



**Western Cape
Government**

Education

Directorate: Curriculum FET

TELEMATICS 2015

BUSINESS STUDIES
Grade 11

Term 4: October (Grade 11)				
Day	Date	Time	Subject	Topic
Thursday	15 October	15:00 – 16:00	Business Studies	Introduction to Human Resources Function
Friday	16 October	15:00 – 16:00	Besigheidstudies	Inleiding: Menslike Hulpbronne Funksie

Content

<ul style="list-style-type: none"> • Description of the Human Resources function. • Main aspects of Human Resources Management. • Definition of recruitment • Types of recruitment • Explain the recruitment procedure • Outline the selection procedure. • Explain the interviewing process. • Requirements of a good interview • Employment contract • Termination of contracts • Induction and training • Components of an induction training programme 	<ul style="list-style-type: none"> • Factors that determines an employee's salary • Different salary determination methods • Taxation of employee earning • Employee benefits • Labour Relations Act [LRA] no. 66 of 1995 • Basic Conditions of Employment Act [BCEA] no. 75 of 1997 • Processes and procedures included in the BECA. • The Employment Equity Act [EEA] no. 55 of 1998 •
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Session 1

Human Resource Function:

1.1. Meaning of the term Human Resources.

- The division of a company that is focused on activities relating to employees.

1.2 Main aspects of the Human Resources Function.

1) Recruitment	4) Induction	Retrenchment
2) Selection	5) Placement	Employment contracts
3) Interviews	6) Training & Skills Development	Salary determination

1.3 Recruitment

Definition: Process of finding and appointing new employees for a vacant position in the business

1.4 Types of recruitment

Two types	
<ul style="list-style-type: none"> • Internal sources - within the business - via email or poster 	<ul style="list-style-type: none"> • External sources - outside the business - advertisement or interne

1.5 Recruitment procedure

- Analyse the needs and job description
- Decide on recruitment sources [internal or external]
- Compose and place advertisement
- Receive applications and CVs from potential candidates
- Assign an appropriate recruitment team

1.6 Selection procedure

Step 1	<ul style="list-style-type: none"> Preliminary screening 	<ul style="list-style-type: none"> CV / Letters of application
Step 2	<ul style="list-style-type: none"> Screen & shortlist 	<ul style="list-style-type: none"> Evaluate applicants / Draw up a shortlist [5]
Step 3	<ul style="list-style-type: none"> Inform applicants 	<ul style="list-style-type: none"> Contact short listed candidates
Step 4	<ul style="list-style-type: none"> Conduct interview 	<ul style="list-style-type: none"> Identify the best candidate
Step 5	<ul style="list-style-type: none"> Test candidates 	<ul style="list-style-type: none"> Conduct competency test
Step 6	<ul style="list-style-type: none"> Contact references 	<ul style="list-style-type: none"> Confirm background information
Step 7	<ul style="list-style-type: none"> Notify successful candidate 	<ul style="list-style-type: none"> Mail offer of employment letter Candidate must confirm in writing

1.7 Interview process

1	Preparation	<ul style="list-style-type: none"> Book a room for the interview Study the applicant's CV Formulate questions for the applicant
2	Open interview	<ul style="list-style-type: none"> Explain the purpose of the interview Obtain information by asking open ended questions Avoid asking questions of a discriminatory nature
3	Close interview	<ul style="list-style-type: none"> Provide the applicant with an opportunity to ask questions Tell the applicant when an answer can be expected regarding the outcome of the application

1.8 Requirements of a good interview

<ul style="list-style-type: none"> Ensure that each interview follows the same process. Each interview should have the same questions and each candidate must be given an equal opportunity A panel of people should conduct the interview Interview process do not allow for discrimination against race, gender, age or sexual orientation Use creative and interesting questions that challenge the candidates Do make an immediate judgment or decision until all candidates have been interviewed.

1.9 Employment contract – Definition

<ul style="list-style-type: none"> Oral or written, express or implied, agreement - specifying terms and conditions - under which a person consents to perform certain duties - as directed and controlled by an employer - in return for an agreed upon wage or salary.

1.9.1 Details in an employment contract

- Names and addresses of the employer and employee
- Job description and job title
- Normal Working hours
- Leave conditions
- Salary package
- Termination of contract
- Starting date

1.10 Termination of employment contracts

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|---|--------------|---|---|
| • | Resignation | ? | Occurs when an employee chooses to leave the organisation |
| • | Dismissal | ? | Occurs when the employee is asked to leave the organisation due to bad conduct, breach of contract or illegal behaviour |
| • | Retirement | ? | Occurs when an employee reaches a certain age and do not have to work any longer |
| • | Retrenchment | ? | Occurs when an organisation is forced to reduce the number of employees for operational reasons. |

1.11 Induction – Definition

Process whereby an employee is first introduced to the business and fellow employees

1.12 Components of an induction process

- Tour of the premises
- Introduction to key people and immediate colleagues
- Conditions of employment
- Administrative details
- Safety regulations
- Job discussion on performance output and how to do about daily work

1.13 Training

- Refers to the acquisition of new skills and knowledge
- Investment by the employer in the employees
- Development needs of the employees must be determined
- Acquire a suitable service provider
- HR Determine if the training needs has been met
- Increase the efficiency of the workforce

1.14 Factors that determines an employee's salary

- Type of job [skilled, semi-skilled or unskilled]
- Educational qualifications
- Experience in the work place
- Level of the position [top-, middle- or lower level management]
- Financial position of the business
- Economic conditions in the country

1.15 Different salary determination methods

Piece-meal	<ul style="list-style-type: none"> • Paid for the amount of work produced Example: number of shirts manufactured per week
Time related	<ul style="list-style-type: none"> • Paid for the amount of time spent at work • Example: 40 hours a week @ R 5 000 • Earn extra money by working over-time

1.16 Taxation on the employee

- Personal tax is a compulsory deduction made from the salary / wage by the employer and paid over to the SARS
- Income tax is deducted as PAYE [Pay as you Earn] on the salary of the employee
- High income earners are taxed at a high rate and low income earners are taxed at a low rate.
- This is known as a progressive tax.

1.17 Employee benefits

Fringe Benefits

Compulsory Benefits

1.17.1 Fringe Benefits - Definition

Compensation beyond a regular wage or salary an employer, which are exempt from taxation as long as certain conditions are met.

1.17.2 Fringe Benefits – Types

- Medical Aid
- Pension
- Provident Fund
- Allowances

1	Medical Aid	<ul style="list-style-type: none"> • Fund that is maintained from monthly contributions by employees and a subsidy by employers. • The fund is accessed when a member or its dependent requires medical attention. • The fund will pay the medical service provider the full amount or a portion of the expense
2	Pension	<ul style="list-style-type: none"> • Long term savings for retirement • Fund that is maintained from monthly contributions by the employee and employer
3	Provident Fund	<ul style="list-style-type: none"> • Long term savings for retirement • Fund that is maintained from monthly contributions by the employee and employer
4	Allowances	<ul style="list-style-type: none"> • Amount of money paid by the employer to the employee for a specific expenses to allow the employee to render a more effective service. • Examples: Car, Cell-phone, Tablet & Travel allowances

Compulsory Benefits – Definition

- Refers to benefits that businesses are legally required to offer its employees

Types of compulsory benefits

	Unemployment Insurance Fund [UIF]	<ul style="list-style-type: none"> • Employers must pay unemployment insurance contributions of 2% of the value of each worker's pay per month. • The employer and the worker each contribute 1%. • Contributions are paid to the Unemployment Insurance Fund (UIF) or the South African Revenue Services (SARS).
	COIDA	<ul style="list-style-type: none"> • Employer pays monthly contributions into a fund based on the total wage bill of the employees. • Employee is entitled to claim compensation if he/she is injured whilst on duty. • Dependents of an employee is entitled to compensation if the employee dies whilst on duty
	Other compulsory benefits	<ul style="list-style-type: none"> • Vacation Leave • Maternity Leave • Adoption Leave • Sick Leave • Family Responsibility Leave • Paid Public Holidays

1.18 THE IMPLICATION OF LEGISLATION ON HUMAN RESOURCES

LRA

BCEA

EEA

1.18.1 Labour Relations Act [LRA]

- LRA was established to ensure fairness in the workplace.
- Terms and conditions applies to both the employer and the employee
- Impact for HR
- Fair processes for employing workers.
- Fair process for dismissal of workers
- Rights and responsibilities of trade unions are protected
- Procedure for strikes and dispute resolution
- No unfair treatment in the workplace
- Encourage working participation in decision making

1.18.2 Basic Condition of Employment Act [BCEA]

- Protect employees against unfair labour practices
- Determines the minimum conditions of employment
- Implications for HR
- Worker must not work more than 45 hours a week
- Maximum number of over-time is 3 hours per day and 10 hours per week
- Female employees are entitled to four months maternity leave
- Employees are entitled to 21 days consecutive leave per year
- An employee is entitled to 30 days sick leave in a three year cycle.
- Meal interval for employees of 1 hour after 5 hours of work
- Employee must give 4 weeks' notice to end an employment contract if he worked for one year or more.

1.18.3 Employment Equity Act [EEA]

- Promotes equal opportunity
- Eliminates unfair discrimination
- Implements affirmative action [AA] measures to redress past discrimination to designated groups
- Implications for HR
- Job vacancies must be made known to everybody who is eligible to apply.
- Elimination of unfair discrimination in recruitment, selection, placement etc.
- Fair testing and assessment of applicants
- Identify employees that fit in the category of AA
- Draft an Employment Equity Plan as a code of good practice