education

Department:
Education
REPUBLIC OF SOUTH AFRICA

# NATIONAL CERTIFICATES (VOCATIONAL)

## SUBJECT GUIDELINES

# OPERATIONS MANAGEMENT

# NQF LEVEL 2

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# INTRODUCTION

## A. What is Operations Management?

Operations Management focuses on carefully managing the processes to produce and distribute products and services. Usually, small businesses do not refer to “Operations Management” but they carry out activities that equal Operations Management. Operations Management concerns all operations within the organisation and includes management of purchases, inventory control, quality control, storage, logistics and evaluations. A great deal of focus is on efficiency and effectiveness of processes. The way Operations Management is carried out in an organisation depends very much on the nature of business, its products and services, for example retail, manufacturing, wholesale and so on.

## B. Why is Operations Management important in the Management programme?

Understanding Operations Management will create awareness of the importance of quality concerning execution of processes which ensures that a business functions optimally, thereby focussing on high levels of production and ultimately resulting in prosperity and sustainable business.

## C. The link between Operations Management Learning Outcomes and the Critical and Developmental Outcomes

- Collect, analyse and organise information relating to the functions of current operations managers.
- Collect, organise, analyse and critically evaluate the role and interests of stakeholders so that appropriate techniques are selected for approaching and obtaining a positive response from stakeholders.
- Demonstrate an understanding of the world as a set of interrelated systems by recognising that factors influencing the business operations do not exist in isolation and that wider economic issues, supplier and community issues can affect operations and the quality of delivery of the business.
- Participate as responsible citizens in the life of local, national and global communities by ensuring that business operations are managed proactively and that all safety regulations, risk factors and legal issues are considered while operations are managed proactively within the context of economic, socio-political and community trends and developments and that all safety regulations, risk factors and legal issues are considered.
- Organise and manage oneself and one’s activities responsibly and effectively to ensure business operations are managed proactively and in order to be able to deliver quality services to all stakeholders.
- Communicate effectively using visual, written and verbal communication modes to manage operations plans for a business when liaising with stakeholders so that a clear understanding is gained of the benefits available to stakeholders in exchange for their support.
- Work effectively with others as a team, group, organisation or community to compile and manage an action plan for business operations and to ensure that quality delivery is implemented.
- Identify and solve problems using critical and creative thinking processes to manage business operations when interacting with stakeholders so that appropriate actions can be initiated to maintain beneficial relationships between stakeholders and business practice.

## D. Factors that contribute to achieving Operations Management Learning Outcomes

- Particular business interests and exposure to particular business experiences
- Predisposition to certain capabilities such as communication or creativity
- Analytical ability
- People-centredness
- Keen powers of observation
- Organising skills
- Delegation abilities

# OPERATIONS MANAGEMENT – LEVEL 2

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## 1 DURATION AND TUITION TIME

This is a one-year instructional programme comprising 200 teaching and learning hours. The subject may be offered on a part-time basis provided the student meets all the assessment requirements.

Provision for students with special education needs (LSEN) must be catered for in a way that eliminates the barriers to learning.

## 2 SUBJECT LEVEL FOCUS

Students will be able to describe factors that influence the operations of an organisation and the role and importance of quality in the workplace. Students will also implement a simple action plan in a selected business environment.

## 3 ASSESSMENT REQUIREMENTS

### 3.1 Internal assessment (50 percent)

3.1.1 Theoretical component

The theoretical component forms 40 percent of the internal assessment mark.

Students will be exposed to the following methods of assessments: case studies, assignments, integrated activities, knowledge test, group work and group exercises.

3.1.2 Practical component

The practical component forms 60 percent of the internal assessment mark.

Practical components include applications and exercises. All practical components must be indicated in a Portfolio of Evidence (PoE).

- **Some examples of practical assessments include, but are not limited to:**

  A. Presentations (lectures, demonstrations, group discussions and activities, practical work, observation, role-play, independent activity, synthesis and evaluation)
  B. Exhibitions by students
  C. Visits undertaken by students based on a structured assignment task
  D. Research
  E. Task performance in a “Structured Environment”

- **Use of aids and Portfolio of Evidence (PoE)**

Gather, collect and organise information to execute the weekly operational plan.

- **Definition of the term “Structured Environment”**

For the purposes of assessment, “Structured Environment” refers to a simulated workplace or workshop environment. Activities in the simulated workplace or environment must be documented in a logbook with a clear listing of the competencies to be assessed. The following information must be contained in the logbook:

- Nature of department or environment in which practical component was achieved
- Learning Outcomes
- Activities in the environment with which to achieve the Learning Outcomes
- Time spent on activities
- Signature of facilitator or supervisor and student

For the logbook to be regarded as valid evidence, it must be signed by an officially assigned supervisor.

- **Evidence in practical assessments**

All evidence pertaining to evaluation of practical work must be reflected in the students' Portfolio of Evidence (PoE). The tools and instruments constructed and used to conduct these assessments must be clear from the evidence contained in the Portfolio of Evidence (PoE).

Examples of evidence to be filed in Portfolio of Evidence (PoE) include "Structured Environment" documentation, observation checklists, research assignments, theoretical assignments and any subject-related documents except theory notes.

3.1.3 Processing of internal assessment mark for the year

A year mark out of 100 is calculated by adding the marks of the theoretical component (40 percent) and the practical component (60 percent) of the internal continuous assessment (ICASS).

3.1.4 Moderation of internal assessment mark

Internal assessment is subjected to internal and external moderation procedures as set out in the *National Examinations Policy for FET College Programmes*.

### 3.2 External assessment (50 percent)

A National Examination is conducted annually in October or November by means of a paper(s) set and moderated externally. A practical component will also be assessed.

External assessment details and procedures are set out in the *Assessment Guidelines: Operations Management* (Level 2).

## 4 WEIGHTED VALUES OF TOPICS

| TOPICS | WEIGHTED VALUE |
|---|---|
| 1. Roles of an Operations Manager | 15 |
| 2. Functions of an Operations Manager | 30 |
| 3. Stakeholder Relationships | 15 |
| 4. Total Quality Management Systems | 20 |
| 5. Business Systems | 5 |
| 6. Implementation of Goals and Activities | 15 |
| **TOTAL** | **100** |

## 5 CALCULATION OF FINAL MARK

Internal assessment mark: Student's mark/100 x 50 = a mark out of 50 (a)

Examination mark: Student's mark/100 x 50 = a mark out of 50 (b)

**Final mark: (a) + (b) = a mark out of 100**

All marks are systematically processed and accurately recorded to be available as hard copy evidence for, amongst others, reporting, moderation and verification purposes.

## 6 PASS REQUIREMENTS

The student must obtain at least fifty (50) percent in ICASS and fifty (50) percent in the examination.

## 7 SUBJECT AND LEARNING OUTCOMES

On completion of Operations Management Level 2, the student should have covered the following topics:

Topic 1: Roles of an Operations Manager
Topic 2: Functions of an Operations Manager
Topic 3: Stakeholder Relationships
Topic 4: Total Quality Management Systems

Topic 5: Business Systems
Topic 6: Implementation of Goals and Activities

### 7.1 Topic 1: Roles of an Operations Manager

**Subject Outcome 1:** Identify and discuss the roles of an Operations Manager.

**Learning Outcomes:**

- Collect and organise via observation and research, information to clarify the roles of a Business Operations Manager.
- Discuss the roles of a Business Operations Manager which may include ensuring that organisational procedures and practices are performed according to qualitative industry standards and ensuring optimal productivity.

### 7.2 Topic 2: Functions of an Operations Manager

**Subject Outcome 1:** Identify and discuss the functions of an Operations Manager.

**Learning Outcomes:**

- Collect and organise, via observation and research, information to clarify the functions of a Business Operations Manager.
- Discuss the functions of an Operations Manager which may include infrastructural, material, interdepartmental, client and customer services, transport, information technology and safety functions, recognising all interrelated factors that may influence business operations.
- Discuss and document the concept of safety regulations applicable to work stations, floor or plant layouts and/or manufacturing, as it should be applied to a business' operations by responsible employees who have the safety of the community in mind.
- Discuss the methods and techniques, which may include placement of signage, appointment of internal safety officers, contracting safety service providers, employee training courses and spot quality checks, which are used to ensure adherence to safety regulations in a business.

### 7.3 Topic 3: Stakeholder Relationships

**Subject Outcome 1:** Identify stakeholders that affect the operations of a business to create positive relationships and determine their roles and interests.

**Learning Outcomes:**

- Differentiate between client services and customer services in the context of a particular chosen industry like wholesale, engineering, retail, hospitality or construction.
- Identify stakeholders that may affect the operations of a selected industry.
- Describe the roles of the identified stakeholders and the impact that they have on the operations of a business in terms of obligations promised in return for stakeholder support.
- List procedures for handling customer queries and complaints, ensuring that they reflect how positive responses can be obtained from stakeholders.
- Identify and recommend goods and services to customers according to their various needs. Goods are the product of the particular organisation and services could be, but are not limited to, delivery of goods, installations, free quotations and professional advice.
- Illustrate the internal and external communication channels that might be used to resolve customer queries and complaints.
- Handle customer queries and complaints in an objective and positive manner, using internal and external communication channels in a structured environment, so that appropriate actions can be initiated to maintain beneficial relationships between stakeholders and business practice.

### 7.4 Topic 4: Total Quality Management Systems

**Subject Outcome 1:** Discuss the effect of core organisational systems, policies and procedures on a business.

**Learning Outcomes:**

- List the core policies and procedures of an organisation.

- Discuss the core policies and procedures of an organisation in terms of their effect on the quality delivery of services and operations of a business.

**Subject Outcome 2:** Describe the function of a total quality management system for a business.

**Learning Outcomes:**

- List the quality needs of an organisation in terms of fulfilling the functions of a total quality management system (TQMS) in a business organisation.
- Identify the tools and techniques of a total quality management system (TQMS).
- Explain own role in the total quality management system (TQMS) in terms of quality service delivery with reference to production, customer service, provisioning, human relations, finances, administration and procurement.

### 7.5 Topic 5: Business Systems

**Subject Outcome 1:** Define a business system.

**Subject Outcome 2:** Describe the components and needs of a business system.

**Learning Outcomes:**

- Define a business system in a selected business sector.
- Describe the components of a business system from a selected business sector.
- Identify the needs of the business system that was identified in a selected business sector.

*Needs might be physical needs or human resource, environmental, community, monetary, equipment and information technology needs.*

### 7.6 Topic 6: Implementation of goals and activities

**Subject Outcome 1:** Design a weekly action plan for an operational activity.

*Range: The action plan could be based on two of the following operational areas: materials and equipment, workstations in any department and information technology.*

**Learning Outcomes:**

- Refer to the company business plan and compile a list to accomplish the goals of the company with a weekly action plan. The list should be in a structured format and include the following; the goals, objectives, sub-activities and timeframes for these activities.
- Draw a floor plan of the area in which physical activities will take place to indicate what resources might be required to ensure an accurate and proactive execution plan is in place.
- List the physical requirements for the activities needed to execute the weekly plan. Physical requirements could be, but are not limited to, set-up of workstations, computers, adequate space and electricity.
- List the safety regulations and legal issues, such as wearing hard hats and safety boots, and electricity regulations that will have to be considered to execute the weekly plan.
- Define the concept of a risk in terms of the operations in the business.
- Identify and document the risks a weekly operational plan for a structured environment taking into account the community on which the operations may impact. Risks could be environmental, legal, human resources, competitive advantage or monetary risks.
- Explain how a manager can manage risks as they arise in the execution of operational plans. The explanation should identify the level and source of risk(s), how the risk will be reduced or eliminated and decide whether remaining risk is acceptable.
- Identify and document self-motivation and goal setting techniques like small incentives, profit-sharing incentives and time-out to ensure that effective teamwork is incorporated in the action plan.
- List techniques that could be used for self-motivation and setting effective goals.

**Subject Outcome 2:** Implement a weekly action plan.

**Learning Outcomes:**

- Implement the weekly action plan, ensuring that teamwork, creative thinking processes and problem-solving skills are incorporated in the management of the plan.
- Evaluate the adherence to safety regulations as listed on the action plan during the execution of the weekly operational plan.

- Evaluate own management performance during the execution of the weekly plan using an existing evaluation tool or developing own tool that was approved by manager.
- Document and store the outcomes of the self-evaluation to ensure that it can be used for future reference.