higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

OPERATIONS MANAGEMENT
NQF LEVEL 3

(3021013)

14 November 2019 (X-Paper)
09:00–12:00

This question paper consists of 7 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. Start each section on a NEW page.
5. Use only BLUE or BLACK ink.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

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

1.1.1 A policy that protects employees against injuries at the workplace.

1.1.2 People who buy goods and services from a business.

1.1.3 It is awarded to a firm that has put in place excellent procedure and systems relating to the production of goods and services.

1.1.4 They earn income through fundraising activities and donations and are granted tax exemptions status.

1.1.5 The time when a business is not operating and is not covered by insurance.

1.1.6 They invest money in a company and expect the company to maintain a positive cash flow.

1.1.7 Using questionnaires and interviews to find out who the customers are and the type of products they require.

1.1.8 They are used in manufacturing other products and have a long lifespan.

1.1.9 A person selling products to people passing on the street.

1.1.10 An employee who is hired for a specific job at a specific rate of pay.

(10 × 1) **[10]**

1.2 Choose a/an item/word from COLUMN B that matches a description in COLUMN A. Write only the letter (A–K) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Assistance and advice provided by a company to those who bought products from the company	A	labour saving device
1.2.2	Exchanging information by speaking, writing or using some form of media	B	trade journals
1.2.3	They include buildings, finances and employees of a company	C	recruitment
1.2.4	Goods are ordered when a certain level is reached to avoid shortages	D	customer service
1.2.5	The machines and gadgets that reduce human effort and hard work	E	environmental risk
1.2.6	The basic facilities and machinery needed for a business' operations	F	communication
1.2.7	The overall process of attracting, short listing, selecting and appointing suitable candidates for a job	G	infrastructure
1.2.8	When a construction company fails to meet deadlines because of rain	H	stock control
1.2.9	The periodicals containing news and items of interest concerning a particular trade	I	logistical support
1.2.10	Assisting with activities such as fixing, repairing, carrying, transporting and storing	J	resources
		K	bankruptcy

(10 × 1) (10)
[20]

TOTAL SECTION A: 20

SECTION B

QUESTION 2

Read the case study below and then answer the questions.

MDUDUZI ENTERS THE FINANCIAL SERVICES SPACE

Mduduzi Luthuli of Luthuli Capital Financing (LCF) is a young businessman spurred on by passion, energy, challenges of growth and continuing in the direction of success. Mduduzi has a solid track record in financial services, and in 2016 he launched a wealth management company, Luthuli Capital Financing (LCF). He left his previous job because he wanted to do something he was truly passionate about. Having injected capital from his personal savings, Mduduzi says: "Starting this company was a dream come true as I always wanted to create jobs for other people". As part of his company's social responsibility, he employs people from the community. He employed Thabo Tunzi, a former student who completed NCV L4 in Management at Maluti TVET College in 2014, and has worked as an operations manager at Sasol for four years. He further employed Ivy as the financial officer, Eric as a receptionist and Kate and Lucy as cleaners.

Luthuli Capital Financing still has to build its own brand and to achieve this Mdu plans to find partners who share his vision. He is aware that it will be a challenge to find the right equity partners but he is happy with the support he receives from the Department of Small Businesses, Economic Development and the National Youth Development Agency. The company recently won the Young Entrepreneur of the Year award.

[Adapted from: *www.entrepreneurmag.co.za/advice/success stories*]

2.1 Customers always look at how a business builds relationship with stakeholders.

List FOUR stakeholders and explain the possible consequences Luthuli Capital Financing (LCF) may experience should it fail to meet the needs and expectations of its stakeholders. (4 × 2) (8)

2.2 What should Mduduzi do to gain and retain customer loyalty in his business? (5)

2.3 It is important that business systems or departments work together to achieve the company's objectives.

2.3.1 Discuss the interaction between the administration and human resources business systems within a company.

2.3.2 Explain the impact of a breakdown in linkages between the administration and the human resources business systems.

2.3.3 Explain the factors that influence the effective flow of information between business systems.

(3 × 4) (12)

2.4 Planning is key for the success of every business.

2.4.1 Discuss the importance of planning for LCF. (4 × 2) (8)

2.4.2 State SEVEN requirements of a good plan. (7)
[40]

QUESTION 3

3.1 Thabo should develop work schedules for employees to work smart towards achieving the objectives of LCF.

3.1.1 Explain the elements of a work schedule. (3 × 2) (6)

3.1.2 Explain the guidelines to explain assigned roles to employees as part of developing work schedules. (6 × 2) (12)

3.2 As the operations manager, Thabo should the execute human resources functions in this company.

Explain SIX human resources functions he must perform. (6 × 2) (12)

3.3 Thabo wants to introduce Total Quality Management (TQM) at LCF.

3.3.1 State the elements of TQM. (7 × 1) (7)

3.3.2 Name THREE quality control techniques that businesses implement to avoid errors in operations. (3)

3.4 Discuss the philosophy of continuous improvement as a technique to improve quality in business operations. (10)
[50]

QUESTION 4

4.1 LCF requires resources to operate effectively.

Explain the resources that must be available to implement the action plan successfully. (4 × 3) (12)

4.2 State THREE human resources Thabo can use to improve operations at LCF. (2 × 1) (2)

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4.3 LCF operates in the face of risks and uncertainty.

4.3.1 Discuss legal compliance risks. (4 × 2) (8)

4.3.2 Explain the steps in risk analysis with reference to the risks in QUESTION 4.3.1. (3 × 2) (6)

4.4 List and explain the risks LCF may encounter if it fails to comply with quality procedures. (6 × 2) (12)

[40]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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