

Time: 2 hours

200 marks

These marking guidelines are prepared for use by examiners and sub-examiners, all of whom are required to attend a standardisation meeting to ensure that the guidelines are consistently interpreted and applied in the marking of candidates' scripts.

The IEB will not enter into any discussions or correspondence about any marking guidelines. It is acknowledged that there may be different views about some matters of emphasis or detail in the guidelines. It is also recognised that, without the benefit of attendance at a standardisation meeting, there may be different interpretations of the application of the marking guidelines.

SECTION A
QUESTION 1

1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	1.10
D	A	B	B	C	C	A	A	B	D
✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓

[10 × 2 = 20]

20 marks

QUESTION 2 → Do not accept impact for reason being FALSE

2.1 True ✓ accept one OR both

2.2 False ✓ In the virtual base theory of ethics, management suggests that it is the character of a person that is judged, rather than his/her actions. OR ✓ In the consequence theory of ethics, management suggests that the consequence of an action is what determines whether the action is right or wrong.

2.3 True ✓ until the accept, but must include condition of employees use

2.4 False ✓ A lock-out refers to a refusal on the part of an employer to allow employees to continue to work unless they accept certain conditions of the employer. ✓ OR A constructive dismissal refers to the employer who makes the working environment impossible for the employee to tolerate, which forces the employee to resign.

2.5 False ✓ The Advertising Standards Authority (ASA) is the official body responsible for the control and monitoring of unfair and discriminatory advertising in our country. ✓ OR The South African Bureau of Standards (SABS) is the body responsible for providing standardisation services that improve the competitiveness of South Africa. OR The SABS promotes standardisation and develops specifications for the quality, safety, performance and durability of products OR any appropriate function of the SABS.

Did not accept SA Broadcasting Commission SABCSA, Chamber of Commerce, IMI Reason marks

2.6 True ✓

12 marks

QUESTION 3

3.1	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9
D	G	A	K	B	H	F	L	C
✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓

[9 × 2 = 18]

18 marks

Total Section A: 50 marks

SECTION B

QUESTION 4

4.1 4.1.1 ILO 1: AS 21

Secondary Responsibility means the upliftment, protection and improvement of the welfare of society. ✓✓ - give back to the community ✓✓

4.1.2 ILO 1: AS 21 - link to stakeholders ✓✓ an example ✓✓ (2)

- Do not accept link/reference to KING REPORT
- An organisation's primary social responsibility refers to suppliers, customers and competitors. ✓✓
- OR To protect their investment, ensure an appropriate return. safeguard the jobs of their employees, etc. ✓✓
- An organisation's broad social responsibility refers to activities such as those aimed at the local community. ✓✓
- OR Poverty alleviation; AIDS education, etc.; as well as the country as a whole, e.g. environmental awareness programmes or tackling the issue of skills shortage to combat unemployment. ✓✓

Explanation of primary & broader social responsibility (2 x 2 = 4)
OR Candidates must be given credit, if, by means of an example, they are able to distinguish the difference in the two concepts (2 x 2 = 4)

4.1.3 ILO 1: AS 21 - Due to nature of question - must accept phrases - give ✓✓ marks

The inequalities of the past, especially in the sphere of education, have resulted in a large number of illiterate adults without job-related skills that are necessary to secure employment. ✓✓

As a dualistic economy with a large portion of the population still living in Third World (developing) circumstances, we are in the process of growth and building infrastructure and unable to provide adequate housing, medical care or education of an acceptable standard to all citizens at present. ✓✓

Years of apartheid resulted in funds being poured into various political issues, instead of economic issues. Economic boycotts also prevented direct foreign investment and strategic imports from reaching our shores. ✓✓

South Africa has limited water supplies. This, together with the concentration of natural resources in specific areas, lead to a concentration of the population in smaller areas, which results in a strain on already scarce resources. ✓✓

Technological advancement worldwide has resulted in many menial jobs being automated, making it very difficult for those without the appropriate qualifications to find employment. ✓✓

The 'global village' phenomenon, with increased imports has resulted in it being cheaper to import many products rather than to produce them locally. ✓✓

It is often difficult to break the cycle of poverty. When entire rural communities are unemployed, it takes courage for the young generation to break out, seek opportunities for education and break the cycle. ✓✓

- A culture of crime and violence tends to produce future generations who actively need to break out of the cycle in order to become citizens who can contribute to the economic well-being of the country. ✓✓
- The crippling effects of the HIV/AIDS epidemic, has left thousands of families with no parent or adult present in the household to look after them. These child-led families battle to survive as they do not yet have the skills or education to be able to earn enough money for a decent existence. ✓✓

Any THREE relevant points (3 x 2 = 6)

4.2 ILO 4: AS 41

Total Quality Management ✓

- This refers to an effort implemented throughout the entire business to plan and control the standards of all operations in order to deliver the best product or service to the customer. ✓✓
- The philosophy was originally developed to improve quality in the manufacturing environment, but it can equally be applied throughout the business. ✓✓
- The central idea is to make all processes in the business visible and measurable in order to build on and repeat the successes.

Benchmarking ✓

- Benchmarking is a process where the business looks at its own methodologies to perform a task and compares it to methods used elsewhere. ✓✓
- This is necessary because people tend to believe the way things are being done is the best way as this is the way it has always been done. ✓✓
- The business can take what was learnt from others and implement the practices to improve overall performance.

Business Process Re-engineering (BPR) ✓

- This involves a radical rather than a gradual improvement of processes. ✓✓
- That may even result in a complete redesign if it will improve quality and performance. ✓✓
- This method requires a consultation with the affected parties as its implementation can have far reaching implications.

Quality Circles ✓

- This concept originated in Japan and although it was originally geared towards the production department, its principles can be applied throughout the business. ✓✓
- A small group of employees from the same department meet to identify and discuss any issue that will impact on the quality of performance. ✓✓
- The involvement of employees in quality circles tends to increase their motivation when given the opportunity to make recommendations to management.

Mention of quality control method (Any 1 x 1 = 1)
Explanation of method (2 x 2 = 4)
(2 x 5 = 10)

Candidates must be given credit for any other quality control method that is mentioned. → please see alongside page

Question 4.2.

QUALITY CONTROL METHODS:

- ISO 9000
- ABC or Pareto analysis (20-80%)
- Kaizen analysis with or without TQM
- SWOT analysis with proper discussion into quality control
- Incentives into quality control/performance appraisals
- Sampling / batching
- Inspection points / quality control using appropriate equipment
- Value Chain analysis
- Resource based approach
- Balanced score card
- Break-even analysis
- Product Research
- Environmental Scanning
- Customer surveys
- Deming analysis
- External inspections
- Financial Ratios → Acid-Test Ratio, Current Ratio, Solvency, ROI, others.
- NCap or crash testing using "crash test dummies"

All of the above quality control methods must explain how it is used to measure quality [good or bad] and not link to an increase in productivity

B!

SWOT analysis/PESTLE not accepted as STRATEGIES

4.3 ILO: ASII - Had to have a STRATEGY - not a CREATIVITY tool
 IF Strategy wrong - Can't make motivation

- 4.3.1 • Strategy - Toyota South Africa needs increased education programmes on HIV/AIDS. ✓
- Motivation - Our population, especially the youth (high risk group), need to have an increased awareness of the effects of engaging in unprotected sexual behaviour. ✓
- This has an effect on the numbers of potentially skilled workers that can enter the labour market. ✓
- Strategy - Toyota South Africa needs to increase its funding in order to find a cure for the disease. ✓
- Motivation - Financial resources are desperately needed so that we can curtail the high death rates associated with the disease. ✓
- Workers can be assured that they will be able to perform their work satisfactorily without taking sick leave and affecting productivity. ✓
- Strategy - Increased qualified personnel resources to deal with workers/family members affected by the pandemic. ✓
- Motivation - We need to consider that there are many other parties (other than the workers) that are affected by the disease. ✓
- There needs to be involvement from social workers; community caregivers, etc. who will be able to appropriately deal with the cases. They require training in this regard. ✓
- Strategy - Toyota South Africa must have policies in place to deal with HIV/AIDS related death/deaths of key workers/managers. ✓
- Motivation - Businesses invest a lot of time and money into the training of their workers. If the worker becomes infected, it will mean more leave time to go to health care workers and productivity will suffer. ✓
- Eventually the worker will be replaced and businesses need to have appropriate policies in place to consider this, both in the short and long-term. ✓

~ Medical care - Clinic on premises
 ~ medical aid assistance
 ~ distribution of condoms
 ~ Posters
 ~ Counselling

- On 4.3.1 Accepted
 - NB! Accept Corporate + Generic Strategies

Mention of strategy (Any 1 x 1 = 1)
 Explanation of strategy (2 x 2 = 4)
 Any relevant strategy and explanation must be considered

(Total 5 marks)

- 4.3.2 • Strategy - Toyota South Africa will need to tighten its spending patterns. ✓
- Motivation - There will be less money to spend as part of the budget will be going to funding the increase in finance costs. ✓
- Management will need to review its budget/finances more carefully, until the upward trend in the interest rate decreases - need to statistically monitor the trend. ✓
- Strategy - Toyota South Africa will need to find alternative sources of finance at a cheaper rate. ✓
- Motivation - The business will need to consider other alternative sources that are not affected by the high interest rate. ✓
- This could include finance from other countries - a possibility as Toyota is an international company - offshore financing. ✓
- Strategy - Increase in the interest rate is passed on to the final consumer. ✓

Accepted. 4.3.2
 - Brokers to educate employees on how to deal with interest rate hikes
 - Return employees by offering lower interest rates
 - Internal financing by Toyota
 • as opposed to bonds
 • Being indignant payment

Motivation – In order to recoup the increase in interest rate, Toyota will need to increase the selling price of its vehicles. ✓✓
 They will need to review their end product or find creative ways in the business to cover the interest rate hike, without affecting the final selling price of vehicles, e.g. cutting down on expansion. ✓✓

Mention of strategy (Any 1 x 1 = 1)
Explanation of strategy (2 x 2 = 4)

Any relevant strategy and explanation must be considered

(Total 5 marks)

4.4 ILO 3; AS 11

Creative Thinking Techniques

- **Pro's and Con's Chart** ✓
 Management will list the advantages (positive) points and the disadvantages (negative) points of the choice. ✓✓
 In order to solve the problem you weigh up the options by assigning a numeric value to each option – and if it scores a high value then the option will be viable. ✓✓
- **'DRIVE' Technique** ✓
 This creative thinking technique forces management to consider the problem in more depth and to break it down into the various components. ✓✓
 For example: D (Define); R (Review); I (Identify); V (Verify) and E (Execute); This implies that management has considered all the alternatives before the execution of the strategy. ✓✓
- **Drill – Down Analysis** ✓
 Management has the opportunity to break down the proposed strategy into manageable chunks for processing. ✓✓
 By 'drilling down' into the component parts you are in a position to consider information that you did not initially think had relevance to the consequences of the strategy – ultimately reaching to the root of the challenge in the macro-environment. ✓✓
- **SWOT Analysis** ✓
 Management is able to consider the strengths and weaknesses (internal factors affected by the implementation of the strategy) as well as the opportunities and threats (external factors that are affected by the implementation of the strategy). ✓✓
 Once this process has been undertaken, decision making can focus on the real issue at hand as other irrelevant issues are eliminated. ✓✓
- **Flow charts** ✓
 This is where management places the strategy in the form of a diagram and shows at various stages where decisions have to be made. ✓✓
 Management is given the 'bigger picture' that the implementation of the strategy will have all the relevant details as have been represented in the flow diagram. ✓✓

QUESTION 4.4.

Accept the following techniques if they are explained properly + applied appropriately

Creative solving
 problem techniques

- Rubus puzzle
- Tangrams
- mind dumping; mind maps
- chair & empty chair technique
- SMART and SMARTER
- Brainstorming
- De Bono's 6 Thinking hats
- Nominal Technique
- SCAMPER
- Picture simulation
- "What if"
- Force-field analysis
- Super Hero technique
- Questionnaires
- Competition with feedback on change management + idea generation

- **Scenario Analysis** ✓
Management is in a position to analyse possible future events by considering alternative possible outcomes from the implementation of the strategy. ✓✓
This technique is designed to allow improved decision making by allowing more complete considerations of outcomes and their implications. ✓✓
- **Value Analysis** ✓
In this creative thinking technique management considers the cost component of the implementation of the strategy. ✓✓
With the ultimate aim of reducing costs, thereby increasing the value of the final product/goal of the strategy. ✓✓
- **Delphi Technique** ✓
In this technique management makes use of a panel or single expert that makes forecasts based on their superior knowledge of the challenge and the proposed strategy. ✓✓
The identity of the expert is kept a secret so as to prevent the halo effect and to keep the final recommendation valid and feasible. ✓✓

Consider the techniques mentioned alongside ←
Mention of Technique (Any 1 x 1 = 1)
Explanation of Technique (2 x 2 = 4)
(Total 2 x 5 = 10)

4.5 ILO 2: AS 1 → Do not accept any reference to PUBLIC company
accept that
is also refer to
u assets +
man resources
ink to profits +
sues

4.5.1 Capital requirements
The size of the business will determine the amount of capital required. ✓✓
Toyota South Africa is a private company and it can potentially raise more capital than a sole trader or partnership, as its shareholding can be increased to fifty and due to its legal person it can borrow capital in its own name. In this scenario, capital acquisition can lead to the success of the private company. ✓✓
Candidates can argue that if Toyota South Africa (Pty) Ltd wants to enter into big contracts, its choice of a private company may be a limiting factor in terms of capital acquisition. This implies that its choice of ownership will have a negative impact on the success of the business. (Any 2 x 2 = 4)

4.5.2 Taxation

- Toyota South Africa is responsible to pay income tax on profits generated. This is at a fixed rate. ✓✓
- Shareholders will also pay a dividend tax, i.e. they receive their dividends net of tax. ✓✓
- Payment of taxation has a negative impact on the success of the business. (Any 2 x 2 = 4)

Consider any relevant response demonstrating its impact on either success or failure of Toyota. [8 marks]

IF penalised for public company reference

- Accept the effect of PAYE, capital gains tax, import and export duties, VAT
- Tax implications for private + public the same - hence we accept [do not penalise twice]

Qn 4.5.1 + 4.5.2 → Must indicate the success or failure to get the full mark allocation

Question	Sub-Marks	Total
4.1.1	2	
4.1.2	4	12 marks
4.1.3	6	
4.2	10	10 marks
4.3.1	5	10 marks
4.3.2	5	
4.4	10	10 marks
4.5.1	4	8 marks
4.5.2	4	
Total	50 marks	

50 marks

QUESTIONS

- 5.1 5.1.1 ILO 2: AS 41 → Only allocate 2 marks if candidates used the graph to find differences - expand on it...
medium risk
Kruger rands refer to an investment where its value is determined by the combination of the US dollar gold price and the rand/US dollar exchange rate. ✓✓
OR Combination of the value of gold; rand/dollar exchange rate and interest rate trend (increase or decrease). gold coin ✓✓ hard physical investment ✓✓
Equities refer to an investment in shares or stocks where the investors have obtained part-ownership in the company whose shares they have bought. ✓✓ soft investment / high risk ✓✓
- 2 marks for 5.1.2 ILO 2: AS 41
- Treasury OR Treasury bonds ✓✓ For calculation ✓
- Treasury bonds OR 6.2% ✓ (Accept 6% approximate) (2)
- 5.1.3 ILO 2: AS 41
2 marks for defn. As the graph considers returns on your investments, it is important to take into account the decreasing value of money as time goes on as a result of rising prices. ✓✓
2 marks for linking Inflation figures put the returns in a realistic perspective, especially as the graph covers a time period of 20 years. ✓✓
2 marks for linking Inflation Consider any relevant answer relating to the effect of inflation on investments. (4)
- 4 marks for showing a full link between inflation + investments on graph

5.1.4 ILO 2; AS 41

Krugers rand and Fixed Deposits ✓

5.1.5 ILO 2; AS 41 Conclusion can be tax + inflation Related. (2)

Allocate - very ✓
and conclusion ✓
from graph ✓

Pre-tax bond returns are higher than the returns on own mortgage ✓
but the after-tax on bond returns is lower than the returns on own mortgage. ✓

The net effect when considering the effect of tax still makes the returns on own mortgage, which is not taxed favourable at 16.6%. ✓

5.1.6 ILO 2; AS 41 -- not inflation (2 conclusion x 2)

One Option:

- The employee should invest in equities. ✓
- There is very little difference in the before (19.7%) and after tax (19.3%) return on the investment. ✓
- They do involve a high risk option, hence the returns are high. ✓
- The employee would not benefit on the return on bonds because of the tax implication. (6.2% drop in returns) ✓

Choice of investment (1 mark)

Justification for choice (Any relevant reason 2 x 2 = 4 marks) (5)

Consider other options that are appropriately justified.

5.2 ILO 4; AS 11

Employment Equity refers to abuse/harassment → Don't allocate marks for any reference to racial discrimination ✓ and "gender" ✓
 • the elimination of unfair discrimination in employment ✓ and "gender" ✓
 • the provision of affirmative action to correct the imbalances of the past "age" ✓
 { with respect to access to employment, training, promotion and equitable remuneration, especially for Blacks, women and the disabled. ✓ (2 x 2 = 4)

5.2.2 ILO 4; AS 11 -- give credit for an example

There may be the perception that the act favours one particular race group over another and this seems contradictory to the principles of equity. ✓

Credit must be given if candidate gives a practical example. - Reverse (2)

Consider other valid criticisms or perceptions of Employment Equity. discuss firming equity

5.2.3 ILO 4; AS 11

Toyota SA must specifically indicate that the vacant post is an affirmative action post and that the company is committed to a process of employment equity. ✓ ✓ - communicate clearly in interview (2)
 Consider other appropriate measures that Toyota may employ.

5.3 ILO 4; AS 21

Dismissal on the grounds of misconduct refers to a situation where a transgression of a rule took place. ✓

Dismissal on the grounds of poor performance refers to a situation where work standards have not been met and may be dealt with in accordance with the company's disciplinary code. ✓

5.3.2 ILO 4; AS 21

Must give a definite answer - can't sit on the fence
Candidates may respond as follows: Arguments in favour of aggravating ✓ OR Arguments against decision (mitigating) ✓
Give this terminology

- Can argue that the action taken by the factory foreman was appropriate ✓ if this can be established prior to implementation of the decision.
- It must be established whether the employee was aware of the expectations on dress code; and ✓ how failure to meet these standards will be dealt with. ✓
- Trade unions will ensure that the work standards are realistic and reasonable ✓; and if the standards are changed; the law requires that Toyota consult with trade unions before these changes are implemented. ✓
- It is also important to note that according to the scenario, Jane was given a verbal and written warning prior to her dismissal. ✓

Indicating appropriateness of factory foreman's response (1 mark)
Reasons to substantiate decision (Any 3 x 1 = 3 marks)

5.3.1 ILO 4; AS 21

- Ensure that staff is aware of the dress code requirements, by clearly communicating this fact verbally and in writing. This is not only important for new staff, but existing staff need to be reminded of company policy. ✓
- The dress code policy needs to be reviewed on an annual basis and have input from employers, employees and trade union representatives. ✓
- Ensure that management is aware of the correct disciplinary procedures to follow in case there is a transgression and that there are no areas for misinterpretation. ✓
- Managers should be given training on how to handle conflict of this nature, e.g. it is more appropriate for a female manager to deal with dress code issues of female employees. ✓

Consider any other appropriate suggestion on avoiding a similar situation. (Any 2 x 2 = 4)

5.4 ILO 4; AS 11

Basic plus benefits ✓
Cost plus benefits ✓

5.4.2 ILO 4; AS 11

AVG!

Gross salary ✓ + Employers contribution to pension fund; Medical Aid Fund & UIF ✓ + cash value associated with the other fringe benefits ✓ OR

12,500 ✓ + [(5% (12,500 - (1,250 + 1,500 + 1,000 + 125))) + 1,125] ✓
= R14,056.25 ✓ + cash value associated with the fringe benefits ✓ (Max 3 marks)

Allocate 2 marks if candidate only shows workings and not the final answer, and if the three components cannot be identified.

- if calculation is done per annum - then allocate full marks

Max 3 marks

5.4.3 ILO 4: AS 11

Concept:

- Fringe benefits are benefits that employees will receive in addition to their pay. ✓
- OR They have a cash value, but are not always paid out in cash. ✓
- Example: only if the explain these properly
 pension, medical aid, statutory benefits, meals, company cars, travelling allowances, subsistence allowances, discounts when buying products from the company, loan and mortgage bonds at low interest rates, etc. ✓

(Concept 2 marks)
(Example 1 mark) ✓

5.4.4 ILO 4: AS 11 no marks if this is the only thing stated

- Unemployment Insurance Fund (UIF) covers employees against loss of income if they don't have a job, e.g. if a worker is retrenched due to economic circumstances. ✓
- Derek may not claim if he quits his job. ✓
- Derek may claim UIF benefits if he is fired or if his contract is terminated. ✓ + early or medical retirement
- Fringe benefit as the company makes a contribution as well (equal basis). ✓
- compliance with legislation ✓
- maternity leave ✓

(Any relevant fact 1 x 2 = 2)
Breakdown of marks

Question	Sub-Marks	Total
5.1.1	4	
5.1.2	2	
5.1.3	4	21
5.1.4	2	
5.1.5	4	
5.1.6	5	
5.2.1	4	
5.2.2	2	8 marks
5.2.3	2	
5.3.1	4	
5.3.2	4	12 marks
5.3.3	4	
5.4.1	1	
5.4.2	3	
5.4.3	3	9 marks
5.4.4	2	
Total	50 marks	

50 marks

QUESTION 6

6.1 ILO 3: AS 41

6.1.1 Autocratic

- In this management style the manager is the only person making decisions. ✓✓
- This approach is strongly associated with the so-called second wave of management. ✓
- Example: When a turn-around strategy is being required or when it is necessary to restore discipline at Toyota. ✓

3 marks

6.1.2 Participative

- In this management style workers are allowed to participate in the decision making structures of Toyota. ✓✓
- This will allow an improvement in the buy-in of decisions made by management. ✓
- Example: Leaders allow followers to give feedback or followers being allowed to make suggestions while the leader still remains in control of the final decision or in a democratic environment leaders and followers have an equal say in the final decision. ✓

3 marks

6.1.3 Transformational

- In this management style the focus has shifted from a transactional approach where people are motivated by what they can get, to motivation through an approach of what they can achieve together, to improve Toyota and our economy. ✓✓
- Example: Encouragement of the team effort in the development of creative and innovative thinkers in order to promote social transformation and economic prosperity. ✓

3 marks

Description of the management style (3 x 2 = 6)
Example of the management style (3 x 1 = 3)
Consider other examples which are appropriate (maximum 9 marks)

6.2 ILO 2: AS 11

Risk taker. ✓

Entrepreneurship refers to the person who identifies a new need in the market or identifies a new market and uses his/her creativity and inventive ability to create or build what is needed. ✓✓ OR

Entrepreneurship refers to the person responsible for co-ordinating natural resources, labour and capital of a business in an effective manner such that unlimited wants are satisfied with limited means. ✓✓ (Any 1 x 2 = 2)

Entrepreneurship refers to employees who work within a business, but use their unique talents of innovation and leadership to change and improve their department or take the business to new heights. ✓✓

Could be an Employer.

work force
a boss
Total for Question 6.2.1 = 4 marks
(Any 1 x 2 = 2)

6.2.2 ILO 2: AS 4

(a) Subrogation

- If a person suffers a financial loss as a result of an event that is covered, he/she may only claim recovery from losses once for the same event/each occurrence. ✓✓
- This means that no person is allowed to make a profit (be in a better financial position) after the loss has been indemnified. ✓✓ can't claim twice
- Subrogation is based on the principle of indemnity, which means that a potential loss is covered. ✓✓

Award credit if candidate uses an example/calculation to explain the term. (Any 2 facts x 2 = 4 marks)

(b) The average clause

- This clause stipulates that if the property is not insured for the full value, the full value of the loss will not be paid out. ✓✓
- If the property is not insured for the full value, it means that the insured has not been paying a premium that covers the full risk. This implies under-insurance. ✓✓

A situation can arise where goods are insured for more than their value (over-insurance) - but the insured would not receive a higher payout because of the principle of indemnification. Here the insured has the option of restoring or rebuilding the insured property. ✓✓ Calculation + Example ✓✓✓✓ (Any 2 facts x 2 = 4 marks)

Award credit if candidate uses an example/calculation to explain the term.

6.3 6.3.1 ILO 3: AS 71

Broad Based Black Economic Empowerment ✓ must be 100% correct

6.3.2 ILO 3: AS 71

- If a good explanation of it is a disadvantage ✓✓
- Members who work in a team might not know the other group members or they might have pre-conceived ideas about the other members. ✓✓
 - This prejudice could extend to religion, race, culture or any other issues that differentiate people from one another. ✓✓
 - The group dynamic changes as time is wasted on sorting out these prejudices, often the people who are involved do not contribute to the end of the task. ✓✓
 - There is a lack of trust in the competency abilities of the group members that hinders the effective operation of the group. ✓✓

Any two valid reasons on prejudice as a disadvantage (Any 2 x 2 = 4)

Allocate ✓✓ if prejudice is defined ✓✓ if disadvantage is linked to prejudice

- lead to conflict
- decrease in productivity
- hamper creativity

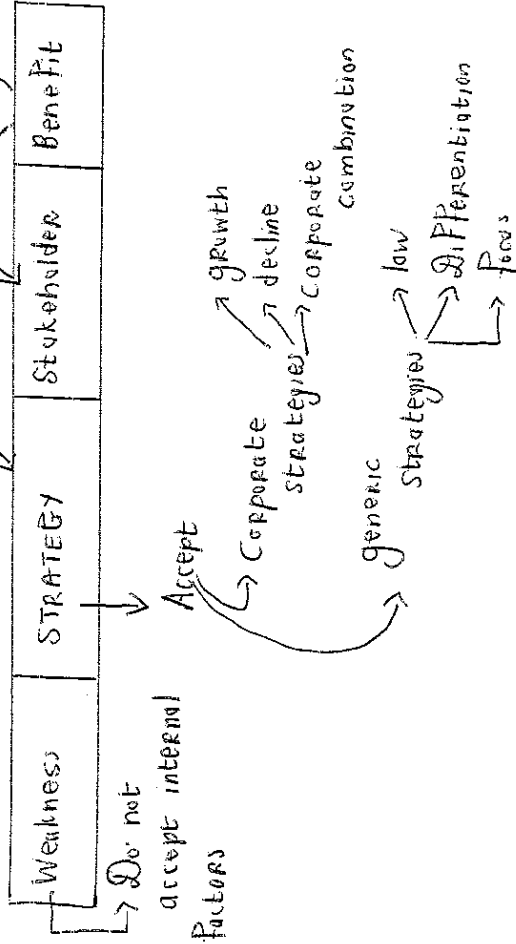
6.4

Must accept PESTLE + market environment - competition/supplier/currency intermediaries/unemployment etc.

Weakness from the macro (external) environment	Strategy to change weakness into a strength
<ul style="list-style-type: none"> • Competition. ✓✓ • Lack of demand for the new product. ✓✓ • Economic restrictions - lack of funding, subsidising of research and development. ✓✓ 	<ul style="list-style-type: none"> • Join forces with the competition, think of a partnership to tackle environmental needs. ✓✓ • More market research, repetitive penetration of the market with awareness programmes, advertising, improved CSR programmes. ✓✓ • Obtain funding from countries where 'green issues' are a priority, negotiate with financial institutions, allow them to gain benefits from the 'green issue' bandwagon. ✓✓
<ul style="list-style-type: none"> • Legal implications. ✓✓ • Lack of skilled labour to deal with new technologies, e.g. when a car comes in for a service. ✓✓ 	<ul style="list-style-type: none"> • Lobby for changes in legislation, ethically use political clout and influences to your advantage. ✓✓ • Learning programmes promoting skills development in the new technology. ✓✓

Weakness = 2 marks
Strategy = 2 marks
(Any 2 x 4 = 8 marks)

Allocating marks in the table must link



Stakeholder that would benefit from the change	How the stakeholder could specifically benefit from the change
• Investors ✓	• They would see an increase in the return on their investments. Higher profits would also mean that they would be more willing to re-invest more funds into future plans and projects. ✓✓
• Consumers ✓	• Consumers would in the long-run benefit from an efficient product that is within their price range. It may also be a status product and they may be viewed as being environmentally compliant. ✓✓
• Workers/Employers ✓	• Higher sales mean that it will be translated into higher profits for Toyota, who in turn will be in a position to pay higher bonuses to its workers. Workers may also feel that they are positively contributing to a cleaner environment. ✓✓
• Suppliers ✓	• If the demand increases, this means that suppliers will need to keep up and in turn their revenues will also increase.
• Consumer councils ✓	• Consumer councils would see a link between environmental conservation at a price that does not adversely affect the consumer and eventually a product that all income groups can afford. ✓✓
• Trade Unions ✓	• Trade unions will see that the rights of workers are being preserved and that the profits of Toyota are also being distributed to the workers. ✓✓
• Environmental Organisations ✓	• A cleaner environment implies that Toyota is socially aware and is pro-active in dealing with conservation. ✓✓

Examples

— Must link to previous columns to achieve marks

Stakeholder = 1 marks
Benefit to Stakeholder = 2 marks
(Any 2 x 3 = 6 marks)
Consider other benefits for each of the stakeholders

(Total question 6.4 = 14 marks)

6.5 [LO 3; AS 2]

6.5.1 Management is acting in an ethical manner. ✓

- The procedure is documented in the policy document and as long as it has been explained to the employees of the company, there should be no problem. ✓✓
- The computers and the information gleaned from it are part of Toyota's domain and since the technology is being used at work, employers should not have personal information thereon. ✓✓

Can consider as being 'unethical' where candidates' responses are appropriate and well justified.

↳ consider "privacy" — unethical (max: 5 marks)
Can argue both ways — but must not be a ^{sp} tense sittee!

6.5.2 Can argue that management is acting in an ethical/unethical manner. ✓

- Clearly it is management's prerogative to enforce a drug test. However if this procedure was not clearly spelt out when the new recruit was being appointed — Toyota's management would have a difficult time enforcing it. ✓✓
- One could argue that enforcing a drug test is against the constitution — what a person does in his/her private life should have no bearing on whether they are appointed to the job. It obviously will become a problem if the drug-use starts to affect your work performance. ✓✓
- Toyota's management would also need to ensure that the results are kept confidential as well as the nature of the drug counselling sessions. It would be inappropriate/unethical to expect the affected employee to attend counselling sessions on the work premises — could lead to victimisation by other colleagues. ✓✓

Candidates

can't sit on the fence — must make a decision

(max: 5 marks)
Indicating whether the situation is ethical/unethical = 1 mark
Any two relevant arguments for choice = 4 marks
(Total = 10 marks)

Breakdown of marks

Question	Sub-Marks	Total
6.1	9	9 marks
6.2.1	4	12 marks
6.2.2	8	
6.3.1	1	5 marks
6.3.2	4	
6.4	14	14 marks
6.5.1	5	10 marks
6.5.2	5	
Total	50 marks	

50 marks

Total Section B: 150 marks

Total: 200 marks