MARKING GUIDELINE

NATIONAL CERTIFICATE

JUNE EXAMINATION

APPLIED MANAGEMENT N4

30 MAY 2016

This marking guideline consists of 7 pages.

QUESTION 1

1.1   1.1.1   True
           1.1.2   True
           1.1.3   True
           1.1.4   False – Commercial sector
           1.1.5   True
           1.1.6   True
           1.1.7   False – Functional objectives OR operational objectives is 1 year or less
           1.1.8   False – Not a legal entity
           1.1.9   True
           1.1.10   False – (MBO) Management by Objectives OR MBE (Management by Exception) manages deviations

                                                     (10 × 2)   (20)

           1.2.1
- Legal power gives a manager the right to exercise his/her authority over employees.
- E.g. the manager has legal power to give an instruction to the receptionist.   (2 × 2)   (4)

           1.2.2
- Manager must not criticise information.
- He must listen to both waiters objectively and rationally.
- He must not have prejudice in any way.
- He must ask questions to identify and solve the problem.   (Any 3 × 2)   (6)

1.3   1.3.1   Food services manager is responsible for the functioning of kitchen and staff.

           1.3.2   Human resource officer deals with recruitment, selection and personnel admin et cetera.

           1.3.3   Receptionist deals with bookings, payments and welcoming guests et cetera.

           1.3.4   Bookkeeper deals with financial aspects such as salaries, taxes, debtors et cetera.

           1.3.5   Waiters need to offer good service to guests in the dining room.
                                 (Any suitable example)(5 × 2)   (10)

1.4   1.4.1   E
        1.4.2   A
        1.4.3   B
        1.4.4   C
        1.4.5   D

                                                                        (5 × 2)   (10)

                                                                                   [50]

QUESTION 2

2.1   2.1.1   Master budget

        2.1.2   MIS✓ = Management Information Systems✓

        2.1.3   POS✓ = Point-of-sale✓

        2.1.4   Autocratic leadership style

        2.1.5   Accountability

                                                                        (5 × 2)   (10)

2.2   • Top management is usually involved in strategic/long-term planning for the future.
        • Strategic planning periods can vary from five to thirty years.
        • Strategic plans are made for the organisation as a whole.
        • Strategic plans should make provision for possible changes in the environment.
        • Strategic plans are not described in detail, but provide broad guidelines.
        • During strategic planning, management must identify threats to the existence of the business.
        • Management must use resources to ensure the profitable survival of the business.
        • Strategic plans are more flexible and adaptable than short-term planning.

                                                        (Any 6 × 2)   (12)

2.3
- Food: Meals such as breakfast, lunch, dinner or snacks can be provided.
- Drinks: Beverages from soft drinks to alcoholic drinks can be served depending on the licence.
- Accommodation: Different types of rooms, facilities, valet service et cetera can be offered.
- Reception: Welcoming guests and selling of guesthouse facilities.
- Others such as tours/conference facilities et cetera. (4 + 4) (8)

2.4
- Catering/kitchen supervisor
- Different types of cooks
- Different types of chefs
- General assistant
- Store/stock assistant (Any 4 × 1) (4)

2.5
- Future uncertainty makes planning difficult.
- Constant changes complicate planning.
- Planning can incur costs which can limit effective planning processes.
- Size of a business and degree of complexity impact on planning.
- If a planner is inefficient or lacks the proper knowledge this will negatively impact planning.
- Planning can be overdone by creating too many reports and instructions of no practical value. (Any 5 × 2) (10)

2.6
- Job scope is the different types of tasks to be done. If job has limited scope, the worker will repeat cycles often and this may become boring
- Job depth is when a worker has more freedom to plan and organise his/her own work. He/she can work at his/her own pace and this makes work more interesting for the worker. This can only work for skilled workers. (2 × 3) (6)

[50]

QUESTION 3

3.1
- No levels are skipped as orders are given as per line command.
- Unity of command is maintained as only one person gives orders.
- Limited span of control due to the limit of staff that can receive direct orders from a manager
- Authority and responsibility are clearly outlined. (4 × 2) (8)

3.2
- Reward:✓ Reward/remunerate staff for work done,✓ for example award bonus/pay salary.✓
- Coercive:✓ Threats or punishment for transgressions,✓ for example final warning for serious offence.✓
- Legal:✓ Based on rank/position having the right to issue orders,✓ for example inform staff to do training.✓
- Reference:✓ Staff can identify with manager✓ due to his/her personality or leadership style.✓
- Expert:✓ Based on manager's superior knowledge (expertise) on,✓ for example, computers or finances.✓ (5 × 3) (15)

3.3
- Physical/physiological: Fair salaries, wages, safe/healthy work environment et cetera.
- Security: Job security, benefits, having resources to do job et cetera.
- Social: Interaction, team work, encouragement, cooperation et cetera.
- Respect/ esteem: Recognition for achievements or respected by others.
- Self-actualisation: Work challenges, problem-solving, advancement, creativity et cetera. (5 + 5) (10)

3.4
- Low worker morale or poor motivation by management will discourage staff to work together.
- Clashing personalities of staff can inhibit teamwork.
- Poor relations between workers and departments can limit teamwork.
- Overemphasis of the importance of own work over teamwork can inhibit coordination.
- Poor planning of organisation can lead to waste of time and resources between departments.
- Poor communication between workers and departments can limit teamwork. (6 × 2) (12)

3.5 PERT: (4) Programme Evaluation Review Technique
(1) Used to schedule activities to promote coordination. (5)
[50]

QUESTION 4

4.1
- Type of organisation
- Size of organisation
- Type of work
- Type of subordinates
- Level of supervision
- Planning requirements (Any 5 × 1) (5)

4.2
- To ensure that collective effort is effective.
- To check if actual performance agrees with plans.
- Required due to inherent faults of humans and product problems.
- Control is important to check if changes have been correctly implemented.
- Managers are responsible to check the work delegated to staff.
- Is essential due to the complex and diverse tasks in businesses.
- Leads to standardised actions (standards).
- Prevents malpractices, theft and wastage.
- Required for performance evaluation of staff. (Any 6 × 2) (12)

4.3   4.3.1
- Set standards from objectives (methods to measure performance).
- Measure actual performance (to be reliable and valid).
- Compare actual performance with standards or objectives.
- Take corrective action (to address shortcomings). (4 × 2) (8)

4.3.2
- Production: Can refer to input vs output of manpower, money, material, meals served etc.
- Marketing: Evaluate marketing strategies and market share in relation to competitors.
- Profits: Is there an increase or decrease and what are the reasons for this?
- Productivity: Input-output ratio of all resources must be evaluated e.g. cost of food, staff costs in relation to profit.
- Human resources: Need to check on labour turnover, absenteeism, productivity etc.
- Service standards: It is very important to deliver good service to keep customers loyal.
- Machines and material: Evaluate cost and maintenance of both on a regular basis. (Any relevant 5 × 2) (10)

4.4
- This budget is important as forecasted sales totals are the basis for planning other budgets.
- The business will estimate the expected sales and plan expenses based on this income.
- The sales is a measure of the success of the marketing (money) spent.
- Sales forecasts can be based on different product lines or services.
- Manager can for example forecast how many rooms need to be sold for a certain income.
- How many meals need to be sold for a certain profit?
- How many conferences can be held to generate income?
- Cooperation with all departments is needed to ensure realistic forecasted sales figures.   (Any 5 × 2)   (10)

4.5
- Achievement
- Recognition
- Work itself (content)
- Responsibility
- Advancement
- Growth opportunities   (Any 5 × 1)   (5)
                                                                          [50]

                                                          TOTAL: 200