# LEARNER GUIDE

## Module 6
## Business Operations

New Venture Creation | SAQA ID: 49648 | NQF LEVEL 2

Manage business operations
Unit Standard 119668

Prepare and process documents for financial and banking processes
Unit Standard 13932

Co-ordinate meetings
Unit Standard 13929

Monitor and control the receiving and satisfaction of visitors
Unit Standard 13930

Behave in a professional manner in a business environment
Unit Standard 114959

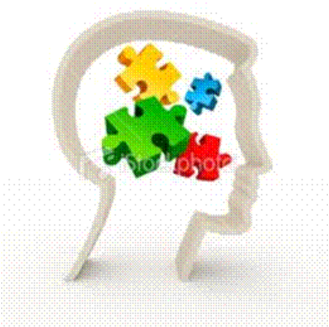
Apply basic business ethics in a work environment
Unit Standard 113924

# Table of Content

# INTRODUCTION

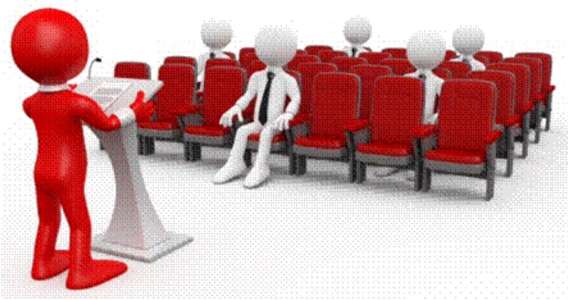
## Welcome to the learning programme

Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take notes and share information with your colleagues. Important and relevant information and skills are transferred by sharing!



This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you!

## Programme methodology



The programme methodology includes facilitator presentations, readings, individual activities, group discussions and skill application exercises.

**Know what you want to get out of the programme from the beginning and start applying your new skills immediately. Participate as much as possible so that the learning will be interactive and stimulating.**

The following principles were applied in designing the course:

✓ Because the course is designed to maximise interactive learning, you are encouraged and required to participate fully during the group exercises

✓ As a learner you will be presented with numerous problems and will be required to fully apply your mind to finding solutions to problems before being presented with the course presenter's solutions to the problems

✓ Through participation and interaction the learners can learn as much from each other as they do from the course presenter

✓ Although learners attending the course may have varied degrees of experience in the subject matter, the course is designed to ensure that all delegates complete the course with the same level of understanding

✓ Because reflection forms an important component of adult learning, some learning resources will be followed by a self-assessment which is designed so that the learner will reflect on the material just completed.

This approach to course construction will ensure that learners first apply their minds to finding solutions to problems before the answers are provided, which will then maximise the learning process which is further strengthened by reflecting on the material covered by means of the self-assessments.

## *Different role players in delivery process*

✓ Learner

✓ Facilitator

✓ Assessor

✓ Moderator

## What Learning Material you should have

This learning material has also been designed to provide the learner with a comprehensive reference guide.

It is important that you take responsibility for your own learning process; this includes taking care of your learner material. You should at all times have the following material with you:

| | |
|---|---|
| ***Learner Guide***<br> | ***This learner guide is your valuable possession:***<br>This is your textbook and reference material, which provides you with all the information you will require to meet the exit level outcomes.<br>During contact sessions, your facilitator will use this guide and will facilitate the learning process. During contact sessions a variety of activities will assist you to gain knowledge and skills.<br>Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take and share information with your colleagues. Important and relevant information and skills are transferred by sharing!<br>This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you! |
| ***Formative Assessment***<br><br>***Workbook*** | The Formative Assessment Workbook supports the Learner Guide and assists you in applying what you have learnt.<br>The formative assessment workbook contains classroom activities that you have to complete in the classroom, during contact sessions either in groups or individually.<br>You are required to complete all activities in the Formative Assessment Workbook.<br>The facilitator will assist, lead and coach you through the process.<br>These activities ensure that you understand the content of the material and that you get an opportunity to test your understanding. |

## Different types of activities you can expect

To accommodate your learning preferences, a variety of different types of activities are included in the formative and summative assessments. They will assist you to achieve the outcomes (correct results) and should guide you through the learning process, making learning a positive and pleasant experience.

The table below provides you with more information related to the types of activities.

| ***Types of Activities*** | ***Description*** | ***Purpose*** |
|---|---|---|
| ***Knowledge Activities***  | You are required to complete these activities on your own. | These activities normally test your understanding and ability to apply the information. |
| ***Skills Application Activities***  | You need to complete these activities in the workplace | These activities require you to apply the knowledge and skills gained in the workplace |
| ***Natural Occurring Evidence***  | You need to collect information and samples of documents from the workplace. | These activities ensure you get the opportunity to learn from experts in the industry.<br>Collecting examples demonstrates how to implement knowledge and skills in a practical way |

## Learner Administration

### *Attendance Register*

You are required to sign the Attendance Register every day you attend training sessions facilitated by a facilitator.

### *Programme Evaluation Form*

On completion you will be supplied with a "Learning programme Evaluation Form". You are required to evaluate your experience in attending the programme.

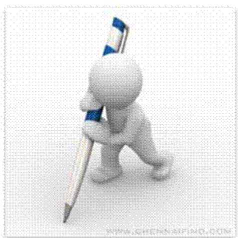
Please complete the form at the end of the programme, as this will assist us in improving our service and programme material. Your assistance is highly appreciated.

## Assessments

The only way to establish whether a learner is competent and has accomplished the specific outcomes is through the assessment process. Assessment involves collecting and interpreting evidence about the learners' ability to perform a task.

**To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.**

**This programme has been aligned to registered unit standards. You will be assessed against the outcomes as stipulated in the unit standard by completing assessments and by compiling a portfolio of evidence that provides proof of your ability to apply the learning to your work situation.**



***How will Assessments commence?***

## *Formative Assessments*

The assessment process is easy to follow. You will be guided by the Facilitator. Your responsibility is to complete all the activities in the Formative Assessment Workbook and submit it to your facilitator.

## *Summative Assessments*

You will be required to complete a series of summative assessments. The Summative Assessment Guide will assist you in identifying the evidence required for final assessment purposes. You will be required to complete these activities on your own time, using real life projects in your workplace or business environment in preparing evidence for your Portfolio of Evidence. Your Facilitator will provide more details in this regard.

**To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.**

## Learner Support

**The responsibility of learning rests with you, so be proactive and ask questions and seek assistance and help from your facilitator, if required.**

Please remember that this Skills Programme is based on outcomes based education principles which implies the following:

✓ You are responsible for your own learning – make sure you manage your study, research and workplace time effectively.

✓ Learning activities are learner driven – make sure you use the Learner Guide and Formative Assessment Workbook in the manner intended, and are familiar with the workplace requirements.

✓ The Facilitator is there to reasonably assist you during contact, practical and workplace time for this programme – make sure that you have his/her contact details.

✓ You are responsible for the safekeeping of your completed Formative Assessment Workbook and Workplace Guide

✓ If you need assistance please contact your facilitator who will gladly assist you.

✓ If you have any special needs please inform the facilitator

## Learner Expectations

Please prepare the following information. You will then be asked to introduce yourself to the instructor as well as your fellow learners


| |
|---|
| Your name: |
| |
| |
| The organisation you represent: |
| |
| |
| Your position in organisation: |
| |
| |
| What do you hope to achieve by attending this course / what are your course expectations? |
| |
| |
| |
| |
| |

# ACTION PLAN

## *Outcome*

Implement an action plan for business operations

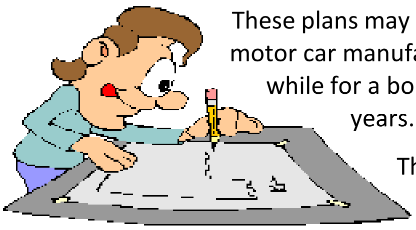
## *Assessment criteria*

- ✓ An action plan for the managing of business operations is drawn up according to goals set in business plan
- ✓ Action plan includes a list of goals, objectives and activities, as well as timeframes for the achievement of these
- ✓ Business concepts are ideas outlined in business plan are integrated into action plan and a task list compiled accordingly
- ✓ Legal issues, safety regulations and risk factors are considered in the compilation of action plan
- ✓ Roles and responsibilities pertaining to action plan are explained and assigned in order to effectively execute business activities

# Introduction

As mentioned previously, one of the functions of a manager is to plan. Planning involves drawing up various kinds of business plans.

# Long And Medium Term Plans.



These plans may vary from business to business, depending on the nature of the business. For a motor car manufacturer such as BMW or Nissan, a long term plan might be for 20 years or more while for a boutique that makes and markets clothes, a long term plan may only be for 10 years.

There is no hard and fast rule for the term of a specific plan, but it is generally accepted that a plan which covers five years or more is seen as a long term plan.

Those plans that cover between one and four years are considered medium term plans and plans for one year or less may be seen as short term plans.

Long term plans are also called strategic plans and they relate to:.

- ✓ The general objectives of the organisation
- ✓ The corporate mission
- ✓ The present and proposed markets of the organisation: which markets do they have at the moment and which markets do they hope to enter
- ✓ Growth plans: how much should the business grow in the next 5, 10 or 20 years
- ✓ Divestment: which subsidiaries (branches or departments) are not making enough profit and should be sold
- ✓ Acquisition or diversification: are there any other product or service lines that could complement the current product lines and are there any other businesses doing the same thing that could be taken over.

Long term plans (strategic plans) are formulated by top management and focus on the entire organisation. These plans are long term and look at how the organisation should use its resources according to the opportunities and threats in the external environment as well as how it can gain a competitive advantage.

# Short Term Plans

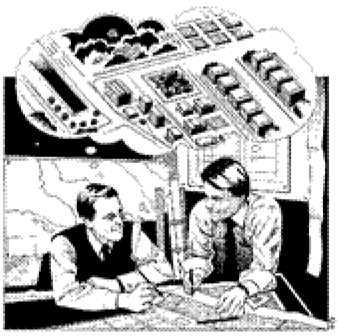
Short term plans are based on long and medium term plans. They cover the daily, weekly and monthly activities of the business and the type of business will determine the term for these plans.

- Normally top management will make long term plans, which set out where the business should be in 5,10, or 15 years.
- These plans are then handed to middle management who will use them as a basis to develop medium term plans: Where should the business be in 1,2 or 3 years in order to achieve the goals of the long term plans, and what should be done in order to achieve these goals and objectives.
- The medium term plans from middle management are then copied to first line managers who are responsible for compiling short term plans: what has to be done on a day-to-day basis to achieve the goals as set out in the medium term plans.

# The Planning Process

The planning process can be broken down in the following steps:

## Formulating goals and objectives



✓ Formulate goals and objectives

✓ While you formulate goals and objectives, you also set the standards for key performance areas where performance can be monitored continually. Key performance areas are performance areas in businesses that are important and that can be checked on all the time. For example, sales figures can be monitored continually as can production figures.

## Gathering information

Once the goals and objectives have been formulated, all relevant information is gathered systematically, from the past, present and future. This information would include:

✓ Legal requirements and how it will affect the business

✓ The economy of the country and how it will affect the business

✓ What is the competition doing?

✓ Technical requirements

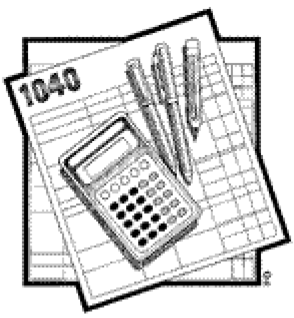
✓ Past and present production figures, sales figures, profit margins, etc, from which you will make a projection of future production figures, sales and profits margins.

In a previous module, the process of gathering information for the marketing plan was discussed in detail. You would use the same process when gathering other information that affects your business.

Making correct assumptions about the future is crucial for good planning. In order to make correct assumptions about the future, you have to know what happened in the past, what is happening at the moment and what will probably happen in the future.

The results from market research will also be included.

## Analysis of the gathered information




The information that you have gathered must be analysed and it must be established whether the information is accurate and complete.

Decisions made on the basis of assumptions must be based on realistic predictions. You are going to make decisions of what is going to happen in the future, so you are going to assume certain things such as sales figures and production figures. In order to do this, you must have reliable information so that your predictions of what is going to happen in the future are realistic.

Once again, follow the steps as laid down for a marketing plan.

# Setting Goals and Objectives

To explain the need for setting goals and objectives, let us start with an excerpt from the delightful Alice in Wonderland, by Lewis Carroll:

**The cat only grinned when it saw Alice. It looked good natured, she thought, still, it had very long claws and a great many teeth, so she felt it ought to be treated with respect.**

**"Cheshire Puss, " she began, rather timidly, as she did not at all know whether it would like the name; however, it only grinned a little wider. It is pleased so far, thought Alice, and she went on, "Would you tell me, please, which way 1 ought to walk from here?"**

**"That depends a good deal where you want to get to, " said the cat. "I don't much care where, " said Alice.**

**"Then it doesn't matter which way you walk," said the cat.**

## Activity 1 (SO1, AC1)

In our except from Alice in Wonderland, Lewis Carroll seems to capture the essence of goal setting. Alice lacks a clearly defined goal, therefore she could not decide which road she ought to take. Any organisation or individual who lacks goals will face the same dilemma. Given the choice of alternatives they won't be able to decide which road to take. It is interesting that just about everything a person does in life, both at home and at work, is based on some goal or objective. Without them, life's activities would have little value or purpose.

## What is the difference between a goal and an objective?

A **Goal** is a general outcome statement.

An **Objective** spells out clearly and in measurable terms, what the goal or aim will look like when met.

You first decide on a goal that can be achieved, to enable you to focus more accurately on the objective. It would be difficult to develop an objective without some idea [the goal] of what the goal is.

Therefore, **the goal is decided** upon first. Then we write our SMART objectives, is such a way that it will help everyone involved with it to attain it. This is why the goal always comes before the objective.

**Example**

- **The Goal:** Improve production in the assembly plant,
- **The Objective:** by 10% before January 15, by upgrading the machinery involved.

The goal is usually only the action or activity. That is, to diet, to stop smoking, to devote time to the children, to paint the house, or tidy the garage, etc. These goals are adequate for home and sport activities, but do not contain enough substance to enable anyone to really become seriously motivated to actually attain them.

## Setting Objectives

Objectives must always be SMART:

Specific

Measurable

Attainable

Relevant

Time bound

### *Specific*

Objectives must be specific. Don't say, "I want to bake more cakes per day," rather say: "I want to bake 50 cakes per day".

### *Measurable:*

You must be able to measure the objective if you want to use it as a control system. How can you check if you are achieving goals and objectives if you don't know against what you should check them?

Include as many of the following as possible:

- ✓ Quality: To SABS standard 1076; without any rejects; as per maintenance schedule rules, etc.
- ✓ Quantity: reduce rejects by 5%; tidy up all the scrap; a minimum of six bottles per case, etc.
- ✓ Cost/Value: reduce the overheads by 5%; cut the comptetitors price by at least Rl, etc.

**Attainable:** You have to set objectives that can be reached. If you set objectives that cannot possibly be reached, you are wasting time and you and your staff will become discouraged. You cannot possibly start baking 1500 cakes per day, if you have been baking 50 cakes per day.

### *Relevant*

The objective must be relevant to the specific goal as well as the goals of the business. Don't set an objective that has no relevance to the goal: "I want to make 45 meat platters per day" has no relevance to baking cakes. If your objectives are not relevant to the goal, you will confuse yourself and your staff.

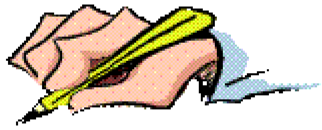
### *Time*

You have to set a date by when you want to achieve the objective. " I want to bake 70 cakes per day by the end of February." Examples could be: Within the next two weeks; by January 15; before lunch break/stocktaking/home time, etc.

An objective without a time parameter is like an athlete running a race without being timed. He may win, but how good is that?

### *General rules when writing goals and objectives:*

✓ Always commit goals and objectives to paper. We tend to try and achieve goals once we have written them down.



✓ It is obvious that objectives must be clearly understood by all those who will be involved with them, so always use clear and simple language.

✓ Test the objectives on someone else first. If they express the slightest hint of doubt, don't argue - fix it!

✓ Communicate both in writing and verbally, if you can.

✓ Clarify and confirm understanding: ensure that the people who have to do the work to achieve the goals understand what is expected of them. When you have to clarify understanding, ask the person to repeat in his/her own words what is expected of them. Then you can listen to what they are saying and check if they really understand.

# The Business Plan

***The business plan is the written guide that the business must work out and follow if it is to be successful.***

The business plan is a very important document.  The business plan is a formal document in which you will give details of the plan of action you intend to follow in respect of your new venture.

Once you have drawn up the business plan, you will use it:

✓ As a guideline to manage the business. You will use it to direct the business activities. The business plan is where you put your thoughts and ideas about the business in writing in the form of a formal plan. you will also use the business plan to compare the actual performance of your business against what you predicted it will do.

✓ To apply for loans

✓ To get partners to invest in the business

✓ To apply for terms from suppliers

✓ If you want to sell your business

The business plan will include the following:

✓ The marketing plan

✓ Operational plan

✓ Management and Organisational plan

✓ Financial plan

## Items that should be included in the overall business plan:

✓ A very important part of the business plan is the budget. The budget is a written plan expressed in terms of financial amounts. In the budget money is allocated in advance for certain operations such as marketing, buying of raw materials, salaries, rent, water and lights, telephone, etc. and actual expenditure should constantly be compared with the budget.

✓ The marketing plan forms part of the overall business plan.

✓ The production schedule forms part of the business plan.

✓ Other business strategies and concepts, such as a unique form of packaging, are also incorporated in the business plan.

### Why Prepare a Business Plan?

Your business plan is going to be useful in a number of ways.  Here are some of the reasons not to skip this valuable tool.

✓ First and foremost, it will define and focus your objective using appropriate information and analysis.

✓ You can use it as a selling tool in dealing with important relationships including your lenders, investors and banks.

✓ Your business plan can uncover omissions and/or weaknesses in your planning process.

✓ Your business plan is a tool with which you control whether you are meeting your objective. You would check all expenses against the budget, since it is of utmost importance to know when you are spending too much money.

# Operational Plan

This will include everything to do with the operation of your business.

✓ Where will your business operate?  E.g. in which areas will you transport school children to school and back?

✓ What are the conditions of the roads you will be operating in: tarred, ground, etc.?

- ✓ Operational infrastructure: how will you structure your business?
- ✓ Task lists
- ✓ Resources needed to complete the tasks
- ✓ Schedules and routes
- ✓ Timetables

## This plan must

- ✓ Specify the programme that has to be followed.
- ✓ Indicate the order in which activities must take place.
- ✓ Then these activities must be scheduled by allocating a time to the different activities. This can be compared with a programme of a sporting event where the activities and the time they take place are indicated.

## Production

Production is the process by which goods and/or services are produced. Production processes are found in factories, hospitals, universities, film studios, supermarkets, farms and other types of business. The production department must transform the various inputs in the production process: labour, capital, raw materials, energy, etc. in a way that meets the demand for goods and services. This must be done with proper consideration of quality, quantity, time and cost.

The purpose of production is to fulfil the needs of people. Therefore it is a process used to produce goods or services for people. Examples of production processes are, for instance, at hospitals, supermarkets, farms, factories, etc. The production process thus consists of different inputs such as labour, raw materials, machinery, capital, energy, etc., transformed by the production department. This transformation should occur so that the supply will meet the demand, in the most economical manner possible

Companies strive to be successful, which means they survive, make a profit and grow. If they are successful, they satisfy the needs of the major groups with an interest in the company.

**Employees** want security in continuous employment **Suppliers** want a reasonably stable market **Shareholders** want safety for their investment, and a return on investment. The **community** as a whole has a great interest in continuing prosperity and employment. The **market** wants to be satisfied with the Company's products

That is why survival, profit and growth are the primary objectives of a business organisation. From this primary objective, the company develops Marketing, Financial, Production, and Personnel objectives.

## Production management

Production management plans and controls the activities in the production system. It includes decision making and supervision over the production process so that goods/services are manufactured/rendered according to

- ✓ the prescribed specification,
- ✓ in the right quantity,
- ✓ according to the planned schedule
- ✓ at the lowest cost and safely.

To meet these requirements, production management is involved particularly with the design, planning, execution and control of production activities. An efficient production department will have the following advantages:

- ✓ It stimulates sales, as sufficient stocks of finished products will be available at the right time and right price.
- ✓ It promotes an even flow of productivity by eliminating rush orders and overtime on the one hand and idle workers, machines and equipment on the other.
- ✓ It reduces investment in stocks by scientifically planning order sizes, maintaining a rapid turnover of stock and preventing an accumulation of raw materials and finished products.
- ✓ it promotes efficient production by using management services and thus relieving staff of time consuming organising, planning, control activities and unnecessary paper work.

- ✓ It prevents unnecessary wastage and ensures the lowest production cost for the production system concerned.

## Process Design

A production system consists out of three basic components, namely: The Input, The Processing and The Output. To transform these inputs into useful outputs, a proper process design is needed.

Designing a process would mean that one must consider factors such as the specifications for the specific product (chemically, size, quality, form, etc.), which process types will be used to transform the raw materials into a finished product, and which machinery and mechanical equipment will be the most relevant to use.

There are different process types used during manufacturing, from raw materials to the product. A process by which a product or products are produced from a single raw material, can be classified as an analytical process. A synthetical process would mean combining one or two raw materials to produce a product. In the primary sector where they take raw materials and other products from the earth, the sea, etc. we call this an extractive production process. The production process by which they transform extractive or half-manufactured materials into products, is called a fabricative production process.

Whether the production process is of synthetical, analytical, extractive or fabricative nature, the ideal would be that the process will be as continuous as possible. The continuity of the production process will depend on the sequence in which the production is being done.

A production process could be continuous or discontinuous, although this classification is not always possible. If the production flow from the raw material stage to the end product stage is uninterrupted it is a continuous flow production. A discontinuous production flow would involve components that, on their own, are also to be processed and thus could lead to stocks to be piled until it is needed.

## Functions Within The Production System

The production system has points of contact with various business subsystems and has a definite position and function in the total business system. However, the position and external organisation of the production system may differ from one business to another depending on the type of product to be manufactured, means of production available, type of process used and the size of the organisation.

Normally the production department consists of a manufacturing department and various service departments. Sometimes the service departments do not fall directly under the production department, but liaise closely with it. It must be stressed that because of the size of the business, all these service departments might not be an established function on its own. Theoretically they should, however, perform the functions.

## Workflow

Production is the act of making something, such as products that will be sold to consumers or providing a service, such as training or financial advice. Production is therefore the process of converting inputs into outputs by making use of resources.  The term production is used in manufacturing, storing, shipping, and packaging. Production is a process, and as such it occurs through time and space. Because it is a flow concept, production is measured as a “rate of output per period of time”.

An assembly line is an example of workflow, where activities are repeated through organising resources, defining the work of a large number of people so that the pattern of repeating activities flows into a work process. The work process can be documented and learned.

- ✓ In machine shops, particularly job shops and flow shops, the flow of a part through the various processing stations is a work flow
- ✓ Insurance claims processing is an example of an information-intensive, document-driven workflow

### *Workflow components*

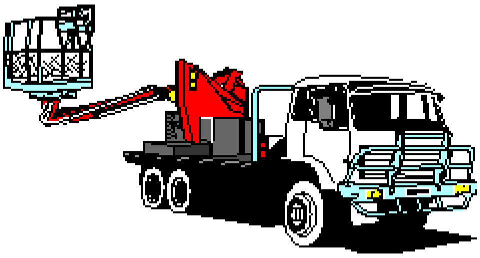
To describe a workflow, flow diagrams that show the directed flows between processing steps can be used. Components of a workflow are defined by 3 parameters:

- ✓ Describing the inputs such as information, material and energy needed to complete the step

- ✓ Describing the rules or process for transforming the product or service. This may be done by people, machines or a combination of the two.
- ✓ Describing the outputs, such as the information, material and energy produced by the step and provided as input to the next BSU, team or section.

The workflow components can only be linked together if the output of one set of components is equal to the input requirements of the following component. In other words, the output of one component must comply with the quality, time and other requirements of the next step in the workflow.

Mapping the logical progression of work will assist in improving productivity to a large degree. To do this ensure the following:



- ✓ Plant layout is correct
- ✓ Correct sequence of operations
- ✓ Right people to do the right job at the right time
- ✓ Correct tools and machinery available
- ✓ Sufficient materials available
- ✓ Proper control is exercised

Chart the sequence of phases and steps to reflect the intrinsic and architectural dependencies inherent in the work.

An output of one step will be the input to another. Some inputs may be sourced from outside the project. These External Inputs (e.g., Standards, Project Initiation report of another project, etc.) must be identified. The project products and external inputs will primarily determine the step dependencies.

Define the dependencies, and dependency type, between the steps. Steps within a phase are not necessarily finish-start, but may be in parallel or phased. Phases may also run in parallel with one another. Do not specify dependencies at the phase level.

Workflow is organised to achieve minimal wastage and delay.

## Factory layout

In order to ensure that workflow systems are efficient, the layout of the production facility is important. We will discuss the requirements of a factory layout, but the principles are the same for wholesalers, retailers, service providers, etc. The purpose is to get the work done with the minimum of wastage of time, raw materials and usage of machinery.

In planning the layout of stores, the flow of materials must be arranged in such a way that it involves no unnecessary movement of materials. Any unnecessary movement adds considerably to the cost of the material concerned.

Ideally, it could be arranged for goods to arrive and flow from goods received to inspection, to storage, to issue point, to user department.

**Note The output of one workflow should be situated next to or close to the input of the next workflow.**

Where mass production techniques are practised, the issue of materials in the planned sequence and at the planned rate is an important part of the overall production plan. Expensive machines and operators must not be allowed to stop work because materials are not available at the right time or because materials are available in overabundance

### *Requirements of a good factory layout*

- ✓ Practical and economical
- ✓ Complies with government safety regulations
- ✓ Adaptable

- ✓ Promote workers' health
- ✓ Maximum space (vertical and horizontal) utilised
- ✓ A logical, consecutive process
- ✓ Materials have to travel the shortest possible distance.

The best layout for a given factory will depend upon a variety of factors:

- ✓ the minimum length of route for manual humping and expensive mechanical transportation
- ✓ the machinery location, which may need to be near to services or where the floor is strong enough to bear its weight
- ✓ the method of transportation, which may require straight lines, like a belt conveyor or to be graded downwards, like gravity-powered devices;
- ✓ the production system involved, especially in respect to the division between process and product layout;
- ✓ the type of product being manufactured, which may or may not lend itself to parallel production
- ✓ the shape of the building and the number of its floors
- ✓ safety requirements, such as that for the provision of adequate gangways.

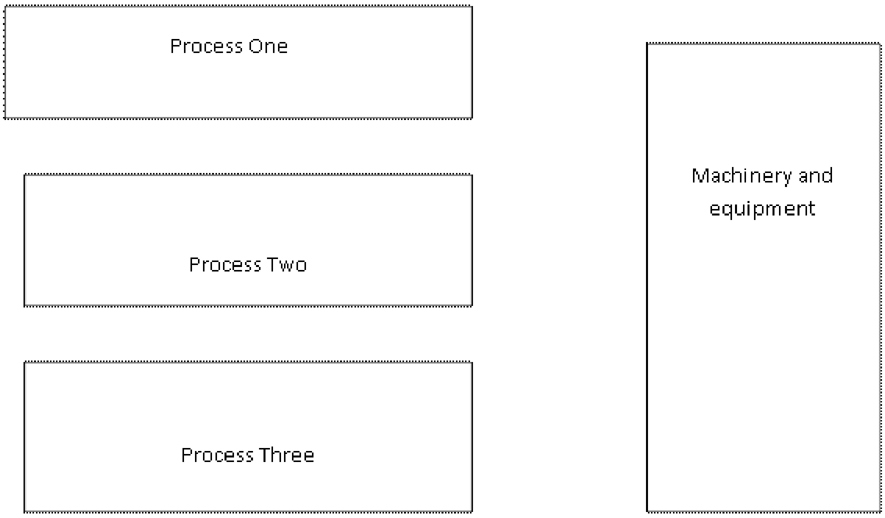
## *Machinery and equipment*

- ✓ **Heavy machines:** On the first and higher floors it may be necessary to use the corners or specially strengthened positions.
- ✓ **Environment:** Magnetic memory and computers should be kept away from stray electromagnetic fields, such as exist near high duty switches and transformers.
- ✓ **Access:** Some operations need to be accessible to forklift trucks, bringing up large and heavy items.
- ✓ **Transport:** The means by which products and parts are moved may affect the layout:
- ✓ **Belt conveyors**: Straight lines are essential.
- ✓ **Gravity flow:** If the roller conveyor, chute or rail is not in a straight line, then the gradient must be steeper.
- ✓ **Powered movement:** If large quantities can be moved with little work by the operatives, then hauling over long distances may be acceptable.
- ✓ **Dynamic storage:** Gravity or powered storage, usually on rails, is possible at a higher level than that normally used for work and so adds another dimension to layout.

## *Process layout*

Similar operations and machines are grouped together:

Where a process layout is adopted, a low cost means of moving work between the groups of machines is essential, since work movement is inevitably increased. Greater supervisory skill is also essential




## *Product layout*

Operations are grouped according to the type of product manufactured, generally in order of manufacture:


## *Advantages of a proper factory layout*

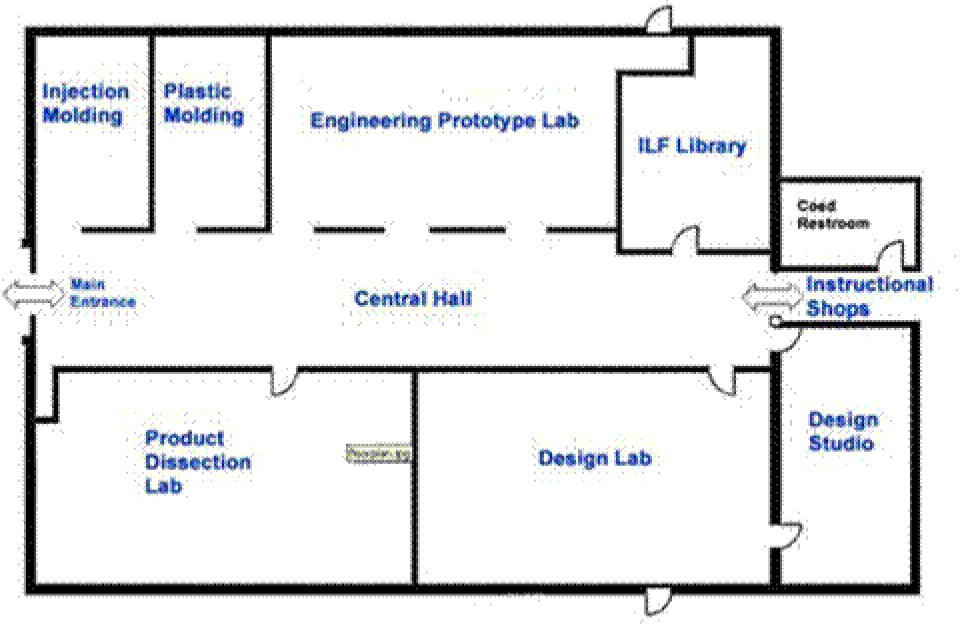
**For workers**

- ✓ Less exertion
- ✓ Less handling
- ✓ Happier and more productive in pleasant working conditions
- ✓ Fewer accidents

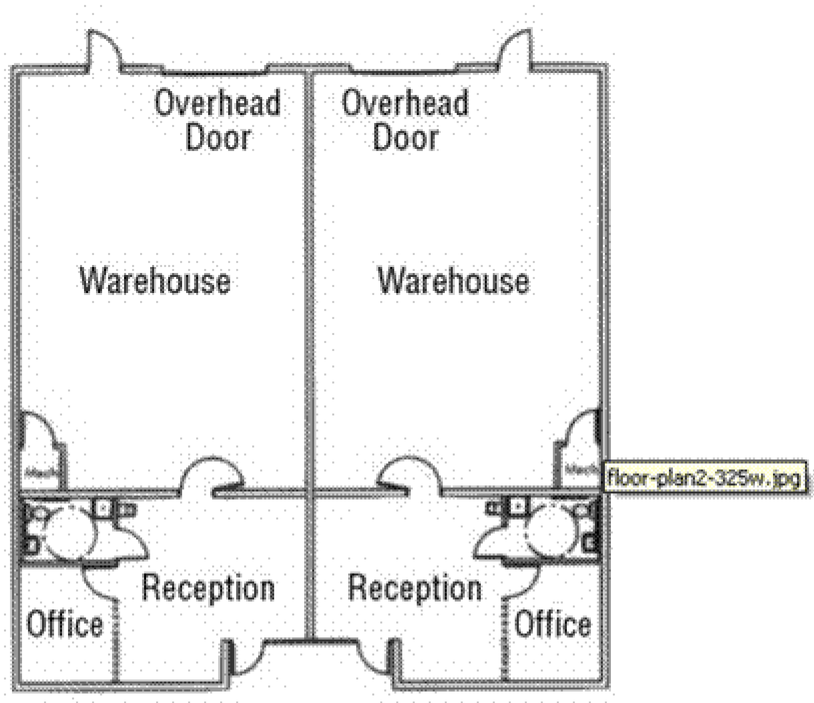
**For Company**

- ✓ Less working capital required
- ✓ Less money invested in stock
- ✓ Increase in factory safety
- ✓ Easier production control
- ✓ Lower labour, maintenance and transport costs
- ✓ High production yield
- ✓ Fewer workers; fewer salaries and wages to pay

Below is an example of a process layout floorplan


Injection Molding
Plastic Molding
Engineering Prototype Lab
ILF Library
Coed Restroom
Main Entrance
Central Hall
Instructional Shops
Product Dissection Lab
Design Lab
Design Studio

Here is an example of a warehouse layout




# Production Planning

Planning is a management function whereby goals are defined and decisions are made about the tasks that have to be carried out to achieve the goals and the resources that should be used to achieve the goals.

The production function is responsible for the schedule according to which work has to be done. This department establishes the production programme and sequence of activities. The planning of production activities concerns especially what work should be done, how it should be done, where it should be done and when the work should be done. This will be discussed in detail in Module Eight.

During the planning process, the manager considers the goals and objectives that have to be achieved. In order to achieve these goals and objectives, certain tasks have to be carried out by making use of resources. The tasks have to be prioritised and allocated to employees who have to physically carry out these tasks.

## Task lists

So, the first step is to determine what has to be done to achieve the objectives. A task list can be used effectively for this step. A task list is a list of tasks that have to be completed, such as chores or steps toward completing a project.

Before you draw up a task list, clarify the tasks :Rather establish upfront what is expected than discover that you have concentrated on peripheral aspects. Questions that you could ask in this regard are:

- ✓ What is the purpose of the task or activity?
- ✓ What are the measures of success?
- ✓ What is exceptional performance?
- ✓ What are the priorities and deadlines?
- ✓ What resources are available?
- ✓ What costs are acceptable?
- ✓ How does this relate to other people, action plans and programmes?

To draw up a task list:

✓ Work out what resources you will require: the quality and the type of resources.

✓ Define each task's objectives: what do you expect to accomplish with each task?

✓ Determine performance measures: how should the task be done and how will you know if it has been done according to the performance measures?

The next step is to develop an outline of the task list. In order to do this, you have to break the tasks down even further:

✓ Break each task down into sub-tasks and identify all the relevant activities. Here you list the steps required to complete a task.

✓ Specify the duration or time that should be spent on each step

✓ Specify the earliest time when a task should start in order for the task to be completed on time.

✓ Specify the latest time a task should start in order for the task to be completed on time.

## *Prioritise tasks*

Once the task list has been drawn up, the next step is to prioritise the tasks: what has to be done first.

✓ Which tasks have to be completed before another task can start – the sequence in which tasks have to be completed. For example, before you can make a cup of coffee you have to determine whether you have a cup, coffee, milk and sugar. Then you have to switch the kettle on, for without boiling water you cannot make any coffee.

✓ What specific activities are involved in each task? How difficult will it be to complete? Do you have employees capable of doing this or must you get the assistance of a contractor?

✓ Identify the tasks most critical for the completion of each stage of the work or project

✓ How long will it take to complete each task? Establish the sequence of tasks that will best fit the time constraints

✓ Number each task in order of priority

Sometimes, when we are faced with a large piece of work or project it can seem overwhelming. Where do we make a start? Often, we make a start, but not at the beginning, and then leave key tasks until it is too late and we have a crisis on our hands. On one page we should break down the work into its individual tasks. Start with the major tasks and break them down into smaller tasks until everything that needs to be done has been identified.

## *Procedures*

A procedure is a plan of action that indicates the method that must be followed to complete certain activities.

A **standard operating procedure** is a set of instructions that tells the employee what to do, how to do it and what resources should be used to do the work.

If your organisation has a standard operating procedure, consult this when you are allocating and prioritising tasks. If not, make an effort to put together a standard operating procedure.

## *Allocate the tasks*

Once the tasks have been prioritised, they have to be allocated to employees to carry out the tasks, in the order that they have been prioritised.

This is usually done by means of a schedule or an action plan. Scheduling of tasks involves telling the supervisors or team leaders:

✓ what to do or make

✓ when to do it or make it

✓ which staff should be used

- ✓ and which equipment should be used to carry out these tasks

Before we can schedule and delegate tasks, we have to know:

- ✓ What kind of knowledge or expertise is required for each task?
- ✓ Who best suites the demands of the task?  In other words, who can do the work?

Alongside each individual task we should write down an estimate of how long it will take to complete. Next we should decide on an appropriate deadline for each task. Also include the knowledge and skills required as well as who will be completing the task.

Many tasks can be completed at the same time, while others may have to be performed one after the other. We should be realistic here and allow for delays. It might take us 10 minutes to obtain an item of information from a colleague, but it may take us a week to arrange a meeting with them.

Once we have completed our scheduling, we can set a deadline for the completion of the work.

When you assign tasks to other people, make sure that they know exactly:

- ✓ What has to be done
- ✓ How it should be done
- ✓ When it should be done
- ✓ Why it should be done

## Reporting

In order for a manager to effectively manage his/her department, the various sections and teams should report progress regularly. The manager also has to report progress to his/her superiors. How often this reporting takes place, depends on the standard operating procedures of the organisation.  Usually, the following reporting takes place:

- ✓ Daily production and variances to target by employees to the team leader or supervisor
- ✓ Weekly production and variances to target by team leader or supervisor to manager
- ✓ Bi-weekly or monthly production and variances to target by manager to top management.

In this computerised age, reports normally take the form of computer printouts, giving details of:

- ✓ Production targets per product
- ✓ Actual production per product
- ✓ Variance reports
- ✓ Explanation of variances and corrective action taken

# Legal And Industry Requirements

The National Land Transport Transition Act is the main legislation governing the road transport industry in South Africa.

## Primary legislation regulating employment matters:

- ✓ The Labour Relations Act, 66, Of 1995
- ✓ The Basic Conditions Of Employment Act, 75, Of 1997
- ✓ Employment Equity Act, 55, Of 1998
- ✓ Skills Development Act, 97 Of 1998
- ✓ The Skills Development Levies Act, 9 Of 1999
- ✓ The Protected Disclosures Act, 26 Of 2000
- ✓ The Constitution Of The RSA – Act 108 Of 1996

✓ Compensation for Occupational Injuries and Diseases Act, No 130 of 1993

## The Scope And Application Of Acts

### *The Labour Relations Act, 66, Of 1995 As Amended*

**Scope**

The purpose of this Act is to advance economic development, social justice, labour peace and the democratisation of the workplace by fulfilling the primary objects of this Act which include the provision of a framework within which employees and employers and their respective labour organisations can collectively bargain for conditions of employment, employee participation in decision making; resolve labour disputes and formulate industrial policy.

**Application**

In terms of **Section 2** the Act applies to everyone except to members of:

- ✓ the National Defence Force;
- ✓ the National Intelligence Agency; and
- ✓ the South African Secret Service.

### *The Basic Conditions Of Employment Act, 75, Of 1997 As Amended*

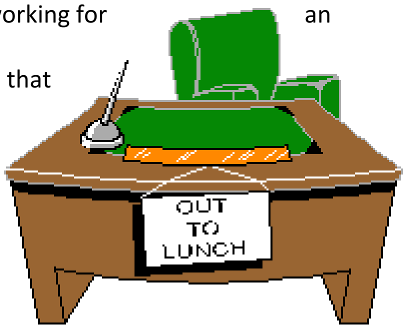
**Scope**

The purpose of this Act is to advance economic development and social justice by fulfilling the primary objects of this Act which include the establishment and enforcing of basic conditions of employment and regulating the variation of basic conditions of employment.

**Application**

In terms of **Section 3** of the Act:

(1) This Act applies to all employees and employers except—members of the National Defence Force, the National Intelligence Agency and the South African Secret Service; and unpaid volunteers working for an organisation serving a charitable purpose.
(2) This Act applies to persons undergoing vocational training except to the extent that any term or condition of their employment is regulated by the provisions of any other law.
(3) This Act, except section 41, does not apply to persons employed on vessels at sea in respect of which the Merchant Shipping Act, 1951 (Act No. 57 of 1951), applies, except to the extent provided for in a sectoral determination.




### *Employment Equity Act, 55, Of 1998*

**Scope**

The purpose of this Act is to achieve equity in the workplace by promoting fair employment practices and elimination of unfair discrimination and by implementing affirmative action measures to redress disadvantages experienced by designated groups.

**Application**

In terms of **Section 4** the Act applies to the following:

(1) Chapter 2 of this Act applies to all employees and employers.
(2) Except where Chapter 3 provides otherwise, Chapter 3 of this Act applies only to designated employers and peole from designated groups. (Chapter 3 deals with Affirmative Action.)
(3) This Act does not apply to members of the National Defence Force, the National Intelligenge Agency or the South African Sectret Service.

## *Skills Development Act, 97 Of 1998*

**Scope**

The purpose of this Act is:

- ✓ to develop the skills of the South African workforce
- ✓ to increase the levels of investment in education and training in the labour market and to improve the return on that investment;
- ✓ to encourage employers to use the workplace as an active learning environment and to provide employees with the opportunities to acquire new skills;
- ✓ to encourage workers to participate in learnership and other training programmes;
- ✓ to improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through training and education;
- ✓ to ensure the quality of education and training in and for the workplace;
- ✓ to assist work-seekers to find work, retrenched workers to re-enter the labour market, employers to find qualified employees and to provide and regulate employment services.

**Application**

This Act applies to all employers.

## *The Skills Development Levies Act, 9 Of 1999*

**Scope**

The purpose of this Act is to provide for the imposition of a skills development levy; and for matters

connected therewith.

**Application**

In terms of **Section 3** the Act applies to all employers except those mentioned in Section 4.

**Section 4:**

The levy is not payable by—

(a) any public service employer in the national or provincial sphere of government;
(b) any employer where section 3(1)(a) or (b) applies and—
(i) during any month, there are reasonable grounds for believing that the total amount of remuneration, as determined in accordance with section 3(4), paid or payable by that employer to all its employees during the following 12 month period will not exceed R250 000, or such other amount as the Minister may determine by notice in the Gazette; and
(ii) that employer is not required to apply for registration as an employer in terms of paragraph 15(1) of the Fourth Schedule to the Income Tax Act;
(c) any religious or charitable institution contemplated in section 10(1)(f) of the Income Tax Act or any fund contemplated in section 10(1)(fA) of the Income Tax Act, established solely to provide funds to any such institution; or
(d) any national or provincial public entity, if 80 per cent or more of its expenditure is defrayed directly or indirectly from funds voted by Parliament.

## *The Protected Disclosures Act, 26 Of 2000*

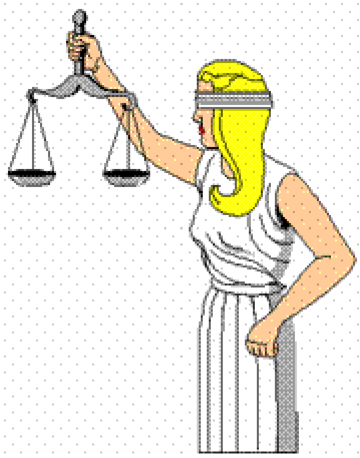
**Scope**

The purpose of this Act is to enable the employee to disclose information regarding improprieties by his employer and to protect him from victimisation as result thereof.

**Application**

In terms of **Section 2** of the Act:

✓ This Act applies to any protected disclosure made after the date on which this section comes into operation, irrespective of whether or not the impropriety concerned has occurred before or after the said date.



## *Interaction With The Constitution Of The RSA – Act 108 Of 1996*

**Section 7(1)** of the Constitution states that:

✓ This Bill of Rights is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom.

**Constitutional Rights Relating To Employment**

Constitutional rights relating to employment and employment practices are listed below with the subsection in parenthesis (brackets):

**Equality**

In terms of **Section 9** of the Act:

(1) Everyone is equal before the law and has the right to equal protection and benefit of the law.
(2) Equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons, or categories of persons, disadvantaged by unfair discrimination may be taken.
(3) The state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.
(4) No person may unfairly discriminate directly or indirectly against anyone on one or more grounds in terms of subsection (3). National legislation must be enacted to prevent or prohibit unfair discrimination.
(5) Discrimination on one or more of the grounds listed in subsection (3) is unfair unless it is established that the discrimination is fair.
*(**Example:** It would be considered "fair discrimination" if the applicant for employment in an upmarket French restaurant, where the majority of the clientéle are French speaking, is required to fluently converse in French.)*

**Slavery, Servitude And Forced Labour**

- In terms of **Section 13** of the Act:

No one may be subjected to slavery, servitude or forced labour.

**Assembly, Demonstration, Picket And Petition**

- In terms of **Section 17** of the Act:

Everyone has the right, peacefully and unarmed, to assemble, to demonstrate, to picket and to present petitions.

**Freedom Of Trade, Occupation And Profession**

- In terms of **Section 22** of the Act:

Every citizen has the right to choose their trade, occupation or profession freely. The practice of a trade, occupation or profession may be regulated by law.

**Labour Relations**

- In terms of **Section 23** of the Act:

(1) Everyone has the right to fair labour practices.
(2) Every worker has the right
a. to form and join a trade union;
b. to participate in the activities and programmes of a trade union; and
c. to strike.

(3) Every employer has the right
a. to form and join an employers' organisation; and
b. to participate in the activities and programmes of an employers' organisation.
(4) Every trade union and every employers' organisation has the right
a. to determine its own administration, programmes and activities;
b. to organise; and
c. to form and join a federation.
(5) Every trade union, employers' organisation and employer has the right to engage in collective bargaining. National legislation may be enacted to regulate collective bargaining. To the extent that the legislation may limit a right in this Chapter, the limitation must comply with section 36(1).
(6) National legislation may recognise union security arrangements contained in collective agreements. To the extent that the legislation may limit a right in this Chapter, the limitation must comply with section 36(1).

**Environment**

- In terms of **Section 24** of the Act:

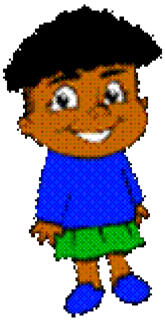
(1) Everyone has the right to an environment that is not harmful to their health or well-being.

**Health Care, Food, Water And Social Security**

- In terms of **Section 27** of the Act:

(1) Everyone has the right to have access to:
(a) health care services, including reproductive health care;
(b) sufficient food and water; and
(c) social security, including, if they are unable to support themselves and their dependants, appropriate social assistance.

**Children**



In terms of **Section 28** of the Act:
(1) Every child has the right
(d) to be protected from maltreatment, neglect, abuse or degradation;
(e) to be protected from exploitative labour practices;
(f) not to be required or permitted to perform work or provide services that are inappropriate for a person of that child's age; or place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development.

## Compensation for Occupational Injuries and Diseases Act, No 130 of 1993

### *Purpose of the Act*

It is hereby notified that the Acting State President has assented to the following Act which is hereby published for general information: -

No. 130 of 1993: Compensation for Occupational Injuries and Diseases Act, 1993

To provide for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases; and to provide for matters connected therewith.

## *Compensation For Occupational Injuries*

CHAPTER IV

**Compensation for occupational injuries**

**Right of employee to compensation**

22. (1) If an employee meets with an accident resulting in his disablement or death such employee or the dependants of such employee shall, subject to the provisions of this Act, be entitled to the benefits provided for and prescribed in this Act.

(2) No periodical payments shall be made in respect of temporary total disablement or temporary partial disablement which lasts for three days or less.

(3) (a) If an accident is attributable to the serious and wilful misconduct of the employee, no compensation shall be payable in terms of this Act, unless-

(i) the accident results in serious disablement; or

(ii) the employee dies in consequence thereof leaving a dependant wholly financially dependent upon him.

(b) Notwithstanding paragraph (a) the Director-General may, and the employer individually liable or mutual association concerned, as the case may be, shall, if ordered thereto by the Director-General, pay the cost of medical aid or such portion thereof as the Director-General may determine.

(4) For the purposes of this Act an accident shall be deemed to have arisen out of and in the course of the employment of an employee notwithstanding that the employee was at the time of the accident acting contrary to any law applicable to his employment or to any order by or on behalf of his employer, or that he was acting without any order of his employer, if the employee was, in the opinion of the Director-General, so acting for the purposes of or in the interests of or in connection with the business of his employer.

(5) For the purposes of this Act the conveyance of an employee free of charge to or from his place of employment for the purposes of his employment by means of a vehicle driven by the employer himself or one of his employees and specially provided by his employer for the purpose of such conveyance, shall be deemed to take place in the course of such employee's employment.

**Liability for payment of compensation**

29. If an employee is entitled to compensation in terms of this Act, the Director-General or the employer individually liable or the mutual association concerned, as the case may be, shall be liable for the payment of such compensation.

**CHAPTER IX**

**Obligations of employers**

**Employer to register with commissioner and to furnish him with particulars**

80. (1) An employer carrying on business in the Republic shall within the prescribed period and in the prescribed manner register with the commissioner, and shall furnish the commissioner with the prescribed particulars of his business, and shall within a period determined by the commissioner furnish such additional particulars as the commissioner may require.

(2) The particulars referred to in subsection (1) shall be furnished separately in respect of each business carried on by the employer.

(3) An employer shall within seven days of any change in the particulars so :

furnished notify the commissioner of such change.

(4) The Director-General may exempt employers referred to in section 84(1)(a) and (b) from the provisions of this section.

(5) Any person not resident in the Republic or any body corporate not registered in terms of any law governing the registration of bodies corporate in the : Republic, and carrying on business in the Republic or engaged in, on or above the continental shelf in activities in connection with surveys, research, prospecting or exploitation of natural resources, and employing an employee in connection therewith, shall furnish the commissioner with the address

of his or its head office and the name and address of his or its chief officer in the Republic, and that officer : shall for the purposes of this Act be deemed to be the employer of the said employee.

(6) Any person who fails to comply with the provisions of this section shall be guilty of an offence.

**Employer to keep record**

81. (1) An employer shall keep a register or other record of the earnings and other prescribed particulars of all employees , and shall at all reasonable times produce such register or record or a microfilm or other microform reproduction thereof on demand to an authorised person referred to in section 7 for inspection.

(2) An employer shall retain the register, record or reproduction referred to in subsection (1) for a period of at least four years after the date of the last entry in that register or record.

(3) An employer who fails to comply with a provision of this section shall be guilty of an offence.

(4) A health and safety representative elected in terms of the Occupational Health and Safety Act, 1993(Act No. 85 of 1993), or the Mine Health and Safety Act, 1996 (Act No. 29 of 1996), and a trade union representative elected in terms of section 14 of the Labour Relations Act, 1995 (Act No. 66 of 1995), shall have the right to inspect, and where appropriate bring to the attention of the commissioner, any register, record or document which the employer must maintain, keep or complete in terms of this Act

**Employer to furnish returns of earnings**

82. (1) Subject to subsection 1A, an employer, excluding an employer referred to in section 84(1)(a) and (b), shall not later than the thirty-first day of March in each year furnish the commissioner with a return in the prescribed form, certified by him her or it as correct, showing-

(a) the amount of earnings up to the maximum contemplated in section 83(8) paid by him her or it to his her or its employees during the period with effect from the first day of March of the immediately preceding year up to and including the last day of February of the following year; and

(b) such further information as may be prescribed or as the Director-General may require.

(1A) An employer who commences business after the last day of February of a particular year shall within seven days after such commencement furnish the commissioner with a return in the prescribed form, certified by him, her or it as correct, showing the estimated earnings of his, her or its employees for the period with effect from the commencement of the business up to and including the last day of February of the following year.

(2) If an employer carries on business at more than one place or if he carries on more than one class of business, the commissioner may require a separate return for each place or class of business from him.

(3) If in a return referred to in subsection (1) the amount shown as earnings, excluding earnings exceeding the maximum contemplated in subsection 83(8), is less than the amount actually paid, the Director-General may impose upon and recover from the employer a fine not exceeding 10 per cent of the difference between the amount shown and the actual amount.

(4) The Director-General may reduce any fine referred to in subsection (3). (5) If an employer fails to furnish a return or if the estimate of the earnings which an employer expects to pay during a particular period is in the opinion of the Director-General too low, the Director-General may himself estimate the earnings concerned.

(6) An employer who fails to comply with the provisions of this section shall be guilty of an offence.

## Health and safety

The O.H.S. ACT 85 of 1993 (Occupational Health and Safety) requires the employer to bring about and maintain, as far as reasonable practicable, a workplace that is safe and without risk to the health of the workers.

This means the employer must look in to the following.

**That the workplace is free of hazardous substances, such as benzene, chlorine, and micro organisms, articles, equipment, processes, etc. that may cause injury, damage or disease. Where this is not possible, the employer must inform workers of these dangers, and how to work safely, and provide personal protective equipment for a safe workplace.**

However it is not the sole responsibility of the employer to adhere to the O.H.S. ACT.  The workers also have responsible that they must adhere to, regarding certain regulations within this legislation.

**In short this means that the worker and the employer shares responsibility regarding Health and Safety in the workplace.**

## *The Act and Regulations*

THE Act known as the Occupation Health and Safety Act (Act 85 of 1993) consists of 50 sections approved by parliament. The purpose of the Act is to provide for Health and Safety of persons at work or in connection with the use of plant and machinery. It further provides for the protection of persons other than persons at work from hazards arising out of or in connection with the activities at work. The Minister of Labour incorporates various regulations, on specific topics, into the Act from time to time.

The Act or regulations can be purchased from the Government printer in Gazette form or bound form from various publishers.

## *Department Of Labour*

**Chief Directorate of Occupational Health and Safety**

The Chief Directorate of Occupational Health and Safety of the Department of Labour administrates the occupational Health and Safety Act.

In order to ensure the Health and Safety of workers, provincial offices have been established in all the provinces. To this end, occupational Health and Safety inspectors from these provincial offices carry out inspections and investigations in the workplaces.

**Inspections**

Inspections are usually planned on the basis of accident statistics, the presence of hazardous substances, such as the use of benzene in laundries, or the use of dangerous machinery in the workplace. Unplanned inspections, on the other hand, usually arise from requests or complaints by workers, employers or members of the public. These complaints or requests are treated confidentially.

**Powers of Inspectors**

If an Inspector finds dangerous or adverse conditions at the workplace, he or she may set requirements to the employer in the following ways:

- ✓ Prohibition notice
- ✓ Contravention notice
- ✓ Improvement notice
- ✓ Other powers

**Prohibition notice**

In the case of threatening danger an inspector may prohibit a particular action, process, or the use of a machine or equipment, by means of a prohibition notice. No person may disregard the contents of such a notice and compliance must take place with immediate effect.

**Contravention notice**

If a provision of a regulation is contravened, the inspector may serve a contravention notice on the workers or the employer. A contravention of the Act can result in immediate prosecution, but in the case of a contravention of a regulation, the employer may be given the opportunity to correct the contravention with in a limit specified in the notice, which is usually 60 days.

**Improvement notice**

Where the Health and Safety measures which the employer has instituted do not satisfactorily protect the Health and Safety of the workers, the inspector may require the employer to bring about more effective measures. An improvement notice, which prescribes the corrective measures, is then served on the employer.

**Other powers**

To enable the inspector to carry out his or her duties, he or she may enter any workplace or premises where machinery or hazardous substances are being used and question or serve a summons on persons to appear before him or her. The inspector may request that any documents be submitted to him or her, investigate and make copies of the documents, and demand an explanation about any entries in such documents. The inspector may also inspect any condition or article and take samples of it, and seize any article that may serve as evidence.

**Note: The above-mentioned powers of inspectors are not absolute. Any person, who disagrees with any decision taken by the inspector, may appeal against that decision in writing to the Chief Inspector Occupational Health and Safety at Department of Labour.**

# Health and Safety

## Accidents in the Workplace

### *What is an Accident?*

An Accident is an undesired event caused by unsafe acts or unsafe conditions that cause physical harm or has the potential for harm or the potential for loss.

### *Causes of Accidents*

The three contributing factors that result in accidents are as follows.

- ✓ Unsafe acts 88%
- ✓ Unsafe conditions 10%
- ✓ Acts of providence 2%

98 % of all accidents can be prevented due to the causes of these accidents are things people do wrong in the work place.

## Basic Causes of Accidents

The following will contribute to accidents:

- ✓ Inadequate work standards (no safe working procedures)
- ✓ Inadequate design (equipment that is not properly designed to do the job
- ✓ Normal wear and tear (no proper and regular inspection on equipment

Abnormal usage (substantial equipment that is used, like household equipment used for industrial purpose)

## Effects

### *Unsafe Acts:*

- ✓ Failure to warn (not telling the worker of the dangers in the workplace)
- ✓ Failure to secure (fail to fasten the top of a ladder while working on a roof)
- ✓ Operating at improper speed (working to fast to get the job done, chasing production)
- ✓ Making safety devices inoperative (bypassing circuit breakers that keeps on tripping)
- ✓ Removing safety devices (removing thermostats from equipment or bypassing earth leakages)
- ✓ Using defective equipment (Using electrical equipment where open wiring is visible)
- ✓ Failure to use personal protective equipment **(PPE)** (not using proper cloves when removing hot foods from the oven)
- ✓ Improper loading (unsafe loading of goods on a vehicle or trolley which can fall off and injure people)

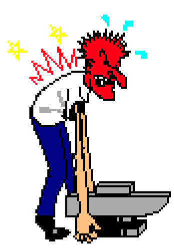
✓ Improper placement (storing of foods stuff in the same are were cleaning materials are kept, this can result that the food stuff can be affected and become poi send.

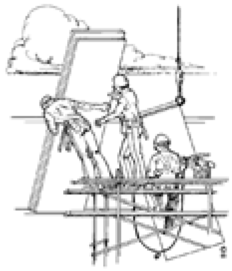
✓ Improper lifting (picking up heavy objects the wrong way.)

✓ Improper position for task (taking up a unsafe position while working)

✓ Horseplay (playing in the work place chasing each other or to through a fellow worker with objects or water)

✓ Alcohol and drugs (workers working while under the influence of alcohol or drugs can result in injuring them self or fellow workers)



## *Unsafe Conditions:*

✓ Inadequate guards and barriers (open components of machinery that can have the result that the worker's hands or clothing can be caught)

✓ Inadequate PPE (No or little personal protective equipment or the wrong type of PPE)

✓ Defective tools, equipment or materials (Using a teaspoon to remove chips from the hot oil in a pot. Working at the stove while the extractor unit is out of order)

✓ Congestion or restricted action (Working in the kitchen where to many workers are. This can result in workers bumping into each other)

✓ Inadequate warning system (No fire alarm that can be activated if a fire breaks out in the work place)

✓ Fire and explosion hazard (Flammable liquids stored in areas with extreme temperatures. Storing chemicals in the same area that reacts with each other)

✓ Bad house keeping (Every thing in its place and a place for every thing. Keep your work place clean, neat and free from obstruction and keep it bacteria free. This is very important in the food preparation process)

✓ Noise exposure (A area that exceeds a noise level more than 85 disables)

✓ Temperature extremes (If good ventilation in the workplace are not adequate, this can result in worker are exposed to heat exhaustion, and can become unconscious)

✓ Inadequate or illumination (Good lighting is very important in the work place to ensure that the worker can do his/her job properly. Where lighting is to extreme workers can also damage there eyes by not using PPE)

✓ Inadequate ventilation (ventilation in the work place is from utmost importance, lack of proper ventilation can cause workers to become drowsy and this will result in accidents)

## Occupational Safety

Some of the main causes of accidents in the workplace that result in injuries, fatalities (Death), or heath hazards are as follows.

✓ Contact with moving machinery (Hands in the mixer while it is in operation)

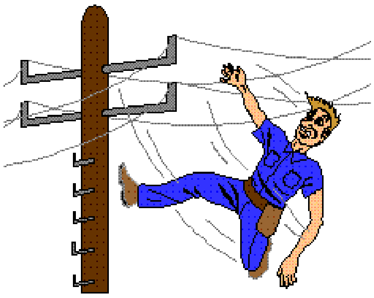
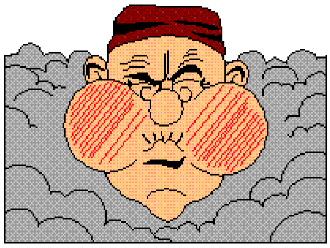
✓ Contact with stationary objects (Good or machinery placed in the working are where workers can bump or trip over resulting in falling or injuring themselves)

✓ Vehicles (Run over by a car or delivery truck, Forklift, or any vehicle that is used in the workplace)

✓ Falling objects (Goods stacked on top of places were it can fall of and injure workers)

✓ Sharp point (Knives, forks and any other sharp objects that can result in cutting or penetrating the body parts of the worker)

- ✓ Hard surfaces (Floors, walls machinery that can cause injury by slipping, bumping or falling on)
- ✓ Contact with hazardous substances (getting drain cleaner in the eyes or on the skin which is corrosive and can cause blindness, or irritation of the skin)
- ✓ Extreme temperatures (Improper ventilation will cause drowsiness and poor performance of the worker and the will lead to injuries)
- ✓ Physical exertion (Carrying out tasks, such as lifting or moving objects that are heavy for long periods of time)

## Common Hazards

Hazards will differ from work place to work place, and they could be the following, depending on the circumstances.

### *Confined spaces*

Areas, which are very small, or ventilation is inadequate, resulting in dangerous circumstances.

### *Electricity*

Electricity is one of the main causes of injuries and fires in the workplace. DO NOT work with faulty electrical equipment, DO NOT work on equipment before isolating the electricity and use the correct lockout procedures.

### *Fire and explosions*

Flammable liquids used in an unsafe way, chemicals that are mixed that react with each other. Striking a match when smelling gas, wrongly installed gas installations and many other examples.

### *Housekeeping:*

If proper housekeeping standards aren't followed it will result in using substandard equipment when the correct equipment cannot be found.

### *Mechanical devices*

Mechanical devices such as hand mixers, hand operated food processors, which can injure workers if not operate properly.

### *Radiation*

Radiation can not only be chemicals that can cause long term effects on the body but can also be heat radiation from working in front of a stove for long periods without specified intervals to recover from the exposed heat and to prevent dehydration of body fluids of the worker. It is therefore very important to take in lots of fluids when working in these environments.

### *Chemicals*

Chemicals such as cleaning agents can be corrosive, flammable and even explosive. Chemicals that are not used in the correct and prescribed manner as stipulated by the manufacturer can be dangerous and even fatal to the user.

### *Pressure*

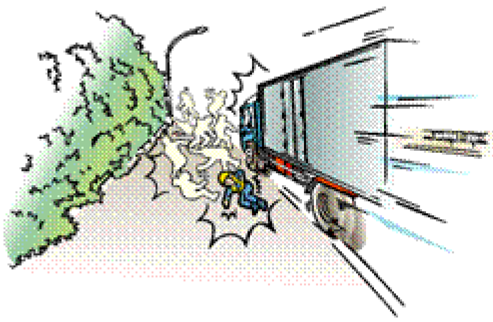
Pressure cookers in kitchen have caused many accidents in the past. Many working environments use steam for cooking purposes and extreme caution should be taken when working with this medium for many burs are caused by steam operating equipment. Gas bottles are also classified as pressure vessels and can cause burns and explosions.

### *Tools and equipment*

Tools and equipment used in the kitchen such as knifes, blenders, stoves, refrigeration, microwave ovens, food processors, extraction fans, and many more can be potential dangers if not properly operated. Safe working procedures must therefore be introduced for each and every task in the profession of the worker for the task to be performed.

### *Vehicles and machinery*

In accordance with the **O H S Act** every worker must be trained for the specific job that he/she performs. In some cases a worker is not allowed to operate a machine or a vehicle without a special license after undergoing training by an accredited company and found competent to operate the machine or vehicle, and a special license must be issued. These examples can be lifting equipment, forklift trucks and motor vehicles and trucks.

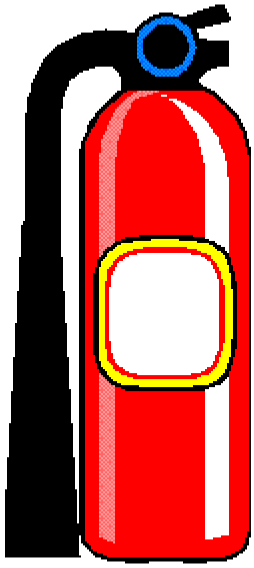


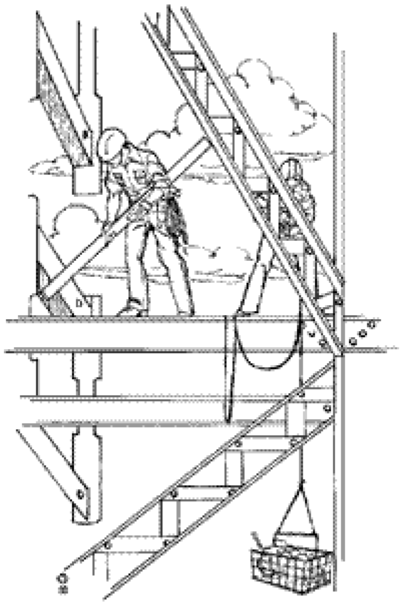
### *Welding, cutting and grinding operations*

Welding can cause severe harm to the eyes of the welder if the proper PPE is not used during the performance of the task. This does not only comply with the welder but also the workers working in the same area. This can be overcome by either the workers wearing the same PPE as the welder or by leaving the area where the welding takes place. Grinding and cutting is as dangerous to fellow workers as to the worker performing the job. The reason is that during grinding and cutting small parts of the material that is worked on can be flung in fellow workers eyes and can cause severe injury or permanent disablement.

### *Working at heights and excavations:*

Proper training must be must be given to workers before performing these tasks. These tasks include working on ladders, scaffolding, heights and trenches that is dug. Ladders can be dangerous if not in good working order and inspected regularly, if scaffolding has no firm base were it is erected it can collapse, and if special precautions is not taken when trenches is dug collapse of the side walls can cause workers to be buried alive if the side walls collapse.

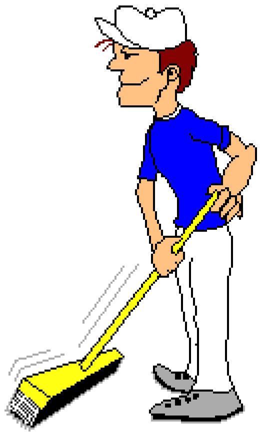




## General Housekeeping

### *Definition of housekeeping:*

**A place for everything and everything in its place**



- ✓ Good lighting.
- ✓ Good ventilation
- ✓ Hygiene facilities to be kept clean
- ✓ All aisles and storage areas clearly marked
- ✓ Good stacking and storage practices
- ✓ Stacked goods must not endanger life
- ✓ Factory yards must be kept tidy
- ✓ All refuse to be placed in bins

### *Poor housekeeping*

- ✓ Unnecessary rubbish, waste and vegetation in the yard
- ✓ Poor stacking/storage practices
- ✓ Unsafe handling of flammable liquids
- ✓ Compartments not kept in good condition.

Remember the definition of housekeeping; the following steps should be taken to ensure good housekeeping.

✓ Passages, aisles and walkways should be marked and kept clear of obstacles to prevent workers and visitors from injuries.

✓ Waste bins should be provided. If there is no waste bins workers tend to through waste materials and papers on the floor, this will create a fire hazard in the work place.

✓ All spillages must be cleared and cleaned immediately to prevent workers to slip, or be contaminated if chemicals are involved.

✓ Report any unusual parcels or packages to security

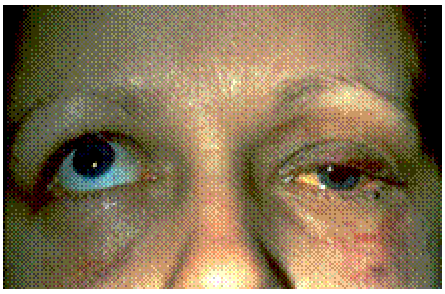
- ✓ Place everything in the correct place and store all products correctly.
- ✓ Clean up your work place at the end of every shift. (Do not leave it for the follow-up shift to clean.

# How to Work Safely

- ✓ You should not commence work if a risk assessment has not been completed for the task
- ✓ Before work starts at every shift, your supervisor should have a crew talk explaining all the safety instructions for the job
- ✓ You have the right to refuse to work if you feel the conditions are unsafe.
- ✓ Always identify the things that can cause injury
- ✓ Apply control measures as specified in your risk assessment
- ✓ Remember the topics discussed at the weekly Toolbox Talks
- ✓ If you are not sure, ask your supervisor and follow instruction
- ✓ The company, your family and your colleagues need you and depend on you!

## Safety rules

### *Never:*



- ✓ Enter a work area that you have not been authorised to enter.
- ✓ Operate any equipment that you have not been trained to operate

### *Always wear:*

- ✓ suitable protective clothing
- ✓ safety boots
- ✓ hard hats
- ✓ overalls

### *Also wear proper eye protection:*

- ✓ when grinding or welding
- ✓ where notices say eye protection must be worn
- ✓ in any other place where your eyes
- ✓ could be injured.
- ✓ when instructed by your supervisor.

### *Use gloves, aprons other special clothing when handling:*

- ✓ rough materials
- ✓ chemicals
- ✓ hot or cold objects.

Wear hearing protection whenever notices indicate that your are in an area that requires you to wear hearing protection.

### *Wear respirators when:*

- ✓ spray painting
- ✓ welding and cutting
- ✓ the area is very dusty
- ✓ there is any other toxic danger
- ✓ in other areas where it is required

**Use special safety equipment when required as indicated by mandatory signs.**

**Report to your supervisor loss or damage immediately of any protective clothing or safety equipment, and ensure that it is replaced**.

### *Keep your working area clean by:*

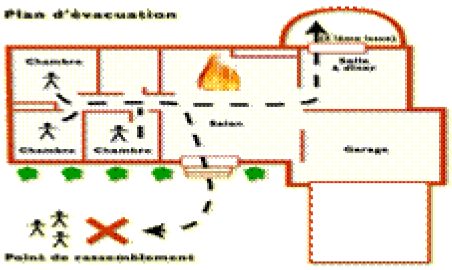

- ✓ regularly sweeping scraps,
- ✓ cleaning oil spills and
- ✓ putting refuse in the bins provided.
- ✓ be proud of your workplace
- ✓ clean as you go.

### *Keep access ways safe by:*

- ✓ not blocking fire exits or traffic lanes with tools or equipment
- ✓ keeping loose material off the stairs and walkways.

### *Get to know your work place, in particular:*

- ✓ warning and prohibitory signs
- ✓ location of fire fighting appliances
- ✓ your safety representative and first-aider
- ✓ emergency exits.




### *Be aware of other work near you. In particular:*

- ✓ do not walk under suspended loads and be aware of persons working above you
- ✓ watch out for vehicles
- ✓ mobile equipment.


### *When carrying something make sure that:*


- ✓ you bend your knees and keep your back nearly straight when lifting
- ✓ you get help with heavy or bulky materials
- ✓ there is only one person giving orders when a team is lifting big loads
- ✓ there is a clear path to where you want to go before starting the lift.

### *When using hand or power tools, make sure that:*

- ✓ you are using the right tool for the job
- ✓ handles are not split
- ✓ cutting tools are sharp
- ✓ power tools are not
- ✓ being overloaded.

Before starting machinery

- ✓ make sure all guards are in place
- ✓ check for safety of other persons in the area.

Before repairing or adjusting machinery stop and lock out the machine. Do not work on a machine while it is in operation.

You must not operate any equipment or vehicles unless you are qualified and authorized to do so.

- ✓ **Obey "No Smoking" signs.**
- ✓ **Know where the nearest fire extinguishers are and how to use them.**

Only qualified people are allowed to repair tools and equipment.

- ✓ **Know where you're nearest emergency point is and it's number**
- ✓ **Store flammable liquids only in small amounts and in approved safety cans.**

### *When using oily rags:*

- ✓ store them after use in covered metals bins or dispose of them safely
- ✓ keep oily rags away from oxygen cylinders.

- ✓ **Keep portable heating equipment and engines in buildings away from combustible materials.**
- ✓ **Do not interfere with electrical equipment until it has been isolated.**
- ✓ **Do not use electrical power tools or equipment while standing in water.**
- ✓ **Make sure the cords of electrical tools are in good condition.**

## *Alcohol and Drugs*

A worker may not work when under the influence of alcohol or drugs (Dagga, Mandrax etc.). Any worker who uses alcohol or drugs while working will face severe disciplinary action (Dismissal) or criminal charges.

When a worker, works while intoxicated he will put himself and his fellow workers at risk, this is very dangerous and will cause an accident.

Medication with a high alcohol content, like cough mixtures, can also cause intoxication and drowsiness. This medication will also cause delayed reaction and reduced concentration. It is very important that you ask the chemist if the medication that you are using will have these side effects or read the pamphlet supplied with the medication. If it does, ask for medication that does not have these side effects. It is very important to inform your supervisor and Health and Safety Representative of your medication that you are taking and of its side effects.

## *Work Area Housekeeping*

Good Housekeeping is an essential part of every job. Work areas, aisles, walkways, and equipment shall be kept clear of loose materials, tools, and scraps.


Materials such as lumber and pipe shall be stored in an orderly and secure manner.

Spills such as grease, water, or oil shall be cleaned up as soon as possible; a delay could result in an accident to you or a fellow worker.

A safe access shall be maintained to work areas. Short cuts should be avoided. Never block aisles, traffic lanes, or fire exits with equipment or materials.

## *First Aid & Occupational Hygiene*

Every workplace, however small, is equipped with a First Aid Box. First Aid Boxes will be allocated to certified first-aiders. Every injury must be treated and reported to the person in charge. Injuries, which require professional medical treatment, an appropriate accident report form has to be made out immediately by the person in charge and the injured person taken to the site clinic.

First Aid Boxes must be kept properly stocked with the minimum required contents.

## *Fire prevention*

Smoking and open fires are not permitted in any storeroom or area, which contains flammable liquids, or any no smoking areas indicated by a non-smoking sign.

Misuse or tampering with fire prevention equipment can result in severe disciplinary action being taken.

Office and other electrical equipment must be switched off after normal working hours, over weekends or when the room in which they are installed is unoccupied.

## *Manholes*

Work in manholes is governed by rules of work conducted in confined spaces.

✓ Dangerous Places

All open holes, as well as open sides of buildings must be made safe by respectively boarding over and / or by barricading to prevent people from falling to another level.

✓ Barricading

All minor and excavations must be barricaded by means of solid barricading.

Barrier (chevron) tape will be allowed as a means of demarcation only.

## *Removal or tampering with Safety Appliances*

✓ No persons shall wilfully interfere with or misuse any means, appliances or other devices (including barricades, coverings of openings in floors etc.) providing for securing the health, safety and welfare of employees.

✓ Where anything for securing the health, safety and welfare of employees is provided for the use of any employee in any process, that employee shall use such equipment whilst engaged

✓ No person shall wilfully and without reasonable cause do anything liable to endanger the health, safety or welfare of himself or others.

## *Motor Vehicles*

- ✓ Only authorised persons may drive Company vehicles.
- ✓ The driver must have the appropriate licence for the vehicle he is driving.
- ✓ If involved in any accident onsite / off site resulting into damages to the vehicle, the Responsible Person must be notified and required accident report form completed.

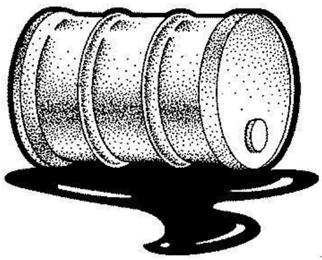
## *Transporting Personnel / Material*

No person is allowed to be transported on the loading platform of a truck or LDV unless the following conditions are met:

The driver of any vehicle must ensure that before reversing his vehicle there are no people in his path or if so they are aware of his vehicle's movements at all times.

- ✓ All construction vehicles, and mobile equipment shall be fitted with a reverse alarm/hooter.
- ✓ A driver / operator must conduct a walk around test of his vehicle daily before the start of his operation. All defects found must be recorded in a log sheet and handed promptly to his supervisor for action.
- ✓ Should he identify a serious defect he must report it to the responsible manager before operating the vehicle.

## Environmental Rules



We must all be committed to ensuring that we operate to the highest environmental standards. With this in mind you are required to help with the following:

- ✓ Do not waste water
- ✓ Prevent pollution of surface and underground water.
- ✓ Ensure waste is placed in its correct containers, which are marked and placed around the site.
- ✓ Prevent spills of oil, paint and fuel.
- ✓ Use latrines placed on site- do not make use of the bush.
- ✓ Do not burn waste.
- ✓ Do not harvest fruit, crop or firewood from the surrounding area. Respect natural vegetation.
- ✓ Do not hunt animals, birds or set traps.
- ✓ Certain areas of the site will remain natural – do not destroy these trees and plants.
- ✓ Stagnant water must be reported to your supervisor to be removed.

## The Need for Procedures

Any Supervisor, Manager or Responsible Person has common areas of loss control which includes any of the following:

- ✓ Doing Inspections
- ✓ Doing Investigations
- ✓ Preview Rules and Procedures
- ✓ Give proper Job Instruction
- ✓ Indoctrinating New Employees

**Should the responsible employees not be carrying out the abovementioned acts, the supervisor is losing control.**

The Supervisor, Manager or Responsible Person who manages professionally will:

- ✓ Know the Health and Safety Programme
- ✓ Know all Health and Safety Programme standards
- ✓ Plan and organize Health and Safety work to meet these standards
- ✓ Lead his/her people to achieve standards
- ✓ Correct problems as soon as they are identified

### *Identification*

Identify hazardous work practices, machinery and individuals.  Do regular risk assessments.

### *Set Standards*

Standards can be set as follows:

The health and Safety Representatives will on a monthly basis do a full inspection and report on the following:

- ✓ Fire equipment
- ✓ Hazardous areas in his/her area of responsibility
- ✓ Ladders
- ✓ All accidents that occurred in his section etc.

### *Measure the performance of those standards*

Ensure that inspections are carried out to the best of the responsible person's ability.

### *Evaluate*

Should the results not meet the standard, identify the needs which should receive attention to rectify the problem.

### *Correct*

Address the needs via training, meetings, show videos etc.

## Identify workplace hazards

To control hazards in the workplace they first need to be identified. This can be done in three ways:

- ✓ Collecting Information.
- ✓ Checking records of accidents, medical and occupational hygiene reports.
- ✓ Conducting an Inspection of the Workplace.

### *Collecting Information*

Collect all the information you can about your workplace.

### *What information should you collect ?*

- ✓ Information about the dangerous processes in the workplace
- ✓ Information about all the substances (raw materials, by-products and waste products used

### *Where Can You Get This Information?*

You can find out more about safety and occupational health hazards by:

- ✓ Asking management to provide more information about a substance or process.
- ✓ Reading the Material Safety Data Sheet (MSDS)
- ✓ Asking the Supplier
- ✓ Ask the company Doctor
- ✓ Ask your union
- ✓ Do your own research or call The Industrial Health Unit (031)260-4528

### *Checking Records*

Look at occupational hygiene and/or medical reports to ensure that these reports have not identified any areas which may be hazardous or are causing workers to become ill because of their work.

### *Workplace Inspections*

Workplace inspections are the most important method of identifying health and safety hazards in the workplace. Later in this module we will look at how to conduct workplace inspections. In terms of the OHSA, "health and safety representatives may inspect the work place..." at regular intervals. Section 18(1)

## Controlling workplace hazards

The purpose of controlling hazards in the workplace is to prevent workers from coming into contact with a particular hazard and thereby protecting their health and safety.

There are two basic requirements when considering the control of hazards at the workplace, these are:

- ✓ Organisation issues
- ✓ Practical measures to control the hazard

## Organisation issues

### *Health And Safety Programme*

For any workplace to be safe and healthy, there has to be a clear health and safety programme. This programme should include at least the following issues:

### *Education and Training*

All workers must be informed of the hazardous processes with which they are working. This information must include how the processes and substances affect the body, precautions to be taken and what to do in an emergency.

### *Environmental Monitoring*

There must be a clear programme and schedule to monitor the hazardous processes and substances. These programmes must include workplace inspections, occupational hygiene measurements, and a careful investigation of all incidents which occur.

### *Medical Monitoring*

Workers must have access to a free and confidential health service provided by management. This service must carry out biological monitoring of workers for any disease which might result from the work processes or the use of hazardous substances.

### *Accountable Health and Safety Structures*

There must be an accountable health and safety structure at the workplace which is responsible for ensuring that the workplace is maintained in a safe and healthy condition. This structure should have an equal number of management and union representatives. The OHS Act provides for the structure and functions of a health and safety committee at the workplace.

## Practical Measures to Control Hazards

- ✓ Control at the source
- ✓ Substitution Or Replacement
- ✓ Change the Process
- ✓ Mechanise the Process
- ✓ Enclose the Operation
- ✓ Control Along The Path
- ✓ Local Exhaust Ventilation
- ✓ Barriers
- ✓ Housekeeping
- ✓ Control At The Worker
- ✓ Personal Protective Equipment
- ✓ Administrative Controls

## Workplace inspections

### *Why Do We Conduct Inspections?*

The following are at least four types of inspections that can be used. The choice depends on your Aims:

- ✓ Accident inspections.
- ✓ Special inspections.
- ✓ Inspections of documents or information.
- ✓ General inspections.

Some of the reasons for conducting inspections are:

- ✓ It enables one to identify potential hazards before they become a serious problem
- ✓ It acts as an early warning system.
- ✓ To identify health and safety hazards in the workplace with the aim of removing or controlling them.
- ✓ To discover and correct causes of accidents and/or ill health.
- ✓ To check if relevant standards and laws are being obeyed.
- ✓ To check if agreed improvements are carried out.
- ✓ How often should you conduct an inspection ?

### *Preparing For An Inspection*

You will need the following:

- ✓ A floor plan of the workplace in order to
- ✓ mark areas where people work.
- ✓ write down the number of people working in each area.
- ✓ work processes and machinery in each area.
- ✓ A health and safety checklist
- ✓ Materials Safety Data Sheets (MSDS) from management

### *What To Look For*

- ✓ Noise
- ✓ Very cold or hot working areas.
- ✓ Dust or fumes.
- ✓ Any noticeable smells.
- ✓ Unguarded machinery.
- ✓ Ease of entry and exit from workplace.
- ✓ Ease of movement within and around the workplace.
- ✓ Storage of articles and substances.
- ✓ Location of fire extinguishers/ first aid boxes.

### *The Most Important Tools You Need For Workplace Inspections Are:*

- ✓ Eyes to spot hazards
- ✓ Nose to smell bad odours as indication of hazards.
- ✓ Mouth to talk to health and safety representatives
- ✓ Brain to be always thinking and learning

- ✓ Ears to listen to workers complaints and suggestion for improvements.
- ✓ Guts to be strong enough to fight to get the hazards corrected,
- ✓ to stop work which you see is of immediate danger.
- ✓ Feet to regularly inspect the workplace.

### *Special Inspections*

Special workplace inspections are used to concentrate in more detail on a particular aspect of the workplace or process, where a hazardous chemical substance may be used or hazardous process is carried out. A special workplace inspection might be carried because of a change in the working conditions and could be in addition to regular inspections or general inspections.

**Aims Of Special Workplace Inspection:**

- ✓ To focus on specific aspects of the work environment or process.
- ✓ To investigate a problem because of workers' complaints.
- ✓ If new machines or materials have been introduced.
- ✓ If there has been a change in the work process.
- ✓ To check that correct personal protective equipment is used.
- ✓ To check warning and labelling notices.
- ✓ If an accident has occurred (will be discussed in detail later)

# Risk Control Measures

Once the risk or hazard has been identified and assessed, employers must either prevent the risk arising or, alternatively, control it. Much will depend upon the magnitude of the risk in terms of the control applied. A typical hierarchy of control, from high risk to low risk, is indicated below:

- ✓ Elimination: Of the risk completely, eg. Prohibiting a certain practice or the use of a certain hazardous substance.
- ✓ Substitution: By something less hazardous or risky.
- ✓ Enclosure: Of the risk in such away that access is denied.
- ✓ Guarding / safety devices: To prevent access to danger points or zones.
- ✓ Safe systems of work: That can reduce the risk to an acceptable level.
- ✓ Written procedures: Job safety procedures, that are known and understood by those affected.
- ✓ Adequate supervision: Particularly in the case of young or inexperienced persons.
- ✓ Training: Of staff to appreciate the risks and hazards.
- ✓ Information: Safety signs, warning notices.
- ✓ Personal protective equipment

In many cases, a combination of the above control methods may be necessary. It should be appreciated that the amount of management control necessary will increase proportionately for the controls lower down the list.

## Implementing Risk Control Measures

In the implementation step special emphasis must be placed on both:-

- ✓ **Technical decisions** - to put a chosen risk control technique into practice, and

- ✓ The **managerial decisions** that must be made in co-operation with other managers throughout the organisation to implement the chosen technique.
- ✓ Inform employees
- ✓ Train employees
- ✓ Supervise the performance.

## Maintaining risk control measures

- ✓ Implement preventative inspections
- ✓ Heath and Safety representative inspections
- ✓ Statutory inspections, tests and examinations
- ✓ Safety tours and inspections
- ✓ Occupational Hygiene inspections
- ✓ External safety and health audits.

## Improvements to health and safety practices

Assessment activity

# The Action Plan

## Developing The Action Plan

Once you have written down your goals and objectives you have to develop plans for the realisation of the objectives. These plans are called action plans.

In the action plan you must specify and explain clearly **WHAT** has to be done, **WHY** it must be done, **WHEN** it should be done, **WHO** must do it and **HOW** it should be done.

Business concepts and ideas formulated in the business plan must also be stated in the action plan and timeframes must be linked to these to specify when these concepts and ideas must be implemented.

Legal issues, health and safety regulations and risk factors must also be taken into consideration when drawing up the action plan as well as resources that are going to be needed to run the operation effectively.

Action plans are the maps by which a competent manager navigates his course to the required destination. Please refer to the example of an action plan chart on the next page, to help you complete an action plan that is understandable.

# Implement An Action Plan.

The previous steps in the planning process concerned the thought process. These ideas and goals, as well as the manner in which they are to be achieved must now be brought into operation and must be evaluated continuously.

Plans do not mysteriously activate themselves. You must put the plans into effect. One of the problems about planning is that too often the planners are not the doers. As a result, detailed plans running to hundreds of pages may do no more than gather dust.

Planning, no matter how carefully and painstakingly done, is useless and a waste of time without **commitment and action.**

✓ This means that you have to start doing the things that must be done according to the action plan, or see that the people who must do it, are doing it.

✓ Then you have to check on a regular basis whether the tasks in the action plan are still being done and whether they will be finished on time.

✓ If things are going wrong, you need to know in time so that the problem can be solved.

Activity 2 - 10 (SO1, AC1-4)

Activity 11 Legislation

Activity 12 - 13 Health and safety

**EXAMPLE OF AN ACTION PLAN CHART**

| Goal | Objective | Action Steps | Completion Date | Who will be responsible | Resources Required |
|---|---|---|---|---|---|
| Enter the main goal here. | Use this column to print the final version of your objective. Do not write the goal here, just the objective. | Very often your main, or terminal objective may need to be broken down into smaller sub objectives, which we have called Action Steps. | It is obvious that the final dates for each objective need to be place here, in the order than each is hoped to be completed. Remember to establish achievable completion dates. | Who will be responsible for doing this. | What will they need in order to accomplish the tasks on time. |

# MOBILISE RESOURCES

## *Outcome*

Mobilise resources for a new venture

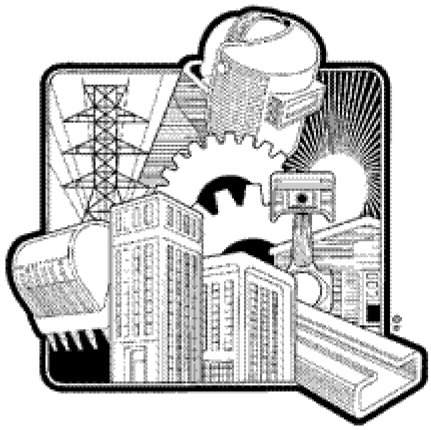
## *Assessment criteria*

- ✓ Available resources for new venture are identified in relation to business context
- ✓ The cost of resources are analysed and prioritised accordingly
- ✓ The resources identified are evaluated according to suitable contribution to effective business performance.
- ✓ Advice is sought and used to supplement competences where relevant.

# Resources

When you do the business plan, you will identify the resources you need.

These resources may include:



- ✓ Money – the lifeline of any business.
- ✓ Human resources – the people needed to work in the operation.
- ✓ Premises – land, building or office.
- ✓ Vehicles – for delivery, construction or transportation of people.
- ✓ Machinery – for manufacturing or processing.
- ✓ Office equipment – computers, telephone & fax, furniture, etc.
- ✓ Professional services – lawyers, accountants, business consultants, etc.
- ✓ Contractors – people who are contracted to do work not done by business self.

Depending on the nature of the business there may be more, but the above are the basic resources that are going to contribute to the successful operation of the business.

# Analyse costs of resources

All of these mentioned resources cost money, - yes, even money costs money (interest on loans, overdraft facility).

The cost of each of these resources must be analysed and prioritised accordingly. Those resources, like people, premises and office equipment, without which the business cannot operate, need to be first on this list of priorities, while “luxuries” like fancy telephone answering systems will have to wait until the budget allows for them.

Resources must therefore be applied according to the contribution they will make towards the effective operation of the business. In other words, the most important resources must be obtained first.

# Evaluate resources

No entrepreneur starting out in business has all the necessary knowledge and experience to be successful in business. This is where the business plan once again is a useful tool

You can use the plan to solicit opinions and advice from people, including those in your intended field of business, who will freely give you invaluable advice. Too often, entrepreneurs forge ahead ("My Way!") without the benefit of input from experts who could save them a great deal of wear and tear. "My Way" is a great song, but in practice can result in unnecessary hardships.

It is also advisable to seek professional advice form your lawyer, bookkeeper and other professionals to assist you to make the right business decisions. Other valuable sources of advice include subcontractors or people you outsource work to. These people normally have vast experience and by applying what you learn from them can help you to save money and time.

It is never a good thing to try to do everything by yourself, especially when you are starting out on your own in a small or medium-sized venture. One person cannot do everything, there are specialist areas where you would not have the knowledge required to do things legally. This does not mean that you have to employ many people with the knowledge, you can consult specialists and contractors.

# Seek Advice

To get professional advice about:

- ✓ **Financial management**: consult an accountant or a bookkeeper. The accountant or bookkeeper will also assist you in opening a banking account for the business.

- ✓ **Labour laws**: consult a labour consultant or contract an independent HR practitioner.
- ✓ **Legislation** that protects the rights of consumers : consult a lawyer
- ✓ **Laws** that govern the running of a business: consult a lawyer or a business consultant. A business consultant will also help you to register your business with all the appropriate authorities, such as: the Unemployment Insurance Fund, the Registrar of companies, the SA Revenue Services, Workman's compensation, industry specific regulatory authorities, etc.

Most of these consultants will charge you only for the services they render, you don't have to employ them full time. The advantage here is that you make use of their services only as and when you need it. Their Fees Can Be Expensive, but you must weigh the cost against the trouble you can get into by not following the correct procedures.

Even informal advice can be valuable. It may happen that a retired businessman frequents your business and may drop a hint now and then about how he succeeded in business – listen to these hints and apply those principles that you identify as being potentially useful to you in your business.

## Activity 14 (SO2, AC1-4)

# MANAGE TIME

## *Outcome*

Manage own time productively.

## *Assessment criteria*

- ✓ The purpose and process for scheduling activities in own business is identified and explained with examples.
- ✓ Business activities are organised and scheduled with timeframes
- ✓ Own time management preferences are identified and work scheduled accordingly.
- ✓ Interruptions are accounted for and built into schedule to ensure that productivity levels are effectively measured
- ✓ Schedule is monitored and managed daily
- ✓ Private and business time is balanced to ensure overall personal productivity

# The Role of Self-Management

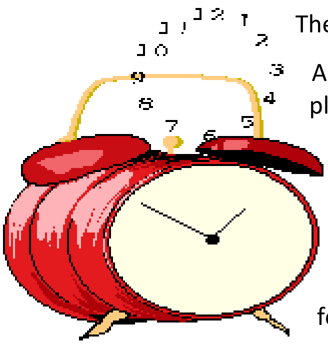
Time control is a paradox. Only you can manage yourself in relation to time and choose how you spend it but……**When it's gone – it's gone forever!**

Time is the basic element of the universe. Most people feel they're wasting barrels of this irreplaceable commodity. They are right. **Self management** is probably the single most important factor in managing yourself, your work, and your time.

If you manage your time so you can save one hour per day, you have created 365 new hours for yourself in one year. That is equivalent to nine 40-hour work weeks. Imagine the value of nine extra weeks. More effective work, more enjoyable leisure!

Time is a basic element in the Western world whereby our lives are organised, while it also creates a framework within which people communicate, work and live. Imagine how chaotic things would be without watches and clocks. The organisation of time is essential for any person to fit into the community of the Western world.

# Why Should We Manage Time?



The purpose of time management is to plan what you do and when you do it..

All the tasks that you have to do are not equally important, thus an important factor when planning how to spend your available time is to prioritise. The most important tasks will be scheduled first and you will allocate the most time to the performing of these tasks.

Each task must be scheduled, clearly stating how much time is allocated to the completion of this task. It is very important to be realistic when allocating time to different activities – it does not help much if you allocate ten minutes to a task that you know for fact is going to take an hour to complete. This will throw out the whole schedule for the rest of the day.

It often happens that you are interrupted during the course of the day and cannot complete a certain task within the time limit that you originally allocated to the completion of this task. This is a fact of life and is unavoidable. To get around this problem it is necessary to budget for these unforeseen interruptions and allocate time for interruptions. This might sound like planning to fail, but in practice you will soon realise that there are sometimes more interruptions in a day than what seem possible.

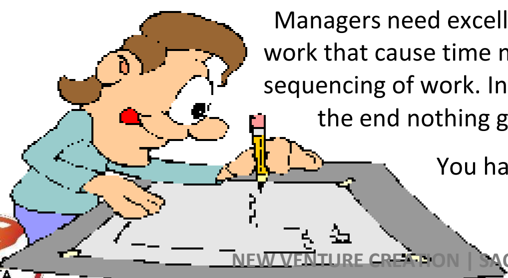
Of course it stands to reason that you need to monitor your real performance against what you have scheduled so that you can see whether you are on track. If you are constantly running out of time it is a sign that you were not very realistic in your planning and allocated too little time for too much work. Likewise if you have two idle hours left at the end of each day, you can allocate more work to be done in the same time.

As most of us spend the biggest part of our day working or commuting to or from work, it is essential to spend our leisure time effectively too. You must plan to relax, spend time with the family, play sports or take part in other leisure activities. By doing this you will relieve a lot of stress from working and lead a more organised and healthy life in general. You sometimes need time to be alone so plan for it.

One of the advantages of good time management is that it increases productivity.

**For those who doubt the wisdom of spending so much time planning, believing that it is better to concentrate on doing things rather than getting ready to do them, it is worth nothing that at least half of all planned activities get done. In other words, there is a better than 50 percent chance that an activity will take place as planned**

# How Do I Manage Time?



Managers need excellent time management skills. It is not the number of hours spent at work that cause time management problems, but rather the fragmentation or erratic sequencing of work. In other words, you do a little bit of this and a little bit of that and in the end nothing gets done properly.

You have to choose the most important items to deal with first. This is called prioritising. It is the ability to prioritise that separates a successful manager from an inefficient one.

Most people find it best to work on a **weekly plan**, which is completed in 20-30 minutes on a Friday for the week ahead. This is supplemented by a **daily** plan, completed in 15-20 minutes at the end of each day, for the following day. You may need to vary this to suit your particular circumstances

You have to plan your day and your work according to the level of priority for specific tasks. To do this, you need to plan on paper, doing it in your head will be of no help to you at all.

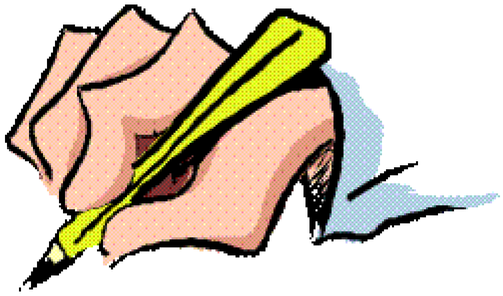
## Break Big, Difficult Tasks Into Smaller Ones.

The Chinese have a saying that "A journey of a thousand miles begins with a single step." Breaking a task up is rather like taking this single step. It makes it easier to start and it is surprising how quickly the steps mount up until you find you have covered quite a distance

### *Use the following guidelines:*

Identify The Nature Of The Job

- ✓ **The content**: how long will it take
- ✓ **Deadlines if any**: by when should it be finished
- ✓ **Other people involved**: do other people have to help you, are you waiting for information from someone else, etc.
- ✓ **The level of priority**: how urgent is it.



## Draw up a checklist of tasks in logical order.

Think about each task and allocate time spans for each task. Write them down, so that you have a written copy forcing you to stay with the schedule.

## Do the most important things first.

**Begin the day by concentrating on the items that really matter**. When unscheduled items arise, like an interruption, ask yourself:"Is it more important than what I was doing?" If it isn't, try to find a tactful way of putting the interrupter off until a more convenient moment later in the day. Leave 25 percent of each day unplanned in order to cope with the uncompleted and unscheduled tasks

Set aside a specific unbroken period of time to carry out those tasks that need your undivided attention. Choose this time when you can work entirely uninterrupted by calls, visitors, etc.

## Remember to include your routine daily tasks as well.

This includes all the tasks you have to do every day as well as planning the next days' work

## Plan ahead for weekly tasks as well

Remember, you may only have to attend the meeting by next Thursday, but make sure that you prepare for the meeting well in advance.

Diarise tasks that have to be completed e.g. for the meeting, and include those tasks on that day's daily list, following the same procedure.

## Plan for interruptions

During the course of the day, you will be interrupted a lot. Remember to add extra time for interruptions.

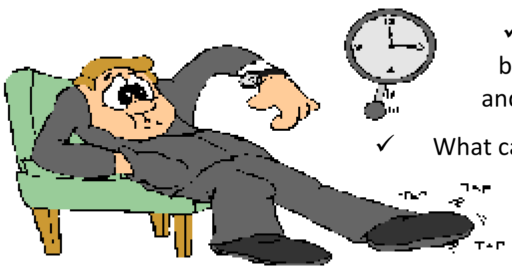
## Stick to your plan

Ask yourself:

- ✓ What do I want to have accomplished by the end of the time period I have chosen?
- ✓ What activities will help me to achieve my objectives?

This will help you to keep your attention clearly focused on them and not lose sight of them when under the pressures of the daily grind.

## Plan for waiting time



- ✓ There are always occasions on which you cannot make progress because a telephone number is busy or someone else's meeting runs over and delays the start of yours.
- ✓ What can you do to utilize this time effectively?

## Cross off completed items.

As you complete tasks, cross them off your list.

## Above all

*Put your plan and schedule into* **action - *Do It Now***

**If you did not do everything you were supposed to, identify the reasons why you did not.**

**And then do something to fix the problem.**

Your planner or scheduler should tell you what you have to do and help you say focused on your dream and goal.

## AN EXAMPLE OF A LIST PRIORITISING YOUR WORK

| **@ work** | | **private** | |
|---|---|---|---|
| **Actions…** | **By…** | **Actions…** | **By…** |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

## Activity 15 Time management self-assessment

## Activity 16: (S03, AC1-6)

# PRODUCTIVITY

## *Outcome*

Monitor productivity in a business venture.

## *Assessment Criteria*

- ✓ Basic concepts of productivity is explained with examples
- ✓ Appropriate productivity concepts and principles are applied to own venture
- ✓ The productivity of new venture is monitored on an ongoing basis
- ✓ Measures are taken to ensure continuous improvement of productivity

# Introduction

**Productivity is the relationship between input and output.**

When we measure productivity, we do not measure the quantity that was produced. We measure the relationship between input and output. If a business takes on more people to increase production, but the output per man hour drops to below the level when the extra people were hired, we cannot say that there was an increase in labour productivity.

| The Inputs are: | The Outputs are: |
|---|---|
| Materials | Goods |
| Machines | Labour |
| Energy | Facilities |
| Technology. | Information |
| | Services |

In business, inputs are measured in terms of costs and the production manager will strive to keep these costs as low as possible. As an alternative, the production manager will attempt to produce an output which is as high as possible, while keeping costs constant.

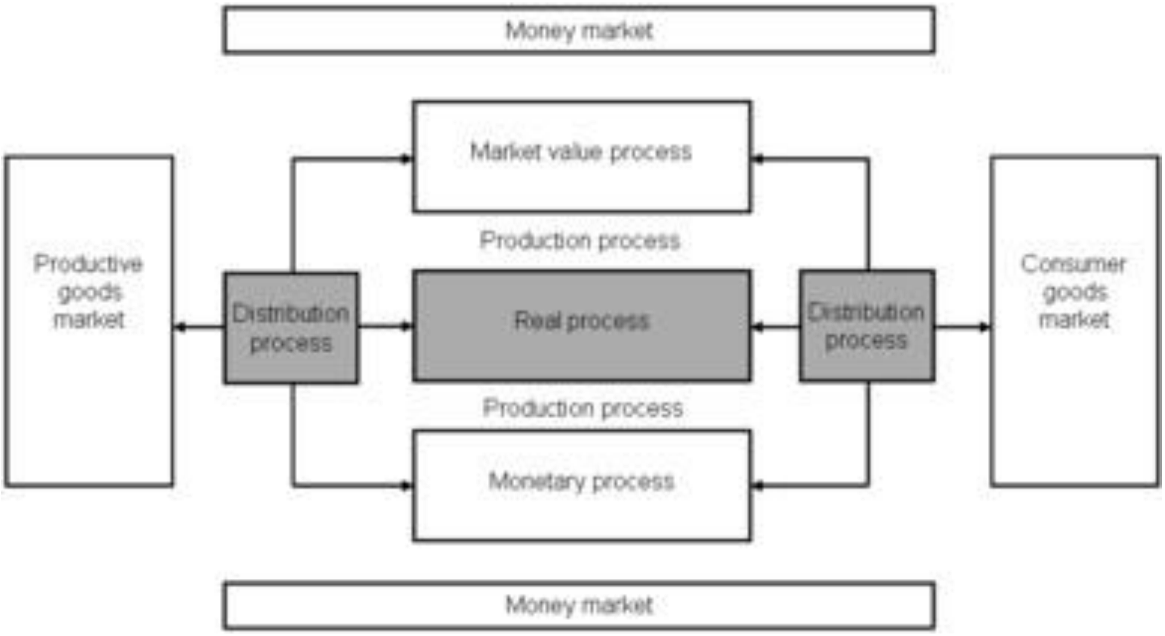
When you take into account that costs come directly off the organisation's net income, you will understand that the production manager can make a direct contribution to the profits of the enterprise.

Productivity is better measured over a long period of time as some trends in business take a long time before it affects a specific business.

It is not always easy to determine the reason for low or high productivity, as the productivity of any system is influenced by a combination of external, as well as internal factors.

# Main processes of a company

A company can be divided into sub-processes in different ways; yet, the following five are identified as main




process, each with a logic, objectives, theory and key figures of its own. It is important to examine each of them individually, yet, as a part of the whole, in order to be able to measure and understand them. The main processes of a company are as follows:

- real process
- income distribution process
- production process
- monetary process
- market value process

Productivity is created in the real process, productivity gains are distributed in the income distribution process and these two processes constitute the production process. The production process and its sub-processes, the real process and income distribution process occur simultaneously, and only the production process is identifiable and measurable by the traditional accounting practices. The real process and income distribution process can be identified and measured by extra calculation, and this is why they need to be analysed separately in order to understand the logic of production performance

Real process generates the production output, and it can be described by means of the production function. It refers to a series of events in production in which production inputs of different quality and quantity are combined into products of different quality and quantity. Products can be physical goods, immaterial services and most often combinations of both. The characteristics created into the product by the manufacturer imply surplus value to the consumer, and on the basis of the price this value is shared by the consumer and the producer in the marketplace. This is the mechanism through which surplus value originates to the consumer and the producer likewise. Surplus value to the producer is a result of the real process, and measured proportionally it means productivity.

# Factors that influence productivity negatively

✓ Inexperienced and untrained personnel: they take longer to do the job and make more mistakes than trained and experienced people.

✓ Increase in energy costs: when you pay more for your source of energy, it stands to reason that your input costs will be higher.

- ✓ Outdated equipment and machinery: machines break down, or are not capable of manufacturing to the levels that are expected.
- ✓ Reduction in spending on research and development: when a business spends less money on researching and developing new methods of producing goods, their systems become outdated.
- ✓ Growth in the public sector: there is not so much pressure to work against deadlines and schedules, so people tend to move to the public sector rather than working in the private sector.
- ✓ Change in the family unit: a birth or death causes a measure of stress for most people and will lead to a temporary drop in productivity.
- ✓ Increase in alcohol- and drug abuse: people who are under the influence of alcohol or drugs are not as productive as people who are not.
- ✓ Employees' low morale and motivation: when your staff is not motivated, they tend to work at a slower rate, which is usually not deliberate, and they tend to make more errors.

# Factors That Improve Productivity

| | |
|---|---|
| Factory layout | Efficiency of machinery and equipment used |
| The maintenance of machinery and equipment. | Simplification, standardization and specialization of work processes |
| The volume, uniformity and continuity of production. | Stock control. |
| Nature and quality of raw materials. | Costing and cost-reduction techniques: |
| Cooperation between management and workers. | Careful selection and placement of workers, |
| Vocational training. | Job analysis |
| Merit rating and promotion. | Supervision and discipline. |
| Wage incentive and profit sharing schemes. | Working conditions. |
| Length of work day. | Number of shifts. |

Any business should strive to increase productivity all the time, as this will eventually lead to bigger profits. By identifying and implementing the correct strategies for the particular operation, this can be achieved.

The productivity of a business must be monitored constantly and the results compared with the budget. If there is decrease in productivity, the reason for this must be found and the necessary corrective action implemented to rectify the problem. Likewise, if the productivity level goes up, the factors responsible for the increase must be noted and used to keep productivity levels up.

# Productivity Measurement of Various Business Functions

Measuring productivity in various functions or components *of a* company, as separate functions, is widely applied. Examples *of* the productivity measurement *of* a few such business functions are discussed below.

## Purchases

The efficiency of the purchasing function plays a major role since most of the total cost of many final products is made up of the costs of raw materials. This implies that the management of such a department should be fully aware of the most suitable suppliers who can supply the raw materials at the right time and place at the lowest possible cost. We can measure the productivity of the purchasing department in the following ways:

- ✓ Actual cost of purchases can be compared with standard costs in cases where such costs have been determined.
- ✓ Current unit costs can be compared with historical purchase costs of the same raw material.

## Stock keeping

The efficiency of stock keeping should receive particular attention since an inadequate supply of raw materials and a rapid inventory items turnover affects overall productivity.

Often the high costs attached to stock keeping are not realized as there are several "hidden" costs involved: storage costs have to be taken into account stock handling costs the cost of depreciation, obsolescence and theft

Some companies estimate the "hidden" costs as high as 25% of the annual average inventory value. If a company keeps stock on hand averaging R1 00 000 in value, the cost of stock keeping will amount to R25 000 per annum.

Giving attention to the turnover rate can assess the efficiency of stock keeping, particularly of both total stocks and of individual inventory items. The scientific calculation of order sizes, maintenance of the most economical inventory levels and proper stock keeping can affect the overall productivity of the undertaking.

## Production

We can measure many aspects of productivity during the manufacturing process itself. Some measurements could be:

- ✓ Comparison of actual expenditure with the predetermined cost standards.
- ✓ Comparison of actual quantity of raw material used with predetermined standard.
- ✓ Amount of wastage and scrap, compared with the minimum expected quantities.
- ✓ Use of machinery and equipment compared with normal or estimated use.
- ✓ Actual number of working hours worked compared with the estimated number.
- ✓ Actual production output during a given period compared with estimated output.

## Distribution of goods

The distribution process often undergoes changes, depending on customers demands and this makes productivity measurement fairly complicated. In as far as transport of final products is concerned, the efficiency of various transport services must continually be weighed up against each other. A system that is often used, is to know for instance, the cost of putting every R100's sales into the hands of the consumer.

The following ratios may be used: distribution costs per R100's sales, or transport costs per kilometre or per metric ton kilometre

## Marketing

The productivity of the marketing function may be measured in various ways:

- ✓ Comparing the relative profitability of the different distribution channels with each other or with what was recorded in a previous period
- ✓ Comparing the profitability of different products or product ranges.
- ✓ Comparing alternative sales areas with each other
- ✓ Weighing up the relative advantages of different promotion techniques against each other.

The productivity of the selling function can, for example, be shown by the ratio of selling costs incurred to every R100's sales.

Besides the calculation of the productivity of the selling function as a whole, most individual sales operations may also be measured. For example, the cost per salesman per day, the cost per order and the cost per visit to selling points.

## Research

As the cost of research is most of a company's total cost, the efficiency of this function should receive much attention. In assessing the efficiency of research and development expenditure, evaluating which portion of sales and profits can be ascribed to new products or processes arising from research and development is necessary.

Sometimes allowing a long time to assess the delayed effects of research is also necessary.

## Surplus value as a measure of production profitability

| | Period 1 | | | Period 2 | | |
|---|---|---|---|---|---|---|
| | Quantity | Price | Value | Quantity | Price | Value |
| Product 1 | 210.00 | 7.20 | 1512 | 247.25 | 7.10 | 1755 |
| Product 2 | 200.00 | 7.00 | 1400 | 195.03 | 7.15 | 1394 |
| Output | | | 2912 | | | 3150 |
| Labour | 100.00 | 7.50 | 750 | 115.00 | 7.70 | 886 |
| Materials | 80.00 | 8.60 | 688 | 79.20 | 8.50 | 673 |
| Energy | 400.00 | 1.50 | 600 | 428.00 | 1.55 | 663 |
| Capital | 160.00 | 3.80 | 608 | 164.80 | 3.90 | 643 |
| Input | | | 2646 | | | 2865 |
| Surplus value (abs.) | | | 266.00 | | | 285.12 |
| *Surplus value (rel.)* | | | *1.101* | | | *1.100* |

*Profitability of production measured by surplus value (Saari 2006)*

The scale of success run by a going concern is manifold, and there are no criteria that might be universally applicable to success. Nevertheless, there is one criterion by which we can generalise the rate of success in production. This criterion is the ability to produce surplus value. As a criterion of profitability, surplus value refers to the difference between returns and costs, taking into consideration the costs of equity in addition to the costs included in the profit and loss statement as usual. Surplus value indicates that the output has more value than the sacrifice made for it, in other words, the output value is higher than the value (production costs) of the used inputs. If the surplus value is positive, the owner’s profit expectation has been surpassed.

The table on the next page presents a surplus value calculation. This basic example is a simplified profitability calculation used for illustration and modelling. Even as reduced, it comprises all phenomena of a real measuring situation and most importantly the change in the output-input mix between two periods. Hence, the basic example works as an illustrative “scale model” of production without any features of a real measuring situation being lost. In practice, there may be hundreds of products and inputs but the logic of measuring does not differ from that presented in the basic example.

Both the absolute and relative surplus value have been calculated in the example. Absolute value is the difference of the output and input values and the relative value is their relation, respectively. The surplus value calculation in the example is at a nominal price, calculated at the market price of each period.

| | | Period 1 | | | $Q_1 \times P_2$ | Period 2 | | |
|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | Quantity | Price | Value | | Quantity | Price | Value |
| a | Product 1 | 210.00 | 7.20 | 1512.00 | 1491.00 | 247.25 | 7.10 | 1755.48 |
| b | Product 2 | 200.00 | 7.00 | 1400.00 | 1430.00 | 195.03 | 7.15 | 1394.46 |
| c | Output | | | 2912.00 | 2921.00 | | | 3149.94 |
| d | Labour | 100.00 | 7.50 | 750.00 | 770.00 | 115.00 | 7.70 | 885.50 |
| e | Materials | 80.00 | 8.60 | 688.00 | 680.00 | 79.20 | 8.50 | 673.20 |
| f | Energy | 400.00 | 1.50 | 600.00 | 620.00 | 428.00 | 1.55 | 663.40 |
| g | Capital | 160.00 | 3.80 | 608.00 | 624.00 | 164.80 | 3.90 | 642.72 |
| h | Input | | | 2646.00 | 2694.00 | | | 2864.82 |
| i | Surplus value (abs.) | | | 266.00 | 227.00 | | | 285.12 |
| j | *Surplus value (rel.)* | | | *1.101* | | | | *1.100* |
| k | Change of distribution (abs.); i4-i3 | | | | -39.00 | | | |
| l | Distribution index of output; c4/c3 | | | | 1.003 | | | |
| m | Distribution index of input; h4/h3 | | | | 1.018 | | | |
| n | Distribution index; l4/m4 | | | | 0.985 | | | |
| | Distribution process | | | | | | | |
| p | Productivity; c4/h4, c7/h7 | | | | 1.084 | | | 1.100 |
| q | Productivity index; p7/p4 | | | | | | | 1.014 |
| r | Change of productivity (abs.); (q7-1)×c4 | | | | | | | 41.12 |
| s | Volume index of output; c7/c4 | | | | | | | 1.078 |
| t | Volume index of input; h7/h4 | | | | | | | 1.063 |
| u | Change of input volume (abs); (t7-1)×(i4+r7) | | | | | | | 17.00 |
| | Real process | | | | | | | |
| v | Change of profitability; j7/j3 | | | | | | | 0.999 |
| x | Change of returns; c7/c3 | | | | | | | 1.082 |
| z | Change of costs; h7/h3 | | | | | | | 1.083 |
| | Production process | | | | | | | |

*Productivity model (Saari 2006)*

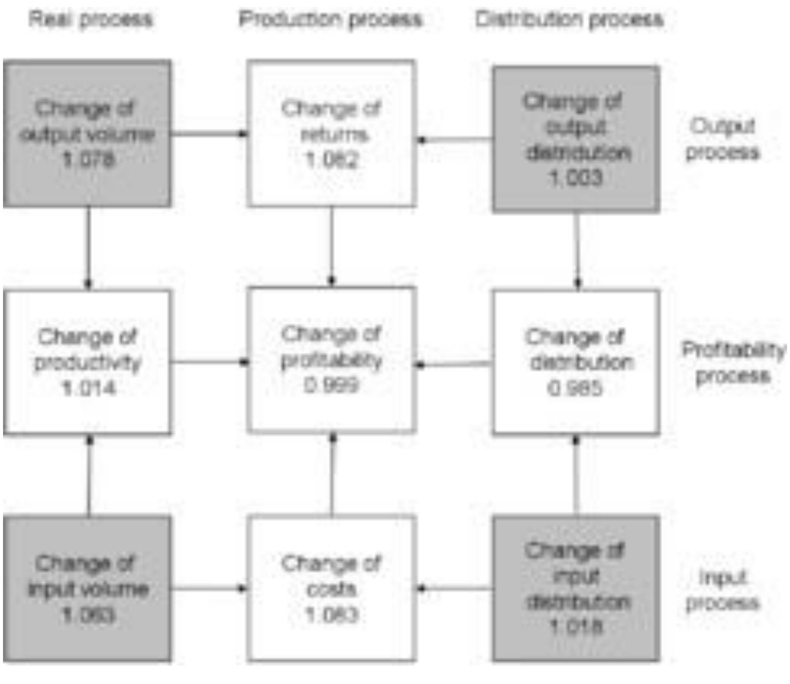
## Productivity model

The next step is to describe a productivity model (Saari 1976, 2000, 2004, 2006) by help of which it is possible to calculate the results of the real process, income distribution process and production process. The starting point is a profitability calculation using surplus value as a criterion of profitability. The surplus value calculation is the only valid measure for understanding the connection between profitability and productivity or understanding the connection between real process and production process. A valid measurement of total productivity necessitates considering all production inputs, and the surplus value calculation is the only calculation to conform to the requirement.

The process of calculating is best understood by applying the clause of Ceteris paribus, i.e. "all other things being the same," stating that at a time only the impact of one changing factor be introduced to the phenomenon being examined. Therefore, the calculation can be presented as a process advancing step by step. First, the impacts of the income distribution process are calculated, and then, the impacts of the real process on the profitability of the production .

The first step of the calculation is to separate the impacts of the real process and the income distribution process, respectively, from the change in profitability (285.12 – 266.00 = 19.12). This takes place by simply creating one auxiliary column (4) in which a surplus value calculation is compiled using the quantities of Period 1 and the prices of Period 2. In the resulting profitability calculation, Columns 3 and 4 depict the impact of a change in income distribution process on the profitability and in Columns 4 and 7 the impact of a change in real process on the profitability.

### *Illustration of the real and income distribution processes*




*Variables of production performance (Saari 2006)*

Measurement results can be illustrated by models and graphic presentations. The following figure illustrates the connections between the processes by means of indexes describing the change. A presentation by means of an index is illustrative because the magnitudes of the changes are commensurate. Figures are from the above calculation example of the production model. (Loggerenberg van et al. 1982. Saari 2004, 2006).

The nine most central key figures depicting changes in production performance can be presented as shown in Figure. Vertical lines depict the key figures of the real process, production process and income distribution process. Key figures in the production process are a result of the real process and the income distribution process. Horizontal lines show the changes in input and output processes and their impact on profitability. The logic behind the figure is simple. Squares in the corners refer to initial calculation data. Profitability figures are obtained by dividing the output figures by the input figures in each process. After this, the production process figures are obtained by multiplying the figures of the real and income distribution processes.

# Strategies To Improve Productivity

There are many strategies a company could follow to improve their productivity..

## Improve your production processes

By researching other better and faster production processes, the overall production can be improved. This might mean that new, improved equipment has to be purchased, or that employees have to be trained to work faster and more effectively.

## Reduce variety

By reducing the variety of products that are produced by one team, you should be able to improve productivity.

## Simplify and improve the final product.

If you can simplify the final product and at the same time improve it, you can also simplify the production process. When you simplify the production process, it means that you will be able to produce more products in the same time There are always better and faster ways of doing things.

## Improve production methods.

By improving the production methods you can probably simplify the production process, meaning that you can produce more products in the same time.

## Improve the planning and control functions of an organization.

When you improve the planning of any department, production at all levels will increase. Similarly, when you improve controls, you will find that production will improve.

Quoted below is a checklist you can use to plan and control production.

| **Things that can go wrong in production** | **How to avoid or correct them** |
|---|---|
| Machine breakdowns | Service contracts, planned preventative maintenance, machine hire. |
| Low productivity | Productive bonus schemes, incentive schemes. |
| Reject product receipts | Use other materials, fresh deliveries, modify or rework other parts. |
| Supplier strikes | Use alternative suppliers, |
| Transport breakdowns | Use alternative freight methods |
| Absenteeism | Improved labour relations |

As time goes by, you will probably add some more items to the list.

## Improve the efficiency of your employees

When you train and motivate your staff, you will improve their efficiency. Trained and efficient staff are able to produce more than untrained and inefficient staff.

Some off standard time due to breakdowns is inevitable, especially as specialised machinery and purpose-built workplaces become more important. However, it can be kept to a minimum if supervisors and operatives are taught the correct way in which to rectify minor faults and to avoid trouble by using the machine correctly; and if there are spare machines, routine maintenance and - most important of all - a well trained and adequately manned engineering section.

## Plant Layout Principles

To ensure that they best manufacture the product, the machinery, raw materials, etc., and the people should be arranged in a way that would lead to an optimal relationship in the processing activities.

The proper planning of a factory not only ensures a better production flow, but also that you can make improvements when demand or technological or labour changes are necessary.

An important principle is integration: integration between the activities of the factory. The machinery, raw materials, storerooms, etc. should be used in the best possible way. The safety of employees is also very important. Working conditions should always ensure employees safety.

## Internal Transport

Internal transport in the production process is necessary to ensure the best possible movement of people, materials, machinery, etc. to and from work points. It will also ensure that finished products are delivered on time and are not kept stored too long.

They should also transport raw materials or products over the shortest distance possible. Thus lower costs because of shortened times. The products should be removed from points, otherwise it could lead to a hold up in the production flow. A two-way transport could be considered. To cover the cost of transport, equipment should always handle as much of their capacity as possible. We can mechanize transport that may lead to more economical performance. 0ne could also consider using gravitational force as a medium of transport.

## Design of the Working Environment

The working environment includes factors such as the building, temperature, noise, lighting exposure, safety of the people, ventilation and heating.

The occupational health and safety act contains certain minimum requirements the working environment should satisfy.

# Monitor and control productivity

## Process of control

The productivity of a company is controlled by referring to the objectives and action plans continuously. Control is an on-going activity. It should be agreed with your employees what control measures will be put in place and how often they will be reviewed.

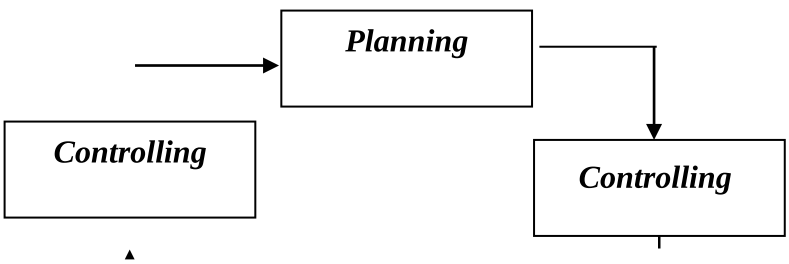
However, even with good control measures, problems will occur. These are discovered through our monitoring activities. When we discover that a discrepancy has occurred between what has been planned and what is being delivered, then we are able to take remedial action and take firmer control of activities

The remedial activity should be:-

- ✓ appropriate
- ✓ quick
- ✓ cost effective
- ✓ reflect the size and nature of the gap

**There is a direct interrelationship between planning and controlling:-**

1. It would be difficult to control without a plan
2. Controlling/monitoring will inform you whether a plan is being successfully implemented or not.



## What should be controlled?

The following must be controlled or monitored against the objective of the project-:

### *Use of resources*

- ✓ Physical
- ✓ Human
- ✓ Financial
- ✓ Information

### *Performance of activities*

Are they performed according to stipulated

- ✓ Time frames
- ✓ Standards
- ✓ Procedures

## Key Steps in Controlling

**1. There must be a standard**

A lot of people don't like a standard because they don't like being judged. But, without a standard we won't know whether there is improvement.

**2. Measure against the standard**

Measuring (and keeping records) allows us to compare the standard.

**3. Evaluate ("weigh") the results**

This is when we compare against the standard and decide whether the work is satisfactory.

**4. Correct things if needed**

Knowing that something is wrong is not enough; changes to improve must be made.

**5. Follow-up and check on progress**

Without this step, we could have wasted our time with the other four steps.

## Monitoring

Monitoring is an internal process required during operations management to ensure success. Monitoring is essentially about measuring actual progress against the objectives and the operational plan, detecting variance, and taking corrective action. It is mainly concerned with the following elements:

- ✓ Measurement of physical and financial resources
- ✓ Time management
- ✓ Information management
- ✓ Quality control

- ✓ Human Resources performance
- ✓ Achievement of project objectives

## *Monitoring performance*

Monitoring performance ensures that the goal and objectives are being achieved during the business processes. Monitoring measures the effectiveness of business and provides an early warning to management about potential or developing problems. Monitoring therefore confirms the satisfactory progress of a business process.

Monitoring should be as simple as possible in order to avoid unrealistic or inadequate measures which may slow or halt the operation. Proper monitoring prepares management for corrective action to respond to unplanned events timeously and, by setting efficient performance standards, effectively.

Popular monitoring methods include:

**Observation**

Observation of what is happening as the business activities get underway on a random basis. This involves asking questions to employees and supervisors about activities and keeping up-to-date with the businesses' progress.

**Regular review**

Regular review of progress on a periodic basis, for example twice a week. This involves comparing what was planned with what is taking place up to a point in time. Reviews should include a definition of the problems encountered and the methods applied to resolve them.

**Scheduled evaluations**

Scheduled evaluations confirm whether the standards or planning quality determined beforehand are being applied after each task is completed. This method compares the actual quality of output or performance as against the planned output or performance. Scheduled evaluations therefore involve interviews with other employees and supervisors.

Effective monitoring usually involves a mixture of these approaches in practice.

## Take corrective action

The purpose of control and monitoring is to identify areas where problems occur. When you find that the business operations are not going as planned, you need to take action immediately to correct the problem. For example, if the driver drops the children at school late every morning, you have to look at the schedule.

When you detect that productivity is down, you have to investigate the matter and take corrective action to improve productivity.

## Activity 17 (SO4, AC 1-2)

## Activity 18 (SO4, AC 2-5)

# QUALITY SYSTEMS

## *Outcome*

Implement and manage a basic quality system in a new venture.

## *Assessment criteria*

- ✓ Basic quality concepts, systems and principles are explained with examples.
- ✓ The consequences and risks associated with non- compliance to quality procedures are explained with examples
- ✓ The quality requirements of new venture are identified and explained according to quality principles and compliance requirements and value for own business
- ✓ Basic quality procedures are drawn up and monitored for own venture

# The Aims And Principles Of Quality Control

Quality control is an activity that includes inspection activities. The aim is to identify, eliminate and prevent variations from the set standards for the product manufactured or service delivered and the production process. The main aim of quality control is thus preventing deviations from the set standards. Quality control can take place when we purchase components and raw material, during the manufacturing of the product, and when the product or products are delivered to the buyers.

## Definition: Quality.

We can define quality as the degree to which a product or service satisfies the standards set i.e. the specifications or requirements prescribed by regulatory authorities.

An example of such an organisation is the international body called *The International Organization of Standardisation* (ISO), who issue international standards for quality system requirements. The ISO series consist of five standards, IS0 9000, ISO 9001, ISO 9002, IS0 9003 and ISO 9004, which are a set of rules to be followed for the different types of manufacturing and services that are available.

## Definition: Inspection.

Inspection involves only the measurement of quality characteristics of a product and comparison with specific standards set.

## Differences Between Quality Control And Inspection.

While the inspection determines whether a product conforms to standards set or not (thus either accepting or rejecting a product), quality control is there to ensure standards are conformed to in future production by instituting controlling measures.

# Advantages of Quality Control and Inspection

To adopt a quality program would lead to maintaining customer confidence and building customer loyalty.

- ✓ It improves customer satisfaction.
- ✓ Adopting a quality program can be profitable, as avoiding problems before they occur will lead to better quality products or services at lower costs.
- ✓ It will increase productivity by making workers aware of the importance of doing things right the first time around.

# Quality Assessment

Quality control does not only apply to the quality of the completed product or service.

- ✓ Raw materials or components have to be checked to determine whether they conform to quality standards.
- ✓ If it is a service you are delivering, you need to be certain that the person(s) performing that service is properly trained and prepared to do the job.

Quality control is then maintained right through the manufacturing process or service delivery and the final assessment is done on completion.

Applying quality control measures throughout the process enables you to identify and handle problem areas as soon as they appear.

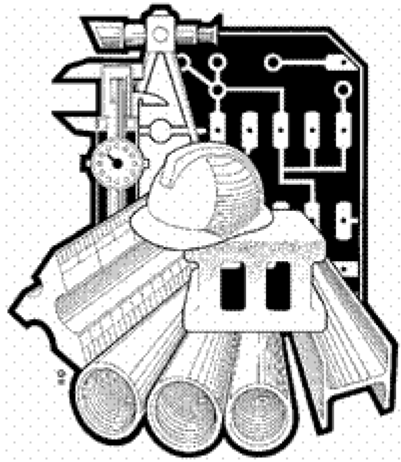
When you measure quality, inform workers about the measurement system and give reasons for measuring. Discuss results with workers and explain what needs to be done to rectify any problems arising from results. Assessment should as far as possible be conducted to have the minimum impact on productivity.

# Quality Reports

All evidence of quality control processes must be documented for future reference and sometimes as evidence in the case of a dispute, or at worst, legal proceedings.

The quality reports will highlight recurring problems, which may indicate underlying factors like the use of substandard raw materials.  Follow the same steps to gather information as you will for a marketing plan.

The quality reports must include:



- ✓ Maintenance procedures followed,
- ✓ Names of responsible person(s),
- ✓ Status reports
- ✓ And records of actions taken.

The quality control policy will determine the procedures to be followed.

Because business trends and customer demands or preferences change, it is necessary to evaluate the quality control policy and procedures regularly and adapt the policy to accommodate changes affecting your operation.  The rate at which the business expands will also influence the policy.

As competition is fierce in the business world, any business not taking care to deliver top quality products or services, at competitive prices, takes the risk of doing great damage to their enterprise.  It takes hard work to build up a customer base and to keep them happy, but all that hard work can go down the drain if you compromise quality.

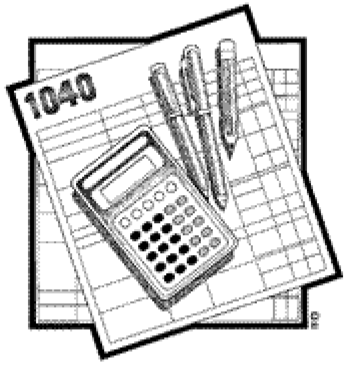
Not adhering to quality control procedures can have devastating results by jeopardising the safety and wellbeing of workers and customers alike.  Parts of buildings have collapsed, injuring, and often killing people as result of not following quality control procedures. You definitely don't want to be the person responsible for such an incident.

When it comes to quality control, no business can afford to cut corners!

The quality reports will highlight recurring problems, which may indicate underlying factors like the use of substandard raw materials.

## Statistical Quality Control

Using a statistical quality control method can do the measurement and controlling of the quality of a product. To control quality through using statistical methods would imply sampling and a continuous analysis of data. This data is then matched against the prescribed set of standards.




### Measurement according to attributes

To measure according to attributes decide or classify raw materials or components into good or bad, depending whether it satisfies the standards set. If the product satisfies the standards set, it will be accepted and if not, it will be rejected.

### Measurement according to changexxxxx

The measurement of quality characteristics of products with the help of instruments to define the physical dimensions of the product, length, volume, density, etc. would mean to measure the quality according to xxxxx.

We can control quality after we purchase raw materials or after the manufacturing process has been completed, or quality control can take place during the manufacturing process. Deciding which means of controlling quality would be more cost effective would thus be important.

# Control Quality

Your business plan, goals and objectives will give details about the quality of the products or services that you want to deliver.

To draw up a quality control document, follow the steps on the next page for each product or service:

### Define the standard

You will get the standard from your goals and objectives. If you need more information, ensure that you collect all the information required to define the standard of the product or service.

### Analyse the standard

Once you have put the standards of the product or service in writing analyse the quality statement. Discuss it with employees and partners, as well as customers if you can. Ensure that everyone is happy with it and that it can be implemented.

### Restate the standard

If necessary, restate the quality standard.

### Draft the quality control document

Once you have stated the standards for all the products or services, draft your quality document

### Ensure that everyone understands the quality control document

You have to be sure that everyone involved in the production of the products or the delivery of the service understands fully what is expected of them.

**Define the standard**

↓

**Analyse it**

↓

**Restate the standard**

**Draft the quality control document**

**Ensure that everyone involved understand the quality expected**

**Implement the quality control system**

**Monitor the quality control system**

**Evaluate the quality control system**

**Modify the quality control document if desired outcome not achieved**

### Implement the quality control system

Implement the quality control system. Everyone starts working according to the quality control system.

### Monitor the quality control system

Ensure that the system is implemented correctly by everyone. The quality reports will give you the information you require.

### Evaluate the quality control system

Is it doing what it should? Are the products or services to the required standards? If not, why not?

### Modify the quality control document

If the quality is not as desired, investigate the cause. If the problem is with the quality control system, start at step one again and redo the document. If the problem is not with the quality control system, take corrective action as required.

## Assess quality

Quality can be assessed around the following concepts:

### Performance

This is about getting the job done. Performance embraces three aspects – behaviours or processes, outputs or services and outcomes or value added and impact

### Economy

This is about the measurement and regulation of inputs or resources. How are they utilised?

### Efficiency

How are outputs produced related to inputs utilised?

## Total quality management

**Total Quality Management** (**TQM**) is a management strategy to implement awareness of quality in all processes of the organisation and by all employees of the organisation. Total Quality provides an environment in which everyone in the organisation can ensure customer satisfaction at continually lower real costs.

As defined by the International Organisation for Standardisation: (ISO):

"TQM is a management approach for an organization, centered on quality, based on the participation of all its members and aiming at long-term success through customer satisfaction, and benefits to all members of the organization and to society.

In Japan, TQM comprises four process steps, namely:

1. Focuses on "Continuous Process Improvement", to make processes visible, repeatable and measurable.
2. The idea that "things will work as they are supposed to" (for example, a pen will write).
3. Examining the way the user applies the product leads to improvement in the product itself.
4. The idea that "things should have an aesthetic quality" (for example, a pen will write in a way that is pleasing to the writer)

TQM requires that the company maintains this quality standard in all aspects of its business. This requires ensuring that things are done right the first time and that defects and waste are eliminated from operations.

## Non-compliance of quality procedures

You have promised the customer a product or service of a certain quality. If your quality processes and procedures do not produce the expected quality, you run the risk of:

- ✓ Losing customers
- ✓ Giving customers a sub-standard product/service: in the food industry this can lead to legal claims against your business, in the transport industry it could cause an accident
- ✓ Your business could get a bad name
- ✓ Your business could be blacklisted with control organisations in the industry

## Activity 19 (SO5, AC1-2)

## Activity 20 (SO5, AC1-2)

- ✓ You could lose your business and your entire investment

# PETTY CASH

## *Outcome*

Explain the petty cash procedure according to organisational requirements.

## *Assessment criteria*

- ✓ Petty cash procedure for issuing money is explained
- ✓ Restrictions and limitations are identified, listed and explained
- ✓ The procedure of recording petty cash transactions is explained
- ✓ Petty cash terminology is listed and explained
- ✓ The amount of the petty cash float is indicated
- ✓ The replenishment/imprest system is explained

# The petty cash (Imprest) system

The word petty means “small” or “minor”. Petty cash is used for small purchases, such as stamps or odd items of stationery.

## Imprest system

A special type of system, called the imprest system, is used to control the sums of money spent through petty cash. According to this system, the amount of money needed for petty cash is determined and given in advance as an imprest amount. At the end of each month, the imprest must be restored – where the amount that was paid out is replaced in the petty cash.

If the imprest is an amount of R200 and R120 was paid out during the month, the R120 must be replaced at the end of the month to make sure that the imprest is R200 again.

According to the imprest system, the balance of the petty cash will be the same at the end of each month, after the imprest has been restored.

## Varying balance method

According to this system, money is paid into the petty cash when is becomes “empty” – in other words as it is needed. The balance of the petty cash will therefore be different at the end of each month.

## Source documents

The source document is the petty cash voucher. The transactions are then recorded in the petty cash journal from the petty cash vouchers.

Money is paid into the petty cash by drawing a cash cheque. This transaction is entered in the Cash Payments Journal.

## Petty cash account in the general ledger

The clerk or cashier receives a sum of money, called the “imprest”, to use for small purchases. As the money is spent, the clerk records the purchases in the Petty Cash Book. At the end of the week the clerk totals the book, presents it for checking and then the imprest is restored – the money that was spent is restored.

The petty cash book forms part of the accounting system of the company so it must be correctly and neatly maintained. It must also be kept fully up to date.

The accountant, or designated accounts department employee, will post (transfer) the information from the petty cash book to the ledger, from where it will become part of the company’s profit and loss calculations.

Petty cash in hand is an **asset** and if there is overspending, it will constitute a loss.

The system of recording petty cash could be:

- ✓ simple, where petty cash is used only for incidental items such as postage and odd items of stationery, or
- ✓ complex: where petty cash is also used to pay casual wages or all the refreshments for the office.

The petty cash book is ruled, with columns for dates, payments, voucher or reference numbers, totals and sometimes ledger columns in which disbursements are analysed.

A separate ledger column could also be added for expenses that are not usually thought of as petty cash, such as electricity or telephone payments.

The person responsible for controlling the petty cash, called the petty cashier, must ensure that all receipts, cash slips, dockets, till slips, vouchers and other proofs of purchase are kept for record purposes. These must be filed in strict chronological order (according to date).

Each slip should be given a reference number, which is written in an obvious place such as the top right hand corner. Encircling the number will highlight the reference number and also separate the number from the rest of the slip or receipt. The numbering usually starts at 1 and continues numerically until the end of the financial year, when the numbers start at 1 again.

Every transaction is entered in both the total column and one of the analysis columns. All the columns will be individually added and checked. The analysis totals are checked against the total of the total column to verify the correctness of all totals. The totals of the analysis column will be posted to the ledger accounts.

# Petty cash terms

| | |
|---|---|
| voucher | A voucher is a piece of paper that may be exchanged for goods or services. The source document is the petty cash voucher |
| balance brought forward | The balance left over from the previous day |
| balance carried down | Balance left after transactions have been recorded |
| cash receipts (slip) | a written statement confirming that something has been paid for |
| re-imbursement | Refund money that has been spent |
| petty cash budget | The amount allocated to petty cash |
| reconciliation | Balancing the petty cash book against the cash balance |
| shortage and overcharge (surplus and access) | surplus is an amount left over |
| float | a sum of money available for minor expenses |

## Activity 1 (SO1, AC1-6)

# PROCESS PETTY CASH

## *Outcome*

Explain the petty cash procedure according to organisational requirements.

## *Assessment criteria*

- ✓ Money for petty cash is issued according to organisational procedures
- ✓ Staff are instructed on cash-system operating procedures
- ✓ The cash slip and change is reconciled with the issued petty cash voucher
- ✓ Petty cash transactions are recorded in the prescribed format and time frame
- ✓ Payments are analysed and any irregularities reported and rectified
- ✓ Petty cash float is balanced according to organisational procedures

# Operate the petty cash imprest system

Money spent is first entered into the total column and then extended into one of the analysis columns. This enables the total postage, stationery, refreshments and so on to be collected together.  A special column at the end is used to extend out any items which cannot be mixed with other items, such as repairs to blinds R125.00, which is eventually posted to the repairs ledger.

At the end of the week, or when the imprest is nearly all used, the petty cashier rules of the page in order to total the Total column and the analysis columns. The analysis columns are then cross-totalled to ensure accuracy.  The balance is found, the book is closed of and the balance on hand is entered and checked.

The cashier or supervisor checks the petty cashier's work and ensures that the balance in the book is equal to the balance available for petty cash. The imprest is restored by providing enough cash to raise the balance to the original imprest figure.

The book is now posted to the ledger accounts, using the totals of the analysis columns and the individual special items in the end column.

- ✓ When money is paid into the petty cash, the petty cash account is debited.
- ✓ When money is paid out of the petty cash, the account is credited.

The petty cash vouchers, which authorise the payments that were made, are arranged in order and filed.

The petty cashier is now ready for the next week's business.

## Activity 2 (SO1, AC1-6)

# BANKING PROCEDURES

## *Outcome*

Explain the banking procedure conducted within the organisational context.

## *Assessment criteria*

- ✓ The reasons for having cash, banking, receipt and payment procedures in place are explained to relevant individuals
- ✓ The source documents for processing banking transactions are described
- ✓ Different banking processes are utilised
- ✓ The legal procedures pertaining to banking are explained

# Purpose of procedures

Every organisation has administration procedures. The reasons for administration procedures are:

✓ So that employees know what they have to do and

✓ How they have to do it

✓ What resources they require to do the work

✓ To standardise procedures in the organisation – all the letters will have the same look, all statements will have the same look, etc.

It is also important that an organisation also has specific procedures in place

✓ To control the receipt of money in the form of cash and other receipts

✓ To control the payment of money in the form of cash and other receipts

This is done to ensure that:

✓ Overpayments and duplicate payments are not made

✓ To prevent fraudulent behaviour by employees

✓ To ensure that monies received are banked as soon as possible, preferably the same day

✓ To ensure that payments are made promptly to avoid disputes with suppliers

✓ To prevent theft by employees

## Receiving money

✓ Cheques, cash and postal orders that are received must be noted in the cash book immediately.

✓ When money is received by mail, two people must control that the remittance advice note accompanying the payment reflects the amount of money actually received.

✓ Receipts must be issued for payments received. In a manual system, the normal procedure is to issue a receipt in triplicate: the original receipt is handed to the debtor (company or person making the payment), one copy is sent to the general ledger clerk who will note the payment against the debtor's account and the third copy is kept by the cashier who receives the money.

✓ In the case of a computerised system, the payment will be noted per the procedure in the organisation and the receipt will be printed automatically. The debtor's account will also be updated automatically.

✓ Money that is received during the day must be banked the same day or the following business day at the latest. Money in the bank is safe from theft, robberies and burglaries.

✓ The bank statement must be reconciled with the cash book regularly.

## Making payments

✓ Payments to creditors must be made by cheque or Internet transfer. This ensures that the payments can be controlled against the bank statement at a later stage.

✓ Payments should only be made against an invoice or other relevant document – proof that payment is required. The relevant document must also show who the beneficiary is and what the amount of the payment should be.

✓ Only authorised employees may sign cheques or make electronic payments.

✓ Two signatures are usually required on cheques

✓ In the case of electronic payments, the clerk would access the computer system, enter the payments in the system and log off. The supervisor/manager will then access the system, using his/her password, check the payments and then process the payments.

**No payments must ever be made without supporting documentation!**

**Always ensure that two people are involved in the processing of payments: one person to process and another to check that all the details are correct!**

# Banking source documents

Banking source documents will include the following:

## Deposit slips and deposit books

Deposit slips are available from the bank and will usually be found in the main hall of the bank. A typical deposit slip will have three copies: two are kept by the bank for their internal procedures and the third copy will be given back to the customer, for the records of the organisation.

The deposit slip will have the details of the bank printed on it, but not the details of the branch of the bank.

When you use deposit slips to make deposits, make sure that you enter the following details:

- ✓ The branch where the account of the organisation is held
- ✓ The six-digit branch code number, if required by the bank
- ✓ The date of the deposit
- ✓ The amount of cash that is deposited
- ✓ The details and the amounts of cheques that you are depositing
- ✓ The name of the account that must be credited with the deposit
- ✓ The account number that must be credited with the deposit
- ✓ The deposit reference number, for your record purposes
- ✓ Finally, the deposit must be signed.

Below is an example of a deposit slip

# Your Bank

Your Bank Limited, Reg No 1999/00789/09

**Date** ______________________

**Credit** ____________________________________________________

| Acc. no | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

Instruments delivered for collection by the customer or on his behalf shall be made available as cash only after payment thereof. Any payment against uncleared effects allowed by the Bank shall be at the Bank's discretion and no claim arising from this practice shall be brought against the Bank and furthermore the Bank shall, at it's discretion, be entitled to debit the Customer's account with the amount of dishonoured instruments. The Bank shall not be held responsible from errors resulting from incorrect information furnished by the customer or on his behalf. Furthermore the Bank does not accept responsibility for ensuring that the Customer has lawful title to instruments handed in for collection

| | **R** | |
|---|---|---|
| Notes | | |
| Nickel | | |
| Bronze | | |
| MO/PW and PO | | |
| **Subtotal** | | |

| No cheque exceeding R5 million can be accepted | Drawer's name | Bank | Branch name/code | | |
|---|---|---|---|---|---|
| | 1 | | | | |
| | 2 | | | | |
| | 3 | | | | |

**Details of depositor**

**Signature** ______________________________________

**Telephone** (          ) ______________________________

| **Total** | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|

You have to make sure that all the copies of the deposit slips are filed in number and date order in a safe place. A deposit slip is a very important document.

It is also normal practice, after the deposit has been made to the bank, to quote the details of the deposit on the deposit slip, e.g.

- ✓ Invoice number and date
- ✓ Journal details, etc.

How the deposit is referenced to the invoice or source of deposit will differ from organisation to organisation, but stating details of the deposit on the slip makes it easier to complete the journal entries.

When an organisation makes many deposits, the bank will issue a deposit book to the organisation. A deposit book will contain deposit slips that are bound. This book is kept at the organisation and completed for all deposits. This way the organisation can control all deposits made by the organisation, as the deposits will follow in order of deposit.

Normally, this will also have three copies per deposit, that are distributed the same way as a deposit slip: two copies go to the bank and one copy remains in the deposit book. A deposit book is printed by the bank and will have the following information printed on the individual deposit slips:

- ✓ The name, branch and six-digit branch code of the bank
- ✓ The name and the account number of the customer
- ✓ Numbers for the deposit slips, starting at number 1

When you do the banking, you must enter the following details:

- ✓ The date of the deposit
- ✓ The amount of cash that is deposited
- ✓ The details and the amounts of cheques that you are depositing
- ✓ The deposit reference number, for your record purposes
- ✓ Finally, the deposit must be signed.

Deposit slips and deposit books are important documents, as this is the only proof the organisation has that the deposit was made. If the bank statement does not show the deposit, the organisation will need their copy of the deposit to prove that the deposit was made. This means that you must make sure of the following:

### *Date stamp*

That the bank teller put the correct date stamp on your copy of the deposit: if there is no date stamp, you cannot prove that the deposit was made. If the incorrect date is stamped on the deposit, the deposit will legally only be effective from the date that is stamped on the deposit. In other words, if you made the deposit on 8 May, but the date stamp only shows 10 May, you cannot legally force the bank to acknowledge that the deposit was made on 8 May.

### *Account name and number*

Whether you use individual deposit slips or a deposit book, you must make sure that the correct account details are quoted on the deposit slip. If you quote the wrong account details, the bank cannot be legally forced to take the money out of the incorrect account and credit your account. The bank will usually accommodate their clients when such a mistake is made, but they have to first contact the other customer who received the money, get the money back from them and only then can the money be deposited into your bank account.

On the other hand, if the bank makes a mistake and your details on the deposit slip are stated correctly, the bank has to credit your bank account with the money for value the date the deposit was made. The bank is then "out of pocket" for the amount until they can recover the amount from the other customer.

**A note of caution: if an incorrect deposit is made into your account (in other words, someone else's money has been paid into your account), do not think that you can spend it and not pay it back. Unfortunately, you will have to prove that you were expecting this amount to be paid into your account. If you cannot prove this, you will have to repay the money to the bank.**

So, if you check your bank statement and a deposit appears, notify the bank immediately so that they can sort out the error and at the same time make sure that you don't spend this money.

### *Deposit amount*

When you complete deposit slips, make sure that you complete the amounts of cash and cheques correctly.

The bank will check the amounts, but cannot be held responsible for errors on your part. In other words, if you deposit an amount of R6480 in cash and you enter R4680 on the deposit slip, the bank teller should check the amount and then ask you to correct the amount of the deposit. However, not all people are honest and, if the bank teller marks the deposit as correct and then takes the balance of R1800 for him/herself, there is nothing you can do.

Of course, you will report the matter to the bank, but there is nothing the bank can do without proof. The bank will then surely watch that specific teller and note any other complaints, but the money will be lost.

The bank only verifies (checks) your deposit. The money belongs to your organisation and you should make sure that you do your work correctly.

## Cheque deposits

You have to take note of the following:

When cheques are deposited to your account, the bank will usually only make the money available for use after a period of five to seven days. (This period is different for different banks). The banks do this to make sure that the cheque will be paid before they make money available to you.

If you have an arrangement with the bank to make the money available before the time, be aware that, if the cheque should be unpaid, the bank will immediately take the money out of your bank account and levy a charge for doing this.

It is also not the bank's job to make sure that the cheque must be paid to your organisation, although they do make certain checks to ensure that fraud does not take place. They cannot, however, be held legally responsible if one of your employees pays a cheque due to the company into his/her own account.

Legally, the following rules regarding cheques apply:

### *Cash cheques*

A cheque make out to cash or to a beneficiary or order can be paid out in cash. This can usually only be done at the branch on which the cheque is drawn. The bank will make the following checks before paying out the cheque:

- ✓ That the date is valid: cheques become dated after six months and cannot be paid out any more
- ✓ That there are funds available for the cheque to be paid out
- ✓ That the signatures on the cheque are valid signatures
- ✓ If the amount of the cheque is large, the bank will phone their customer to confirm that the payment is valid.

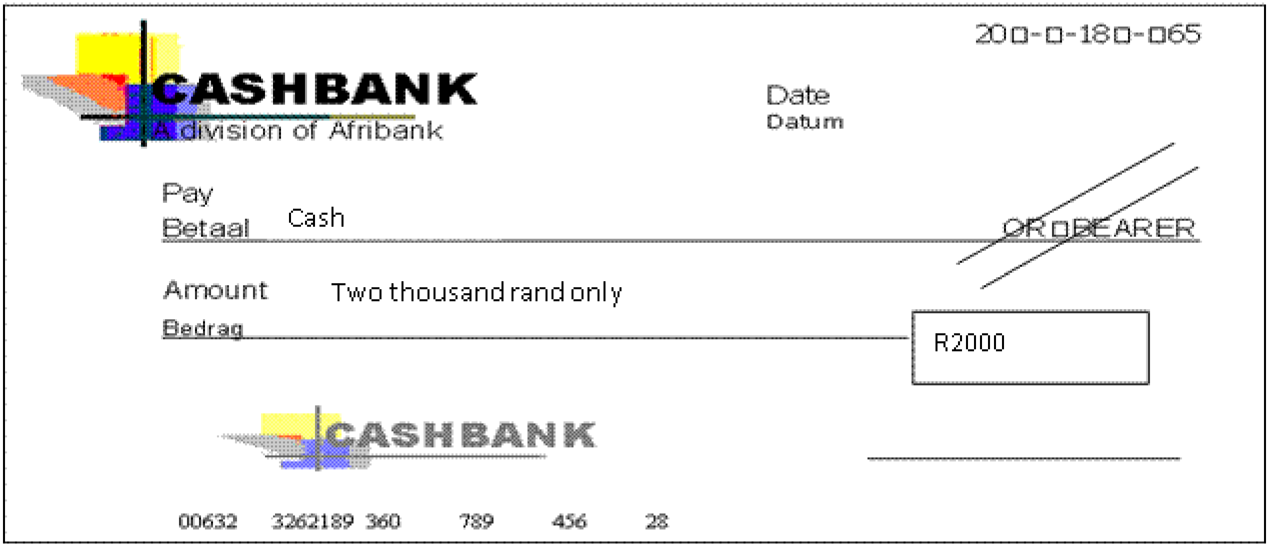
If you issue a check to cash and then cross the cheque, the cheque is irregularly drawn and cannot be processed by the bank.

You will find that banks follow a specific procedure in order to try to limit fraud:

- ✓ The first thing they do is put a date stamp on the cheque
- ✓ Then they check if the check is drawn correctly
- ✓ Then they do the other checks for signatures, funds, etc.

This means that, if anything is wrong with the cheque it already has a date stamp on it and no other bank or branch will accept it, you will have to get a new cheque.

The cheque below is irregularly drawn




### *Cheques that are crossed*

When the words "Not Negotiable" are written between the crossing lines, it means that the cheque cannot be paid out in cash but has to be deposited into a banking account. The cheque can basically be paid into any banking account.

### *Not transferable cheques*

When the words "Not Transferable" are written between the crossing lines, it means that the cheque can only be paid into the account name that matches the beneficiary (drawee) of the cheque.

### Cheque Account

With this account, you are given a cheque book. With a cheque book, you can make withdrawals without going to the bank or the ATM. You can also pay for goods you are buying by writing out a cheque.

The main advantage of a cheque account is that money is safe and can be quickly paid to other people. The interest banks pay on credit balances varies. Some pay on daily balances (in most cases daily balances over R500) while others pay on a minimum daily basis.

Understandably, when you go into overdraft, you pay interest on that money, because you are borrowing money from them.

Most banks nowadays guarantee cheques up to a certain limit. Depending on the credit rating of the client, this varies from R100 to R5000.

### *What is a cheque?*

A cheque is a written instruction from you to your bank to pay an amount of money from your cheque account.

There are many services related to cheque accounts. For example, you can place a stop order on your cheque account in favour of your savings account, should you wish to save a fixed amount every month.

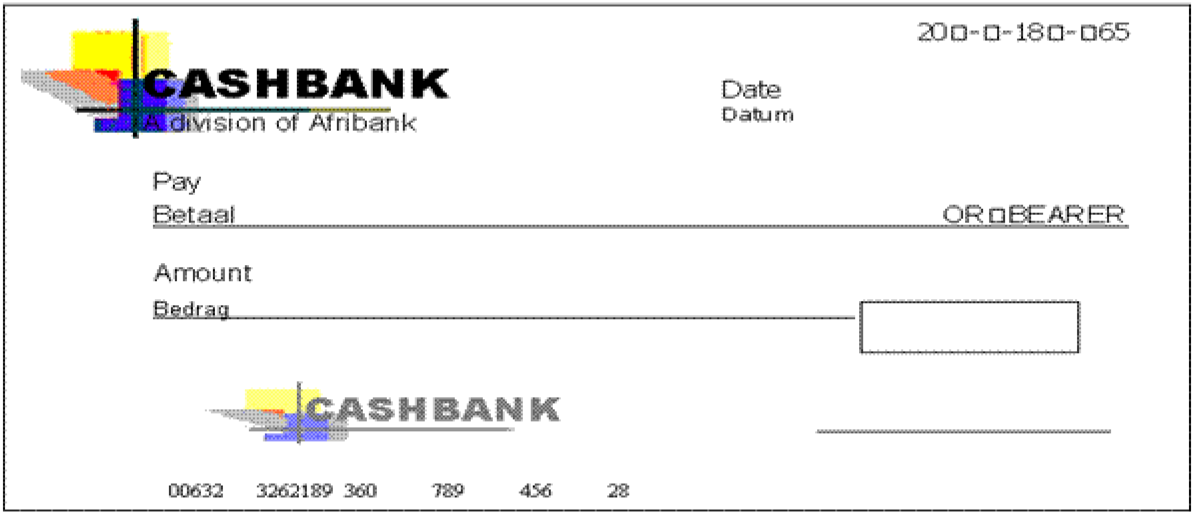
### *How To Fill In A Cheque Correctly*

Seven easy steps to make sure that your cheque is as clear as possible:

1. First fill in the counterfoil, as this is the only record you will have of this transaction until you get your bank statement.

2. Write the date in the space provided for the date.

3. If you want to cash a cheque, write the word "cash". Now the cheque reads "pay cash or bearer". Do not leave cheques made out like this lying around as they could easily be cashed by anyone.




4. Write the amount that the cheque must be for in words Immediately after the printed words “the sum of”. You do this so that no one can insert any word or words to make the amount of the cheque more than it is, and so commit fraud. To protect yourself again against fraudulent additions, fill in any unused space with a line.

5. Then write the amount in figures starting as closely to the “R” sign as possible. Make sure that the amount in words and in figures are the same.

6. You must sign the cheque only after all the other parts of the cheque (1-5 above) have been carefully completed. Blank signed cheques should never be left lying around.

7. Always write your cheques in ink. Pencil or ink that can be erased could cause you to lose money due to fraudulent use of a cheque or cheques.

When you open a cheque account, the bank takes a specimen (example) of your signature and places it on record – they keep the example of your signature to check the signature when cheques are presented. You must make sure when you sign cheques that your signature on the cheque looks like the sample the bank has on record. You might want to give someone else the authority to sign cheques on your behalf. For this, you have to go to the bank and sign an authority at your branch.

| | | |
|---|---|---|
| **Date** | **Your Bank** | Date |
| **To** | **YOUR BANK Limited** | |
| Balance b/f: | Main Street Branch, 100 Main Road, JHB | |
| | **Pay** | **or Bearer** |
| Amount paid in: | | **R** |
| Cheque number 001 | “.99979 :999999: 99999999999”. 99 | Joe Smith |

The picture above shows a counterfoil and the cheque.

## Credit Cards

Credit cards are most probably the easiest way to get horribly into debt. You simply present your card, sign the voucher and the goods are yours.

However, the pain does come later, at the end of the month. In fact, the term credit card is actually a misnomer; it should be called a debt card.

But seriously, used correctly, a credit card can be a wonderful tool in someone’s financial life. It enables you to pay for goods and services without needing to have any cash on hand. In today’s crime-ridden world, that is quite reassuring.

You can also withdraw cash from automatic teller machines (ATMs) and bank branches.

Once a month a cardholder receives a statement detailing all the transactions. The account must be paid by a certain date, usually 25 days from date of statement.

Used correctly, a credit card can provide you with up to 55 days worth of free credit. For instance, purchases made on the 1st day of the month only need to be repaid by the 25th of the following month. However, should you miss that cut-off date, the interest is calculated right back to the date that the purchase was made. The majority of credit card issuers offer a budget system that allows larger purchases to be made with repayment structured over a certain period of time.

Interest is charged monthly on the outstanding amount on both the revolving credit and the budget facilities.

The main benefits of credit cards are:

- ✓ The ability to purchase goods and services wherever you please, even when you are travelling or on holiday.
- ✓ The facility to make multiple purchases and settle them by cheque or even a monthly debit order.
- ✓ You establish your credit rating once with the card issuer and not with each individual merchant.
- ✓ You have the benefit of participating in a worldwide payment network.
- ✓ Interest free credit of up to 55 days from date of purchase.

## Bank statements

When you have a cheque account, the bank will send you regular statements. Bank statements are a record of all the transactions that go through your account – deposits you make, cheques you wrote out to pay for purchases or services and bank charges that were debited to your account. As soon as a cheque is taken or sent to the bank, the bank will pay the money out. The cheques which have been paid by the bank by the time the statement is sent, will also be attached to the bank statement.

This means you can check which cheques have already been paid and which cheques still have to be paid by the bank. This is called reconciling your cheque book with your statement. It is good money management to go through your statements the day they arrive. This way you can check whether the statement is correct and see which cheques have been drawn against your account (have been presented to the bank for payment and paid by the bank).

Of course, nothing in life is free, and you pay for the service of writing cheques. The fee formulas differ from bank to bank and you should enquire about this when you open the account. The banking charges for cheque accounts are much higher than those for savings accounts. Most banks also show the formula they use on the bank statements. Banks also charge for other services like stop orders and debit orders, post-dated and guaranteed cheques, money transfers, etc. After all, that's why they are in business.

# Your Bank

Your Bank Limited, Reg No 1999/00789/09

| Date | Description | Amount | Balance | Accumulated bank charges |
|---|---|---|---|---|
| Opening Balance | | | 00.00 | |
| 1 Mar .. | Cheque Deposit | 700.00 ct | 700.00 | |
| 1 Mar .. | Cash Deposit | 13500.00 ct | 14200.00 | |
| 1 Mar .. | Cash Handling Fee | 13.50 | 14186.50 | |
| 2 Mar .. | Cheque 002 | 897.90 | 13288.60 | 6.30 |
| 3 Mar .. | Cheque 001 | 3000.00 | 10288.6 | 6.30 |
| 29 Mar .. | Cheque | 1500.00 | 8788.6 | 6.30 |
| 1 Apr .. | Monthly Service Fee | 10.00 | 8778.60 | |
| 1 Apr .. | Service Fee | 18.90 | 8759.70 | (18.90) |
| Closing Balance as per 1 Apr .. | | | 8759.70 | |

## Activity 3 (SO4, AC 1-4)

# PROCESS PAYMENTS

## *Outcome*

Explain the banking procedure conducted within the organisational context.

## *Assessment criteria*

- ✓ All relevant information is gathered for invoicing purposes
- ✓ Invoice is prepared according to organisational format and procedures
- ✓ Invoice is issued to customers

# Cash Sales

A business sells goods either for cash or on credit. Cash sales are paid immediately, while sales made on credit can be payable after 30, 60 or even 90 days.

An invoice is not always generated for cash sales, for example in a supermarket you are issued with a cash register slip. The source documents for cash sales are:

- ✓ Receipt
- ✓ Cash register roll

A receipt is issued to any customer or organisation that pays cash for goods or services.

# Credit sales

Credit sales are sales made to customers who pay at a later date. As soon as this happens, the customer is called a debtor.

The invoice is the source document for credit sales. An invoice is usually issued in three copies:

- ✓ The customer gets the original
- ✓ One copy is sent to finance or administration for further processing
- ✓ One copy is filed in numerical order, with the smallest number at the bottom and the largest number at the top. It is very important to have a file where all the invoices are filed in numerical order. The South African Revenue Services requires that invoices be issued in numerical order so that they can ensure that VAT is paid on all the invoices and this files serves as a record of invoices.

<table>
<tr><td colspan="5">INVOICE<br>XYZ Traders<br>321 Church Street, Timbuktu, 12458</td><td>No<br>324</td></tr>
<tr><td colspan="4">To:<br>Mr C.U. Stomer<br>25 First Street<br>Timbuktu 12458</td><td colspan="2">Date: 12 April 200…</td></tr>
<tr><td>Quantity</td><td>Description</td><td colspan="2">Price</td><td colspan="2">Amount Due</td></tr>
<tr><td>200</td><td>Dinner plates</td><td>R 8</td><td>00</td><td>R 1600</td><td>00</td></tr>
<tr><td>200</td><td>Cutlery sets</td><td>R 65</td><td>00</td><td>R13000</td><td>00</td></tr>
<tr><td>20</td><td>Table cloths</td><td>R 25</td><td>00</td><td>R 500</td><td>00</td></tr>
<tr><td colspan="4">Total</td><td>R15100</td><td>00</td></tr>
<tr><td colspan="6">Terms 30 days from date of invoice</td></tr>
</table>

From the above example, you can see that you need certain information in order to issue an invoice:

- ✓ The next invoice number
- ✓ The customer's details
- ✓ The quantity and description of the goods the customer purchased
- ✓ The price of the goods
- ✓ The payment terms of the customer
- ✓ Whether the customer's account is paid up to date

# Statements of accounts

When a debtor buys on credit, a statement of account is sent to the business once a month. This statement of account will show all the purchases that were made where invoices were issued, as well as all the payments that were received from the debtor.

Different organisations have different days on which they close the books of the organisation in order to finalise the administration and sent out the statements to all their debtor. If the organisation closes its books on the 25th of each month, the statement that is sent to the debtor will show all the invoices issued and payments received from the 26th of the previous month to the 25th of the current month:

- ✓ 26 February to 25 March
- ✓ 26 march to 25 April
- ✓ 26 April to 25 May

If the organisation closes its books on the last day of the month, the cycle will work from the first day to the last day of the month:

- ✓ 1 February to 27 February
- ✓ 1 March to 31 March
- ✓ 1 April to 30 April
- ✓ 1 May to 30 May

The statement of account will also show amounts outstanding where payment is due or past due by the debtor:

- ✓ Less than 30 days is shown as current
- ✓ The next period would be 30 days where an amount is outstanding (has not been paid)for than 30 days
- ✓ After that will follow 60 days where the amount is outstanding for than 60 days
- ✓ All the amounts that have not been paid after 90 days will be shown as 90 days.
- ✓ The next period is 120 days. Amounts that have not been paid by 90 days can be considered as bad debts – where the business will have to "write off" the amount.

At the time that the debtor entered into a credit agreement with the business, the latest payment date was agreed on between the debtor and the business, for example:

- ✓ 30 days from date of invoice: which means the debtor must pay the amount due on the invoice 30 days from the date of the invoice. If the invoice was issued on 12 April, the debtor must pay by 12 May.
- ✓ 30 days from statement date: the debtor will pay the amount shown under 30 days on receipt of the statement. If the invoice was issued on 12 April, it will show as current on the statement. The debtor must pay the amount on the invoice by the end of May.

| | | | | |
|---|---|---|---|---|
| XYZ Traders<br>321 Church Street, Timbuktu, 12458<br>STATEMENT | | | | 25 April 200.. |
| To: Mr C.U. Stomer<br>25 First Street, Timbuktu 12458 | | | | |
| **Date** | **Invoice No** | **Debit** | **Credit** | **Balance** |
| 12 April 200… | 324 | R15100.00 | | R15100.00 |
| | | | | |
| | | | | |
| Total due | | | | R15100.00 |
| Current<br>R15100.00 | 30 days | 60 days | 90 days | 120 days |

Before statements are sent out to the debtor, they must be checked to make sure that all the invoices as well as payments that were received are shown on the statement. Some organisations attach copies of the invoices to the statements, but this is not really necessary – the customer received a copy of the invoice when s/he collected the goods.

It is important that debtors pay the amounts due by them within the credit period granted to them. Amounts that remain unpaid for 60 days or longer should not be tolerated (unless this is the arrangement) and no further credit should be granted to the debtor, until the full outstanding balance has been paid.

When an account has remained unpaid for 90 to 120 days, legal action should be considered as the business now runs the risk of losing this money. The organisation you work for will have a system in place regarding payment periods and outstanding accounts. Always make sure that you follow these procedures exactly, since bad debts impact very negatively on any business.

When a debtor does not pay his/her account, the business loses money: the cost price of the goods as well as the profits.

# Payments by debtors

As soon as the debtor receives the statement, arrangements are made for payment. The source documents for payments are:

✓ The cheque issued by the debtor

✓ If the debtor pays in cash a receipt is issued in duplicate. The debtor gets the original receipt and the duplicate is kept by the business so that their ledgers and journals can be updated. The transaction must be recorded in the Cash receipts journal

✓ Electronic transfers will appear as deposits on the bank statement.

Where the debtor pays by cheque or electronic transfer, it is not necessary to issue a receipt. The cheque will be returned to the debtor and serves as proof of payment, while the debtor also receives proof of payment when electronic transfers are made. In the case of cash payments, receipts must be issued:

| | | |
|---|---|---|
| RECEIPT No 436<br>XYZ Trading Date: 12 May 200… | | |
| To: | Mr C.U Stomer | R15100.00 |
| In settlement of: | Account | |
| Amount of: | Fifteen thousand one hundred rand only | |
| Received by: | (signature of cashier who receives the money) | |

The transaction is recorded in the Cash Receipts Journal, even if it is paid by cheque or electronic transfer. The cash books must always show what is happening in the bank and since the cheque will be deposited into the bank it must be recorder in the cash receipts journal.

Once the customer has paid his account, and the entries have been posted, it will show on his statement that is sent out once a month. In this example, the debtor did not make any other purchases on credit:

| | | | | |
|---|---|---|---|---|
| XYZ Traders<br>321 Church Street, Timbuktu, 12458<br>STATEMENT | | | | 25 May 200.. |
| To: Mr C.U. Stomer<br>25 First Street, Timbuktu 12458 | | | | |
| **Date** | **Invoice No/ Details** | **Debit** | **Credit** | **Balance** |
| 12 April 200… | 324 | R15100.00 | | R15100.00 |
| 12 May 200… | Cash Receipt No 436 | | R15100.00 | |
| | | | | |
| | | | | |
| Total due | | | | R Nil |
| Current | 30 days | 60 days | 90 days | 120 days |

In this example, the customer made some more purchases after settling the account:

| | | | | |
|---|---|---|---|---|
| XYZ Traders<br>321 Church Street, Timbuktu, 12458<br>**STATEMENT** | | | | 25 April 200.. |
| To: Mr C.U. Stomer<br>25 First Street, Timbuktu 12458 | | | | |
| **Date** | **Invoice No/ Details** | **Debit** | **Credit** | **Balance** |
| 12 April 200… | 324 | R15100.00 | | R15100.00 |
| 12 May 200… | Cash receipt no 436 | | R15100.00 | |
| 23 May 200… | 369 | R12560 | | R12560 |
| Total due | | | | R12560 |
| Current<br>R12560.00 | 30 days | 60 days | 90 days | 120 days |

## Activity 4 (SO4, AC 1-4)

# BANKING TRANSACTIONS

## *Outcome*

Process banking transactions.

## *Assessment criteria*

- ✓ All source documents are obtained to process banking transactions
- ✓ Source documents are reconciled and any discrepancies noted, reported and rectified
- ✓ Transfers, deposits and withdrawals are processed as per organisational requirements
- ✓ Any suspected irregularities are reported and rectified
- ✓ Security procedures relating to banking transactions are ensured

## Activity 5 (SO5, AC1-5)

# DATE, TIME AND VENUE

## *Outcome*

Identify a date, venue and time for a meeting or event

## *Assessment criteria*

- ✓ A range of dates for meeting/event are provided to attendees.
- ✓ Suitable dates and venues are determined based on responses to range of dates provided.
- ✓ Meeting/event is booked and confirmed with attendees in writing.
- ✓ All related documentation is forwarded to the attendees.

# Provide a range of dates to attendees

Arranging an event can be a long and gruelling process, for the simple reason that you would need to find a date that suits everyone who needs attend the event and a date that "suits the venue". There are two ways to go about this:

You can either find the venue first and get the dates when the venue will be available, or you can get dates from the attendees when they will be able to attend and find a venue that can accommodate that date. Either way, you could run into problems.

The reason being, if you have 50 attendees who need to attend an event, chances are not all 50 are going to have the same dates available in their diaries. Here's how to solve the problem:

✓ Send a notice of the event **well before** the event is supposed to take place (at least two months, especially where a year end function is concerned, since most organisations host an end year function and venues will not be freely available). Make a space on the notice for every attendee to put down a suggested date and return those dates to you.

✓ Remember to give the attendees a deadline by which you need their replies.

✓ Once you have the dates, you can count them and arrange a date according to the available date of the majority. This is called democracy, and can hardly ever be disputed, so you'd stay out of the hot seat since the majority wins. Here's an example of such a notice:

Monday, September 10, 2007

## Year End Function Date

Dear employees,

We are nearing the end of another wonderfully successful year, so the time is approaching to arrange our annual **year end function.** We would greatly appreciate your input and would therefore like you to tick next to the date you will be able to attend an event that is filled with promises of entertainment and excitement.

We appreciate your input!

| | |
|---|---|
| | Saturday 1 December |
| | Saturday 8 December |
| | Saturday 15 December |

Note that the dates from 22 December onwards are not available as the organisation is closing on 17 December.

I would appreciate it if I could receive your reply as soon as possible, or before Friday 14 September 2007.

Thank you very much,

**Tip: Try to advertise a little in a case like this so that the employees are motivated not only to fill in the letter, but also to attend the event.**

The next problem you will face is to get the replies back. You might get a lot of excuses such as:" I never received the notice", or "I haven't had time to look at it", etc. To avoid this situation you can do the following:

✓ Design a template with the names of all the employees, a space for a signature and date. Each time a circulation letter or notice is sent out, the employee has to sign that s/he has received it. For each new circulation letter you can simply change the details according to the situation. See the example below.

✓ Secondly you can add a cut off date to the notice or document. This means the relevant parties has to give you a response before the cut off date or their opinion simply won't be taken into account and will have no choice in the matter at hand.

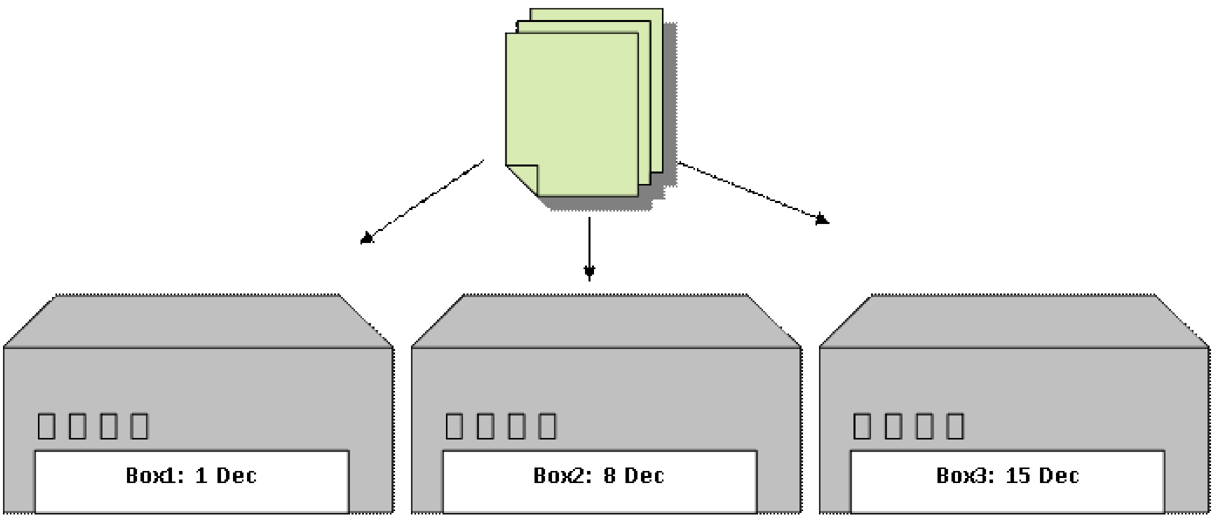
| End year function date notice | | 26 November 2007 |
|---|---|---|
| **Name** | **Signature** | **Date received.** |
| Me. E Chokwe<br>Me. N Rautenbach<br>Mr. S Potgieter<br>Mr. D Wessels | | |

# Determine suitable dates and venues

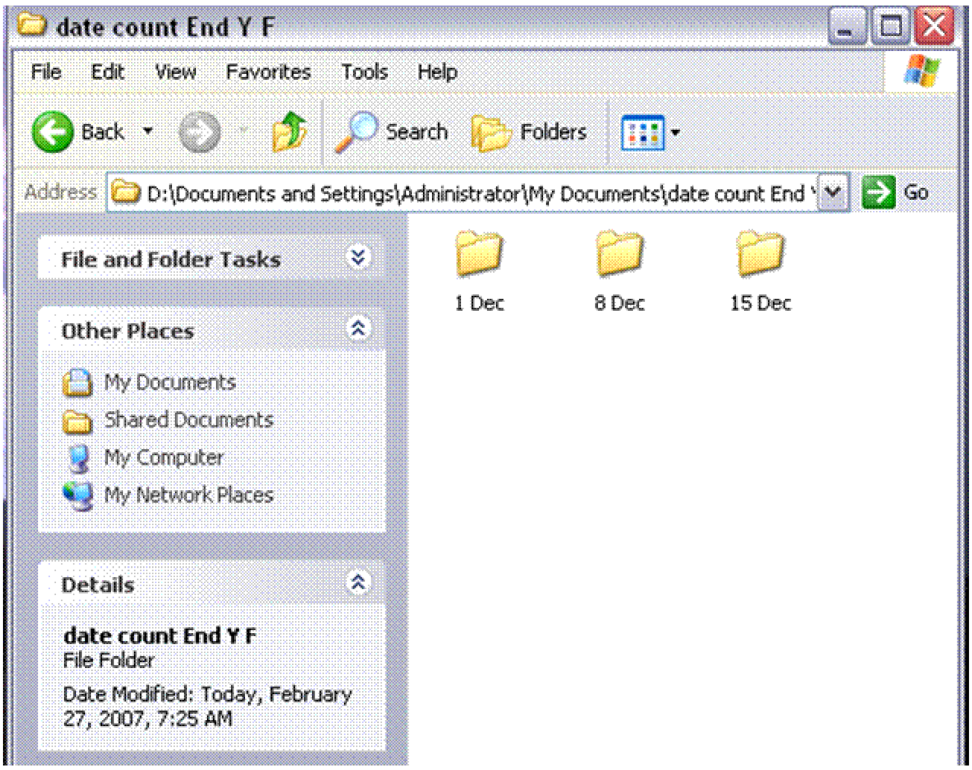
Once you have all the responses, you can count them. This could also turn out to be a rather large job, depending on the amount of attendees (for example 500 people), but there are ways to make this easier.

In the example letter we gave three possible dates namely, 1 December, 8 December and 15 December. A good idea would be to get 3 boxes and mark each of them with one of the three dates.

Now you can start sorting the responses, each into its relevant date box. Once you have sorted all the responses into their relevant dates, you can count them to find out which date has been chosen by the majority.




If you get the responses via email, you can use the same system as above. In this case you will paste the responses in the relevant date folder instead of printing them all and then sorting them.




Now you've counted the replies and 8 December is the most popular date – 42 out of 50 replies.. Finally you have a date that you can start working with.

# Book meeting/event and confirm with attendees

In our example the date that has been decided on is 8 December. Now you can start looking for a venue.

There are various ways to look for a venue. Some of the resources you could use are:

- ✓ The Yellow pages
- ✓ The Internet

✓ Company records of previous events and the venues that were used

## Factors to take into account when deciding on a venue.

✓ The first thing would be distance. Try to get a venue that is as close to the organisation as possible. This will eliminate transport problems for the individuals who don't have their own transport.

✓ Secondly, you should make 100% sure that the venue you decide on can accommodate the amount of people who are going to attend the event.

✓ Third, you have to make sure that the venue you choose falls within your budget. You **cannot** book a venue that goes over your budget. You **will** get into big trouble if you book a venue that charges more than the amount allocated to organise the event.

✓ Furthermore, you need to make sure that the venue can supply things that you are going to need such as the catering, tables, chairs, cutlery and drinks.

**It is very important to consider these factors when choosing the venue**

For the purpose of our case study we will use a venue that the organisation has used before: The venue name is Kiewiets Kroon.

Steps to follow when booking an event: contact the venue and

✓ enquire about the availability of the date (8 Dec)

✓ find out if they can host 50 people

✓ find out if they supply the tables, chairs and cutlery

✓ find out if they do the catering

✓ find out if they supply the drinks and if the drinks are included in the price per person

✓ find out what the price per person is

✓ find out when the total amount has to be paid

✓ find out if you need to pay a deposit to secure your event date

If everything is in order and the venue can fulfil all your needs, within your budget

✓ book the date and ask them to send you a letter of confirmation

✓ ask them to send you a roadmap, that you can include in the formal invitation/notice to the attendees

✓ ask them to send you the invoice for company records

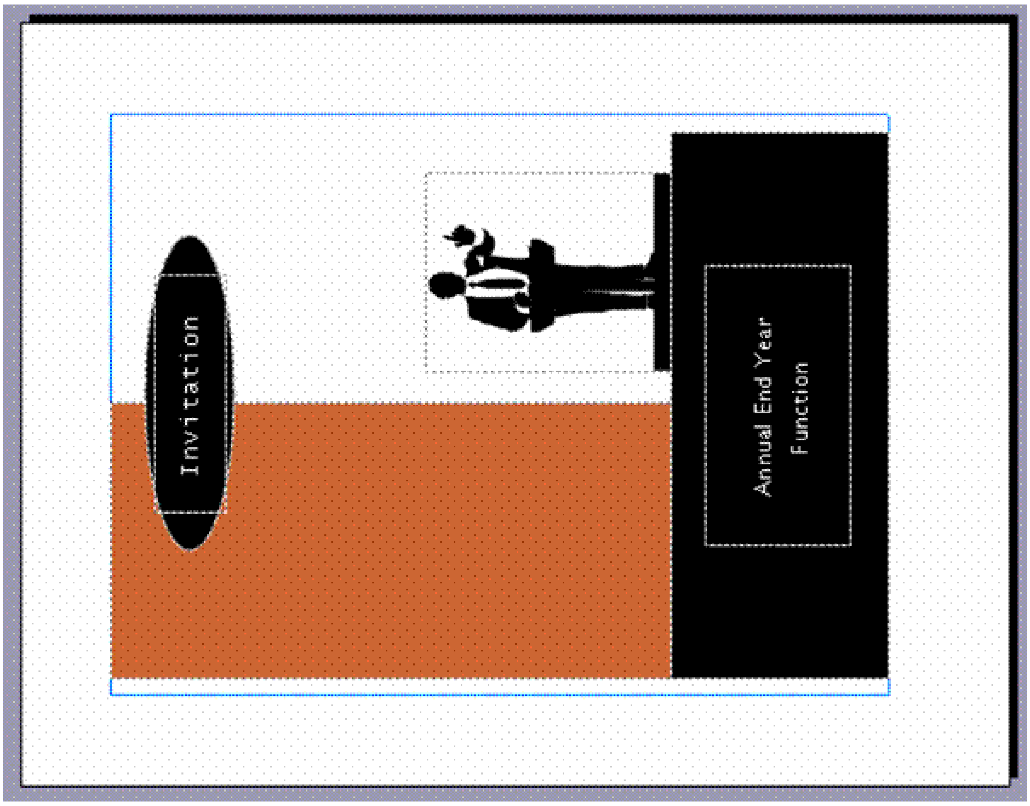
In the case of a meeting, many organisations stipulate that the boardroom or meeting room has to be booked as well. This is to prevent double bookings and two groups arriving at the boardroom at the same time. If you are arranging a meeting, be sure to book the boardroom and make sure that it has enough space for the amount of attendees.

**Note: If you've never been to the venue you'd like to book or the one that suits your needs, it is a good idea to make an appointment with their events coordinator and view the venue before you book it. This way you can avoid any nasty surprises on the day of the event. You can be sure that it has happened that the telephonic conversation makes the venue sound wonderful and when you get there it is awful. If you cannot get to the venue, go to their website and look for pictures of the venue. If you cannot find any, you will have to personally view the venue.**

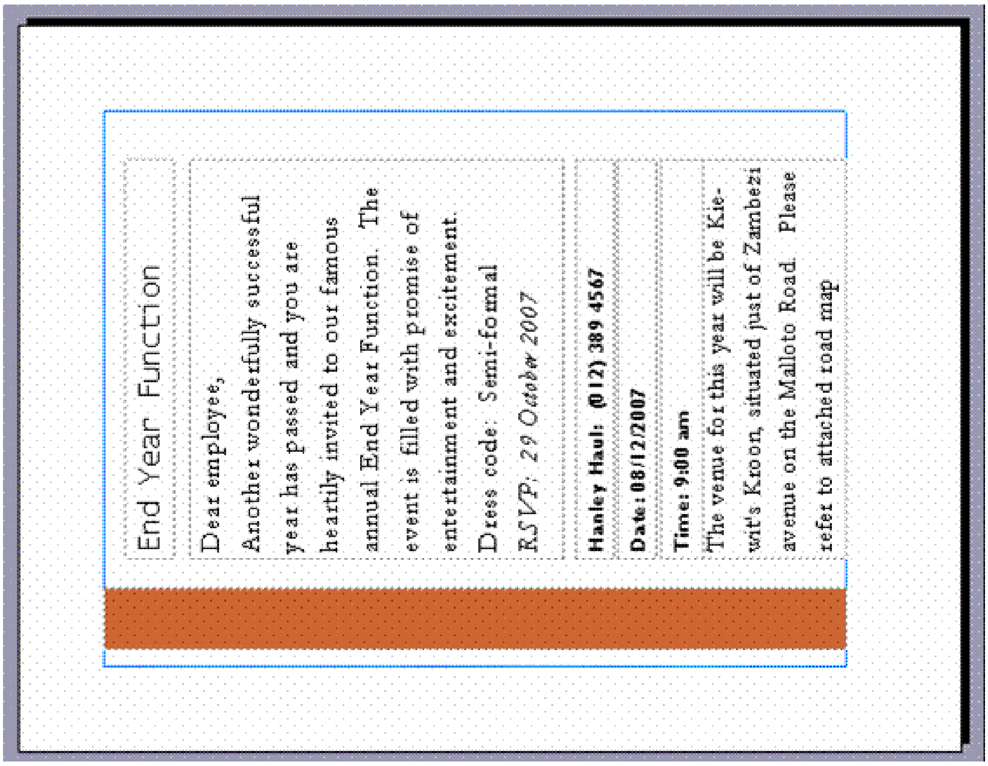
Once you have all the information you need, as well as the letter of confirmation from the venue, you can start sending out the notice or invitations of the event to the people who will attend the event, which in this case are your fellow employees. Below you will find an example of such an invitation.

Note: **You can either email such an invitation or print them and hand them out. This example has been created in MS Publisher.**

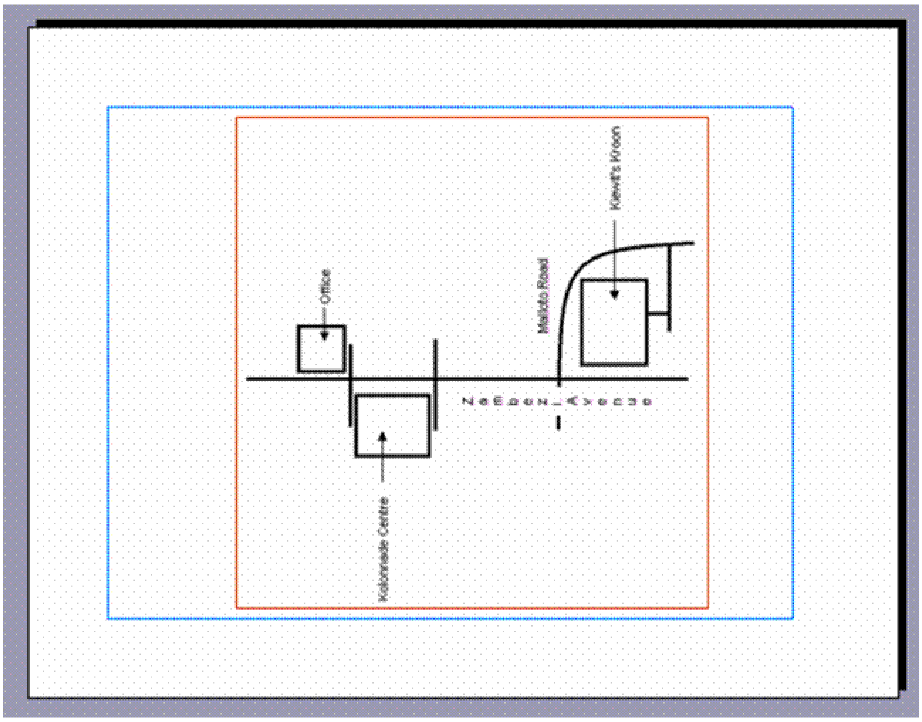
**First page**


Invitation
Annual End Year Function

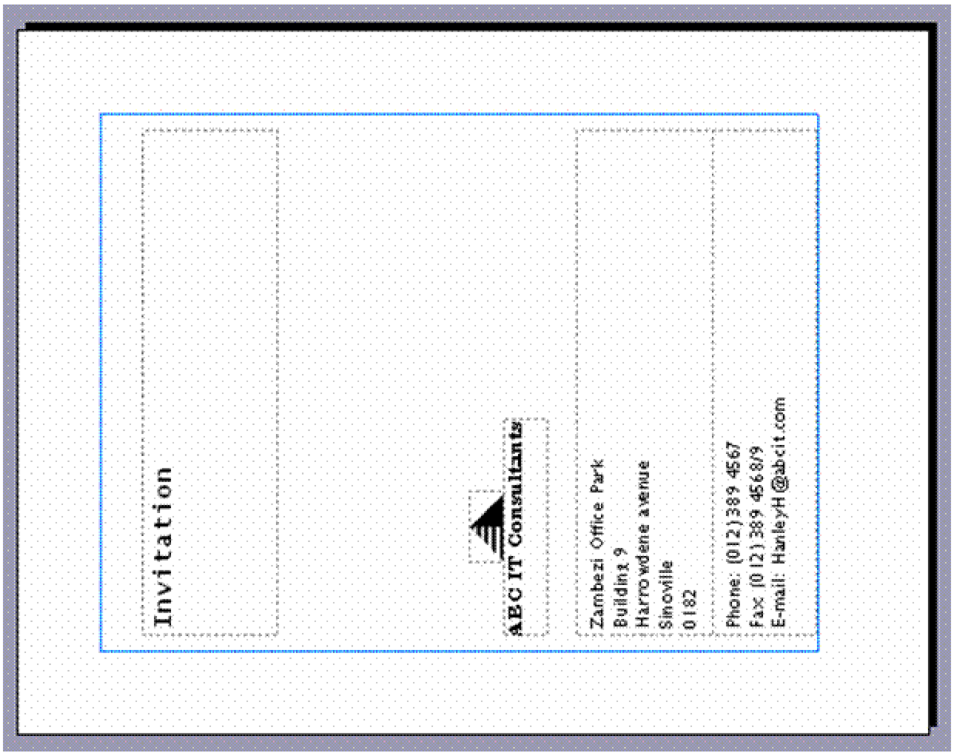
**Second page**


End Year Function
Dear employee,
Another wonderfully successful year has passed and you are heartily invited to our famous annual End Year Function. The event is filled with promise of entertainment and excitement.
Dress code: Semi-formal
RSVP: 29 October 2007
Hanley Haul: (012) 389 4567
Date: 08/12/2007
Time: 9:00 am
The venue for this year will be Kie-wit's Kroon, situated just of Zambezi avenue on the Malloto Road. Please refer to attached road map

**Third page**

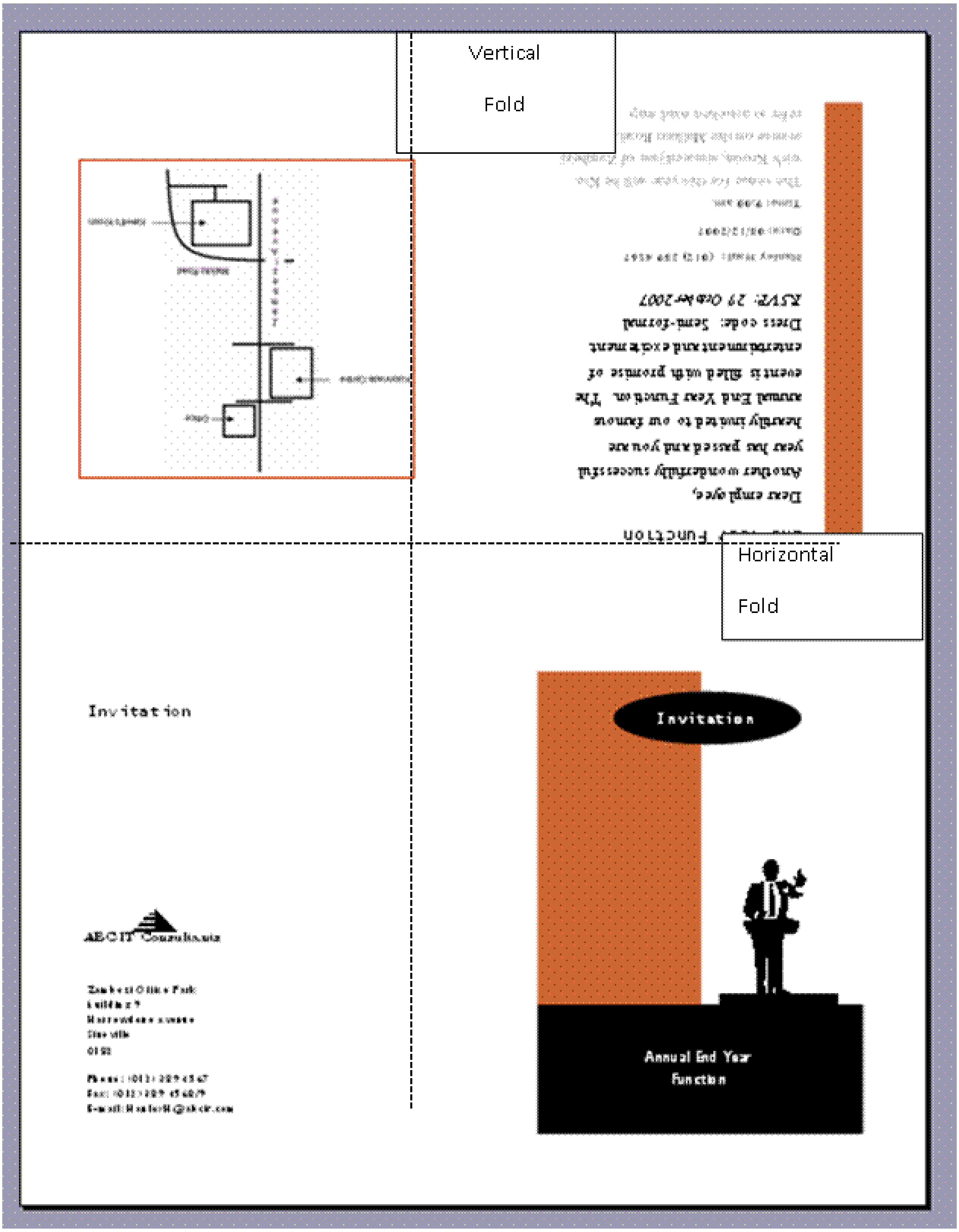



**Last page**




If you plan on printing and folding the invitations, this is what the final page will look like:

You need to fold these invitations in half horizontally and then again vertically.


Vertical
Fold
Horizontal
Fold
Invitation
Invitation
Annual End Year
Function

By sending these invitations, you have given all the employees a **written invitation** or in another case a **written notice** if it was for a meeting. For a meeting you would simply change the headings and contents.

Once again, apply the system that we have discussed before, and get the recipients **to sign** that they have received the invitation. It is a good idea to send everyone a **reminder** a week before the RSVP due date to ensure that you receive replies are on time.

## Details

The following details must be included in the invitation

- ✓ Name of event
- ✓ Date and time of event
- ✓ Instructions on how to get there
- ✓ A date by which the attendee must advise whether s/he will attend or not

# Listening Skills

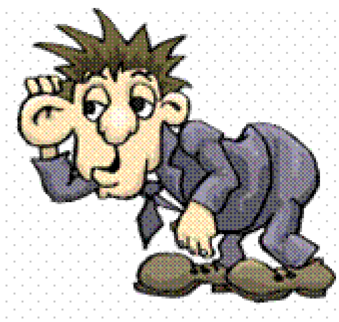
The most important thing to bear in mind when you think about your listening skills is to always remember that you cannot hear what is being said when you yourself are talking.

We have TWO ears and ONE mouth: use them in that order, in other words, listen more than you talk.

The importance of listening skills should not be underestimated. The words that people use give us clues as to the concepts and criteria that are important to those people, and these can only be explored through listening.

## Levels of listening

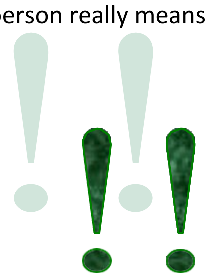
When others speak, we listen at one of five levels:



- ✓ **Ignoring:** Making no effort to listen.
- ✓ **Pretend listening:** Making believe or giving the appearance you are listening.
- ✓ **Selective listening:** Hearing only the parts of the conversation that interest you.
- ✓ **Attentive Listening:** Paying attention and focusing on what the speaker says and comparing that to your own experiences.
- ✓ **Empathetic listening / Active listening**

People who listen at the first four levels often pursue personal motives. People who practice the fifth level of listening, <u>empathic listening</u>, try to discover what the other person really means and feels from his or her point of view.

## Active listening



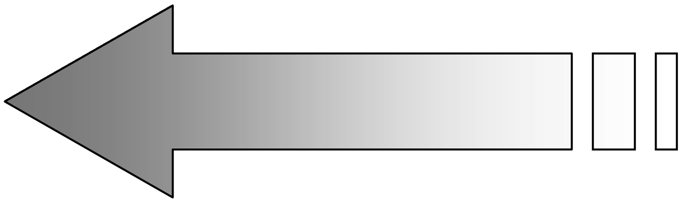
Is a **<u>skill</u>** and is as important as giving orders in obtaining results.

- ✓ Give your full attention to what is being said.
- ✓ Make sure that you really understand.
- ✓ Listen between the lines.
- ✓ Look for non-verbal clues.
- ✓ Mentally summarise and evaluate objectively.
- ✓ Be empathetic.

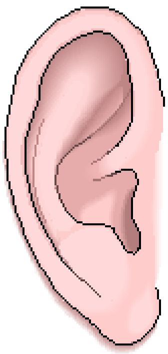
Determine whether the caller expects:

- guidance

- support
- motivation
- action or
- silence



## What makes a good listener?



This is actually a question of feedback. Good listeners use a variety of non-verbal and minimal cues to keep the other person talking. These include the use of phrases such as:

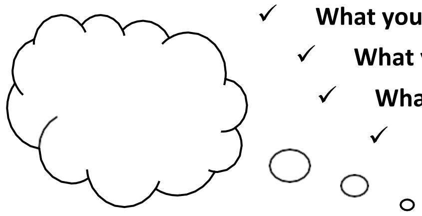
- ✓ "Yes"
- ✓ "I understand"
- ✓ "And then what"
- ✓ "Tell me more"
- ✓ "If I understand you correctly…"

## In addition good listeners also use a lot of the following:

- ✓ Use the 66:33 rule, that is, they **listen for 66% of the time** and **only talk for 33%** of the time
- ✓ Use acknowledgement: they give **verbal recognition** that they have heard what the talker has said
- ✓ **Show interest**, that is, they use non-verbal means to show they are engaged
- ✓ **Ask more than they tell**, that is, they use open questions to gain information without specifying the answer.


## Communication factors

When you communicate, there are four critical factors to consider:



- ✓ **What you meant to say – the message in your thoughts**
- ✓ **What you actually say – the words, tone of voice and body language**
- ✓ **What the other person hears – words, tone and body language**
- ✓ **What the other person thinks he heard**

When you feel good, you sound good too! The customer cannot see your smile on the other side of the telephone, but he can hear your smile – and it is a lovely sound!

## Remember

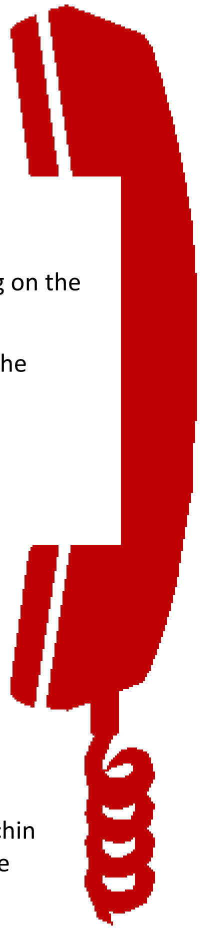
Normal face-to-face communication

| |
|---|
| ***55% of a message is conveyed by body language and facial signals*** |
| **38% of a message is determined by your tone of voice** |
| ***7% of a message is conveyed by the words you use*** |

Telephonic communication

| |
|---|
| On the telephone, however, the percentages change: |
| **38% of a message is conveyed by the words you use** |
| ***55% of a message is determined by your tone of voice*** |
| **7% of a message is conveyed by body language and facial signals** |

# The telephone



Irrespective of whether you are involved in administrative duties or if you are senior in the organisation, there are times when you will be making or receiving telephone calls. You may even find that you will have to handle the switchboard on occasions.

The telephone is the most significant tool for making an impression on clients or other stakeholders.

It is a communication tool, which enables you and your clients or stakeholders to speak to each other and to transfer information.

The person on the line will assess your organisation based on the person answering or calling on the phone.

We all know how frustrating it is when we call an organisation and the person who answers the phone is:

- ✓ Unhelpful
- ✓ Grunts
- ✓ Refuses to take a message
- ✓ Will not try to put us in touch with someone who can deal with our problem
- ✓ Can hardly communicate with us effectively in the approved business language

It does not matter if you are working in a Corporate Office, a Government Department, a Non-Profit Organisation or a Community Project, the rules of good telephone etiquette remain the same.

## Telephone Etiquette

✓ Hold the telephone with your non-writing hand. Try not to tuck the phone under your chin while you are typing or doing something else. This will affect the quality of your voice and the caller will be able to tell that something is wrong.

✓ Hold the telephone 2.5 cm in front of your mouth

✓ Have a pen and paper ready so you can take notes. NB: Your office may have a system of message books or notelets. If this is the case, ensure that the message is put in the accepted format.

✓ Know how to use your telephone system correctly so that you are able to transfer calls, put callers on hold etc without creating the impression that you do not know what you are doing.

✓ Be familiar with the list of extensions in your office, so that you can transfer calls with ease.

✓ Answer promptly within three rings if possible or apologise for any delay

✓ Put a smile in your voice

✓ Do not shout down the phone or whisper so that the caller cannot hear you

✓ In an office environment, use the official language of your area. If the caller wishes to talk in his or her own local language and you are able to do so, then assist the caller in the language of preference.

✓ Do not use slang or jargon but speak clearly

✓ Make sure there is no disturbing background noise. If you are playing a radio while you are working. Turn the sound down when you answer the phone so that the caller can hear you clearly

✓ Greeting – company name – offer of assistance

✓ Find out why the caller is calling and take the appropriate cause of action timeously.

✓ If the call is for someone else, do not scream out the other person's name or call out to enquire if your colleague is in the office. If you cannot put the caller on hold, cover up the mouthpiece before you talk to someone else.

✓ Acknowledge the caller's request and take responsibility for actioning it

✓ Do what you say you're going to do. If you promise to get a colleague to phone the caller back, check to see that this is done. This is really important as there is nothing more frustrating for a caller than to sit and wait for someone to phone back and nothing happens.

✓ If the desired course is to put the person through to a colleague make sure that your colleague receives the call. Sometimes a caller is put through and an answer machine picks up the message. This is very annoying for the caller who then has to phone a second time to find out if someone else can help him or her.

✓ Be friendly and polite and courteous at all times

✓ Use the caller's name when possible. This is both courteous and friendly and will make the caller feel that you are taking a personal interest in him or her.

✓ If a person telephones who is unknown to you, you should address him or her as "Mr. / Ms Mabena"

✓ Always remember to write the message in the message book

End the conversation on a positive note which leaves the caller with a good impression of the organisation

The following statements will conclude your call in a professional manner

*"Thank you for calling, enjoy the rest of your day"*

*"Thank you for your enquiry"*

*"Good bye and thank you for calling"*

*"Thank you for calling, I will certainly get Sipho to call you as soon as he comes in"*

*"If you have any questions, please call me"*

"If Sipho does not get back to you by this afternoon, please do not hesitate to contact me again"

## Making a call

### *When to call*

This question can be split into two parts. When should you call to fit in with your schedule and when should you call to fit in with the schedule of the person you are trying to contact? The first question is entirely up to you, but remember the following hint: group your calls together wherever and whenever possible. This will help you manage your time effectively

Fitting in with someone else's schedule is more difficult. If you phone someone and they tell you that they cannot take your call because they are in a meeting, ask politely when it will be convenient for you to call back.

### *Preparation*

It is important to prepare for a phone call. Think about what you want to say and any queries you may have. It is useful if you jot these down in point form. Always have a pen and paper and any documents you may want to refer to close at hand.

### *Getting through*

If you know who you want to speak to, just ask for them by name. If you do not know who you want to speak to by name, be as helpful as possible to the person on the other side in giving details of the department you want.

Always be polite to the switchboard operator, the secretary or anyone else who answers your call before you are transferred to the person you wish to speak to. Politeness costs nothing, but it brings rich rewards in people wanting to help you.

### *The conversation*

The quality of the call will depend on the quality of your preparation and the quality of the way you speak. Ensure you never mumble your words or mispronounce them and be sure to state the reason for calling the person. Listen to the tone of voice of the person you have called and if you sense that you have rung at an inconvenient time, offer to call back, suggesting alternative times for ringing back.

### *Making notes*

If you agree to do something as a result of the call, then write down what you have agreed to do. Reinforce what has been agreed by summarising the points at the end of the telephone call.

" Mr Phiri, I have agreed to come back to you by 4 pm today with the information you require. Thank you so much for your time"

### *Leaving messages*

If you cannot reach the person you would like to speak to and you have something important you need to communicate, you may have to leave a message, but do not assume it will be delivered. The best thing to do is find out when the person you are need to talk to will be available and say that you will call back at that time, leaving your name, organisation and telephone number in case they wish to ring you back.

If you do call again, do not get angry with the switchboard because no one phoned you back, as it will not help the situation.

# Sourcing telephone numbers and information

It is important that you know how and where to find information as quickly as possible.

Make sure that you have a list of internal telephone numbers so that you are able to transfer calls timeously.

It is also useful to have a list of other useful numbers that you can refer callers to if necessary. If you have a computer, you can set up your own telephone number directory on an Excel spreadsheet.

Other important sources of information are the telephone directory (White Pages) and the Yellow Pages.

But, when and how would you use them?

## The White Pages

This directory provides you with the following information:

- ✓ All business contact numbers in your region
- ✓ All residential numbers
- ✓ Emergency services (ambulance, fire brigade, police, hospitals, etc)
- ✓ Telkom's various telephone services
- ✓ How to report telephone faults
- ✓ Call charges
- ✓ Various products offered by Telkom
- ✓ National and international dialing codes
- ✓ List of the National Government of your region

## The Yellow Pages

This is a business directory and lists all the various type of businesses and professions under the correct heading, in alphabetical order. However, you can also find the following information in the front of certain big cities' directories:

- ✓ Tourism Bureau
- ✓ Various Sport Associations
- ✓ What is happening in your city
- ✓ Museums
- ✓ Fun things to do

All the listings in both these two books are in alphabetical order. In the White Pages, all the abbreviated companies such as **ABC** Ltd, **DVD** Vision are listed in the beginning of each alphabetical section. Business names and surnames are all listed together in each alphabetical section, e.g. under E, F, G, etc.

The surnames of people are listed first, with the particular initials afterwards.

Remember, each area has its own directory, e.g. there are directories for Johannesburg, Pretoria, Cape Town, etc. These directories are free of charge, for your own area only, at your local Post Office and new versions are published every year.

# Activity 1 (telephone technique and directories)

# Activity 2 (SO1, AC 1-4)

# VENUE AND CATERING

## *Outcome*

Arrange venue and catering

## *Assessment criteria*

- ✓ Special arrangements, logistics, meeting room layout and equipment required are confirmed with the venue provider.
- ✓ Process of selecting date, caterer and menu is described, taking into consideration religious and dietary requirements.
- ✓ Agenda for meeting/event is forwarded to venue provider and caterers so that correct times for meals and breaks can be adhered to.
- ✓ Venue and caterers are notified in writing and deposits paid.

# Confirm Special Arrangements And Logistics

In the previous section, we looked at how to find and book a venue. We are now going to take a more in-depth look at what has to be done after the booking and the invitations have been sent out.

You now have to start planning the events at the end year function.

You can start by:

- ✓ Finding out who will be speaking at the event
- ✓ What they are going to need
- ✓ If any departments wants to do a presentation of their highlights of the year
- ✓ What they are going to need for the presentation
- ✓ If you can arrange a band or some sort of entertainment if it falls within the budget

Once you have all this information you can organise a meeting with your contact person at the venue to discuss what you are going to need and to plan the layout of the event and the seating arrangement.

Make a list of your findings and take it with to the meeting:

- ✓ CEO wants to do the welcoming speech – he will need a podium a microphone (sound system)
- ✓ The Sales and Marketing department would like to do a presentation of the highlights of the year – they are going to need a projector for a slide show and a sound system
- ✓ A band will be performing – they need a stage

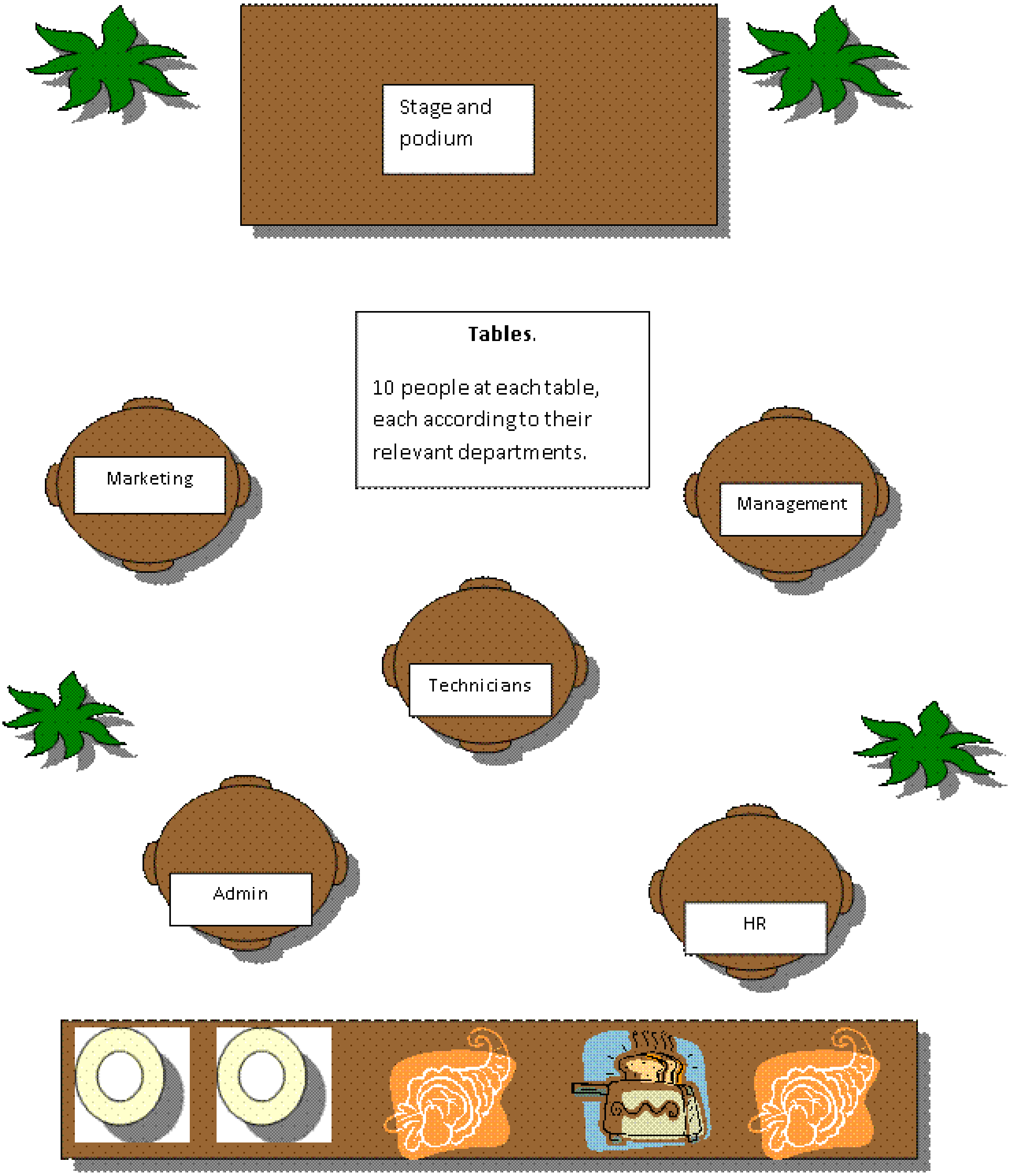
Once at the meeting, find out if the venue can supply all the equipment you are going to need. It is very likely that they will be able to supply the equipment, especially if they often host corporate functions. If the venue can not supply things such as a stage, you will have to arrange for one yourself, and confirm the delivery and placement of the stage with the supplier as well as the organisation in charge of the venue.

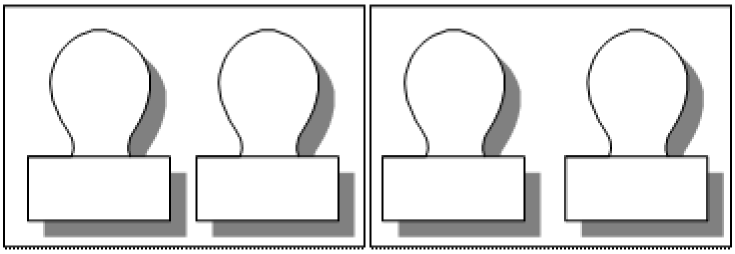
# Plan the layout

In the meeting with the venue event planner, you will have to discuss the layout and seating. Since the function is in the summer, you and the planner has decided to host the event outside under a large tent. The best way to do the layout planning is with pictures.

See example below:

**Entertainment Area From Above:**





Bathrooms are separate from the tent in a building.

## Select a caterer and menu

Planning a menu could get very tricky because of preference, religion and allergies. Luckily caterers are professional (or most of them, so be careful when you choose one) and are aware of these factors.

Since our case study event is in the morning, there will be a brunch. This could include "breakfast food" as well as "lunch food". To expand the case study a little, let's add some ethnic groups. The people attending will be:

- ✓ Indian
- ✓ Black
- ✓ White
- ✓ And a few Chinese.

## Forward agenda for meeting/event to venue provider and caterers

As discussed earlier, the CEO would like to do the welcoming speech, and marketing would like to do a presentation. You need to find out from both how long the speech and presentation will be, so you can include it in the planning of the events.

- ✓ The CEO needs 30 minutes to open the event and welcome everyone
- ✓ The marketing team needs 45 minutes for the presentation

Once you have these times, you can prepare a schedule.

| Time | Activity |
|---|---|
| 9:00 | Everyone arrives |
| 9:15 | The CEO - welcome speech |
| 9:45 | Drinks |
| 10:00 | Presentation by Marketing team |
| 10:45 | Bathroom break |
| 11:00 | Brunch is served |
| 11:10 | Band plays while everyone dishes and eats |
| 11:20 | Second round of drinks are served and fresh water placed on tables |
| 12:00 | Dishes are collected from tables once everyone is done eating |
| 12:15 | You (or whoever planned the event) thanks everyone for coming and wishes them a good holiday (closing speech and invitation to stay on) |
| 12:25 | Event is coming to an end, although guests may stay on and enjoy each others company and the cash bar. |

Once you have completed a schedule like the example above, you need to forward it to the relevant person at the venue (most probably your venue event coordinator). If you are not making use of the caterers offered by the venue, you also need to forward the schedule to the caterer you've chosen. You can do this via fax or email, **but do a follow up to be 100% sure that they have received it!**

## The Agenda

The Agenda is a list, or programme of the items of business to be discussed at a meeting. The items of business are set out in the order in which they are to occur.

Setting the agenda is a crucial task, as it defines the boundaries of the discussion that will proceed during the course of a meeting. A carefully prepared and managed agenda will keep the group focused on achieving the desired outcomes. It can serve as a route map of the meeting that everyone can refer to.

### *General notes regarding Agendas*

- Next to each item on the agenda, briefly describe what is to be discussed so that its purpose is clear to member who will be attending the meeting.
- The Agenda should be kept as short as possible, it should be consistent (reliable), and unambiguous (clear, no double meanings)
- Any relevant additional papers should accompany the Agenda and they should be clearly referred to in the Agenda. These are known as Agenda papers.
- When drawing up the Agenda, think about what information can be presented in the form of appendices, such as additions and attachments, and agenda papers, rather than having lengthy description in the Agenda itself.

### *Agenda layout*

The layout of the Agenda is very important, as the order of the Agenda normally determines the order that discussions will take place in during the meeting

## Notify venue and caterers

Most of the time, the venue and caterer will need a deposit on the day of confirmation or at least two to three weeks before the event/meeting. The amount they charge varies from 10%, 25% and sometimes 50% of the total cost due.

If the venue charges R5000 for the venue hire, including chairs and tables and wants a 50% deposit, you will have to pay R2500.

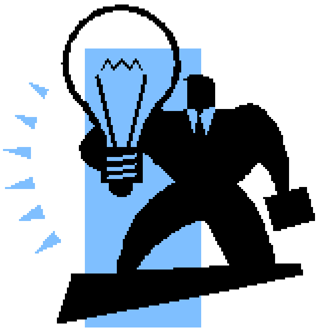
A caterer works a little differently, since they charge "per head". In other words, the organisation will be charged a certain price per person attending the function. Let's use say the caterer charges R150 pp and 50 people will be attending, you need to do the following: 150 times 50 = R7500. R7500 is the total cost of the catering, and your deposit will be worked out accordingly. If the caterer wants 25% of the total cost as a deposit, you'll need to pay R1875.

You will have to request invoices from the venue and the caterer in order to process the payment.

When such payments are made electronically, you have to print out the proof of payment and fax it to the relevant person at the venue and caterers. Also, phone them and make sure that they have received the fax. This is very important. If the venue or caterer are not aware of the payment, they will not proceed with the arrangements.

Also ensure that they fax or email confirmation of the arrangements to you.

**Note: When the arrangements for the deposit are made, you should also make the arrangements for the final payment. The final payment is normally done after the event. This is done so that payment can be withheld if you are unhappy with the service. For example, when a venue has double booked the same space for the day of your event; or the caterer brings diner instead of brunch. Do not try to withhold final payments with silly excuses such as there were not enough waiters or something similar. You are going to run into trouble.**



## Operate electrical equipment

Every person working for the organisation should be able to operate the electrical equipment available in the organization.

You have to be able to send and receive your own faxes, as well as those of other people working in the organization. You must also know how to make your own photo copies and print your own documents.

Waiting for someone else to do these things for you is a waste of time that not your or your organization can afford in the 21st century, where the speed of getting information to clients could determine whether the organization lands a big contract or loses out on it.

Customers are entitled to good and speedy service and will take their business elsewhere if they don't get it from your organisation. Losing big contracts or customers can cause a business to downsize or even go bankrupt and this results in job losses.

By giving good customer service you are protecting your job and ensuring a steady monthly income for yourself.

## How To Send A Fax

The procedure for sending faxes varies from manufacturer to manufacturer, but the basic procedure is:

- Place the document face down in the paper holder
- Dial the number that the fax has to be sent to
- Press the send button

Always read the instruction manual to ensure that you understand the specific procedure.

## How To Receive A Fax

Ensure that there are no obstructions in front of the paper feeder

- Some faxes require that the fax receive button be pressed in order to receive a fax
- If the fax paper is continuous, tear off the fax as soon as it has been sent

Always read the instruction manual to ensure that you understand the specific procedure.

## How To Make Photo Copies

- Place the document face down on the glass surface
- Select the number of copies you require
- Press the copy button

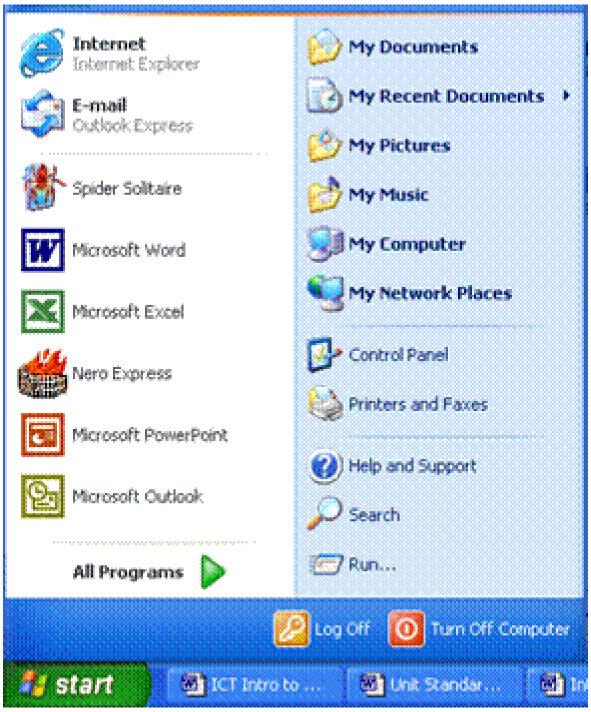
Always read the instruction manual to ensure that you understand the specific procedure.

# Use the Internet

## Start Internet Explorer

✓ On the Windows Taskbar, click Start 


✓ Select the Internet Explorer item at the top of the Start Menu



## Browsing the Web

A website is made up of pages, similar to a book. When you move around between the pages in a website or from one website to another, it is called browsing (or navigating, or sometimes "surfing the web").

You can browse web pages in several different ways.

### *Hyperlinks*

Almost all web pages have hyperlinks. They connect:

- ✓ One page to another part of the same page (useful if it is a really large page)
- ✓ One page to another page somewhere on the web
- ✓ A page to a file, such as a sound clip, video, a spreadsheet or a Word document
- ✓ These links to other pages can be links to things stored anywhere on the internet. Hypertext links are indicated by underlined text highlighted in blue (usually). Hyperlinks are also frequently in the form of buttons, graphics or pictures.

## How Search Engines Work

Search engines are constantly browsing the WWW, looking for links embedded in various websites. They then follow those links. They use indexing software to add the information to a huge database that contains text, addresses and links.

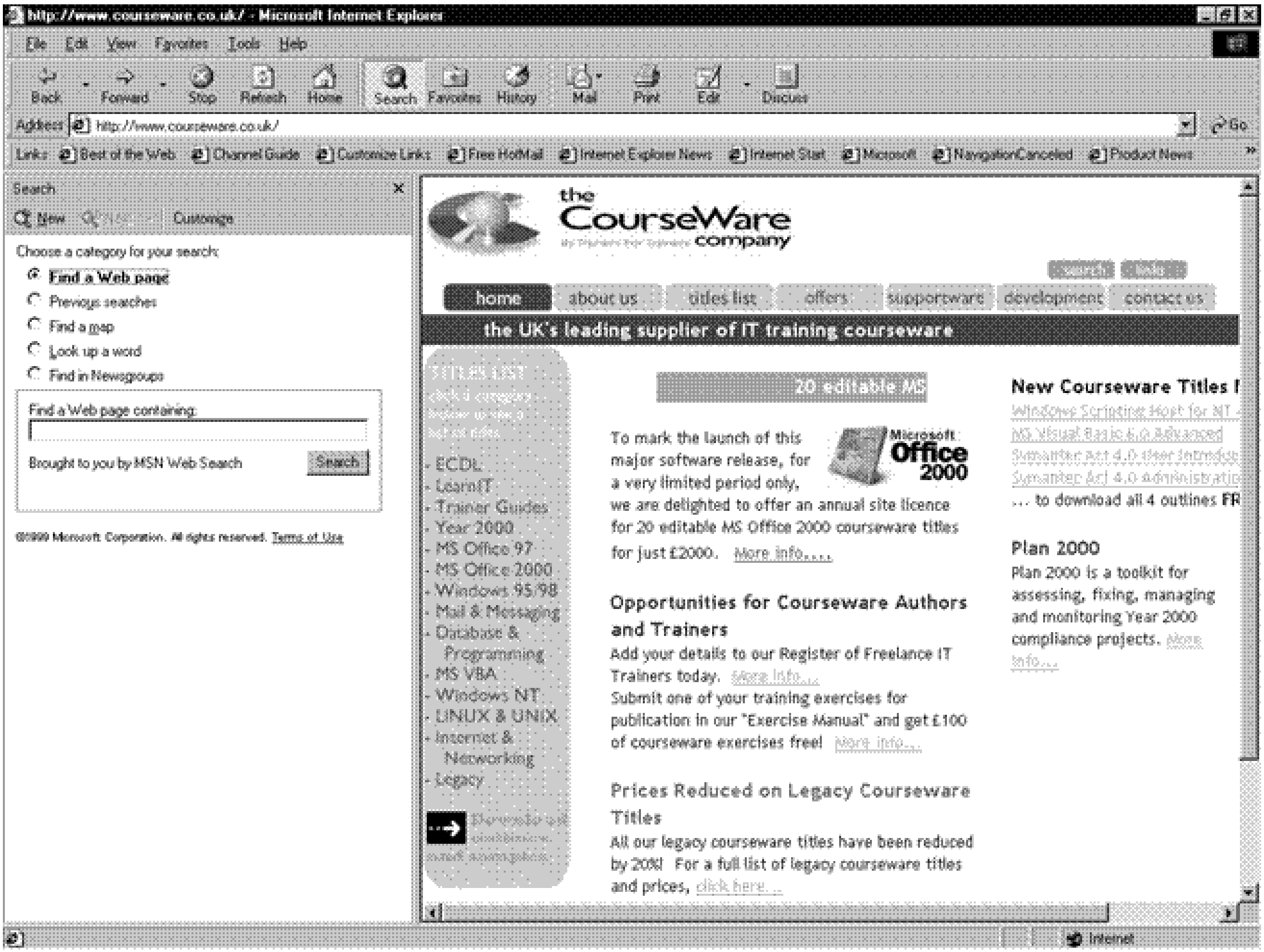
When you enter a query into the search engine, you are searching in their database and not the WWW. The search engine gives you a list of URL's in response to your query. The response from the search engine is based on how relevant the website is to the text you typed in your query.

There are many different search engines and they use different rules to determine the relevance of a specific page to your query.

Most search engines are very good, as they are in competition with each other. The owners of search engines get their money from advertisers who put advertisements on their website. This means that they make sure that their search engine is easy to use and up to date.

### *Use the Search Assistant*

- ✓ On the Standard toolbar, click Search
- ✓ Or Select the View menu, Explorer Bar menu and then click Search
- ✓ The Explorer bar will show with the Search Assistant loaded.
- ✓ In the Find a Web page containing: box, type a few words that describe the type of pages you want to find
- ✓ What you type in the Search box will determine the kind of response you get.
- ✓ Click the Search button
- ✓ You will be required to connect to the internet, if you are not already connected.
- ✓ The Search Assistant will perform your search and display the results. The sites that most closely match your query are listed first.
- ✓ If you do not see what you want, click the Next hyperlink in the search pane (not the button on the Explorer bar) to move down the list of matches
- ✓ Click the link you want
- ✓ On the Explorer bar, click New to start another search
- ✓ The Search Assistant also lets you look up a word using Microsoft's Encarta encyclopaedia and search for a map or a newsgroup.
- ✓ From the Choose a category for your search panel, select the relevant option button



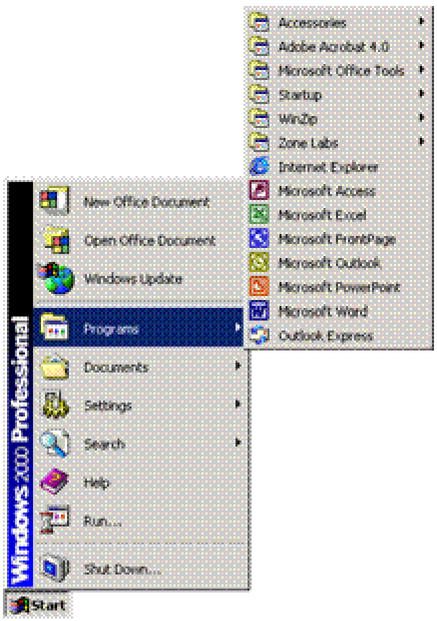

# Sending e-mails

## Start Outlook

Once Outlook has been installed on your computer you can start the application double-clicking the Outlook icon .

**OR**

On the Taskbar, click the Start button then select the All Programs menu item.




✓ The All Programs submenu is displayed.

✓ Click the Microsoft Office program item

Click the Microsoft Outlook program item

## Enter Data Into The Mail Window

**To…**

Enter the e-mail address of the recipient in the **To…** box. You can enter the names of more than one recipient in the **To…** box, as long as you separate the names with a semicolon(;), for example:

narina@photography.co.za;albert@hotmail.co.za;yourname@timdutoit.co.za

**Cc…**

To enter an e-mail address in the **Cc…** box, follow the same procedure as above. Cc stands for Carbon Copy. CC means that the e-mail is sent to that recipient for information only, the recipient does not have to respond or reply to the message.

**Bcc…**

Bcc stands for Blind Carbon Copy. When you enter a recipient's address in the **Bcc…** box, the recipients in the **To…** and **Cc…** boxes will not see the names of the recipients in the **Bcc…** box - that is why it's called Blind Carbon Copy. You will use the **Bcc…** box when you do not want the recipients in the **To…** and **Cc…** boxes to see that you are sending the message to a specific recipient.

If the **Bcc…** box is not displayed, click the down arrow to the right of the Options... button and select Bcc.

You can use either the **Cc…** or **Bcc…** boxes without using the **To…**box, as long as there is at least one recipient in one of the three boxes the e-mail can be sent.

### *Enter a Subject Heading*

Once you start sending and receiving e-mails, you will find that a lot of correspondence and communication is conducted this way. It is possible that you will send and receive up to 300 e-mails daily. You will therefore appreciate it when people who send you e-mails give an appropriate subject heading, as the e-mail will be listed in your Inbox under the subject heading.

Giving the mail a subject heading such as: Thabo's mail will be silly. When you write or type a document at work for a client or a superior, you always include a subject heading that gives details about the letter. The same principle will apply to an e-mail subject heading.

If the mail is about a weekly or monthly meeting, for example, include the full details of the meeting and the purpose of the e-mail, which could be the agenda or minutes of the meeting:

Agenda for weekly meeting to be held on 25 Jan 06

**OR**

Minutes of meeting held 15 Jan 06

If you only state minutes of meeting and the meeting is held every week, you will end up with about 50 e-mails with the same subject, which will make your life and the lives of the recipients very difficult when you want to find the minutes of a particular meeting.

Think carefully about the subject heading and make sure that it makes sense, conforms to the protocol as prescribed by your organisation and, above all, ensure that it will be easy to find this particular e-mail again.

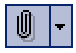
- ✓ Tab to or click in the Subject: box
- ✓ Type a subject heading for the message

### *Body of the message*

Tab to or click in the main box, where you will enter the message.

Remember that an e-mail is usually an electronic form of a letter. Follow the same format as If you are typing a letter. If it is to a friend, it can be informal, if it is to a manager, it has to be more formal.

### *Attach A File To A Message*

✓ Click the Insert File button on the Message toolbar, **OR** 

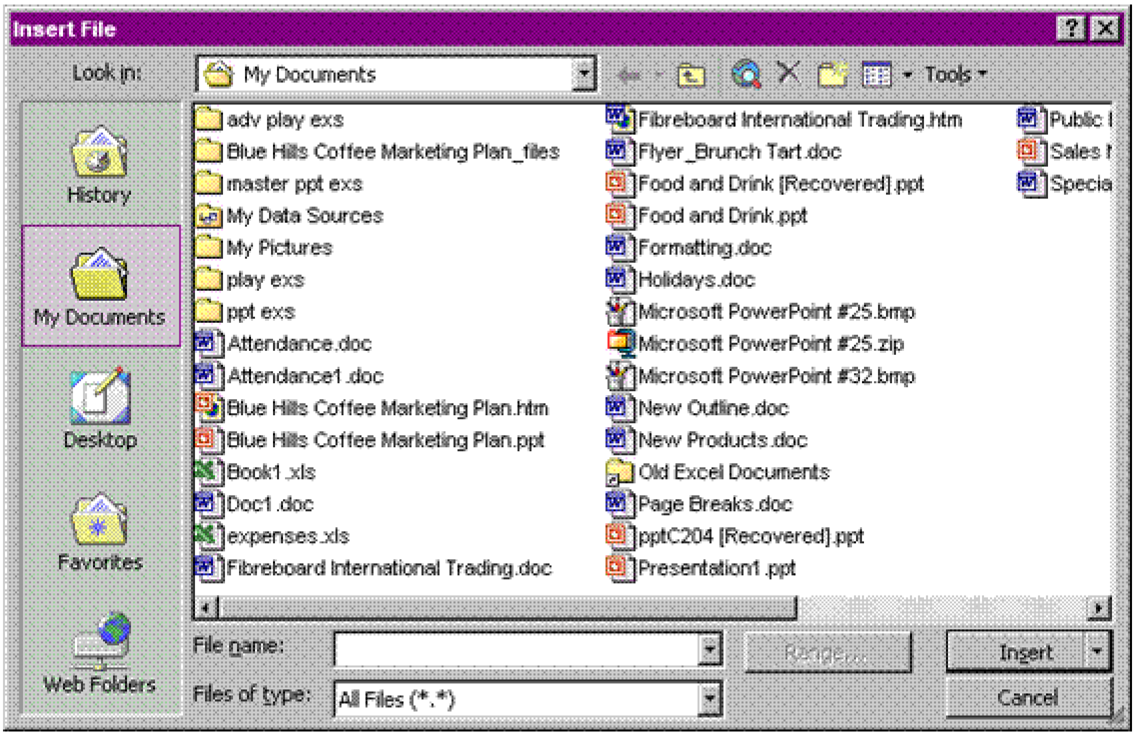
✓ Select the Insert, File menu. The Insert dialogue box will be displayed. Ensure that the Files of type text box is set to All Files. This way you will see all the files that are available.

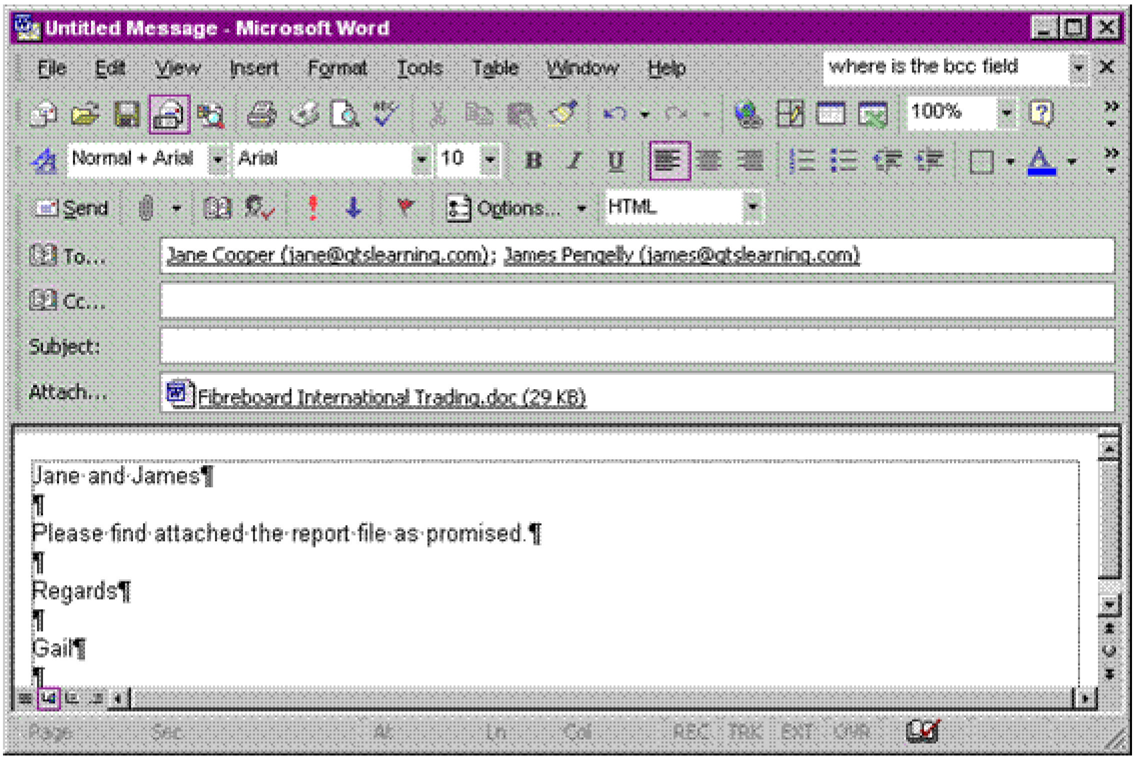
✓ Browse to select the file you want to insert and then click the Insert button in the dialogue box. You will usually find the file that you want to attach in the My Documents folder.

✓ You will see the file attachment in the **Attach...** box underneath the Subject: box.

✓ If you attached the incorrect file and want to delete the attachment, click the attachment icon in the **Attach...** box and press Delete.

✓ To attach more files, follow the same procedure for each file.






## Activity 3 (Use of technology)

## Activity 4 (SO2, AC1-6)

# TRAVEL, CAR HIRE AND ACCOMMODATION

## *Outcome*

Make travel, car hire and accommodation arrangements

## *Assessment criteria*

- ✓ Travel, car hire and accommodation requirements for all attendees are determined
- ✓ Suitable accommodation is secured and bookings confirmed in writing
- ✓ Car hire facilities are identified and confirmed in writing
- ✓ Travel arrangements are made and all necessary documentation forwarded to the attendee
- ✓ Invoices relating to travel, car hire and accommodation are processed
- ✓ Any relevant advance disbursements for travel, car hire or accommodation are processed

For this section, we will be using a different case study.

Your organisation needs to have a meeting in Cape Town with four employees attending it, and the organisation is based in Johannesburg. You have arranged the venue and caterers to give lunch, sent out the notice which the relevant employees have signed for etc. Now you need to arrange travel to the airport, car hire in Cape Town, flights and accommodation.

The best would be for all the employees to gather at the organisation and travel to the airport together from there.

Do research assignment on the following:

✓ Find a bus service that can collect four employees at Kyalami Business Park in Johannesburg and take them to O.R Thambo airport. Find out how much that will cost, and ask them to send you a quote.

✓ Find the cheapest Business Class airline tickets from Johannesburg to Cape Town on Wednesday, to arrive in Cape Town no later than 11:00am, since the meeting starts at 14:00pm, to return to Johannesburg on Friday afternoon at about 18:00. Make a note of the flight information including the cost, the procedure to book the tickets and how the payments are done.

✓ Find a car hire company that can supply a car large enough for four people and their luggage from Wednesday to Friday. The car will be collected at the airport in Cape Town on Wednesday and returned to the airport on Friday. Make a note of all the relevant information including the payment options and procedures if you were to really hire the car. (Don't though, remember it is only an exercise)

✓ Find luxury accommodation for the four employees for two night's stay close to the V&A Waterfront area. Request the price as well as information about the rooms and other services offered, such as laundry, etc. Also find out the procedure to make payments.

Compile all this information in a report that you would hand to your superior prior to booking.

Write a notice to all four employees who will be attending the meeting. Remember to include the time they will be collected from the business park, the flight times, the car hire information and the accommodation details. Share your information with your facilitator and peers.

# Process Invoices

Depending on the size of the organisation, invoices or quotes are usually authorised by the finance department. Once authorised, you can process the invoices for payments.

Smaller companies usually have a company credit card that they use for payments such as bookings etc. If you have access to the credit card, you can pay the relevant companies and then the receipts should be sent to the bookkeeper.

As you would have found in your research assignment, one of the obstacles to overcome when booking airline tickets is that you have to pay with a credit card if you are booking online or on the telephone. It is the only way to secure your ticket; otherwise you have to get to the nearest outlet of the airline you have decided to use for example SAA and pay the tickets cash.

**Note: Even if you pay the entire trip in cash, it is very important to hand the receipts over to the finance department or the organisation's bookkeeper. Ensure that whoever receives the receipts signs to acknowledge that they have received them**

# Road Maps

Road maps can be countrywide, for a specific region or for a specific city or town. It stands to reason that countrywide road maps will only show major roads such as national roads (freeways), major provincial routes, minor provincial roads, etc.

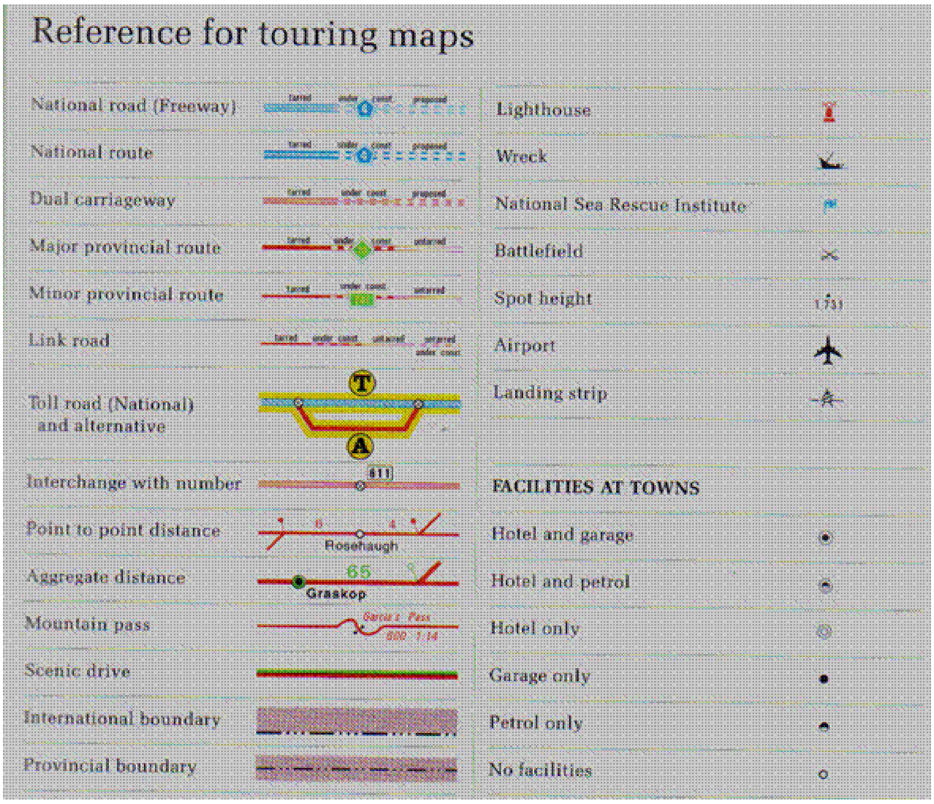
National roads or freeways are indicated with the colour blue, major provincial roads with a thick red line and minor provincial roads with a thin red line.

Each map will have a legend explaining the colour coding of the roads, the signs and other relevant information.

The legend below, taken from the Reader's Digest Book of the Road, has the following information:

| | |
|---|---|
| National road | National route |
| Dual carriageway | Major provincial route |
| Minor provincial road | Link road |
| Toll road | Interchange with number |
| Point to point distance | Aggregate distance |
| Mountain pass | Scenic drive |
| International boundary | Provincial boundary |
| Lighthouse | Wreck |
| National Sea Rescue Institute | Battlefield |
| Spot height | Airport |
| Landing strip | A legend giving details about facilities available at towns |

Of course, there is more information than quoted above.




**Handout 9**

All road maps typically divide the area into sections, which are called pages. At the back of the map, you will find an index to street names, as well as an index to suburb names. Once you have the address of the place you want to go to, you look up the street name(s) in the index, where you will find the following information: page number and grid reference numbers. The grid reference numbers are quoted numerically for longitudinal references and alphabetical for latitudinal references:

If you are looking for Ben Steyn Street in Boksburg West, the references will be quoted as follows:

| | | | |
|---|---|---|---|
| Ben Steyn Street | Boksburg West | 113 | DV 124 |
| Street | suburb | page | grid ref |

If we look at page 1 of handout 9, which is also page 1 of the road map of the Witwatersrand, issued by Map Studio, 12th edition, you will find a full explanation of how to use the road map.

## Reference panel

At the top is an explanation of the reference panel found on the top of all the pages of the map. This map, incidentally, divides the Witwatersrand area into pages from 2 to 207, in total 206 pages, and covers the following area: from Midrand in the north, Nigel in the west, Randfontein in the east and Lenasia in the south. This is a very large area, that is why 206 pages are necessary to give a detailed and readable road map.

## Key plan

The key plan is a plan of all the pages that cover the entire area, an example is found on page 4 of the handout, included to give you an example of a key plan.

## GPS coordinates

The GPS (Global Positioning System) coordinates are quoted at the top and bottom of the pages. The GPS system is based on the Cartesian coordinates. The grid lines are at an interval of half a minute, which makes it easy to work out co-ordinates on the map.

## Index

There is an explanation of how to use the index pages.

## Grid reference system

An explanation, also quoted above, of how the grid reference system works.

## Legend

Once again, a legend that explains the colour coding of the roads and the symbols used in the maps.

There is also an indication of the scale of the map, in this case 1:20 000 (one to twenty thousand). Next to the scale indication is a scale legend, which gives you an indication of distance of the map compared to actual distance. In our map, every 5mm equals 100m or 1cm equals 200m.

# Activity 4 (Mapwork)

# Activity 5 (SO3, AC1-6)

# DISTRIBUTE DOCUMENTATION

## *Outcome*

Identify a date, venue and time for a meeting or event

## *Assessment criteria*

✓ Deadline date for receipt of documentation from contributors is established according to agreed time frames.

✓ Documents are assembled, copied and collated.

# Deadline For Receipt

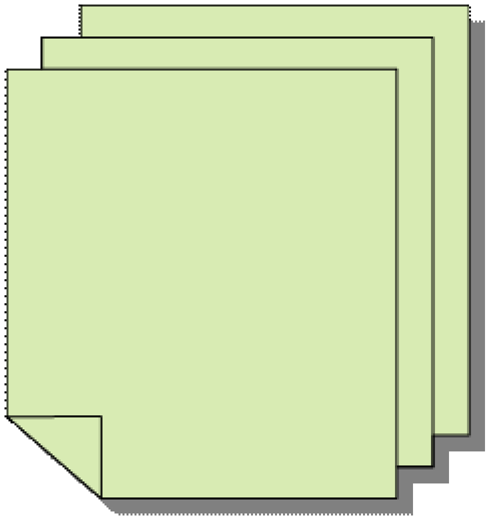
As mentioned before, you need to hand the receipt over to the relevant parties in your organisation. The only thing that was left out is arranging a time that you can expect the receipt from the relevant organisation. You need to make it clear to them that if you pay online or via telephone, that you need the receipt **as soon as possible.** Not only for financial reasons, but these types of things are quite easy to forget, so try to settle the entire matter in one go. Make the booking, confirm the booking, pay the booking, get the receipt, hand over the receipt and get the person who you hand it over to be it the finance department, accounting department or a bookkeeper, to sign that they have received it.

# Assemble, copy and collate documents

Before you hand over papers (and have recipients sign for them) it is a good idea to copy them first so there is a spare copy, and you have a copy to file for record purposes.

Once you have copied all the documentation from the caterer, venue, flight tickets to the rental car; collate the documents according to the system your organisation uses.

A suggested way to do this is to arrange the documents in sequence of contact for example:



- ✓ First will be the quote from the venue
- ✓ Second will be the deposit papers such as your copy of proof that you have paid, such as a printed page if you have done an electronic payment and then the receipt that you received from the venue, stating that you have paid the deposit.
- ✓ Third will be the event planning with the relevant party from the venue
- ✓ Fourth will be the final payment. Your evidence as well as the receipt you received from the venue.

Once you have collected all the paperwork, you can file it.

## Activity 6 (SO4, AC1-4)

# VISITORS

## *Outcome*

Oversee the reception of visitors

## *Assessment criteria*

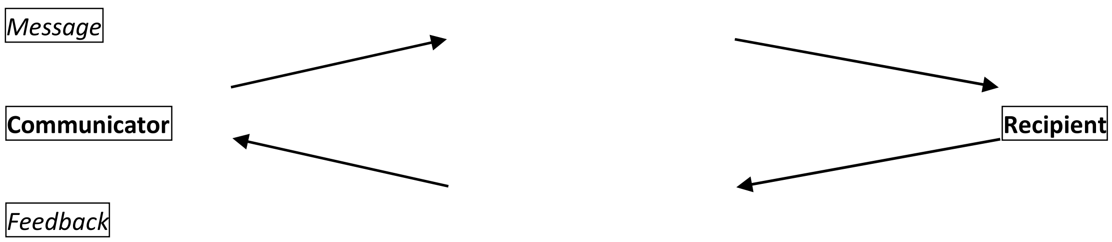
- ✓ Receive visitors according to the organisational standards.
- ✓ Process all documents/deliveries according to organisational standards.
- ✓ Identify areas of non-conformance note and record them for possible remedial action.
- ✓ Communicate areas of improvement to incumbents

# The communication process

**DEFINITION OF COMMUNICATION**

***"Human communication is the process whereby meaning is created between two or more people."*** **(Tubbs & Moss, 1994)**

## The Communication Process




Communication is the interaction between at least two people, the communicator and the recipient. There can, however, be more than one recipient, like an audience listening to a speech or watching a movie.

### *The Communicator*

starts the communication process by conveying a ***message*** about what he feels, thinks or believes about a matter that he wishes to share with others.

The ***message*** is that which the communicator wishes to convey to others by way of communication and can be used by the communicator to attempt to persuade someone to his way of thinking or it can be an idea, thought or feeling that the communicator wishes to share with others. This message needs to be communicated in some form, for while the message remains a thought in the communicator's mind, it cannot be received or interpreted by a recipient.

### *The Recipient*

receives the message, interprets it and reacts. This reaction is called *feedback.*

***Feedback*** is not always verbal, but can also be conveyed by means of other reactions e.g. applause after a good performance, joy after receiving good news or even a bloody nose after insulting someone.

### *The Medium*

To quote the trusted Oxford dictionary once again, a medium is .."a means by which something is communicated or achieved." We can divide media into these groups:

- Those used in **intrapersonal communication.** As we will see later, this is communication where the communicator and recipient are the same person i.e. yourself. The medium that carries intrapersonal communication is the nervous system. It carries information from the senses to the brain. The brain interprets the information and sends information back to the body to react.

- Those used in **interpersonal communication.** This is when there is personal contact between the communicator and the receiver and interaction is immediate and constant. Examples can include speech, personal or telephonic, listening, looking, sign language, touch, body language, etc.
- The media that carry **works of communication.** This includes memos, letters, books, newspapers, magazines, reference manuals, etc. where the information is stored in the form of any of the above. This information can then be accessed at the receiver's leisure. A feature of this form of communication is that there is record of the communication and can be referred to again in future.
- The **mechanical and electronic media.** Radio, television, intranet, internet, e-mail, sms's, etc. are examples of this form of communication. Once again, there is record of this form of communication.

You need to use the **medium of communication best suited** for what you are communicating to whom, to be an effective communicator. When you inform someone of a meeting you send him a memo or e-mail, so that there is record of the communication. He cannot now say that he was not informed of the meeting.

## Determine The Emotional State Of The Other Party

### *Verbal Communication*

Much of your emotional state is reflected in the way that you speak. The tone, pitch, pace- and volume of your voice may determine how a listener will interpret what you are saying.

By controlling these vocal characteristics you can become a more effective speaker:-

The ***tone*** is the sound of your voice e.g. bright or deep, and expresses your feeling or mood.
A bright tone will indicate feelings of excitement, joy, etc. while a deep tone will indicate feelings of placidity or sorrow.

***Pitch*** is determined by the tension on your vocal cords, i.e. how high or low your voice sounds. Generally you will speak at a high pitch when excited or scared and at a lower pitch when relaxed. You can often judge a driver's ability to drive safely by the pitch of his passengers' conversations (if any).

The ***pace*** or speed at which you speak can also be influenced by your emotional state. When you are telling someone that you have won the Lotto you will talk much faster than when you are telling him that you cannot attend a major sporting event.

You need to adapt the ***volume*** of your voice to the environment. Factors such as:

- ✓ being indoors or outdoors,
- ✓ number of listeners in a room,
- ✓ the size of the room,
- ✓ background noise and
- ✓ availability of amplification will determine the volume at which you speak.

The volume of your voice can also indicate whether you are excited or relaxed, angry or friendly.

When communicating with others you must always be aware of these characteristics.

By actively listening to what the other person is saying, and the way in which it is said, you can determine his emotional state and thus prepare yourself as to what you are going to reply and how you are going to do it.

### *Active Listening*

Paying attention and focusing on what the speaker says and comparing that to your own experiences.

Active listening is a <u>**skill**</u> and is as important as giving orders in obtaining results.

- Give your full attention to what is being said.
- Make sure that you really understand.
- Listen between the lines.
- Look for non-verbal clues.
- Mentally summarise and evaluate objectively.
- Be empathetic.
    - Determine whether he expects: guidance, support, motivation, action or silence.

**What Makes A Good Listener?**

This is actually a question of feedback. Good listeners use a variety of non-verbal and minimal cues to keep the other person talking. These include the use of phrases such as:

- ✓ "Yes"
- ✓ "I understand"
- ✓ "And then what"
- ✓ "Tell me more"
- ✓ "If I understand you correctly…"

Although the above illustrates how your natural reactions to different states of emotion can influence the manner in which you speak, it must be mentioned that you can intentionally alter some or all of these factors to enhance what you are saying.

Do not to overdo such variations as this might have exactly the opposite effect on what you are trying to communicate.

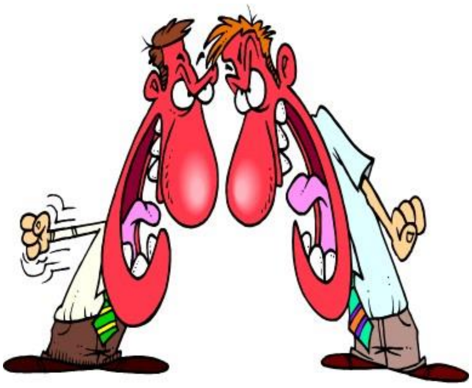
When communicating with someone else you must always strive to do it as **naturally and evenly** as possible. Be yourself!!

## *Adjust Own Tone, Pitch And Volume*

It is a fact of life that during interaction with others, at some stage or another there is going to be some sort of conflict. This may be due to a variety of reasons.

When dealing with any listener it is important to adjust your own tone, pitch and volume of your voice to reply to both verbal and nonverbal messages in such a way so as not to offend the listener in any way.

A satisfied listener thanking you for going the extra mile will normally speak in a relaxed and friendly manner, using warm tones and speaking at a moderate pitch and pace. It is easy and pleasant to reply to this listener's messages as there is no aggression or threatening behaviour from his side and there are not many variations in the verbal and nonverbal messages he is communicating and therefore you can conduct a relaxed conversation.



Dealing with an irate listener is slightly more complicated as he is upset about something and his emotional state can change at any time.

Such a listener must be handled carefully and considering and using the following simple guidelines can assist you to do this successfully.

✓ Acknowledge the conflict – speak in a neutral tone and pitch and beware not to be drawn into a shouting match as this will only serve to aggravate the situation. DO NOT ARGUE AND DO NOT TELL THE LISTENER NOT TO SHOUT AT YOU!!

✓ Listen actively – be aware of verbal and nonverbal cues as to the emotional state of the listener. Talking rapidly at a high pitch and tone, vigorous hand gestures and fidgeting will indicate irritability.

✓ Reply with empathy – when dealing with an irate listener you don't fight fire with fire. Let the listener experience your empathy by speaking calmly even if he is excited. Do not raise your voice although you might feel irritated yourself. Allow him to voice all his frustration and be ready with suggestions for a workable solution to the problem. Keep the discussion issue-orientated and don't get personal.

## Extract The Main Idea From Listener's Verbal Communication

It is essential to have a clear grasp of what the listener's needs are so that you can address those specific needs and not waste time on irrelevant issues as this can further aggravate your listener.

In order to achieve this you need to create an atmosphere that is conducive to listening.

- ✓ Maintain eye contact to indicate sincerity.
- ✓ Also use nonverbal cues such as a nod of the head to indicate that you understand what is said. This will

make it easier for the listener to continue and focus on the issues at hand.

✓ Repeat the main issues to show the listener that you are taking notice of what is said and that you are committed to finding a solution to his problems.

✓ Focus on these issues and make notes to help you remember them.

✓ By summarising what the listener said in your own words will indicate to the listener that you are paying attention. It will also help clarify any misinterpretation of what the listener said and assist you to concentrate by actively involving yourself in the process.

## Ask Questions

Often the listener will not reveal all the details of what a problem is. It is then necessary to determine the full extent of the matter by asking relevant questions to clarify his need. Make sure that these questions are to the point and can once again be summarised in your own words to express understanding and commitment.

## Provide information in response to a listener's request

### *Clarify Appropriate Information In Plain Language.*

As we have seen, some people use jargon and slang during communication. When this happens it is important to clarify this information by expressing it in plain language and ensuring that you know exactly what is meant thereby.

It is also important that you check with the listener that the listener understands what you are saying.

### *Check The Listener's Interpretation Of The Information*

An open-ended question asks for more than a simple "yes" or "no" answer and forces the recipient to elaborate on his answer.

These questions normally begin with "who", "what", "where", "when", "which" or "how". Use such questions to ensure that the listener understands what you are communicating.

### *Describe and Explain a Range Of Relevant Options.*

Once the problem has been identified and understood by both parties it is time to formulate and agree upon a workable plan of action to resolve the matter at hand.

Suggest a range of possible relevant options to achieve this. You can also ask the listener for his/her opinion on how to solve the problem. This lets the listener feel that he/she is part of the process and will usually help to calm the listener down.

The options that you suggest should always be in line with company policy. Many companies have specific ways in which specific situations are handled and any suggestions you make must always be in line with this.

HiFi corporation, for example, do not give cash refunds. They have what is called a carry in warranty, meaning that the listener takes the faulty product back to them and they will then have the product replaced or repaired. You cannot then tell the listener that he will get his money back, because it's not going to happen and will irritate the listener even more.

### *Reach Consensus On The Most Viable Option*

When the options have been discussed and understood you and the listener must agree on which option is the best in the circumstances.

Once you and the listener have agreed on the best course of action, you then have to agree to an action plan on how the issue will be resolved. Included in the action plan should be the following:

- Date of the discussion with the listener
- Sate the problem/s or issue
- State the action plan: who will do what
- Follow up dates: when will follow up be done.
- Follow up procedures: what will the procedure for following up be: will you phone or write the listener, when will the listener do this or that, when will your organisation do this or that.
- Who in your organisation will be responsible for the follow up?

- And any other relevant information.

## *Outline The Proper Procedure To Be Followed*

After reaching consensus on which plan of action to follow this plan of action must be outlined and discussed with the listener step by step.

The plan must outline all the responsibilities of both parties as well as deadlines when different steps need to be completed.

If necessary, a letter or e-mail should be sent to the listener as confirmation of the discussion.

## Record The Main Idea And Supporting Details

It is good practice to make rough notes of the main ideas during communication.  This will enable you to recall these main points at a later stage.

Rough notes will usually take the form of a summary and you do this while talking to the listener.

Always also ensure that you check your summary with the listener.  You can say something like: “Can I make sure that this is the problem you want resolved…” and then you quote the problem/s from your notes.

Types of summaries:

- Paraphrasing: when you rewrite something using your own words.
- You can summarise in point form.
- When you are summarising a big piece of text, you will make use of headings and sub-headings. This manual is an example of using headings and sub-headings to break a big piece of text into smaller pieces.
- Another method of summarising is using a mind-map.

## *Record Accurate File Notes*

From your rough notes you should record a detailed and accurate version of what was said and decided for future reference, giving all the relevant details.  This can be done manually or by using your word processor.

This would normally be in the form of an internal memo, which would include all the details of the communication with the listener:

- Date
- Problem/s
- Action plan
- Follow up dates
- Follow up procedures
- Who is responsible for the follow up
- Feedback to and from the listener
- And any other relevant information

The record of the transaction can also be in the form of a report or even a form designed by the company for the purposes.  The procedure will depend on the organisation you work for.

What is important is that you are the first contact with the listener, so it remains your problem: you have to ensure that

- The action plan is followed,
- That the dates are diarised,
- That the follow up procedures are followed correctly
- That the responsible people actually do what is required of them
- And that feedback is given to the listener.

# Receive Visitors

In this section we will be looking at the importance of the way that visitors or clients are received on arrival at an organization. This happens in the reception area.

The reception area is normally the area where you enter the premises of a business. It consists of a desk or counter, a telephone or switchboard, most of the time a computer, fax machine and then of course a receptionist. The person behind the desk. This is the place where you normally have the first contact with the business or organization.

Isn't it wonderful to arrive somewhere and receive a warm welcome? If we look at the example of a supermarket, what do you expect of the cashier that is helping you? If the cashier is rude and unhelpful, chances are good that you wont return to that supermarket. Have you ever walked into a reception area where they are busy vacuuming right under your feet? Did you find it irritating? Another experience would be to walk into a reception area where the receptionist and an employee is talking to each other and both ignore you, or you walk in and the receptionist is picking her nose. This behaviour is unacceptable and you will probably feel irritated immediately. I'm sure you weren't interested in what she wanted to find in her nose.

The same applies in your work place.

Reception is one of the most important areas for any business. It forms a very big part of the face of the company or organization. It is guaranteed that if the receptionist is rude, clients are not going to be satisfied with the service rendered.

Normally there is a company policy in place to instruct employees in the standard procedures of receiving visitors or clients.

Here are a couple of things that you should keep in mind when greeting a visitor who is entering the reception area:

✓ It is very important to make eye contact with the person entering the reception, so that they know you are aware of their presence. Even if you are busy on the phone, you should get up and acknowledge the person entering the reception or at least give a signal along with eye contact.

**This is not the expression you should have!**

✓ The second thing to do would be to greet the client, in a **friendly** and **well-conducted** manner. If you were working at Stanford, for example, it would go something like this:

**It is not a good idea to ask the person or client entering how they are doing on first contact. The person is most probably there for information on the organisation or to do business with the organization, not to have a friendly conversation on a personal level with a receptionist.**

**{You}**: Good day Sir/Madam, welcome to Stanford College. How may I assist you?

**{Client}:** Good day, I would like to see someone in connection with the courses that Stanford presents

**{You}:** That would be Mr./Ms. (suppose the persons name is) Huygen. She is the Training Manager. Would you give me a moment to see if she is available?

**{Client}:** Sure.

**{You}:** (connecting to Ms. Huygen) Ms Huygen, there is a client here who would like some information on the courses we present. Can I send him through? (Suppose Ms. Huygen is available)

**{You}:** Ms Huygen can see you now Sir. She will be here momentarily to show you to her office. Would you like to take a seat?

**{Client}:** Yes, thank you

(Once the client is seated)

**{You}:** Would you like something to drink Sir? I can offer you tea or coffee.

**{Client}:** I would like some coffee, thank you.

**{You}:** How would you like your coffee Sir?

**{Client}:** With milk and one sugar please.

**{You}:** I will bring your coffee now; Ms Huygen will be here momentarily to see you.

(You go of to make the coffee, Ms Huygen escorts client to her office)

**{You}:** (politely knock on the door) Here is your coffee Sir. Is there anything else I can do for you?

**{Client}**: No, I am fine. Thank you.

✓ While you are having a conversation with the client, it is very important to pay attention to your demeanor, meaning your outward behaviour or bearing. As I mentioned before, eye contact is **very** important! **Always** look at the client or visitor when talking to him or her.

✓ When you ask the client what they need and they reply, give them some information, like in the dialogue above tell them what the name of the person is that they are going to see and what their position or status is. It is nice for the client to know who they are going to see, and puts the client in a professional light when meeting Ms. Huygen if he knows her name. This improves your service.

✓ When you offer the client something to drink, **always** tell them what is available so you don't place them in an uncomfortable position. Always make sure that you know what is available so you are not embarrassed when you made an offer and have to come back and tell the client you cannot give him coffee because there is no milk.

| |
|---|
| **ALWAYS SMILE AND BE FRIENDLY! EVEN IF THE CLIENT ISNT, OR IF YOU ARE IN A BAD MOOD. IT IS NOT THE ORGANISATION'S PROBLEM, NEITHER IS IT THE CLIENTS!** |

If you treat visitors or clients in this manner, you can never go wrong. It is professional and the way it should be done in every organization.

Now, not all clients are going to be as friendly as the one in the dialogue above. You will at times come across difficult (as I like to call them) clients.

The most important thing to always keep in mind when dealing with such a visitor is to **stay calm!** Don't be rude to the client, no matter what he or she says or does. It will not always be easy, but you have to try. Unfortunately you don't know what kind of a day the client has had when he/she arrives at your organisation. They could have been in a car accident or had their car stolen for all you know and it is therefore part of your job to either make that client's day better, or not to make it worse. If you are rude to a difficult client, the organization might lose potential business and you will be the one that ends up at the short end, because you will be in trouble with your superiors for being rude to a client.

If, and only if the client is unhappy about something that happened between the client and your organization, it is part of you job to try and find out what the problem is and if there is anything you can do to help resolve the problem. It is important to do so in a calm way. Speak to the client in a calm tone of voice, even if he is rude. Don't push too hard to find out what is wrong. If the client wishes to speak to someone in a higher position, try and get them to the relevant person as soon as possible. It is important not to agitate a visitor like this even more.

If the problem is not between the client and the organisation it is best left alone.

# Process Documents/Deliveries

We will break this section up into 3 sections:

✓ Receiving and forwarding faxes.

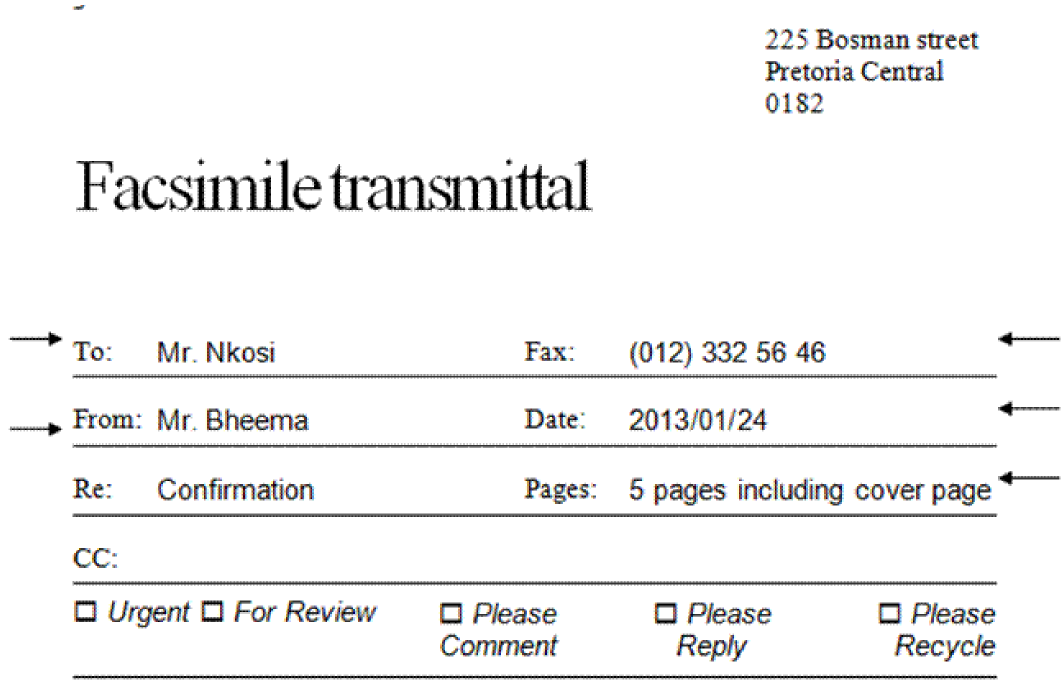
✓ Receiving and forwarding documents.

✓ Receiving and signing for deliveries.

## Faxes

If you are working in the reception area, you will need to receive deliveries, documents and faxes. It is very important for you to see to it that the relevant person receives their documents or delivery without delay.

We will look at faxes first. A fax normally has a cover page. The cover page will contain the following information



225 Bosman street
Pretoria Central
0182

# Facsimile transmittal

| | | | |
|---|---|---|---|
| To: | Mr. Nkosi | Fax: | (012) 332 56 46 |
| From: | Mr. Bheema | Date: | 2013/01/24 |
| Re: | Confirmation | Pages: | 5 pages including cover page |
| CC: | | | |

☐ *Urgent* ☐ *For Review* ☐ *Please Comment* ☐ *Please Reply* ☐ *Please Recycle*

✓ The To: block will contain the name of the person the fax is for.

✓ The From block underneath is the name of the person who sent the fax.

✓ The Re: block is the subject of the contents that you will find in the fax.

✓ The Fax block is the number that the fax is being sent to.

✓ The Date block is were you will find or insert the date of the day the fax is sent.

✓ The pages block will contain the amount of pages that is included in the fax. This block is very important since faxes often get cut of in the middle of sending it, so when you receive in this case only 2 pages, you would have to phone Mr. Bheema's office an ask them to send the other three pages again.

✓ The blocks right at the bottom is where you can mark whether the fax is Urgent, For Review, Please Comment, Please Reply, Please Recycle.

This cover page is an example of a standard cover page. Others might have some different information on them.

It is customary for organizations to have some type of mail delivery system in place. Normally this would be pigeon holes. Pigeon holes look like a cupboard, but instead of having shelves, it is divided into sections normally big enough to contain A4 size paper, the standard paper size used in most businesses.

Each pigeon hole is marked with a person's name, and naturally their mail, faxes, general notices, circulars and letters go in there. It is almost like having a post box at work.

It is your duty to deliver the incoming faxes and messages to the relevant person's box. There are some complications, though. It often happens that the person does not receive the fax, or for example forgets to reply on the fax. They would then shift the blame to the receiver of the fax and say you never passed it on. The way to solve this is for you to start a book where you write down every fax that you receive and pass on. When you hand the fax over to the relevant person, make them sign your book. It could save you allot of trouble.

## Documents

When you receive documents, whether by mail, hand or delivery it is important to see to it that the person it was meant for receives it **in time**. These are things you need to look at: how urgent is the document and making it a priority to get it to the relevant person on time.

If the document is only a receipt it will probably be part of your job to file it. Almost every organisation's filing system is different. When you start working at a new organisation, it is very important for you to familiarise yourself with the filing system, since you will probably be the one working with it. With something like a receipt you may have a section in a receipts file for the relevant provider like ITEC, for example. They deliver five boxes of paper and give you a receipt; you will file it with the rest of their receipts under the divider with their name.

## Deliveries

In reception it is most likely that you will have to receive some deliveries as well.

When the delivery is made, it is important for you to see to it that the delivery is made at the correct address, and that the delivery is for a person who is at the organisation. Incorrect deliveries happen quite often.

When you receive the delivery, especially when it is an order that was placed, you need to make sure that the contents of the delivery is correct. An example would be if someone at the organisation ordered 5 boxes of copier paper, and the provider delivers ten. You would have to check with the person who placed the order before signing for it. If you sign for an incorrect order the organisation will be liable to pay for the extra paper that has been delivered, and you will be in trouble.

# Non-Conformance And Remedial Action

In reception possible areas of non-conformance could be :

✓ When a client is waiting for the person they would like to see for an appointment and the person who the appointment is with takes a long time to receive the client

- ✓ The person who the appointment is with forgets the client is there,
- ✓ The tea is not brought to the client in an acceptable amount of time, or is not served at all.
- ✓ The client is waiting for something like copies and it takes too long.
- ✓ The cleaning lady doesn't clean reception properly.

It is totally unacceptable to let any client wait. Clients have to be served fast, efficiently, and in a friendly manner. Clients waiting would be non-conformance and you will have to address this in a very serious and urgent manner.

A good way to address this would be to start a book at reception where you write down complaints. Pass these complaints on to the office manager or to the person you report to, to address these problems.

It is also a good idea to have a questionnaire for the client to complete. Here's an example of such a questionnaire:

| **Name:**<br>**Date visited:** | **Yes** | **No, if no please give a reason** |
|---|---|---|
| Question: | | |
| Were you received in a friendly manner | | |
| Were you helped quickly at reception? | | |
| Did the person you wish to see receive you in less than 5 minutes? | | |
| Were you offered something to drink? | | |
| Did you have to wait for the beverage? | | |
| Is the reception area in a clean and neat condition? | | |

# CONSULT VISITORS

## *Outcome*

Ensure that visitors are consulted according to organisational requirements

## *Assessment criteria*

- ✓ Consult visitors as per company policy.
- ✓ Identify areas of non-compliance, note and record them for remedial action.
- ✓ Identify remedial actions and present them for implementation.

# Consult Visitors

If you look at the Oxford English dictionary the meaning for the word consult is:  seek information or advice from.

This means you will need to have the correct information when a client approaches you.  Clients should not be sent from one person to another and yet another employee to get the information they need. It is very frustrating for the client and is poor service which reflects negatively on the company.

As you can see, you will have to get to know the company you are working for, their products, policies and the relevant people to send a client to for the right information. Normally when you start working for a new company, you undergo induction training where the company familiarises you with the policies and the way they would like things done. Induction training would vary depending on the company you work for. If you work for a car manufacturing plant your induction would include extensive safety training, while an investment broker would only show you things like the fire drill along with the policies and who is responsible for which tasks.

As a receptionist you will have to know what the functions and business of the company are, even if you don't do the consultation. If a client visits the company and no consultants are available to help the client, it will be a great advantage for you, the client and the company if you are in the position to give the client basic information.  Not only will it give a good impression but it will also benefit the company.

If you are the receptionist and need to help a client when no one else is available, it is very important that you receive your client quickly and in a friendly manner. You need to know exactly what it is that the company is selling. The information that you give the client has to be exact and correct.

Some of the standard procedures would be:

- ✓ Greet the client in a friendly manner
- ✓ Introduce yourself and tell them what your title is
- ✓ Ask the client what they need so that you are sure to give them the correct and relevant information
- ✓ Once you have given the information to the client, ask them if there is anything else they need
- ✓ Be sure to get the contact details of the client, including their name and surname, a telephone number, fax number and an email address.
- ✓ Make a note next to the clients information reminding yourself what the conversation was about so next time you see the client, you can pick up on the conversation where you left of.  This will make the client feel like they are getting personal attention and that the business they bring you is of importance.

# Identify Non-Compliance

Areas of non-compliance in this case would be:

- If you don't have the relevant information to give to clients when asked;
- Consultants are constantly unavailable.
- Clients are not treated in a friendly manner
- Service is too slow

If nobody is available to attend to the client, take a message for the relevant person, make sure they receive the message and then follow up to make sure that the client has been contacted by someone from the organisation.

If you are in a position where you are thrown in at the deep end, and you don't have the relevant information when a client asks you, you need to ask your superior for induction training. It is quite important for a receptionist or consultant to constantly know what is going on so that incorrect information is not passed to a client.

You would do this by giving your office manager or superior a request for induction training.

If consultants are not available and clients have to wait, you can make some suggestions to your superior, such as appointing more consultants or maybe having two people at the reception desk.

# Remedial Actions

If clients are not treated in a friendly manner it is a **serious** problem! If you find that clients are not being treated in a friendly manner, it is not be a good idea to confront the person or persons yourself. The behaviour and unfriendly service is most probably due to a stressful working environment or employees not getting along, so you could land in a fight and only agitate the other employees even more. Normally a company would have a kind of quality control form that you can fill in. Sometimes the form is anonymous, others are not.

On this form you would record the events and make suggestions of how you think the situation can be resolved. A good suggestion in this particular case would be for all staff members to go on a teambuilding session, and the staff who are in contact with clients should go for customer service training to refresh them on how a client should be treated.

You can present this form to your superior or quality control officer. It is a good idea to follow up your suggestion, so that you can see your superior is taking the situation seriously, and also to find out if they are going to implement your suggestion or take another course of action.

Don't take it personally if your suggestion doesn't get used. The company would probably have a good reason for not using the specific suggestion or not implementing a solution immediately.

## Activity 1 (communication; SO1, AC1-4; SO2, AC1-3)

# MONITOR SATISFACTION

## *Outcome*

Monitor visitors' satisfaction

## *Assessment criteria*

- Monitor Visitors` satisfaction at pre-determined intervals.
- Obtain feedback from visitors on their satisfaction.
- Evaluate and analyse feedback to determine satisfaction levels.
- Take necessary steps to improve the level of satisfaction.

# Monitor Visitors` Satisfaction

When you receive visitors at an organisation it is **very** important that they are treated well and that service should be of the highest standard.

The first time that you would ask a visitor if they need anything else would be when you give them whatever it was they wanted to drink. It should be easy to see if the client is still satisfied. It is a good idea to ask a visitor regularly if they need anything, but don't ask too much either.

Do not interrupt a meeting to find out if the client is still happy. You should rather wait until the meeting is over.  Then you can find out how the client found the entire visit.

A very nice way to monitor visitor satisfaction is questionnaires. The questionnaire should be short and to the point so as not to waste the client's time. There is an example earlier in this module of such a questionnaire.  Lets look at it again.

| **Name:**<br>**Date visited:** | **Yes** | **No, if no please give a reason** |
|---|---|---|
| Question: | | |
| Were you received in a friendly manner | | |
| Were you helped quickly at reception? | | |
| Did the person you wish to see receive you in less than 5 minutes? | | |
| Were you offered something to drink? | | |
| Did you have to wait for the beverage? | | |
| Is the reception area in a clean and neat condition? | | |
| Comments: | | |
| | | |

You have to give the client enough space to write the complaint, if they have one. You also need to leave a space for additional comments at the bottom of the questionnaire so that the client can write a good comment if they found that the service was of high standard and enjoyed the visit. You would give a client a form like this as soon as they are done with the business that they had at the company.

# Evaluate and analyse feedback

Now that we've taken a look at a simple questionnaire, we can design a more complicated one. Below you will find an example of a more complicated form.

| **Name:**<br>**Date visited:** | **Always/ Yes** | **Sometimes/** | **Never/ Not at all/ No** | **Reason** |
|---|---|---|---|---|
| Question: | | | | |
| Were you received in a friendly manner | | | | |
| Were you helped quickly at reception? | | | | |
| Did the person you wish to see receive you in less than 5 minutes? | | | | |
| Were you offered something to drink? | | | | |
| Did you have to wait for the beverage? | | | | |
| Is the reception area in a clean and neat condition? | | | | |

I suggest you use a similar type of form for analysis to find out what the general feeling is about the service at the company. Below you will find a table you can use to do the analysis.

Let's say you have 10 forms, you will take all ten forms and count the answers for each question and fill in the answer in the form on the next page.

| **Name:**<br>**Date visited:** | **Always/ Yes** | **Sometimes** | **Never/ Not at all/ No** | **Reason** |
|---|---|---|---|---|
| Question: | | | | |
| Were you received in a friendly manner | 9 | 1 | | |
| Were you helped quickly at reception? | 10 | | | |
| Did the person you wish to see receive you in less than 5 minutes? | 6 | 4 | | |
| Were you offered something to drink? | 10 | | | |
| Did you have to wait for the beverage? | 4 | 1 | 5 | |
| Is the reception area in a clean and neat condition? | 10 | | | |

By doing this you can quickly get the results of the average feeling about the service. In this case it is clear that something should be done about the time in which the clients receive their beverages. 4 out of 10 clients said yes they had to wait. This means that 40% of the clients are not happy about the time it takes to get their beverage.

Take necessary steps to improve the level of satisfaction. Now that you have the results of the survey, you can discuss it with your supervisor. By doing your survey this way you are not stepping on any toes in the office and management can clearly see that there are some areas that need attention. Once your superior has take the necessary steps to improve service in these areas, you will be the first one to pick up the difference with the next 10 or so clients who fill in the forms.

# Coaching skills

At times it will be necessary to coach someone in order to get the desired performance. Following these steps will help you:

# The coaching process

- Coach demonstrates the task.
- Trainee practises carrying out the task.
- Coach gives feedback and reviews progress.

## Demonstrate The Task

You as the coach have to **demonstrate** a task in a practical manner by:

- Explaining the task in appropriate language whilst demonstrating it
- Pacing the demonstration to match learners' needs
- Ensuring the demonstration of the task complies with standard procedures.

Furthermore, as part of the demonstration you have to explain the elements of the task to be performed by

- Ensuring the explanation of the task is sequenced in a series of logical steps explaining the importance of the task in relation to the broader context
- Establishing the required standards for the task by means of example.

## Trainee Practices Task

Ensure that you provide appropriate opportunities for a learner to practice skill and knowledge by

- Ensuring that tasks are sequenced in a logical manner
- Ensuring tasks are appropriate to learners' needs
- Checking learners' understanding of the task
- Modifying task instructions according to learners' needs
- Providing supplementary information to learners to reinforce key learning points
- Orientating learners to the availability of resources

While the trainee is practicing, you have to provide support and advice in relation to the task:

- Nurture the learner
- Redirect the learner when he/she is not meeting required performance standards

Then you also have to handle conditions which may occur due to unforeseen circumstances, in keeping with health and safety regulations.

## Coach gives feedback and reviews progress

You must assess the learners' competence:

- Evaluate the learners' competence by means of progress evaluation and remedial actions
- Assess learners' competence to perform the tasks without help
- Provide feedback on his/her progress to the learner

Identify the learning gap and possible coaching opportunities for individuals and groups by defining learner performance gaps against the workplace standards.

# How To Give Effective Feedback

- Make your feedback **specific** – related to behaviour
- Consider your **timing**, either before the event in the form of advice, or immediately after as constructive (positive) feedback or reinforcement.
- Consider the **needs** of the person receiving the feedback as well as why you are doing it. Are you "dumping" or genuinely attempting to improve performance or the relationship.
- Focus on **behaviour** that can be improved.
- Focus on the **problem** not the person.
- Define the **impact** the performance/behaviour has on the team, the business, the individual.
- Use **"I" rather than "you"** statements to reduce defensiveness.
- Ensure **clear communication** has occurred.
- Give feedback in a **calm** way, not allowing emotions to influence your language, tone or body language**.**

| **Positive Feedback** | **Negative Feedback** |
|---|---|
| ■ Praise the learner immediately after the incident has occurred.<br>■ Be sincere.<br>■ Be specific about what he / she did right / well<br>■ Be clear about the effect it has had on you, the team or generally at the workplace.<br>■ Tell the learner how you feel about it.<br>■ Pause so that the learner may respond.<br>■ Encourage the learner to do more of the same if appropriate.<br>■ End discussion on a warm note.<br><br>**Golden Rule**:<br>Ensure that positive reinforcement is given to learners **timeously** (immediately after the praise-worthy action). | ■ Do not evaluate the incident, be specific and descriptive about the problem.<br>■ Encourage the learner to self – evaluate the problem.<br>■ Reprimand immediately after the incident has occurred or unacceptable behaviour shown.<br>■ Do not attack the learner's personality.<br>■ Do not use threats or intimidatory tactics.<br>■ Do not reprimand in front of others.<br>■ Describe the effect the problem has had either on you, the team, or the workplace in general.<br>■ Solicit commitment from the learner of the need to change the behaviour or resolve the problem.<br>■ Seek a workable solution from the learner and jointly agree on the way forward. |

# BEHAVIOUR IN A BUSINESS ENVIRONMENT

## *Outcome*

Know how to behave in a business environment

## *Assessment criteria*

✓ The dress code of an organization is described and an indication is given of what is regarded as acceptable and unacceptable dress in a particular work environment.

✓ The behaviour of three peers in a business workplace is observed and assessed against the recognized parameters of appropriate behaviour in a specific professional environment.

✓ Positive listening skills are demonstrated and an indication is given of the potential consequences of displaying negative listening skills.

✓ Regulations regarding smoking in the workplace are explained with reference to both legal requirements and established policy.

✓ A Company Code of Good Conduct is understood and explained and an indication is given of the consequences of non-compliance.

✓ The concept of a work ethic is explained with reference to the responsibility and accountability of the individual.

# Dress code

Dress code includes many things, such as hair, makeup, hygiene etc. This section will cover all of it.

## Personal Hygiene and Grooming Skills

Personal hygiene is extremely important but also sometimes a very sensitive subject.

Have you ever worked with someone or stood in a queue behind or in front of someone with an unpleasant body odour? Chances are you didn't have a very good impression of that person and will connect that person to this specific event every time you see him or her again.

To avoid leaving an impression like this on someone else, you should follow the following steps:

✓ Because we live in a very warm climate, it is important to **Bath Or Shower Every Day,** even in the winter since you still sweat and get into contact with germs in any environment. This will greatly reduce your chances of getting ill and of having a bad odour. It also improves and shows neatness on yourself which is very important to an employer. Be sure to choose soap that is compatible with your skin so your skin doesn't get irritated.

✓ If you have Ethnic hair, wash your hair at least once a week and Caucasian hair should be washed every second day.

The image you present at work is a reflection of your attitude to your job. Looking groomed and polished is an indication that you're serious about what you do. Follow these useful hints and look good all day with the minimum of fuss and effort.

## Hair

It is for a good reason that hair is said to be "woman and man's crowning glory". There would appear to be little purpose to making your face up beautifully, dressing immaculately and then having the entire image spoiled by a messy, unruly, unclean or simply unflattering hairstyle.

A good hairdresser will be able to advise you as to what styles will suit your face shape and age. However, what needs to be remembered is:

✓ Hair should always be neat and clean.

✓ Dyed roots are unsightly and need to be touched up regularly, the same counts for braids that have grown out.

✓ Hair on the face is not professional and should be tied back during office hours.

✓ A hairstyle should be chosen for the ease with which you will be able to keep it looking good.

✓ Use good hair products if you want your hair to look good at all times.

## Teeth

In times of escalating costs and poor medical aids, it is tempting to visit the dentist only when you have a problem. However, this is inadequate as bad teeth are an indication of a lack of self-pride and if you have no pride in yourself, what will you take pride in? Also, there is nothing more unpleasant than halitosis and thus, you should carry a breath freshener with you at all times. If feasible, keep a toothbrush and toothpaste hidden somewhere in the office.

If you know that you are due at an important meeting or that you will be dealing with people in a fairly "close up" position – resist the temptation to indulge in garlic the night before – there can be nothing more image killing than bad breath.

## Nails

Our hands are on show almost constantly and thus, they should also always look good. Long talons are not professional and neither is garish nail varnish. A good French manicure is often best and the easiest to maintain. Treat yourself to a manicure by a professional so that you can see how it is done! Keep hand cream close by and use it regularly so that your handshake is a pleasant experience.

## Perfumes, aftershave and deodorant

This is another very costly business. However, there are many “clones” on the market that are acceptable and that can be used to great effect. If you have not been told lately how good you smell, then it is time to change your fragrance. Do remember that you do not need to knock anyone out with your perfume – this is suffocating!

## Dress Code

Each organisation has a specific dress code that can vary from formal to semi-formal to casual. The dress code is usually determined by the type of customer the organisation has.

Typically, a dress code is determined by what you expect your customers to wear. If your organisation deals mainly with customers on a high level, such as cabinet ministers, CEO’s, managing directors, and so on, the dress code will be formal.

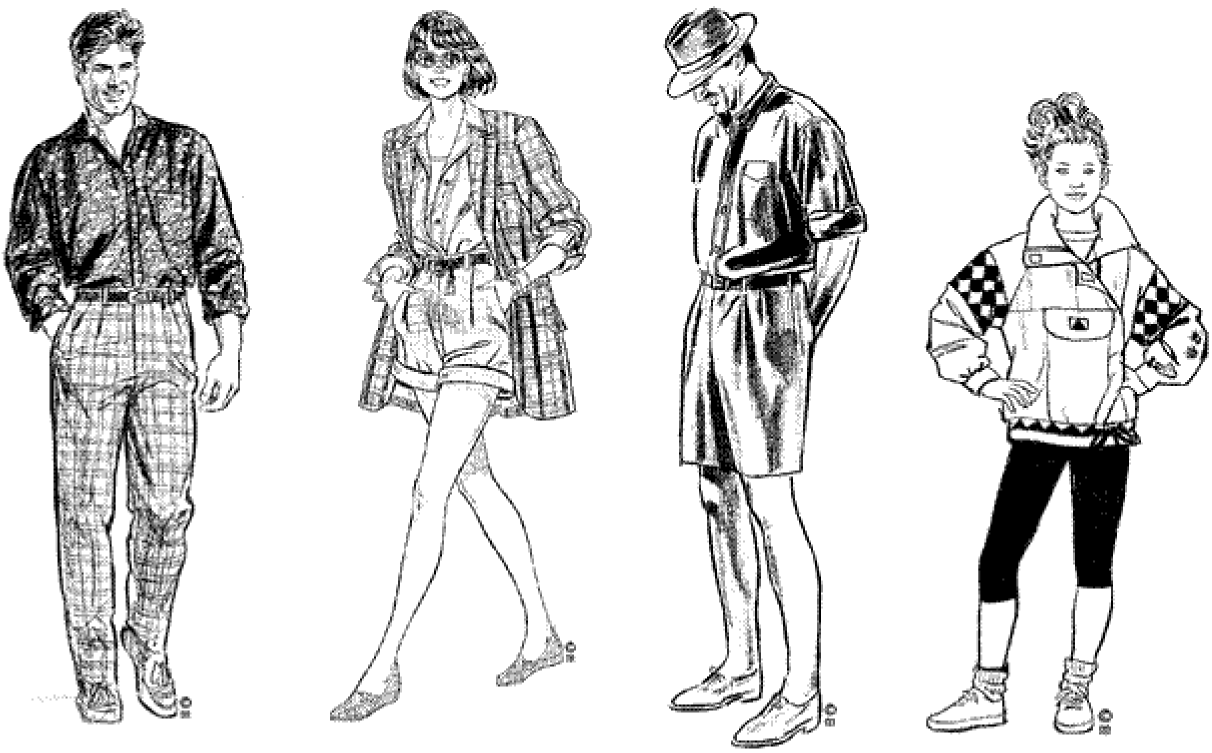
Formal dress for the office means a suit and tie for men and professional suits, stockings and formal shoes for women. No T-shirts, denims and tekkies, very short mini dresses, clothes that leave the navel bare or where underwear shows will be allowed – these are very casual clothes.

There is a trend towards more informal dress today, a sort of dress code between formal and casual. This code is sometimes called semi-formal. Semi-formal dress for men at the office would be a neat pair of trousers, a shirt with either long or short sleeves, but without the jacket and tie. Women can also wear skirts and blouses or dresses, with or without stockings and more comfortable shoes.

Informal is also called casual wear and would include denims, golf shirts and more casual shoes.

The way you dress at home is not allowed in the office:

- ✓ Scruffy T-shirts
- ✓ Shorts
- ✓ Very short mini skirts
- ✓ Tekkies
- ✓ Sandals
- ✓ Clothes that do not fit properly, such as overlarge trousers or shorts that leave part of the underwear exposed
- ✓ Clothes that leave the belly button (navel) open
- ✓ Clothes that show too much cleavage (women) or hair on the breast (men)



**Remember the rule: dress the way you expect your customers will be dressed, or one step above how your customers dress. In other words, if your customers typically dress casually, your dress will be semi-formal.**

**Then you must ensure that your clothes are always**

- ✓ **washed and fresh**
- ✓ **Ironed**
- ✓ **Without stains.**

# The Code of Conduct In The Workplace

The Code of Conduct will set up agreed rules about how employees in the organisation must behave. Even cabinet ministers have a code of conduct that they must adhere to.

The Code of Conduct is a declaration of the ethical principles, organisational values and acceptable behaviour expected from all employees and managers in the workplace.

Most organisations implement mission, vision and value systems to reinforce positive behaviour and to create a sense of belonging for the workforces. Examples of company values are: openness, fairness, accountability and responsibility, honesty etc.

This Code of Conduct is intended to assist employees and managers to identify and resolve ethics in the workplace.

Most organisations are diverse workforces with different relationships to one another. These relationships may be based on power or status and it is therefore imperative that all employees and managers respect the rights and responsibilities of others.

The relationship between accountability, responsibility and business ethics in the business environment is usually encapsulated in the business's **Code of Conduct**, a document outlining the core values and practices that the business ascribes to:

Examples of topics usually addressed by codes of conduct:

| | |
|---|---|
| Preferred style of dress | Avoiding illegal drugs |
| Following instructions of superiors | Being reliable and prompt |
| Maintaining confidentiality | Not accepting personal gifts from stakeholders |
| Avoiding racial or sexual discrimination | Avoiding conflict of interest |
| Complying with laws and regulations | Not using the business's property for personal use |
| Not discriminating against race or age or sexual orientation | Reporting illegal or questionable activity |
| Abiding by working hours | |

The code of conduct of a company may be stated very simply. The former aircraft manufacturing giant McDonnell Douglas had a corporate ethics policy which simply stated that employees should be **honest and trustworthy** in all relationships. Other organisations have highly complex codes of conduct which address many areas of possible employee behaviour.

# Professional behaviour

Things that are not included in a Code of Conduct, but are expected from anyone working with customers and regarded as professional behaviour include:

## Maintaining a positive attitude while you are at work

Moaning about your job or your boss to other employees or customers is VERY unprofessional and creates a bad image of the company. If someone is moaning all the time, it also makes other employees negative – so be positive, smile and look on the bright side.

## Keep other departments informed

Another aspect of professional behaviour is keeping your colleagues, supervisor and other departments informed about what you are doing, especially regarding work in progress. If another employee or department is waiting for you to finish your job, TELL THEM about the progress and how long it will take. They cannot read your mind and if you don't tell them, they will not know. For example, If the job is going to take another 3 hours or 2 days, tell the people who need to know. This way, they can plan and schedule their own work rather than wait for you to finish, because they do not know that there is a delay.

## Working hours

If your working hours require you to start work at 08:00, this means that you should arrive at work at about 07:45, to give you time to use the toilet, get some coffee and greet your colleagues before you start work. This way, you can actually start at 08:00.

Only unprofessional and lazy people arrive at work at 08:15, then wander around getting coffee, greeting colleagues and using the toilet and eventually start work at 08:30. You have just stolen 30 minutes from your employer, and I suppose you now want to take your full lunch hour as well!

The same applies to returning late from your lunch break, or leaving early – you are a criminal, stealing from your employer.

Furthermore, because you are not doing a full day's work, your colleagues have to do more work in order to meet production targets and meet deadlines – so you are also stealing from your colleagues.

## Absenteeism

Staying off work when you are not really ill is also unprofessional. When you are not at work, someone else has to do their own work as well as yours and this is unfair.

Professional people do not stay away from work unless they are really ill or to take their annual leave. What would happen if doctors, pharmacists, lawyers, dentists, nurses and other professional people just stay away from work? It would inconvenience you, would it not?

Obviously, the same applies to you. Sick leave should not be taken if you are not ill. One day, when you are really ill and need to use more than your allocation of sick leave, your employer will look at your sick leave record and will not accommodate you. You could end up losing your job or having to take unpaid leave.

Years ago, long before you were born, employees fought hard for the right to be paid when they were sick, so don't abuse the privilege.

### Leaving your workstation

You should only leave your workstation when you absolutely have to. Do not leave your workstation to chat to someone else or to do private business – that is what lunch hours are for.

When you leave your workstation you disrupt the workflow of the entire department and this could lead to losses for the company, less increases or even job losses – hopefully you will be one of the first to lose your job if this happens, since you are the cause of the mess.

All professional people and people who make it to the top have excellent work ethic – they will do more than is required, work longer hours than required in order to get to the top – you should do the same.

Take pride in your work, even if you don't like your work very much. Remember, if you don't work, you don't eat – it's as simple as that.

No successful person ever reached the top without working very hard to get there. If you want to reach the top, you have to do the same.

### Leave

As is the case with sick leave, you must not abuse your leave. The purpose of leave is to give you a decent rest period before tackling work again for the next year. If you abuse your leave, you will not have this rest period and you may even get to the point where you have no leave left and any days off will be taken as unpaid leave.

### Confidentiality

Every organisation has matters that are confidential, such as your salary, client's details and information of their transactions. Do not gossip about confidential matters – you could lose your job if you are found out.

Another confidential matter is an organisation's production processes, what their products are made of, what their turnover and profits are, etc. Other companies would like to know, but it is not their business is it? Don't share this information with others, it could lead to the closing down of your company and you could lose your job.

Gossiping about confidential matters of other employees such as marital problems, their HIV status, etc. is also not done by professional people.

### Accountability and responsibility

You are responsible for doing your job right the first time – this is what you are paid for. Do not blame others when you make a mistake – take responsibility for your actions, because you are accountable to management for what you did wrong.

All successful people take responsibility for their actions and are willing to be held accountable for mistakes. This is one of the reasons that they are successful, because they don't hide from their mistakes or blame someone else. Only politicians do this, but we can vote them out if we choose.

# Listening Skills

The most important thing to bear in mind when you think about your listening skills isto always remember that you cannot hear what is being said when you yourself are talking.

We have TWO ears and ONE mouth: use them in that order, in other words, listenmore than you talk.

The importance of listening skills should not be underestimated. The words that people use give us clues as to the concepts and criteria that are important to those people, and these can only be explored through listening.

## Levels of Listening

When others speak, we listen at one of five levels:

**Ignoring:** Making no effort to listen.

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| |

**Pretend listening:** Making believe or giving the appearance you are listening

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**Selective listening:** Hearing only the parts of the conversation that interest you

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**Attentive listening:** Paying attention and focusing on what the speaker says and comparing that to your own experiences

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|---|
| |

**Empathetic listening / Active listening:** try to discover what the other person really means and feels from his or her point of view

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People who listen at the first four levels often pursue personal motives. People who practice the fifth level of listening, empathic listening, try to discover what the other person really means and feels from his or her point of view.

## Active Listening

Is a **<u>skill</u>** and is as important as giving orders in obtaining results.

✓ Give your full attention to what is being said.

✓ Make sure that you really understand.

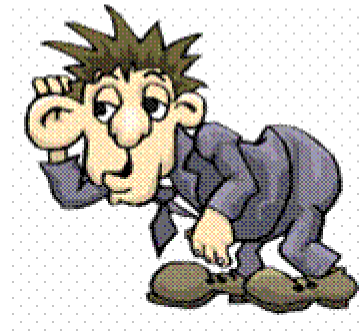
✓ Listen between the lines.

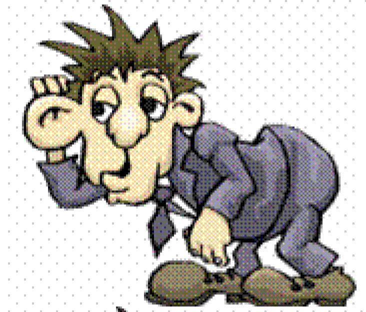
✓ Look for non-verbal clues.

✓ Mentally summarise and evaluate objectively.

✓ Be empathetic.

✓ Ask searching questions and stay with them until the replies satisfy you





✓ Restate the speaker's points as you understand them, forcing him/her to clarify cloudy areas

✓ Do not respond, or continue to make non-committal responses until the speaker develops his argument more specifically

✓ Paraphrase the speaker's words, exposing the hidden cultural assumption and/or feelings of superiority.

✓ Ask questions that will bring the discussion back to the basic conflict of interests if this is being blurred.

✓ Take notes and ask the speaker to repeat phrases that are not clear

Listening should be active, not passive. There are several ways in which listeners can exert control in a discussion and prevent more powerful, educated or argumentative speakers from dominating the negotiation.

**What makes a good listener?** This is actually a question of feedback. Good listeners use a variety of non-verbal and minimal cues to keep the other person talking. These include the use of phrases such as:

- ✓ "Yes"
- ✓ "I understand"
- ✓ "And then what"
- ✓ "Tell me more"
- ✓ "If I understand you correctly…"

**In addition good listeners also use a lot of the following**:

⇨ Use the 66:33 rule, that is, they **listen for 66% of the time** and **only talk for 33%** of the time
⇨ Use acknowledgement: they give **verbal recognition** that they have heard what the talker has said
⇨ **Show interest**, that is, they use non-verbal means to show they are engaged
⇨ **Ask more than they tell**, that is, they use open questions to gain information without specifying the answer.

**In particular, the listener should mindful of the following**:

✓ **Do not interrupt** the protégé and let him or her explain in his own words.

✓ Let the speaker feel that you are **listening** to his or her point of view.

✓ Listen attentively and **look** at the person while he is talking.

✓ Try to put yourself in the mindframe or shoes of the speaker. Don't use your frame of reference in understanding his or her problem. **Try to understand his side of the problem**

✓ Constantly **reconfirm** that you are still listening. Words such as "yes" at the right time may reconfirm your attention.

✓ **Never** let the speaker get the idea that you are in a hurry and just want "to get is over."

✓ **Interpret** the needs of the speaker and outline the possible solutions. A problem requires a solution and the correct solution to the speaker's problem is a sure indication that you have listened.

## *Improve your listening skills*

1. **Stop talking**: You cannot listen if you are talking.
2. Put the talker at ease: Help a person feel free to talk, create a permissive environment.
3. Show a talker that you want to listen: Look and act interested. Do not read your mail while someone talks. Listen to understand rather than to oppose.
4. Remove distractions: Don't doodle, tap, or shuffle papers. Will it be quieter if you shut the door?
5. Empathise with talkers: Try to help yourself see the other person's point of view.
6. Be patient: Allow plenty of time. Do not interrupt a talker. Don't start for the door or walk away.
7. Hold your temper: An angry person takes the wrong meaning from words.
8. Go easy on argument and criticism: These put people on the defensive, and they may "clam up" or become angry. Do not argue: Even if you win, you lose!
9. Ask questions: This encourages a talker and shows that you are listening. It helps to develop points further.
10. **Stop talking**!: This is the first and last, because all other guidelines depend on it. You cannot do an effective listening job while you are talking.

**Surveys show individuals listen about 25% of the time.**

**You recall only 50% of what you hear when you actually listen.**

**70% of all misunderstandings happen because people do not listen to each other.**

**If we do not upgrade our listening skills we increase the potential for conflict to occur.**

What can we do? Focus on developing the following will go a long way to building good working relationships and minimising misunderstandings.

✓ Focus on what the speaker is saying.

✓ Be patient and let the speaker finish what he/she is saying.

✓ Be open-minded about what the speaker is saying – draw your conclusions only when the speaker has finished talking.

**Two men were walking along a crowded sidewalk in a downtown business area. Suddenly one exclaimed, "Listen to the lovely sound of that cricket!" But the other could not hear. He asked his companion how he could detect the sound of the cricket amidst the din of people and traffic.**

**The first man, who was a zoologist, had trained himself to listen to the voices of nature, but he did not explain. He simply took a coin out of his pocket and dropped it on the sidewalk, whereupon a dozen people began to look about them. " We hear," he said " what we listen for."**

# Work Ethic

## A Definition Of Ethics

By definition, ethics concerns itself with what is **morally good or bad** and what is right or wrong.

The word ethics is derived from the Greek word *ethos*. Ethics deal with the morality of persons as individuals and also that of groups of individuals. Ethics assess not only what people are seen to be doing, but also examines what they think is right, fitting and just.

People are often judged by what **they do or are seen to be doing**, but their actions do not necessarily reflect their **thoughts or feelings**, or what they are often saying.

People often act within the context of **traditions and customs**, but, and this is important, ethics always involve 'reflective evaluation', that is, a serious thought process takes place before action takes place. **In other words, individuals like to feel that what they do is right, just and/or accepted as correct.**

## Ethics In The Workplace

**Work ethic is the attempt to do business in a fair and just way**. It is the willingness of an individual to work for his own benefit as well as the benefit of the business.

Some organisations have an official code of ethics, which also provides for punishment of members who are guilty of violating the code. The fact that a code of professional ethics normally exists in many organisations, does not mean that organisational goals are automatically reached. A code of ethics is often there to remind people of their obligations to the public, organisations and society in general.

Historically, there are several examples of codes of ethics being set for professional groups. Some such examples include medical doctors, lawyers and other legal professionals, ministers of religion and accountants. An old example is the application of the Hippocratic Oath to doctors. This code was first administered during the time of the Greek physician, Hippocrates, and requires all doctors to pledge themselves to the preservation of human life and the service of humanity on the whole. Apart from the medical profession, several other organisations today prescribe a code of ethics and professional conduct in order to enhance the prestige of the organisation and to preserve honestly and good service.

## Ethical Rules

Ethical rules are the rules according to which an individual decides if his behaviour and the behaviour of other people, are good or bad. Although these rules form part of the individual's personal view on life, they are influenced greatly by the people with whom the individual associates.

Thus for example, the individual at an early stage in his parent's home learns what is good and what is bad. His church and friends and school furthermore influence the individual when deciding what is good and what is bad. It may be bad for one person, for instance, to spit in public, while another person may not think twice about doing it. A person may feel it is good to pray every evening before going to bed, while another person is not worried about the matter of praying.

Everything a person does is either good or bad according to his own ethical views. Usually people try to do what is good according to their ethical views. A professional criminal may reckon it is alright to rob other people of their possessions. Other people - and especially the victims whose possessions were stolen - may think otherwise.

What is important is the following: If an individual breaks his own ethical rules, his conscience will punish him. In other words, he punishes himself The person feels bad, and his conscience bothers him. If he continues breaking an ethical rule, he will eventually not feel bad any longer - in this way a person's ethical rules change.

Values have always shaped a person's beliefs, and ethics should be concerned with moral rights and wrongs -particularly in the context of a person's obligations to the society in which he lives. Ethical rights and wrongs cannot be regarded as inflexible from age to age, because they have a tendency to change with the passing of time. It was accepted as morally defensible to own and treat slaves as commodities just over 200 years ago.

Today, slavery in nearly all countries in the world is illegal and it is looked upon as morally wrong.

An individual, belonging to different cultural group, finds it very difficult to determine another person's ethical code. First and foremost, it is a personal thing, and we tend not to discuss it until some or other crisis demands that we show where we personally stand.

## Ethics is the way in which we go about doing business

Organisational ethics reflect a code of behaviour the public expect of organisations. Society is now expecting more from organisations. The ethical forces are summed up in the term "social responsibility".

These forces demand that companies:

- ✓ Be more honest and less secretive in their dealings with society,
- ✓ That they go beyond their legal obligations,
- ✓ That they do not market products which contain an unknown degree of risk,
- ✓ And that they refrain from activities which waste scarce resources, or pollute or irreparably damage the environment.

These days organisations must accept responsibility for the welfare of society. In other words, it must accept greater responsibility for possible harmful effects of its products.

The consumer must be provided with more and better information regarding the total market offering. By an increased emphasis on communication, the organisation can provide the consumer with useful and reliable information, thereby ensuring that the consumer is better informed.

Another dimension is the authority within which the organisation operates. Should it try to evade its responsibilities by, for example, disregarding prevalent moral and ethical values, it may provoke a reaction in the form of legal or legislative action.

Consequently, it can happen that a manager's code of ethics can have a considerable influence on many aspects of the organisational life of a business - from making decisions on internal matters to his behaviour outside, with clients especially, and also with other members of his community.

## Ethics In Business

Business ethics generally means knowing what is right and wrong in the workplace – and then doing what's right.

Business ethics deals with the moral issues that can arise as a result of certain business practices.

For example: at times a company may be well within its rights legally to undertake a certain course of action, but if that action can be detrimental to people or the environment, the company is morally obliged to investigate alternative courses of action.

## Unethical Practice

- ✓ Bribery - these lead to unlawful access, fraud and theft.
- ✓ Loose talk - the leakage of confidential information.
- ✓ Industrial espionage - staff give assistance to offenders either under pressure or for payment.
- ✓ Invoice fraud - the amounts which are owing to the creditors are fictionalised or they are inflated.
- ✓ Product fraud - poor quality products are released on to the market.
- ✓ Advertising fraud - misleading or invalid claims are made for the products.
- ✓ Favouritism - the staff are promoted on the basis of favours, gifts and nepotism. Contracts are fraudulently granted.

- ✓ Encroachment upon and penetration of confidential information systems. Stealing of computer time for one's own benefit.

From the above it can be seen that the **greatest threat to the organisation comes from within** when the conditions are supposed to be normal. Waste, accidents and errors take a large bite out of the profits of the organisation.

## Good Work Ethics

These elements of the work ethic apply to all those working within an organisation and this ethic must be witnessed by that organisation's clients.

- ✓ Employees must be **honest** with and loyal to clients.
- ✓ The concept of the work ethic ties in closely with the concept of total **quality** management. A good work ethic will also result in high productivity.
- ✓ **Pride**. This type of pride does not refer to arrogance or ego. It comes from the self respect that comes from achieving or accomplishing. Being and doing one's best gives one the right to be proud. Managers need to create a work environment where people are empowered to achieve positive results. People also need to be given the freedom to do their best and to be treated in such a way that they want to give their best.
- ✓ **Loyalty**. Successful organisations have loyal employees. These employees are motivated to always carefully consider the interests of the organisation. This loyalty should not however be a blind loyalty and employees should still be free to question decisions.
- ✓ **Honesty.** Someone who is honest is truthful, law abiding and incorruptible. Dishonest people lie, cheat and steal.

Certain ethical norms and behaviour standards should therefore be adhered to.

- ✓ Do not accept any bribes whatsoever or enter into unlawful transactions in any way.
- ✓ Do not overcharge customers, or give any discount or free travel, which is a violation of company policy.
- ✓ Do not make any false promises.
- ✓ Do not disclose any confidential information, especially to the competition.
- ✓ Do not withhold any information that can be detrimental to the customer.
- ✓ Do not violate any laws or policies of the country.
- ✓ Treat and respect every customer as human being and with dignity and respect.

## Cost Of Poor Ethics

- ✓ Loss of trust which leads to poorer relationships and less effective team work,
- ✓ Loss of confidentiality,
- ✓ Limited communication,
- ✓ Lack of self-esteem, of commitment and less loyalty
- ✓ Loss of your/the organisation's good name

### Contributing to an ethical work environment:

- ✓ Make the decision to commit to ethics
- ✓ Recognise that you are a role model by your actions and values
- ✓ Assist others by instilling ethical behaviour
- ✓ Discuss ethical practices
- ✓ Articulate your values
- ✓ Talk to people
- ✓ Be consistent

## Unethical Behaviour

Unethical behaviour in the workplace is common and should be managed on a continuous basis.

There are more and more opportunities for unethical people to manipulate various systems in the workplace. Typical examples which can be added to the statistics are hackers who steal information from the software on computers.

### Unethical Behaviour In The Workplace

Unethical behaviour in the workplace may include the following:

- ✓ Conflict of interest;
- ✓ Outside employment and private practice;
- ✓ Breach of confidentiality;
- ✓ Acceptance of gifts and benefits;
- ✓ Discrimination against gender, race, sexual orientation etc
- ✓ And misuse of company time, equipment and assets.

## Smoking at work

Every place of work has rules and regulations about smoking at work. This is also laid down by law, where certain areas have been declared non-smoking areas. If you ignore these rules, you can be prosecuted by your employer as well as the government. In fact, the government can prosecute your employer if the no-smoking areas and rules are not adhered to.

When you smoke, you are endangering the lives of the people around you, who do not smoke.

Remember that ignoring the no-smoking regulations of your employer is an act of insubordination that can lead to disciplinary enquiry and dismissal.

DON'T SMOKE IN NON-SMOKING AREAS

There are also safety implications when you smoke near certain substances such as petrol – you could cause a fire, an explosion and, depending on the substance, extreme pollution. Ask yourself – do you really want to be held accountable for a fire, an explosion or extreme pollution?

## Activity 1-5 (SO1, AC1-6)

# BODY LANGUAGE

## *Outcome*

Interpret body language in a business context

## *Assessment criteria*

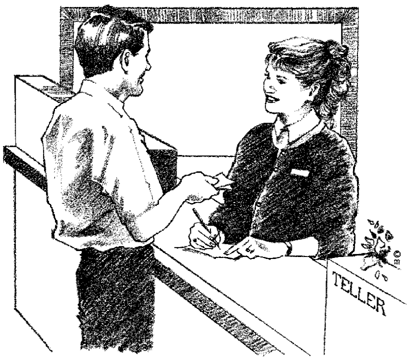
- ✓ Non-verbal communication signals are interpreted and an indication is given of how body language can reinforce or contradict a verbal message.
- ✓ The role of posture and eye contact in communication are explained with examples from a business context.
- ✓ The use of a handshake as a greeting in a business setting is demonstrated and the meanings of different handshakes used in South Africa are compared with examples of when it is appropriate to use each handshake.
- ✓ The concept of personal space is explained and indication is given of the consequences if one ignores commonly accepted business behavior.
- ✓ Behavior that could be considered as sexual harassment in the workplace is described and an indication is given of how to deal with instances of sexual harassment.

# Nonverbal Communication

There are many different types of nonverbal communication but for the purpose of this unit standard we are going to deal with nonverbal communication that directly interacts with verbal communication.

When communicating verbally you can express different feelings without even noticing or voicing these feelings. It is important that you know what these signals are and to be aware that you are also communicating these signals to the people you are communicating with. Just as important is that you recognise these signals that others communicate to you.

## Eye Contact




Much can be interpreted by eye contact or the lack thereof.

**Direct Eye Contact** and a friendly expression will indicate openness and honesty. Always look the other person in the eye and maintain eye contact to show the speaker that you are listening.

**Lack Of Eye Contact** can mean that the listener is not paying attention, is bored with what you are saying or is uncomfortable with what you are talking about. Not making eye contact can also indicate dishonesty and distrust.

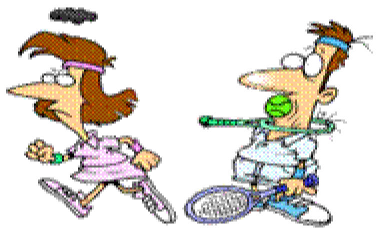
## Staring At People

may make them nervous. Make good eye contact but not for too long.

## Facial Expression.

A frown may create an uneasy or worried attitude, while a smile creates a positive atmosphere.

## Turning Your Back On Someone



could imply that you end the conversation or dissociate yourself from the situation.

## Position Of The Arms.

Folding your arms may be a sign of closing off and not showing interest in the other person, while folding your arms may also be interpreted as a sign of respect in some cultures. Arms in an open position may give the impression of openness to accommodate the needs of the customer.

## Head Movement

Head movements can reinforce yes or no. A polite nod of the head may give more warmth than a mere yes. A friendly smile may add value to the relationship. Turning your head sideways to the one direction and then to the other direction implies no, irrespective of what you are trying to say.

## Touching Your Head

Touching your head may give positive or negative signs. If you deal with a difficult problem, a touch on your head may give the customer the idea that you are concerned about him, that you think deep and that you want to solve his problem. Grabbing your head with both hands may illustrate your frustration.

## Crossing Legs

Crossing your legs or looking away while sitting may give the impression that you shut off. You distance yourself from the customer and his or her business.

## Playing with your hands, pen or other item

may give the impression that you are restless or frustrated. Try not to show any of these signs while dealing with customers.

## Talking Too Loud Or Too Soft.

Talking too loud may shut people off, or make them feel threatened. Speaking too soft may also break down a constructive conversation.

## Eating And Drinking.

As stated previously, eating and drinking while in the public or dealing with customers is not acceptable customer care behaviour.

## Sitting Or Standing.

Standing up may give an indication of respect. Remaining in a sitting position while a customer enters your office may show that you are not really concerned.

## Walking Up And Down

may create the impression of frustration or an inability to wait.

## Gestures

It is normal to make hand gestures during conversation to emphasise a point, but there are other gestures that convey your inner feelings without you making them consciously.

These include hand-, foot- and leg activity. Restless hands or shaking of the legs or feet can be a sign of agitation or nervousness.

## Making Unfriendly Hand Movements.

Showing people off with a nasty hand or arm movement may be interpreted as a sign of disrespect.

## Posture

Sitting or standing straight will indicate that the listener is alert and paying attention, while slouching in a chair or leaning against a wall or door is a sign that the listener is not really interested in what is going on.

Slouching back in a chair and chewing gum while talking to someone gives the impression that you don't care about them.

## Touch

Be very careful of this one as it can very easily be misinterpreted, especially in a working- or business environment. A hug and a "high-five" between winning team mates is an expression of victory or celebration, while stroking a secretary's neck when dictating a letter to her can be seen as sexual harassment.

## Distance

All of us need personal space and when someone else invades that space we feel uncomfortable and threatened.  Personal space is the distance between yourself and the person you are talking to.

The space between close friends or relatives will be much closer than the space maintained by a company director and a subordinate or opposing parties in an argument.

Determine what personal space is appropriate in a situation and maintain that space. Never intrude on someone else's personal space, as this will make the other person feel threatened and distract his attention from what is communicated.

Invading someone's personal space could be seen as sexual harassment among other things.  It is very important to respect someone's personal space. You wouldn't want to make your co-worker or a client feel uncomfortable around you.

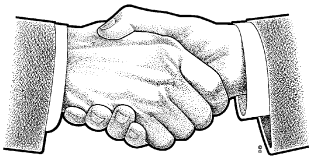
A guideline would be to keep at least 60cm between you and everyone in a business environment. (Except when you are shaking hands or it is unavoidable in a small space or crammed lift for example)

The consequences for ignoring personal space will **never** be good. You will most definitely end up in trouble.

## Handshake

This normally conveys a first impression of the person you are dealing with. A firm handshake will illustrate confidence and gets the other person's attention. Hold on to his hand a little longer than is necessary to keep his attention. A sloppy handshake will, in contrast, can be interpreted as a sign of insincerity and/or laziness**.**

The handshake that is most appropriate for a business environment looks like this:



It is formal and everyone knows it. The person whose hand you are shaking might feel bad if you do some shake that you do with your friends and they don't know all the "moves" involved in it.

## *Different handshakes in South Africa*

Hands are vital to the flavour of language. In touching or gesturing, hands add nuance to communications, making conversation exciting and textured.

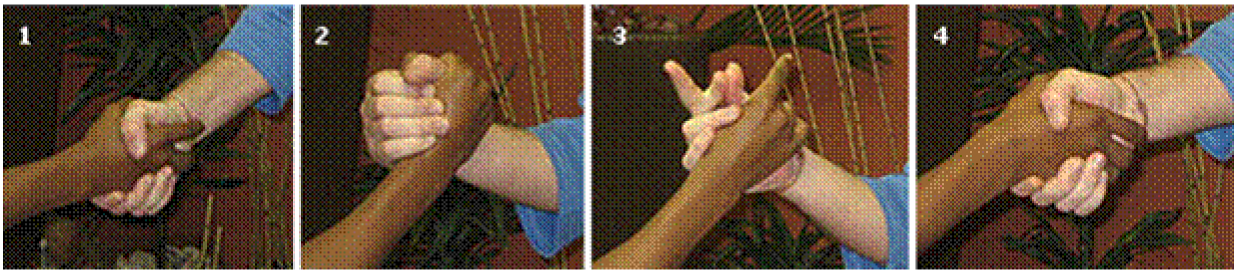
In South Africa, the handshake is perhaps the most widely accepted means of greeting. We have more than one handshake:

1. The regular handshake as illustrated above.

2. The well-known comrade handshake :a three-stage process of grip, swing palm around thumb area and grip again. (Firstly the conventional shake, then clasping thumbs around thumbs and finally another conventional handshake)

3. In Xhosa culture, deference may be shown to an elder by holding the arm beyond the wrist, while shaking hands. This traditional handshake is used when a younger person greets a senior.

4. Rastafarians forego hand clutching for a gentle touching of fists.




## *The left handshake*

There are two stories about the origin of the left handshake in Scouting. The first is simply that the left hand is closest to the heart. But there is also a much more interesting story, which comes from the Ashanti tribe itself.

When B-P entered the Kumasi, the capital city of the Ashanti, he was greeted by a warrior chief who held out his left hand. He told B-P "the bravest of the brave shake with the left hand." So began the left handshake which is used by millions of Scouts all over the world.

The explanation of the left handshake is that a warrior uses the left hand to hold the shield, while the right hand holds the spears. So to show your trust in someone, you put down the shield and greet them by holding out your left hand

### *Hands down*

If someone does refuse your hand, there may be a valid reason. In Islamic tradition, a woman may refuse a stranger's hand because she may not, at that point, make physical contact with any man.

Another nuance the new South African should know is that it is somewhat inappropriate to hand a Muslim person anything with your left hand. The right hand is reserved for eating, greeting and passing objects, while the left hand is used for matters linked to ablution.

## Sexual harassment

The following can be seen as sexual harassment:

- ✓ Touching a co-worker or subordinate inappropriately. For men, this means touching a woman's breast, buttocks or other private parts. For women this means touching a man's buttocks or other private parts.
- ✓ Touching a co-worker on a shoulder or some other body part that is not considered private, and letting your fingers stay upon that person's body too long.
- ✓ Making suggestive comments, such as:" I can show you a thing or two in bed.." or "Your breasts look nice…" and so on. You are at a place of work and
- ✓ Telling sexist jokes
- ✓ Making sexist comments
- ✓ Making derogatory comments about the opposite sex

It does not matter what the place or rights of women and men are according to your culture, while you are at work you have to adhere to the set of values that is acceptable to society as a whole.

If a co-worker touches you in an awkward manner, always stands against you or makes suggestive remarks, action must be taken.

Sometimes the situation can be resolved by discussing the matter with the person in civilised, friendly and professional way. Do not shout or accuse, simply tell the person that the behaviour is not acceptable to you. Be specific about the behaviour.

If this does not work, take steps according to the company policies and procedures.

## Nonverbal Messages

A nonverbal message can function together with a verbal message in the following ways;-

A nonverbal message **reinforces** the verbal message by adding to its meaning. Banging your hand on the table while reprimanding someone conveys a stronger message than words alone and adds emphasis to your statement and captures the listener's attention.

A nonverbal message can **complement** a verbal message when it conveys the same meaning. A greeting in a friendly tone of voice, accompanied by a warm smile will compliment your verbal message.

A nonverbal message may **substitute** the verbal message. When you arrive home and are irritable and impatient it is not necessary to tell anyone that you had a terrible day at work. Likewise a passionate hug and kiss will tell your spouse that you love him/her without you having to say it.

Nonverbal behaviour functions to regulate the flow of verbal interaction. Slight hand movements, eye contact, tone of voice, nodding of the head and other nonverbal behaviour tells the recipient to talk, repeat a statement, hurry up or finish the conversation. For example, the chairperson at a meeting uses eye contact or hand gestures instead of words to indicate whose turn it is to speak.

A nonverbal message can **accentuate** what is said. While addressing an audience a speaker may talk louder and wave his finger in the air to stress a point that he is making. Speakers at political meetings are very good at this.

A nonverbal message may **contradict** the verbal message. This happens when a speaker says one thing but does another. A new company executive about to make his first presentation to the board of directors may claim not to be nervous despite his trembling hands and sweating forehead. Contradictory cues often tell us when someone is being sarcastic or merely teasing.

## Activity 6 (SO2, AC 1-5)

# INTERACT WITH PEOPLE

## *Outcome*

Interact with people in a business setting.

## *Assessment criteria*

✓ The importance of first impressions in a business environment is explained and an indication is given of how first impressions can determine subsequent behavior.

✓ Visitors are greeted in keeping with established organizational culture.

✓ People are introduced to each other in a business like manner.

✓ Ways of closing an interaction with a visitor or customer are demonstrated for three different scenarios

✓ The importance of delivering on promises or making alternative arrangements is explained with reference to good customer service.

✓ Ways of behaving professionally when provoked or in difficult circumstances are demonstrated for three different scenarios.

✓ The importance of confidentiality in interpersonal relationships is explained with reference to company policy.

# First impressions

Have you ever heard the expression first impressions last? That expression is **Very** true!

A simple example would be if you are a lady and you see a good looking guy coming down the road, smiling and friendly, well dressed and neat. Your first impression of him would be great. If you saw the same guy in creased clothes swaying down the road with a beer can in the hand, your impression would be real bad.

Your behaviour towards a drunken guy would be dismissive and you probably wouldn't even take a second look at him. Every time you see that person, you will think "Oh yes, that's the drunk who hangs around in the streets". This however wouldn't be true if it was a neat guy. Each time you see him you would probably wave and smile, maybe even introduce yourself and think "Oh yes, here comes the hunk" or "I wonder if he's single".

The same thing happens in the business environment. Colleagues and clients wont be very impressed if your clothes aren't neat, you don't make eye contact and aren't friendly towards them.

Untidiness is a sure source of customer dissatisfaction. Customers expect us and our premises to by clean and tidy at all times.

- ✓ *Place.* Any venue or place associated with the company should at all times be neat and clean.
- ✓ *Person.* People working for the company are our ambassadors and a neat appearance is mandatory.

# Introductions

People who are in your presence and do not know each other, should be introduced to each other. We do this at home when we have guests and some visitors arrive and we should also do this at work. Customers and visitors should be introduced to employees when they come into contact with each other and new employees should be introduced to other employees and customers.

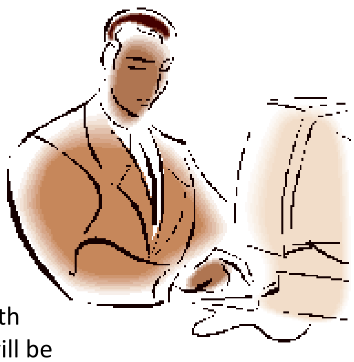
When you introduce people to each other in a business environment, it is very good manners to introduce them with some details. The dialogue below is an example of how to do this.

Leon: Sarah this is Willem, Willem is a system administrator for ABC IT technologies. It is their responsibility to ensure that our computer network is always up and running. Willem this is Sarah, she is a clerk in the finance department and has recently joined our team.

Sarah: Hello Willem, nice to meet you

Willem: Good day Sarah, same here.

# Keep your promises



Customer service has been discussed in a previous module so by now you know how important it is to have satisfied customers.

One of the most important things to keep customers happy is delivering on promises made. Have you ever ordered something and it was delivered late? It is not only irritating to the customer but bad service as well.

In cases where late delivery happens, the customer is likely to take their business to another organisation who can deliver on their promises on time.

In a case where delivering on time is out of your hands, you need to communicate with the client and explain to them why it will be late and when what ever was promised will be delivered. Try to do this in the friendliest way possible so you can keep the customer calm and not unhappy with the service.

It is always a good idea to apologise to a client about late delivery on a promise in writing. You can do this via email or post. It makes them feel as if they are important to the organisation and that the organisation is truly sorry about the late delivery.

In general it is just better to avoid late delivery. It is almost always guaranteed that a customer will be happy if whatever promises are delivered on time.

## Why Do We Lose Customers?

**Research has shown that it costs five times more to attract a new customer than to keep an existing one. We pour thousands of rand into advertising and promotion drives, and then lose the customer a short time later because of poor, uncaring service.**

The following reasons are quoted why we lose customers:

- ✓ 3% move to another area.
- ✓ 5% develop other contacts and friendships and change to another brand or supplier.
- ✓ 9% leave for competitive reasons such as price and service.
- ✓ 14% are dissatisfied with the service.
- ✓ 68% are lost due to an attitude of indifference or negligence by a member of management or staff.

It is therefore clear that keeping your promises play a critical role in securing customers.

One wrong remark, negative attitude or unwillingness to really assist, could imply a customer lost forever.

**Almost 70% of customers left the service due to staff attitude.**

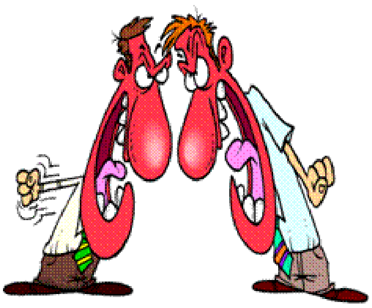
Do you now realise how critically important customer care is? You are a true kingpin in the entire operation.

**Imagine you lost half of your customers within the next month due to staff attitude. You will have no future because you have lost the lifeblood of your business.**

A customer is like the heart of the human body. Without them pulsing, there will be no life left in the company. Imagine how important your role really is.

# Professional behaviour in difficult circumstances

When you are provoked by a client or a co-worker it is sometimes difficult to keep your composure, but at the end of the day it is best to maintain your composure, no matter what the situation.



It is a fact of life that during interaction with clients or in the business environment in general, at some stage or another there is going to be some sort of conflict. This may be due to a variety of reasons.

When dealing with any client it is important to adjust your own tone, pitch and volume of your voice to reply to both verbal and nonverbal messages in such a way so as not to offend the client in any way.

A satisfied client thanking you for going the extra mile will normally speak in a relaxed and friendly manner, using warm tones and speaking at a moderate pitch and pace. It is easy and pleasant to reply to this client's messages as there is no aggression or threatening behaviour from his side and there are not many variations in the verbal and nonverbal messages he is communicating and therefore you can conduct a relaxed conversation.

Dealing with an irate client is slightly more complicated as he is upset about something and his emotional state can change at any time.

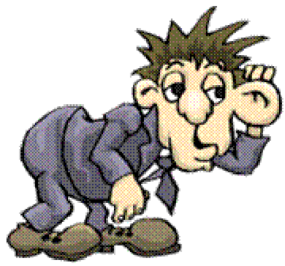
**It is essential to briefly look at the difference between unhappy and irate customers.**

An **unhappy** customer is someone who is unhappy about the product and service, but with the ability and willingness to turn happy again. The customer may just want his problem to be solved, his article to be exchanged or just an apology. A solution to the benefit of both parties is normally not very difficult.

An **irate** customer, on the other hand, is someone who does not see a solution, except his own. Such customers are ready for war and can easily influence other customers. It is absolutely essential that we do everything to prevent that such a customer continues his or her destructing efforts.

**Whatever the reason for dissatisfaction, pleas take the following guidelines into account:**

## Listen

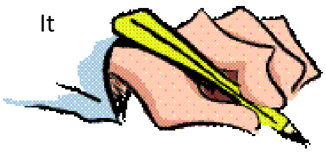


True and objective listening is really a skill that is critically important in dealing with customers. Just the fact that you listen attentively is already therapeutic because the customer now shares his or her problem with someone else.

## Apologise

Apologising is no sin or sign of weakness. Sometimes a well-meant apology can turn a dissatisfied customer into a loyal supporter.

## Take notes



It is not always possible or feasible to carry a note book with you, but the mere fact that a complaint is recorded gives the impression to the client that he or she is being attended to. REMEMBER that every complaint, unless it can be solved on the spot, should be followed up and feedback given to the customer.

## Restate the situation

If possible, rectify the situation. Sometimes it is easy, for example where a customer did not get the correct change. Even if you cannot solve the issue on the spot, please take the necessary measures to ensure that the situation is rectified.

## Ask for suggestions

It is also a good practice to ask the customer for suggestions. It is not always possible to live up to their expectations, but the mere fact that suggestions are welcomed can create a positive customer care relationship.

Propose alternatives. Proposing alternatives is also a means to solve the client's problem and to foster client relationships.

## Get agreement

Agreement is essential to ensure a lasting customer relationship. This is not always possible, but every effort should be made to ensure a win-win agreement as basis for the relationship.

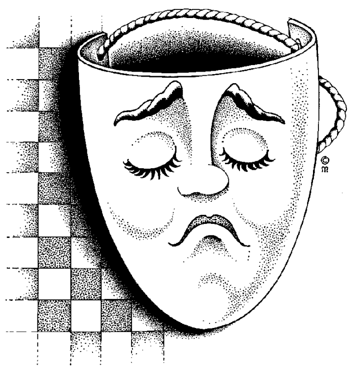
## Be professional at all times

There is no replacement for a professional approach in dealing with customers.

## Do not make false promises

As stated earlier, false promises can be the end of the customer relationship.

## Do your homework if needed



If you cannot give answers immediately, refer the customer to someone who can, or do homework and settle the issue.

## Give feedback

Feedback confirms that the company cares. If feedback cannot be given immediately, make a point to get back to the customer with the required information or solution at your earliest convenience.

## Learn from the incident

No person will ever grow old enough t stop learning. The message is therefore clear, learn from the situation and try not to make the same mistake twice.

Handling irate clients may sometimes be more difficult and the following guidelines may be considered:

## Don't interrupt

Interrupting can be detrimental to the client relationship. Trying to dethrone an irate customer may just be more oil on the already high-burning fire.

## Don't take criticism personally

Sometimes customers are very disturbed and may tend to criticise the person and not the service. Try to understand his or her position and do not take every remark personally.

## Keep an irate customer out of public

The best way to deal with customer dissatisfaction is to discover the problem before they get irate. The only immediate thing to do with irate customers is to try and solve the problem in the absence of other customers where possible. Try to get the person alone, take him to the office or at least try to talk to him where he or she cannot influence others.

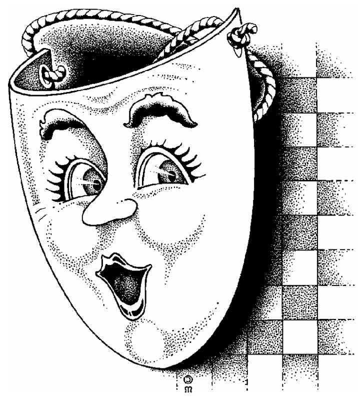
## Don't lay blame

Never blame a customer, even if he or she is at fault. Blame could be lead to a breakdown in the relationship.

## Don't argue

Arguing may ruin the relationship and should as far as possible be avoided. If a person is in an arguing mood, a non-arguing mood may just take the wind out of his sails.

## Be warm and friendly



A warm and friendly attitude works most of the time. Warmth and friendliness may just reassure the customer that he or she is important.

## Show real commitment.

Showing that you really care and backing your intention with deeds may turn the customer's perceptions.

## Walk the extra mile.

Turning an irate customer from aggression to calmness and even a positive attitude really demands exceptional efforts, indeed walking the extra mile.

**Remember that you are managing a delicate customer interface. Your calm and professional behaviour can turn a dissatisfied customer into a loyal supporter.**

# Confidentiality

An interpersonal relationship is a relationship you have with the people around you at home, at work and in the classroom.

Many companies have policies that stress confidentiality in interpersonal relationships. This is very important in a workplace. For example, if one of your colleagues has made a mistake, you should not go around telling everybody about it. This is not good for company image or morale and it is definitely not good for your colleague's well-being. You will also quickly make a name for yourself as a gossip-monger and your colleagues will avoid you.

Matters that are usually regarded as confidential in the workplace are:

✓ Salaries and wages – you should not tell anyone else what you are earning, nor should you ask your colleagues what they are earning – it is none of your business.

✓ Leave taken and leave due

✓ Personal contact details, even if that person shares it with you, you do not have the right to give this information to anyone else

- ✓ Disciplinary action that will be taken against a colleague or the results of disciplinary action
- ✓ Personal contact details of clients
- ✓ Marital or relationship problems experienced by a colleague
- ✓ Intellectual property of the organisation such as procedures and policies
- ✓ Industrial and production methods
- ✓ The composition of products that are unique to the organisation, for example a unique recipe for soup or chicken, the ingredients of toothpaste, etc.

## Activity 7 (SO3, AC 1, 5, 7)

## Activity 8 (SO3, AC 2, 3, 4,6)

# OWN BEHAVIOUR

## *Outcome*

Assess own professional behaviour in a business setting.

## *Assessment criteria*

- ✓ Personal behaviour is analysed in three different situations in a business environment.
- ✓ Personal behaviour is measured against own performance agreement or company standards.
- ✓ Self development needs are identified and a plan is drawn up to address those needs.

Activity 9 (SO4, AC 2, 3, 4,6)

Activity 10: Self Assessment

# OWN VALUES AND BELIEFS

## *Outcome*

Reflect on own values and belief systems and how they influence own behaviour

## *Assessment criteria*

✓ The concepts of values, belief systems and ethics are explained with examples.

✓ The source(s) of values and belief systems are identified and an indication is given of how an individual's ethics and values affect behaviour.

✓ Ways in which an individual may change his/her belief or value system are identified with examples.

# The Concept of Ethics

Most of us are familiar with the word “workplace ethics” There is no difference between “personal” ethics and “workplace” ethics.

The concept of ethics remains the same, whether it is applied in your personal life or in the workplace, because it is a **choice** you make and you know what is right and what is wrong.

Good ethics include the following -

Ethics are strongly influenced by what people consider right and wrong.
Ethics are determined by the conduct of people.
Ethics can be identified in a system or code.
Ethics can be identified in individuals and a group.
Good ethics go beyond the issue of what is legal or illegal.

By definition, ethics concerns itself with what is morally good or bad and what is right or wrong. The field of ethics generally, deals with the process of analysis and evaluation of moral issues and problems.

The word [1] ethics is derived from the Greek word ethos.. Ethics deal with the morality of persons as individuals and also that of groups of individuals. Ethics assesses not only what people are seen to be doing, but also examines what they think is right, fitting and just. People are often judged by what they do or are seen to be doing, but their actions do not necessarily reflect their thoughts or feelings, or what they are often saying.

People often act within the context of traditions and customs, but, and this is important, ethics always involve 'reflective evaluation', that is, a serious thought process takes place before action takes place. In other words, individuals like to feel that what they do is right, just and/or accepted as correct.

## *Ethics in the workplace*

**Work ethic**: It is the attempt to do business in a fair and just way. It is the willingness of an individual to work for his own benefit as well as the benefit of the business.

## *Ethical rules*

Ethical rules are the rules according to which an individual decides if his behaviour and the behaviour of other people, are good or bad. Although these rules form part of the individual's personal view on life, they are influenced greatly by the people with whom the individual associates.

Thus for example, the individual at an early stage in his parent's home learns what is good and what is bad. His church and friends and school furthermore influence the individual. when deciding what is good and what is bad. It may be bad for one person, for instance, to spewlspit in public, while another person may not think twice about doing it. A person may feel it as being good to pray every evening before going to bed, while another person is not worried about the matter of praying.

Everything a person does is either good or bad according to his own ethical views. Usually people try to do what is good according to their ethical views. A professional criminal may reckon it is alright to rob other people of their possessions. Other people - and especially the victims whose possessions were stolen - may think otherwise.

### What Are Values?

Values are collective standards whereby right and wrong, good and bad and pretty and ugly are separated.

Values are essentially general in nature and provide broad guidelines to groups or peoples.

**For example, a value may be held by a group or people that negotiation and clear debate is the correct manner to resolve differences or conflict. It would therefore be below the collective standard of this group of people, tosolve a problem using violent means.**

Of course the opposite will also be true; it may the accepted standard of a group to immediately solve conflict through the application of violence.

Values have always shaped a person's beliefs, and ethics should be concerned with moral rights and wrongs -particularly in the context of a person's obligations to the society in which he lives. Ethical rights and wrongs cannot be regarded as inflexible from age to age, because they have a tendency to change with the passing of time. It was accepted as morally defensible to own and treat slaves as commodities just on 200 years ago. Today slavery in nearly all countries in the world does not exist it is looked upon as morally wrong.

An individual, belonging to different cultural group, finds it very difficult to determine another person's ethical code. First and foremost, it is a personal thing, and we tend not to discuss it until some or other crisis demands that we nail our colours to the mast, to show where we personally stand.

### Belief System

Taken together, your ethics and values form your belief system. Ethics are what you as a person believe and values are what the group believes is right and wrong and, because you are part of that group, also believe in those values.

# Source(S) Of Values And Belief Systems

The main source of values and belief systems are the people around you for example your parents, family, peers and co-workers. The environment you grew up in plays a very important role. It is unethical to steal something from someone, but wouldn't be a very strong notion with you if you weren't taught that it is wrong while growing up.

The community that you group up in, the people that you and your parents associated with, the belief system of these people and your parents are what shaped your values and belief systems. This is why different cultures have such vastly different belief systems.

Our ethics are constantly changing.  Not in a sense that for example one day you believe it is wrong to lie and the next day you think it is ok, they simply grow stronger and new ones are added.

Your values directly affect your behaviour. If you believe in something you will either do certain things and others not at all, for example if you believe it is wrong to steal you will never take anything from someone else, or at least not without asking. If you believe it is good to help others in need, you will help where you can instead of turning your back.

# Change Your Belief or Value System

Changing your belief is not an easy thing!  It takes quite some time and practice.

## The first step is to make a decision.

**You** have to decide that you want to apply a certain belief in your life and then you have to stick to it. A belief is not something that you want to do one day and not the next. It is something that is embedded within you as a person. Someone who has broken the law and is in jail for stealing has to make a decision never to steal again for them to have a new belief.

## The second step is to apply your decision.

After you have decided to implement a new belief in your life you have to apply it and practice it at every occasion that is presented to you regarding your new belief.  Like in the example above of the person in jail;

once that person is out of jail the opportunity to steal something will present itself to him or her and they then have to take that same decision again and say **no** to themselves. They have decided not to steal again and have to decide on that moment not to do it for the initial decision to be affective. After some practice doing thing this, your belief grows stronger.

### The third step is to keep implementing your belief for the rest of your life.

Once you have some practice with your new belief it starts to become part of you. Eventually you won't even have to think about it anymore, it will always just be there. Like the example, if that person has decided not to steal on every occasion that they've been presented with for ten years they probably won't even think about stealing when they see something they want that is not theirs.

The only way that a belief can disappear from your life and who you are is if you decide not to believe in it anymore and automatically you won,t apply it in your life anymore. Depending on the belief, it can never really be a good thing to take away some of your beliefs unless it was a bad one.

If you are someone who doesn't steal or lie, you would apply the same in the workplace and wouldn't steal from co-workers or lie to them. At the end of the day, beliefs and ethics aren't something you can switch on or off. This part of you will show at work and at home.

## Activity 1 (SO1, AC1)

## Activity 2 (SO1, AC2-3)

# THE IMPACT OF ETHICS

## *Outcome*

Discuss how an individual's ethics impact on the people around him/her.

## *Assessment criteria*

- ✓ Ways in which an individual's ethics impact on behaviour and interpersonal relationships are indicated with examples
- ✓ The impact of personal ethics on the use of language is explained with examples
- ✓ The importance of respecting confidentiality is explained in own context
- ✓ Ways in which an individual can influence the behaviour of others are identified and an indication is given of how this can impact on ethical conduct

# How Your Ethics Impact On Other People

The key word here is society. In the dictionary the description of the word society is: Fellowship; company; a body of persons united for some object; persons living in the same circle; those who take the lead in social life.

Your beliefs come from the people around you; your society. If your beliefs aren't the same as the people you live with, your society will most probably reject you.

Do you think a murderer is sociably acceptable? How does your community react towards someone who has for example killed a child?

You can see that certain things are sociably acceptable and some aren't at all. This also has an impact on your beliefs. It drives us to become better people.

This is true in the workplace as well. If you are someone who is lazy and likes stealing time from your boss, it will most certainly impact on your co-workers. Some of your work will fall into their laps and they won't be happy about it. In the workplace this is not sociably acceptable and you won't get away with it for very long since your co-workers will complain and some sort of conflict is sure to be on the way.

Bad ethics aren't the only ones that impacts on people around you. Good ethics can also make a huge difference in a workplace. If you are someone who works hard, isn't late for work, doesn't spread gossip, doesn't steal time or anything else, etc. the people around you will look at you as an example and your good ethics will filter through to them. They would want to be like you.

## The South African Constitution

The SA Constitution gives details of rights of people in our country.

"***Fight for Human Rights***"

The South African government has committed itself to the **protection of the rights** of victims of sexual violence through policies.

### *Personal Rights*

People have the right to exercise their *beliefs, religion, opinions etc.*.. Let's discuss the different rights in detail: - See the table below.

| Rights |
|---|
| **Religion, belief and opinion**<br>Every person shall have the right to freedom of conscience, religion, thought, belief and opinion, e.g. educational freedom, freedom of association (religion and union), freedom of opinion without victimisation etc. |
| **Privacy**<br>Every person shall have the right to his or her personal privacy, which shall include the right not to be subject to searches of his or her person, home or property, private possessions or the violation of private communications. |

| |
|---|
| **Freedom of expression**<br>Every person shall have the right to freedom of speech and expression, which shall include freedom of the press and other media, expression of a diversity of opinions. |
| **Assembly, demonstration and petition**<br>Every person shall have the right to assemble and demonstrate with others peacefully and unarmed, and to present petitions |
| **Freedom of association**<br>Every person shall have the right to freedom of association. |
| **Freedom of movement**<br>Every person shall have the right to freedom of movement anywhere within the national territory. |
| ***Human Dignity***<br>Every person shall have the right to respect for and protection of his or her dignity. |

## *Morality*

Two dimensions of morality have also been identified.

✓ The first concerns the elements of justice and fairness when considering morality (a morality of rights)

✓ and secondly a sense of responsibility to others (a morality of responsibility) Education therefore also has an impact on morality through ***increased exposure to knowledge and independent thought.***

## *Protection*

The South African government is implementing measures against gender-based violence, including penal sanctions, civil remedies and compensatory provisions to protect women against all kinds of violence.

Our Constitutional Court has held that to the extent that violence against women is **recognised** as a ***denial o***f ***human rights*** such as:

✓ Human Rights

✓ The right to life

✓ The right to equality

✓ The right to liberty and security of person

✓ The right to equal protection under the law

✓ The right to be free from all forms of discrimination

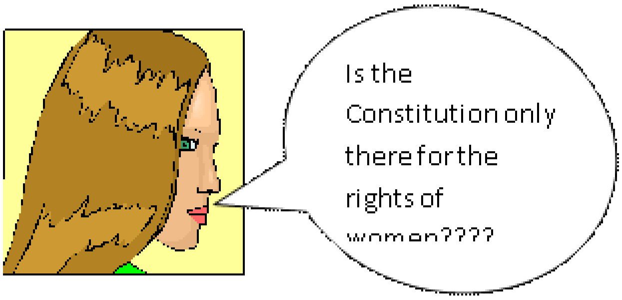
✓ The right to the highest standard attainable to physical and mental health; and the right not to be subjected to torture

✓ Or other cruel, inhuman or degrading treatment or punishment

## *Equality*

Every person shall have the right to equality before the law and to equal protection by the law.

No person shall be unfairly discriminated against, directly or indirectly, and, without derogating from the generality of this provision, on one or more of the following grounds in particular: race, gender, sex, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture or language.





At the moment the emphasis is on violence against women, especially nowadays where they are seen as a threat in the business environment.  Violence is a form of aggression and should be dealt with immediately!

# The Impact Of Personal Ethics On The Use Of Language

Do you think it is unethical to swear at someone? Using foul language or swearing at someone can be insulting to the other person.

Another aspect of language and personal ethics is how we use the language. Due to the cultural and language differences in South Africa, misunderstandings often occur.  It can easily happen that we express ourselves in a second or third language, using expressions or words as they apply in our home language, and what we say is offensive to someone else. A silly example is the word vak in Afrikaans, which is a swear word in English – not the actual word but the pronunciation of the word.

We have to be aware of different cultures, ethics and languages all the time when we communicate. Rather than taking offence at what someone has said, investigate the matter and you will probably find that the intention was something totally different.

In Germany, for example, people have the way of saying “Ja Ja” in a very abrupt and harsh way, so that it sounds as though the person is impatient. In fact, they use this expression the same we use “Okay” or “Serious?” or “Shame”.

Now, if you were talking to a German and you reply “Serious?” to what he is saying, he will probably think you are crazy.

# The Importance of Respecting Confidentiality

In any office environment, certain information and documents are confidential and must not be shared with any unauthorised persons.  These can be broadly classified into the following categories

- ✓ Personal information and documentation
- ✓ Client information and documentation
- ✓ Business or organisation matters

It very important that you understand that confidential matters should always be treated as such and that the leaking of confidential information and documents could have serious consequences: for your organisation, clients of the organisation and even yourself.

## Personal Information And Documentation Will Include:

- ✓ Employees’ salary and other sources of income
- ✓ Employees’ home address and telephone numbers
- ✓ Employees’ yearly performance appraisals
- ✓ Disciplinary actions, possible promotions
- ✓ Employees’ private affairs, such as health, medical records, finances, marital and family matters, etc.

This is why employee files are considered confidential and kept in a safe and secure place, usually in the HR Department.  Only the HR Manager and secretary and, at times the employee self, should be able to view the files.

Of course, the employee's direct supervisor or manager or even senior management will also from time to time require access to the information in the files, but this is usually done under the supervision of the HR Department.

Anybody who has access to employee files must not talk about the information contained in the files to people who are not entitled to the information.

When you read classified information in a colleague's file, such as salary or any other confidential information and you tell other people about it, it is the same as gossiping and it can be hurtful to the other person.

Incidentally, your own salary is also a confidential matter and it is a breach of company policy and procedure to discuss your salary with your colleagues. What you are earning is a confidential matter between yourself and your employer and should be discussed between only yourself and your manager or other supervisor.

## Client Information And Documentation

Materials and documents that are provided by the client must be catalogued, stored, protected, and their confidentiality kept. If these items must be taken outside of the office, then the same standards of protection must apply

This includes

- ✓ Details of the client's income and other financial matters, such as the size of the client's overdraft if you are working in a bank, or the amount of his income if you are working for the South African Revenue Services.
- ✓ Details of the client's business, such as new products, new shops to be opened, number of employees and what they earn, wage negotiations, etc.
- ✓ Any information that the client does not want made public: account numbers, private addresses and telephone numbers, the school that his children go to, the list is endless.

When you make confidential information of a client public knowledge, it will result in a serious breach of the trust the client has in your organisation and will have very serious consequences, which can include a break up of the relationship the client has with your organisation and can even lead to legal action being taken.

## Business Or Organisation Matters

While certain matters in every organisation is public knowledge, there will always be matters that are strictly confidential.

- ✓ New products that your organisation wants to launch to get an edge over the competition
- ✓ New offices or branches to be opened that are still in the planning phases
- ✓ New policies and procedures
- ✓ Personnel matters
- ✓ Internal policies and procedures
- ✓ Promotions, salary increases
- ✓ Negotiations for big contracts and tenders and the details thereof
- ✓ New appointments to senior management and the board of directors until the matter has been finalised

Unethical behaviour in the workplace is common and should be managed on a continuous basis.

There are more and more opportunities for unethical people to manipulate various systems in the workplace. Typical examples which can be added to the statistics are hackers who steal information from the software on computers.

Respecting confidentiality of information about the organisation you work for and the people you work with is very important to ensure a harmonious working environment.

Furthermore, when you disclose confidential information (tell someone else) you can put yourself in a situation where other people can take legal action against you.

Confidentiality is exactly what it means – information that must not be repeated to unauthorised people.

# How can you Influence the Behaviour Of Others

There are many ways that an individual can influence or make an impact on others. One of these ways is bribery. In the previous section we looked at confidentiality, someone can bribe you with money to break confidentiality and this is very unethical.

Some men are brought up with the idea that it is “unmanly” for a boy or a man to dance, play the piano or be an artist. Because this is their belief system, they victimise men who indulge in these activities. In this way, fathers influence sons, brothers influence brothers, men influence their friends and, unfortunately, some men influence the behaviour of other men who do not behave in the same way. In this way, many male artists, dancers and piano players have been lost, as the people involved did not have the courage to break out of the belief system.

Some women are brought up with the idea that it is not feminine for a woman to wear trousers, to become a fire fighter or a mechanic or even an engineer. They are influenced by their mothers, their sisters and aunts, their friends and so on. It takes a lot of courage to do something that is not in line with your belief system and the belief system of people you know. In this way people’s behaviour is influenced by other people.

Not all influences are negative, though. When our parents, grandparents, uncles and aunts raise us to be hard-working, honest, dependable, reliable, clean and to follow rules, this is also people influencing our behaviour, but in a positive way.

When a husband respects and loves his wife, and she does the same, they influence their children to treat other people with respect, especially their spouses, friends and family.

When a parent is drunk all the time and treats the spouse and children with little or no respect, s/he is influencing the children to one day do the same – it must be the right way to behave, my mother/father did it.

On the other hand, when a coach encourages his team to do their best, the influence he exerts is to inspire the team to do their best.

When your supervisor shouts at you the whole day, the influence will be negative – you will hide mistakes from him/her and try to stay out of his/her way as much as possible.

When your supervisor supports your efforts, encourages and teaches you, you will try to work harder and make fewer mistakes, because you do not want to disappoint him/her.

In this way, we all influence each other every day.

If your behaviour is ethical, you will influence your employees to also behave ethically. Any place of work (or play) is managed from the top down, so if management practices ethical behaviour, it will encourage employees to do the same.

## Activity 3 (SO2, AC 1-4)

# ETHICAL BUSINESS PRACTICES

## *Outcome*

Explain how an individual can behave ethically in a business environment.

## *Assessment criteria*

- ✓ The concept of ethical business practice is explained with examples.
- ✓ Adherence to company policy and confidentiality are discussed in terms of ethical conduct.
- ✓ Ethical ways of receiving and giving gifts and favours in a business context are discussed with reference to an organization's code of conduct.
- ✓ The importance of honesty in business dealings is explained with examples.
- ✓ The deliverables in own work situation are identified and an indication is given of the importance of productivity, accountability, attendance and delivery of work on time.

# Ethical Business Practice

Morality comprises rules of conduct about what we ought and ought not to do. It also encompasses expectations of character, that is, What sorts of persons we should strive to be. From an ethical perspective, then, public policy has to ask not only what the rules of conduct should be how society should act, through its governmental agencies  but also what implications public policy has for our character as a people.

Bowle outlined three arguments in support of this broad view of corporate responsibility.

**First, the right to make a profit is not absolute**. Business and profit seeking are already controlled and limited by laws and regulations. However, the law is a minimum standard of what must be done. Ethical standards are higher and prescribe what ought to be done. For example, a building could be constructed to meet the letter of the law regarding building codes, yet violate the spirit of the law and represent shoddy workmanship.

**Second, the rights of stockholders are not absolute**. The fact that stockholders are the legal owners of a firm does not give them unlimited rights to do what they want with the firm. Just as a landowner cannot denude, strip mine, and pollute a piece of his land, neither can stockholders of a firm do anything with their property without regard to the consequences for the public good. In fact, stockholders represent but one player in a corporation. Other stakeholders are the employees, managers, customers, suppliers, and the community in which a company or company facility is located. These other players often have as great a stake in the firm as the stockholders, and the corporate manager has a moral responsibility to them also.

**Third, businesses, like all citizens, have duties of citizenship to society**. Corporations benefit from a host of societal programs and institutions, including family and educational training of workers and infrastructure of utilities, transportation, and communications. The obligations of justice that apply to individual citizens apply also to corporations.

What must a corporation do to be morally excellent and exhibit an appropriate level of responsibility to the community?

1. First, it must develop a clear set of corporate values and foster an ethical point of view. The corporation must recognise responsibilities to clients, employees, and the community as well as to stockholders. Consultation with the corporation's legal department would be only the first step in determining what is morally right: officers also must develop the capacity to be on the alert for ethical issues and formulate clear strategies and structures within the corporation to make appropriate moral choices.

2. Next, the corporation must enhance and encourage the moral autonomy and excellence of each individual within the corporate culture. This is so that sufficient opportunity is given to personalise the corporate moral objectives within specific areas of responsibility.

3. Finally, the morally excellent corporation must shift the primary motivation for its conduct from a profit to a service orientation. Management should emphasise the production and marketing of quality goods and services that customers truly need, foster a positive working environment for employees, and treat suppliers and contractors fairly and honestly. In doing so, the company will make a profit.

Corporations need to implement these principles to develop corporate moral excellence. What are some of the implications of moral excellence for these corporations? The moral autonomy and excellence of all employees, should be encouraged within the parameters of the corporate culture.

# Adherence to company policy and confidentiality

Company policy and confidentiality must be adhered to at all times.  Refer to the previous section for confidential matters in business.

As an employee you have to know what the company policy is regarding confidentiality and ethical behaviour. The Code of Conduct handout gives an indication of what is expected of employees regarding ethical behaviour and confidentiality.

We will discuss certain ethical and unethical behaviour in business.

## Unethical behaviour in business

- ✓ Bribery - these lead to unlawful access, fraud and theft.
- ✓ Loose talk - the leakage of confidential information.
- ✓ Industrial espionage - staff give assistance to offenders either under pressure or for payment.
- ✓ Invoice fraud - the amounts which are owing to the creditors are fictionalised or they are inflated.
- ✓ Product fraud - poor quality products are released on to the market.
- ✓ Advertising fraud - misleading or invalid claims are made for the products.
- ✓ Favouritism - the staff are promoted on the basis of favours, gifts and nepotism. Contracts are fraudulently granted.
- ✓ Encroachment upon and penetration of confidential information systems. Stealing of computer time for one's own benefit.

## Ethical behaviour in business

- ✓ Employees must be honest with and loyal to clients.
- ✓ The concept of the work ethic ties in closely with the concept of total quality management. A good work ethic will also result in high productivity.
- ✓ **Pride**. This type of pride does not refer to arrogance or ego. It comes from the self respect that comes from achieving or accomplishing. Being and doing one's best gives one the right to be proud. Managers need to create a work environment where people are empowered to achieve positive results. People also need to be given the freedom to do their best and to be treated in such a way that they want to give their best.
- ✓ **Loyalty**. Successful organisations have loyal employees. These employees are motivated to always carefully consider the interests of the organisation. This loyalty should not however be a blind loyalty and employees should still be free to question decisions.
- ✓ **Honesty.** Someone who is honest is truthful, law abiding and incorruptible. Dishonest people lie, cheat and steal.
- ✓ Do not accept any bribes whatsoever or enter into unlawful transactions in any way.
- ✓ Do not overcharge customers, or give any discount or free travel, which is a violation of company policy.
- ✓ Do not make any false promises.
- ✓ Do not disclose any confidential information, especially to the competition.
- ✓ Do not withhold any information that can be detrimental to the customer.
- ✓ Do not violate any laws or policies of the country.
- ✓ Treat and respect every customer as human being and with dignity and respect

## Cost Of Poor Ethics

- ✓ Loss of trust which leads to poorer relationships and less effective team work,
- ✓ Loss of confidentiality,
- ✓ Limited communication,
- ✓ Lack of self-esteem, of commitment and less loyalty
- ✓ Loss of your/the organisation's good name

## Contributing to an ethical work environment:

- ✓ Make the decision to commit to ethics
- ✓ Recognise that you are a role model by your actions and values
- ✓ Assist others by instilling ethical behaviour
- ✓ Discuss ethical practices
- ✓ Articulate your values

- ✓ Talk to people
- ✓ Be consistent

# Receiving And Giving Gifts And Favours In A Business Context

A gift in the workplace is quite sensitive.  It is sometimes hard to know when a gift is appropriate and when not.  Here are some guidelines of when it is safe to assume receiving or giving a gift is 100% appropriate:

- ✓ When it is your or a co-worker's birthday
- ✓ When a member of the organisation is retiring or resigned
- ✓ When someone's years of service with an organisation is being celebrated
- ✓ When the gift is for thanking someone for hard work

With clients, mostly the only gift that is appropriate is a corporate gift. Many organisations have corporate gifts such as a pen with their logo on, files with their logo on, some organisations even have soap made with their logo on it.

When receiving a gift from a client you should also be very careful. First find out exactly what the reasons are for the client wanting to give you this gift (in a tactful manner) and what the gift is.

Here is a list of gifts that are totally improper to give or receive in a corporate environment:

- ✓ Underwear (or anything that has a "sexual vibe" connected to it)
- ✓ Really expensive gifts such as jewellery
- ✓ Clothing for example an evening gown, the list goes on and on.
- ✓ Here are some things that are appropriate:

### *Giving gifts*

- ✓ A scarf is appropriate for a lady and a tie for men
- ✓ Mugs are very popular corporate gifts
- ✓ A pen
- ✓ Chocolates or sweets
- ✓ On birthdays, flowers are appropriate for ladies
- ✓ Golf balls

The list once again goes on and on but you can see that none of the gifts above has any strings attached.  It is best to always give someone a gift that is neutral yet practical.  (Something the person can use)

# The importance of honesty in business dealings

Honesty in business dealings can't be stressed enough.  You should never tell a client that you can deliver on something when you know you can't!  It will reflect badly at the end of the day.

It is important to make a distinction between confidentiality and honesty here.  If for example, the price your organisation pays for a product is confidential then you shouldn't tell the client how much the organisation pays for the product; however you shouldn't lie to the client and add another R10 to the price for your own gain.

If a client finds out that you or someone in the organisation has lied they won't be happy and might take their business somewhere else.  Be careful of this!

Someone once said: "if you are a liar you have to have a brilliant memory to remember what you lied about and what you said".

This is very true because one lie brings on another and eventually you will be caught.

# The Deliverables In Own Work Situation

Lazing about with your work is not only unethical but also impacts negatively on the organisation and your fellow employees.

What is more satisfying than delivering work that has been done properly on time?

If you stay away from work for no reason or because you just didn't feel like going, don't hand work in on time and are generally unproductive your superiors will definitely be unhappy.

It is of utmost importance to be consistent with your work. You should try to work at the same (reasonable) pace so you are a productive worker, and when the pressure is on a bit you need to put in a little extra so that you deliver on time.

Your superiors will be happy with your work if you always do your best to hand in your work on time, always arrive on time, don't stay away from work unless you are really ill or have a real emergency and are dependable.

If a worker has been fired or resigns because s/he stayed away from work often, was not productive and did not finish their work on time s/he will need references to find another job. This will be difficult as the supervisor will not be able to give a good reference.

## Activity 4 (SO3, AC1-5)

# WHEN ETHICS CONFLICT WITH WORK

## *Outcome*

Demonstrate techniques for dealing with situations where own ethics and values conflict with work.

## *Assessment criteria*

✓ Methods for dealing with unethical behaviour are demonstrated for three different situations.

✓ Methods of dealing with unethical business conduct are demonstrated for three scenarios.

✓ Own values and beliefs are compared to company practice and an indication is given of how an employee can deal with a situation where there is a conflict of an ethical nature.

✓ Ways of dealing with instances where an employee's rights are undermined are demonstrated for three case studies.

# Deal With Unethical Behaviour

The organisation should be fair and honest with suppliers, distributors, business partners and agents.

Fair business practices promote and monitor the social responsibility of all stakeholders such as suppliers, distributors, employees, business partners and agents.

An organisation will implement ethical standards in dealing with all the organisation's stakeholders.

Now that you know what unethical behaviour is in the workplace, let's take a look at what to do about it.

# Bad Work Ethics: Case Study Scenarios

*Reference: "The Challenge of Ethical Behaviour in Organisations*

*Journal of Business Ethics" , JBE, Dordrech, Jul 1992*

Note that these case studies are based on what companies in America have done.

**Quote:**

The potential for individuals and organisations to behave unethically is limitless. Unfortunately, this potential is too frequently realised.

Consider, for example, how greed overtook concerns about human welfare when the Manville Corporation suppressed evidence that asbestos inhalation was killing its employees, or when Ford failed to correct a known defect that made its Pinto vulnerable to gas tank explosions following low speed rear-end collisions (Bucholz, I 989).

**Companies that dump dangerous medical waste materials into our rivers and oceans also appear to favour their own interests over public safety and welfare**. Although these examples are better known than many others, they do not appear to be unusual. In fact, the story they tell may be far more typical than we would like, as one expert estimates that about **two-thirds of the 500 largest American corporations have been involved in one form of illegal behaviour or another (Gellerman, 1986).**

Unfortunately, unethical organisational practices are embarrassingly commonplace. It is easy to define such practices as

✓ dumping polluted chemical wastes into rivers,

✓ insider trading on Wall Street,

✓ overcharging the government for Medicaid services,

✓ and institutions like Universities inappropriately using taxpayer money to buy a yacht or to enlarge their President's bed in his home **as morally wrong.**

Yet these and many other unethical practices go on almost routinely in many organisations. **Why is this so?** In other words, what accounts for the unethical actions of people in organisations, more specifically, why do people commit those unethical actions in which individuals knew or should have known that the organisation was committing an unethical act?

An example recently provided by Baucus and Near (1991) helps to illustrate this distinction.

Recently, a federal court judge found Allegheny Bottling, a Pepsi-Cola bottling franchise, guilty of price fixing. The firm had ended years of cola wars by setting prices with its major competitor, Mid-Atlantic Coca-Cola Bottling (New York Times, 1988). Since evidence showed most executives in the firm knew of the illegal price-fixing scheme, the court not only fined Allegheny $1 million but also sentenced it to three years in prison--a sentence that was suspended since a firm cannot be imprisoned. However, the unusual penalty allowed the judge to place the firm on probation and significantly restrict its operations.

In another case, Harris Corporation pleaded no contest to charges that it participated in a kickback scheme involving a defence department loan to the Philippines (Wall Street Journal, 1989). Although this plea cost the firm $500,000 in fines and civil claims, Harris's chief executive said the firm and its employees were not guilty of criminal conduct; he maintained that top managers pleaded no contest because the costs associated with litigation would have been greater than the fines, and litigation would have diverted management attention from firm operations.

Although both cases appear to be instances of **illegal corporate behaviour**, there is an important distinction between them. In the first case, Allegheny's executives knew or should have known the firm's activities were illegal; price fixing is a clear violation of antitrust law. Further, the courts ruled that evidence indicated the firm had engaged in the illegal act. In contrast, it is not clear that Harris Corporations' managers committed an illegal act. Some areas of the law are very ambiguous, including the area relevant to this case, the Foreign Corrupt Practices Act, and managers may not at times know what it legal or illegal; thus, a firm may inadvertently engage in behaviour that is later defined as illegal or unethical (Baucus and Near, 1991).

One answer to the question of why individuals knowingly commit unethical actions is based on the idea that organisations often reward behaviours that breach ethical standards. Consider, for example, how many business executives are expected to deal in bribes and payoffs, despite the negative publicity and ambiguity of some laws, and how good corporate citizens who blow the whistle on organisational wrongdoing may fear being punished for their actions. Jansen and Von Glinow (1985) explain that organisations tend to develop counter norms, accepted organisational practices that are contrary to prevailing ethical standards.

Being open and honest is a prevailing ethical norm. Indeed, governmental regulations requiring full disclosure and freedom of information reinforce society's values toward openness and honesty. Within organisations, however, it is often considered not only acceptable, but desirable, to be much more secretive and deceitful. The practice of stonewalling, willingly hiding relevant information, is quite common. One reason for this is that organisations may actually punish those who are too open and honest. Look at the negative treatment experienced by many employees who are willing to blow the whistle on unethical behaviour in their organisations. Also consider, for example, the disclosure that B. F. Goodrich rewarded employees who falsified data on quality aircraft brakes in order to win certification (Vandevier, 1978). Similarly, it has been reported that executives at Metropolitan Edison encouraged employees to withhold information from the press about the Three Mile Island nuclear accident (Gray and Rosen, 1982). Both incidents represent cases in which the counter norms of secrecy and deceitfulness were accepted and supported by the organisation."

## Exercise

Read through the case studies and answer the following questions in your own words, below. Analyse the information and motivate your answers, to show your understanding of the reasoning.

Is "greed" seen as unethical behaviour? Why/Why not?

| |
|---|
| |
| |

List the companies that participated in misconduct and unethical behaviour

| |
|---|
| |
| |
| |
| |

Compare all the companies that are listed above and discuss the different actions that are viewed as unethical behaviour and even criminal behaviour.

| Company's name | Actions of misconduct | Consequences of actions |
|---|---|---|
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Why do people commit unethical actions? Is this wrong or right? Motivate your answers.

| |
|---|
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| |

# Deal with unethical conduct

## The Process to be Followed When the Code of Ethics is Breached

There are specific processes to follow when the code of ethics are breached in an organisation. Each organisation or business strives to implement different codes of ethics to suite their organisational needs.

The following steps may be followed in serious offences e.g. Discrimination, fraud, bribery, theft etc.

1. Determine the nature and extent of the breach of ethics.
2. Determine what penalties, if any, have been incurred.
3. Decide whether the breach of ethics could constitute a criminal, or labour offence, or the breach can lead to criminal or labour offences being committed.
4. Seek legal advice as to the best remedy for the situation.
5. Implement appropriate legal proceedings.

## Process to Be Followed BEFORE the Code of Ethics are Breached

Organisations or businesses should provide more ethics training to strengthen their employees' personal ethical framework.

Organisations must devote more resources to ethics training programs to help its members clarify their ethical frameworks and practice self-discipline when making ethical decisions in difficult circumstances.

What follows is a useful seven-step checklist that organisations should use to help their employees in dealing with an ***ethical dilemma*** (Schermerhorn, 1989; Otten, 1986):

1. Recognize and clarify the dilemma.
2. Get all the possible facts.
3. List your options--all of them.
4. Test each option by asking: "Is it legal? Is it right? Is it beneficial?"
5. Make your decision.
6. Double check your decision by asking: "How would I feel if my family found out about this? How would I feel if my decision was printed in the local newspaper?"
7. Take action.

**Remember it is your choice!**

## Report Unethical Behaviour In The Workplace

The question remains: how do we act towards those who are unethical in the workplace?

In the table on the below, we take a look at different situations. The answers are provided next to each situation.

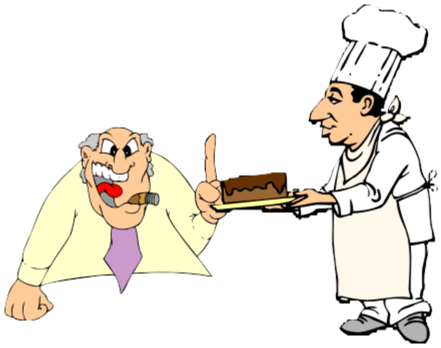
| | |
|---|---|
| **Harassment**<br><br>The organisation must have a policy against any form of harassment in such forms as sexism, racism or bullying others.<br><br>This is also true when someone denies respect for the rights of employees or managers.<br><br>Harassment can be harmful to organisational effectiveness and may also be unlawful. | **What do I do in a situation like this?**<br><br>Go to your supervisor or manager. Ask them to inform the Human Resource Management Department.<br><br>The Human Resource Department should provide you with a copy of the policy which prohibits employees or managers to indulge in such activities. |
| **Discrimination**<br><br>Organisations should prevent anyone from discriminating against employees of the organisation..<br><br>Organisations must implement structures that are free from direct or indirect discrimination on the grounds of sex, marital status or pregnancy, race, age, sexual preference, religious or political beliefs, impairment, family responsibility or family status. | **What do I do in a situation like this?**<br><br>Discuss this with your supervisor or manager first.<br><br>Seek advice from the Human Resource Department and they should provide you a copy of their policies. |

# Compare Own Values And Beliefs To Company Practice

Conflict occurs in our daily lives and is nothing new to us. The chances are good that an individual's personal value system may be in conflict with the corporate codes of ethics.

In other words, an employee may view an action at work as cruel, due to his or her upbringing or past experiences, while the corporate environment may see the action as dishonest.

**John was hungry and ate the left over rolls in the bakery. This behaviour is unethical and is seen as "dishonesty".**



**Mary, John's supervisor, grew up in poverty and knows how it feels when one is hungry.**

**The personal value system is higher than the corporate code of ethics.**

It is important for an organisation to implement a value system that suits the need and the culture of the organisation! This should be included in the code of ethics.

In a case that you feel your beliefs do not agree with the practice of a company there are a few things you can do depending on the situation.

As an example, let's say you know that the company is committing fraud; you should notify the relevant authorities such as the police or even give an anonymous tip to the press.

# Instances Where an Employee's Rights Are Undermined

You have been harassed by your co-worker on three occasions. This is the fourth time and he/she claims they touched your buttocks by accident. The first three times where uncomfortable but now it is becoming obvious.

- The first time this happens, you should tell the person that you don't like being touched in that manner.
- By the fourth time it is obvious that this person is not doing it by accident. You should compose yourself and report this to your and his/her superior.
- Make sure that there is someone who can corroborate your story.
- You will then most probably have to write a report on the incidents and hand it over to your superior.
- Your superior will then take the complaint up with the relevant parties and a disciplinary hearing will be held.

(This process differs from organization to organization)

You have been working for an organisation for two months and still haven't been paid. You can

✓ Go to the Department of Labour

✓ They will give you a form to fill in with your complaint

✓ The department will then phone your employer and ask them if the allegations are true and if they are aware that the employee is unhappy about the mentioned complaint.

✓ The department will then send the employer a formal complaint on which they have seven working days to respond.

✓ Next a hearing will be scheduled at the department of labour to see if the two parties can come to an agreement.

✓ If the two parties cannot come to an agreement, a court hearing will be scheduled and the employer will stand trail.

# Employment Equity Act (EEA)

## Definitions

In terms of **Section 1** of the Act:

In this Act, unless the context otherwise indicates--

- ✓ **"black people"** is a generic term which means Africans, Coloureds and Indians;
- ✓ **"Commission"** means the Commission for Employment Equity, established by section 28;
- ✓ "designated employer" means--
- ✓ a person who employs 50 or more employees;
- ✓ a person who employs fewer than 50 employees but has a total annual turnover that is equal to or above the applicable annual turnover of a small business in terms of the Schedule 4 of this Act;
- ✓ a municipality, as referred to in Chapter 7 of the Constitution;
- ✓ an organ of state as defined in section 239 of the Constitution, but excluding local spheres of government, the National Defence Force, the National Intelligence Agency and the South African Secret Service; and
- ✓ an employer bound by collective agreement in terms of section 23 or 31 of the Labour Relations Act, which appoints it as a designated employer in terms of this Act, to the extent provided for in the agreement.
- ✓ "designated groups" means black people, women and people with disabilities;
- ✓ "employee" means any person other than an independent contractor who--
- ✓ works for another person or for the State and who receives, or is entitled to receive, any remuneration; and
- ✓ in any manner assists in carrying on or conducting the business of an employer,
- ✓ and "employed" and "employment" have corresponding meanings;
- ✓ "employment law" means any provision of this Act or any of the following Acts:
- ✓ The Unemployment Insurance Act, 1966 (Act No. 30 of 1966);
- ✓ the Guidance and Placement Act, 1981 (Act No. 62 of 1981);
- ✓ the Manpower Training Act, 1981 (Act No. 56 of 1981);
- ✓ the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- ✓ the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993);
- ✓ the Labour Relations Act, 1995 (Act No. 66 of 1995);
- ✓ the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- ✓ any other Act, whose administration has been assigned to the Minister.
- ✓ "employment policy or practice" includes, but is not limited to--
- ➢ recruitment procedures, advertising and selection criteria;
- ➢ appointments and the appointment process;
- ➢ job classification and grading;
- ➢ remuneration, employment benefits and terms and conditions of employment;
- ➢ job assignments;
- ➢ the working environment and facilities;
- ➢ training and development;
- ➢ performance evaluation systems;
- ➢ promotion;
- ➢ transfer;
- ➢ demotion;
- ➢ disciplinary measures other than dismissal; and
- ➢ dismissal.
- ✓ "family responsibility" means the responsibility of employees in relation to their spouse or partner, their dependant children or other members of their immediate family who need their care or support;

- ✓ "HIV" means the Human Immunodeficiency Virus;
- ✓ "people with disabilities" means people who have a long-term or recurring physical or mental impairment which substantially limits their prospects of entry into, or advancement in, employment;
- ✓ "pregnancy" includes intended pregnancy, termination of pregnancy and any medical circumstances related to pregnancy;
- ✓ "reasonable accommodation" means any modification or adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate or advance in employment;

## Application Of This Act.-

In terms of **Section 4** of the Act:

(1) Chapter II of this Act applies to all employees and employers.
(2) Except where Chapter III provides otherwise, Chapter III of this Act applies only to designated employers and people from designated groups.
(3) This Act does not apply to members of the National Defence Force, the National Intelligence Agency, or the South African Secret Service1.

## Affirmative Action

### *Application*

In terms of **Section 12** of the Act:

Except where otherwise provided, this Chapter applies only to designated employers.

### *Duties Of Designated Employers*

In terms of **Section 13** of the Act:

(1) Every designated employer must, in order to achieve employment equity, implement affirmative action measures for people from designated groups in terms of this Act.
(2) A designated employer must--

- consult with its employees as required by section 16;
- conduct an analysis as required by section 19;
- prepare an employment equity plan as required by section 20; and
- report to the Director-General on progress made in implementing its employment equity plan, as required by section 21.

### *Voluntary Compliance*

In terms of **Section 14** of the Act:

An employer that is not a designated employer may notify the Director-General that it intends to comply with this Chapter as if it were a designated employer.

### *Affirmative Action Measures*

In terms of **Section 15** of the Act:

(1) Affirmative action measures are measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer.
(2) Affirmative action measures implemented by a designated employer must include--
(a)-measures to identify and eliminate employment barriers, including unfair discrimination, which adversely affect people from designated groups;
(b)-measures designed to further diversity in the workplace based on equal dignity and respect of all people;
(c)-making reasonable accommodation for people from designated groups in order to ensure that they enjoy equal opportunities and are equitably represented in the workforce of a designated employer;
subject to subsection (3), measures to--
(a)-ensure the equitable representation of suitably qualified people from designated groups in all occupational categories and levels in the workforce; and

(b)-retain and develop people from designated groups and to implement appropriate training measures, including measures in terms of an Act of Parliament providing for skills development.
(3) The measures referred to in subsection (2)(d) include preferential treatment and numerical goals, but exclude quotas.
(4) Subject to section 42, nothing in this section requires a designated employer to take any decision concerning an employment policy or practice that would establish an absolute barrier to the prospective or continued employment or advancement of people who are not from designated groups.

## Consultation With Employees

In terms of **Section 16** of the Act:

(1) A designated employer must take reasonable steps to consult and attempt to reach agreement on the matters referred to in section 17--
(a)-with a representative trade union representing members at the workplace and its employees or representatives nominated by them; or
(b)-if no representative trade union represents members at the workplace, with its employees or representatives nominated by them.
(2) The employees or their nominated representatives with whom an employer consults in terms of subsection (1)(a) and (b), taken as a whole, must reflect the interests of--
(a)-employees from across all occupational categories and levels of the employer's workforce;
(b)-employees from designated groups; and
(c)-employees who are not from designated groups.
(3) This section does not affect the obligation of any designated employer in terms of section 86 of the Labour Relations Act to consult and reach consensus with a workplace forum on any of the matters referred to in section 17 of this Act.

## Matters For Consultation

In terms of **Section 17** of the Act:

A designated employer must consult the parties referred to in section 16 concerning--
(a)-the conduct of the analysis referred to in section 19;
(b)-the preparation and implementation of the employment equity plan referred to in section 20; and
(c)-a report referred to in section 21.

## Analysis

In terms of **Section 19** of the Act:

(1) A designated employer must collect information and conduct an analysis, as prescribed, of its employment policies, practices, procedures and the working environment, in order to identify employment barriers which adversely affect people from designated groups.
(2) An analysis conducted in terms of subsection (1) must include a profile, as prescribed, of the designated employer's workforce within each occupational category and level in order to determine the degree of underrepresentation of people from designated groups in various occupational categories and levels in that employer's workforce.

## Employment Equity Plan

In terms of **Section 20** of the Act:

(1) A designated employer must prepare and implement an employment equity plan which will achieve reasonable progress towards employment equity in that employer's workforce.
(2) An employment equity plan prepared in terms of subsection (1) must state--
(a)-the objectives to be achieved for each year of the plan;
(b)-the affirmative action measures to be implemented as required by section 15 (2);
(c)-where underrepresentation of people from designated groups has been identified by the analysis, the numerical goals4 to achieve the equitable representation of suitably qualified people from designated groups within each occupational category and level in the workforce, the timetable within which this is to be achieved, and the strategies intended to achieve those goals;
(d)-the timetable for each year of the plan for the achievement of goals and objectives other than numerical goals;
(e)-the duration of the plan, which may not be shorter than one year or longer than five years;

(f)-the procedures that will be used to monitor and evaluate the implementation of the plan and whether reasonable progress is being made towards implementing employment equity;
(g)-the internal procedures to resolve any dispute about the interpretation or implementation of the plan;
(h)-the persons in the workforce, including senior managers, responsible for monitoring and implementing the plan; and
(i)-any other prescribed matter.
(3) For purposes of this Act, a person may be suitably qualified for a job as a result of any one of, or any combination of that person's--
(a)-formal qualifications;
(b)-prior learning;
(c)-relevant experience; or
(d)-capacity to acquire, within a reasonable time, the ability to do the job.
(4) When determining whether a person is suitably qualified for a job, an employer must--
(a)-review all the factors listed in subsection (3); and
(b)-determine whether that person has the ability to do the job in terms of any one of, or any combination of those factors.
(5) In making a determination under subsection (4), an employer may not unfairly discriminate against a person solely on the grounds of that person's lack of relevant experience.
(6) An employment equity plan may contain any other measures that are consistent with the purposes of this Act.

## Reports

In terms of **Section 21** of the Act:

(1) A designated employer that employs fewer than 150 employees must--
(a)-submit its first report to the Director-General within 12 months after the commencement of this Act or, if later, within 12 months after the date on which that employer became a designated employer; and
(b)-thereafter, submit a report to the Director-General once every two years, on the first working day of October.
(2) A designated employer that employs 150 or more employees must--
(a)-submit its first report to the Director-General within six months after the commencement of this Act or, if later, within six months after the date on which that employer became a designated employer; and
(b)-thereafter, submit a report to the Director-General once every year on the first working day of October.
(3) Despite subsections (1) and (2), a designated employer that submits its first report in the 12-month period preceding the first working day of October, should only submit its second report on the first working day of October in the following year.
(4) The reports referred to in subsections (1) and (2) must contain the prescribed information and must be signed by the chief executive officer of the designated employer.
(5) An employer who becomes a designated employer in terms of the Act must--
(a)-report as contemplated in this section for the duration of its current employment equity plan; and
(b)-notify the Director-General in writing if it is unable to report as contemplated in this section, and give reasons therefor.
(6) Every report prepared in terms of this section is a public document.

## Monitoring

In terms of **Section 34** of the Act:

Any employee or trade union representative may bring an alleged contravention of this Act to the attention of--
-another employee;
-an employer;
-a trade union;
-a workplace forum;
-a labour inspector;
-the Director-General; or
-the Commission.

## Assessment Of Compliance

In terms of **Section 42** of the Act:

- ✓ In determining whether a designated employer is implementing employment equity in compliance with this Act, the Director-General or any person or body applying this Act must, in addition to the factors stated in section 15, take into account all of the following:

✓ The extent to which suitably qualified people from and amongst the different designated groups are equitably represented within each occupational category and level in that employer's workforce in relation to the--

(a)-demographic profile of the national and regional economically active population;
(b)-pool of suitably qualified people from designated groups from which the employer may reasonably be expected to promote or appoint employees;
(c)-economic and financial factors relevant to the sector in which the employer operates;
(d)-present and anticipated economic and financial circumstances of the employer; and
(e)-the number of present and planned vacancies that exist in the various categories and levels, and the employer's labour turnover;
(f)-progress made in implementing employment equity by other designated employers operating under comparable circumstances and within the same sector;
(g)-reasonable efforts made by a designated employer to implement its employment equity plan;
(h)-the extent to which the designated employer has made progress in eliminating employment barriers that adversely affect people from designated groups; and
(i)-any other prescribed factor.

## Liability of Employers

In terms of **Section 60** of the Act:

(1) If it is alleged that an employee, while at work, contravened a provision of this Act, or engaged in any conduct that, if engaged in by that employee's employer, would constitute a contravention of a provision of this Act, the alleged conduct must immediately be brought to the attention of the employer.
(2) The employer must consult all relevant parties and must take the necessary steps to eliminate the alleged conduct and comply with the provisions of this Act.
(3) If the employer fails to take the necessary steps referred to in subsection (2), and it is proved that the employee has contravened the relevant provision, the employer must be deemed also to have contravened that provision.
(4) Despite subsection (3), an employer is not liable for the conduct of an employee if that employer is able to prove that it did all that was reasonably practicable to ensure that the employee would not act in contravention of this Act.

## Activity 5-8 (SO4, AC1-4)

## Activity 9 (Employment Equity Act)