

**KNOWLEDGE COMPONENT: FACILITATOR FORMATIVE AND SUMMATIVE ASSESSMENT TOOLS AND MODEL ANSWERS : KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT**

**Occupational Certificate: Sugar Processing Controller**

**KNOWLEDGE COMPONENT: FACILITATOR FORMATIVE AND SUMMATIVE ASSESSMENT TOOLS AND MODEL ANSWERS**

**KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT**

**KNOWLEDGE COMPONENT: FACILITATOR FORMATIVE AND SUMMATIVE ASSESSMENT TOOLS AND MODEL ANSWERS: KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT**

****

**OCCUPATIONAL CERTIFICATE: SUGAR PROCESSING CONTROLLER**

**©Copyright AgriSETA**

**Telephone: +27 12 301 5600**

****

AgriSETA holds the copyright to its publications and Web pages. Proper citation is requested.

**TABLE OF CONTENTS**

[1. INTRODUCTION TO THE FACILITATOR ASSESSMENT TOOLKIT OF THE OCCUPATIONAL CERTIFICATE: SUGAR PROCESSING CONTROLLER 6](#_Toc8740937)

[2. KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT 7](#_Toc8740938)

[2.1 Knowledge Topic 1: General operational management concepts (25%) 8](#_Toc8740939)

[2.2 Knowledge Topic 2: Employment relations management (25%) 12](#_Toc8740940)

[2.3 Knowledge topic 3: Financial management concepts (25%) 21](#_Toc8740941)

[2.4 Knowledge topic 4: Personnel management concepts (25%) 24](#_Toc8740942)

[3. CONCLUSION OF KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT 31](#_Toc8740943)

[4. WRITTEN ASSESSMENT 32](#_Toc8740944)

[5. FINAL MARKS 39](#_Toc8740945)

1. INTRODUCTION TO THE FACILITATOR ASSESSMENT TOOLKIT OF THE OCCUPATIONAL CERTIFICATE: SUGAR PROCESSING CONTROLLER

Dear Facilitator

This Toolkit has been created to assist you to assess the Formative Learning Activities of learners undertaking the NQF 5 Occupational Certificate: Sugar Processing Controller Qualification.

During the programme, Learners must be directed to their Learning and Activities Guide to complete Learning Activities associated with each module of the Knowledge Component.

The time allocated to the Learning Activities is provided in the Facilitator’s Implementation Guide, this Facilitator Assessment Toolkit and Model Answers and the Learning and Activities Guide.

The marks allocated to each Learning Activity is provided in this Facilitator Assessment Toolkit and Model Answers and the Learning and Activities Guide.

**Instructions to be given to Learners**

* They must work individually to present the results of each Learning Activity in each of the Learning and Activities Guides (Workbooks).
* They must complete all the sections.
* They must use a black pen and ensure that they complete the questions in their own handwriting.
* The time provided to complete each activity is shown.
* The marks they will attain for each learning activity are shown in brackets.

1. KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT

**NQF LEVEL: 5**

**CREDITS: 12**

**PURPOSE OF THE KNOWLEDGE MODULE: The main focus of the learning in this knowledge module is to build an understanding of operations management terms, concepts, established principles and theories.**

The learning will enable learners to demonstrate an understanding of:

* KM-11-KT01: General operational management concepts (25%)
* KM-11-KT02: Employment relations management (25%)
* KM-11-KT03: Financial management concepts (25%)
* KM-11-KT04: Personnel management concepts (25%)

# 2.1 Knowledge Topic 1: General operational management concepts (25%)

Topic elements to be covered include:

* KT0101 The role of an operational manager
* KT0102 Management theory
* KT0103 Planning and scheduling
* KT0104 Organising
* KT0105 Leading and leadership theories and concepts
* KT0106 Controlling
* KT0107 Production reporting
* KT0108 Decision making and problem solving methods
* KT0109 Continuous improvement models
* KT0110 Delegation principles
* KT0111 Document control administration
* KT0112 Challenges for Operational Managers

Internal Assessment Criteria and Weight

* IAC0101 Operational management can be explained in terms of the role and function of the Operational manager in a production environment
* (Weight 25%)

**Learning activity 1.1: Individual Learning activity: 30 minutes (27marks)**



**Learning Objective:** Operational management can be explained in terms of the role and function of the Operational Manager in a production environment

**Task:** Read each question carefully and write your answer in the space provided.

1. What is the role of an Operational manager? (2)

|  |
| --- |
| The Operational manager is responsible for the technical management, supervision and control of industrial production processes. The Operations manager ensures that manufacturing processes run reliably and efficiently. |

2 Define Planning (4)

|  |
| --- |
| Planning is a scientific process which could be defined as the determination of those future activities required to achieve the objectives. |
| Planning is the most basic management function in that it provides the mode of operation to accomplish the objectives. Essentially, planning involves selecting a particular strategy or course of action from among alternative courses of action with the objective of obtaining the greatest satisfaction of the goals. |

3. Name five (5) components of planning. (5)

|  |
| --- |
| Determining and defining the objectives |
| Forecasting uncertainties |
| Specifying policy and procedures |
| Anticipating future problems and developing plans for unforeseen circumstances |
| Changing plans according to results of control task |

4. Differentiate between organizing and scheduling. (4)

|  |
| --- |
| **Organizing:** in [management](http://kalyan-city.blogspot.com/2011/04/what-is-management-definitions-meaning.html) refers to the relationship between people, work and resources used to achieve the common objectives (goals) |
| **Scheduling:** Scheduling is the process of arranging, controlling and optimizing work and workloads in a production process |

5. Define leadership (2)

|  |
| --- |
| Leadership has been described as the “process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task”. |

6. What are the characteristics of being a leader? Explain each characteristic in details. (10)

|  |
| --- |
| **Intelligence:** Leaders should, ideally, be somewhat more intelligent than subordinates. A desire to solve complex problems and discover patterns in events is particularly prevalent. |
| **Initiative:** A good leader must use her or his initiative or have the capacity to perceive the need for action and then to do something about it. This characteristic is closely related to energy and stamina. |
| **Self-assurance:** A good leader has self-assurance or the self-confidence to believe in what he or she is doing. The trait is related to people’s perception of their place in society and to their aspirations for themselves. Self-assurance does not have to be pushy or aggressive. |
| **Seeing the big picture:** The ability of a successful manager to rise above a particular situation and see it in its broader context, and then to descend to attend to the detail. |
| **Other characteristics:** Good health, enthusiasm, sociability, integrity, courage, imagination, decisiveness, determination, energy. |

**Learning activity 1.2: Group Learning activity: 10 minutes (6 marks)**



**Learning Objective:** Operational management can be explained in terms of the role and function of the Operational Manager in a production environment

**Task:** Form four groups using any method of your choose.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the group’s reporter (the person who will explain your findings to the class).

As a group discuss and answer the following questions. Make notes of the discussions in the spaces provided.

1. What do you think will happen if the person who is making the decisions does so without gathering as many facts as possible? (2)

|  |
| --- |
| The person may end up taking incorrect decisions, which might lead to him or her not able to reach desired results. |

2. What do you think will happen if the person who is a team leader is constantly criticising and never seems to be pleased with anyone’s efforts? (2)

|  |
| --- |
| The team members will be discouraged, demotivated and the production level will decrease. |

3. What do you think will happen if there is bad communication between staff and management? (2)

|  |
| --- |
| This might cause conflict. |
| Production and quality of work will decrease |
| Staff will be demotivated |

# 2.2 Knowledge Topic 2: Employment relations management (25%)

Topic elements to be covered include:

* KT0201 The employment relationship
* KT0202 Key provisions of the legislative framework governing employment
* KT0203 Managing workplace discipline (codes, procedures, fairness, CCMA, principles established through cases and awards)
* KT0204 Managing workplace conflict and grievances (sources, resolution styles, grievance procedures)
* KT0205 Managing capacity related problems (types, procedural requirements, principles established through cases and awards)
* KT0206 Organised labour

Internal Assessment Criteria and Weight

* IAC0201 The concept of fairness as applied in industrial relations can be explained
* IAC0202 An understanding of the use of procedures and codes to manage industrial relations can be demonstrated
* IAC0203 Principles of conflict resolution can be explained
* (Weight 25%)

**Learning activity 2.1: Group Learning activity: 30 minutes (14marks)**



**Learning Objective:** The concept of fairness as applied in industrial relations can be explained

**Task:** Form 4 groups. Do this by assigning everyone a number from 1 to 4. All the “ones” form one group, all the “twos” form the next group, all the “threes” form the third group and all the “fours” form the fourth group.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the group’s reporter (the person who will explain your findings to the class).

1. When you are in your groups discuss the following laws and regulations which relate to human resource management. (14)

|  |
| --- |
| **The Adult Basic Education and Training Act:** The objective of this Act is to regulate adult basic education and training. It provides for the establishment, governance and funding of public adult learning centres and the registration of private ones. This is for quality assurance and quality promotion in adult basic education and training |
| **The Agricultural Labour Act, 1993 (Act No. 147 of 1993):** This Act is about the application of the Labour Relations Act, 1956, and the further application of the Basic conditions of Employment Act, 1983, to farming activities and employers and employees engaged therein. |
| **The Basic Conditions of Employment Act, 1997 (Act No. 75 or 1997):** This Act gives effect to the right to fair labour practices – referred to in section 23(1) of the Constitution. It does so by establishing and making provision for the regulation for basic conditions of employment. The Republic is a member state of the International Labour Organisation and there are obligations with which to comply. |
| **Employment Equity Act, 1998 (Act No. 55 of 1998):** The Act aims to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination and by implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce. |
| **Extension of Security of Tenure Act, 1997 (Act No. 62 of 1997):** The aim of this act is to provide for measures of State assistance, to facilitate long-term security of land tenure, to regulate the conditions of residence on certain land, to regulate the conditions on and circumstances under which the right of persons to reside on land may be terminated, to regulate the conditions and circumstances under which persons, whose right of residence has been terminated, may be evicted from land (This Act deals with land under State control). |
| **Labour Relations Act, 1995 (Act No. 66 of 1995):**   * This is an Act to change the law governing labour relations, giving effect to section 27 of the Constitution, and to regulate the organisational rights of trade unions. * It promotes and facilitates collective bargaining at the workplace and at Sectoral level. * It regulates the right to strike and the recourse to lockout in conformity with the Constitution. * It promotes employee participation in decision-making through the establishment of workplace forums. * It provides simple procedures for the resolution of labour disputes (this is done through statutory conciliation, mediation and arbitration – for which purposes the Commission for Conciliation, Mediation and Arbitration was established – and through independent alternative dispute resolution services accredited for that purpose. * It establishes the Labour Court and Labour Appeal Court as superior courts, with exclusive jurisdiction to decide matters arising from the Act. * It provides for a simplified procedure for the registration of trade unions and employer’s organisations. * It provides for their regulation to ensure democratic practices and proper financial control. * It gives effect to the public international law obligations of the Republic to labour relations. |
| **Skills Development Act, 1998 (Act No. 97 of 1998):** The purposes of this Act are to:   * Provide an institutional framework to devise and implement national sector and workplace strategies to develop and improve the skills of the South African workforce. * Provide for Learnership that lead to recognised occupational qualifications. * Provide for the financing of skills development by means of a levy-grant scheme and a National Skills fund. |

**Learning activity 2.2: Group Learning activity: 1 hour (30 marks)**



**Learning Objective:** An understanding of the use of procedures codes to manage industrial relations can be demonstrated

**Task:** Form 4 groups. Do this by assigning everyone a number from 1 to 4. All the “ones” form one group, all the “twos” form the next group, all the “threes” form the third group and all the “fours” form the fourth group.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the group’s reporter (the person who will explain your findings to the class).

Two groups discuss the procedure that they think should be followed when an employee is dissatisfied. The other two groups discuss the procedure that they think should be followed if the employer is dissatisfied. Use the table provided below to capture your answers. Remember, a procedure is a step-by-step process. Start at what you think should happen first, and then work your way through to the point where the problem is resolved.

1. How do you feel that breaking company rules and regulations should be addressed? (26)

|  |
| --- |
| **Procedure to follow when employee is dissatisfied** |
| **Step 1:** An employee who has a grievance must first report such grievance to his immediate supervisor (first reporting level) and discuss the matter with him on an informal basis. The employee may be accompanied by a shop steward if he so wishes.  Such employee’s supervisor must endeavour to resolve the grievance and communicate the outcome to the employee as soon as possible.  In the event of the grievance not being resolved during these discussions, the employees must inform his supervisor that he wishes the matter to be treated as a formal grievance by completing a grievance form in writing.  In the event of an employee having a complaint about his immediate supervisor, he may approach his head of section (second reporting level) directly for the purpose of solving is particular grievance. |
| **Step 2:** In the event of the grievance not being resolved at Step 1 within a maximum of two (2) clear working days of formal grievance being lodged the employee may ask to see his head of section. The employee may be assisted by a shop steward if he so wishes. The head of section and the employee must endeavour to resolve the matter as soon as possible. |
| **Step 3:** In the event of any grievance not being resolved at Step 2 within a maximum of two (2) clear working days, the employee may ask to see his head of department (third reporting level). The employee may be assisted by a shop steward if he so wishes. The head of department and the employee must endeavour to resolve the matter as soon as possible. |
| **Step 4:** In the event that any grievance not being resolved at Step 3 within two (2) clear working days, (or longer by mutual agreement) from the date on which the grievance was referred to the head of department, the employee may elect to have the matter referred to a meeting to be attended by the following:   * The dissatisfied employee, or where a group of employees is concerned, the representative shop steward(s) * The shop steward * An official of the union at the request of the shop steward or of the company representatives, * Up to four company representative and any other employees required by the company.   The committee must try to resolve the matter within a maximum of five (5) working days. |
| **Step 5:** If the grievance is not resolved at Step 4, the issue may be referred to mediation if both the company and the union agree thereto. Both parties must agree on the mediator to be appointed. Alliteratively, or after mediation has failed, the issues may be referred to arbitration if the company and the union agree thereto. If both parties agree to arbitration an agreement must be reached between them on the arbitration to be appointed. In such an event the arbitrator’s award shall be final and binding. |
| **Step 6:** If a grievance remains unresolved the parties may pursue any other lawful course of action. |
| **Procedure to follow when employer is dissatisfied:** The immediate supervisor will normally deal with minor breaches by verbally reprimanding the employee concerned. Should more formal action be warranted, the following formal procedure will apply |
| **Written warning**   * Such a warning may be issued by the immediate supervisor (first reporting level). The supervisor will issue a written warning to the employee when a previous verbal warning has failed. * The nature of the incident that gave rise to the warning must be clearly recorded. The supervisor shall also indicate the action that is necessary to be taken by the employee redress the offence committed and the penalties that may be incurred in the event of future offences, should the behaviour of the employee fail to improve. This warning must be signed by the supervisor concerned. * The reasons for the action as well as its exact nature must be explained to the employee by his immediate supervisor. * The employee will be expected to sign the written warning and be given a copy. The original of the written warning must be retained by the company. Should the employee refuse to sign the written form, two witnesses shall verify that the warning was issued by signing the form. |
| **Final written warning**   * Such a warning may be issued by the head of section (second reporting level). A final written warning shall be issued to the employee when previous warnings have failed or when a written warning is considered inadequate because of the type of misconduct * The nature of the employee’s misconduct must be clearly recorded and signed by the head of section. The reason for the action must be explained to the employee. * The employee shall be expected to sign the final warning and be given a copy. The original of the written warning must be retained by the company. Should the employee refuse to sign the written form, two witnesses shall verify that the warning was issued by signing the form. * Appeals against any warning must be lodged within two days of receipt thereof. A review of the warning will be undertaken by the personnel manager and departmental head. |
| **Demotion, dismissal or summary dismissal**   * The above disciplinary actions may be applied by management for major breaches discipline or as a result of other misconduct when a final written warning is in operation. These disciplinary actions may be recommended by the immediate supervisor, or by any person on the second or third reporting levels after consideration of the facts, * Every case where demotion, dismissal or summary dismissal is a possible punishment shall be thoroughly investigated. For this purpose a disciplinary hearing shall be convened by a section manager, acting as chairman, within five (5) working days of the offence being identified, provided that the period of five (5) days may be extended by the chairman if unavoidable practical reasons exist.   Apart from the chairman, the following persons may attend the hearing:   * The employee * The employee’s representative * An interpreter is necessary * The personnel manager or an officer of the company   The chairman and the employee may call such witnesses as are required.   * The chairman shall decide whether the employee is guilty or innocent and inform the employee. After taking this decision he shall refer to the employee’s personal file and any possible evidence in mitigation and decide on the action to be taken. * Any penalty decided on by the chairman shall be conveyed to the employee in writing by the employer. In the case of dismissal or summary dismissal the letter must contain the reasons for the dismissal or summary dismissal. * Within two working days of receipt of a notice of dismissal or summary dismissal, the employee may lodge an appeal in writing to the personnel manager stating the grounds for appeal.   An appeal hearing will be conveyed within five(5) days of such an appeal being lodged. The following persons may be present at an appeal:   * The general manager, * The personnel manager (or alliterate) plus one other representative * The worker concerned, * The shop steward from the worker’s constituency, * The senior shop steward and witness.   Union officials may be present with prior arrangement, provided that the hearing should not be unreasonably delayed on the grounds that union officials are not available.  Should a decision of management regarding a disciplinary appeal be unacceptable, a dispute may be declared in terms of Clause 10 within a reasonable period of time? |

**Learning activity 2.3: Group Learning activity: 45 minutes (20 marks)**



**Learning Objective:** Principles of conflict resolution can be explained

**Task:** Form 2 groups. The facilitator will choose two team leaders. Each leader then has a turn to choose a group member into his/her team until all the class members have been allocated to a team. One team is designated “The Employers”, the other team is designated “The Employees”.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the group’s reporter/negotiator (the person who will explain your team’s view to the other team and negotiate your point of view).

Now, working in your teams decide on the rules and regulations that each group feels is important to put in place for a happy, productive, fair and rewarding work environment on the farm. Your task as “Employers” and “Employees” is to determine those rules and regulations that you feel are important to ensure that the tasks of the farm get done, to the right quality in the most efficient (no wastage) and effective (doing the things in the right way) way.

1. Can you think of other rules and regulations that may be important for the mill environment? Use the table below to capture your respective answers. The discussion should take about 20 minutes. Work quickly and keep track of time. (20)

|  |  |
| --- | --- |
| **Rules important to employers** | **Rules important to employees** |
| * perform his duties in a responsible and diligent manner; | * commit any act or be guilty of any omission which undermines the industrial peace, growth or stability of the company or the maintenance and promotion of sound employee/management relationships; |
| * protect and promote the interests of the company at all times to the best of his ability with due regard to the interests of management and his fellow employees; | absent himself from work without just cause; |
| * obey and execute with due care and skill reasonable instructions which are given to him; | * report for duty under the influence of alcohol or drugs; |
| * observe the company’s normal hours of work; | * make use of drugs or consume intoxicating liquor whilst on duty or during breaks in the course of working hours; |
| * observe the safety rules and regulations prescribed by management and by law; | * use or be in unauthorized possession of a dangerous weapon; |
| * keep his vehicle, utensils, equipment and work place in a good, neat and tidy order and condition; | * willfully or deliberately damage or cause destruction to or attempt to damage or destroy the property of the company; |
| * wear the prescribed clothing and safety apparel; | * embark upon or be involved in or conspire to commit any act of industrial sabotage or espionage; |
| * promptly report damage to the property of the company; | * absent himself from work without permission and in the case of absence on account of illness the failure to present a valid doctor’s or registered hospital certificate which certifies and justifies such absence; |
| * take all steps to ensure that no shortage in stock, materials or cash occurs; | * commit or attempt to commit theft, fraud or forgery; |
| * change into working clothing before he clocks in; | * be in unauthorized possession of property of the company or any other person; |
| * be at his station of work at the commencing time of work; | * fight with or assault a fellow employee or attempt to do so; |
| * report immediately to the production manager (and in his absence the general manager) any injury which occurs at the workplace | * use abusive or insulting language; |
|  | * clock in any employee or allow an employee to clock in on his behalf; |
|  | * Change from working clothing before the sounding of the hooter in respect thereof. |

.

**Learning activity 2.4: Individual Learning activity: 30 minutes (14 marks)**



**Learning Objective:** Principles of conflict resolution can be explained

**Task:** Read each question carefully and write your answer in the space provided.

1. Name 4 benefits of adhering to and respect the rules and regulations of the workplace. (4)

|  |
| --- |
| Help employees understand what is expected of them and what will happen if they violate the rules. |
| Working with happier, less-stressed employees |
| The employees feel comfortable that they are protected and safe when working with the company. |

2. One of your employees is using your vehicle without your consent, coming to work drunk and arriving late at work. Explain a type of procedure you would follow to deal with this matter. Would you use a grievance procedure or a disciplinary practice? Explain in your own understanding how you would apply this procedure.

|  |
| --- |
| A learner might select any one of the two disciplinary practices and relate his/her discussion based on the selected procedure. (10) |

# 2.3 Knowledge topic 3: Financial management concepts (25%)

Topic elements to be covered include:

* KT0301 Budgets, budgeting concepts and budget control
* KT0302 Cost estimates and calculations (labour, raw material, energy, milling cost, processing)
* KT0303 Cost management (waste, rework, recall)
* KT0304 Financial source documents

Internal Assessment Criteria and Weight

* IAC0301 An understanding of production costs under the control of the operational manager can be demonstrated
* IAC0302 The budgeting process and the use of budgets for cost purposes can be defined and explained
* (Weight 25%)

**Learning activity 3.1: Individual Learning activity: 1 hour (24marks)**



**Learning Objective:** The budgeting process and the use of budgets for cost purposes can be defined and explained.

**Task:** Read each question carefully and write your answer in the space provided.

1. Define budgeting (2)

|  |
| --- |
| Budgeting is an essential financial management tool which involves planning and controlling of finances for a specific period. |
| Without a budget it will be very difficult for plant manager to know how much money can be spent on particular items, and whether it is necessary to cut costs, or find other sources of income. |

2. Name two ways to budget (2)

|  |
| --- |
| Income statement budget |
| Cash flow budget |

3. What is the difference between fixed costs and variable costs? (4)

|  |
| --- |
| **Fixed costs:** are those costs that are constant and have to be paid regularly, although their value may change over time, for example, rent, electricity, salaries, etc. |
| **Variable costs:** are those that change depending on the time of year and what is happening on the farm, for example, fertiliser, raw materials, diesel, agrochemicals, etc. |

4. How is a growth in net worth calculated? (4)

|  |
| --- |
| The growth in net worth is calculated by adding the farm profit (or loss) to the net increase (or decrease) in the value of assets over liabilities as a result of non-farming activities |
| Please note: The growth in net worth is not an amount which is in the bank at the end of the year, but an amount which can be spent without reducing the initial own capital in the farm business. |

5. Refer to A-Z Sugar Mills Income Statement and calculate the following:

(a) Total income for year 2018 and year 2019 (3)

|  |
| --- |
| **Total Sales=** R4 313 136 |
| **Other Income=** R1 856 942 |
| **Total Income**= **R 6 170 078** |

(b) Total production costs for year 2018 and year 2019 (3)

|  |
| --- |
| Total Production cost 2018: **R3 055 335** |
| Total Production cost 2019: **R 2 243 510** |
| Total Production cost: **R 5 298 845** |

(c) Total overhead expenses (3)

|  |
| --- |
| 2018 Overhead expenses:**R429 891** |
| 2019 Overhead expenses: **R406 039** |
| Total Overhead expenses:**R835 930** |

(e)Total expenditure for year 2018 and year 2019 (3)

|  |
| --- |
| Total production cost+ Total overhead expenses |
| R 5 298 845+ R835 930 |
| = **R 6 134 775** |

# 2.4 Knowledge topic 4: Personnel management concepts (25%)

Topic elements to be covered include:

* KT0401 Basic conditions of employment and contracts
* KT0402 Job analysis and descriptions
* KT0403 Performance management
* KT0404 Training management
* KT0405 Mentoring and coaching
* KT0406 Recruitment and selection

Internal Assessment Criteria and Weight

* IAC0301 An understanding of personnel management concepts under the control of the operational manager can be demonstrated
* (Weight 25%)

**Learning activity 4.1: Group Learning activity: 50 minutes (22marks)**



**Learning Objective:** An understanding of personnel management concepts under the control of the operational manager can be demonstrated.

**Task:** Form 4 groups. Do this by assigning everyone a number from 1 to 4. All the “ones” form one group, all the “twos” form the next group, all the “threes” form the third group and all the “fours” form the fourth group.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the

1. Choose a business unit with which you are all familiar. (2)

|  |
| --- |
| Any business of your choose |

2. List all the positions that you think would be available in this specific business unit. (6)

|  |
| --- |
| List positions related to the business unit selected above |

3. Discuss the types of training that would be needed for each position in the business unit. (6)

|  |
| --- |
| The answer must be based on question 2 above |

4. Discuss any two benefits for both the employer and employee of that particular training. (4)

|  |
| --- |
| **Improved performance:** Employees who perform poorly because of skills deficiencies need to be sent for training. Sometimes a new or newly promoted employee does not possess the skills and abilities required to be competent on the job. Therefore training will be necessary to fill the gap between the employee’s predicted and actual performance. |
| **Satisfy personal growth needs**: Training and development can play a dual role by providing activities that result in both greater organizational effectiveness and increased personal growth for all employees. For instance, most employees are achievement-oriented and need to face new challenges on the job. |
| **Update employee’s skills:** Owners or managers of new ventures must ensure that they are always aware of technological advances that will make their new venture function more effectively. Employee skills must be updated through training so that technological advances are integrated into the new venture. |
| **Solve organizational problems:** Training is expected to solve managerial problems such as personal conflicts, unclear policies and standards, scheduling delays, inventory shortages, and high levels of absenteeism, labour management disputes and a restrictive legal environment. Training personnel, universities and training and development providers assist employees in solving problems and performing their job more effectively. |
| **Orient new employees:** During the first few days on the job, new employees form their initial impressions of the organisation and its managers. These impressions may range from favourable to very unfavourable, and may influence their job satisfaction and productivity. Therefore there is a need to orient new employees to the organization and the job. |
| **Prepare for promotion and managerial succession:** One way to attract, retain and motivate personnel is through a systematic Programme of career development. Training enables an employee to acquire the skills needed for promotion, and it eases the transition from the employee’s present job to the one involving greater responsibilities. |

5. List 4 ways in which learning can be transferred in the workplace (4)

|  |
| --- |
| Maximize the similarity between the training and development and the job. |
| Provide as much experience as possible with the task being taught |
| Provide for a variety of examples when teaching concepts or skills |
| Label or identify important features of a task |
| Make sure the training and development is rewarded on the job. |
| Design the training and development so that the learners can see its applicability. |
| Use questions to guide learners attention. |

**Learning activity 4.2: Individual Learning activity: 20 minutes (13 marks)**



**Learning Objective:** An understanding of personnel management concepts under the control of the operational manager can be demonstrated.

**Task:** Find a local newspaper and choose one (1) job advertisement. Write down the job description provided by the prospective employer for that particular job and paste the advert in the space provided below. (10)

**Vacancy No. 1**

|  |
| --- |
| Job description for:  A learner will be required to give the job description of the job advert attached. |
| Paste the advert here! Any job advert can be attached |

2. Discuss a need for a job description if you are being employed (3)

|  |
| --- |
| A job description indicates the roles and responsibilities related to the particular job advertised. |
| It guides the employee to not only meet the employer’s expectations, but exceed them. |
| It gives full details of what is expected of you as an employee |

**Learning activity 4.3: Group Learning activity: 45 minutes (22marks)**



**Learning Objective:** An understanding of personnel management concepts under the control of the operational manager can be demonstrated.

**Task:** Form 4 groups. Do this by assigning everyone a number from 1 to 4. All the “ones” form one group, all the “twos” form the next group, all the “threes” form the third group and all the “fours” form the fourth group.

When you are in your groups, elect one person to be the group’s scribe (the person who will write down the points of your discussion), elect one person to be the group’s time-keeper (this person reminds the group that they are running out of time for the exercise) and one person who will be the group’s reporter (the person who will explain your findings to the class).

**In your groups discuss:**

1. Having studied the BCOE Act, how should employees be treated? As an employer you need to place yourself in the shoes of an employee and consider whether you are a good employer. (4)

|  |
| --- |
| **Answers which relates to the BCOE Act may be given, e.g.**  **All employees should be treated:**   * Fairly * Equally * With respect |

2. Discuss the causes of strike action in the workplace. Why would people strike? (4)

|  |
| --- |
| Strikes can be caused by any situation such as:   * Unfair treatment * Unfair payment * poor working conditions * poor communication between employer and employee, etc. |

3. Discuss the consequences of strikes in the workplace (and the effects strikes have on the economy). (4)

|  |
| --- |
| Any answer related to the consequences of strikes may be accepted   * The loss of production and of customers is usually the first consequence of a strike * The employer is likely to lose money due to delayed service to clients or to lost production time. * The employees will lose their pay due to the no work, no pay principle. If the strikers are dismissed they will lose their livelihoods altogether. * Once the strike is over, even if the business has not been closed down by it, the feelings of hostility resulting from the strike can severely damage teamwork, productivity and profitability. * The economy will decrease due to decrease in production. |

**At home, individually:**

4. Use local information resources such as the internet, newspapers etc. to find an article which talks about strike actions that have recently happened in South Africa. Write down the causes of that particular strike action and suggest what should have been done to prevent it from occurring. (10)

|  |
| --- |
| The discussion should relate to the article attached. |
| The article should be pasted in their workbooks in the space provided. |

**Learning activity 4.4: Individual Learning activity: 15 minutes (12marks)**



**Learning Objective:** An understanding of personnel management concepts under the control of the operational manager can be demonstrated.

**Task:** Read each question carefully and write your answer in the space provided.

1. Define a legal contract and explain what type of persons can be involved in a legal contract’ (4)

|  |
| --- |
| A contract is a legal document, a binding agreement between two or more legal persons that is enforceable by law. |
| A legal person is a natural person (an individual) or a group of individuals such as a partnership, a company or a close corporation that has full contractual capacity |

2. Mention two (2) types of contracts (2)

|  |
| --- |
| Marketing contracts: |
| Production contracts. |
| Contract to purchase: |
| Lease contracts: |
| Employment contracts. |
| Credit agreements |

3. What are the purposes of a contract? (6)

|  |
| --- |
| * **Provide certainty:** A properly worded contract lets each party know what they will be receiving, and what they will be providing. The parties can agree as to the detail in which these offers or receipts are stipulated. |
| * **To avoid disputes:** contracts require that both parties think about the issues to be contained in the contract beforehand. It turns their minds to avoiding problems, or to setting up methods to resolve disagreements at a later stage. This often avoids the problems or arguments completely. |
| * **To balance the risks:** In an ideal contract, each party should feel that it has received as much as it has given. This is not always accomplished, but at least a contract can decide what is most important to them. |

1. CONCLUSION OF KNOWLEDGE MODULE 11: OPERATIONS MANAGEMENT

Throughout this knowledge module you have been provided opportunities to complete formative learning activities. You have captured your results in this Learner Workbook.

The total marks for this Knowledge Module are as follows:

|  |  |  |
| --- | --- | --- |
| **Knowledge Module** | **Total Marks** | **Marks attained** |
| KM-11-KT01: General operational management concepts (25%) | 33 |  |
| KM-11-KT02: Employment relations management (25%) | 78 |  |
| KM-11-KT03: Financial management concepts (25%) | 24 |  |
| KM-11-KT04: Personnel management concepts (25%) | 69 |  |
| **Total Marks** | **204 marks** |  |

]

1. WRITTEN ASSESSMENT

**Candidate instruction:** Complete the following multiple-choice questionnaire by marking the most appropriate response with an x in the space provided.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Scope of Assessment** | | **Exit Level Outcome/s** | | | **Module/s** | |
|  | | 1. :**Operations Management** | | | **1** | |
| **Alignment – Learning Outcome 1,2,3&4: General, Employment, Financial and Personnel Management**  **Award one mark for selection of valid “x”. One mark = Competent** | | | | | | |
| **11.1** | **What is the role of the operational manager?** | | | **Mark Allocation** | |
| **a** | 🞎 | | Provides the mode of operation to accomplish the objectives. |  | |
| **b.** | 🞎 | | Changing plans according to results of control task |  | |
| **c.** | 🞎 | | Determining and defining the objectives |  | |
| **d.** | 🗷 | | Responsible for the technical management, supervision and control of industrial production processes |  | |
| **e.** | 🞎 | | Specifying policy and procedures | 4 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.2** | **Definition of Leadership is:** | | **Mark Allocation** | |
| **a.** | 🞎 | A scientific process which could be defined as the determination of those future activities required to achieve the objectives. |  |
| **b.** | 🞎 | The relationship between people, work and resources used to achieve the common objectives (goals) |  |
| **c.** | 🞎 | The process of selecting a particular strategy or course of action from among alternative courses of action with the objective of obtaining the greatest satisfaction of the goals. |  |
| **d.** | 🞎 | It is a process of ensuring that manufacturing processes run reliably and efficiently. |  |
| **e.** | 🗷 | The process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.3** | **What is Scheduling?** | | **Mark Allocation** |
| **a.** | 🞎 | the relationship between people, work and resources used to achieve the common objectives (goals) |  |
| **b.** | 🗷 | the process of arranging, controlling and optimizing work and workloads in a production process |  |
| **c.** | 🞎 | Anticipating future problems and developing plans for unforeseen circumstances |  |
| **d.** | 🞎 | Forecasting uncertainties |  |
| **e.** | 🞎 | process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.4** | **What does seeing the big picture mean?** | | **Mark Allocation** |
| **a.** | 🞎 | A desire to solve complex problems and discover patterns in events is particularly prevalent. |  |
| **b.** | 🞎 | To arrange, control and optimize work |  |
| **c.** | 🗷 | The ability of a successful manager to rise above a particular situation and see it in its broader context, and then to descend to attend to the detail |  |
| **d.** | 🞎 | To believe in what you are doing. |  |
| **e.** | 🞎 | The capacity to perceive the need for action and then to do something about it | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.5** | **What are variable costs?** | | **Mark Allocation** |
| **a.** | 🞎 | Are those costs that are constant and have to be paid regularly, although their value may change over time, for example, rent, electricity, salaries, etc. |  |
| **b.** | 🞎 | Are costs which cannot be directly linked to the production of the crop that the farm sells |  |
| **c.** | 🗷 | Are those that change depending on the time of year and what is happening on the farm, for example, fertiliser, raw materials, diesel, agrochemicals, etc. |  |
| **d.** | 🞎 | Consist of all non-directly allocatable variable costs |  |
| **e.** | 🞎 | Are costs directly related to the production of the product that generates the income | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.6** | **What is budgeting?** | | **Mark Allocation** |
| **a.** | 🞎 | An amount which is in the bank at the end of the year |  |
| **b.** | 🞎 | Acquiring the personnel and other resources necessary to get the tasks don |  |
| **c.** | 🗷 | Is an essential financial management tool which involves planning and controlling of finances for a specific period |  |
| **d.** | 🞎 | A process of implementing a decision |  |
| **e.** | 🞎 | Is the assignment of authority and responsibility to another person | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.7** | **What is a contract?** | | **Mark Allocation** |
| **a.** | 🞎 | A natural person (an individual) or a group of individuals such as a partnership, a company or a close corporation that has full contractual capacity |  |
| **b.** | 🞎 | A document used to determine the future of cash flow for a specific business. |  |
| **c.** | 🗷 | A legal document, a binding agreement between two or more legal persons that is enforceable by law |  |
| **d.** | 🞎 | A document which you present to potential sponsors or clients to receive funding or get your project approved. |  |
| **e.** | 🞎 | A document used to make an offer for the supply of goods or services | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.8** | **Why is control necessary, choose two correct answers** | | **Mark Allocation** |
| **a.** | 🞎 | In order to implement the plan that has been developed |  |
| **b.** | 🗷 | Although everything may be going according to plan, the dynamic nature of the environment could result in a plan becoming outdated |  |
| **c.** | 🞎 | To Identify and define problems and opportunities |  |
| **d.** | 🞎 | Help choose the best alternative |  |
| **e.** | 🗷 | Planning is often hampered by an uncertain environment and incomplete knowledge. Some of the assumptions made could easily be incorrect; therefore adjustments and modifications are often necessary. | 8 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.9** | **What is delegation** | | **Mark Allocation** |
| **a.** | 🞎 | To Identify and define problems and opportunities |  |
| **b.** | 🞎 | To accept responsibility for the decision and its consequences |  |
| **c.** | 🗷 | Is the assignment of authority and responsibility to another person (normally from a manager to a subordinate) to carry out specific activities. |  |
| **d.** | 🞎 | To identify and define problems and opportunities |  |
| **e.** | 🞎 | A process of implementing a decision | 4 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.10** | **Choose two correct answers, the main steps in company budgetary control are:** | | **Mark Allocation** |
| **a.** | 🗷 | Definition of objectives |  |
| **b.** | 🞎 | Correcting deviations from standards and plans. |  |
| **c.** | 🞎 | Keeping the relevant records |  |
| **d.** | 🞎 | Assessing labour and material requirements, and availability. |  |
| **e.** | 🗷 | Budget approval | 8 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.11** | **Define waste** | | **Mark Allocation** |
| **a.** | 🞎 | Correction of defective material or errors |  |
| **b.** | 🞎 | is a transaction in which the contract states the sale of property |  |
| **c.** | 🞎 | Handling and investigation of rejected or recalled products, including transport costs |  |
| **d.** | 🞎 |  |  |
| **e.** | 🗷 | Poor work performance, errors, poor organization and poor communication in the plant. | 4 |

**TRUE OR FALSE QUESTIONS:**

**Award one mark for each selection of valid “T/F”.**

|  |  |  |  |
| --- | --- | --- | --- |
| **11.12** | **True or False the following are the characteristics of being a leader** | | **Mark Allocation** |
| **a.** | **ⓣ** | Intelligence |  |
| **b.** | **ⓣ** | Initiative |  |
| **c.** | **ⓣ** | Self-assurance |  |
| **d.** | **ⓣ** | Seeing the big picture |  |
| **e.** | **ⓣ** | determination | 5 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.13** | **The following are laws and regulations which relates to human resource management.** | | **Mark Allocation** |
| **a.** | **ⓣ** | The Adult Basic Education and Training Act |  |
| **b.** | **ⓕ** | Demotion, dismissal or summary dismissal |  |
| **c.** | **ⓣ** | The Agricultural Labour Act, 1993 (Act No. 147 of 1993 |  |
| **d.** | **ⓣ** | Employment Equity Act, 1998 (Act No. 55 of 1998) |  |
| **e.** | **ⓣ** | Skills Development Act, 1998 (Act No. 97 of 1998): | 5 |

|  |  |  |  |
| --- | --- | --- | --- |
| **11.14** | **True or False results of bad communication are:** | | **Mark Allocation** |
| **a.** | **ⓣ** | Conflict |  |
| **b.** | **ⓣ** | Demotivation |  |
| **c.** | **ⓣ** | Poor working relationship |  |
| **d.** | **ⓕ** | Motivation |  |
| **e.** | **ⓕ** | High production | 5 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.15** | **True or False the following are procedures to follow when employer is dissatisfied** | | | **Mark Allocation** |
| **a.** | **ⓕ** | Fire an employee immediately |  | |
| **b.** | **ⓣ** | Written warning |  | |
| **c.** | **ⓕ** | Issue an employee with a penalty |  | |
| **d.** | **ⓣ** | Final written warning |  | |
| **e.** | **ⓣ** | Demotion, dismissal or summary dismissal | 5 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.16** | **True or False benefits of on the job training for both employer and employee are:** | | **Mark Allocation** | |
| **a.** | **ⓣ** | Improved performance | |  | |
| **b.** | **ⓕ** | To give full details of what is expected of you as an employee | |  | |
| **c.** | **ⓣ** | Update employee’s skills | |  | |
| **d.** | **ⓕ** | To enable equality at the workplace | |  | |
| **e.** | **ⓣ** | Satisfy personal growth needs | | 5 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.17** | **True or False causes of strikes are:** | | **Mark Allocation** | |
| **a.** | **ⓣ** | Unfair treatment | |  | |
| **b.** | **ⓕ** | High wages | |  | |
| **c.** | **ⓣ** | Unfair payments | |  | |
| **d.** | **ⓣ** | Poor working conditions | |  | |
| **e.** | **ⓕ** | Good communication | | 5 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.18** | **True of False the following are different types of contract.** | | **Mark Allocation** | |
| **a.** | **ⓣ** | Employment contracts | |  | | |
| **b.** | **ⓣ** | Contract to purchase | |  | | |
| **c.** | **ⓣ** | Marketing contracts | |  | | |
| **d.** | **ⓕ** | A proposal document | |  | | |
| **e.** | **ⓣ** | Credit agreements | | 5 | | |
| **11.19** | **True or False the purpose of a contract is?** | | **Mark Allocation** | |
| **a.** | **ⓣ** | To balance the risks | |  | |
| **b.** | **ⓕ** | To get more power over someone | |  | |
| **c.** | **ⓣ** | Provide certainty | |  | |
| **d.** | **ⓕ** | To get funding | |  | |
| **e.** | **ⓣ** | To avoid disputes | | 5 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.20** | **True of False the functions of leaders are?** | | **Mark Allocation** | |
| **a.** | **ⓣ** | Provide for the well-being of the led | |  | |
| **b.** | **ⓕ** | Do employee payments | |  | |
| **c.** | **ⓣ** | Provide a social organization in which people feel relatively secure | |  | |
| **d.** | **ⓕ** | Hiring of new staff | |  | |
| **e.** | **ⓣ** | Provide a set of beliefs. | | 5 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **11.21** | **The decision making process consist of the following steps.** | | **Mark Allocation** | |
| **a.** | **ⓣ** | Identify and define problems or opportunities | |  | |
| **b.** | **ⓣ** | Gather and analyse relevant information, opinions and facts | |  | |
| **c.** | **ⓣ** | Identify and analyse alternative actions and solutions | |  | |
| **d.** | **ⓣ** | Make the decision – choose the best option | |  | |
| **e.** | **ⓣ** | Accept responsibility for the decision and its consequences | | 5 | |

1. FINAL MARKS

**TOTAL MARKS: 102**

**PASS MARK: 82**

|  |  |
| --- | --- |
| **LEARNER MARKS** |  |
| **PERCENTAGE** |  |
| **ASSESSOR SIGNATURE:** | |