



**education**

Department:  
Education  
REPUBLIC OF SOUTH AFRICA

# **NATIONAL CERTIFICATE (VOCATIONAL)**

## **SUBJECT GUIDELINES**

### **OPERATIONS MANAGEMENT**

#### **NQF Level 3**

September 2007



# **OPERATIONS MANAGEMENT**

## **CONTENTS**

### **INTRODUCTION**

#### **1 DURATION AND TUITION TIME**

#### **2 SUBJECT LEVEL FOCUS**

#### **3 ASSESSMENT REQUIREMENTS**

3.1 Internal assessment

3.2 External assessment

#### **4 WEIGHTED VALUES OF SUBJECT OUTCOMES**

#### **5 CALCULATION OF FINAL MARK**

#### **6 PASS REQUIREMENTS**

#### **7 SUBJECT AND LEARNING OUTCOMES**

7.1 Stakeholder satisfaction

7.2 Linkages between business systems

7.3 Planning and implementation of operational plans

7.4 Mobilisation of resources for an operational plan

7.5 Implement risk management

7.6 Implementation of the Total Quality Management system

#### **8 RESOURCE NEEDS FOR THE TEACHING OF OPERATIONS MANAGEMENT - LEVEL 3**

8.1 Physical resources

8.2 Human resources

8.3 Other resources

## 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

## 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 all of the assessment requirements set out hereunder are adhered to.

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

## 2 SUBJECT LEVEL FOCUS

Explain operational planning

*Range: Operational Planning includes but is not limited to goals, objectives, activities, timeframes, responsible persons, resources and costs*

## 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.

All practical components must be indicated in a Portfolio of Evidence (PoE).

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

- Role plays, discussions, presentations (lectures, demonstrations, group discussions and activities, practical work, observation, role play, self-activity, judging and evaluation)
- Exhibition by learners
- Visits to industry undertaken by learners based on a structured assignment task
- Research
- Task performance in a simulated/ structured environment
- Execution of a weekly operational plan in any work area
- Structured environment: Behavioural Observations
- Use of Aids and Portfolio of Evidence
- To do research at a very low level; gathering, collecting of information and organising of the same, before executing the weekly operational plan.

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

“Structured environment” for the purposes of assessment refers to an actual or simulated workplace, or workshop environment. Activities in the actual or 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 the department or environment in which the practical component was achieved
- Learning Outcomes
- Activities within the environment to achieve the outcomes
- Period spent on activities
- Signature of facilitator/ supervisor and student

For the Logbook to be regarded as valid evidence it must be signed off 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. The tools and instruments constructed and used for the purpose of conducting such assessments must be clear from evidence contained in the PoE.

Examples of evidence to be filed in PoE: Workplace or structured environment documentation, observation checklists, research assignment, theoretical assignments and any subject related documentation 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 and the practical component of the internal continuous assessment.

### 3.1.4 Moderation of internal assessment mark

Internal assessment is subject to both internal and external moderation procedures as set out in the *National Examination Policy for FET College Programmes*

## 3.2 External assessment (50 percent)

A formal theory examination is conducted annually in October or November by means of a paper set, marked and moderated externally.

Details in respect of external assessment are contained in the *Assessment Guidelines Operations Management* (Level 2).

## 4 WEIGHTED VALUES OF SUBJECT OUTCOMES

TOPICS	WEIGHTED VALUE
1. Stakeholder satisfaction	10
2. Linkages between Business systems	10
3. Planning and Implementation of Operational Plans	30
4. Mobilisation of Resources for an operational Plan	20
5. Implement risk management	10
6. Implementation of the Total Quality Management System	20
<b>TOTAL</b>	<b>100</b>

## 5 CALCULATION OF FINAL MARK

Continuous assessment: Student's mark/100 x 50/1 = a mark out of 50 (a)

Theoretical examination mark: Student's mark/100 x 50/1 = 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, purposes of moderation and verification as well as for the purpose of reporting.

## 6 PASS REQUIREMENTS

A 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 General Management Level 3 the Student should have covered the following topics:

Topic 1: Stakeholder satisfaction

Topic 2: Linkages between Business systems

Topic 3: Planning and implementation of operational plans

Topic 4: Mobilisation of resources for an operational plan

Topic 5: Implement risk management

Topic 6: Implementation of the Total Quality Management system

## 7.1 Topic 1: Stakeholder satisfaction

### 7.1.1 Subject Outcome 1: Implement techniques to ensure stakeholder satisfaction

#### Learning Outcomes

- Obtain an organisational stakeholder/customer service policy and analyse it with the purpose of evaluating current business practices
- Investigate Local customer/stakeholder service trends and document the findings for the purpose of evaluating own practices.
- Evaluate current practices with respect to stakeholder services of a particular business, against the analysis of policy and investigation of local trends, and document the findings.
- Document the shortcomings of a particular business in terms of stakeholder practices, keeping the findings of the investigations and evaluations in mind.
- Explain techniques for building and maintaining stakeholder relationships within a particular business sector and business.
- Discuss ways in which a favourable stakeholder response can be obtained in various contexts of case studies and examples from real business scenarios.
- Demonstrate the ability to fulfil obligations promised to stakeholders with the purpose of gaining and retaining stakeholder support, by performing stakeholder services.

## 7.2 Topic 2: Linkages between business systems

### 7.2.1 Subject Outcome 1: Describe the information flow between business linkages related to the functioning of an organisation

#### Learning Outcomes

- Describe the linkages between business systems in relation to the functioning of a business with reference to a particular case study.
- Investigate and document by using a flow chart, the way in which information is exchanged between the business systems so that their interdependence is highlighted.
- Explain the disruptive impact of breakdown of linkages to illustrate the inter-relatedness of business systems, with reference to a particular case study.

## 7.3 Topic 3: Planning and implementation of operational plans

### 7.3.1 Subject Outcome 1: Participate in the planning and implementation of an operational plan.

#### Learning Outcomes:

- Define the concept of planning in terms of the impact that it has on the successful execution of operational plans.
- Assist in the development of an implementation plan for a monthly maintenance and housekeeping program in a structured business environment.  
*Plan must include but is not restricted to goals, objectives, activities, timeframes, responsible persons and possible costs against various resources.*
- Explain own roles and activities in the execution of the monthly action plan. Roles could be management roles, operational roles and human relation roles.
- Assign written roles and activities according to organisational policies and procedures to individuals who will be participating in the execution of the operational plan.
- Explain assigned roles to staff members participating in the operational plan, communicating in a professional and motivating manner, to ensure clarity of all activities and roles.

### 7.3.1 Subject Outcome 2: Manage own time productively

#### Learning Outcomes:

- Describe the purpose of a work schedule before activating organisational work activities.
- Design own work schedule including timeframes, activities, role players for the monthly maintenance and housekeeping programme
- Evaluate own performance within a drafted operational plan via a company Quality Evaluation Instrument.
- Record all findings of self-evaluation in a report according to company requirements.

## **7.4 Topic 4: Mobilisation of resources for an operational plan**

**7.4.1 Subject outcome 1:** Participate in the mobilisation of resources for the implementation of an operational plan for an organisation

*Resources could include motor vehicles, computers, technicians, telecommunication instruments, consumables, contractors, lawyers, accountants*

### **Learning Outcomes:**

- Identify and document available resources for the implementation of an action plan for a monthly maintenance and housekeeping programme within a particular business sector.
- Determine and document according to company requirements, the cost of the usage of the available resources and the cost of obtaining new resources that might be needed for the implementation of the identified monthly operational plan.
- Evaluate resources in terms of their suitable contribution to the effective business performance of the identified monthly operational plan to be implemented.
- Seek, record and use advice regarding resources to ensure that these are identified and used effectively. Advice could be sought from subcontractors, by outsourcing, it could be professional advice or informal advice
- Accommodate possible interruptions and defaults in the resource supplies in the schedule to ensure that productivity levels remain high.
- Utilise identified resources according to the plan to perform own documented tasks in the operational plan

## **7.5 Topic 5: Implement risk management**

**7.5.1 Subject outcome 1:** Implement risk management

### **Learning Outcomes:**

- Identify environmental and other hazards that can affect the successful outcome of activities and plans within an operational plan for a company. Hazards could include but are not limited to environmental risks, operational risks, technology risks, credit and legal compliance.
- Identify hazards in terms of the designed monthly action plan
- Discuss hazards in terms of their effect and potential impact on the smooth execution of the monthly operational plan.
- Document actions to manage the identified hazards during the implementation of the monthly operational plan.
- Discuss the impact that the identified hazards had on the smooth flow of activities within the monthly operational plan.

## **7.6 Topic 6: Implementation of the Total Quality Management system**

**7.6.1 Subject Outcome 1:** Explain quality concepts, systems and principles.

### **Learning Outcomes**

- Explain quality concepts, systems and principles with examples from given case studies as well as real business scenarios.
- Explain the consequences and risks associated with non-compliance to quality procedures with examples from given case studies.
- Apply the various techniques and tools of Total Quality Management (TQM) in various contexts through case studies to ensure awareness of continuous improvement.
- Evaluate and record the findings of the monthly operational plan for TQM via an approved Quality Management tool

**7.6.2 Subject Outcome 2:** Identify actions necessary to meet the quality needs of a business

### **Learning Outcomes:**

- Conduct an analysis of the quality needs of an organisation and document the needs in terms of the enhancement of quality processes.
- Supply written motivations as to why the particular quality needs were identified and what benefit they would hold for the company.



## **7 RESOURCE NEEDS FOR THE TEACHING OF OPERATIONS MANAGEMENT - LEVEL 3**

### **8.1 Physical resources**

Building infrastructure for a simulated enterprise, department fixtures, networks.

### **8.2 Human resources**

Minimum educator qualifications and training, ongoing upskilling requirements, facilitators trained for a simulated environment.

### **8.3 Other resources**

Consumables, individual tools and equipment requirements, learning materials and resources.