higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

MANAGEMENT: FARMING N4

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This question paper consists of 10 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
MANAGEMENT: FARMING N4
TIME: 3 HOURS
MARKS: 200

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 black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 The main aim of production in the agricultural industry is to …

A make good names for farmers.
B bring products to processors.
C satisfy the needs of consumers.
D use all natural resources that are available.

1.2 … can NOT be categorised as a long-term objective.

A The application of new technology in the production process
B Increasing the profitability of investments
C Expanding operational branches by the farm owner
D Preparing an acceptable seed bed

1.3 … is an aspect of leadership that has nothing to do with a person's job description.

A Authority
B Power
C Management
D Motivation

1.4 An elasticity coefficient of 1 is a constant elasticity, but an elasticity coefficient of 2 is called …

A elastic reaction.
B elastic stability.
C elastic increase.
D elastic decrease.

1.5 … is one of the barter activities involved in marketing.

A Sale and purchase
B Standardisation and grading
C Storage and transporting
D Financing and risk bearing

1.6 … is a long-term plan that farmers use to sell their goods at profitable prices.

A Evolution in marketing thoughts
B Marketing
C A marketing strategy
D A pricing strategy

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1.7 The demand for food products stays … because they do not have real substitutes.

A relatively inelastic
B relatively elastic
C relatively low
D relatively acceptable

1.8 A … will assist a dairy farmer with the way in which standard and daily routine tasks on the farm should be done.

A programme
B schedule
C standard procedure
D calendar of activities

1.9 All resources that farmers use in the process of production are called …

A output.
B feedback.
C capital.
D input.

1.10 A … is a charge has to be paid for imported goods to make them less competitive in the local markets of a country.

A transport fee
B levy fee
C tax
D cost price

(10 × 1) **[10]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.5) in the ANSWER BOOK.

2.1 South Africa is relatively strong in capital due to its currency status.

2.2 Every time the price of a product declines in the market, its demand also declines.

2.3 Organisational structure in the agricultural sector indicates the level of authority given to employees according to their duties and responsibilities.

2.4 Industrial markets are static in relation to agricultural markets.

2.5 Linear programming is a planning technique that farmers can use in irrigation scheduling.

(5 × 1) **[5]**

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QUESTION 3

Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A–L) next to the question number (3.1–3.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1	Dealer	A	processing milk using new technological means
3.2	Prediction	B	marketing boards
3.3	Technological changes in a business	C	fiscal measures
3.4	Price support	D	role player in agricultural structure
3.5	Relevant information on production and marketing of agricultural products	E	budget
3.6	Price-stabilising strategy that was used previously in South Africa	F	managerial skill needed to execute an effective plan
3.7	Farmers are able to complete part of a task in a correct manner	G	farmers operate in the marketing environment with fewer marketing responsibilities
3.8	Application of tax relief farmers get when buying equipment	H	quotas
3.9	Used by farmers to measure and evaluate any achievement	I	performance objective
3.10	Distribution channel for statutory regulated products	J	supply
		K	objectives
		L	market information

(10 × 1) **[10]**

QUESTION 4

Complete the following sentences by writing only the missing word or words next to the question number (4.1–4.5) in the ANSWER BOOK.

4.1 98 million ha is about …% of South Africa's surface area that forms arable land.

4.2 An approach in agricultural marketing that classifies and describes market problems is called an ...

4.3 ... is about exposing new workers to the rules, practices and procedures of a farm.

4.4 Farmers have to select the right ... for their goods, as they sell their products through the same marketing area.

4.5 … objectives assist farmers to execute work thoroughly on the farm.

(5 × 1) **[5]**

TOTAL SECTION A: 30

SECTION B

QUESTION 5

5.1 Match a market form with the characteristics below. Write only the name of a market form next to the question number (5.1.1–5.1.5) in the ANSWER BOOK.

5.1.1 Freedom of choice takes place

5.1.2 Management resides with the state

5.1.3 Limited competition is allowed due to state-owned industries

5.1.4 Remuneration is determined by the state

5.1.5 There is free market choice

(5 × 1) (5)

5.2 Discuss how the future age distribution of the population can affect the agricultural sector in South Africa. (5)

5.3 Name FOUR production factors in the South African agricultural sector. (4)

5.4 Advise farmers on strategies that they can implement to ensure efficient use of water for irrigation, as this is monitored strictly by the state. (8)

5.5 Explain THREE main roles of mediators in the agricultural sector. (3 × 2) (6)

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5.6 Differentiate *price stability* from *income stability*. (2 + 2) (4)

5.7 State FOUR aspects that make the agricultural sector important in the South African economy. (4)

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QUESTION 6

6.1 Chronologically list SEVEN steps of the decision-making process. (7)

6.2 Control is a systematic attempt to match standards with businesses' objectives.

Name FOUR steps that are included in a control process. (4)

6.3 Discuss the human resource department and its role in a farming business. (8)

6.4 Describe the following types of leadership power that leaders of a business can use to influence subordinates:

6.4.1 Legitimate power

6.4.2 Power of reward

(2 × 2) (4)

6.5 Leading is one of the main functions of a manager in a farm business.

Advise the farmer on FOUR effective leadership strategies to attend to in order to be successful in managing human resources in the farm business. (4)

6.6 Organising is one of the critical functions of a manager in order to ensure that plans are executed in the farming enterprise.

6.6.1 As a farm manager, explain how you will go about organising employees in the farming enterprise. (4)

6.6.2 Suggest any THREE forms of organisational structures found in the agricultural sector. (3)

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QUESTION 7

7.1 State FIVE characteristics of strategic planning. (5)

7.2 Recommend the steps that farmers can follow when planning crop production activities. (4)

7.3 Indicate the measuring instrument that can be used to measure the performance standards below:

7.3.1 Average milk production per cow

7.3.2 Percentage growth in net value

7.3.3 Ratio between the value of production and the actual human resource input

7.3.4 Administrative cost

7.3.5 Current ratio

(5 × 1) (5)

7.4 Discuss the limitations that farmers experience in their planning process. (8)

7.5 Name THREE activities of farming that require planning (give the main groups only). (3)

7.6 Classify the THREE categories of training that farmers can organise for their employees. (3)

7.7 Differentiate between the THREE categories of training classified in QUESTION 7.6. (3 × 2) (6)

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QUESTION 8

8.1 Various approaches to agricultural marketing have been developed.

8.1.1 Identify THREE approaches to agricultural marketing. (3)

8.1.2 Differentiate between the agricultural marketing approaches identified in QUESTION 8.1.1. (3 × 2) (6)

8.2 The following graph illustrates the demand for a certain product. Study it and answer the questions that follow. Show all calculations where necessary.



FIGURE 1

8.2.1 Calculate the percentage change in the price of the product on the graph illustrated in FIGURE 1.1.

8.2.2 Calculate the percentage change in the quantity demanded of the product of which the price has changed.

8.2.3 Calculate the price elasticity of demand of the product.

(3 × 3) (9)

8.3 Give SIX examples of secondary marketing activities. (6)

8.4 Define *market equilibrium*. (2)

8.5 Differentiate between *economic risk* and *physical risk* in a farming enterprise.

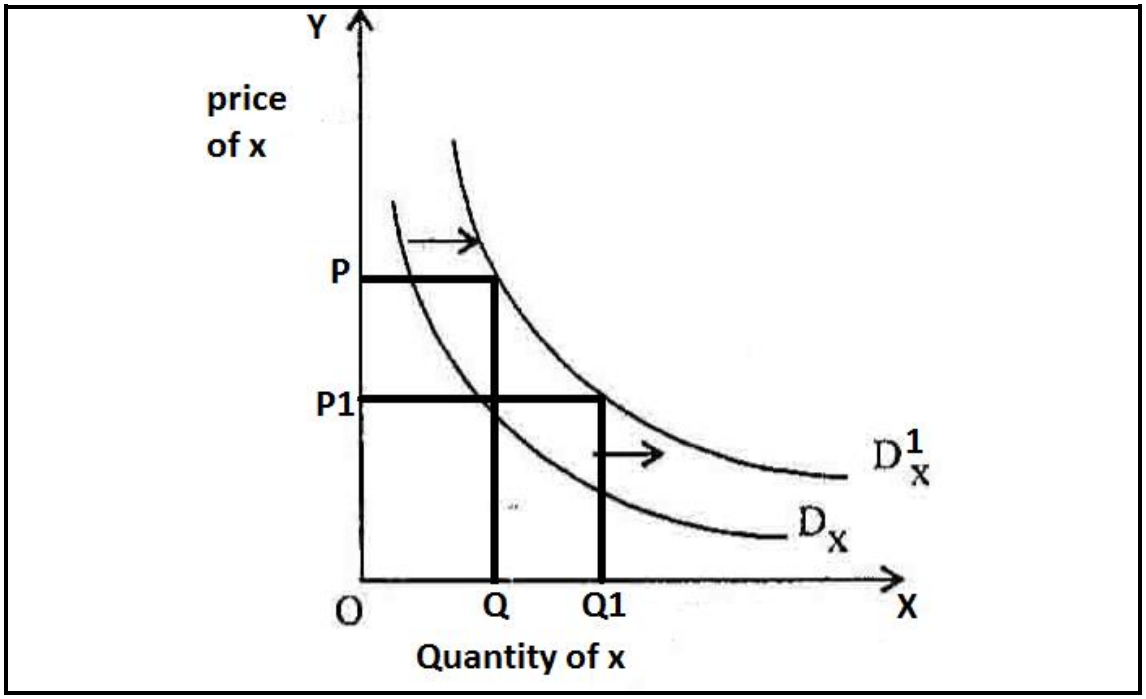
(2 + 2) (4)

8.6 Alert the farmer about the FOUR known buying and consumer preferences of Africans in agricultural markets. (4)

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QUESTION 9

9.1 Study the graph below and answer the questions.



9.1.1 Explain the reason for the negative trend on the demand curve D_X (left top to bottom right). (2)

9.1.2 What is represented by the curve D^1_X? (2)

9.1.3 Give a possible reason for the movement from D_X to D^1_X. (2)

9.1.4 Redraw the graph above with the D_X curve only and add the supply curve on the same axes to indicate equilibrium price, equilibrium quantity, equilibrium position, surplus area and shortage area. (8)

9.2 Discuss THREE stages of the evolution in marketing thoughts. (10)

9.3 Suggest TWO distribution channels that are used by farmers who produce statutory regulated products. (2)

9.4 Explain the meaning of the statement *agricultural goods are homogenous*. (2)

9.5 "Financial function involves the flow of funds."

9.5.1 Do you agree with the above statement? (1)

9.5.2 Justify your answer to QUESTION 9.5.1. (3)

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TOTAL SECTION B: 170
GRAND TOTAL: 200

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