



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

OPERATIONS MANAGEMENT NQF LEVEL 4

(3021014)

**3 December 2020 (X-paper)
09:00–12:00**

This question paper consists of 8 pages.

271Q1N2003

TIME: 3 HOURS
MARKS: 150

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. 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 (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 QMS must be reviewed after ...

- A 2 years.
- B yearly.
- C 5 years.
- D 6 months.



1.1.2 Profit when a business invests in physical resources:

- A Return on assets
- B Return on investment
- C Return on equity
- D Return on capital

1.1.3 Wellness programme can be used to satisfy and maintain this stakeholder:

- A Investor
- B Employee
- C Customer
- D Community



1.1.4 Small-scale production process ensuring that individual is satisfied:

- A Flow
- B Continuous
- C Job
- D Cellular

1.1.5 Increased performance of a physical resource results in ...


- A loss of accreditation.
- B decreased waste.
- C loss of orders.
- D loss of competitiveness.

1.1.6 A ... chart is a visual way to analyse percentages.

- A bar
- B line
- C pie
- D flat



1.1.7 ... prevent the customer from accepting the product.

- A Quality defects
- B Quality standards
- C Quality controls 
- D Quality accreditation

1.1.8 Working under supervision and gaining experience.

- A Internship
- B Training
- C Mentorship
- D Development

1.1.9 Responsible for the income of sales and expenses of a business:




- A Finance
- B Marketing
- C Human resource
- D IT 

1.1.10 External factor involving increasing trade with countries worldwide:

- A Physical
- B Social
- C International
- D Natural

(10 × 1) (10)

- 1.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Innovative ideas and concepts giving a slight edge over competitors 	A	competition
1.2.2	Assisting in measuring progress towards achievement of goals	B	skilled workforce
1.2.3	Element of TQM	C	quality circle
1.2.4	Businesses in same industry offering similar products or services	D	research and development
1.2.5	Optimistic view of company's future	E	customisation
1.2.6	Increases wage bill of company and results in noncompliance with quality procedure	F	overproduction
1.2.7	Mental and physical efforts, skills or ability needed to produce goods	G	operational plan
1.2.8	Production per specification or request	H	overstaffing
1.2.9	Small group of employees meeting to identify, analyse and resolve work-related problem 	I	vision 
1.2.10	Acquisition of products before they are needed	J	defects
		K	brain drain
		L	human resources

(10 × 1)

(10)
[20]**TOTAL SECTION A: 20**

SECTION B**BACKGROUND****NATIONS TRAVELLERS AND TOURS (NTT)**

The core business of Nations Travellers and Tours (NTT) is the sale of services such as corporate and leisure travel, guided tours; accommodation, flight and transportation bookings, conferences and events. NTT is committed to providing its market with consistent, reliable and unforgettable experiences.



Thembi Sekete started the business after graduating in tourism at Kempton Campus. She worked at different travel agencies where she acquired the experience required to run the business.

'Running a business is not easy and you have to triple your efforts,' said Thembi. Her business faced many challenges, like lack of financial management systems, lack of finances to purchase or lease operating infrastructure and equipment needed to start business; as well as a general need for mentorship. In order to overcome these challenges Thembi sought assistance through networking and knocking at the doors of business development agencies and government departments. She was fortunate to secure Seda's support.

Seda's intervention included selecting Thembi to take part in the Women Enterprise Coaching Programme, where participants go through an integrated onsite assessment on four primary business functions: marketing structure and strategy, human resources management, operations management, and financial management. Over a period of 10 months, the participants were taught to set up systems, to network, how to seek out funding opportunities, and to market their businesses. They were also taught other valuable lessons in business leadership.



'The program really helped us learn new things about how to manage our businesses and develop confidence and self-belief' Thembi says. She is confident that the business will become a force to be reckoned with and is optimistic that it will have branches in all nine provinces by 2025.

[Adapted from : <http://www.seda.org.za/WhatsHappening/SuccessStories/.aspx>]



QUESTION 2

2.1 The travel and tourist industry require an ability to plan and set out itineraries in a well-structured and organised manner. This requires thorough planning.



2.1.1 Explain why planning is important. (2)


2.1.2 Identify ONE goal for Thembi's business. (2)

2.1.3 Evaluate the goal identified in QUESTION 2.1.2 using the SMART principle. (10)


- 2.2 The implementation of the operational plan depends on the quality of the available human resources and the skills which they possess.
- 2.2.1 Explain how you will assign roles and responsibilities to employees to execute the operational plan.  (4)
- 2.2.2 How can employees be supported to perform their work diligently? (2)
- 2.3 Efficiency and promptness enhance the provision of quality service.
- 2.3.1 Describe *product quality*. (3)
- 2.3.2 What quality needs does NTT have? (4 × 2) (8)
- 2.3.3 Explain the value of quality services to each of the following:
- (a) Tourists
-  (b) NTT (6 × 2) (12)
- 2.3.4 Offering quality services will give NTT a competitive advantage.
- What is a *competitive advantage*? (2)
- [45]**

QUESTION 3

- 3.1 Resources in NTT must be evaluated in respect of productivity.
- 3.1.1 Explain *productivity*. (2)
- 3.1.2 Give FIVE strategies which Thembi can apply to improve business productivity.  (5)
- 3.2 A balanced scorecard can be used to improve relationships with all stakeholders.
- Discuss the perspectives in a balanced scorecard. (4 × 4) (16)
- 3.3 Explain each of the following key performance indicators which can be applied by NTT:
- 3.3.1 Customer attrition rate
- 3.3.2 Opportunity success rate
- 3.3.3 First request fix rate 
- 3.3.4 Overall equipment effectiveness

- 3.3.5 Return on equity
- 3.3.6 Overtime rate  (6 × 2) (12)
- 3.4 It is important that NTT monitor the performance of its physical resources to ensure that objectives are achieved.
- 3.4.1 State the benefits of increased performance of physical resources. (3)
- 3.4.2 What are the long-term effects of low performance of physical resources? (3)
- 3.5 What are the important elements of productivity for NTT business? (4 × 1) (4)
[45]

QUESTION 4

- 4.1 NTT has the following four primary business systems: marketing, human resources management, operations and finance.
- 4.1.1 How do the administration business system and the finance business system link with each other?  (10)
- 4.1.2 Operations in the business systems need to be monitored and controlled.
Explain the phases of control. (10)
- 4.2 Like any other business NTT will encounter risks which must be managed.
- 4.2.1 Explain the steps involved in a risk management plan. (6 × 2) (12)
- 4.2.2 State FOUR guidelines to follow for an effective PowerPoint presentation (4)
- 4.2.3 State TWO consequences of having an unskilled workforce in a business. (2 × 2) (4)
[40]



TOTAL SECTION B: 130
GRAND TOTAL: 150