

BUSINESS OPERATIONS



Checklist

Make sure you:

- Are able to describe and explain the Human Resources function in a business
- Explain the importance of the quality of performance and describe how businesses implement strategies to monitor and evaluate quality.



Exam Questions

Question 1

- 1.1 The actual performance of a manager is compared to his/her expected performance in order to increase his/her salary. The process is known as ...
- A placement.
 - B recruitment.
 - C performance appraisal.
 - D human.
- 1.2 Rudy is the owner of a hardware store. He needs to appoint another assistant. What are the advantages for Rudy appointing someone internally?
- 1. Current employees are familiar with the business
 - 2. Current employees' careers are advanced
 - 3. Current employees are not suitably qualified
 - 4. Current employees do not bring new ideas to the business
- A 1, 2
 - B 1, 2, 3
 - C 2, 3, 4
 - D 1, 2, 3, 4
- 1.3 The process of measuring performance and comparing to pre-determined standards is referred to as...
- A Quality circles
 - B Quality control
 - C Total quality management
 - D Quality grading
- 1.4 A way recommended to confirm a candidate's information before an interview is conducted:
- A Reference check
 - B Psychometric test
 - C Employment contract
 - D Induction

- 1.5 The process whereby new employees' skills are matched to the position in which they will be appointed:
- A Induction
 - B Recruitment
 - C Placement
 - D Selection

Question 2

(Adapted from EC Sept 2014, Question 5.2)

- 2.1 Explain why an employment contract is important and state any FOUR clauses that must appear in an employment contract. (10)
- 2.2 Describe any TWO ways of ending an employment contract. (4)

Question 3

(Adapted from EC Sept 2014, Question 5.4)

Read the following case study and answer the questions that follow:

“James Small owns a small retail shop in East London. He wants to employ an office assistant who will contact suppliers, keep documents and files in order, and liaise with the public. Applicants must have experience with Microsoft Office suite and must be able to communicate clearly. The minimum qualification is a Grade 12 certificate.”

Assist Mr Small to complete a job analysis for the position under the following subheadings:

- (a) Duties (2)
- (b) Personal qualities (2)

Question 4

Read the scenario below and answer the questions that follow:

TRENTZ WHOLESALERS

Trenz Wholesalers buys their milk directly from Easy Dairy Farm. A day after delivery Trenz Wholesales discovered that the milk had become sour. Trenz Wholesalers immediately informed Easy Dairy Farm about the situation but nothing was done. Easy Dairy Farm lost many customers as a result of this challenge.

- 4.1 Advise Easy Dairy Farm on how to implement a continuous improvement cycle to improve the quality of their product. (8)
- 4.2 Provide Easy Dairy with FOUR key principles related to TQM. (8)

Question 5

Read the scenario below and answer the questions that follow:

RESHMA'S EVENTS MANAGEMENT AGENCY

Reshma's Events Management Agency has two vacancies; one for a marketing manager and another for a purchasing manager. The enterprise has advertised these vacancies in newspapers and on the Internet.

- 5.1 What type of recruitment did Reshma's Events Management Agency use? Justify your answer. (4)
- 5.2 State FOUR advantages of this type of recruitment. (8)
- 5.3 Explain to Reshma the difference between a job description and job specification. (4)
- 5.4 Discuss the steps required in the recruitment process. (10)

Question 6

(Adapted from EC Sept 2014, Question 10)

Yellow Supermarket has certain business and management functions which are performed by the managers of the various departments within the organisation. At the annual general meeting, Mr M. Zonke, as general manager, remarked that the quality of performance within these business functions can contribute to the success of the organisation.

Analyse and discuss how the quality of performance within the following business functions can contribute to a successful business:

- Marketing
- Public relations
- General management
- Human resource

Use practical examples to support your answer.

[40]



Answers

Exam Questions

Question 1

- 1.1 C
- 1.2 A
- 1.3 B
- 1.4 A
- 1.5 C

Question 2

2.1 Employment contract

Explanation:

- Protect both employee and employer as it is legal and binding between the two parties. √√
- The contract must specify the legal considerations. √√
- Any other relevant explanation on the importance of a contract.

(Any 1 x 2 Explanation)

- Personal details of the employee: age, name and address, identity document number, etc. √√
- Details of business: name and address of the business √√
- Job title √√
- Normal place of work √√
- Any agreement between the business and trade unions √√
- Date of commencement √√
- Probation period √√
- Nature and hours of work √√
- Remuneration: weekly or monthly and any other benefits √√
- Period of notice √√
- Any other relevant clauses that must appear in the contract.

(Any 4x 2 max)

- 2.2 Dismissal
- Redundancy
- Retirement
- Resignation

Question 3

Job analysis

(a) Duties:

- Contact suppliers √√
- Keep documents and files in order √√
- Liaise with the public and answer queries √√

(b) Personal qualities:

- Good interpersonal skills √√
- Ability to communicate clearly √√
- Good organisational skills √√

Question 4

- 4.1 **Plan:** ✓ Trenz Wholesalers should identify the problem and develop a plan for improvement/answer questions such as what to do and how to do it. ✓
Do: ✓ Trenz Wholesalers should do as planned/implement the plan on a test basis or small scale. ✓
Check/Analyse: ✓ Trenz Wholesalers should assess plan and establish if it is working and if things are going according to plan. ✓
Act as needed: ✓ Trenz Wholesalers should institutionalise the improvement and devise strategies on how to continually improve. ✓ [8]
- 4.2 **Management:** ✓ Top management should act as the main driver for TQM and create an environment that ensures its success. ✓
Training: ✓ Employees should receive regular training on the methods and concepts of quality. ✓
Customer focus: ✓ Improvements in quality should improve customer service. ✓
Decision making: ✓ Quality decisions should be made based on measurements. ✓
Methodology and tools: ✓ Use of appropriate tools ensures that non-conformance are identified, measured and consistently corrected. ✓
Continuous improvement: ✓ Companies should consistently work towards improving manufacturing and quality procedures. ✓
Company culture: ✓ The culture of the company should aim at developing employees, ability to work together to improve quality. ✓
Employee involvement: ✓ Employees should be encouraged to be pro-active in identifying quality related problems. ✓ [8]

Question 5

- 5.1 External recruitment ✓✓ because the vacancies were advertised in the newspapers and on the Internet/advertising took place outside the business. ✓✓ [4]
- 5.2 New candidates bring new talents, ideas, insight and experience into the business. ✓✓
 It supports the implementation of affirmative action and BEE plans. ✓✓
 There are more candidates to choose from. ✓✓
 Chances are better of finding suitable candidates with the right skills, qualifications and competencies. ✓✓
 Prevents unhappiness between existing employees who have applied for the post. ✓✓
 Recruitment agencies can find candidates and this saves the business time. ✓✓ [8]
- 5.3 **Job description:**
 A written description of the job requirement including: duties, responsibilities, working conditions ✓✓
Job specification:
 Written description of specific qualifications and characteristics necessary to do the job including: physical requirements, education etc ✓✓ [4]

5.4 **Must be in order:**

- Determine the exact need of the business or the specific department. ✓✓
- Together with a line manager do a job analysis and prepare a job description and job specification. ✓✓
- Identify and decide on a recruitment source: internal, external or both. ✓✓
- Write an advertisement and include all the relevant information such as the name of the recruiting officer etc ✓✓
- Place the advertisement in appropriate newspapers/staff magazines/ the internet or send the information to a recruitment agency. ✓✓

[10]

Question 6

Introduction

Business has to perform the eight business functions which are interrelated in order to be successful.

Quality cannot be achieved by solely one person in a business working towards a particular goal. ✓

Business must have quality control systems in place to monitor performance. ✓

Any other relevant introduction related to quality of performance within business. (Any 2 x 1) (2)

MARKETING FUNCTION

- Making the public aware of what is available through advertising, etc. ✓✓
 - Using pricing techniques to ensure a competitive advantage. ✓✓
 - Bringing goods within easy reach of the consumer through storage, distribution and advertising. ✓✓
- (Any 2 x 2) (4)

Effective quality performance

- New products must also be advertised to attract customers.
- Strive to acquire a greater market share. ✓✓
- Marketing communication policy must be well implemented so that customers can be aware of the products or services. ✓✓
- Pricing techniques should be well used to ensure a competitive advantage. ✓✓ (Any 3 x 2) (6)

GENERAL MANAGEMENT

- General management must develop, implement and monitor strategic plans. ✓✓
 - Communicate shared vision, mission and values effectively. ✓✓
 - It consists of the following activities: planning, organising, leading/activating and control. ✓✓
- (Any 2 x 2) (4)

Effective quality performance

- A strategic plan must be in place. ✓✓
- Comparison of figures on profitability of the organisation must be made. ✓✓
- Give direction and establish priorities for the business. ✓✓
- The enterprise must strive for a positive image in the minds of consumers. ✓✓
- Surveys can be conducted to ascertain the image of the business. ✓✓
- Be proactive and always seek to improve competitive advantage over competitors. ✓✓

(Any 3 x 2) (6)

PUBLIC RELATIONS

- Promote a positive image by liaising with the relevant stakeholders. √√
- Communicate with outsiders to obtain recognition as an organisation. √√

(2 x 2) (4)

Effective quality performance

- Counter negative publicity. √√
- Release regular positive press statements. √√
- The business must attain a respectable position in the society. √√
- Through publicity, the business enjoys a positive image in the society. √√
- Other management functions are influenced by public relations e.g. improved customer relations.

(Any 3 x 2) (6)

HUMAN RESOURCES

- To find the suitable person for the right job or post. √√
- To appoint a person for the position where his/her capabilities can be used to the advantage of the business. √√

(Any 2 x 2) (4)

Effective quality performance

- Continuous training and development of staff. √√
- Appropriate training and development programmes can lead to a highly stable staff. √√
- This can lead to a low rate of staff turnover. √√

(Any 3 x 2) (6)

Conclusion

- Businesses must always focus on satisfying customers' needs. √√
- The functions are closely interrelated. √√
- Keep abreast with current business development. √√
- The management functions mentioned above cannot operate in isolation. √√

(Any 1 x 2) (2)

Max: (32)

BREAKDOWN OF MARK ALLOCATION

Details	Maximum	Total
Introduction	2	Max. 32
Quality performance within Marketing	10	
Quality performance within General Management	10	
Quality performance within Public relation	10	
Quality performance within Human Resource	10	
INSIGHT		
Layout		2
Analysis, interpretation		2
Synthesis		2
Originality, examples		2
TOTAL MARKS		40