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KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA



**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

**BUSINESS STUDIES
COMMON TEST
MARCH 2023**

MARKS: 100

TIME: 1½ hours

This question paper consists of 8 pages.



INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

- This question paper consists of THREE sections.

SECTION A: COMPULSORY
SECTION B: Consists of THREE questions
Answer any TWO of the three questions in this section.
SECTION C: Consists of TWO questions
Answer any ONE of the two questions in this section.
- Read the instructions for each question carefully and take particular note of what is required.

Note that ONLY the first TWO questions answered in SECTION B and the first question answered in SECTION C will be marked.
- Number the answers correctly according to the numbering system used in this question paper. NO marks will be awarded for answers that are numbered incorrectly.
- Except where other instructions are given, answers must be in full sentences.
- Use the mark allocation and nature of each question to determine the length and depth of an answer.
- Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	20	20
B: THREE direct/indirect-type questions CHOICE: Answer ANY TWO	2	20	20
	3	20	20
	4	20	20
C: TWO essay-type questions CHOICE: Answer ANY ONE	5	40	30
	6	40	30
TOTAL		100	90

- Begin the answer to EACH question on a NEW page, e.g. QUESTION 1 – new page, QUESTION 2 – new page.
- You may use a non-programmable calculator.
- Write neatly and legibly.

COMPULSORY**QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 This Act set minimum requirements /standards for the employment contract.

- A. Employment Equity Act (EEA), 1998 (Act 55 of 1995)
- B. Labour Relations Act (LRA), 1995 (Act 66 of 1995)
- C. Basic Conditions of Employment Act (BCEA) 1997 (Act 75 of 1997)
- D. Consumer Protection Act (CPA), 2008 (Act 68 of 2008)

1.1.2 The purpose of an interview is to...

- A. outline the responsibilities of the job
- B. invite possible candidates to apply for the vacant post
- C. make employee feel comfortable
- D. evaluate the skills and personal characteristics of the applicant

1.1.3 Smith Ltd always act in a way that is consistent with what society and individuals think are good values. This is known as...

- A. unethical behaviour
- B. professional behaviour
- C. ethical behaviour
- D. unprofessional behaviour

1.1.4 The role of SETAs is to...

- A. contribute 1% of their income to SARS
- B. oversee training in different sectors of the South African economy
- C. eliminate discrimination in the workplace
- D. train employees

1.1.5 BQ Boutique used ...as a suitable source to conduct internal recruitment.

- A. newspaper
- B. national radio
- C. business notice board
- D. recruitment agencies

(5 x 2) (10)



- 1.2 Choose a description from COLUMN B that matches a term in COLUMN A.
Write down the correct alphabet only e.g. (A-J) next to the question numbers
(1.2.1-1.2.5) in the ANSWER BOOK, e.g. 1.2.6 K.

COLUMN A	COLUMN B
1.2.1 Overtime  1.2.2 Force-field analysis 1.2.3 Problem-solving 1.2.4 National Skills Development Strategy(NSDS) 1.2.5 Pension Fund	A. choosing the force with the lowest score as a solution B. compulsory benefit offered by businesses to its employees C. promotes social development and helps alleviate poverty D. workers cannot work more than 10 hours overtime per week E. the fringe benefit offered by businesses to its employees F. various alternatives are considered before deciding on the best one G. summary of factors supporting and opposing a business solution H. improves social development through economic development I. workers cannot work more than 15 hours overtime per week J. alternative solutions are generated and critically evaluated

(5 x 2)

(10)



SECTION B

Answer ANY TWO questions from the scenario.

Clearly indicate the QUESTION NUMBER of each question that you choose.

The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a NEW page, QUESTION 3 on the NEW page.

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name any TWO pillars of Broad –Based Economic Empowerment Act, 2003 (Act 53 2003) (2)
- 2.2 Explain how SETAs funded. (4)
- 2.3 Read the scenario below and answer the questions that follow:

BARRET MANUFACTURERS (BM)

Barret Manufacturers (BM) formed bargaining council for collective bargaining purposes. Employees are allowed to join trade union of choice. Salaries of trade union representatives were deducted for taking reasonable time off to attend trade union duties. The trade union representatives referred the salary deductions matter to CCMA to be resolved. The workers of BM recently engaged in an unprotected strike. BM dismissed employees who recently engaged in unprotected strikes.

- 2.3.1 Quote the rights of employers and employees as stipulated in the Labour Relations Act (LRA), 1995 (Act 66 of 1995) from the scenario above. (4)

Use the table below as a guide to answer QUESTION 2.3.1

RIGHTS OF EMPLOYER	RIGHTS OF EMPLOYEE
1.	1.
2.	2.

- 2.3.2 Discuss the negative impact of Labour Relations Act (LRA), 1995 Act 66 of 1995) on BM. (6)
- 2.4. Suggest ways in which businesses can comply with the Compensation for Occupational Injuries and Diseases Amended Act, 1997 (Act 61 of 1997). (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1. State any FOUR reasons for the termination of an employment contract. (4)
- 3.2. Outline the legal requirements of an employment contract (4)
- 3.3. Read the scenario below and answer the questions that follow

NAZREEN LEGAL SERVICES (NLS)

Nazreen Legal Services conducted an induction programme for its new employees. The programme included the tour of the premises and overview of the business. New employees were familiarised with the organisational structure of the business.

- 3.3.1 Quote TWO aspects of induction from the scenario above (2)
- 3.3.2 Discuss the benefits of induction to NLS. (6)
- 3.4 Evaluate impact of fringe benefits on businesses (4)

[20]

QUESTION 4: (MISCELLANEOUS TOPICS)**BUSINESS OPERATIONS**

- 4.1. Name TWO salary determination methods businesses can use to pay employees. (2)
- 4.2. Read the scenario below and answer the questions that follow.

NGCEBO DIGITAL

Ngcebo Digital identified vacancies in the business. Job analysis was prepared and vacancies were advertised in the local newspaper. ND ensures that employees rights are not violated.

- 4.2.1. Identify the human resource activity applicable to Ngcebo Digital. (2)
- 4.2.2. Discuss the selection procedure that ND should follow when filling the vacancies. (6)

BUSINESS ROLES

- 4.3. Outline any TWO problem-solving steps (4)
- 4.4. Analyse the impact of brainstorming technique in solving complex businesses problems. (6)

[20]**TOTAL SECTION B: 40**

SECTION C

Answer ANY **ONE** question from this section.

NOTE: Clearly indicate the QUESTION NUMBER of the question chosen. The answer must start on a NEW page, QUESTION 5 on a NEW page OR QUESTION 6 on NEW page.

QUESTION 5: BUSINESS ENVIRONMENTS: (LEGISLATION)

The Employment Equity Act (EEA), 1998 (Act 55 of 1998) was introduced to promote equity in the workplace. Equal opportunities are given to everyone regardless of race, gender, disability, etc. Businesses not complying with EEA requirements could face penalties.

Write an essay on the Employment Equity Act in which you include the following aspects:

- Outline the purpose EEA
- Explain the impact of EEA on businesses
- Discuss ways in which businesses could comply with EEA
- Advise businesses on penalties/consequences for non-compliance with this Act.

[40]**QUESTION 6 BUSINESS ROLES: (PROFESSIONALISM AND ETHICS)**

Businesses are expected to conduct their operations in an ethical and professional manner guided by the King Code principles of good corporate governance. Tax evasion and sexual harassment may pose challenges for businesses. Businesses should therefore develop strategies to deal with these practices to remain competitive and sustainable.

Write an essay on the Employment Equity Act in which you include the following aspects:

- Outline ways in which professional, responsible, ethical and effective business practices should be conducted
- Explain how businesses can apply transparency and accountability as King Code principles for good corporate governance.
- Discuss how tax evasion and sexual harassment pose challenges for businesses.
- Recommend strategies to deal with the unethical and unprofessional business practices discussed above.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 100



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MARKING GUIDELINE

MARKS: 100

TIME: 1½ hours

This marking guideline consists of 24 pages.

PREAMBLE

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

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

Marker:	Red
Senior Marker:	Green
Deputy Chief Marker:	Brown
Chief Marker:	Pink
Internal Moderator:	Orange
DBE Moderator:	Turquoise
2. Candidates' responses must be in full sentences for SECTIONS B and C. However, this would depend on the nature of the question.
3. 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 relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts as well as for calculation 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:** *'CO/DA 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 assessing 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 or use the word 'Cancel'.

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

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

- 14.3 If candidates are required to provide their own examples/views, brainstorm this at memo discussion.

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, require 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:
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/subheadings/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-questions) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum ONE (1) mark for synthesis. Option 3: Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, of the the question with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) for synthesis. Option 4: No relevant facts: 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no Relevant facts; two '-S' appear in the left margin Award a ZERO mark for synthesis	2
Originality	Is there evidence of examples, not older than two (2) years 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 **SUB MAX/MAX** mark in a subsection has been attained. Write **SUB MAX/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 (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy, where businesses aim to introduce new products into existing markets.'

This will be informed by the nature and context of the question, as well as the cognitive verb used.

15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.



SECTION A: (COMPULSORY)**QUESTION 1****1.1 Multiple choice**

1.1.1 C✓✓

1.1.2 D✓✓

1.1.3 C✓✓

1.1.4 B✓✓

1.1.5 C✓✓

(5x2) (10)

1.2 Matching

1.2.1 D✓✓

1.2.2 G✓✓

1.2.3 J✓✓

1.2.4 H✓✓

1.2.5 E✓✓

(5x2) (10)

TOTAL SECTION A: [20]**BREAKDOWN OF MARK ALLOCATION**

QUESTION 1	MARKS
1.1	10
1.2	10
TOTAL	20



SECTION B:

Mark the FIRST TWO questions only.

Clearly indicate the QUESTION NUMBER OF each question you chose.

QUESTION 2: BUSINESS ENVIRONMENTS**2.1. Pillars of BBBEE**

- Management control✓
- Ownership✓
- Skills development✓
- Enterprise and supplier development✓
- Social responsibility/ socio-economic development✓

Note: Mark first TWO only

(2 x 1) (2)

2.2 Funding of SETAs

- Skills Development levies are paid by employers to SARS✓ as a collecting agency for the government. ✓
- Employers who have a salary bill that exceeds R500 000 per annum✓, should pay one percent (1%) of their annual salaries as a levy. ✓
- The different SETAs receive 80% of the levy for organisational expenses✓ and the remaining 20% is paid to the National Skills Fund. ✓
- Donations/Grants received✓ from the public/businesses/CSI programmes. ✓
- Surplus funds✓ from government institutions. ✓
- Funds received from rendering✓ their services✓
- Any other relevant answer related to funding of SETAs

Max (4)

2.3 Rights of employers and employees according to LRA**2.3.1**

RIGHTS OF EMPLOYERS	RIGHTS OF EMPLOYEES
- Barret Manufacturers (BM) formed bargaining council for collective bargaining purposes. ✓	- Employees are allowed to join trade union of choice. ✓
- BM dismissed employees who recently engaged in unprotected strikes,✓	- The trade union representatives referred the salary deductions matter to CCMA to be resolved.✓
Sub Max 2	Sub Max 2

Max (4)

NOTE: Accept the employers and employees rights quoted from the scenario only

2.3.2 Negative impact of Labour Relations Act

- Employers may not get court interdict✓ to stop a strike✓
- Reduced global competitiveness✓ due to lower productivity✓
- Employer may not dismiss employees at will, ✓as procedures have to be followed✓
- Cost of labour increases✓ because of legal strikes✓
- Many employees take advantage of the right to strike✓ without acknowledging their responsibilities✓
- Many employers and employees do not understand / respect✓ the Labour relations Act✓
- Strike actions always result in loss of production✓ that employers may not claim✓
- Labour disputes and bargaining council processes may become disruptive / time consuming✓ and can lead to decrease in productivity in business✓
- Some businesses feel that the LRA gives employees too much power✓ as it creates lengthy procedures, e.g. consulting with workplace forum✓
- Businesses may have to disclose information about workplace issues✓ to the union that could be the core of their competitive advantage✓
- Any other relevant answer related to the negative impact of LRA

Max (6)

2.4 Ways in which businesses can comply with the Compensation for Occupational Injuries and Diseases Act/COIDA

- Businesses should provide a healthy/safe working environment✓✓
- Ensure that the premises/equipment/machinery is in good working condition. ✓✓
- Register with the Compensation Commissioner and provide the particulars of the business. ✓✓
- Report all incidents causing death/injury/illness of employees. ✓✓
- Levies must be paid to the Compensation Fund. ✓✓
- Keep records of employees' income and details of work for four years. ✓✓
- Submit returns of earnings by no later than 1 March annually. ✓✓
- Allow regular assessment of the workplace by inspectors in order to determine the level of risk their employees are exposed to. ✓✓
- Employers may not make deductions for COIDA from employees' remuneration packages. ✓✓
- Businesses must ensure that claims are lodged within twelve months of the date of the accident. ✓✓
- Any other relevant answer related to ways businesses can comply with COIDA

Max (4)

BREAKDOWN OF MARKS

QUESTION	MARKS
2.1	2
2.2	4
2.3.1	4
2.3.2	6
2.4	4
TOTAL	20

QUESTION 3: BUSINESS OPERATIONS**3.1. Reasons for terminating an employment contract**

- Dismissal✓
- Retrenchment✓
- Retirement✓
- Resignation✓
- Redundancy✓
- Mutual agreement✓
- Duration of the employment contract✓
- Incapacity✓

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

Max (4)

3.2. Legal requirements/ legalities of employment contract

- The employer and employee must both sign the contract. ✓✓
- Employer and employee must agree to any changes to the contract. ✓✓
- No party may unilaterally change aspects of the employment contract. ✓✓
- The remuneration package/including benefits must be clearly indicated. ✓✓
- It may not contain any requirements that are in conflict with the BCEA. ✓✓
- The employment contract should include a code of conduct and code of ethics. ✓✓
- Aspects of the employment contract can be renegotiated during the course of employment. ✓✓
- The employer must explain the terms and conditions of the employment contract to the employee. ✓✓
- Conditions of employment/duties/responsibilities of the employees must be stipulated clearly. ✓✓
- All business policies, procedures and disciplinary codes/rules can form part of the employment contract. ✓✓
- The employer must allow the employee to thoroughly read through the contract before it is signed. ✓✓
- Any other relevant answer related to legal requirements of an employment contract.

Max (4)

3.3.1 Aspects of induction programme

- Tour of the premises✓
- Overview of the business✓

Note: 1. Mark first TWO only
2. Only award marks for responses that are quoted from the scenario.

Max (2)



3.3.2 Benefits/ Advantages of induction to businesses

- Increases quality✓ of performance/productivity✓
- Allows new employees to settle in quickly✓ and work effectively. ✓
- Ensures that new employees understands rules and restrictions✓ in the business. ✓
- Employees will be familiar with organisational structures✓ e.g. who are their 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 benefits of induction.

Max (6)

3.4 Impact of fringe benefits on businesses

Positive/ advantages

- Improves productivity✓ resulting in higher profitability✓
- Attractive fringe benefit packages✓ may result in higher employee retention/reduces employee turnover. ✓
- Attracts qualified/skilled/experienced employees✓ who may positively contribute towards the business goals/objectives✓
- It increases employee satisfaction/loyalty✓ as they may be willing to go the extra mile. ✓
- Businesses save money✓ as benefits are tax deductible✓
- Fringe benefits can be used as leverage✓ for salary negotiations✓

AND/OR



Negatives/Disadvantages

- Businesses who cannot offer fringe benefits✓ fail to attract skilled workers✓
- It can create conflict/lead to corruption✓ if allocated unfairly. ✓
- Fringe benefits are additional costs✓ that may result in cash flow problems. ✓
- Errors/Mistakes in benefit plans✓ may lead to costly lawsuits/regulatory fines. ✓
- Decreases business profits, ✓ as incentive/package/remuneration costs are higher. ✓
- Businesses who offer employees different benefit plans may create resentment to those who receive less benefit✓ resulting in lower productivity. ✓
- Administrative costs increase✓ as benefits need to be correctly recorded for tax purposes✓
- Workers only stay with the business for fringe benefits, ✓ and may not be committed/loyal to the tasks/business. ✓
- Businesses have to pay advisors/attorneys to help them create benefit plans✓ that comply with legislation✓
- Any other relevant answer related to the impact of fringe benefits to businesses.

Max (4)

BREAKDOWN OF MARKS

3.1	4
3.2	4
3.3.1	2
3.3.2	6
3.4	4
TOTAL	20



QUESTION 4: MISCELLANEOUS TOPICS**BUSINESS OPERATIONS****4.1 Salary determination methods**

- Time related✓
- Piecemeal✓

Max (2)**NOTE: Mark only the First TWO (2) only****4.2 Identification of human resource activity****4.2.1 Recruitment✓✓****(2)****4.2.2 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 step of selection procedure

NOTE: The procedure can be in any order**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 step of selection procedure

NOTE: The procedure can be in any order**Max (6)**

BUSINESS ROLES**4.3. Problem solving steps**

- Identify the problem✓✓
- Define the problem✓✓
- Identify possible solutions to the problem✓✓
- Select the most appropriate alternative✓✓
- Develop an action plan✓✓
- Implement the suggested solution/action plan✓✓
- Monitor the suggested solution /action plan✓✓
- Evaluate the implemented solution✓✓
- Any other relevant answer related to problem solving steps

Note: 1.Mark the first TWO (2) only
2. Steps can be in any order.

(2x2) (4)**4.4 The impact of brainstorming**
Positives/Advantages

- People get ideas from others✓ and build on them. ✓
- Stimulates creative thinking✓ in the workplace. ✓
- Better solutions are developed✓ through collective contributions. ✓
- Combinations of ideas/improvements can be chosen✓ after all the ideas have been written down. ✓
- Employees are motivated✓ as they are allowed to contribute to problem solving. ✓
- Any other relevant answer related to positive impact of brainstorming as a problem solving technique.

AND/OR**Negatives/Disadvantages**

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

Max (6)**BREAKDOWN OF MARKS**

4.1	2
4.2.1	2
4.2.2	6
4.3.	4
4.4	6
TOTAL	20

SECTION C

Mark the FIRST question only.

QUESTION 5: BUSINESS ENVIRONMENT: (LEGISLATION)**5.1 Introduction**

- The EEA was introduced to redress the employment imbalances of the past. ✓
- The aim of the Act is to ensure that transformation takes place in the workplace. ✓
- Employment policies and procedures must align with the requirements of EEA. ✓
- Non-compliance with the Act may result in businesses being punished by law. ✓
- Any other relevant introduction related to the purpose of the EEA / impact of the EEA/ ways to comply with EEA / penalties for non- compliance

Any (2x1) (2)

5.2 Purpose of the Employment Equity Act (EEA)

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

Max (10)

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

- 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/Impacts positively of BEE ratings of businesses✓
- Certified psychometric tests may be used to assess applicants/employees✓ to ensure that suitable applicants are appointed✓
- Any other relevant answer related to positive impact of EEA on businesses

AND/OR

Negatives/Disadvantages

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

Max (12)

5.4 Ways in which businesses can comply with the EEA

- Businesses must guard against✓ discriminatory appointments. ✓
- Promote equal opportunities✓ and fair treatment✓
- Implement ✓an employment equity plan✓
- Implement affirmative action measures✓ to redress disadvantages experienced by designated groups. ✓
- Reasonable accommodation of people✓ from designated groups✓
- Ensure that there is equal representation✓ of all racial groups in every level of employment✓
- Compile employment equity plans✓ that indicate how they will implement affirmative action. ✓
- Ensure that affirmative action measures promote diversity✓ in the workplace. ✓
- Prepare an employment equity plan✓ in consultation with employees. ✓
- Ensure that diversity/inclusivity✓ in the workplace is achieved. ✓
- Submit the employment equity plan✓ to the Department of Labour✓

- Retain designated groups, ✓ including skills development of such groups ✓
- Assess the racial composition of all employees, ✓ including senior management. ✓
- Clearly define the appointment process ✓ so that all parties are well informed. ✓
- Use certified psychometric tests to assess applicants/employees ✓ to ensure that suitable candidates are appointed ✓
- Conduct medical/psychological tests fairly ✓ to employees/when deemed necessary. ✓
- Assign one or more senior managers to ensure implementation and monitoring ✓ of the employment equity plan. ✓
- Eliminate barriers that have an adverse impact ✓ on designated groups. ✓
- Retain/Develop/Train designated groups, ✓ including skills development. ✓
- Regularly report to the Department of Labour ✓ on progress in implementing the plan. ✓
- Display a summary of the Act ✓ where employees can clearly see/have access to the document. ✓
- Restructure/Analyse current employment policies/practices/procedures ✓ to accommodate designated groups. ✓
- Any other relevant answer related to the ways in which businesses can comply EEA

Max (14)**5.5 Penalties for non-compliance with the EEA**

- Businesses may face heavy fines for non-compliance. ✓✓
- They can be ordered to pay compensation and damages to the employee ✓✓
- Labour inspectors may investigate/inspect/ask questions about complaints ✓✓
- Labour inspectors may conduct onsite visits, to interview employees which can create a bad image for the business ✓✓
- A compliance order may be issued to businesses that do not comply with the EEA ✓✓
- Businesses may be brought before the Labour Court if compliance orders are not adhered to/no efforts made to reach targets ✓✓
- The Department of Labour may block non-compliant companies from doing business with the government ✓✓
- Any other relevant answer related to penalties for non-compliance with EEA

Max (10)**5.6 CONCLUSION**

- Businesses can access the skills and expertise of previously disadvantaged individuals. ✓✓
- The EEA does not only promote equity, but also gives guidance to fair appointments processes. ✓✓
- Businesses should also take necessary steps to promote equal employment opportunities as a means to comply with this Act. ✓✓
- Penalties may have a negative impact on businesses financial position. ✓✓
- Any other relevant conclusion related to the purpose of the EEA/impact of the EEA/ways to comply with EEA/penalties for non- compliance.

Any (1x2) (2)

BREAKDOWN ALLOCATION OF MARKS

DETAILS	MAXIMUM	
Introduction	2	MAX 32
Purpose of the Employment Equity Act (EEA)	10	
Impact of Employment Equity Act (EEA)	12	
Ways in which businesses can comply with Employment Equity Act.(EEA)	14	
Penalties for non-compliance with the Employment Equity Act (EEA)	10	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality, examples	2	
TOTAL MARKS		40



QUESTION 6: BUSINESS ROLES (PROFESSIONALISM AND ETHICS)**6.1 Introduction**

- Many businesses have their own code of conduct and code of ethics and a commitment to ethical and professional behaviour✓
- King Code principles for good corporate governance serve as a guide to ethical and professional business practice✓
- Unethical and unprofessional business practices can result in a negative business image which can hamper profit. ✓
- Business need to develop suitable strategies to deal with challenges posed by these types of unethical and unprofessional behaviour✓
- Any other relevant introduction related to ways in which professional, responsible, ethical and effective business practice can be conducted/ application of King Code principles of transparency and accountability for good corporate governance,/challenges posed by sexual harassment and tax evasion on business/ strategies to deal with sexual harassment and tax evasion.

Any (2x1) (2)**6.2 Ways in which professional, responsible, ethical and effective business practice should be conducted**

- Business decisions and actions must be clear/transparent to all stakeholders. ✓✓
- Business should be accountable / responsible for their decisions and actions / patent rights. ✓✓
- The business should hire honest / trustworthy accountants / financial officers with good credentials to ensure transparent recording and financial statements. ✓✓
- The payment of taxes should be regular / timeous and the business must disclose all needed information to SARS and not find loopholes to avoid paying taxes. ✓✓
- The business should draw up a code of ethics / conduct which states acceptable behaviour in the business. ✓✓
- There must be on-going development and training for all employees in the business. ✓✓
- Mission statement should include values of equality/respect. ✓✓
- Treat all workers equally workers with respect/dignity by recognising work well done. ✓✓
- All workers should have access to equal opportunities/positions/resources. ✓✓
- Plan properly and put preventative measures in place. ✓✓
- Pay fair wages/salaries which is in line with the minimum requirements of the BCEA/ Remunerate employees for working overtime/during public holidays. ✓✓
- Ensure that employees work in a work environment that is conducive to safety/ fairness/free from embarrassment. ✓✓
- Refrain from starting a venture at someone else's expense or using the ideas of other businesses/ individuals and respect intellectual property of other businesses.✓✓
- Businesses must take care of the environment and use green policies in the workplace such as recycling paper, responsible disposal of waste material and safe energy. ✓✓
- Employers should respond swiftly and fairly to reported incidents of discrimination in the workplace. ✓✓

- Provide good quality goods and services and pay attention to the safety of customers as well as give clear information to the customers to make informed decisions. ✓✓
- Orders/Tasks should be given respectfully and allow the recipient/employee to have a say in the manner in which the task should be performed. ✓✓
- Performance management systems/appraisals should be in place to motivate employees of the business. ✓✓
- Any other relevant answer related to ways in which professional, responsible, ethical and effective business practice can be conducted.

Max (10)

6.3 King Code principles for good corporate governance

Transparency

- Decisions/Actions must be clear✓ to all stakeholders. ✓
- Staffing and other processes✓ should be open and transparent. ✓
- Employees/Shareholders/Directors should be aware of the employment policies✓ of the business. ✓
- Auditing and other reports must be accurate/ available✓ to shareholders/ employees. ✓
- Regular audits should be done✓ to determine the effectiveness of the business. ✓
- Business deals should be conducted openly✓ so that there is no hint/sign of dishonesty/corruption. ✓
- Businesses should give details of shareholders' voting rights to them✓ before/at the Annual General Meeting (AGM). ✓
- The board of directors must report on both the negative and positive impact of the business✓ on the community/environment. ✓
- The board should ensure that the company's ethics✓ are effectively implemented. ✓
- Any other relevant answer related to transparency as a King Code principle of good corporate governance.

Sub max (6)

Accountability

- There must be regular communication✓ between management and stakeholders. ✓
- Businesses should be accountable/ responsible✓ for their decisions/actions✓
- Company should appoint internal and external auditors✓ to audit financial statements. ✓
- The board should ensure that the company's ethics✓ are effectively implemented. ✓
- Businesses should present accurate annual reports to shareholders at the Annual General Meeting (AGM). ✓
- Top management should ensure that other levels of management are clear✓ about their roles and responsibilities to improve accountability. ✓
- Any other relevant answer related to accountability as a King Code principle of good corporate governance.

**Sub max (6)
Max (12)**

6.4 Challenges posed by tax evasion and sexual harassment

6.4.1 Taxation/tax evasion

- Businesses may pay heavy fines✓ for evading tax. ✓
- Tax evasion may negatively impact✓ on the business image. ✓
- The accountant may charge high fees✓ for falsifying financial statements. ✓
- Businesses may lose key stakeholders✓if the act of tax evasion is reported. ✓
- Some businesses submit fraudulent/incorrect returns✓ to SARS resulting to penalties✓
- Businesses may not be familiar✓with the latest changes in tax legislation. ✓
- Any other relevant answer related to taxation/ tax evasion as a challenge on business.

6.4.2 Sexual harassment

- The affected party is normally reluctant to report the incident✓ due to fear of victimisation. ✓
- Sexual harassment causes discomfort / humiliation✓and interferes with the job of the victim. ✓
- The business can lose female workers✓because they do not feel safe in the workplace. ✓
- Sometimes the affected person prefers to stay away from work✓and the business loses productivity. ✓
- Sexual harassment causes emotional trauma✓ and the victim's attitude will be negative in the workplace. ✓
- Any other relevant answer related to sexual harassment as a challenge on business.

Sub max (6)
Max (12)

6.5 Strategies to deal with tax evasion and sexual harassment.

6.5.1 Tax evasion

- VAT needs to be charged on VAT-able items. ✓✓
- Submit the correct tax returns to SARS on time. ✓✓
- All products should be correctly invoiced and recorded✓✓
- Disclose all sources of income for tax payment purposes. ✓✓
- Keep abreast with the latest SARS regulations and tax laws. ✓✓
- Businesses that have evaded tax should apply for amnesty and declare their income. ✓✓
- Effective systems to determine the appropriate amount of tax to be paid should be in place. ✓✓
- Business should keep an accurate record of income statements/financial transactions. ✓✓
- The employees' payroll needs to reflect accurate deductions according to the progressive tax system✓✓
- Any other relevant answer related to challenges posed by tax evasion as an unethical business practice.

Sub max (6)

6.5.2 Sexual harassment

- Every business must investigate internal complaints to determine the seriousness of the harassment and follow disciplinary procedures. ✓✓
- The business must formulate a policy regarding sexual harassment. ✓✓
- They must educate employees on sexual harassment matters. ✓✓
- They must create a good working environment where all employees' rights and dignity are respected. ✓✓
- Serious cases/ matters of sexual harassment should be reported to the appropriate institutions such as the South African Police Services (SAPS). ✓✓
- Businesses must ensure they comply with the law/ business code of conduct. ✓✓
- Any other relevant answer related to ways in which businesses can deal with sexual harassment.

Sub max (6)
Max (12)

6.6 Conclusion

- Businesses should continuously adhere to professional, ethical, and effective business practices. ✓✓
- Application of King Code principles for good corporate governance helps to create an ethical culture in the business. ✓✓
- Being aware of unethical / unprofessional business practice enables the business to take precautionary measures to prevent negative publicity ✓✓
- A businesses code of conduct should guide and regulate employee behaviour in the workplace. ✓✓
- Any other relevant conclusion related to ways in which professional, responsible, ethical and effective business practice can be conducted/ application of King Code principles of transparency and accountability for good corporate governance, /challenges posed by sexual harassment and tax evasion on business/ strategies to deal with sexual harassment and tax evasion.

Any (1x2) (2)



BREAKDOWN OF MARKS

Introduction	2	Max 32
Ways in which professional, responsible, ethical and effective business practice should be conducted	10	
Application of transparency and accountability as King Code principles for good governance	12	
Challenges posed by sexual harassment and tax evasion on businesses.	12	
Strategies to deal with sexual harassment and tax evasion	12	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality, examples	2	
Total		40

[40]**TOTAL SECTION C: 40****GRAND TOTAL: 100**