

NATIONAL CERTIFICATE: BUSINESS ADVISING

SAQA ID: 79886

MANAGING A BUSINESS

MODULE 2

FORMATIVE ASSESSMENT MEMO

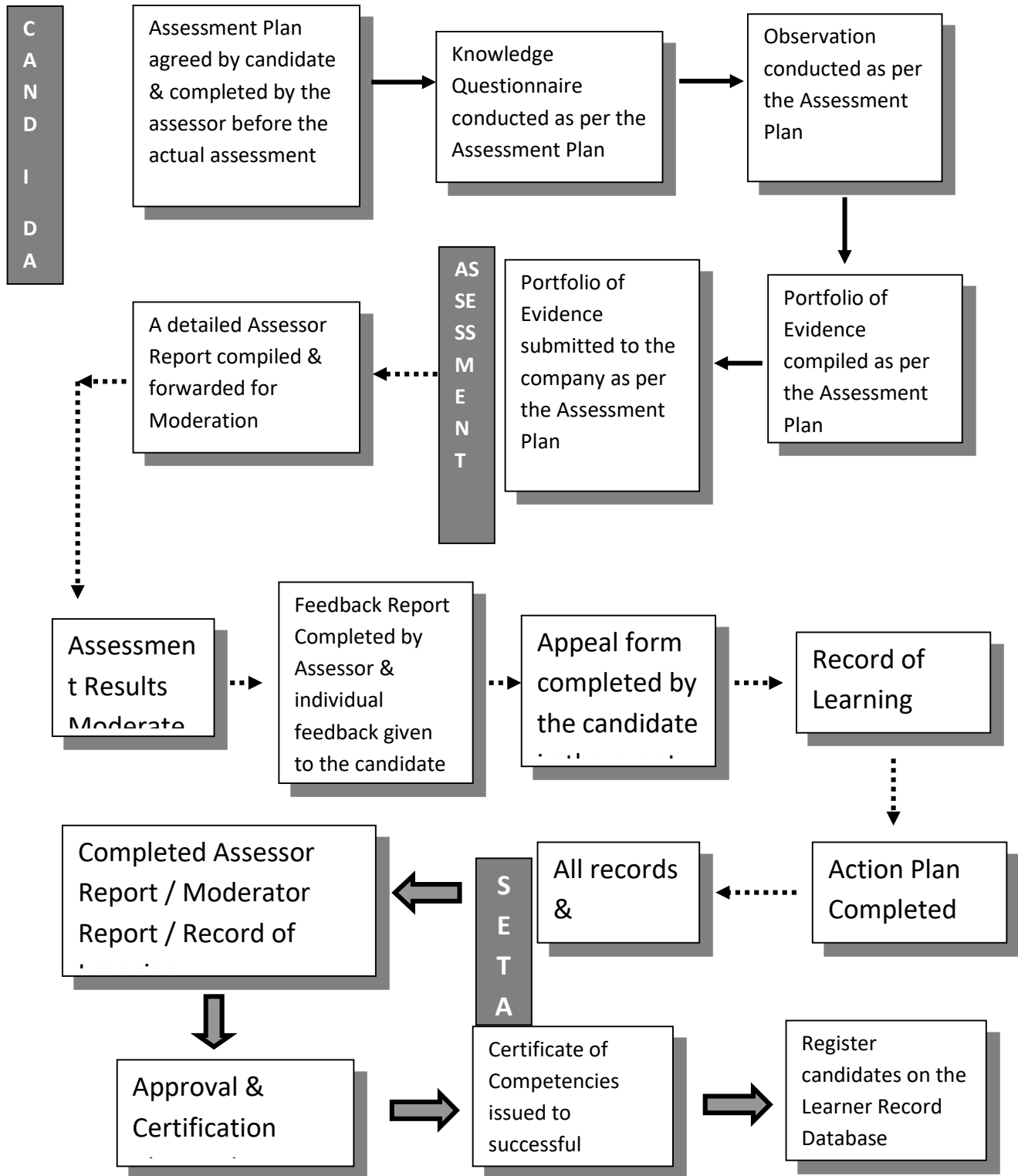
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Contact Details

Standard Title:			
Course:			
Assessor Details			
Name			
Branch		Registration No:	
Contact Details	email:		
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Moderator Details			
Name			
Branch			
Contact Details	email:		Registration No: <input type="text"/>
	Phone:		Fax: <input type="text"/>
Candidate Details			
Name		ID No	<input type="text"/>
Job		Company	<input type="text"/>
Department	<input type="text"/>		
Contact Details	Email:	<input type="text"/>	
	Phone:		Fax: <input type="text"/>
<p>I confirm that:</p> <ul style="list-style-type: none"> <input type="checkbox"/> the purpose of the assessment has been clearly explained to me <input type="checkbox"/> the criteria have been discussed with me, and I know I will be assessed against these criteria <input type="checkbox"/> I know when and where I will be assessed, and I was given fair notice <input type="checkbox"/> I know how the assessment will be done, and any other requirements related to the assessment <p>Signed: _____ Date: _____</p>			

Overall Assessment Decision	Competent	Not yet competent	
Candidate's Signature	<input type="text"/>	Date	<input type="text"/>
Assessor's Signature	<input type="text"/>	Date	<input type="text"/>
Moderator's Signature	<input type="text"/>	Date	<input type="text"/>

Assessment Process Flow



Agreed Assessment Plan

Candidate's Name:			
Assessor's Name:			
Standard Title:			
EVENT	DATE, TIME AND LOCATION	RESOURCES REQUIRED	EVIDENCE TO BE GENERATED
Attend Training		Training material, equipment as specified	Attendance Register
Complete knowledge questionnaire.		Knowledge questionnaire	Completed knowledge questionnaire
Complete practical assessment		Subject matter expert and assessor, specified equipment.	Direct observation assessment form

Signature of Candidate: _____

Signature of Assessor: _____

Date: _____

Answer all the questions in this section

CHAPTER 1

1. What are the advantages of setting SMART Goals (5)

Goal setting is critical to effective time management strategies. It is the single most important life skill that, unfortunately, most people never learn how to do properly. Goal setting can be used in every single area of your life, including financial, physical, personal development, relationships, or even spiritual. According to Brian Tracy's book Goals, fewer than 3% of people have clear, written goals, and a plan for getting there. Setting goals puts you ahead of the pack!

2. In an organization suggest the Three P's that can be adopted to improve productivity.

POSITIVE: Who could get fired up about a goal such as "Find a career that's not boring"? Goals should be phrased positively, so they help you feel good about yourself and what you're trying to accomplish. A better alternative might be this: "Enroll in pre-law classes so I can help people with legal problems someday."

PERSONAL: Goals must be personal. They must reflect your own dreams and values, not those of friends, family, or the media. When crafting your goal statement, always use the word "I" in the sentence to brand it as your own. When your goals are personal, you'll be more motivated to succeed and take greater pride in your accomplishments.

POSSIBLE: When setting goals, be sure to consider what's possible and within your control. Getting into an Ivy League university may be possible if you are earning good grades but unrealistic if you're struggling. In the latter case, a more reasonable goal might be to attend a university or trade school that offers courses related to your chosen career. You might also pursue volunteer work that would strengthen your college applications.

3. How would ensure that goals are prioritizing in an organization (4)

Achieving challenging goals requires a lot of mental energy. Instead of spreading yourself thin by focusing on several goals at once, invest your mental focus on one goal, the most important goal right now. When you are prioritizing, choose a goal that will have the greatest impact on your life compared to how long it will take to achieve. A large part of goal setting is not just identifying what you want, but also identifying what you must give up in your life in order to get it. Most people are unwilling to make a conscious decision to give up the things in their life necessary to achieve their goals.

4. What is your understanding of the 80/20 Rule and its importance (5)

The 80/20 rule, also known as Pareto's Principle, states that 80% of your results come from only 20% of your actions. Across the board, you will find that the 80/20 principle is pretty much right on with most things in your life. For most people, it really comes down to analyzing what you are spending your time on. Are you focusing in on the 20% of activities that produce 80% of the results in your life?

5. How does the urgent/Important Matrix assist in improving work productivity (5)

Great time management means being effective as well as efficient. Managing time effectively, and achieving the things that you want to achieve, means spending your time on things that are important and not just urgent. To do this, you need to distinguish clearly between what is urgent and what is important:

IMPORTANT: These are activities that lead to the achieving your goals and have the greatest impact on your life.

URGENT: These activities demand immediate attention, but are often associated with someone else's goals rather than our own.

6. How does Assertiveness improve productivity (5)

At times, requests from others may be important and need immediate attention. Often, however, these requests conflict with our values and take time away from working toward your goals. Even if it is something we would like to do but simply don't

have the time for, it can be very difficult to say no. One approach in dealing with these types of interruptions is to use a Positive No, which comes in several forms.

7. Suggest 4 ways of overcome Procrastination (5)

DELETE IT. What are the consequences of not doing the task at all? Consider the 80/20 rule; maybe it doesn't need to be done in the first place.

DELEGATE. If the task is important, ask yourself if it's really something that you are responsible for doing in the first place. Know your job description and ask if the task is part of your responsibilities. Can the task be given to someone else?

DO IT NOW. Postponing an important task that needs to be done only creates feelings of anxiety and stress. Do it as early in the day as you can.

ASK FOR ADVICE. Asking for help from a trusted mentor, supervisor, coach, or expert can give you some great insight on where to start and the steps for completing a project.

8. Suggest the best way of managing the workflow of an organization (5)

Although difficult at first, the practice can become habitual, and is made easier with the four Ds:

DO: If a task can be completed in two minutes or less, do it immediately.

DELETE: If the material is trash or junk, delete it. Or, if it's something that you might use later on, file it, and move on.

DEFER: If the task is one that can't be completed quickly and is not a high priority item, simply defer it.

DELEGATE: If a task is not yours to do, then delegate it.

9. Suggest ways of using the Using the PAT Approach (4)

We use the PAT approach to prepare for and schedule meetings.

PURPOSE: What is the purpose of the meeting? We usually state this in one short sentence. Example: "This meeting is to review the new invoice signing policy." This helps people evaluate if they need to be there. It will also help you build the agenda and determine if the meeting was successful.

AGENDA: This is the backbone of the meeting. It should be created well in advance of the meeting, sent to all participants and observers, and be used during the meeting to keep things on track.

TIME FRAME: How long will the meeting be? Typically, meetings should not exceed one hour. (In fact, we recommend a fifty minute meeting, starting at five past the hour and ending five minutes before the hour.) If the meeting needs to be longer, make sure you include breaks, or divide it into two or more sessions.

10. Meeting can be time consuming suggest alternative of meetings (4)

- Emailing
- Instant massaging

CHAPTER 2

1. Discuss the role of each of the outlined personnel below in relation to financial management (10)

Player	Role
CEO	
CFO	
Accounting	
Department Managers	
Board of Directors	
Government Regulators	
Stockholders	
Investors	
Creditors	

Player	Role
CEO	They use financial data to steer the organization to the strategic vision, mission, and goals of the organization.
CFO	They ensure that the financial data is accurate and create reports. In addition, they analyze the information and help the CEO make decisions.
Senior Leadership	They use financial data to control budgets of several departments and business units.
Accounting	They collect financial data and record them daily in computer

	systems for compiling at the end of the month.
Department Managers	They use financial data to manage their areas or business units.
Board of Directors	They use financial data to determine how well the organization is doing and hold leaders accountable for meeting budgets and other obligations.
Government Regulators	They use financial data to determine if the company is being managed according to rules.
Stockholders	They use financial data to determine if the company is profitable and being managed well.
Investors	They use financial data to determine if they want to purchase stocks in hopes of a financial return.
Creditors	They use financial data to determine if the company is capable of paying back a new or current loan.

2. Complete the statements below (4)

_____ works with private organizations like the AICPA and FASB to help set standards for accounting principles.

_____ publishes the statements of financial accounting standards, statements of financial accounting concepts, interpretations, and technical bulletins related to accounting standards.

- **Securities and Exchange Commission (SEC):** The SEC works with private organizations like the AICPA and FASB to help set standards for accounting principles.
- **Financial Accounting Standards Board (FASB):** This organization publishes the statements of financial accounting standards, statements of financial accounting concepts, interpretations, and technical bulletins related to accounting standards.

3. Show your understanding of GAAP (4 Marks)

In general, GAAP deals with the following reporting standards:

- When is revenue recognized as actual revenue that can be counted? This prevents overstatement of revenues by determining when revenue can be claimed or recognized.
- Balance sheet item classification standardizes the items found on the balance sheet to avoid confusion.
- Outstanding share measurements

4. What are benefits to the C.E.O OF **Understanding Financial Statements (5)** financial statements are the communication tools for the organization. There are many aspects of a business’s financial dealings reported in financial statements. Revenues coming in and expenses going out are key data that require reporting. Tangible items like equipment, property, and cash reserves are also reported in financial statements. Understanding these financial statements opens the door to analyzing finance data for budgeting, controlling, and making decisions.

5. Determine whether the statement is true or false “ Income statements list all the areas where income is generated” Sometimes, the income is categorized certain categories:

- Income from sales
- Income from interest
- Income from investments

True

6. True or False

The net income or loss is calculated by subtracting the expenses from the income. This number represents the income or loss after all expenses are applied. (2)

True

7. Outline the basic components of the statement of retained earnings

- Beginning balance
- Net Income/loss
- Dividends paid
- Ending balance

8. complete the below statements

_____ helps to determine how cash flowed in and out of the company. This is considered a mandatory financial report. The _____ does not factor in cash flows from credit transactions or accounting maneuvers like depreciation expense.

Cash flow

9. Outline the three main components of the statement of cash flows (3)

- Cash flow from operations
- Cash flow from investing
- Cash flow from financing

10. Outline the basic components of an annual report (8)

- Chairman’s report
- CEO’s report
- Auditor’s report
- Mission statement
- Corporate governance statement
- Statement of director’s responsibilities
- Balance sheet
- Statement of retained earnings
- Income statement
- Cash flow statement
- Notes to the financial statements
- Accounting policies

11. Complete the table below (6)

Ratio Calculation	Formula	Result
Net Income Increases to Pay Increases	Net Income Increases to Pay Increases = change in net income / change in salaries, wages and benefits	Shows when net income is increasing faster than wages (in dollar terms).
	Profits per Employee (Net Income per Employee) = net income / number of employees	

Ratio Calculation	Formula	Result
Net Income Increases to Pay Increases	Net Income Increases to Pay Increases = change in net income / change in	Shows when net income is increasing faster than wages (in dollar terms).

	salaries, wages and benefits	
Net Income per Employee	Profits per Employee (Net Income per Employee) = net income / number of employees	Shows the average profit generated per person employed in the company.

12. Outline the formula for Equity ratios (5)

$$\frac{\text{Common Shareholders' Equity}}{\text{Total Capital Employed}} = \text{Equity Ratio}$$

CHAPTER 3

1. Discuss the term Human Resources (3)

HR has certainly evolved over the past 30 to 50 years, and branched out into defined areas, or sub-disciplines, within the scope of human resources. These include recruitment, employee engagement, retention, organizational development, training and development, compensation and benefits, health, safety and wellness, strategic planning, and employee relations.

2. Discuss the factors that can influence the Human Resources function (3)

Technology: which has had, and will continue to, have significant impact on the way we design and structure work. It also challenges the workforce to keep up with significant developments while organizations decide which changes are worthwhile adopting.

Globalization: as companies consider working in or expanding into foreign markets, and have employees working in different locations.

Demographics: as the core numbers of the workforce age and move into retirement, and the available talent pool becomes smaller. What do the older workers need to sustain themselves? What are younger workers looking for in employment?

3. Outline the job selection process you would apply in your new venture (4)

Organizations typically go through a formal or informal process when there is a vacancy to fill.

In some organizations, simply getting permission to fill a vacancy can be a challenge. Once the process starts, the pattern is very similar from one place to the next. Although the steps seem straightforward, this is a very interactive process, so stages can overlap.

Job Analysis: Here we will consider the KSA's (knowledge, skills, and attitudes) that are required for the position, and make sure that they are included in a job description.

Recruit: Attract the right candidates to the position. The best way to start this part of the process is to have a good idea where your candidates are. The most effective way to do so is to know what interests them, where they tend to congregate, and in a shrinking labor market, where they already work.

Filter Candidates: It is not necessary to interview every candidate. By the same token, some folks do not interview well and yet can provide supporting and interesting information to you through screening and testing. For example, if you are hiring customer service representatives that will spend a lot of time on the phone, then conduct an initial, short interview over the phone. If they sound professional and confident, then you can consider a face to face interview.

Interview: Structured, formal interviews will give you far more valid and reliable results than informal ad-hoc interviews. Know what you are interviewing for, be well prepared, and be ready for candidates to have plenty of questions for you.

Select: Check references. Make an offer to the right candidate, and be prepared to negotiate, especially in a tight labor market.

Introduce and Retain: Now that you have your new employee, prepare to introduce them to the team, and to build on the relationship that has been established during the recruiting process.

4. How would you ensure that Interviewing is fairly done in your organization (5)

It can be easy for an interviewer to succumb to bias or stereotype. Be aware of the following issues, so that they do not thwart your efforts at the interview.

We used to think that if people sat with their arms crossed, they were being “closed” or “standoffish.” Sometimes, however, people are nervous and maybe trying to keep their hands still or perhaps they are simply more comfortable with their arms crossed. Reading body language is not always simple; a tendency to pay more attention to non-verbal cues means you may miss what someone actually says.

Remember, too, that if an interviewer and applicant are of similar gender, race, or share other physical characteristics, this can (and does) influence interview results.

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Women, people who are overweight and visible minorities are typically paid less than Caucasian men working in the same roles. Be aware of this in terms of employment equity.

The halo effect is seen when a personal attribute is presumed to reflect some kind of truth. For example, a person who is perceived as physically attractive is frequently considered more intelligent and sociable than someone who is less attractive, even in the absence of proof.

Contrast effects surface when the characteristics of one candidate are compared to candidates who have already been interviewed, rather than against established behavioral criteria.

5. What are the benefits of retention and Orientation in an organization (5)

The retention process is about putting things which help people stay with your organization into place. Although retention starts during the interview process, at the point where an offer of employment is made, it falls within the scope of Employee Orientation.

6. Give examples of Workplace Bullying, Harassment, and Violence (6)

- Physical: Attacks, threats, or unwanted sexual advances.
- Verbal: Offensive or critical jokes, gossip, threats, or criticism.
- Written: Offending notes, email, text messages, and/or letters.

7. What are the implications or costs of harassment to the organization (5)

If the organization refuses to intervene, they may experience cost in many ways:

- Staff turnover
- Reduced productivity
- Poor morale
- Absenteeism
- Negative impacts to employee benefit plans (through increased plan usage)
- Legal costs
- Tarnished reputation
- Strain on resources to deal with the complaint

- Negative media coverage

8. What stapes would you take to resolve a crisis in a work place (5)

Position yourself so that you know where you are in relation to an opponent, and an exit.

Observe warning signs and pay attention to them, particularly if the distance between you is narrowing, or the other person begins speaking in single syllables.

Listen empathetically and avoid remarks that could be considered condescending.

Instincts: listen to, and make good use of your instincts.

Talk to the other person and try to establish rapport. This will help you to gauge, and influence, their mood.

Eye contact can also be an effective way of building rapport. Read the situation carefully, however, as some angry people will see unwavering eye contact as threatening. Use eye contact to establish a connection, not to intimidate.

9. Suggest the best ways of providing Feedback to Employees (3)

Your employees expect your feedback whether it is a pat on the back, or time for change. This module will explore some different feedback models, as well as some ways to make your feedback effective and encouraging.

10. How best can you encourage Growth and Development in your business (4)

Giving good, meaningful feedback is hard work. Appreciate that this is a learned skill, so you will improve with practice. Take the time to ask questions, observe, and refine your skills.

The payoff for you as a manager is that even if you are giving someone unwanted news, they will appreciate the way that you deliver it. In addition, news that is well delivered is more likely to be listened to than is feedback that is poorly thought out, or coldly articulated.

You may have also noticed that our multi-grain sandwich highlighted some areas where you, the manager, could improve. This not only gives you some things to work on, but it shows your staff that learning and growing never stop.

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