higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

OPERATIONS MANAGEMENT
NQF LEVEL 3

(3021013)

13 November 2018 (X-Paper)
09:00–12:00

This question paper consists of 8 pages.

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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. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–O) next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.1.1	Provides a summary of tasks, and the order and length of time in which they should be completed	A	defects
1.1.2	Serves as the basis and provides guidelines for decision making within an organisation	B	revenue
1.1.3	An attitude which one displays towards one's job	C	company ethos
1.1.4	Checking each employee's or each unit's contribution to the production process	D	policy
1.1.5	An income generated from providing a service	E	continuous improvement
1.1.6	A tool used to measure how well you have performed an activity or task according to certain criteria	F	work sampling
1.1.7	When an employee assumes a position of authority with more responsibility	G	promotion
1.1.8	They must be prevented as they are costly and have a negative impact on customers' opinions of the products	H	QEI
1.1.9	It defines what a business stands for	I	work ethics
1.1.10	It focuses on removing activities which have no value in the business	J	review
		K	work schedule
		L	mission
		M	specialisation
		N	departmentation
		O	quality checks

(10 × 1) (10)

1.2 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

1.2.1 Each department focuses on one area of expertise rather than doing everything:

A Specification
B Generalisation
C Simulation
D Specialisation

1.2.2 Activities carried out using machines and technology:

A Automation application
B Equipment advancement
C Capacity
D Continuous improvement

1.2.3 The system by which companies are directed, controlled and evaluated so that they do not put personal goals ahead of moral ones:

A Production process
B Corporate governance
C Strategy
D Policy

1.2.4 It is necessary when implementing an operational plan:

A Output
B Achievements
C Deadline
D Resources

1.2.5 An improvement in people's standard of living through the creation of jobs and increasing wealth for all:

A Economies of scale
B Job market
C Economic growth
D Empowerment

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1.2.6 Customers as stakeholders are interested in a business that meets the following expectation:

A Good customer service
B Good selection of suppliers
C Complies with government regulations
D Sponsors community projects

1.2.7 The main purpose of a report is to …

A keep it in a filing cabinet.
B discipline employees.
C provide incentives.
D help with decision making.

1.2.8 Environmental hazards include …

A bad weather.
B government regulations.
C theft.
D labour unrest.

1.2.9 Activities such as questionnaires and interviews to find out who the customers are and the types of products they desire:

A Mission
B Market research
C Vision
D Business plan

1.2.10 It involves a process of assembling all resources required to achieve business goals:

A Control
B Leading
C Planning
D Organising

(10 × 1) (10)

TOTAL SECTION A: 20

NCV

SECTION B

CASE STUDY

Read the case study below and answer the questions.

JALANG MILLING

When it comes to being an inspiring entrepreneur, bakery industry maverick Thandiwe Ncala rises to the occasion. She is single-handedly taking on the big monopolies in her industry, fighting the corner of the small business person and creating a better service. Small independent bakers in South Africa are getting a raw deal from big established milling companies that hold a monopoly over the sector and Thandiwe is determined to change all that.

She knows that there is strength in numbers and therefore she has formed a network of small bakers. The network does not guarantee cheaper prices, but it does give small bakers more buying influence and a better service. Thandiwe supplies and distributes a key ingredient – flour – and she intends to widen her range at a later stage. The network gives smaller operators more power to make decisions in their interest rather than being at the mercy of the big millers. The next stage for Jalang Milling is to generate income through two sources – the network membership and the distribution of flour at a mark-up to the members. Members can agree to purchase a minimum quantity of flour to maintain their membership in the network and continue to reap the rewards.

Thandiwe has set up storage facilities in the areas where she will be operating. Her suppliers deliver to these facilities and she then distributes to her customers using her own trucks and other subcontractors. She has employed drivers and distribution staff and plans to employ more when the business grows. She knows that delivering amazing customer service is key to winning and retaining business and as such a call centre will also be established to look after her customers, members of the network and the suppliers. Thandiwe is giving 'power to the people'. Her network is empowering small bakers to increase their buying power and get a better service. Moreover, Thandiwe's business is creating jobs and boosting the local economy.

QUESTION 2

2.1 The important role played by stakeholders cannot be overemphasised in any business. It is therefore crucial that Jalang Milling keeps its stakeholders happy at all times and at all costs.

2.1.1 Jalang Milling is about to develop a pledge to all its stakeholders.

Explain the guidelines which must be considered when developing the pledge. (8)

2.1.2 Identify any FOUR stakeholders of this business. (4)

2.1.3 State the strategies which can be used to keep and maintain each of the stakeholders identified in QUESTION 2.1.2. (8)

2.2 Explain why it is important for Jalang Milling to have an operational plan. (10)

2.3 Michael is the operations manager at Jalang Milling.

Explain how Michael must execute the following roles:

2.3.1 Management roles (6)

2.3.2 Operational roles (4)

2.4 Sandra is responsible for housekeeping and maintenance.

List FOUR tasks that will form part of Sandra's programme. (4)
[44]

QUESTION 3

3.1 Employees are an important resource for Jalang Milling.

State the factors that affect employees' contribution to the success of the company. (5)

3.2 Risks are unpredictable, and Jalang Milling must always be prepared to deal with the risks as and when they surface.

3.2.1 State the type of risks that Jalang Milling can be exposed to. (5)

3.2.2 Explain methods which can be used to manage the risks identified in QUESTION 3.2.1. (8)

3.3 Discuss the quality control techniques which can be applied in this business. (12)

3.4 List the TQM tools which can be applied in this business. (4)

3.5 State and explain FIVE reasons why resources can fail to contribute to the completion of the operations. (10)
[44]

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QUESTION 4

4.1 TQM is about instilling quality in everything that a business does.

State SIX elements of TQM. (6)

4.2 Employees of Jalang Milling must be made aware of risks associated with non-compliance to quality procedures.

4.2.1 Explain the consequences of non-compliance with quality procedures. (12)

4.2.2 What are the measures that should be put in place to ensure compliance to quality procedures? (8)

4.3 Describe THREE techniques of continuous improvement. (6)

4.4 The finance business system in Jalang Milling is important as other systems depend on it to function effectively.

Discuss the role of the finance system and how its activities affect other business systems. (10)
[42]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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