

## PAPER 2

TIME: 2HRS

MARKS: 100

---

Please read the following instructions carefully:

1. This paper consists of 4 pages. Please check that your question paper is complete.
  2. Read the questions carefully and plan the length of your answers in relation to the sections being covered in each question.
  3. Answer BOTH Question 1 and Question 2.
  4. Number your answers exactly as the questions are numbered.  
Each question is to be answered on a new page.
  5. Candidates are advised to pay special attention to the use of language.
  6. It is in your own interest to write legibly and present your work neatly.
  7. Answers must be completed in the answer book provided.
-

### Learning Outcomes and Assessment Standards assessed in Question 1:

#### **LO 1 Business Environments: Macro Environment**

AS 12.1.1 Devise strategies to address challenges, critically evaluate these strategies and make recommendations as required.

#### **LO 2 Business Ventures: Investment and Assurance**

AS 12.2.4 Investigate a range of available business opportunities. Distinguish between Assurance and Insurance and discuss the viability and relevance for individuals and businesses.

### Exclusive to Clicks

At Clicks we go out of our way to source products that will enhance your lifestyle. That's why we are constantly looking for brands, nationally and internationally, that measure up to our strict requirements of **cutting-edge technology, superior quality and exceptional value**.

Today our **Clicks Private Label** and **Exclusive** brands include an extensive range of products, which add quality and value to every area of your life ... from your health and home to your beauty and much more.

Products to set you and your world apart ... **exclusively available at Clicks.**



# Company Information

**Full name of Company:** Click Group Limited

**Nature of business:** Retail

**Service / Products:** Heath, Beauty and Lifestyle

**Board of Directors:** DM Nurek (Chairman), D Kneale (Chief Executive Officer), M Harvey (Managing Director), K Warburton (Chief Financial Officer), J Bester, M Rosen, F Abrahams, B Engelbrecht, F Jakoe

**Sponsor:** Investec Bank Limited

## **Required:**

You, as a consultant, have been approached by Mr. M Harvey to assist them in improving the overall performance of Clicks.

Write a business report to Mr. Harvey recommending strategies that can be implemented to overcome challenges and motivate your recommendations for the following:

Analyse any FIVE factors in the macro environment which may affect the performance of Clicks as a business. Describe how the form of ownership may contribute to the success or failure of Clicks.

Insurance and Assurance are two of the specific strategies that Clicks already uses very effectively. Explain the differences between these two concepts, the advantages of having them, and then explain in detail **one** example of **compulsory insurance OR assurance** and **one** example of **non-compulsory insurance OR assurance**.

50 marks

## Question 2

### **Learning Outcomes and Assessment Standards assessed in Question 2:**

#### **LO 3 Business Roles: Conflict Management**

AS 12.3.5 Apply conflict management skills to resolve differences in business situations.

#### **LO 4 Business Operations: Human Resources**

AS 12.4.1 Analyse and discuss relevant legislation and the following issues of the Human Resource Function: Recruitment and Selection, Employee Contracts; Induction and Placement; Salary Administration; Employee Benefits; Skills Development

Clicks provides direct employment to a large amount of people of which the majority come out of the local community. Management ensures workers are trained in the fields of customer issues, technological advancements and general business skills. Employees are provided with the opportunity to further their knowledge and expertise by attending advanced courses. In addition, Clicks provides bursaries for tertiary education to its employees.

Clicks had been experiencing high rates of staff turnover, and the Human Resource Manager has e-mailed you for advice. Although Clicks is paying above average salaries, she suspects that they are not hiring the correct people to start with and that financial remuneration is not the only aspect which is important in retaining staff.

She also finds it difficult to deal with employees' conflict, as she feels responsible for well being of the employees at Clicks.

Reply to this e-mail and give the HR manager advice on these issues regarding Human Resource Management, as well as on how to apply conflict management skills to resolve differences in business situations.

**50 marks**

TOTAL 100 MARKS