



BUSINESS STUDIES MEMORANDUM

SECTION A

Question 1

(20 marks)

1. b.	6. c.	11. a.	16. d.
2. c.	7. c.	12. a.	17. d.
3. b.	8. b.	13. b.	18. c.
4. b.	9. d.	14. c.	19. d.
5. c.	10. b.	15. c.	20. c.

SECTION B

Question 1

(20 marks)

1. False	6. False
2. True	7. False
3. False	8. True
4. False	9. True
5. True	10. False

Question 2

(20 marks)

1. D	6. G
2. F	7. E
3. J	8. B
4. H	9. C
5. I	10. A

SECTION C

Question 1 (50 marks)

1. Employment Equity Act (2)
2. To ensure there is no discrimination in the workplace; to promote equal opportunity for everyone, in particular previously disadvantaged people, women and people with disabilities; to ensure equal representation of all race groups at all levels of the workforce. (4)
3. Discrimination on the basis of race, gender, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth. (10 2 = 20)
4. The plan must include:
 - The number of people from each group who are needed on every level of the business, to ensure equal representation of the population
 - A plan of action to fulfil this quote in the next few years, with annual goals
 - Ways in which it will be monitored
 - Addressing major differences in wages and salaries on the different levels of the business. If these are very big, gaps need to be closed. (8)
5. She has the necessary skills as a woman she is part of a designated group. Captain Barnard was 17,5% better than the next applicant from the designated group, and if she does not get the position, it will adversely affect service delivery. (8)
6. People from previously disadvantaged groups should get preference, and appointing her would not promote representivity. Her appointment is not in line with government and SAPS EE policy and as SAPS is a public service, it should be representative of the majority.

Question 2 (23 marks)

1. UCT is committed to the pursuit of excellence, diversity and redress. Reference is made to the EE policy of UCT and where to find it. "We seek particularly to attract candidates from the designated groups." (2)
2. Process:
 - a. Study the CVs, accompanying letters and application forms to ensure that the applicants fulfil the requirements set out in the advertisement.
 - b. Invite suitable candidates to an interview.
 - c. Draw up a shortlist of about 30 candidates.
 - d. Interview the shortlisted candidates and let them complete necessary skills tests.
 - e. Select best candidate and inform others that they were unsuccessful.
 - f. Conduct a background and reference check on the best candidate.
 - g. If results of these checks are negative, reject the candidate and restart the process.
 - h. If results are positive, offer the candidate the job. (8 2 = 16)
3. Top management; "Ability to lead a team"; report to the Vice-Chancellor and Head of Audit Committee. (5)

Question 3 (35 marks)

1. Telecommunications (2)
2. BEE stands for Black Economic Empowerment; BBEE Broad-based Black Economic Empowerment. It refers to the process of actively creating opportunities for black people to have ownership in companies and businesses,

- to increase black peoples' skills and to prefer to BEE companies for contracts and tenders. (6)
3. The BEE Scorecard is used to assess the BEE status of a business. It measures, among other things:
- How much money is spent on skills development for black people
 - How much money is spent on critical and core skills for black employees and female employees
 - The number of black employees registered for learnerships
 - The number of black unemployed people the business has registered for learnerships
 - Employment of a skills development facilitator
 - An HR programme that shows career planning and career development
 - A written policy of non-discrimination
 - A strategy regarding executive responsibility and representation of black people in management, directorships and ownership of the business
 - Scholarships and bursaries for black people. (any 6 2 = 12)
- (14)
4. Equity: ownership of shares in a business (2)
- Market environment: consists of consumers, suppliers, intermediaries and competition. (2)
- Memorandum of Association = a document used to determine the nature and scope of the company. It describes the relationship of the company to its stakeholders. (2)
5. Public company (1)
6. Selling shares; they can mobilise large amounts of capital in this way. (2)
7. Must draw up a Memorandum and Articles of Association; a Certificate of Incorporation is then issued. The company then raises enough share capital, and a Certificate to Commence Business is issued. (4)

Question 4 (40 marks)

1. Democratic leader, but also autocratic in implementing necessary policies for turnaround of Nedbank. (2)
2. Advantage: Moral and productivity very good; Leader and follower involved in problem solving
Disadvantage: Could be time-consuming to have groups reach consensus in decisions; may be less effective decisions. (2)
- 3.

Management	Leadership
Ensures work is done.	Ensures employees are motivated to do the work.
Has power and position to make sure work is done.	Can encourage and motivate people to willingly and enthusiastically do their work.
People can learn management skills.	Difficult to learn good leadership skills.
Focus on the task to be done.	Focus on the people who do the task.

(2 8 = 16)

4. All managers need to:
 - a. Plan what needs to be done.
 - b. Organise who will do what.

- c. Lead and motivate employees to achieve the goals and objectives within the required timeframe.
- d. Control and evaluate the progress made by individuals and the task or job. (4)
- 5. To achieve financial stability (2)
- 6.

Strength Listing on responsibility indices; Green Card and Affinity programmes	Weakness Financially unstable
Opportunity Improve financial performance/new perspectives thanks to new CEO	Threat Legal challenge relating to Pinnacle

(4 2 = 8)

- 7. Yes – Empowerdex listing; Green Card; Affinity programmes; developing the bank’s people and its culture, making sure the business is sustainable. [any FOUR] (6)

Question 5 (20 marks)

- 1. CSI refers to the situation when an organisation puts money into projects that improve the living standards and conditions of the company, and which indirectly benefit its workers and their families. (4)
- 2. Education
Entrepreneurship
Health
Employee community involvement
Group-wide community initiatives
Environment
Heritage, Arts and Culture
(any SIX) (6)
- 3. Yes– They target the most important areas of need/strategic goals, including the government’s national development imperatives and with the United Nations Millennium Development Goals
OR
No – They might not have clear focus; there are too many areas of interest. (6)
- 4. They attract and retain top employees; they increase employee productivity; they reduce overheads by taking environmental considerations into account; they improve the health of their own workers in the community. (4)

Question 6 (32 marks)

- 1. All parties can raise their concerns; goals can be set for the employee; plans for improvement can be developed (Any TWO). (2)
- 2. Provide a written list of duties and responsibilities, and agree these with the employee; Allocate weighting to each item on the list, and agree this with the employee; Discuss the targets to be achieved in each duty – allocate a percentage of target achieved, e.g. debt collection is not being done properly, not all debtors are being called in the first seven days, so 50% of the expected duty is being completed; Give the employee a fixed date, e.g. 14 days or 1 month, in which to improve. Set a date to revise the targets to see if they have improved;

- As a last resort, of there is no improvement, the employee needs to follow the necessary disciplinary procedures. (4)
3. (Any THREE)
- a. Communication
 - b. Planning
 - c. Effective use of time
 - d. Handling problems and conflict
 - e. Decision-making skills
 - f. Attitude and behaviour
 - g. Problem-solving skills. (3)
4. Suitable title;
 Use bullets;
 Have a complete message on each slide;
 Use the correct grammar;
 Use your company logo;
 Use tables and graphics. ($\frac{1}{2} \times 6 = 3$)
5. Write your paragraph using full sentences.
- a. Presentation aids: Use the mouse/laser pen/pointer stick to focus attention; slide is displayed immediately; easy to change; can add animation, sound and graphics. (4)
 - b. Style and processes: Introduce yourself; welcome and thank audience; answer questions; make notes; repeat questions for all to hear; clear up misunderstandings; do not argue; apologise for errors, if any; do not be condescending/patronising. (6)
6. Rubric for eight effective slides: (10)

Criteria	Applied to all slides	Applied to some slides	Not applied
Suitable title	2	1	0
Bullets	2	1	0
Complete message per slide	2	1	0
Correct spelling and grammar	2	1	0
Company logo	2	1	0
Total /10			

Question 7: Indi Gold Mine (40 marks)

The essay must include the following information:

Indi is clearly not a caring organisation. A caring organisation looks after the environment, human rights, inclusivity and moral/ethical issues. (4)

It harms the environment by pumping toxic waste into the river; it does not rehabilitate the mine when mined out; it dismiss employees without paying them; it prohibits employees from belonging to a union, thereby denying them a way to improve their working conditions; it does not look after its HIV-positive employees; and women may only be promoted up to administrative assistant. (8)

The macro environment consists of factors such as (and how Indi relates to each factor):

Physical environment (mining area, nearby community)

Political environment (legislation such as Employment Equity, environmental legislation, Skills Development Act)

Social environment (poor community close by, unemployment when appointing and dismissing employees, dismissing employees with HIV/Aids)

Economic environment (although making lots of money at present, this might change when stakeholders turn against them, which may happen by exposing their practices in the media)

International environment (should also take notice of the global focus on good corporate citizens, being caring organisations and consulting with stakeholders). (15)

SWOT analysis (8)

Strengths – Financially strong, high share price

Weaknesses – Uncaring, unethical practices, no staff loyalty

Opportunities – Transforming into a caring organisation through good corporate governance

Threats – public exposure; worker unrest; government action – all possibly even leading to closure of business.

A possible vision statement for Indi could be “to be a good corporate citizen, taking into account all stakeholder needs while making sustainable profit”. (5)

[For the last comment, for creativity and insight into what Indi should become, taking into account profit and focus on being a caring organisation; for clear formulation.]