EXTERNAL INTEGRATED SUMMATIVE ASSESSMENT

EXEMPLAR 2B

STUDENT NAME & SURNAME	
ID NUMBER	
EISA REGISTRATION NUMBER	
ASSESSMENT CENTRE	
ASSESSMENT CENTRE ACCREDITATION NUMBER	
QUALIFICATION	**OCCUPATIONAL CERTIFICATE: RETAIL MANAGER GENERAL (RETAIL STORE MANAGER)**
SAQA ID	**91789**
CREDITS	**507**
PAPER	**1B** (there are 2 papers to be written: 1A and 1B)
DATE OF EISA	DD/MM/YYYY
DURATION	**3 HOURS**
TOTAL MARKS	**80**

GENERAL EISA RULES

1. Students are **only** allowed to use the supplied EISA booklets.
2. Students are **only** allowed to use a black pen for their answers.
3. Students to ensure that their name, surname and EISA registration number appears on the front of your EISA booklet.
4. This is a closed book examination; therefore, no other material or belongings are to be brought into the assessment centre. Should you bring any other material or belongings into the assessment centre, you will be required to leave such at the front of the assessment centre examination room. The assessment centre will not be held liable for any loss or damage to property brought into the assessment centre examination room.
5. All EISA booklets must be handed back to the invigilator intact. No pages may be torn off from the EISA booklet. The removal of EISA booklets from the examination room is prohibited.
6. Students may make use of a calculator in this EISA.
7. Unless this is an online examination where access to a computer will be made available to you; the use of any communication devices, including smart watches, cell phones, tablets, i-Pads, head phones and laptops are prohibited.
8. All cell phones are to be switched off for the duration of the EISA.
9. The invigilator will not assist you with the explanation of questions related to the EISA.
10. Students are prohibited from conversing in any manner with other students.
11. Students may not leave the examination venue within one hour of the start of the examination and in the last 10 minutes of the allotted examination period.
12. Students who are found to be disruptive and unruly in the assessment centre will be requested to leave the assessment centre by the invigilator.

I HEREBY CONFIRM THAT I HAVE READ THE ABOVE EISA RULES AND DECLARE THAT I UNDERSTAND AND ACCEPT THE RULES.

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SIGNATURE OF STUDENT

CANDIDATE INSTRUCTIONS

- Candidates must complete all questions in this EISA.
- Candidates must ensure that they use only a black pen when completing this EISA.
- Should you require additional space to complete your answer, please request additional paper from your invigilator. Ensure that you indicate your name, surname and EISA registration number at the top of the additional paper. Also ensure that the question number is clearly marked on your additional paper.

Question 1

Managing the Retail Supply Chain

(44 Marks)

De Wet Grocers is a family supermarket based in Nelspruit. The retailer sells groceries to the local community. The store is located in a small overcrowded mall and therefore availability of space is a major challenge. The store cannot afford to have large quantities of stock on hand because it has a small stock/storage area. The store thus has the option of having goods delivered directly to either the store or the company's distribution centre.

Below is De Wet Grocers' stock report for the period September – December 2018. When presenting the report, the store manager also noted that:

- There is no frozen fruit in stock because the supplier is also out of stock
- Toothpaste is out of stock because the company's buyer placed the order very late and as such no deliveries have been received in the past two weeks.
- The records show that there are 38 packets of flour in stock but the physical stock count revealed that the item is out of stock. This anomaly is as a result of stock theft.
- The buyer incorrectly ordered 130 packets of salt instead of 100.
- The toys are imported from an overseas supplier.
- Fresh produce is sourced from a local supplier who has his own delivery vehicles. However, his delivery service has been erratic.
- Frozen products are also sourced from a local supplier who has his own delivery vehicles. However, this supplier is reliable.
- Bathing soap is ordered from a supplier based in a town that is 2000km away so lead times are high.
- High value items e.g. perfumes are sourced from a supplier who does not have delivery vehicles.
- Fast selling items such as tissues and flour are big and bulky and they therefore require more storage space. These products are mainly stored at the company's distribution centre.

De Wet Hardware Store: Stock and Sales Report for the period September - December 2019

Name of Item	Beginning Inventory	+ Purchases	- Ending Inventory (actual)	= Total Number of Units Sold	X Selling Price/Unit	= Total Sales	Theoretical stock on hand
Frozen fruit	200	50	0	220	R13	R2 860	30
Baked beans	600	150	120	530	R2	R1 060	120
Flour	145	30	0	137	R25	R3 425	38
Bathing soap	96	200	40	256	R15	R3 840	40
Kids' toys	500	450	0	900	R5	R4 500	50
Fresh fruits	1000	600	0	1500	R8	R12 000	100
Perfumes	20	0	15	5	R400	R2 000	15
Toothpaste	50	35	0	85	R20	R1 700	0
Tissues	300	130	5	405	R10	R4 050	25
Salt	200	130	10	290	R15	R4 350	40
Juice	130	19	0	120	R25	R3 000	29

- *T*he mark up on all the products is 50%.
- *All figures must be rounded off to two decimal numbers where applicable.*

1.1 Calculate the inventory turnover ratios for toys, frozen fish, rice and soft drinks. The company uses the periodic inventory management system.

(8 marks)

1.2 Identify and describe any four (4) stock related issues other than shrinkage that the retailer is facing.

(8 marks)

1.3 Identify any four (4) products that have a high shrinkage rate at the store.

(4 marks)

1.4 Evaluate the performance of any three products listed in the report and make appropriate recommendations to relevant stakeholders and external suppliers on how to improve stock performance.

(9 marks)

1.5 According to the case study, the retailer is facing supply chain challenges with products such as frozen fruit, kids' toys, tooth paste, bathing soap, fresh produce and perfumes. Propose appropriate supply chain options for these products.

(15 marks)

(Total Marks for Question 1 = 44)

Question 2

Retail Operations Management

(36 Marks)

Kathlego is the Store Manager at True Life Supermarket which is based in Soweto. The store has been operating for the past seven years and has become a destination of choice for the community of Soweto for their shopping needs. Besides Kathlego, the management team also includes the following section supervisors:

Anelisa – Butchery

Olivia – Deli

Gift – Receiving section

Maria – Merchandising and supervision of the shop floor area

Samantha – Check-out/till points supervisor

Melody – Cash office section supervisor

The supermarket has been facing serious challenges, chief among them the increasing stock loss as a result of shrinkage; increasing cases of under-banking; long queues especially during peak hours and stock out of many of the fast-moving items due to poor ordering systems coupled with erratic suppliers.

As Kathlego is planning for forthcoming festive season trading, he sees this as an opportunity for the store to redeem itself and start operating optimally. He has therefore asked his staff to start preparing for the implementation of a massive promotional campaign targeting Christmas shoppers.

As the store manager for this Mellow Mart's flagship store, you are required to do the following:

2.1 Create checklists to evaluate the operations of the store room and the shop floor areas of the store.

(10 marks)

2.2 Identify five examples of risk in the case study and then analyse and evaluate these risks.

(6 marks)

2.3 Recommend strategies to mitigate any four of the risks that you identified in question 2.2 above.

(8 marks)

2.4 Analyse the True Life Supermarket case study above and establish any two objectives that the store manager can set out to achieve during the forthcoming promotional season.

(4 marks)

2.5 Using at least two marketing mix elements, develop and recommend two appropriate marketing strategies that the store can implement in order to achieve the two objectives that you established in question 2.4 above.

(8 marks)

(Total Marks for Question 2 = 36)

(TOTAL MARKS FOR THE EXAM: 80)

MARK ALLOCATION GRID (For use by the Assessor only)

QUESTION	MARK	MARKS AWARDED
1.1	8	
1.2	8	
1.3	4	
1.4	9	
1.5	15	
TOTAL Q1	44	
2.1	10	
2.2	6	
2.3	8	
2.4	4	
2.5	8	
TOTAL Q2	36	
GRAND TOTAL	80	

ASSESSOR DETAILS

ASSESSOR NAME & SURNAME	
REGISTRATION NUMBER	
SIGNATURE	
DATE	

INTERNAL MODERATOR DETAILS

MODERATOR NAME & SURNAME	
REGISTRATION NUMBER	
SIGNATURE	
DATE	