SENIOR SECONDARY IMPROVEMENT PROGRAMME 2013

education

Department: Education
GAUTENG PROVINCE

UNITY IN DIVERSITY

GRADE 12

BUSINESS STUDIES

TEACHER NOTES

SCI-BONO
DISCOVERY CENTRE

mindset
learn

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TEACHER NOTES

SESSION 6

TOPIC: CONSOLIDATION

Teacher Note: The questions in this session are similar to those learners can expect in an exam. They need to learn their notes before attempting these questions. Time allocation and mark allocation are very important guides.

LESSON OVERVIEW

1. Explain the nature of questions and the importance of learning the notes: 5 min.
2. Learners to answer questions: 45 min.
3. Go through solutions and hints with learners: 40 min.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(KZN DoE Common Test June 2008)*

Match each of the statements in column A with the concept/term in column B. Write only the letter (A-E) next to the question number (1.1-1.5) in your answer book, e.g. 1.3.6 G

1.1	A group of representatives made up of employees selected from an organisation that employs 100 workers.	A	Arbitration
1.2	A logical way to end conflict after the mediation process deadlocked.	B	Outsourcing
1.3	Companies tend to subcontract various phases of a job to other firms or individuals.	C	Dispute resolution
1.4	A method to reduce business costs by streamlining labour.	D	Workplace forum
1.5	Trade unions and employer organisations working together to resolve conflicts.	E	Retrenchment

(5 x 2) [10]

HINTS: Learners should always begin with those answers which they know. In this way they will be left with the ones that they were unsure of.

QUESTION 2:   **15 minutes**   **14 marks**   *(DoE March 2011)*

2.1   Read the case study below and answer the questions that follow

---

TINY TOTS TOY FACTORY

Lawrence Mfundo is the general manager of a factory that manufactures a variety of good quality toys. It is situated in the Eastern Cape. Their toys are successfully marketed locally as well as globally.

The factory uses modern machinery and equipment in the production process. The factory has a relatively small human resources department with no counselling and support services for workers.

Lawrence Mfundo read about the problem of HIV/Aids and unemployments in the local community in the local newspaper. The article stated that approximately 30% of the people in the local community are probably HIV positive, more than 40% are unemployed and crime is on the increase.

2.1.1   You must assist Lawrence Mfundo to compile a SWOT analysis of Tiny Tots Toy
        Factory.   (8)
2.1.2   Use the information from the SWOT analysis to develop strategies as a counter to
        the challenges.   (6)
                                                                                [14]

HINTS: Learners should be encouraged to do a SWOT analysis in a table format. Strengths and weaknesses are interna, while opportunities and threats are external. They should use their own ideas when developing strategies for challenges in the case study. The SWOT analysis must be linked to Tiny Tots factory.

QUESTION 3:   **15 minutes**   **18 marks**   *(DoE March 2010)*

3.1   Describe FOUR benefits of implementing good quality-control measures in
        a business enterprise.   (8)

3.2   State any FIVE factors that must be taken into consideration when exploring a
        business career.   (10)
                                                                                [18]

HINTS: In question 3.1 learners need to look at the verb 'describe', while in question 3.2 they only need to list.

SECTION B: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1   D √√
1.2   A √√
1.3   B √√
1.4   E √√
1.5   C √√   (5 x 2) **[10]**

QUESTION 2

2.1

STRENGTHS	WEAKNESSES
- Successful marketing locally and globally √√ - Use of modern machinery and equipment √√ **Any 1x2=(2)**	- Small human resource department √√ - No counselling and support services √√ **Any 1x2=(2)**
OPPORTUNITIES	THREATS
- Train unskilled workers √√ - Workshop employees on HIV/AIDS awareness √√ **Any 1x2=(2)**	- Loss of skilled workers because of HIV/AIDS in the community √√ - Escalation of crime due to unemployment – train workers √√ **Any 1x2=(2)**

(8)

NOTE: 1. Swot analysis must be linked to case study on Tiny Tots Factory.
     2. Award no marks if the SWOT analysis is not linked to the scenario.

2.2   Provide training course to all employees regarding HIV/AIDS. √√
        Provide equipment for voluntary HIV/AIDS tests √√
        Provide employees with counselling on HIV/AIDS √√
        Provide medication for HIV/AIDS (ARVs) √√
        Form partnerships with other businesses in eliminating crime √√
        Train unskilled workers √√
        Any other relevant answer related to the challenge identified in Q 2.1 or the case study.
                                                                    (Any 3 x 2) (6)
                                                                    [14]

QUESTION 3

3.1
- fewer product defects√√
- more consumer satisfaction√√
- lower production costs√√
- higher productivity√√
- Increased sales by word of mouth that products are of good quality. √√
- Increased profits√√
- Possible expansion of the business√√
(Any other relevant answer related to benefits of good quality control measures.)
                                                                    (Any 4 x 2) (8)

3.2   Consider:
- The risks associated with the career. √√
- The moral issues regarding the chosen career. √√
- Whether there will be a conflict between culture and the career.
- The business ethical issues regarding the career. √√
- Religion in relation to the chosen career. √√
- Family ties. √√
- Relocation costs, etc.
(Any other factor that must be taken into consideration when exploring a business career.)

(Any 5 x 2) (10)

[18]

SECTION C: HOMEWORK

QUESTION 1:   **5 minutes**   **5 marks**   *(KZN DoE Common Test June 2008)*

" A SWOT analysis is a very useful tool for a business, forcing it to critically examine itself and its environment."

State whether the following are strengths, weaknesses, opportunities or threats for Pick & Pay, as a retail business.

1.1   Pick & Pay sells quality products and therefore, has a web site
          [http://www.picknpay.coza]

1.2   Pick & Pay is in competition with Checkers.

1.3   There are employees who do not approach the sales task with the right attitude.

1.4   Dissatisfied customers would shop elsewhere.

1.5   An increase in the fuel price.   (5 x 1) [5]

QUESTION 2:   **35 minutes**   **40 marks**   *(DoE Nov. 2010)*

MAKHAYA TALI'S WINERY

Makhaya Tali started his winery business on a small farm he inherited from his late father. It is situated outside the town of Franschhoek in the Cape Winelands. He wants to use improved farming techniques and marketing methods to increase the farm's income.
His business is facing the following challenges:
1. He applied for a loan of R1 million to buy multipurpose equipment. This will replace some of the old vineyard and cellar equipment and enable him to produce wines of the highest international quality, as well as grape juice.
2. He will utilise some of these funds to open a wine shop on the farm. The wine shop will buy local, handcrafted packaging material.
3. Owing to an increase in interest rates by the South African Reserve Bank, he has to pay higher interest.
4. Employees are demanding higher wages and salaries, which will result in a decline in the business profits.
5. Competitors in the vicinity are selling similar types of wine.
6. He is unable to advertise his wine beyond the borders of the province.
7. The recession/slowdown in the economy has affected most of the countries worldwide.
8. There has been a steady increase in the cost of fuel.

As a business consultant for Makhaya Tali's winery, identify the business's challenges, devise strategies to overcome the challenges and determine the environment in which the challenges exist. Advise Makhaya Tali on how to evaluate the effectiveness of the strategies.   [40]

SECTION D: SOLUTIONS TO HOMEWORK

QUESTION 1
1.1   Strength √√   (2)
1.2   Threat √√   (2)
1.3   Weakness √√   (2)
1.4   Threat √√   (2)
1.5   Threat √√   (2)
          [10]

QUESTION 2

Introduction

- A strategy is to be developed to overcome the specific challenge which is faced by the management team. √
- When devising a strategy keep the vision and mission of an organisation in mind. √
- It is important to create a plan in which you include all steps, which might be necessary to change the challenge into success. √
- It is a plan of action for a business to achieve its goals. √
- Short term and long term goals in line with the vision and mission of the organisation. √
- Vision is to use improved farming techniques and marketing methods to increase the farm's income capacity. √

- Any other relevant introduction related to business environment.   (Any 3 x 1) (3)

Introduction

- A strategy is to be developed to overcome the specific challenge which is faced by the management team. √
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- It is important to create a plan in which you include all steps which might be necessary to change the challenge into success. √
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- Short term and long term goals in line with the vision and mission of the organisation. √
- Vision is to use improved farming techniques and marketing methods to increase the farm's income capacity. √
- Any other relevant introduction related to business environment.   (Any 3 x 1) (3)

NOTE: Learners may provide answers in essay form with the use of headings and subheadings. The content of the following table must, therefore, be used as a guide to mark the learner's response.
The business environment must be linked to the challenge.

CHALLENGE	STRATEGY	ENVIRONMENT	TOTAL
1. Applied for a loan of R1million. √√	- Reduce loans. √√ - Negotiate with other banks. √√ - Additional cash investment by the owner. √√ - Divestiture : √√ Sell part of his business as a way of raising funds. √√ - Any other relevant answer.	Macro √√	
Extension of the product line e.g. grape juice. √√	- Product development. √√ - Producing new product for the current market, e.g. grape juice. - Concentric diversification. √√ Using the same equipment to produce a different product i.e. grape juice. √√ - Any other relevant answer.	Market/Micro√√	

CHALLENGE	STRATEGY	ENVIRONMENT	TOTAL
Wines of international quality. √√	-Research on quality√√ -International marketing√√ -Form quality circles√√ -Any other relevant answer	Micro/Marke t/ Macro√√	
2.Buy multi-purpose equipment. √√	- Obtain quotations from different suppliers of equipment and negotiate the most reasonable price. √√ - Outsourcing. √√ - Type of equipment should meet the requirements of the business. √√ - Purchase second hand machinery. √√ - Any other relevant answer.	Micro/Market/Macro √√	
Establish a wine shop on the farm.	-Forward integration√√ -Selling the product directly to the public from the wine shop. √√ - Use local handcrafted packaging for his products. √√ - Any other relevant answer.	Micro/ Market √√	
3. Increase in interest Rates. √√	- Negotiate with other banks for lower interest rates. √√	Macro √√	
4.Employees demanding higher wages and salaries. √√	- Increase in productivity - Defensive Strategy:√√	Micro√√	

Decline in profits. √√	Negotiate with unions on the question of retrenchment. √√ - Increase production/reduce fixed costs. - Any other relevant answer. - Monitor expenses and authorise only essential expenses. √√ - Increase mark up. √√ - Engage in aggressive marketing strategy. √√ - Any other relevant answer.	Micro√√	
5. Competitors selling similar types of wine. √√	- Market penetration: √√ Selling wines and grape juice at a discounted price to attract customers. √√ - Any other relevant answer.	Market√√	
6. Not advertising beyond the town of Franschhoek. √√	- Market development: √√ Advertise in the Provincial newspaper. √√ - Sponsorships √√ - Radio broadcasts. √√ - Encourage wine tasting. √√ - Excursions. √√ - Any other relevant answer.	Market/Micro √√	

7. Recession /slowdown. √√	- Propose a 3 day working week for the winery until the economy recovers. √√ - Engage in aggressive marketing strategies. √√ - Any other relevant answer	Macro/Micro √√	
8. Increase in fuel costs. √√	- Monitor use of vehicles by means of a log book. √√ - Proper planning of delivery routes/logistics. √√ - Buy more fuel efficient vehicles. √√ - Lobby Govt. to stabilise fuel prices.√√ - Cut down on the number of vehicles in operation and use vehicles only for essential deliveries/ collection. √√ - Outsourcing the transport operation of the business. √√ - Any other relevant answer.	Micro/Macro √√	
6 x 2 = 12	**6 x 2 = 12**	**6 x 2 = 12**	**36**

Advice on evaluation of Strategies:

1   Examine the underlying basis of business strategy. √√
     - Monitor and obtain regular feedback on the implementation of the above
       strategies. √√
2   Measure the business performance against original objectives. √√ Should the
     performance of the business not be in line with the proposed strategies then
     amend strategies or provide alternative strategies. √√
3   Take corrective action. √√
     - This corrective action must be taken in view of the above mentioned.
     √√
     - Any other relevant answer related to the advice on the evaluation
       of strategies.   (Any 3 x 2) (6)

Conclusion

-    Makaya Tali must carefully implement the above mentioned strategies. √√
-    He must also obtain regular feedback in order to make an informed decision on
     whether to consider alternative strategies. √√
-    Any relevant conclusion related to strategies.   (Any 1 x 2) (2)

Breakdown of mark allocation:

Details	Maximum	Reduced to	Subtotal	Total
Introduction			3	
Mark ANY 6 challenges from the case study (IN ANY ORDER)	6x2	12		
Mark ANY 6 strategies based on the above challenges	6x2	12	27	Max 32
Mark the environment linked to the above challenges	6x2	12		
Evaluation of strategies	6	6		
Conclusion			2	
INSIGHT				
Layout				2
Analysis, interpretation				2
Synthesis				2
Originality, examples				2
TOTAL MARKS				40

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

SESSION 7

TOPIC 1: CONSOLIDATION

Teacher Note: The questions in this session are similar to those learners can expect in an exam. They must learn their notes before attempting these questions. Time allocation and mark allocation are very important guides.

LESSON OVERVIEW

1. Explain the nature of questions and the importance of learning the notes: 5 min.
2. Learners to answer questions: 45 min.
3. Go through solutions and hints with learners: 40 min.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(Various Sources)*

1.1   Legislation introduced in 2003 as a means of enforcing the concept of transformation in the workplace:

   A   Broad-based Black Economic Empowerment
   B   Industry Charter
   C   Employment Equity
   D   National Credit Act

1.2   This form of ownership stipulates a maximum of 10 members:

   A   Close corporation
   B   Partnership
   C   Public company
   D   Private company

1.3   Learnerships in insurance are offered by the:

   A   South African Reserve Bank
   B   Industrial Development Corporation
   C   Sector Education and Training Authority
   D   Manpower Commission

1.4   Which one of the following is a function of a workplace forum?

   A   Ensuring that employers engage in social responsibility programmes.
   B   Planning staff functions.
   C   Joint participation by employers and employees in labour issues.
   D   Negotiating loans on behalf of the enterprise.

1.5   Jane borrows R20 000 from ABSA Bank for one year at a rate of 18% p.a. The total amount payable would therefore be:

   A   R36 000
   B   R3 600
   C   R20 018
   D   R23 600   (5 x 2) [10]

HINTS: Learners should always look for the most correct answer in multiple choice questions. They should also remember also to read the questions carefully as they might misinterpret the question.

QUESTION 2:   **30 minutes**   **34 marks**   *(DoE March. 2011)*

2.1   Describe how the division of profits of a sole trader, close corporation and public company may affect the success of a business.   (12)

2.2   Read the dialogue below and answer the questions that follow.

Penny:	Hi! What happened! Your hair is not brushed and it seems as if you have not slept.
Tom:	Yes, I am feeling depressed. I made a presentation and within 15 minutes everyone had walked out instead of sitting for the full two hours.
Penny:	Why? Tell me more.
Tom:	The ***presentation*** was on 2009 financial performance but I could only speak about my family. I was worried but did not know what to do.

    2.2.1   Give TWO reasons, from the dialogue, why the audience walked out.   (4)

    2.2.2   Advise Tom on what he should do to prevent a similar situation from occurring in future.   (10)

2.3   State any FOUR functions of a trade union.   (8)

                    [34]

HINTS: In question 2.1 learners must compare the division of profits as a success factor for the three forms of ownership.   In question 2.2 their answers must be related to what they learnt in the notes on presentations.

SECTION B: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1   A √√   (2)
1.2   A √√   (2)
1.3   C √√   (2)
1.4   C √√   (2)
1.5   D √√   (2)
                    [10]

QUESTION 2

2.1

	Success Factors
Sole trader	- The owner takes all the profits. √√ - The owner can use his/her profits to improve the quality of the product sold or services rendered. √√ - Any other relevant answer related to the success of a sole trader regarding the division of profits. (Any 2 x 2) (4)
Close Corporation	- The profits belongs to the CC. √√ - Members decide on the date for profit distribution. √√ - Profits may also be retained for future growth. √√ - Any other relevant answer related to the success of a close corporation regarding the division of profits. (Any 2 x 2) (4)
Public Company	- Profits belong to the company. √√ - Profits are distributed to shareholders according to the number and value of the shares √√ - Shareholders decide on the payment date for dividends. √√ - Any other relevant answer related to the success of a - close corporation regarding the division of profits. (Any 2 x 2) (4)

(8)

2.2.1   Tom, the presenter was not well prepared. √√
He did not present the 2009s financial performance. √√
Tom did not focus on the particular topic of the presentation. √√
The audience do not want to hear particulars of his family as it is irrelevant. √√
Any other relevant answer related to the dialogue regarding the presentation. √√

(Any 2 x 2) (4)

2.2.2   Tom must be well prepared. √√
Consider the audience target group. √√
Proper planning of the presentation. √√
He must focus on the particular topic of the presentation. √√
Plan the format of the presentation. – Introduction, body and conclusion. √√
Identify the method of the presentation to be used, e.g. Power point, audio-visual aids, etc.√√
Any other relevant answer related to the requirements of a good presentation of business related information. √√

(Any 5 x 2) (10)

2.3   Protects members from retrenchments and unfair dismissals. √√
Acts on behalf of members in dispute resolutions. √√
Monitors the implementation on matters affecting legislation, e.g. gender equality, affirmative action and employment of workers with disabilities. √√
Trade unions strive to improve the working conditions of employees.√√
Takes part in collective bargaining process. √√
Negotiates on behalf of the membership for better wages and other benefits. √√
Any other relevant answer related to the functions of a trade union. √√

(Any 4 x 2) (8)
[34]

SECTION C: HOMEWORK

QUESTION 1:   **10 minutes**   **10 marks**   *(Various sources)*

Give one word/term for each of the following descriptions. Simply write down the question number and the correct answer.

Arbitration; SABS; Inclusivity; Quality control; Creativity; Strategy; Insubordination; SAQA; Skills Development

1.1   A plan of action to achieve a goal.
1.2   A logical way to end conflict because the mediation process is deadlocked.
1.3   Enhances solutions to complex problems.
1.4   Enables diversity in the workplace.
1.5   Promotes standardisation and quality of products and services.   (5 x 2) (10)

QUESTION 2:   **35 minutes**   **40 marks**   *(DoE Nov. 2010)*

Business practices in South Africa demand that business enterprises should not only concentrate on making profits, but also consider the well-being of employees.

Briefly explain whether you agree with the above statement and then discuss any FIVE ways in which business enterprises can improve the well-being of their employees.   [40]

SECTION D: SOLUTIONS TO HOMEWORK

QUESTION 1
1.1   Strategy √√   (2)
1.2   Arbitration √√   (2)
1.3   Creativity √√   (2)
1.4   Inclusivity √√   (2)
1.5   SABS √√   (2)   **[10]**

QUESTION 2

Introduction:
-     Employers should promote the well-being of their employees through the provision of suitable working conditions in the workplace. √
-     Employees are usually more productive if employers offer some incentives. √
-     Employers should cater for other needs of its staff like offering help to employees who have personal problems, or are stressed. √
-     Promoting the well-being of employees will assist in retaining a stable workforce. √
-     Any other relevant introduction related to the well-being of employees.
          (Any 3 x 1) (3)

Critique of the statement

Agree √√
   Motivation
- Employees are motivated. √√
- Lower staff turnover. √√
- Less absenteeism. √√
- Continuity in business operations. √√
- Any other relevant answer related to the agreement.

Disagree √√
   Motivation
- The well-being of the employee is his/her own responsibility. √√
- The employee presents him-/herself as a healthy person. √√
- Unemployment rate in South Africa is high, therefore, many people would love to have the opportunity to work. √√
- Any other relevant answer related to the disagreement.

<div align="right">

Agree/disagree 2   Motivation 2   (4)

</div>

Motivation of employees √√
- Reward employees for jobs well done. √√
- Promotion of employees from within the organisation. √√
- Giving employee allowances, e.g. housing subsidies, transport etc.√√
- Providing staff with a healthy working environment. √√
- Any other relevant answer related to motivation of employees.

<div align="right">

(Any 4 x 2) (8)

</div>

Staff development programs √√
- Sending staff on courses. √√
- Getting professionals to coach staff on job-related matters. √√
- Mentoring of employees by experts (experienced staff). √√
- Development of staff skills through on the job training. √√
- Contributing funds for skills development. √√
- Redesigning of tasks. √√
- Any other relevant answer related to staff development programmes.

<div align="right">

(Any 4 x 2) (8)

</div>

Stress reduction programs √√
- Staff empowerment by the business enterprise. √√
- Keep communication channel open. √√
- Offer employees recreation facilities, e.g. gymnasium. √√
- Encourage employees to lead a healthy lifestyle and care. √√
- Giving staff less complex work to do. √√
- Any other relevant answer related to stress reduction management.

<div align="right">

(Any 4 x 2) (8)

</div>

Team building exercises √√
- Brings unity amongst staff. √√
- Enhances staff to tolerate each other. √√
- Staff benefits by sharing experience/knowledge. √√
- Working as a team will lead to increased productivity and profitability. √√
- Any other relevant answer related to team building.(Any 4 x 2) (8)

Resolving personal problems/rehabilitation of employees √√
- Giving staff with personal problems leave to sort out their problems. √√
- Helping staff to prevent alcoholism and drug abuse. √√
- Encouraging staff to talk about their problems. √√
- Helping staff to stop smoking. √√
- Helping staff to manage stress. √√
- Any other relevant answer related to problem solving of staff members.

(Any 4 x 2) (8)

Coaching and mentoring √√
- Senior staff members assist and coach newly appointed employees in extraordinary matters in the workplace. √√
- Helping newly appointed employees to reach their full potential. √√
- A senior employee (mentor) who advises and guides a junior employee over a period of time. √√
- Any other relevant answer related to coaching and mentoring.

(Any 4 x 2) (8)

Performance appraisal √√
- To give feedback on the performance of employees. √√
- It can improve the performance of all the employees. √√
- Management receives useful information to improve the performance of the business as a whole. √√
- It can motivate all the employees in the workplace. √√
- Any other related answer to performance appraisal.

(Any 4 x 2) (8)

Rewards and incentives √√
- To improve the employee's performance in the short term. √√
- Can be in the form of bonuses, holidays or office parties. √√
- Can be implemented effectively when predetermined targets are reached. √√
- Can be used to increase the output of the factory. √√
- Any other relevant answer related to rewards and incentives.

(Any 4 x 2) (8)

Training programs √√
- Off-the-job training usually takes place during working hours but away from the workplace. √√
- On-the-job training involves training in the workplace. √√
- On-the-job training is usually informal. √√
- Of-the-job training can be advantageous because employees focus on learning, and they obtain new skills. √√
- Any other relevant answer related to training programmes.

(Any 4 x 2) (8)

Counselling √√
- To guide and direct the employees in the workplace. √√
- Counselling will help employees to work towards a goal. √√
- Counsellors can assist employees to determine where their knowledge and skills can be put to best use in the workplace.√√
- Any other relevant answer related to counselling.(Any 4 x 2) (8)

Conclusion
- From the above discussion it is clear that well-being of employees should come first before profit making. √√
- Taking care of employees needs is not a favour but a right because employees have rights which are backed up by policies/legislations. √√
- Taking care of the workforce will be less costly than having a high labour turn-over. √√
- Any other relevant conclusion related to the well-being of employees.

(Any 1 x 2) (2)

Breakdown of mark allocation

Details	Maximum	Reduced to	Subtotal	Total
Introduction			**3**	
Critique of statement	4			
MARK FIRST FIVE (IN ANY ORDER)				
Motivation of employees	8			**Max 32**
Staff development programs	8			
Stress reduction programs	8			
Team building exercises	8			
Resolving personal problems of employees	8	**27**	**27**	
Coaching and mentoring	8			
Performance appraisal	8			
Rewards and incentives	8			
Training programs	8			
Counselling	8			
Conclusion			**2**	
INSIGHT				
Layout				**2**
Analysis, interpretation				**2**
Synthesis				**2**
Originality, examples				**2**
TOTAL MARKS				**40**

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

SESSION 7

TOPIC 2: CONSOLIDATION

! | **Teacher Note:** The questions in this session are similar to what learners can expect in an exam. They would have to learn their notes before attempting these questions. Time allocation and mark allocation are very important guides.

LESSON OVERVIEW

1. Explain the nature of questions and the importance of learning the notes: 5 min.
2. Learners to answer questions: 45 min.
3. Go through solutions and hints with learners: 40 min.

SECTION A: TYPICAL EXAM QUESTIONS

QUESTION 1:   **10 minutes**   **10 marks**   *(Various sources)*

Indicate whether the following statements are TRUE or FALSE. Simply write down the question number and TRUE or FALSE.

1.1   Labour action is a challenge from the macro environment of a business.

1.2   The conditions of working overtime are stipulated in the Employment Equity Act.

1.3   Sustainability would imply the continued existence of a business despite the challenges and threats it faces.

1.4   A partnership does not pay taxes.

1.5   Dividends are the remuneration received by debenture holders.   5x2=[10]

HINTS: Learners must simply write true or false. There is no need to correct the statement if it is false.

QUESTION 2:   **15 minutes**   **16 marks**   *(DOE Nov. 2008)*

Study the advertisement on the following page and answer the questions that follow.

DEPARTMENT OF WORKS
KWAZULU–NATAL

Female persons and people with disabilities are encouraged to apply to meet the departmental targets on employment equity

HUMAN RESOURCES PRACTITIONER: PROVISIONING

SALARY: R132 054 per annum
CENTRE: HEAD OFFICE (PIETERMARITZBURG)

REQUIREMENTS:
• A recognised National Diploma in Human Resources Management or equivalent qualification with majors in Human Resources, Personnel Management or Industrial Psychology plus sound knowledge of Human Resources Management OR Senior Certificate with two years' experience inhuman resources environment.
• A valid code EB driver's licence and computer literacy.

SKILLS:
• Knowledge of Persal system, communication, research and writing skills.
• Knowledge of prescripts governing Human Resources in the public service, ability to interpret prescripts and relevant legislation.
• Analytical thinking and conflict resolution skills.
• Good administration skills.

KEY PERFORMANCE AREAS:
• Coordinate recruitment process.
• Prepare submissions to top management for filling vacant posts.
• Give advice and assistance to Regional Offices on matters pertaining to provisioning and related policies.
• Develop and ensure adherence as well as proper implementation of all Human Resources provisioning policies.
• Conduct job evaluation within the Department.
• Give input to Human Resources Planning.

ENQUIRIES: Ms CG Sikhakhane Tel. 033 897 6383

THE PROVINCIAL ADMINISTRATION: KWAZULU–NATAL IS AN EQUAL OPPORTUNITY, AFFIRMATIVE ACTION EMPLOYER.

Applications must be submitted on the prescribed Z83 form, obtainable from any Public Service department and must be accompanied by a comprehensive curriculum vitae. Certified copies of qualifications, ID and driver's licence to be attached.
Applications that do not comply with the above instruction will be disqualified. Faxed copies will not be considered.
Direct your application and the name of the publication in which you saw the advertisement to: Head: Works, Private Bag X9142, Pietermaritzburg, 3200, clearly marked for the attention of Mr IM Meyiwa.
Candidates are advised not to send their applications through registered mail as the Department will not take responsibility for noncollection of these applications.
Please note that due to the large number of applications we envisage receiving, applications will not be acknowledged.
Should you not be advised by this office within three (3) months of the closing date of this advertisement, kindly consider your application unsuccessful.
It is the applicant's responsibility to have foreign qualifications assessed for equivalence by the South African Qualifications Authority (SAQA).

CLOSING DATE: 7 SEPTEMBER 2007

[Adapted from: *Career Alliance,* 28 Aug. – 3 Sept. 2007]

2.1   State the job title.   (2)

2.2   Assume you are applying for this position. Name any TWO significant aspects
        that are of relevance to you. Give reasons for your answer.   (6)

2.3   Calculate the monthly gross salary for the advertised position.   (4)

2.4   How does this advertisement comply with the government's initiative of inclusivity?
        Give TWO reasons for your answer.   (4)

        [16]

HINTS: All questions are based on the advert. When stating the job title learners, must state
the full title.

QUESTION 3:   **10 minutes**   **10 marks**   *(DOE March 2011)*

Sibongile is employed at ABC Factory Ltd. She works a five-day week. Her remuneration
is based on the following:

(a)   Working hours are 8 hours per day.
(b)   The normal rate of pay is R60 per hour.
(c)   Sibongile worked three hours overtime this week.
(d)   The rate for overtime is 1,5 times the normal rate.
(e)   Deductions for the week are as follows: income tax R320, UIF R26,70, staff
        social club R15 per week.

3.1   Calculate Sibongile's gross wage for the week. Show ALL calculations.   (6)
3.2   Calculate Sibongile's nett wage for the week. Show ALL calculations.   (4)

        [10]

QUESTION 4:   **5 minutes**   **6 marks**   *(DOE March 2009)*

State THREE factors/points that you will consider when developing a strategy for any
business of your choice so that challenges in the macro business environment can be
overcome.   [6]

SECTION B: SOLUTIONS AND HINTS TO SECTION A

QUESTION 1

1.1   False √√   (2)
1.2   False √√   (2)
1.3   True √√   (2)
1.4   True √√   (2)
1.5   False √√   (2)

[10]

QUESTION 2

2.1   Human resources practitioner: Provisioning √√   (2)

2.2

- Related skills. Persal system, relevant legislation. √√
  Special interest, meet requirements and experience in key
   performance areas. √
- Salary: R132 054 p.a. √√
  Present salary is lower. √
- Duties of the position. √√
  Duties suit your interest. √
- Closing date of the application. √√
  Meet deadlines. √
- Contact person. √√
  Enquiry. √
- Head Office: Pietermaritzburg. √√
  Location
- Any requirements stated in the advert covered by the learners should
  be considered.
- Aspect only taken from advert only 2 marks to be allocated.   (Any 2 x 3) (6)

Significant aspect	2
Reason	1

2.3   Monthly gross salary = Salary per annum ÷ 12 √√

R132 054 ÷ 12 = R11 004,50   √√**or** if answer is correct √√√√   (4)
Learner rounds off the answer to R 11 005 allocate √√√√ (4) marks.

(If answer is incorrect allocate a maximum of 1 mark for showing
understanding of process/concept and procedure.)

2.4   - Female persons are encouraged to apply for this position. √√
      - Persons with disabilities are also encouraged to apply.√√
      - Equal opportunity, affirmative action employer. √√   (Any 2 x 2) (4)

[16]

QUESTION 3

3.1   Gross wages = ([8 hours x R60] x 5days) + (3 hours x [1,5 x R60])

            = (R480 x 5) √ + (3 x R90) √
            = R2 400 √ + R270 √
            = R2 670 √√   (6)

NOTE: 1. Allocate full marks if learner writes R2 670.
        2. If the answer is incorrect allocate a maximum of 2 marks for
          understanding concept and procedure.

3.2   Net wages = R2 670 – R320 √ - R26.70 √ - R15 √
          = R2 308.30 √   (4)
NOTE: 1. Allocate full marks if learner writes R2 308.30   **[10]**

QUESTION 4

- Have a clear vision/mission, etc. √√
- Focus on the long-term goals of the business as a whole. √√
- Design a SWOT analysis to re-evaluate the current position of the business. √√
- Establish what should remain the same or what should change to adapt to external factors. √√
- Deploy the resources and skills of the business to take care of the threats or opportunities in its environment. √√
- Design a strategic plan of long-term goals over a certain time span (e.g. 3 – 5 years). √√
- Identifiy responsible departments to establish internal and external focuses. √√
- Any other relevant responses relating to the effective planning in relation to the macro environment. √√

Any (3 x 2) **[6]**

SECTION C: HOMEWORK

QUESTION 1:   **10 minutes**   **10 marks**   *(GDE Supplementary Exam 2009)*

Write down the appropriate term/s or name for each of the following descriptions next to the corresponding number in your answer book.

1.1   The institution set up in South Africa to ensure that people are treated in a fair and dignified manner.
1.2   The return received from investing in the shares of a company.
1.3   The standards of sound and professional business behaviour.
1.4   When a manager insists on sexual favours from someone under his authority, in return for a favour, he could be charged with ....
1.5   The structure of a country's population in terms of its race, culture, religion, etc.

(5 x 2) [10]

QUESTION 2:   **35 minutes**   **10 marks**   *(DOE Feb. 2010)*

In 1994 the new democratic government was elected. One of the main goals of the new government was to address unfair labour practices of the past.

Discuss the nature and purpose of the THREE legislations listed below. Justify the impact of these Acts on the successful performance of business operations.

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
Employment Equity Act, 1998 (Act 55 of 1998)
Skills Development Act, 1998 (Act 97 of 1998)   [40]

SECTION D: SOLUTIONS TO HOMEWORK

QUESTION 1

1.1	Human Rights Commission √√	(2)
1.2	Dividends √√	(2)
1.3	Ethics √√	(2)
1.4	Sexual Harassment √√	(2)
1.5	Demographics √√	(2)

[10]

QUESTION 2

Introduction

- Human rights and fair labour practices have been the main basis for the passing of new labour legislation in South Africa. √
- This was based on the fact that apartheid promoted unfair labour practices. √
- The Bill of Rights sets out detailed rights and responsibilities for all citizens of the country. √

(Any other relevant answer related to the introduction.)   (Any 3 x 1) (3)

Basic Conditions of Employment, 1997 (Act 75 of 1997)

- The Act prescribes the minimum conditions of employment that employers must legally comply with. √√
- The Act protects workers from exploitation, respect for human rights and social justice.
The following are the main provisions of the Act. √√

Working Hours. √√

- The maximum hours to be worked per day for a five day week is 9 hours **or** 45 hours – normal work time. √√
- The maximum hours to be worked per day for a six day week is 8 hours **or** 48 hours – normal work time. √√
- Overtime must be a maximum of 3 hours per day or 10 hours per week.√√
- Payment for overtime is usually at one and half times the normal rate.√√
- Meal breaks of at least 1 hour after 5 hours of work. √√

(Max 4) (4)

Leave√√

- The worker is entitled to 21 days annual paid leave for every 12 months of continuous employment. √√
- Maternity leave is four months. √√
- Family responsibility leave of 3 days per year is allowed for family death, illness etc. √√
- Employees are allowed 36 days of sick leave in a 36 month/3 year cycle. √√

(Max 4) (4)

Public Holidays√√

- Employees must be paid for any public holiday that falls on a working day. √√
- If the workers are required to work on a public holiday then they must receive double their normal rate. √√   (Max 4) (4)

Notice of termination of employment. √√

- Employees must give 1 week's notice during the first six months of being employed. √√
- Two weeks' notice must be served if employed between 6 to 12 months. √√
- Four weeks' notice if employed for more than a year. √√Max 4)

(4 x 4) (16) Max   (12)
Accept other conditions as stipulated in the BCEA Act.   (4)

Employment Equity Act (Act 55 of 1998)

- This Act states that there must be no discrimination on the basis of race, age, gender, religion or disability in the workplace. √√
- Affirmative Action is used as a mechanism to correct the imbalances of the past with respect to access to employment, training, promotion and equitable remuneration especially for blacks, women and the disabled.√√
- Employers who employ 50 or more workers must develop specific affirmative action plans in consultation with the workers. √√
- Business enterprises must submit employment equity plans every two years to the Department of Labour. √√
- This   Act also forces businesses to employ more people from disadvantaged groups and promote the same to managerial positions. √√
- The employment equity plan of the business must be built into its recruitment and selection process. √√
    (Any other relevant answer related to employment equity act.)

Any (6 x 2) Max (12) (12)

Skills Development Act, 1998 (Act 97 of 1998)

- This Act was passed to address the effects of discriminatory labour laws, employment policies and the education system of the apartheid regime. √√
- This has resulted in a severe shortage   of skilled labour, high unemployment rate and the lack of transformation in the workplace. √√ Therefore, the Skills Development Act was passed to:
    - Encourage workers to get involved in training programmes. √√
    - Improve employment opportunities for disadvantaged people. √√
    - Transform the workplace into a place of learning. √√
    - Ensure that workers participate in learnerships. √√
    - Provide quality education and training at the workplace. √√
    - Reduce the high unemployment rate and skills shortage. √√
            (Any other relevant answer related to Skills Development Act.)

Any (6 x 2) Max (12)

(12)

Success/Failure of the above Legislations

- Most of the business enterprises are successfully implementing the above legislations in their business operations. √√
- This is evident in the large number of successful empowerment companies established in South Africa. √√
- These companies are complying with the equity plans, affirmative action, employment of women and disabled people. √√
- The Advisory Commission for Employment Equity advises businesses on the formulation of Codes of Good Practice and Balanced Score Card. √√
    - The government imposes fines on those companies that do not comply. √√
- Some businesses may not be familiar with the legislations. √√
- Training is necessary for the successful implementation. √√
- Companies would rather pay the fines, than obeying the rules and regulations. √√

(Any other relevant answer related to success/failure of above legislations.)

Any (6 x 2) Max (12) (12)

NOTE: A maximum of 4 marks must be given if the success/failure is discussed under each Act.

Conclusion

- From the above discussion it is clear that the new policies for labour legislation in South Africa have provided a much happier workforce in the country. √
- More people are being educated and skilled through the SETAs, etc. √

(Any other relevant answer related to unfair labour practices.)

Sub Total: Max (45) (32)

Breakdown of mark allocation

Details		Maximum	Reduced to	Subtotal	Total
Introduction				3	
Basic Conditions of Employment Act	Facts	12			
Employment Equity Act	Facts	12	Max.40	40	Max 32
Skills Development Act	Facts	12			
Success/Failure of Legislation Facts		12			
Conclusion				2	
INSIGHT					
Layout					2
Analysis, interpretation					2
Synthesis					2
Originality, examples					2
TOTAL MARKS					40

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