higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

SALES MANAGEMENT N6

(4090346)

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
SALES MANAGEMENT N6
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 question 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

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

COLUMN A		COLUMN B	
1.1.1	To assign responsibility for completing a specific task to an employee	A	commitment
1.1.2	A question that limits the response to a simple one-word answer	B	morale
1.1.3	Additional benefits that adds to an employee's wage or salary	C	costs
1.1.4	Measurement and evaluation of a salesperson's performance	D	verification
1.1.5	A non-monetary incentive used to stimulate sales performance	E	delegation
1.1.6	A group of people who control an organisation at different levels	F	closed question
1.1.7	Testing the truth or accuracy of something	G	hierarchy
1.1.8	A decision or intention to make a special effort to reach a specific goal	H	appraisal
1.1.9	A consideration when choosing a method of compensation	I	an overseas trip
1.1.10	Confidence and enthusiasm of a person or group at a particular time	J	fringe benefits

(10 × 2) (20)

1.2 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

1.2.1 Combination plans attract and keep good salespeople.

1.2.2 Order-filling costs include all costs that have been incurred before sales are made.

1.2.3 The first step in evaluation of sales performance is to take corrective action when performance is below standard.

1.2.4 Job description is regarded as the most important instrument to develop training programmes.

1.2.5 Specialisation according to type of client is appropriate when firms plan to penetrate new markets.

1.2.6 An equitable compensation plan does not reward salespeople for their ability and effort to provide good results.

1.2.7 The main advantage of product specialisation is that territories are effectively covered.

1.2.8 Assessing training needs can be done by conducting tests during sales meetings.

1.2.9 Sales objectives are of little value if they are not linked to a time frame.

1.2.10 An effective recruitment advertisement should attempt not to discourage unqualified applicants to apply.

(10 × 2) (20)

1.3 List the first FIVE steps of the selling process in sequence. (5 × 2) (10)

[50]

TOTAL SECTION A: 50

SECTION B

QUESTION 2

2.1 Recruiting and selecting sales staff are crucial in building an effective sales organisation.

Explain the following concepts that play an important role in the recruitment process.

2.1.1 Recruitment

2.1.2 Screening

2.1.3 Selection

2.1.4 Job analysis

(4 × 2) (8)

2.2 Discuss FIVE advantages of recruiting sales staff internally. (5 × 2) (10)

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2.3 The training of sales staff is one of the sales manager's most important responsibilities. ⌘

2.3.1 Discuss FIVE objectives of sales training. (5 × 3) (15)

2.3.2 State FOUR factors which determine the location for training of the firm's sale force. (4 × 2) (8)

2.4 A company that wants a balanced and effective compensation plan for its sales staff should always consider certain basic objectives.

From the salesperson's point of view, discuss THREE objectives that a good compensation plan should include. (3 × 3) (9)

[50]

QUESTION 3

3.1 Although sales organisation structures differ from company to company, certain organisational principles apply to all companies.

Briefly explain what is meant by each of the following principles:

3.1.1 Hierarchy of authority ⌘

3.1.2 Unity of command

3.1.3 Span of control

(3 × 2) (6)

3.2 One of the types of organisational specialisation can be described as follows: It is used when a sales organisation is based on different types of customers classified according to industry or distribution channel.

3.2.1 Which type of organisation is described here? (2)

3.2.2 Give FIVE advantages of this type of organisation. (5 × 2) (10)

3.3 In the selection of applicants for sales positions, screening is an important activity. With this is mind, briefly discuss the following activities:

3.3.1 The importance of the application forms. (3 × 2) (6)

3.3.2 The purpose of reference checks. ⌘ (2 × 2) (4)

3.3.3 The importance of an induction programme for the new sales staff. (5 × 2) (10)

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3.4 The second step in the evaluation of sales performance is to establish performance standards.

⌘

3.4.1 Differentiate between *qualitative (input) standards* and *quantitative (output) standards*. (2 × 2) (4)

3.4.2 State FOUR examples of output standards that one would use in the evaluation of sales representatives' performance. (4 × 2) (8)

[50]

QUESTION 4

4.1 Experience has shown that the method of compensation has a greater influence on a salesperson's performance than the level of compensation.

4.1.1 State FOUR factors to be considered before implementing a compensation plan. (4 × 2) (8)

⌘

4.1.2 Discuss FIVE advantages of straight commission. (5 × 2) (10)

4.1.3 Name THREE examples of fringe benefits. (3)

4.2 Sales managers need to be effective supervisors to ensure that salespeople and sales teams perform optimally.

4.2.1 State THREE reasons why supervision is necessary. (3 × 2) (6)

4.2.2 Explain FOUR methods that sales managers can use to evaluate the effectiveness of sales training programmes. (4 × 2) (8)

4.3 A sales manager must ensure that, through the efforts of the sales people, the sales and profit objectives of the business are achieved.

⌘

Discuss FIVE bases for evaluating sales volume data. (5 × 3) (15)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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