higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

INDUSTRIAL ORGANISATION AND PLANNING N3

22 April 2021

This marking guideline consists of 5 pages.

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QUESTION 1

1.1
- An unconditional order to pay
- Addressed to a banker
- Signed by a drawer
- Payable on demand
- Payable to the order of a special person or to the bearer
- For a definite sum of money (6)

1.2
- Letters, faxes and e-mails
- Telephone calls
- Business documents such as orders, invoices, etc.
- Reports on the various activities of the business, minutes of meetings, etc. (4)

1.3
- Stock-keeping records
- Transaction records
- Consumption records (3)

1.4
- Stock cards
- Bin cards
- Requisition/issue vouchers
- Receiving forms (packing slips/freight bills)
- Delivery/issue vouchers
- Expired-stock disposal forms
- Physical inventory forms
- List of approved medicines and prices (Any 7 × 1) (7)

[20]

QUESTION 2

2.1
- It helps to save time or utilise the available time in the correct way.
- When time is saved, money is saved and product costs are reduced.
- Quality is not necessarily affected when a limit is placed on time.
- It is important that the quality of the product be specified when a time study program is introduced. (4)

2.2
- Collects information
- Recording of information
- Keeping of information
- Preparation of information
- Filing/safekeeping of information (Any 4 × 1) (4)

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2.3
- The offer must be complete.
- The offer must include proposals regarding all the essential (key) requirements of the proposed contract.
- The offer must be clear, certain and unambiguous.
- The offer must be made with the serious intention of creating a legal obligation.
- Formalities are only necessary where required by law or agreement between the parties.
- The offer must come to the actual knowledge of the offeree. (6)

2.4
- Prohibited by legislation
- In conflict with common law
- In conflict with public interest (3)

2.5
- Stock cards.
- Bin cards
- Requisition/issue vouchers
- Receiving forms (packing slip/freight bill).
- Delivery/issue vouchers
- Expired stock disposable forms
- Physical inventory forms
- list of approved stock and prices (3)

[20]

QUESTION 3

3.1
- Identify a need for procurement (reorder point or receipt of a requisition)
- Evaluate the available suppliers
- Select a supplier through a bidding process or negotiation
- Procurement occurs with a purchase order to initiate the process.
- Continually monitor the performance of the suppliers to improve the cycle over time. (5)

3.2
- Name of the company
- Purpose of the company
- Complementary purpose that is excluded
- Ancillary competencies excluded
- Special provisions
- Pre-incorporation contracts
- Amount of share capital and subdivision into shares (7)

3.3 Manufacturing✓

- Systematic analysis that identifies and selects the best value alternatives for designs, materials, processes, and systems. ✓
- It proceeds by repeatedly asking can the cost of this item or step be reduced or eliminated without diminishing the effectiveness or quality required by the customer. ✓
- Also called value engineering, its objectives are to distinguish between the incurred cost (actual use of resources) and the cost inherent (locked in) in a particular design (and which determine the incurring costs) and to minimise the locked-in costs. ✓

Purchasing✓

- Examination of each procurement item to ascertain its total cost of acquisition, maintenance and usage over its useful life ✓
- and wherever feasible to replace it with a more cost-effective substitute.✓
- Also called value-in-use analysis. ✓ (2 × 4) (8)

[20]

QUESTION 4

4.1

- The nature of the business
- Capital required (Availability of funds)
- The site and location
- The size of the premises
- The appearance of the premises
- Raw materials needed
- Transport and fuel
- Labour required
- Power and water
- Climatic conditions (5)

4.2

- Unnecessary movement of workers are eliminated, therefore less workers are required.
- Workers are more productive which results in an increase in income.
- Labour costs are lower.
- Less material waste takes place.
- Maintenance cost of machinery is lower
- Reduction of physical exertion and exhaustion.
- Transport cost of machinery is lower.
- Products of a higher standard are produced.
- Ensures better control over production, because the stock rooms are conveniently situated, stocks are easily accessible and the work flow runs smoothly.
- Production processes that run smoothly require less operating capital. (9)

4.3

- To produce products, provision must be made for sufficient raw materials.
- The quantities required can be determined from the planning charts.
- The timing of the purchase must be determined so that storage space in the planned timing is not overutilised
- but care must be taken that stocks arrive on time and do not delay production. (4)

4.4 It is office organisation and comprises the allocation of clerical activities to the office personnel✓ and the procedures and methods of performing these clerical activities efficiently.✓ (2)

[20]

QUESTION 5

5.1 5.1.1
- An estimation of the revenue and expenses over a specified period of time.
- A budget can be made for a person, family, group of people, business, government, country, multinational organisations or just about anything else that makes and spends money.
- A budget is a microeconomic concept that shows the trade-off made when one good is exchanged for another.

5.1.2
- It is the methodical control of an organisation's operations
- through the establishment of standards and targets
- regarding the income and expenditure and a continuous monitoring and adjustment of performance against them.

(2 × 3) (6)

5.2 The supplier
- The raw material suppliers are certain that the factory depends on the regular supply of raw materials.
- The supplier realises that the quality of his raw materials will be subjects to the same standards and quality received each time.
- The business relationship between the supplier and the factory are placed on a healthy basis.

The manufacturer
- The manufacturers' orders are delivered regularly at the time and correct address in the correct quantities.
- Results in deduction in cost as the manufacturers do not have to shop around to obtain stock.
- The manufacturer is assured of regular supplies at a reasonable and steady price.
- The provision of stocks happens on a frequent basis. The manufacturer only has to ensure that the correct orders are placed. (ANY THREE)

The employee
- When production is well-planned and organised, it promotes job satisfaction.
- When employees know which quality, standards are expected of them, unnecessary arguments are eliminated.
- Employees tend to be more productive when they work in pleasant, safe and hygienic conditions.

(3 × 4) (12)

5.3
- The variety of products is high or product standardisation is low.
- Volumes are low. (2)

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TOTAL: 100