higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

OPERATIONS MANAGEMENT
NQF LEVEL 3

(3021031)

2 March 2018 (X-Paper)
09:00–12:00

This question paper consists of 7 pages.

NCV

TIME: 3 HOURS
MARKS: 150

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. Write neatly and legibly.

NCVO

SECTION A

QUESTION 1

1.1 Give ONE word or term for each of the following descriptions. Write only the word or term next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 Producing related products using a particular group of manufacturing procedures depending on consumer demand

1.1.2 A telephone system by which calls are answered and information provided to customers using prerecorded human voices

1.1.3 It refers to the inspiring of employees, making them feel good about their jobs so that they put more effort in carrying out their tasks

1.1.4 Refer to books which contain contact details about suppliers in a specific industry

1.1.5 A policy where managers work on nonacceptance of antisocial behaviour by strict and uncompromising application of company rules

1.1.6 Process in which management determines the vision and sets goals and objectives of the business

1.1.7 Resolving disputes in the workplace without going to court

1.1.8 Moving a senior employee to a junior position with less authority

1.1.9 Any mental and physical effort provided in return for remunerations

1.1.10 Document describing the aims, values and overall plan of an organisation or individual

(10 × 1) (10)

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1.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	People who benefit one way or the other from the existence of a business	A	skills gap
1.2.2	Ensuring that enough stock is always available in a business and ordering when necessary	B	risk analysis
1.2.3	Counting items on hand, identifying every item and summarising these quantities by item	C	specialisation
1.2.4	Providing employees with a particular skill to enable them to be productive in the workplace	D	training
1.2.5	Focusing only on the production of a limited scope of products and services to gain a greater degree of efficiency	E	stock taking
1.2.6	Strategies and guidelines used by the business to avoid under-spending as well as overspending	F	procurement
1.2.7	Operating in the same industry, targeting the same market	G	stakeholders
1.2.8	Cash, investments, securities and credit lines available in a business	H	physical resources
1.2.9	Caused by employees who are unable to perform tasks as they are underqualified	I	financial resources
1.2.10	Items with a lifespan of more than one year which are used to carry out business operations	J	competitors
		K	budgeting
		L	development

(10 × 1) (10)
[20]

TOTAL SECTION A: 20

SECTION B

Read the following and answer the questions.

SPICE MEGA – STRUCTURE FOLLOWS STRATEGY

Spice Mega is a family-owned business in Cape Town which was started by Sheryl Abrahams. Since 2009 it has grown into a medium-sized enterprise. The company imports spices and blends them into its product range. It also supplies quick mixes and rose water to supermarkets.

In its quest to become the world-class leader in blended spices Spice Mega has expanded rapidly, buying new equipment and additional packaging machinery. It has also started to exploit export opportunities for the spices. Quality is important to Sheryl and the company has obtained accreditation from the SABS.

As part of its marketing campaign the company created a website which resulted in a huge awareness in the market. Furthermore, the website created a professional and credible image for the business. Comparing the turnover of six months prior and six months after the intervention, it increased by 40%.

In order to cope with the demand for its products, ten more people were employed, taking the staff complement of Spice Mega to a total of 35.

The staff complement is made up of Dan, the operational manager; Agnes, the safety officer; Thabo, the IT manager; Moses and Bernard, the drivers; Thato, stock controller; Moses, deliveries; Jane, Peter, Sipho, cleaners; and the rest work as general assistants and are responsible for mixing and packaging of spices.

To keep up with competition, Spice Mega will have to do a lot of research on which flavours and complementary products to add to their business.

[Adapted from: *http://www.seda.org.za/Publications/Success.Stories/Pages/Mecca.aspx*]

QUESTION 2

2.1 Explain the consequences Spice Mega may experience should it fail to meet the expectations of its stakeholders in future. (4 × 2) (8)

2.2 The business turnover has increased by 40% in the previous year.

Explain the strategies which should be put in place to sustain its growth and to remain competitive. (5 × 1) (5)

2.3 Explain what will happen if the finance system does not communicate and work with other systems in the business. (4 × 2) (8)

2.4 Design a monthly maintenance and housekeeping programme for Spice Mega. (9)

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QUESTION 3

3.1 Explain the guidelines which Dan must follow when he communicates the assigned roles to all employees of Spice Mega. (6 × 1) (6)

3.2 Explain the management functions which Agnes must execute as the safety officer at Spice Mega. (4 × 2) (8)

3.3 Greater collaboration and coordination in this business will benefit both planners and operators.

Briefly discuss. (4 × 2) (8)

3.4 Spice Mega must ensure that procurement of items is done in line with its budget.

Explain the control measures which the business should put in place when procuring resources. (4 × 2) (8)

3.5 State FIVE factors which affect the employees' contribution towards the execution of an operational plan for the business. (5)

[35]

QUESTION 4

4.1 You have been asked by Dan to develop a work schedule for Spice Mega.

4.1.1 What is a work schedule? (2)

4.1.2 List the THREE elements of a work schedule (3)

4.1.3 Explain the purpose of a work schedule (3 × 1) (3)

4.2 It is expected of Dan to deal effectively with risks which may affect the operations of Spice Mega

4.2.1 Discuss how Dan should manage the risks which may negatively affect the operations of this business. (12)

4.2.2 Advise Dan on how he can apply the following risk management strategies to deal with the risks identified in QUESTION 4.2.1.

(a) Risk avoidance

(b) Risk tranfer

(2 × 2) (4)

4.3 Explain the factors that affect the effective flow of information between business systems. (6)

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QUESTION 5

5.1 Dan wants to introduce TQM in this business.

5.1.1 Explain how he can apply the elements of TQM. (5 × 2) (10)

5.1.2 List any THREE pillars of TQM. (3)

5.2 Discuss quality circles as one of the quality control techniques. (8)

5.3 Sheryl Abrahams wants the business to reach its profit goal.

Explain the strategies which should be put in place to make the operations of Spice Mega successful. (4 × 2) (8)

5.4 The execution of the monthly operational plan of Spice Mega is influenced by the contribution of resources.

Explain the importance of evaluating the contribution of resources to the monthly operational plan. (3 × 2) (6)

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TOTAL SECTION B: 120
GRAND TOTAL: 150

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