higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 3

8 December 2020

This marking guideline consists of 6 pages.

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SECTION A

QUESTION 1

1.1 True
1.2 True
1.3 False
1.4 True
1.5 False
1.6 True
1.7 True
1.8 False
1.9 True
1.10 True

(10 × 1) **[10]**

QUESTION 2

2.1 counterbalance forklift
2.2 warehouses
2.3 forks
2.4 order-picking trolleys
2.5 cranes
2.6 containers
2.7 conveyor belt
2.8 sophisticated
2.9 tugs and tractors
2.10 hoists

(10 × 1) **[10]**

TOTAL SECTION A: 20

SECTION B

QUESTION 3

- Road transport is probably the most important means of connecting people from one place to another. Different vehicles travel on roads, e.g. motorcycles, cars, trucks and busses.
- Rail transport is the transportation of goods and passengers on rail lines by trains. It is the best mode of transport for carrying goods and passengers over a long distance.
- Pipelines are used throughout the world to transport specific products such as petroleum and natural gas. Water supplied to residential and commercial areas is also transported through pipelines.
- Water transport is the movement of goods and passengers on waterways by means of ferries, boats, steamers and ships.
- Air transport is the least used mode of transport for cargo. A coast-to-coast shipment via air requires only a few hours in contrast to possible days taken by other means of transport. It is an expensive mode of transport. (5 × 2) **[10]**

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QUESTION 4

4.1
- Proximity to ports, railway stations
- Availability of existing buildings
- Security
- Conditions of the existing site
- Access control
- Land size available
- Access to ready labour (Any relevant 7 × 1) (7)

4.2
- Costly errors: The most important reason is that wrong site selection will hamper business success for a very long time after the plant or warehouse has been established.
- High transportation costs: Establishing a warehouse site in the right location can keep transportation costs low.
- Lack of reliable labour: Although a company may find the best location for its plant or warehouse, it must consider the availability of a reliable and productive workforce before a decision is made.
- Loss of business: When considering a warehouse site, the annual escalation in rent and the establishment, installation and warehouse preparation costs may have a very negative impact on the business bottom line. (Any relevant 4 × 2) (8)

4.3
- Insufficient road maintenance
- High taxation levies
- Theft
- Limited automation
- Diverse labour market (Any relevant 5 × 1) (5)

[20]

QUESTION 5

5.1
- Shelves
- Tote bins
- Live storage
- Drawer systems
- Mobile shelving
- Carousels
- Storage cabinets
- Palletising
- Block stacking
- Racking (10)

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5.2
- The company cannot meet the customer's expectation: Freight logistics ensure the right type of product or service at the right place at the right time for the right price in the right condition.
- Production costs increase: Inventory control aims to ensure that the production and distribution processes run smoothly. When the production or distribution departments rely on the availability of the right product at the required time, but the warehouse fails to deliver, it may lead to production delays or downtime or delay in distribution. All of these are extremely costly and detrimental to companies.
- The company cannot cope with demand fluctuation: If proper inventory control is not done, the company will struggle to cope with fluctuations in demand and may hold stock of goods that are not high in demand or may suffer out-of-stock situations during times when the goods are high in demand. In both cases the company loses money.
- The company cannot cope with variable lead times: If certain goods are not delivered on time, it may have certain impacts on the company where they can either not supply their customers or not continue the production process.
- Buying costs increase: Improper inventory control may lead to the need to buy smaller quantities more often. This does not only increase the cost associated with purchasing goods and the transport required, but also adds an administrative burden on the company. (5 × 2) (10)

[20]

QUESTION 6

6.1
- Purchasing relates to the buying of all goods. In transport logistics this may include services, supplies, materials and components for the running of machinery and capital equipment.
- Payment options refer to different methods available for settling of purchases.
- The tender process ensures that the best-fit suppliers is chosen from those who offer their goods or services to the customer for the best value of money.
- Policy regulating processes govern the freight logistics industry. (4 × 2) (8)

6.2
6.2.1 invitation to tender
6.2.2 contract
6.2.3 requisition or specification
6.2.4 purchase order
6.2.5 invoice and remittance advice
6.2.6 delivery and goods received note

(6 × 2) (12)

6.3
- Procurement of warehouse
- Storage and shelving items
- Packaging components and equipment
- Inventory and raw materials
- Material handling equipment
- Furniture
- IT hardware and software
- Vehicle monitoring and routing system
- Administration office needs
- Vehicles (10)

[30]

QUESTION 7

7.1
- Listen: Allow unhappy customers to vent their feelings. Once they have done this, they will be more open to discussing the problem rationally.
- Apologise: If a mistake has been made, the customer deserves an apology.
- Take notes: Write down important points while the customer is talking.
- Restate the situation as you understand it: Once the customer has finished speaking summarise what you have heard.
- Ask for suggestions: By asking a customer to state what he/she would like you to do to solve the problem, you are giving them a chance to say exactly what they need, want or expect.
- Get agreement: Make sure that what you undertake to do is what the customer understands you to be doing. (6 × 2) (12)

7.2
- Acknowledge the problem: Whoever is at fault, acknowledge the problem. Offer an apology even if you know you are not to blame. Apologising for the inconvenience does not admit blame, but it does built rapport with the customer. You need to identify and acknowledge the real problem. Do not make judgements based on personal characteristics such as age, gender, disability or race.
- Listen, ask questions and show that you care: It is tempting to be defensive, but nothing makes customers angrier. Give the customer your full attention and listen. If you ask a few well-placed questions and use active-listening techniques, you will demonstrate that you are taking the customer seriously.
- Fix the problem: If the customer is complaining, follow the complaint-handling policy. Tell them what you can do, not what you cannot do. Look for a way to fix the problem fairly. Know who to consult if the problem escalates – for example, refer it upward to a manager.
- Follow through: To recover the situation you may have to make new promises. You have to be sure you can deliver on these promises or do not make them from the start. Follow through and take time to check that things were resolved to the customer's satisfaction. (Any relevant 4 × 3) (12)

7.3 Customer service components and elements. (1)

[25]

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QUESTION 8

8.1
- Remanufacturing: Repair and overhaul businesses use valuable parts, such as engine blocks and ship or aircraft hulls, and refurbish them in a factory environment.
- Deposit programmes: These programmes provide a financial incentive to return packaging and other goods for reuse, e.g. cash refund on bottles, crates and pallets.
- Closed-loop programmes: These programmes are used extensively for packaging material, e.g. furniture-removal companies, companies transporting goods from a central manufacturing facility to warehouses and retail outlets.
- Refilling programmes: Some companies introduced refill packs of certain commodities such as soap powder, cleaning fluid, gas and milk.
- Repurposing: This salvage method entails using a product for a completely new purpose.
- Reuse centres: These centres collect previously used, yet perfectly usable, material and equipment. (6 × 2) (12)

8.2
- Customer not satisfied: When customers are not entirely satisfied with a product, have sudden problems with product installation or return a product because it is faulty, they may take advantage of a money-back guarantee.
- Installation or usage problem: Customers may experience valid problems with the installation or usage of bought products.
- Warrant claims: Products or parts that are defective can be sent back to retailers or the manufacturer for repair. Products might either be what is often referred to as dead on arrival or may not be working according to specifications.
- Faulty order processing: Distribution delays, unsold stock, the end of a life cycle or serious product flaws can result in product returns.
- Retail overstock: Manufacturers may provide resellers with the luxury of returning unsold stock.
- End of product lifecycle or product replacement: Once the product has reached the end of its lifecycle, old products must be disposed of to make way for new stock. (6 × 2) (12)

8.3 Stock adjustment form (1)

[25]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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