



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

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NATIONAL CERTIFICATE

SALES MANAGEMENT N6

(4090346)

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This question paper consists of 8 pages.

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA
NATIONAL CERTIFICATE
SALES MANAGEMENT N6
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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SECTION A

QUESTION 1

1.1 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.1.1–1.1.10) in the ANSWER BOOK. §

- 1.1.1 In checking the references of an applicant, it is advisable to obtain the person's permission before contacting a previous employer.
- 1.1.2 A combination compensation plan could consist of salary and commission only.
- 1.1.3 An academic qualification is the criteria for the evaluation of individual sales performance.
- 1.1.4 Management span of control tend to decrease as more supervisory levels increase.
- 1.1.5 An unfulfilled basic need will likely have a negative effect on sales performance.
- 1.1.6 A well-designed compensation plan should compare favourably with what the competitors are offering.
- § 1.1.7 Affirmative action goals may be difficult to achieve with the external recruitment process.
- 1.1.8 Sales managers can use one-on-one interview with trainees to evaluate the effectiveness of the training programme.
- 1.1.9 The duties of the project managers and sales managers are usually combined in the matrix organisational structure.
- 1.1.10 A focus area in sales training for new salespeople is to manage key accounts.

(10 × 2) (20)

1.2 Give ONE word/term for each of the following descriptions. Write only the word/term next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

- 1.2.1 An amount that is paid for successful sales in the form of a percentage of a fixed amount per number of sales §
- 1.2.2 The detailed and accurate plan for the future expressed in financial or physical quantities and is used to exercise control over selling activities for a specific period
- 1.2.3 A document that specifies the personal characteristics and qualifications a person should have to fill a sales position

§	1.2.4	A process whereby a sales manager with necessary authority and appropriate leadership style influences and controls the behavior of a sales person towards attainment of specific goals		
	1.2.5	A decision-making process in which managers choose to appoint an incumbent from the applicants who have been recruited, screen and evaluated		
	1.2.6	The evaluation of the worth or merit of something for example the performance of salespeople §		
	1.2.7	A person's needs for love, affection and companionship		
	1.2.8	The rate at which a company's employees leave their jobs due to retirement, dismissal or resignation during a given period		
	1.2.9	Questions to which no specific answers have been given, where people are free to answer according to their perceptions		
§	1.2.10	Organised or controlled way of successfully reaching end results, for example reaching targets without wasting time and money	(10 × 2)	(20)
1.3	State FIVE items that should be included in a company's standard recruitment advertisement.		(5 × 2)	(10)
				[50]
TOTAL SECTION A:				50

SECTION B

Answer ALL questions in this section.

QUESTION 2

Read the following case study and answer the questions.



Divine Skin and Beauty College (DSB) was struggling to boost enrollment numbers and revenue. The future of the company was at risk.

§ Sales were low although the college had two people in charge of growing enrolments. They were getting lots of traffic on their company website, but the rate of closure for their selling opportunities was just 3 percent. The company's financial position was unclear to top executives.




An executive sales director, Pearl Zulu, specialising in strategic sales growth solutions realised that the college was not providing enough services in nurturing sales prospects. She provided direction, training on sales processes as well as training on financial management for the business.

[Adapted from: <http://priority-solutions.net>]


- 2.1 An organisation's training objectives are usually based on its sales objectives.
- 2.1.1 Discuss FOUR training objectives that the college can achieve in its sales training programme. § (4 × 3) (12)
- 2.1.2 Name the SEVEN steps of the selling process. (7)
- 2.1.3 Explain how good product knowledge can help a salesperson to sell more effectively. (3 × 2) (6)
- 2.2 DSB College is on a mission to recruit additional salespeople to market the company in three provinces. §
- 2.2.1 State FOUR sources of external recruitment that the company can use. (4)
- § 2.2.2 Explain THREE disadvantages of recruiting sales staff from competitors. (3 × 2) (6)



- 2.3 DSB College has decided to offer a straight salary compensation method to its newly recruited sales staff. 
- 2.3.1 Briefly explain a straight salary compensation method. (3)
-  2.3.2 Briefly discuss THREE situations in which straight salary method is appropriate. (3 × 2) (6)
- 2.3.3 Discuss THREE advantages of a straight salary method. (3 × 2) (6)
- [50]**


QUESTION 3

- 3.1 DSB College opened three regional campuses, with the college chief executive officer (CEO) and human resource (HR) department situated at the head office in Kimberley. 
- 3.1.1 State FIVE factors determining the type of sales organisation. (5)
- 3.1.2 Briefly discuss FIVE advantages of geographic specialisation. (10)
- 3.2 Briefly explain the following principles considered in developing a sales organisation:
- 3.2.1 Hierarchy of authority
- 3.2.2 Unity of authority/command. (2 × 2) (4)
- 3.3 State FIVE factors that influence the span of control in an organisation. (5)
- 3.4 DSB College will train the new sales staff at their regional offices.
-  3.4.1 Name the type of training location mentioned above. (2)
- 3.4.2 Discuss FIVE advantages of the training mentioned in QUESTION 3.4.1. (5 × 2) (10)
- 3.5 As a sales manager, you are required to control and evaluate salespeople's performance.
- 3.5.1 Discuss the THREE types of sales performance evaluation. (3 × 3) (9)
- 3.5.2 Identify THREE examples of marketing costs that are directly related to activities performed by sales people.  (3)
- 3.5.3 Why is it important for sales managers to give feedback to sales staff? (2)
- [50]**



QUESTION 4

After the staff training, DBS College experienced a massive improvement in enrolments; increased numbers in enquiries made and improved financial position of the company. With such pleasant results, the college awarded its staff non-monetary incentives (motivation). 

- 4.1 Discuss non-financial incentives under the following headings:
- 4.1.1 Briefly explain FIVE goals of non-monetary incentives. (5 × 2) (10)
 - 4.1.2 List THREE examples of non-monetary incentives. (3)
- 4.2 Briefly explain the purpose of the following tests that candidates undergo during the recruitment process:
- 4.2.1 Personality tests
 - 4.2.2 Intelligence tests
 -  4.2.3 Aptitude tests (3 × 2) (6)
- 4.3 State FOUR items that should be included in an induction programme. (4)
- 4.4 The most effective way of improving the productivity of sales people is to monitor their performance.
 Discuss the last FOUR steps of the sales performance evaluation process. (4 × 4) (16)

4.5 Study the table below and answer the questions. 

Salesperson	Sales (Units)		Sales (Rand)		Variation (%)
	Actual	Target	Actual	Target	
R Mashsha	90	110	15 560	17 800	-12,6
B Dash	120	120	10 200	10 200	0
J Something	180	150	13 200	12 500	+6

- 4.5.1 Are sales achieved a qualitative or quantitative standard? Motivate your answer. (3)
-  4.5.2 Which salesperson's performance is the most satisfactory? Motivate your answer. (3)
- 4.5.3 What does the variation % column represent? (2)
- 4.5.4 Name THREE factors that must be considered when sales are analysed according to product.  (3 × 1) (3)
- [50]**

TOTAL SECTION B: 150
GRAND TOTAL: 200