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. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1–1.1.15) in the ANSWER BOOK.

1.1.1 Which of the following is not an important factor in determining span of control?

A Salesperson's knowledge and experience
B Complexity of sales tasks
C Physical appearance of salesperson
D Sales manager's ability to manage salesperson

1.1.2 Situation appropriate for specialisation according to client:

A Widely dispersed clients
B Firm wanting to penetrate new markets
C Thousands of products being sold
D All of the above

1.1.3 When analysing a particular sales position the sales person has to focus on …

A evaluation of sales performance.
B the knowledge and skills required for the sales position.
C the origins of the product.
D gaining new customers.

1.1.4 An example of external recruitment is …

A company notice boards.
B company emails.
C company newsletters.
D recruitment agencies.

1.1.5 Which ONE is not a selection tool?

A Reference checks
B Psychological testing
C Physical examinations
D Sales contests

1.1.6 The most important component of a training process is …

A knowledge of sales processes.
B spouse interviews.
C variable elements.
D recognition programmes.

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1.1.7 ONE example of fringe benefits:

A Sales meetings
B Sales contests
C Housing subsidy
D Merit awards

1.1.8 ONE of the following is not an output measure when evaluating sales performance:

A Number of daily calls
B Number of sales orders
C Number of new accounts
D Control of expenses

1.1.9 Compensation management means salespeople should…

A be confronted openly.
B be rewarded for their work and diligence with money.
C have the opportunity to participate in decision making.
D be treated with respect and dignity.

1.1.10 Marketing costs include …

A transportation expenses.
B sales administration expenses.
C collection expenses.
D All of the above

1.1.11 A combination compensation plan …

A is easy to understand and administer.
B does not encourage salespeople to increase their profit on sales.
C constitutes salaries only.
D provides salespeople with security and incentives.

1.1.12 Which ONE of the following is a recruiting activity?

A Training
B Prospecting
C Screening
D Forecasting

1.1.13 A formal sales performance appraisal should …

A be a short review.
B concentrate on the salesperson's weaknesses.
C be done by the salesperson's immediate supervisor.
D A and B.

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1.1.14 Which ONE is not a criterion for sales objectives?

A Time-bound
B Realistic
C Rigid
D Measurable

1.1.15 Subjective factors used to judge the effectiveness of training:

(i) High morale, more participation at sales meetings
(ii) Handling of sales objectives, listening skills, prospecting
(iii) Less absenteeism, less supervision needed
(iv) Use of aids, empathy, enthusiasm

A (i) and (iv)
B (ii) and (iii)
C (i) and (iii)
D (ii) and (iv)

(15 × 2) (30)

1.2 Give ONE term for each of the following descriptions by writing it next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

1.2.1 Eliminating unqualified and undesirable applicants until only qualified candidates remain

1.2.2 Noticeable difference between actual and agreed-upon standards

1.2.3 Tests that focus on various behavioural traits such as self-confidence

1.2.4 Fixed sum of money paid to salesperson at regular intervals, for example at the end of each month

1.2.5 Group of people controlling an organisation at different levels of seniority

1.2.6 Costs that do not vary according to activity levels in a business

1.2.7 Assigning responsibility for completing a specific task to an employee

1.2.8 Formal introduction given to new employees

1.2.9 Portion of total market sales that a given company owns at a specific time

1.2.10 Looking for leads, qualifying them and turning them into potential customers

(10 × 2) (20)
[50]

TOTAL SECTION A: 50

SECTION B

Read the scenario below and answer the questions.

Spotless, a regional cleaning and security company. Wanting to increase its profitability the company had been hiring more people, but they were not seeing the required sales growth to justify the cost of hiring. They were experiencing a significant staff turnover and wanted to find a better way. They approached a sales consulting company for a sales training programme.

[Adapted from: *www.BraveheartSales.com*]

QUESTION 2

2.1 Discuss THREE sales training objectives that Spotless could achieve through the programme to improve the performance of its sales force. (3 × 4) (12)

2.2 The training programme will take place at the head office of Spotless.

2.2.1 Give TWO advantages of centralised training.

2.2.2 Give TWO disadvantages of decentralised training. (2 × 4) (8)

2.3 Spotless organised its sales activities geographically.

2.3.1 Explain *geographical specialisation*. (2)

2.3.2 State FIVE advantages of geographical specialisation. (5 × 2) (10)

2.4 State FIVE factors that directly influence the sales organisation's span of control. (5)

2.5 Identify THREE bases for analysing marketing costs. (3)

2.6 Why is individual sales performance important? (5 × 2) (10)

[50]

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QUESTION 3

3.1 The sales consulting company instituted a programme to improve the hiring effectiveness of the sales of Spotless by crafting the job advertisements. They customised the profile of the successful salespeople specifically for the company.

3.1.1 State FIVE purposes of a job description. (5)

3.1.2 Name FIVE pieces of information that an advert should include to attract the right applicant. (5)

3.1.3 Briefly discuss spouse interviewing as a screening and selection tool. (3 × 2) (6)

3.2 As a sales manager at Spotless you need to find a balanced and effective compensation plan for the sales staff.

3.2.1 Discuss THREE objectives of a good compensation plan from the company's point of view. (3 × 3) (9)

3.2.2 Describe FOUR situations in which you would use a straight salary as a compensation method. (4 × 2) (8)

3.3 Explain THREE factors that may hamper the analysis of sales trends. (3 × 4) (12)

3.4 Name FIVE factors that should be taken into consideration when determining the type of sales organisation. (5)

[50]

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QUESTION 4

4.1 Give FIVE examples of product knowledge that will benefit a sales person during a sale. (5 × 2) (10)

4.2 Explain how each of the following motivational tools could assist the sales managers in lifting the sales morale of employees at Spotless.



4.2.1 Sales contests

4.2.2 Recognition and awards

(2 × 4) (8)

4.3 A sales manager should ensure that new recruits in the company are inducted in the correct way.

4.3.1 Give THREE reasons why induction of newly appointed salespeople is important. (3 × 2) (6)

4.3.2 Name FIVE types of information that should be included in an induction program. (5)

4.4 Discuss THREE commission rate variations. (3 × 3) (9)

4.5 After comparing the actual performance with the predetermined standard you identified negative variances.



Discuss the THREE steps in the final stage of the performance evaluation process. (3 × 4) (12)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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