.3 Role of the government.**

- Prescribes scorecards to score small and other businesses.√√
- Trains business to be able to correctly implement the scorecards.√√
- Gives recognition certificates to those businesses which comply with this Act.√√
- Allocates tenders to compliant businesses.√√
- Uses the services of businesses that comply with legislation.√√
- Prevents and acts on fronting.√√
- Compiles and makes available a national register of BBBEE compliant businesses.√√
- Imposes penalties/fines on businesses that do not comply with the BBBEE Act.√√
- Any other relevant answer related to the role of the government.

Sub max (8)

**5.4 Conclusion**

- It is a practical growth strategy that aims to stimulate economic growth.√√
- It is a good strategy of government to address the imbalances of the past.√√
- To promote access to finance for Black Economic Empowerment.√√
- Any other relevant conclusion related to the pillars of BBBEE.

(Any 1 x 2) (2)

- NOTE:** 1. Candidates should be awarded marks when examples demonstrate understanding.
2. If another approach is used in answering this question, take into consideration the sub max's as indicated above.

**BREAKDOWN OF MARKS**

<b>DETAILS</b>	<b>MAXIMUM</b>	<b>TOTAL</b>
Introduction	<b>3</b>	<b>Max 32</b>
Impact of any FIVE pillars on business	<b>30</b>	
Role of the Government	<b>8</b>	
Conclusion	<b>2</b>	
<b>INSIGHT</b>		
Layout		<b>2</b>
Analysis, interpretation		<b>2</b>
Synthesis		<b>2</b>
Originality, examples		<b>2</b>
<b>TOTAL MARKS</b>		<b>40</b>

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirement are not met at all.

**QUESTION 6 LO2 AS6 Presentation of information****6.1 Introduction**

- Business managers need to present information about their business to stakeholders.√
- Reporting the financial position, demonstrating new technology, explaining a business idea to investors.√
- Presenting the business plan/vision/direction of the business.√
- Any other relevant introduction related to presenting business information.

Any (3 x 1) (3)

**6.2 Preparation**

- Decide on the purpose of the presentation.√√
- Establish the main points that you are going to make.√√
- Consider the background of the audience and use appropriate methods to address them.√√
- Find out about the venue for the presentation, e.g. what equipment is available.√√
- Consider the time frame for presentation.√√
- Plan the format of presentation (verbal/non-verbal, explanation, discussion).√√
- Prepare for the feedback session.√√
- Prepare graphics such as tables/diagrams/graphs.√√
- Rehearse so that you are confident.√√
- Make sure that information is relevant and accurate.√√
- Make sure that you are fully conversant with the content and the objectives of the presentation.√√
- Any other relevant answer related to the preparation of a presentation.

(Max) (10)

**6.3 Various methods of presentation****6.3.1 Verbal/Oral presentation**√√

- Refers to the spoken word.√√
- Most common means of sharing business information.√√
- Immediate feedback can be given/received.√√
- Voice may be too soft.√√
- Possible language barrier.√√
- Negative environmental disturbances, e.g. outside noise/restless target audience.√√
- Any other relevant answer related to the evaluation of a verbal presentation.

Sub max (4)



**6.3.2 Non-verbal**√√

- Posture: Can communicate a variety of messages, e.g. standing upright usually conveys the message that you are self-confident and positive.√√
- Facial expression: Looking at the ceiling, combined with a serious expression often communicate a different message.√√
- Eye contact: Usually improves communication.√√
- Gestures: Your hand and body movements convey specific information to others.√√
- Cultural differences: May result in a different interpretation of the information.√√
- Body language: May prevent/promote effective communication.√√
- Any other relevant answer related to the evaluation of a non-verbal presentation.

Sub max (4)

**6.3.3 PowerPoint**√√

- Graphic programmes have the capacity to convey ideas and support what the presenter says.√√
- Simple/Less cluttered slides may capture the interest of the audience.√√
- Video clips can provide variety and capture the attention of the audience.√√
- Variation of colour and background immediately capture the attention of the audience and retain their interest throughout the presentation.√√
- Unprofessional handling of PowerPoint presentation material can lead to irritation/may result in the audience losing interest.√√
- Less effective to people with audio-visual impairments.√√
- Simply reading off the slides makes a presentation boring/meaningless.√√
- Any other relevant answer related to the evaluation of a PowerPoint presentation.

Sub max (4)

**6.3.4 Graphics/Visuals**√√

- Graphics include tables/graphs/line graphs/pie graphs/histograms/bar graphs/column graphs.√√
- Makes it easier to understand concepts that are presented.√√
- Keeps the audience focused.√√
- Simple and clear graphics/visuals make it easier to understand/follow the presentation.√√
- Enhances the quality of the presentation.√√
- Very useful when presenting financial information to management.√√
- Not all people have the same understanding of graphics/visuals.√√
- Too much graphics/visuals may lead to confusion/loss of interest in the presentation.√√
- Any other relevant answer related to the evaluation of graphics/visuals.

Sub max (4)

**6.3.5 Written information/Reports/Manuals/Notices**√√

- This type of presentation is based on feedback from research/investigation/ survey.√√
- Reports in printed form may be distributed to all participants.√√
- Accurate information/reports may result in better decision making.√√
- Organised information can save reading time.√√
- Written information/Reports must be relevant to its target audience.√√
- Reports containing long sentences/poor language may make it difficult for readers to understand the content.√√
- Reports/Manuals that do not meet the delegates needs, may be irrelevant/meaningless.√√
- Any other relevant answer related to the evaluation of written reports.

Sub max (4)

**6.3.6 Electronic** √√

- It includes faxes/video conferencing/telephone conferencing/e-mails/ Twitter/Facebook pages/websites/e-commerce.√√
- Information reaches its target users quicker.√√
- Transaction/Meeting time may be reduced.√√
- It may lead to corruption, e.g. fraudulent transactions.√√
- Target audience may not be familiar or be able to use new electronic communication technology.√√
- Target audience may not have access to electronic technology.√√
- Any other relevant answer related to the evaluation of an electronic presentation.

Sub max (4)

**NOTE: Mark first FOUR (4) methods only.****(Max) (16)****6.4 Handling feedback**

- Is part of the communication process when a person evaluates the work of another person to ensure that high standards are maintained.√√
- Stand up throughout the feedback session.√√
- Be polite, confident and courteous.√√
- In order to be prepared, try to anticipate questions/comments. √√
- Presenter should ensure that he/she understands each question/comment before responding.√√
- Listen and then respond.√√
- Must always address questions and not the person.√√
- Acknowledge good questions.√√
- Rephrase questions if uncertain.√√
- Do not get involved in a debate.√√
- Presenter should not avoid the question if he/she does not know the answer; but rather refer it to the audience.√√
- Address the whole audience and not only the person asking the question.√√
- Any other relevant answer related to factors to be considered when handling feedback.

(Max) (8)

**6.5 Recommendation for improvement**

- Use humour appropriately.√√
- Always be prepared to update or keep your information relevant.√√
- Reflect on any problem or criticism and avoid it in future presentations.√√
- Any information received as feedback from a presentation should be analysed and where relevant, incorporated or used to update or amend your presentation.√√
- Any other recommendation related to the improvement of presentations.

(Max) (4)

**6.6 Conclusion**

- A well-prepared presentation creates a good impression and will attract potential investors.√√
- A good presentation promotes the image of the business/owner/management.√√
- Any other relevant conclusion related to presenting information.

(Any 1 x 2) (2)

- NOTE: 1. Candidates should be awarded marks when examples demonstrate understanding.**
- 2. If another approach is used in answering this question, take into consideration the sub max's as indicated above.**

**BREAKDOWN OF MARKS**

<b>DETAILS</b>	<b>MAXIMUM</b>	<b>TOTAL</b>
Introduction	<b>3</b>	<b>Max 32</b>
Preparation	<b>10</b>	
Various methods of presentation	<b>16</b>	
Handling feedback	<b>8</b>	
Recommendation for improvement	<b>4</b>	
Conclusion	<b>2</b>	
<b>INSIGHT</b>		
Layout		<b>2</b>
Analysis, interpretation		<b>2</b>
Synthesis		<b>2</b>
Originality, examples		<b>2</b>
<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 7 LO3 AS8 Problem-solving****7.1 Introduction**

- Creative thinking is the ability to look at problems/challenges differently.√
- Creative thinking is a process of generating something new that is valuable/useful, e.g. using new ideas on existing challenges.√
- Problem solving techniques require creative thinking.√
- Business needs to identify/address barriers to avoid lengthy problem-solving processes, which result in unnecessary costs.√
- Any other relevant introduction related to problem-solving/creative thinking.

(Any 3 x 1) (3)

**7.2 Role of creative thinking in problem-solving**

- Creative thinking plays an important role in the success of the business and boosting employee morale.√√
- Creative thinking skills are important when solving a problem/where there are various options to find solutions.√√
- Creative thinking is necessary to gain success in the competitive business world.√√
- Generating ideas, formulating plans and solving problems require an element of creative thinking skills.√√
- Any other relevant answer related to the role of creative thinking in problem-solving.

(Max) (4)

**7.3 Process/Problem-solving steps**

- Identify the problem.√√
  - JCM must recognise that low productivity/profitability is a problem.√√
  - Failure to identify the problem can prevent JCM from achieving its business goals and objectives.√√
- Define the problem.√√
  - JCM must define low productivity/profitability, e.g. employees are not reaching predetermined targets/suppliers are supplying inferior quality products.√√
  - Write down the possible causes of low productivity/profitability.√√
- Identify alternative solutions.√√
  - JCM must generate a wide range of possible solutions, e.g. through brainstorming/creative and/or lateral thinking.√√
  - Investigate to make sure all aspects of the problem are fully understood.√√
- Evaluate alternative solutions.√√
  - JCM must use critical evaluation and analysis skills to evaluate each solution.√√
  - Consider the advantages and disadvantages of each alternative solution.√√

- Choose the best solution.√√
  - JCM must set criteria for the best solution, in terms of aspects such as time/cost/risk involved.√√
  - The best solution should match the size and the resources of the business.√√
  - If the solution is not appropriate, go back to defining the problem.√√
- Formulate/Develop an action plan.√√
  - JCM must arrange the necessary resources and delegate tasks.√√
  - JCM may create Gantt charts/set deadlines.√√
- Implement the action plan.√√
  - JCM must carry out the planned actions.√√
- Evaluate the solution/action plan.√√
  - JCM must continuously monitor/test the solution/action plan.√√
  - If problems emerge, JCM must recognise and re-formulate the problem for improved solutions in the future.√√
  - Take corrective measures.√√
- Any other relevant answer related to the steps of problem-solving.  
**NOTE: Mark steps in any order.**

Heading (2)  
Application (2)  
**(Max) (20)**

## 7.4 Evaluation of Delphi and brainstorming techniques

### 7.4.1 Delphi

#### Positives

- JCM may use a group of experts without bringing them together.√√
- The experts will give JCM clear ideas and solutions on how to improve on low productivity/profitability.√√
- Information received from experts can be kept confidential.√√
- It reduces noise levels in an office environment since there is no group discussion.√√

#### Negatives

- It is an expensive technique to use due to high administrative costs.√√
- May be time consuming and complicated to analyse data received from experts.√√
- Not all experts are willing/interested to give feedback/complete questionnaires.√√
- Some experts might not have an in-depth knowledge of certain topics.√√

Any other relevant answer related to the evaluation of the Delphi technique.

Sub max (4)

**7.4.2 Brainstorming****Positives**

- It promotes creative thinking as all stakeholders can come up with/generate creative ideas.√√
- JCM can involve employees to build on each other's ideas without fear of criticism.√√
- Allows employees with different backgrounds/experiences to understand each other's viewpoints.√√
- It motivates and develops team spirit.√√

**Negatives**

- Brainstorming is time-consuming as all stakeholders/employees may generate too many ideas which can delay decision-making.√√
- Some team members may dominate discussion.√√
- Fear of criticism may prevent full participation in brainstorming sessions.√√
- It may lead to 'group think'/some individuals may not give their opinions.√√
- Discussion may result in conflict due to differences in opinion.√√

Any other relevant answer related to the evaluation of the brainstorming technique.

Sub max (4)  
**(Max) (8)**

**7.5 Barriers to problem-solving.**

- Lack of creativity.√√
- Self-imposed barriers.√√
- Lack of skilled employees/managers.√√
- High rate of absenteeism, due to HIV/AIDS or other diseases.√√
- Lack of motivation/low morale.√√
- Fear of rejection may result in good ideas or solutions not being made.√√
- Poor working conditions.√√
- Lack of resources/infrastructure.√√
- Physical barriers, e.g. noise, poor work environment.√√
- Social barriers.√√
- Financial barriers.√√
- Any other relevant answer related to barriers to problem-solving.

(Max) (8)

**7.6 Conclusion**

- Business environment is dynamic and challenging. Business need to be creative to arrive at the best solution.√√
- Successful businesses are always looking for new and innovative ways of solving problems.√√
- Any other relevant conclusion related to creative thinking and problem-solving.

(Any 1 x 2) (2)

- NOTE:-**
1. Candidates should be awarded marks when examples demonstrate understanding.
  2. If another approach is used in answering this question, take into consideration the sub max's as indicated above.

**BREAKDOWN OF MARKS**

DETAILS	MAXIMUM	TOTAL
Introduction	3	<b>Max 32</b>
Role of creative thinking	4	
Steps in problem solving	20	
Evaluation of Delphi and Brainstorming techniques	8	
Barriers to problem solving	8	
Conclusion	2	
<b>INSIGHT</b>		
Layout		<b>2</b>
Analysis, interpretation		<b>2</b>
Synthesis		<b>2</b>
Originality, examples		<b>2</b>
<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 8 LO4 AS3 Business functions****8.1 Introduction**

- Top management is ultimately responsible for quality of performance.√
- Senior executives need to be able to guide and direct in order to improve performance.√
- Everyone employed in a business has a role to play in realising the goal of quality performance.√
- Quality cannot always be achieved when one person in a business works towards a particular/personal goal.√
- Any other relevant introduction related to quality of performance within business.

(Any 3 x 1) (3)

**8.2 8.2.1 Target market.**

- Win customers by satisfying their needs/wants.√√
- Build positive relationships with identified target market.√√
- Conduct market analysis.√√
- Identify competitive edge.√√
- Differentiate products.√√
- Constantly review value issues.√√
- Communicate effectively with customers in order to get feedback from customers about their experiences of the products and services sold.√√
- Co-ordinate distribution with the production and advertising strategies.√√
- Use pricing techniques to ensure a competitive advantage.√√
- Measure the gaps between customer expectations and their actual experiences so that problems regarding quality of products can be diagnosed and addressed.√√
- Make adjustments and changes to products and services based on feedback received from customers.√√
- Use aggressive advertising campaigns to increase/sustain the market share.√√
- Any other relevant answer related to quality of performance in reaching the target market.

Sub max (6)

**8.2.2 Manage debts**

- Implement a credit granting and collection policy/set credit limits.√√
- Compile realistic budgets and have good budget control.√√
- Determine the need for funds.√√
- Acquire funding from suitable sources.√√
- Apply funds effectively.√√
- Keep debts within acceptable limits.√√
- Profitability ratios must be prepared by the financial manager and presented to management to analyse and make decisions.√√
- Take legal action against non-paying debtors/clients.√√
- Any other relevant answer related to quality of performance in managing debts.

Sub max (6)



**8.2.3 Attract and retain skilled employees.**

- Find the most suitable person for the job.√√
- Appoint a person to the position where his/her capabilities can be used to the advantage of a business.√√
- Continuous training and development of staff.√√
- Appropriate training and development programmes can lead to stable staff/low rate of staff turnover.√√
- Make use of learnership programmes.√√
- Have a clearly spelt out job specification and job description.√√
- Offer attractive remuneration packages.√√
- Any other relevant answer related to quality of performance in attracting and retaining skilled employees.

Sub max (6)

**8.2.4 Image of the enterprise.**

- Promote a positive image by liaising with the relevant stakeholders.√√
- Release regular press statements.√√
- Through publicity, the business enjoys a positive image in society.√√
- The business must attain a respectable position in society.√√
- Other management functions are influenced by public relations e.g. improved customer relations.√√
- Engage in CSR and other broader social responsibility projects.√√
- Counter negative publicity.√√
- Any other relevant answer related to quality of performance in promoting the image of the business.

Sub max (6)

**8.2.5 Outdated methods of record-keeping.**

- Collect and capture data at all times.√√
- Ensure that captured data or information is accurate.√√
- Process the data and information timeously.√√
- Make information available to management so that they can react to opportunities and threats.√√
- Apply technology efficiently.√√
- Create a proper filing system for debtors, creditors, salaries, stock, etc.√√
- Quick handling of complaints in an effective manner.√√
- Change to e-filing (electronic filing)/e-information (electronic information)/e-communication (electronic communication).√√
- Training in current administration developments.√√
- Any other relevant answer related to quality of performance in improving record-keeping methods.

Sub max (6)  
**(Max) (30)**

**8.3 General management.**

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

(Max) (10)

**8.4 Conclusion**

- Business must always focus on satisfying customers' needs.√√
- Always strive to maintain quality of performance in its overall business operations.√√
- Keep abreast with current business developments.√√
- The functions should not operate in isolation/are closely interrelated.√√
- Continuous monitoring and evaluating of the performance management systems/Total Quality Management Systems (TQMS).√√
- Any other relevant conclusion related to the quality of performance within the above-mentioned challenges and general management function.

(Any 1 x 2) (2)

**[40]**

- NOTE: 1. Candidates should be awarded marks when examples demonstrate understanding.**
- 2. If another approach is used in answering this question, take into consideration the sub max's as indicated above.**

**BREAKDOWN OF MARKS**

<b>DETAILS</b>	<b>MAXIMUM</b>	<b>TOTAL</b>
Introduction	<b>3</b>	<b>Max 32</b>
Recommendations	<b>30</b>	
Quality of performance of the General Management function	<b>10</b>	
Conclusion	<b>2</b>	
<b>INSIGHT</b>		
Layout		<b>2</b>
Analysis, interpretation		<b>2</b>
Synthesis		<b>2</b>
Originality, examples		<b>2</b>
<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.

**TOTAL SECTION C: 80**  
**GRAND TOTAL: 300**