higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

SALES MANAGEMENT N6

17 NOVEMBER 2014

This marking guideline consists of 7 pages.

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QUESTION 1.1

1.1	1.1	A
	1.2	A
	1.3	B
	1.4	C
	1.5	D
	1.6	A
	1.7	A
	1.8	B
	1.9	A
	1.10	C

(10 x 2) **[20]**

QUESTION 1.2

1.2	2.1	False
	2.2	False
	2.3	True
	2.4	False
	2.5	True
	2.6	True
	2.7	True
	2.8	False
	2.9	False
	2.10	True
	2.11	False
	2.12	True
	2.13	True
	2.14	True
	2.15	True

(15 x 2) **[30]**

TOTAL SECTION A: 50

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QUESTION 3

3.1	3.1.1	G
	3.1.2	D
	3.1.3	F
	3.1.4	J
	3.1.5	A
	3.1.6	H
	3.1.7	B
	3.1.8	I
	3.1.9	E
	3.1.10	C

(10 x 2) (20)

3.2 3.2.1 From company's point of view

- Control results and rewards
  Sales managers prefer a plan that allows maximum control over how sales representatives allocate their time. Correlate sales representatives' rewards.
- Economy
  Sales managers want a plan that offers a desirable balance between sales costs and sales results. Motivated sales people.
- Simplicity
  Managers like a plan that is simple to administer, sufficiently flexible to ensure timely adjustment to changing market conditions.

(Any relevant answer 3 marks heading 3 marks explanation) (9 x 2) (18)

3.2.2 To satisfy needs of sales people
(from point of view of sales people)

- Regular income
  Sales representatives want an income that covers their needs without hardship
- Reward for superior performance
  Sales representatives prefer compensation in direct relation to the amount of effort expended and results obtained. This is expected to lead to better results
- Fairness
  Sales representative expect their earnings to be fair and equitable

(Any relevant answer 2 marks heading 2 marks explanation (6 x 2) (12)
[50]

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QUESTION 4

4.1 Factors into account
- Size of the sales force
- Physical location of the customers
- The amount of account servicing required (Any 3 x 1) (3)

4.2 4.2.1 Unity of command
Means that all people in the organisation should be supervised by a single person who is endued with proper authority and responsibility to fill this supervisory role as per dept.
(2)

4.2.2 Span of control
Refers to the number of sales people who can be supervised effectively by a single, immediate sales manager and regard a span of control of 5–10 subordinates as reasonable
Any relevant answer
(2)

4.3 Disadvantages (internal recruitment)
- People in non-sales departments seldom have selling experience
- Animosity on the part of those staff members aspiring to join sales force, who are passed over
- Managers of non-sales departments may also resent the idea of the sales department taking away their good employees

(Any relevant answer) (3 x 2) (6)

4.4 Reasons for reference check
- To evaluate the accuracy of facts about the applicant
- To render more credibility to a person applying for a job
- To obtain more specific information from the applicants references
- To verify information that is provided by the applicant.

(Any relevant answer) (2 x 1) (2)

4.5 4.5.1 Basis or marketing costs
- According to ledger account
- According to activity classification
- According to territories
- According to products (Any 3 x 1) (3)

4.5.2 Types of marketing costs
- Personal selling experience
- Advertising expenses
- Sales promotion expenses
- Transportation expenses
- Sales administration expenses
- Public relation expenses (Any relevant example) (3 x 2) (6)

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4.6 Criteria to determine fairness of compensation plan
- Ability and experience of salesperson
- Compensation policy of the company
- Current income rates of that particular industry
- Compensation offered by direct competitors
- Difficulty level of the sales task
- Cost of living

(Any 4 x 1) (4)

4.7 Compensation method factors to be considered
- Cost
- Motivation
- Control

(Any 3 x 2) (6)

4.8 Focus Areas (New sales people)
- Company orientation/induction
- Product knowledge
- Selling skills/process
- Customer relations
- Sales administration
- Time and territory management
- Reporting

(Any 4 x 2) (8)

4.9 Focus areas(Experienced salespeople)
- Advanced selling skills
- Managing key accounts
- Selling to large companies
- Merchandising
- Developing new accounts
- Interpersonal communication
- Training/supervising new sales people
- Refresher courses
- Personal self-development

(Any 3 x 2) (6)

4.10 Non-monetary incentive
- Merchandise
- Travel awards
- Share options
- Certificates awarded as prize in sales content

(2 x 1) (2)
[50]

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QUESTION 5

5.1 Determination of training needs

- Sales staff audit
- Questionnaire direct approach
- Exit interview
- Field observation
- Tests
- Sales reports analysis

(Any relevant answer) (4 x 1) (4)

5.2 Objectives of training

- Increased productivity
- Improved morale
- Improved client relationship
- Improved management of time and territory
- Decrease in direct supervision

(Any relevant answer) (6 x 2) (12)

5.3 Advantages of specialisation according to customers

- Only one salesperson calls on each client
- Built long-term relationships
- Salesperson can render excellent service
- Sales people know the customer's needs well

(Any relevant answer) (3 x 2) (6)

5.4 Importance of performance evaluation.

- Enables management to determine what has happened, the possible reasons why it has happened.
- Helps management to discover inherent strengths and weaknesses of sales people.
- Weaknesses in the selling activities of individual sales people can be identified.
- Management identifies effective techniques used by successful sales people.
- Total sum of staff's sales performance may eventually show management what changes they should make to improve training programmes.
- An objective analysis of sales performance is a major aid regarding sales staff management task.
- Ensure that a salesperson that really deserves favourable recognition does get it.

(Any relevant answer) (4 x 2) (8)

5.5 Motivation techniques

- Opportunities for promotion
- Recognition and honour awards
- Sales contests
- Sales meetings
- Sales training programmes
- Praise and encouragement from management

(Any FOUR) (4 x 1) (4)

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5.6 Selection process
- Application forms
- Personal interview
- Reference check
- Physical examination
- Tests

(Any 4 x 1) (4)

5.7 Necessity of job analysis
- A comprehensive study of a specific sales position must be done in order to identify the duties, requirements and conditions regarding that position.
- In analysing a particular sales position, the sales manager has to focus on all critical aspects of the position.
- Helps management to understand exactly what specific sales entail.
- Determine in greater detail what the salesperson will have to do and who will most likely be the best person for the task.

(Any relevant answer) (2 x 2) (4)

5.8 It should be motivational and not come across as policing action by management.
It should be participative, offering an opportunity to all staff members, and particularly to sales people to participate in its implementation.
There must be agreement by the parties concerned on the objectives, strategy for their achievement and ways in which achievement will be measured.
The parties concerned must be committed to the agreed objective and strategies.
The objectives must be realistic and reflect actual conditions such as territory potentials.
Objectives and constructive evaluation techniques and measurement tools should be used.

(4 x 2) (8)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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