



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

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NATIONAL CERTIFICATE

MANAGEMENT: FARMING N4

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Calculators may be used.




This question paper consists of 9 pages.


DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA
NATIONAL CERTIFICATE
MANAGEMENT: FARMING N4
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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QUESTION 1: FARMING IN PERSPECTIVE

- 1.1 List SIX structural adjustments the South African agricultural sector underwent since 1980.  (6)
- 1.2 Various market forms are used in agriculture internationally to satisfy basic fundamental economic needs.
- Indicate to which market form each of the following characteristics has relevance:
- 1.2.1 Low productivity
- 1.2.2 Expenditure of the consumer limited by his/her income
- 1.2.3 Basic industries owned by the state
- 1.2.4 Free competition (4 × 1) (4)
- 1.3 Water scarcity is one of the major challenges brought about by climate change. South Africa also experienced this dilemma with the serious water shortage in the Western Cape.
- 1.3.1 Name FOUR factors of production. (4)
-  1.3.2 Suggest FOUR mechanisms that South African farmers can apply to use water efficiently. (4)
- 1.4 Answer each of the following questions based on the broader economic environment:
- 1.4.1 Write the acronym *GDP* in full. (1)
- 1.4.2 Define *GDP*. (2)
- 1.4.3 Compare the effect of unemployment on both *GDP* and *balance of payments*. (2 + 2) (4)
- 1.5 Define each of the following terms:
- 1.5.1 Income stability
- 1.5.2 Entrepreneurship
- 1.5.3 Capitalism  (3 × 2) (6)

- 1.6 Agriculture is important with regard to the socioeconomic conditions of a country. It is therefore crucial for different role players to join hands in ensuring the success and sustainability of the agricultural sector. 
- 1.6.1 Discuss the FOUR major roles of agriculture in the economic sector. (4)
- 1.6.2 Explain the role of consumers in agriculture. (3)
- 1.6.3 Give TWO reasons for an increasing life expectancy in South Africa that plays a role in improving future agricultural consumer patterns. (2)
- [40]**

QUESTION 2: FARMING MANAGEMENT

- 2.1 Categorise each of the following farming objectives as long-term, medium-term or short-term objectives:
- 2.1.1 Opening new operations of a farming business
-  2.1.2 Increasing the cabbage yield of a farm
- 2.1.3 Building an effective management component
- 2.1.4 Preparing a seed bed correctly
- 2.1.5 Improving the rate of profitability of a farm (5 × 1) (5)
- 2.2 Human resource management is one of the crucial business functions and it should be managed effectively for the successful achievement of organisational goals.
- 2.2.1 Explain THREE main roles of the human resource department in an organisation. (3 × 2) (6)
- 2.2.2 Name FOUR managerial functions in an organisation.  (4)
- 2.2.3 Distinguish between *routine* and *rational* decisions. (2 + 2) (4)
- 2.2.4 List the steps of *rational decision making* chronologically. (7)
- 2.3 Define *farming management*. (4)

- 2.4 Clear organisational structure is very important. 
- 2.4.1 Explain *organisational structure*. (2)
- 2.4.2 Name THREE forms of organisational structure in the agricultural sector. (3)
- 2.4.3 Explain the forms of organisational structure mentioned in QUESTION 2.4.2. (3)
- 2.4.4 State TWO important functions of organisational structure. (2)
- [40]**

QUESTION 3: MANAGEMENT FUNCTIONS OF THE FARMING ENTERPRISE

- 3.1 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 (3.1.1–3.1.5) in the ANSWER BOOK.

- 3.1.1 Planning aimed at how the production factors will be combined over a short term to achieve the objectives of the farm:




- A Reactive planning
- B Tactical planning
- C Marketing planning
- D Strategic planning

- 3.1.2 Instrument that guides the particular operation of a farm:




- A Budgets
- B Policies
- C Schedules
- D Procedures

- 3.1.3 Measuring instrument used to determine the average milk production per cow on a dairy farm:

- A Production records
- B Income statement
- C Human resource records
- D Balance sheet

- 3.1.4 Attempt to predict the flow of future events based on given information and pre-empted expectations: 

- A Projection
- B Planning
- C Programming
- D Forecasting

- 3.1.5 Training strategy where a new, transferred or promoted employee are familiarised with the policies, employees and job:  (5 × 1) (5)
- A Developmental training
B Induction
C In-service training
D On-the-job training
- 3.2 Give the appropriate measuring instrument for each of the following:
- 3.2.1 Weaning percentage of calves on a farm
- 3.2.2 Marketing cost for all needs of the market
- 3.2.3 Number of animals in a herd
- 3.2.4 Net value of a farm business
-  3.2.5 Ratio between HR remunerations and cultivated area (5 × 1) (5)
- 3.3 Planning is the most important function in an organisation as it indicates the success or failure of the organisation.
- 3.3.1 Briefly explain the strategic-planning procedure. (5 × 2) (10)
- 3.3.2 Recommend FOUR planning techniques a farmer can use to effectively achieve organisational goals.  (4)
- 3.3.3 Differentiate between a *programme* and a *schedule*. (2 + 2) (4)
- 3.4 Effective training is important for improving employee performance.
- 3.4.1 Advise a farmer on how he/she can achieve efficient labour training. (8)
- 3.4.2 List FOUR skills that constitute effective leadership. (4)
- [40]**

QUESTION 4: MACRO AGRICULTURAL MARKETING

4.1 Study the information below and answer the questions. 

Price of a bag of potatoes (R)	Supply	Demand
15	10	50
20	15	40
25	30	30
30	45	15
35	70	10

4.1.1 Define *equilibrium price*. (1)

4.1.2 Draw a graph to indicate the equilibrium price by using the information in the given table. (5)

4.2 The following table illustrates the demand for a certain product:



Price (R) per unit	Quantity of products in kg
30	300
40	320

4.2.1 Calculate the percentage change in the price of the product. (3)

4.2.2 Calculate the percentage change in the quantity of the product demanded. (3)

4.2.3 Calculate the price elasticity of demand for this product. (3)

4.2.4 Name the form of demand applicable to this product. (1)

4.2.5 Justify the answer to QUESTION 4.2.4. (1)

4.3 4.3.1 Identify THREE possible risks during the transfer of goods to the consumer. (3)

4.3.2 Explain the THREE risks identified in QUESTION 4.3.1.  (3)

4.3.3 List FIVE variables of the macro environment that affect agricultural marketing. (5)

4.3.4 Discuss *selling* as a barter activity of marketing. (3)

4.3.5 Explain FOUR buying powers and consumer preferences of Africans. (4)

4.4 Give ONE term for each of the following descriptions. Write only the term next to the question number (4.4.1–4.4.5) in the ANSWER BOOK. 

4.4.1 Supporting function that focuses on equal distribution of products throughout the year until its demand rises

4.4.2 Quantity offered for sale at a quoted price at a particular moment

4.4.3 Primary activity in the market that deals with transferring a product from a point of production to a point where consumers access and buy it

4.4.4 Marketing approach that focuses on satisfying needs of consumers by taking goods from producers to consumers

4.4.5 Classification of goods according to laid-down standards


(5 × 1)

(5)
[40]

QUESTION 5: MICRO AGRICULTURAL MARKETING

5.1 Developing an effective marketing strategy is important for the success of an organisation.


5.1.1 Explain the procedure for developing a marketing strategy. (5)


 5.1.2 List THREE marketing orientations through which businesses have evolved. (3)

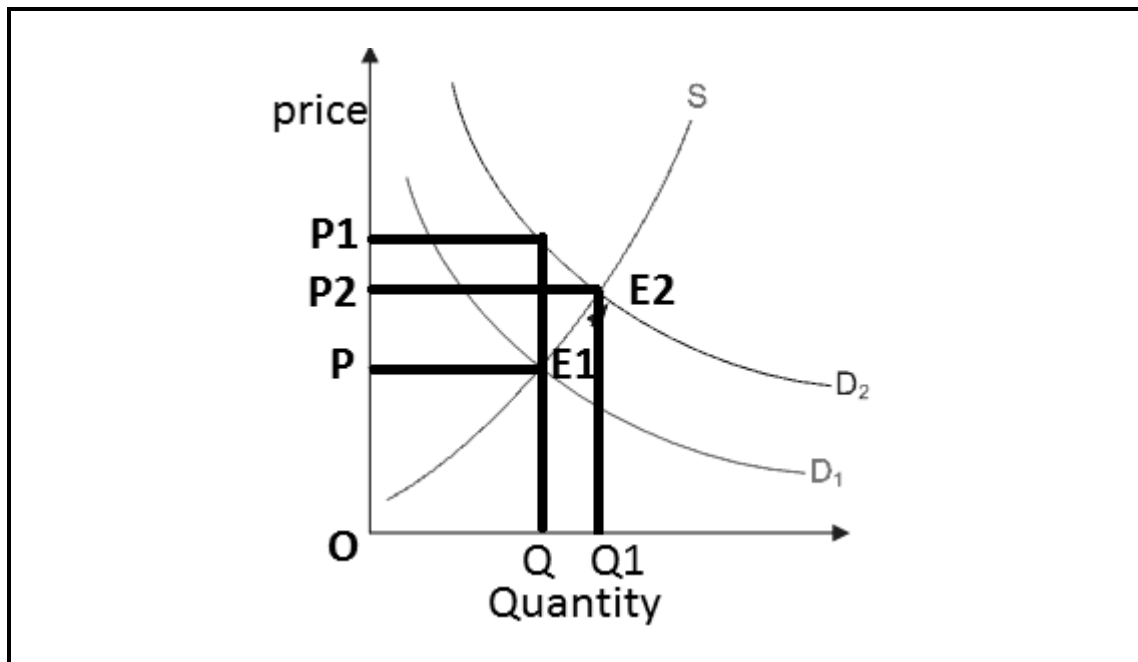
5.1.3 Explain the THREE marketing orientations mentioned in QUESTION 5.1.2. (3 × 2) (6)

5.1.4 Discuss the FOUR elements of the marketing mix. (4 × 2) (8)

5.1.5 Name FIVE distribution channels a farmer can use to sell his/her products. (5)



5.1.6 Prices for agricultural goods vary quickly in the open markets.
 Give FOUR reasons for this. (4)

- 5.2 Study the graph illustrating demand and supply for chicken portions in South Africa and answer the questions. 



- 5.2.1 D_2 represents an increase in the demand for chicken portions.

From the options below, choose a possible reason for the increase in demand. Write only the letter (A–C) next to the question number (5.2.1) in the ANSWER BOOK.

-  A Consumers developed an interest in chicken portions.
 B Prices for chicken portions declined.
 C Cash-crop producers decided to change to the production of chicken. (2)
- 5.2.2 Give the symbol that represents equilibrium on the graph. (1)
- 5.2.3 Substantiate the answer to QUESTION 5.2.2. (2)
- 5.2.4 List FOUR strategies applied by the South African government to stabilise prices.  (4)
- [40]**

TOTAL: 200