higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

OPERATIONS MANAGEMENT
NQF LEVEL 3

(3021013)

3 March 2020 (X-paper)
09:00–12:00

This question paper consists of 7 pages.

231Q1S2003

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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. Start each section on a new page.
5. Use only a blue or black pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.1.1–1.10) in the ANSWER BOOK.

1.1.1 Brokers are businesses that underwrite an insurance risk and they undertake to pay compensation if a risk occurs.

1.1.2 Positive cash flow is when the expenses of a business exceed the income.

1.1.3 A budget is a financial plan for a definite period of time, usually a year.

1.1.4 Debtors are people or businesses to whom money is owed.

1.1.5 Delegation is a situation where the operations manager executes duties assigned to him/her.

1.1.6 Defects are faults or shortcomings that prevent smooth operations to take place within a business.

1.1.7 Ethics are moral principles of right or wrong.

1.1.8 A zero-tolerance policy imposes strict punishment for violation of set rules and operating standards.

1.1.9 A mission statement is a summary of the aims and values of a business.

1.1.10 Subcontracting is when a company employs another company to do some of the work as part of a larger project.

(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	It is designed to take account of possible future events or circumstances if things work out differently	A	training
1.2.2	The ability to assess things and to act and take part before others do so	B	fine print
1.2.3	Advancement in terms of designation, salary and benefits and a change in the type of activities a person performs	C	work schedule
1.2.4	Execution of more than one program or activity at a given time	D	production run
1.2.5	A part of an agreement or document spelling out restrictions and limitations often in small type	E	initiative
1.2.6	Development of others to gain skills and competencies relating to a specific job	F	business plan
1.2.7	The process of putting a decision or a plan into effect	G	promotion
1.2.8	The most cost-efficient quantity of units to be manufactured at a time	H	contingency plan
1.2.9	The days in a week and times an employee is expected to be doing the job	I	multitask
1.2.10	It is about the latest technology available which enables employees to perform their work more effectively	J	implementation
		K	cutting edge
		L	TQM

(10 × 1) (10)
[20]

TOTAL SECTION A: 20

SECTION B

QUESTION 2

Read the case study below and answer the questions.

FITHU GRILL ON THE RISE

Fifi and Thuto, both former students from Western TVET College (Westcol), decided to use their skills and knowledge to make it big in the food industry. They both completed their National Diploma in Hospitality and Catering and served as interns for 18 months to obtain national diplomas at Silverstar Hotel and Casino. Because of their dedication as interns they were appointed permanently by Silverstar Casino.

After working for more than four years at the casino, they decided to start their own company – Fithu Grill (FG) – which offers fast service and delicious, fresh meals for those who follow a healthy lifestyle in SA. They used the money they received after resigning from the casino, but were also assisted by the Department of Small Businesses to become a force to be reckoned with. The restaurant is situated in the Randfontein CBD and serves people living in the Westrand and neighbouring areas by offering food needed to keep reaching new heights.

'We provide nutritional fast food that is fresh and affordable and we have the people's health at heart', said Thuto when interviewed by a local newspaper. They offer customers two options: Orders can be delivered to their doorstep or they can eat in. As part of the business' growth strategy, they employed a manager, Freddy to manage the restaurant, three drivers to deliver the orders to customers, four ladies to prepare meals in the kitchen, three waiters and two cleaners.

Fithu Grill has since been the talk of the town in the whole Westrand and Mogale City. When asked about their business expansion plans, Thuto said: 'We intend to expand to neighboring towns such as Krugersdorp and Roodepoort or even to one of the malls such as Craddlestone mall or Tamboti mall. We will keep on pushing the boundries of accomplishment by offering convenient fresh and healthy food.

[Source: *Thuputlela*, 2018]

2.1 Stakeholders are crucial for Fithu Grill's success.

2.1.1 Explain ways in which the business can obtain response from stakeholders on its business practices. (4 × 2) (8)

2.1.2 Explain how FG can apply the elements of a stakeholder policy when conducting their business. (3 × 2) (6)

2.2 What measures must be put in place to ensure that there is a smooth flow of information amongst the business systems of FG? (4 × 2) (8)

2.3 Give guidelines on how Fifi should communicate assigned roles to employees. (6)

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2.4 You have been approached by Fifi to design an operational plan.

Explain the elements which should be included in an operational plan. (4 × 2) (8)

2.5 State FOUR human resources required in this business. (4)

[40]

QUESTION 3

3.1 The business has failed to reach its monthly goals.

State FIVE factors that affect employees' contribution to the achievement of goals. (5)

3.2 Explain FIVE types of risks that may affect the operations of FG's business. (5 × 2) (10)

3.3 Explain the quality control techniques which could be applied in the preparation of food in this business. (4 × 2) (8)

3.4 State THREE steps Fifi can follow when conducting risk analysis. (3)

3.5 It is important for the owners of the business to collaborate with employees during planning.

Explain the importance of collaboration among planners. (2 × 2) (4)

3.6 State FIVE quality needs of this business. (5)

3.7 Explain FIVE guidelines which Thuto must consider when fulfilling the human relations role. (5 × 2) (10)

[45]

QUESTION 4

4.1 Freddy is the operations manager of Fithu Grill and has experienced some challenges in planning and executing the business activities.

4.1.1 Explain how he can apply the FIVE SMART principles. (5 × 2) (10)

4.1.2 Explain SIX steps in the planning process which he must follow. (6 × 2) (12)

4.2 Freddy wants to introduce TQM.

4.2.1 Explain FOUR tools of TQM for this business. (4 × 2) (8)

4.2.2 State the FOUR pillars of TQM. (4)

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4.3 Communication is important for the success of business systems.

Discuss the THREE factors which influence the effective flow of information between business systems. (3 × 2) (6)

4.4 Fithu Grill should always comply with financial procedures.

State FIVE consequences for noncompliance with the financial procedures. (5)
[45]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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