NATIONAL SENIOR CERTIFICATE

GRADE 12

MARKS: 300

This memorandum consists of 28 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.   Take due 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 allocated, 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 subquestion.

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.   **SECTION B**

8.1   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'. NB: This applies to only questions where the numbers of facts are specified.

8.2   If two facts are written in one sentence, award the candidate FULL credit. Point 8.1 above still applies.

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

9. **SECTION C**

9.1 The breakdown of the mark allocation for the essays is as follows:

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

9.2 Insight consists of the following components:

Layout/Structure: (Is there an introduction, body using proper paragraphs and a conclusion?)	**2**
Analysis and interpretation: (Learners' ability to break down the question to show understanding of what is being asked.)	**2**
Synthesis: (What parts to the question would you have included in the answer? Are there decisions made from a combination of relevant points?)	**2**
Originality: (Examples, recency of 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 allocated for contents repeated from the introduction and conclusion.**
2. **The candidate forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not stated.**

9.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O')

9.4 The components of insight are indicated at the end of the suggested answer for each question.

9.5 Mark all relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.

9.6 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**

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

9.7 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.)

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

9.9 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.

10. Take particular note of the repetition of facts. Indicate with a R.

11. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated in the breakdown of marks which appear at the end of each question. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

12. Allocate TWO marks for complete sentences. Allocate ONE mark for phrases, incomplete sentences and vague answers.

13. Please note that with effect from 2012 (final examination) no marks will be allocated for indicating Yes (√√)/No (√√) in evaluation type questions requiring substantiation or motivation. (Applicable for SECTIONS B and C)

14. With effect from November 2013, no marks will be allocated if the headings 'Introduction, Conclusion, etc. in 'Insight' is not supported by an explanation.'

SECTION A

QUESTION 1

1.1   1.1.1   C √√
        1.1.2   B √√
        1.1.3   D √√
        1.1.4   B √√
        1.1.5   D √√
        1.1.6   C √√
        1.1.7   A √√
        1.1.8   D √√
        1.1.9   B √√
        1.1.10 C √√   (10 x 2)   (20)

1.2   1.2.1   King's code√√
        1.2.2   triple bottom line√√
        1.2.3   dividends √√
        1.2.4   Labour Relations Act, 66 of 1995√√
        1.2.5   double the normal wage√√   (5 x 2)   (10)

1.3   1.3.1   D √√
        1.3.2   E √√
        1.3.3   B √√
        1.3.4   G √√
        1.3.5   C √√   (5 x 2)   (10)

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	**20**
1.2	**10**
1.3	**10**
TOTAL	**40**

TOTAL SECTION A: **40**

SECTION B

QUESTION 2

2.1   **LO2 AS7**
-   Serves as a link between investors and entrepreneurs. √√
-   Serves as a barometer of economic conditions. √√
-   Encourages financial institutions to invest surplus funds in shares. √√
-   Serves as a disciplined market for securities. √√
-   Encourages new investments by businesses/individuals/previously disadvantaged groups. √√
-   Ensures that the market operates in a transparent manner. √√
-   Encourages short term investment. √√
-   Provides protection for investors√√
-   Shares are valued and assessed by experts. √√
-   Share prices are published daily/Keeps investors informed. √√
-   Any other relevant answer related to the functions of the JSE.   (Any 4 x 2)   (8)

Reason:
-   Not all companies meet the full requirements set by the JSE. √√
-   Private companies do not qualify. √√
-   Any other relevant motivation why some companies are not listed.   (1 x 2)   (2)
                                                                                        (10)

2.2   **LO2 AS6**
   2.2.1   Pie graph/ Pie chart √√   (2)

   2.2.2   Term 3 √√   (2)

             Term 1 (27%) + Term 2 (20%) + Term 3 (x) + Term 4 (12%) = 100% √
             X = 100% - 59%√
             X = 41%√√   (4)
                                          OR
             41%√√√√ and term 3√√ (no workings)
                                                                                            (6)

             NOTE: 1.   Award a maximum of 2 marks for the understanding of concept and method.
             2.   If there are no workings shown and the answer is incorrect allocate 0 marks.
             3.   Allocate full marks if the answer is correct and no workings are shown.   Term   (2)
                                                                         Calculation   (4)
                                                                                        (6)

   2.2.3   -   Intensify marketing efforts/advertising/review pricing structure. √√
             -   Offer seasonal specials e.g. buy one cake and get one free. √√
             -   Diversification of products. √√
             -   Any other relevant strategy on how to improve poor sales performance.   (Any 2 x 2)   (4)

2.3   2.3.1   **LO1 AS5**

Strengths	Weaknesses
- Highly skilled workers. √√ - Vast experience/10 years. √√ - Uses modern machinery. √√ (Max 4)	- Lower worker morale. √√ - Poor team spirit. √√ - High rate of absenteeism. √√ - Decline in sales performance.√√ (Max 4)
Opportunities	Threats
- Expansion into electrical business/diversification. √√ - Franchise opportunity.√√ (Max 4)	- Competitors selling similar imported products at a cheaper price. √√ - Trade unions demanding higher salaries and wages. √√ - Unforeseen expenditure √√ (Max 4)

- Any other relevant answer related to the SWOT analysis from the scenario. (16)

2.3.2
- Offer incentives for good work done e.g. bonuses, shopping vouchers and awards. √√
- Team building. √√
- Coaching and mentoring. √√
- Insist on medical certificates. √√
- Draw up a contract with employee-consider policy of no work no pay. √√
- Advertise your product as a guaranteed quality product. √√
- Register your product under a trade mark. √√
- Outsource quality raw materials at a cheaper price. √√
- Get SABS/ISO 9000 approval. √√
- Negotiate. √√
- Any other relevant strategies related to the challenges identified in the SWOT analysis.
NOTE: 1.   The challenge did not have to be specified.
         2.   Defensive strategies must be marked wrong.
(Any 3 x 2)   (6)

2.3.3   **LO1 AS2**
- Divestiture√√ Evaluation: It will bring in additional money from the sale of non-profit generating assets.√√ Sometimes the assets sold may be repurchased at a higher price in the future. √√
- Retrenchment√√ Evaluation: The business will reduce expenses by paying less salaries and wages. √√ Workers will become unemployed. √√ The business will lose skilled workers.√√ This will have a negative impact on the image of the business.√√
- Liquidation√√ Evaluation: Creditors may or may not receive the full amount due. √√ This will have a negative impact on the image of the business.√√ The business may or may not receive the full amount of money owed by debtors. √√ Anton will be blacklisted. √√ The competitors will benefit from this. √√
- Any other relevant answer on types of defensive strategies and evaluation. (Any 2 x 4)   (8)

2.4 **LO2 AS8**

Factors	Success factors	Failure factors
2.4.1 Management	- Owners are responsible for the management of the business. √√ - Quick management decisions with regard to profitable opportunities can be taken. √√ - The owner becomes an expert in all business functions which leads to a greater success for the business. √√ - Any other relevant answer on management. Max (2)	- Lack of business management skills and knowledge can lead to business failure. √√ - Poor decision making by the owner can lead to business failure. √√ - Incompetent owners of business may require the services of consultants which may increase business expenses/costs. √√ - Any other relevant answer on management. Max (2)
2.4.2 Capital	- The owner contributes capital and has full control over its utilisation for the success of the business. √√ - The sound credit record of the owner can afford him/her opportunities to get financial assistance for the expansion of the business. √√ - Any other relevant answer on capital. Max (2)	- The capital is limited to what the owner contributes/borrows which may not be enough to run the business. √√ - The limited capital contributed by the owner can hamper business growth and expansion initiatives. √√ - Any other relevant answer on capital. Max (2)

(8)

Take note of sub-maximums.

BREAKDOWN OF MARKS

QUESTION 2	MARKS
2.1	**10**
2.2.1	**2**
2.2.2	**6**
2.2.3	**4**
2.3.1	**16**
2.3.2	**6**
2.3.3	**8**
2.4.1	**4**
2.4.2	**4**
TOTAL	**60**

QUESTION 3

3.1 **LO4 AS3**

    3.1.1   Senior Optometrist √   (1)

    3.1.2   R660 000 ÷ 12√   = R55 000 per month√
               If a candidate only wrote the correct answer award full marks.   (2)

3.1.3   - Makes no mention of equal opportunities for previously
        disadvantaged people √√ and/or people with disabilities. √√
        - Does not address gender√√ and/or racial discrimination.√√
        - Any other relevant answer relating to inclusivity.   (Max)   (4)

3.1.4   - No closing date.√√
        - Postal address is not given.√√
        - Job description is not clear.√√
        - Any other relevant omission in the advertisement.   (Any 1 x 2)   (2)

3.1.5   **Explanation:**
        - The employer and employee will be legally protected. √√
        - Clear contract stipulations given. √√
        - No uncertainty for company or worker. √√
        - Any other relevant explanation on the importance of a contract.
                                                                (Max)   (2)

        Clauses:
        - Full name of the employer.√√
        - Address of the employer.√√
        - Name of the employee.√√
        - Job title.√√
        - The employees place of work. √√
        - Date of commencement of the work. √√
        - Probation period. √√
        - Days and hours of work. √√
        - Rate of pay and deductions to be made. √√
        - Salary and other incentives. √√
        - Leave conditions. √√
        - Benefits such as subsidies and medical benefits. √√
        - Conditions for the termination of the contract. √√
        - Any other relevant clauses that must appear in the contract.
        **NOTE: Award a maximum of 2 marks for examples of fringe
                  benefits.**   (Any 4 x 2)   (8)
                                                                            (10)

3.1.6   - Location√√   - you are established and do not want to relocate.√
        - Skills related√√   - Senior Optometrist.√
        - Special interest√√   - suits the post requirements.√
        - Basic salary√√   – present salary could be higher/lower.√
        - Working conditions√√   – specific hours to be worked per week.√
        - Any other relevant aspects of importance when applying for this
          job.   (Any 3 x 3)   (9)

3.2   3.2.1   **LO3 AS3**
        - Businesses that make use of unfair or deceptive advertising may
          mislead customers to believe that they will get more value for
          their money than they actually do. √√
        - Any other relevant answer related to the description of unethical
          advertising.   (2)

3.2.2 **LO3 AS3**
- Customers in South Africa relate '3G' with broadband denoting speed and connectivity. √√
- Cell C has used 'speed cover 4G' in its connectivity. √√
- The '4G' logo is dishonest√√ and misleading. √√
- '4G' logo may be perceived as 4G standard of network. √√
- Any other relevant answer why Cell C's advertisement is unethical.   (Max)   (4)

3.3   3.3.1   **LO3 AS4**
Taxation
Description
- The government needs revenue from taxation to provide essential services such as housing, education, infrastructural development and health care.√√
- Professional behaviour for the business in this regard would be for the business not to avoid tax by falsifying financial records.√√
- Company tax, VAT and personal income tax are some of the main sources of income for the government.√√
- Tax evasion is illegal in South Africa and is regarded as a crime punishable with a fine or even prison sentence.√√
- The SARS oversees the collection of tax.√√
- Any other relevant description on taxation.   (Max)   (4)

Recommendations/Suggestions
- All businesses must register with SARS in order to pay tax.√√
- Avoid penalties of tax evasion by paying tax due by them. √√
- Declare all income to SARS.√√
- Businesses who do not abide by the law should be fined. √√
- Money laundering should be stopped. √√
- Any other relevant recommendations/suggestions on taxation.
                                                             (Max)   (4)
                                                                       (8)

3.3.2   **Unauthorised use of workplace funds**
Description
- Fraud is a theft and misuse of money that belongs to the employer.√√
- Fraud increases the cost of doing business, affects competition, discourages investors by raising prices to absorb the losses.√√
- Use of company assets for private use/personal gain.√√
- Any other relevant description related to unauthorised use of funds.   (Max)   (4)

Recommendations/Suggestions
- Limit the number of employees having access to the business funds/assets.√√
- Identify risk areas and vulnerable areas.√√
- Put in place fraud prevention strategies. √√
- Conduct audits regularly. √√
- Businesses must educate employees about the impact of fraud.√√

- Fraud prevention should be a collective responsibility of business and employees.√√
- Manage risk effectively. √√
- Any other relevant recommendations/suggestions on unauthorised use of funds. (Max) (4)

(8)

3.4   **LO1 AS4**
- Entitled to 3/5 days leave √√ and/or on an annual basis/proportionate leave if less than 12 months of full time employment√√
- It does not accumulate on a yearly basis. √√
- When your child is born or sick.√√
- Death of: (spouse/life partner/parent/adoptive parent/grandparent/child or adopted child/grandchild/sibling)√√

Note: Sub max of 2 marks for leave relating to death of family member.

(Max) (6)

3.5   **LO3 AS2**
Arguments for this technique:
- Experts can be contracted. √√
- Various, relevant questions can be formulated.√√
- No need to get all the people together.√√
- Not expensive. √√
- Questions can be answered electronically.√√
- Easy to manage. √√
- Any other relevant arguments for the use of the Delphi technique.

AND/OR

Arguments against this technique:
- Expert's opinions can be too theoretical. √√
- Some answers can be irrelevant. √√
- Sometimes it is difficult to 'interpret' the answers.√√
- Some experts will not understand the culture of the business.√√
- Any other relevant arguments against the use of the Delphi technique.

(Max) (4)

BREAKDOWN OF MARKS

QUESTION 3	MARKS
3.1.1	**1**
3.1.2	**2**
3.1.3	**4**
3.1.4	**2**
3.1.5	**10**
3.1.6	**9**
3.2.1	**2**
3.2.2	**4**
3.3.1	**8**
3.3.2	**8**
3.4	**6**
3.5	**4**
TOTAL	**60**

QUESTION 4

4.1   4.1.1   **LO1 AS2**
- An entrepreneur with a set goal in life. √√
- Has a target to aim for. √√
- Any other relevant answer related to a description of a vision.

NOTE: Allocate marks when a learner uses examples to demonstrate understanding of the statement.

(Max)   (2)

4.1.2   **LO2 AS4**
- Adapting to challenges.√√
- Adventurous √√
- Get good results in bad economic times√√
- Hard work.√√
- Perseverance.√√
- Honesty.√√
- Optimistic.√√
- A goal setter.√√
- Interact effectively with people.√√
- Be inquisitive.√√
- Enjoy new challenges.√√
- Act on your instinct.√√
- Any answer applicable to the scenario.

NOTE: Do not award marks for 'entrepreneur with a vision' and characteristics that are not in the scenario.

(Any 4 x 2)   (8)

4.1.3
- Provide job opportunities√√ for the unemployed workers.√√
- They stimulate the economy√√ through investments.√√
- Better living conditions√√ by providing fringe benefits such as housing allowance.√√
- Sponsor community projects√√ such as feeding schemes/education on HIV/Aids. √√
- Skills development√√ through learnership programmes. √√
- Any other relevant answer regarding the importance of entrepreneurs in overcoming the socio-economic problems in SA.   (Max)   (4)

4.2   **LO1 AS5/LO2 AS8**

4.2.1   A: Primary sector √√
         C: Tertiary sector √√   (2 + 2)   (4)

4.2.2   B: Public Company √√
         C: Private Company √√   (2 + 2)   (4)

4.3 **LO1 AS4**
- Improves the health of its workers.√√
- May attract experienced employees which could benefit the enterprise in terms of increased productivity.√√
- The community supports the business by purchasing its products and thereby contributing to the business profitability.√√
- The business enjoys goodwill.√√
- Improves the image of the company.√√
- The more socially involved the business becomes, the less likely they are to be harassed by government officials or NGO's about social issues.√√
- Some businesses run social investment programmes that help increase the pool of skilled labour from which they can hire.√√
- CSI helps to attract investors.
- Any other relevant answer related to the benefit of CSI to the business.

(Any 4 x 2)   (8)

4.4 **LO3 AS6**
- Scarce resources (computers, equipment) √√- e.g. when businesses have few resources, employees will compete for the use of these resources and this could lead to conflict√
- Gender bias√√- e.g. when management favours workers of a specific gender; conflict can arise. √
- Weak leadership√√- e.g. workers may become disillusioned with management if management takes time to resolve issues or is inconsistent when making decisions. √
- Social factors√√- e.g. workers from different cultures may have difficult working relationships if they are not properly informed about each other's culture. √
- Lack of team work√√- e.g. if a member of a team believes his views are better to that of colleagues. √
- Poor communication√√- e.g. conflict may arise if workers are not kept informed of developments in the workplace. √
- Discrimination√√- e.g. when one member is treated differently. √
- Unfair treatment√√- e.g. when only one member can benefit from the business. √
- Personality clashes√√- e.g. people who struggle to work together. √
- Different values√√- e.g. working on Sundays. √
- Any other relevant answer related to causes of conflict when two or more employees work together.   Heading (2)
                                        Explanation/Example (1)
                                        (Any 4 x 3)   (12)

4.5 **LO4 AS5**

4.5.1 - Salary disputes. √√
       - Better working conditions. √√
       - Unfair labour practices. √√
       - Any other relevant reason related to why workers strike.

(Any 3 x 2) (6)

4.5.2 - Profits of the business may decrease. √√
       - Workers lose salaries. √√
       - Decrease in production/output/productivity. √√
       - Workers could be dismissed if it is an unprotected strike. √√
       - An agreement could be reached faster after dispute/deadlock in the bargaining chamber. √√
       - Negative/positive publicity for the company. √√
       - Any other relevant answer related to the consequences of striking workers. (Max) (4)

4.6 **LO3 AS6**

- Promotes the interest of all employees at the workplace.√√
- Active involvement in collective bargaining.√√
- Looks after the welfare of employees.√√
- Consults with employers and employees.√√
- Takes part in decision making.√√
- Enhances workplace efficiency. √√
- Any other relevant answer related to the function of workplace forums.

(Max) (8)

BREAKDOWN OF MARKS	
QUESTION 4	**MARKS**
4.1.1	**2**
4.1.2	**8**
4.1.3	**4**
4.2.1	**4**
4.2.2	**4**
4.3	**8**
4.4	**12**
4.5.1	**6**
4.5.2	**4**
4.6	**8**
TOTAL	**60**

TOTAL SECTION B: **180**

SECTION C

QUESTION 5 (LO1 AS4)

5.1   **Introduction**
        - The Skills Development Act was specially promulgated to develop the skills of the South African labour force.√
        - Previously disadvantaged people may find job opportunities easily through the skills development programme.√
        - This act contributes to the economic growth of South Africa.√
        - This act makes provision for SETA's. √
        - Any other relevant introduction related to the Skills Development Act. (Max)   (3)

5.2   **Purpose of the Skills Development Act**
        Description
        -   This Act develops the skills of the South African workforce.√√
        -   Improves productivity in the work place.√√
        -   Improves the quality of education and training in the workplace.√√
        -   Helps people who are unemployed to find a job.√√
        -   Encourages employers to use the workplace as a learning environment.√√
        -   Encourages workers to participate in learnerships. √√
        -   Promotes self employment.√√
        -   Improves the employment prospects of persons previously disadvantaged. √√
        -   Any other relevant answer related to the description of the purpose of the Act.   (Sub max)   (6)

        Evaluation (Is there a need for this Act?)
        - With reference to the article, it is evident that there is a shortage of a skilled workforce in South Africa. Thus the need for skills development. √√
        - Learnerships make it possible for workers to become qualified where the worker is employed for the duration of the 'employment contract'. √√
        - Money is made available for learnerships through the skills levy system. √√
        - The economy will improve as more and more learners acquire on-the-job skills and training. √√
        - Workers become more qualified and therefore more employable. √√
        - Businesses will be better able to compete locally and globally if they have trained skilled workers. √√
        - Slow progress as many workers are unskilled.√√
        - Difficult to assess the performance of SETA's√√
        - There are problems with the establishment of the relevant training centres at appropriate venues throughout the country. √√
        - Labour cannot access the relevant SETA's very easily. √√
        - Many unskilled workers are registered at institutions that provide learnerships/training for their particular skill. √√
        - Employees identified for skills training are sent to the relevant institutions.√√
        - Some businesses are not complying with the Act. √√
        - A learnership leads to a qualification or it accumulates credits towards a qualification.
        - Any other relevant answer related to the evaluation of the purpose of the Act.   (Sub max)   (8)
                                                                                                    (14)

5.3   **Skills Development Funding**
        Description
        - Those employers who qualify must make a regular payment to the fund.√√
        - Employers who pay salaries of R250 000/R500 000 a year must contribute 1% to the fund.√√
        - The levies paid to SARS are placed in the National Skills Fund.√√
        - Any other relevant answer related to description on funding of the Act.
                                                                    (Sub max)   (4)

        Evaluation
        - Not all businesses contribute to the fund. √√
        - Designated businesses who do not comply with the Act are fined. √√
        - Some businesses that contribute to the fund do not have the facilities to train the employees nor send them for training. √√
        - Companies that do not train their employees are not maximising the use of their contribution towards skills development. √√
        - Businesses do not always claim the allocated 60% of levies for the training of their own employees. √√
        - A claim cannot be made for the un-utilised portion of the 60% allocation. √√
        - Any other relevant answer related to the evaluation to the funding of the Act.
                                                                    (Sub max)   (6)
                                                                                 (10)

5.4   **Use of skills levy**
        Description
        - 80% of the levies paid by qualifying employers are distributed to the relevant SETA's. (60% can be directly reclaimed by companies on implementation of the various related structures and 20% of the remaining levy is used to finance training of groups such as the unemployed youth.) √√
        - 20% of the levies are paid into a National Skills Fund and is spent by the National Skills Authority (NSA) (10% is for the administration of the SETA's and 10% of the levy is used to fund special projects).√√
        - Any other relevant description related to the use of skills levy.   (Sub max)   (4)

        Evaluation
        - Systems are in place (SARS) to collect the money. √√
        - The levies collected are sometimes not appropriately allocated and utilised by SETA's. √√
        - Any other relevant answer related to the evaluation on the use of the skills levy.   (Sub max)   (4)
                                                                                 (8)

5.5   **Role of SETAs**
        - SETA's main role is the implementation of Learnership Programmes.√√
        - Responsible for the implementation of Skills Programmes.√√
        - Provides learnerships which include practical work experience.√√
        - Assists in the development of training material.√√
        - Communicates with the National Skills Authority.√√
        - Any other relevant answer related to the role of SETA's.   (Max)   (10)

5.6 **Conclusion**

- This Act plays an important role in addressing the imbalances of the past regarding skills development.√√
- Provides for skills development of unemployed and unskilled labour.√√
- Any other relevant conclusion related to skills development.   (Max)   (2)

BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	**3**	
Purpose of the Skills Development Act Description Evaluation	**14**	**Max**
Skills Development Funding Description Evaluation	**10**	**32**
Use of Skills Levy Description Evaluation	**8**	
Role of SETA in the Skills Development	**10**	
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 if only some of the requirements are met.
   Allocate 0 marks where requirements are not met at all.

NOTE: 1. THE DISCUSSION AND APPLICATION COULD BE INTEGRATED
2. CANDIDATES SHOULD BE AWARDED MARKS WHEN EXAMPLES DEMONSTRATE UNDERSTANDING.

QUESTION 6 (LO2 AS7)

6.1   **Introduction**
        - Insurance is extremely beneficial to the business. √
        - Insurance provides some source of financial relief to the business as a
          result of fire, theft, unemployment, injuries and accidents etc. √
        - It is important for a business to know which risks are insurable or non-
          insurable. √
        - Any other relevant introduction relating to insurance.   (Max)   (3)

6.2   **Importance/reasons/significance/purpose/advantages**
        - Transfer of risk from the business person to the insurance company.√√
        - The transfer of the risk is subject to the terms and conditions of a
          contract.√√
        - The business will be compensated for the insurable losses e.g. destruction
          of the property through fire or the loss of life.√√
        - Insurance protects the business person against future losses.√√
        - The size of the loss is reduced considerably.√√
        - Replacement costs for damaged machinery and equipment are very high√√
        - Insurance against these losses is essential because of factors such as
          inflation.√√
        - Protects the business against the loss of earnings as a result of natural
          disasters such as floods, storm damage and fire.√√
        - The enterprise can purchase insurance for protection against loss of
          earnings/income. √√
        - Insurance can be taken against the life of partners in a partnership business
          as well as key personnel within the organisation.√√
        - Should the services of these key personnel be lost as a result of accidents
          or death, the proceeds of the insurance policy are paid out to the
          business/beneficiaries.√√
        - Any other relevant importance/reasons/significance/purpose/advantages
          relating to insurance.   (Max)   (12)

6.3   6.3.1   **Insurable risks**
                Businesses are compensated for losses arising from certain
                specified risks. √√
                Examples:
                (a) Fire Insurance√
                    - This refers to losses incurred by a business due to damages
                      caused by fire.√√
                    - Damages to the property and assets of a business as
                      specified in the contract.√√
                    - Any other relevant information on fire insurance as an
                      insurable risk.

                (b) Theft Insurance√
                    - Losses that result from burglaries and robberies.√√
                    - Insurance in this regard protects the business by
                      compensating for the losses as well as the cost of repairing
                      any damage to property during the burglary as specified in
                      the contract.√√
                    - Any other relevant information on theft insurance as an
                      insurable risk.

(c) Life Assurance√
- The death of key personnel such as partners, management personnel etc. may cause serious problems and financial losses to the enterprise.√√
- Therefore, it is possible for the enterprise to take life assurance against the death of such key personnel.√√
- Any other relevant information on life assurance as an insurable risk.

(d) Motor car insurance √
- Most business enterprises have assets such as motor vehicles.√√
- Losses as a result of theft, hi-jacking and accidents are for the cost of the enterprise.√√
- Therefore, most business enterprise insure their vehicles.√√
- Any other relevant information on motor car insurance as an insurable risk.

(e) Public Liability Insurance √
- This type of insurance protects the business from claims arising out of injuries to an individual on the business premises.√√
- Any other relevant information on public liability insurance as an insurable risk.

Example (1 mark)
Explanation (2 marks)
(Max)   (8)

6.3.2   **Non-insurable risks**
Insurance companies do not insure these risks./These risks remain the responsibility of the business. √√
Examples
- Losses caused by war. √√
- The time elapses between placing of orders and receiving of goods. √√
- Different prices at different places. √√
- Changes in fashion. √√
- Shoplifting (recurrent expenditure – too high risk). √√
- New machinery invention/ improvement in technology. √√
- Losses caused by marketing malpractices on the part of the business enterprise. √√
- Any other relevant answer related to examples of non-insurable risks.

NOTE: 1.   Although bad debts are generally not insurable risks, they can be insured if certain conditions are met.
2.   If a different approach is used by candidates, take particular note of mark allocation for insurable and uninsurable risks.   (Max)   (8)

6.4 **TYPES OF COMPULSORY INSURANCE**
(a) Compensation for Occupational Injuries and Diseases(COIDA) √√
- Workers who are injured on duty are entitled by law to compensation from the fund.√√
- Insures the workers for medical expenses that they incur as a result of being injured or contracting any illness as a result of performing their occupational duties.√√
- Compensates workers financially for disability that may arise as a result of accidents while performing their duties in the workplace.√√
- This fund also compensates for death benefits to the next of kin of the deceased. √√
- Stipulates the types of injuries that can be claimed for and the occupational diseases in relation to the type of work performed.
- Employees are required to immediately report to the employer on any injuries/diseases, who then subjects the worker to a medical examination for a full report. √√
- Payment of benefits may be withheld in the event of wilful misconduct, or if an employee concealed previous injuries or refused to undergo treatment for possible rehabilitation. √√
- Any other relevant answer regarding the provisions of the COIDA.

(Sub max) (8)

(b) Unemployment Insurance Fund (UIF) √√
- It is compulsory for the employer and the employee to contribute to the UIF.√√
- This fund provides benefits to workers who have been working and are now unemployed for reasons such as retrenchment.√√
- Benefits are also paid to the dependants of deceased contributors.√√
- UIF also provides benefits to people who are not working as a result of illness or are on maternity leave.√√
- The UIF covers five kinds of benefits: Unemployment benefits, illness benefits, maternity benefits, adoption benefits and death benefits. √√
(Maximum of 2 marks for benefits.)
Any other relevant answer regarding the provisions of UIF. (Sub max) (8)

(c) The Road Accident Fund (RAF) √√
- The Government levy that all motorists pay when they buy petrol or diesel ensures that there is sufficient funds to be paid against claims.√√
- The Road Accident Fund Act, 1996 (Act 56 of 1996), makes provision for the payment of maximum payouts in the event of a claim.√√
- Compensation is paid when a person is disabled or injured in a road accident and to the dependants of the individual if he/she is killed in a road accident.√√
- This insurance serves to protect both the injured party and the negligent driver who caused the injuries. √√
- The RAF only indemnifies for the losses suffered due to bodily injuries sustained, or the death of a person and not for damage to property. √√
- Any other relevant answer regarding the provisions of the UIF. (Sub max) (8)

(16)

NOTE: 1. Mark the FIRST TWO compulsory insurances ONLY.
2. There is no specific allocation for description and evaluation on types of compulsory insurances.

6.5   **Conclusion**
- Insurance plays an important role in securing the future of many businesses both locally and internationally. √√
- Any other relevant conclusion related to insurance.   (Max)   (2)

BREAKDOWN OF MARKS

Details	Maximum	Total
Introduction	**3**	
Reasons/significance/purpose/advantages	**12**	
Insurable risks	**8**	
Non- insurable risks	**8**	
Types of compulsory insurance (Mark first 2)	**16**	**Max 32**
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 if only some of the requirements are met.
       Allocate 0 marks where requirements are not met at all.

NOTE: 1.   THE DISCUSSION AND APPLICATION COULD BE INTEGRATED
**   2.   CANDIDATES SHOULD BE AWARDED MARKS WHEN EXAMPLES DEMONSTRATE UNDERSTANDING.**

QUESTION 7 LO3 AS5

7.1 **Introduction**
- A team is a group of employees working together to achieve a common goal set out by the business enterprise.√
- Team members contribute their individual skills and knowledge.√
- Many successful business enterprises promote teamwork.√
- Any other relevant introduction regarding teams. (Max) (3)

7.2 **Types of teams**

    7.2.1 *Project/Temporary teams*√√
- The business enterprise creates a project team to achieve a specific task within a specified time period.√√
- Example: A project team developing a new product.√√
- The project team leader must provide a response to management e.g. within 60 days.√√
- The team dissolves after the completion of the project.√√
- The team is made up of experts.√√
- Has clear objectives. √√
- Because it is short term, the cost is minimized. √√
- Any other relevant answer related to Project/Temporary teams.
(Sub max) (6)

    7.2.2 *Functional/Permanent Teams*√√
- Functional teams are a permanent feature of successful business organisations.√√
- Include members from several vertical levels of hierarchy, e.g. manager and his subordinates. √√
- These teams perform work of a specific nature.√√
- Example: the marketing department of a chain store tasks the team with advertising which includes promotional strategies, conducting customer surveys, branding of products, etc.√√
- Greater commitment amongst members. √√
- Could become expensive. √√
- Difficulty in getting all team members to meet at once. √√
- Any other relevant answer related to Functional/Permanent Teams. (Sub max) (6)

    7.2.3 *Informal Teams*√√
- Team members share common goals, interests or ideas.√√
- Team members are in different locations.√√
- They communicate with each other using electronic mail etc.√√
- Not expensive. √√
- Flexible – can add members as needed. √√
- Any other relevant answer related to Informal Teams. (Sub Max) (6)

    7.2.4 *Self-managed Work Teams/Self Directed Work Teams* √√
- Select their own members and members evaluate each other's performance.√√
- Supervisory positions take on a decreased importance and may be eliminated. √√
- Make and implement decisions.√√
- Take responsibility for their decisions.√√

- Example: Placing of orders for goods.√√
- Performance driven. √√
- Accountability rests with the team. √√
- Any other relevant answer related to Self-managed Work Teams/Self Directed Work Teams. (Sub max) (6)

7.2.5   *Problem-solving Work teams* √√
- Team members comprise mainly of members from within the same department.√√
- These teams meet on a regular basis to discuss ways of improving quality, efficiency and work environment.√√
- No input from other departments. √√
- Any other relevant answer related to Problem-solving Work Teams. (Sub max) (6)

7.2.6   *Cross-functional Work Teams* √√
- These teams consist of employees who are on the same hierarchical level, but from different departments.√√
- This team addresses complex problems.√√
- Come together to accomplish a task. √√
- Input is received from all departments within the organisation in order to find a solution to complex problems.√√
- The vision of each department differs and this can lead to disputes. √√
- Members don't feel threatened, they are all on the same level. √√
- Any other relevant answer related to Cross-functional Work Teams. (Sub max) (6)

7.2.7   *Virtual Teams*√√
- Use computer technology to achieve a common goal. √√
- Allow people to collaborate online, whether a room apart or separated by continents. √√
- Experts can be used. √√
- Teams are impersonal. √√
- Influenced by advancement in technology. √√
- Any other relevant answer related to Virtual Teams.   (Sub Max) (6)

7.2.8   *Task Force Teams*√√
- Formed for a special purpose. √√
- Perform on a specific project or find solutions to critical problems.√√
- Temporary – cost is minimized. √√
- These teams are usually very creative and powerful. √√
- Any other relevant answer related to Task Force Teams.
(Sub Max) (6)

7.2.9   *Committees*√√
- Formed to work on a particular assignment (permanently or temporarily).√√
- Individuals with common interest come together to form a committee.√√
- Because of common interest, they work towards the same goal. √√
- Any other relevant answer related to Committees. (Sub max) (6)

7.2.10   *Workforce/Organisation as a Team*√√
- Team members work together under guidance of a leader/manager.√√
- Leader/manager stand by his/her team and extract the best out of each team member.√√
- Objectives and directions are clear. √√
- Responsibility rests with the manager. √√
- Task driven. √√
- Any other relevant answer related to the Workforce as a team .

(Sub max)   (6)

NOTE: Mark first four types of teams only   **(24)**

7.3   **Characteristics of Successful Teams**
- The team has a clear definition of the task and deadlines by which it must be completed.√√
- Possess the necessary skills to resolve problems.√√
- Have a common desire to accomplish their goals.√√
- Team members respect each other's skills.√√
- Successful teams consist of the correct composition.√√
- The team has clearly defined goals and objectives which are realistic and achievable.√√
- Team members display mutual respect and trust.√√
- Team members support one another.√√
- Team members are committed to the team and to good performance.√√
- Engage in organisational citizenship behaviour.√√
- Commit willingly to team goals.√√
- Help co-workers to do their jobs.√√
- Share credit.√√
- Provide emotional support to co-workers.√√
- Minimise negative attitudes.√√
- Any other relevant characteristics of successful teams.   (Max)   (8)

7.4   **Motivation for team work and individual work**
    Team work:
- Increases employee involvement.√√
- Gives more responsibility to the members performing the task.√√
- Team members are empowered by giving them greater authority and decision-making freedom.√√
- The combined efforts of team members are much more than the sum of individual efforts.√√
- The organisation benefits from the knowledge and motivation of team members.√√
- Produces creative solutions through a process of brain-storming, research, etc.√√
- Members are committed to performing at their best because team members are assessed individually after the task is completed.√√
- Team members motivate each other towards the achievement of a common task.√√
- Contribution of members in a team may be stronger than working individually.√√
- Any other relevant motivation for team work.   (Max)   (6)

Individual work
- The nature of the work/expertise required, will determine the need for individual work.√√
- Incentives offered could encourage individual work.√√
- Time required for completing the task may favour individual work.√√
- Certain professions require individual work. √√
- Any other relevant motivation for individual work.   (Max)   (6)
                                                                                  (12)

7.5   **Conclusion**
- Teams have contributed to the success of solving many problems in the workplace.√√
- Teams boost the overall performance of employees within the organisation.√√
- Any other relevant conclusion related to teamwork.   (Max)   (2)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
7.1 Introduction	**3**	
7.2 Types of Teams (Mark first 4)	**24**	
7.3 Characteristics of Successful Teams	**8**	**Max 32**
7.4 Motivation:		
Max for team work	**6**	
Max for individual work	**6**	
7.5 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 if only some of the requirements are met.
       Allocate 0 marks where requirements are not met at all.

NOTE: 1. THE DISCUSSION AND APPLICATION COULD BE INTEGRATED
**   2. CANDIDATES SHOULD BE AWARDED MARKS WHEN EXAMPLES DEMONSTRATE UNDERSTANDING.**

QUESTION 8 (LO4 AS6)

8.1 **Introduction**
- For a business to be successful all business functions should be interrelated to each other. √
- Quality products and services make a business organisation to be more competitive. √
- Business organisation should have quality control to monitor performance. √
- Any other relevant introduction related to quality of performance. (Max) (3)

8.2 **Quality of performance within the public relations function**
Description/nature:
- Creating a favourable image of the business by liaising with the relevant stakeholders. √√
- Being involved in corporate social investment programmes. √√
- Delivering of quality goods and services. √√
- Any other relevant description/nature related to public relations function.
(Sub max) (4)

Contribution to profitability/success or failure:
- Improved relations with clients through effective after sales, e.g. handling complaints. √√
- Phones to be answered promptly and receptionists to act professionally. √√
- Ensuring that internal publicity, e.g. appearance of correspondence is up to standard. √√
- Negative publicity is countered by releasing regular press statements. √√
- Non compliance of relevant legalisation, e.g. the Basic Conditions of the Employment Act. √√
- Improve the positive image of the business through good publicity. √√
- Any other relevant contribution related to public relations function.
(Sub max) (8)
(12)

8.3 **Quality of performance within the administration function**
Description/nature:
- Processing data and information. √√
- Ensuring that captured data or information is accurate. √√
- Making information available so that management can react timeously to opportunities and threats. √√
- Any other relevant description/nature related to administration function.
Sub max (4)

Contribution to profitability/success or failure:
- Effective administration improves the liquidity, cash flow and profitability position. √√
- Regular control of outstanding payments, timeous payment of creditors and salaries.√√
- Quick handling of complaints in an effective manner. √√
- Utilising technology efficiently/effectively. √√
- Any other relevant contribution related to administration function. (Sub max) (8)

8.4 **Quality of performance within the finance function**
Description/nature:
- Obtaining capital from the most suitable source available. √√
- Funds must be effectively allocated in the business. √√
- Financial statements must be correct, up to date and presented to top management and relevant stakeholders. √√
- Any other relevant description/nature related to finance function.

(Sub max) (4)

Contribution to profitability/success or failure:
- Drawing up of budgets and cash flow statements. √√
- Financial control measures/systems to eliminate fraud. √√
- Investing strategies to increase profitability. √√
- The financial department must determine the profitability, gearing and liquidity on a regular basis. √√
- Implementing credit granting and collecting policies. √√
- Accurately analysing and interpreting financial information. √√
- Any other relevant contribution related to finance function. (Sub max) (8)

(12)

8.5 **Evaluation of risk management in the workplace**
Yes
- Identify threats that result in losses for the business enterprise. √√
- Determine the probability of the risk occurring. √√
- Formulate strategies to protect critical assets that are exposed to threats. √√
- Minimise the risk by taking out an insurance policy/budget for possible losses. √√
- Evaluate the risk by attaching a monetary value to potential losses. √√
- Control the risk and find ways of minimising risk. √√
- Involves identifying risks and finding strategies to deal with risks, e.g. transferring the risk, minimising the risk, or avoiding the risk. √√
- Any other relevant justification related to risk management.

AND/OR

No
- Small businesses with few employees may not need a separate risk management function. √√
- Businesses do not have the necessary funds/capital for risk management. √√
- Any other relevant justification related to risk management. (Max) (6)

8.6 **Conclusion**
- Business functions cannot be managed in isolation, they are inter-dependent. √√
- Ongoing evaluation of performance of the above functions and their managers is necessary. √√
- Quality performance of all the functions will contribute to the success/profitability of the business. √√
- Any other relevant conclusion related to quality/profitability/risk etc. (Max) (2)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	**3**	
Quality performance within Public Relation	**12**	
Quality performance within Administration	**12**	**Max**
Quality performance within Finance	**12**	**32**
Risk management	**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 if only some of the requirements are met.
      Allocate 0 marks where requirements are not met at all.

**NOTE: CANDIDATES SHOULD BE AWARDED MARKS WHEN
EXAMPLES DEMONSTRATE UNDERSTANDING.**

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