higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

SALES MANAGEMENT N6

(4090346)

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This question paper consists of 6 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
SALES MANAGEMENT N6
TIME: 3 HOURS
MARKS: 200

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each section on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.1–1.25) in the ANSWER BOOK.

1.1 An advantage of the straight commission compensation is that it is simple and easy to administer.

1.2 The ages of sales representatives have no influence on sales compensation.

1.3 When analysing sales volume there is no need to analyse marketing cost as well.

1.4 In a decentralised sales organisation very little authority and responsibility is delegated to lower management.

1.5 A formal sales appraisal is conducted by the salesperson's immediate supervisor.

1.6 Fringe benefits provide salespeople with a regular income for basic needs.

1.7 The internet cannot be used to advertise a sales vacancy available in the company.

1.8 Salespeople are motivated by the prospect of earning more money.

1.9 Candidates are asked closed questions in an unstructured interview.

1.10 Bonuses to sales staff are often determined by the number of new accounts that were opened or by the extent to which certain tasks have been completed successfully.

1.11 Monetary incentives usually consist of travel awards and share options.

1.12 One of the reasons sales managers have to redesign sales territories, is that companies do not hire enough salespeople to cover the market effectively.

1.13 A routine sales performance appraisal is carried out at the end of the year.

1.14 Recruiting salespeople from competing companies in the same industry has the advantage that such recruits know the industry well.

1.15 A job description sets out who the salesperson must report to.

1.16 The last step of a sales performance evaluation is to take corrective action.

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1.17 The application form helps sales managers to prepare for personal interviews with job candidates.

1.18 Unity of command is an organised system that ranks people according to their importance.

1.19 A method to analyse a company's marketing cost is by ledger account categories.

1.20 Management's span of control tends to increase as more supervisory levels are added.

1.21 Market share can be defined as the combined sales of all products in all territories.

1.22 Salespeople can only be trained by their immediate supervisors.

1.23 During an induction programme, a newly appointed salesperson learns about the company's unique selling method.

1.24 A sales manager can determine the training needs of a salesperson by observing them closely in the field.

1.25 Personality tests are used to measure a person's intelligence and learning ability in selecting candidates for sales positions.

(25 × 2) **[50]**

TOTAL SECTION A: 50

SECTION B

QUESTION 2

2.1 Explain the following principles involved in developing a sales organisation:

2.1.1 Span of control

2.1.2 Unity of command

2.1.3 Hierarchy of authority

(3 × 2) (6)

2.2 State FOUR characteristics of task description. (4 × 2) (8)

2.3 Discuss FOUR objectives of sales training. (4 × 4) (16)

2.4 State FIVE goals of non-financial rewards. (5 × 2) (10)

2.5 Explain FIVE characteristics of effective sales performance. (5 × 2) (10)

[50]

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QUESTION 3

3.1 State FIVE factors that influence the span of control. (5)

3.2 Discuss FIVE advantages of functional specialisation. (5 × 2) (10)

3.3 State FIVE uses of the job description. (5 × 2) (10)

3.4 List the SEVEN steps of the selling process. (7)

3.5 The following sales figures were recorded by Rainbow Guest House in the KZN Wild Coast. Study the table below and answer the questions that follow:

MONTH	SALES
November	R500 000
December	R800 000
January	R160 000
February	R250 000

TABLE 1: SALES FIGURES: NOV–FEB

3.5.1 During which TWO months were the most sales recorded? (2)

3.5.2 Provide TWO reasons that could contribute to the high sales. (2 × 2) (4)

3.5.3 Provide TWO possible ideas to increase sales during the months in which less sales were recorded. (2 × 2) (4)

3.6 State FOUR basic elements of well-structured compensation. (4 × 2) (8)

[50]

QUESTION 4

4.1 A good induction programme will introduce the new employee to the policies and procedures of the company.

State THREE examples of information with regard to policies and procedures that can be included in the programme. (3 × 2) (6)

4.2 Discuss FOUR focus areas of a good sales training programme. (4 × 3) (12)

4.3 List TWO examples of a combination compensation plan. (2 × 2) (4)

4.4 Explain FIVE situations in which it is best to use a combination compensation plan. (5 × 2) (10)

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4.5 After a sales manager identified negative variances between actual performance and pre-determined standards, the final steps in the performance evaluation process must be taken.



Discuss the last THREE steps of the personal evaluation process. (3 × 4) (12)

4.6 Differentiate between a *sales forecast* and *sales budget*. (3 × 2) (6)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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