



**EXTERNAL INTEGRATED SUMMATIVE ASSESSMENT
EXEMPLAR WRITTEN ASSESSMENT- PAPER 2
MEMORANDUM**

CANDIDATE INFORMATION

SURNAME													
NAMES													
ID NUMBER													
EISA REGISTRATION NUMBER													
ASSESSMENT CENTRE													
ASSESSMENT CENTRE ACCREDITATION NUMBER													

QUALIFICATION INFORMATION

QUALIFICATION TITLE	Occupational Consultant	Certificate:	Small	Business
SAQA ID	118741			
NQF LEVEL	5			
CREDITS	244			
DURATION	2 Hours			
TOTAL MARKS	110			
PASS MARK	50% (55 marks)			
DATE OF EISA				

GENERAL EISA RULES

1. Candidates are **only** allowed to use the supplied EISA booklets.
2. Candidates are **only** allowed to use a black pen for their answers.
3. Candidates to ensure that their name, surname and EISA registration number appear on the front of their EISA booklet.
4. This is a closed-book examination.
5. All EISA booklets must be handed back to the invigilator. No pages may be torn off or removed from the EISA booklet. The removal of EISA booklets from the examination room is prohibited.
6. Candidates may make use of a calculator in this EISA.
7. The use of any communication devices, including smart watches, cell phones, tablets, iPads, headphones and laptops is 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. Candidates are prohibited from communicating with each other in any manner whatsoever.
11. Candidates may not leave the examination venue within one hour of the start of the EISA and in the last 10 minutes of the duration of the paper.
12. Candidates 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 THEM.

SIGNATURE OF STUDENT

INSTRUCTIONS TO CANDIDATES

1. Candidates must complete all the questions in this EISA.
2. Candidates must ensure that they use only a black pen when completing this EISA.
3. Should you require additional paper to complete the EISA, please request it from the invigilator. Ensure that you indicate your name, surname, EISA registration number at the top of the additional paper.

Question 1

1.1 Read the scenario below and then answer the questions that follow.

Scenario: EcoFresh Cleaning Supplies Expansion

You are a Small Business Consultant working for **FG Consulting Services**. You have been approached by a start-up business called **EcoFresh Cleaning Supplies**, owned by Ms. Lerato Maseko.

EcoFresh Cleaning Supplies manufactures and sells environmentally friendly household and industrial cleaning products to households, schools, offices, and small retail shops in the local community. The business has been operating informally for one year from a small, rented workspace and has recently experienced growing customer demand.

Ms. Maseko wants to expand the business into a fully registered and profitable enterprise but lacks experience in strategic planning, market research, financial planning, and business management. She therefore requests your professional consulting services to assist with:

- Developing a formal business plan
- Conducting market research
- Identifying business risks and opportunities
- Improving operational processes
- Exploring financing opportunities
- Developing a marketing strategy
- Structuring the business effectively

Before the consulting process can begin, both parties must negotiate and agree on the terms of the consulting service, including elements that protect consultants for small businesses.

During your initial consultation meeting, the following business information is gathered:

Business Information

Vision

To become a trusted supplier of affordable and environmentally friendly cleaning products within local and regional markets.

Mission

To provide high-quality eco-friendly cleaning products while promoting health, environmental sustainability, and excellent customer service.

Products and Services

The business currently produces:

- Liquid detergents
- Multi-purpose cleaners
- Dishwashing liquid
- Hand sanitisers

The products are sold through:

- Local street markets
- Small retail shops
- Direct customer orders
- Social media promotions

Current Business Challenges

- Limited funding and equipment
- Inconsistent marketing activities
- Strong competition from established brands
- Limited knowledge of customer needs and market trends
- Weak financial management systems
- Lack of formal organisational structure
- Rising raw material costs
- Limited online presence

Target Market

The business aims to target:

- Households
- Schools
- Small businesses

- Local retailers
- Community organisations

The owner believes there is growing demand for affordable eco-friendly cleaning products, especially among health-conscious consumers and schools promoting hygiene and environmental awareness.

Competitors

The business faces competition from:

- Large national cleaning product brands
- Local informal cleaning product suppliers
- Retail stores selling imported products

Competitors offer:

- Lower prices due to bulk production
- Strong advertising campaigns
- Established customer loyalty
- Online ordering and delivery services

Environmental Factors Affecting the Business

- Increasing fuel and transport costs
- Economic pressure reducing customer spending
- Changes in health and safety regulations
- Increased public awareness of environmental sustainability
- Technological changes and digital marketing trends

Consultant's Task

As the appointed Small Business Consultant, you are required to:

- Negotiate and formalise the consulting agreement.
- Conduct market and environmental analysis.
- Assist in developing a business plan.
- Evaluate market segmentation and competitors.
- Assess risks and operational challenges.

- Recommend financing opportunities and marketing strategies.
- Develop organisational structures and strategic recommendations to support business growth and sustainability.

Use the information provided in the scenario to complete all assessment activities that follow.

1.1.1 True or False Questions

Respond to the true or false questions below and write T for True or F for False next to each statement.

No.	Statement	Answer
i)	A consulting agreement should clearly outline the responsibilities of both the consultant and the client. (1)	True
ii)	Confidentiality is not important when negotiating a business consulting contract. (1)	False
iii)	Negotiating consulting fees and project timelines forms part of the business consultation process. (1)	True
iiii)	A consultant should begin consulting work before agreeing on the scope of work with the client. (1)	False
v)	Effective negotiation helps ensure that both the consultant and the client understand the expectations of the consulting service. (1)	True
vi)	Only the business owner is responsible for ensuring that the consulting agreement is followed. (1)	False

1.1.2 Draw up a consulting contract between FG Consulting Services and EcoFresh Cleaning Supplies.

Your contract must include the following essential elements:

- Parties to the agreement
- Offer and acceptance
- Scope of consulting services (based on the scenario)
- Duration and timeframes
- Consulting fees and payment terms
- Responsibilities of both parties
- Confidentiality clause

- Reporting and communication procedures
- Termination clause
- Signatures and dates

(10)

Consider the following:

BUSINESS CONSULTING AGREEMENT

Parties to the Agreement

This agreement is entered into between:

FG Consulting Services (“Consultant”)

and

EcoFresh Cleaning Supplies, represented by Ms. Lerato Maseko (“Client”).

Purpose of the Agreement

The consultant agrees to provide business consulting services to support the growth and development of EcoFresh Cleaning Supplies.

Scope of Services

The consultant will provide:

- Business planning support
- Market research and competitor analysis
- Marketing strategy development
- Risk assessment and operational advice
- Financial and organisational recommendations

Roles and Responsibilities

Consultant Responsibilities

- Provide professional consulting services.
- Conduct market and business analysis.
- Prepare reports and recommendations.

Client Responsibilities

- Provide accurate business information.
- Cooperate during the consulting process.
- Make payments according to agreed terms.

Consulting Fees and Payment Terms

- Total consulting fee: R25 000
- 50% payable before commencement.
- Remaining balance payable upon submission of final recommendations.

Timeframes and Deliverables

- Consulting project duration: 3 months
- Monthly progress reports to be submitted.
- Final business plan and recommendations to be presented at project completion.

Confidentiality Clause

Both parties agree to keep all business information confidential and not disclose information to third parties without written consent.

Termination Clause

Either party may terminate the agreement with written notice if:

- Contract obligations are not fulfilled.
- Payment terms are breached.
- Ethical or professional misconduct occurs.

Signatures

Consultant Signature: _____ Date: _____

Client Signature: _____ Date: _____

Marking Guide: Award 1 mark each for stating clearly parties to the agreement and roles, offer and acceptance, scope of consulting services, duration and timeframes, consulting fees and payment terms, responsibilities of both parties, confidentiality clause, reporting and communication procedures, termination clause and signatures and dates. Partial marks for vague or incomplete explanations. (Total 10 marks)

1.1.3 Multiple Choice Questions

Respond to the multiple-choice questions below. In each case, select the correct answer from the options given. Transfer your answers to the answer table at the end of the questions.

i) Which contract element helps protect a consultant from non-payment for services rendered? (1)

A. Payment terms

B. Business logo

C. Marketing strategy

D. Customer survey

ii) Why is a confidentiality clause important in a business consulting contract? (1)

A. It allows consultants to share client information publicly.

B. It protects sensitive business information from unauthorised disclosure.

C. It increases product prices.

D. It replaces the need for a written contract.

iii) Which element of a consulting contract clearly defines the work to be completed by the consultant? (1)

A. Business location

B. Staff attendance register

C. Scope of services

D. Customer complaints form

iv) A termination clause in a consulting contract is important because it: (1)

A. Prevents communication between parties.

B. Allows either party to end the agreement under agreed conditions.

C. Removes consultant responsibilities.

D. Guarantees business profits.

v) Which of the following BEST protects a consultant against misunderstandings about responsibilities and deliverables? (1)

- A. Verbal agreements only
- B. Informal discussions with employees
- C. Clearly defined roles, responsibilities, and deliverables in the contract
- D. Social media communication

Multiple Choice Questions Answer Table

Answer Key (1 mark for each correct answer)

Question	Answer
i	A
ii	B
iii	C
iv	B
v	C

1.2.1 True or False Questions

No.	Statement	Answer
i)	A clear business vision can assist a small business in guiding long-term decision-making and strategic growth. (1)	True
ii)	The mission statement of a business mainly focuses on the future position the business hopes to achieve over many years. (1)	False
iii)	If the vision and mission of a small business are not aligned with its operations and customer needs, the business may struggle to achieve its goals effectively. (1)	True
iiii)	The vision and mission of a business are only important during the start-up phase and do not influence future business planning or growth. (1)	False

1.2.2 Using the scenario of EcoFresh Cleaning Supplies, develop at least FOUR relevant market survey questions suitable for gathering information about customer needs, products, pricing, and customer preferences that could be included in a market survey to assist in gathering information for the development of a business plan. (4)

Examples of questions to be considered include but not limited to:

- What types of cleaning products do you buy most often?
- How important are environmentally friendly cleaning products to you?

- How satisfied are you with the prices of cleaning products currently available in the market?
- Where do you usually purchase cleaning products?
- Would you be interested in buying locally produced eco-friendly cleaning products?
- What factors influence your decision when choosing cleaning products? (e.g. price, quality, brand, packaging, environmental friendliness)

Marking Guide: Award 2 marks for developing FOUR relevant market survey questions and 2 marks for stating relevance to customer needs, products, pricing, or customer preferences.

1.2.3 Using the scenario of EcoFresh Cleaning Supplies, identify ONE suitable target audience that can be approached for market research interviews and explain an effective method that could be used to reach the selected target group. **(2)**

Consider ONE suitable target audience and effective method from the following:

- Target audience:
 - Households, schools, small businesses, and local retailers who are interested in eco-friendly cleaning products.
- Effective method to reach the target group:
 - Use social media platforms, community meetings, school visits, and questionnaires at local markets to collect customer information and feedback.

Marking Guide: Award 1 mark for correctly identifying ONE relevant target audience for interviews and 1 mark for explaining effective methods to reach selected target group.

1.2.4 (a) Using the scenario of EcoFresh Cleaning Supplies, identify and discuss at least TWO market segments suitable for the business. **(2)**

Households interested in affordable eco-friendly cleaning products

- This market segment values health, hygiene, and environmentally friendly products.
- The business can target this segment through community promotions and social media marketing.

Schools and community organisations

- Schools require cleaning and hygiene products regularly.

- EcoFresh Cleaning Supplies can promote safe and environmentally friendly products suitable for schools.
- Small businesses and local retailers
 - Small businesses may require affordable cleaning products in bulk quantities.
 - Retailers can assist in increasing product distribution and market reach.

1.2.4 **(b)** Analyse at least TWO competitors or competitive factors affecting the business. **(2)**

- Large national cleaning product brands have stronger advertising campaigns and established customer loyalty.
- Local informal suppliers who may sell products at cheaper prices within the local market.
- Online retailers who offer online ordering and delivery services and attract customers seeking convenience and quick access to products.

Marking Guide: Award 1 mark each for clearly analysing at least TWO competitors or competitive factors affecting the business.

1.2.4 **(c)** Evaluate how market segmentation and competitor analysis could assist the business in improving its marketing and growth strategies. **(3)**

- Market segmentation helps the business identify customer needs and develop targeted marketing strategies.
- Competitor analysis assists the business in identifying market gaps and improving competitiveness.
- Understanding competitors can help EcoFresh improve product quality, customer service, and online marketing.
- Effective segmentation and competitor analysis can increase sales, customer satisfaction, and long-term business growth.

Marking Guide: Award 3 marks for evaluating how market segmentation and competitor analysis improve marketing and business growth.

1.2.5 Discuss any TWO environmental factors that may affect the operations of EcoFresh Cleaning Supplies and how these factors could impact the business. **(2)**

Consider any TWO of the following:

- Rising fuel and transport costs increases delivery expenses and reduce profitability.
- Strong competition from established brands may reduce customer sales and market share for the business.
- Changes in customer buying behaviour who may prefer cheaper products during difficult economic conditions.

Marking Guide: Award 1 mark identifying TWO relevant environmental factors affecting the business and 1 mark for explaining how the factors impact the business operations.

1.2.6 Using the scenario of EcoFresh Cleaning Supplies, discuss at least TWO strategies the business can adopt to reduce or manage the negative impact of environmental factors on its operations and explain how each strategy could help the business improve sustainability, competitiveness, or profitability. **(2)**

Consider any TWO of the following:

- Introduce digital marketing and online sales platforms to help the business reach more customers and compete with larger businesses.
- Improve cost control and budgeting processes and help improve profitability and financial sustainability.
- Strengthen customer service and product quality and help the business compete effectively against established brands.
- Diversify suppliers and negotiate better prices and reduce the risk of supply shortages and increasing costs.
- Promote eco-friendly branding and community awareness and attract environmentally conscious customers.

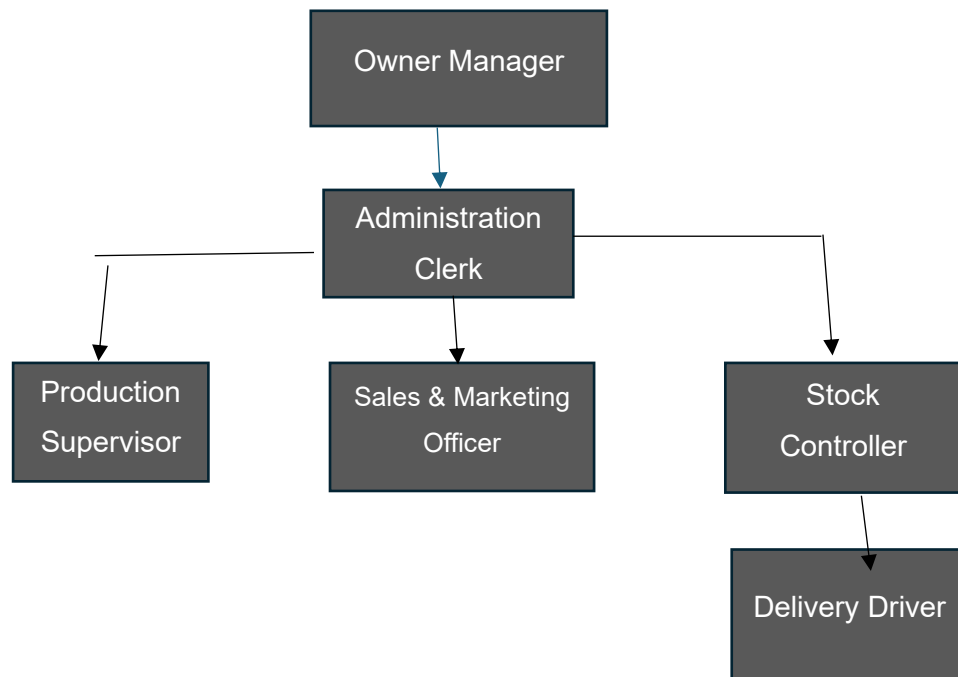
Marking Guide: Award 2 marks for discussing TWO relevant mitigation strategies and explaining how the strategies improve sustainability, competitiveness, or profitability.

1.2.7 Using the scenario of EcoFresh Cleaning Supplies, draw up a simple organogram for an effective small business structure.

Your organogram should include:

- The business owner or manager
- At least THREE other relevant positions or departments within the business
- Clear reporting lines

(4)



Marking Guide: Award 1 mark for including the business owner/manager in the organogram, 2 marks for including at least THREE relevant positions or departments and 1 mark for showing reporting lines.

1.2.8 Using the scenario of EcoFresh Cleaning Supplies, identify a suitable location for the small business and assess ONE risk associated with operating from that location. **(2)**

Consider the following and not limited to:

Suitable location: An area close to local communities, schools, and retail shops to improve customer access and product distribution.

Risk involved: High rental and transport costs may increase operational expenses and reduce profitability.

Marking Guide: Award 1 mark for identifying a suitable location for the small business and 1 mark for analysing ONE relevant risk associated with the location.

1.2.9: True or False Questions

Respond to the true or false questions below and write T for True or F for False next to each statement.

No.	Statement	Answer
i)	A small business can explore financing options such as bank loans, government funding, and investor partnerships to support business growth. (1)	True
ii)	Financing is only needed when a business is making a loss and cannot be used for business expansion or equipment purchases. (1)	False
iii)	Before applying for funding, a small business should prepare proper financial and business planning documents. (1)	True

1.2.10 (a) Using the scenario of EcoFresh Cleaning Supplies, recommend ONE suitable marketing strategy that could assist the business in attracting and retaining customers. (2)

Consider any ONE of the following:

- Introduce a digital and social media marketing strategy using platforms such as Facebook, WhatsApp, Instagram, and online advertising.
- Promote eco-friendly cleaning products through product demonstrations, customer testimonials, promotional campaigns, and educational content focusing on environmental sustainability and hygiene benefits.

Marking Guide: Award 1 mark for recommending ONE suitable marketing strategy relevant to the business and 1 mark for providing an appropriate description or application of the strategy within the business context.

1.2.10 (b) Explain TWO ways that the strategy could improve customer attraction, customer loyalty, competitiveness, or profitability. (2)

Consider any TWO of the following:

- The strategy may increase brand awareness and attract new customers who are interested in environmentally friendly products.
- Online marketing allows the business to communicate directly with customers and respond quickly to enquiries and feedback.
- Digital marketing may improve customer loyalty by keeping customers informed about promotions, new products, and special offers.
- The strategy may strengthen competitiveness against businesses already using online marketing platforms.

Marking Guide: Award 2 marks for explaining how the strategy would improve customer attraction, loyalty, competitiveness, or profitability.

1.2.10 (c) Analyse how the strategy could contribute to the long-term growth and sustainability of EcoFresh Cleaning Supplies. **(2)**

- Effective digital marketing may increase customer reach, improve sales opportunities, and strengthen customer relationships.
- Increased visibility and improved customer engagement may contribute to long-term profitability and business sustainability.
- The strategy may help EcoFresh Cleaning Supplies expand its market share and strengthen its position within the eco-friendly cleaning products industry.

Marking Guide: Award 2 for analysing how the strategy contributes to long-term business growth and sustainability. Partial marks for vague or incomplete explanations.

SUB- TOTAL: 57 marks

Question 2

2.1 Read the scenario below and then answer the questions that follow.

Scenario: Fresh Harvest Bakery

You are completing your workplace experience placement as a Junior Small Business Consultant at **FG Consulting Services**. As part of your practical training, you have been assigned to assist a small business called **Fresh Harvest Bakery**, a growing bakery that supplies bread, cakes, and pastries to local shops, schools, and community members.

The business has operated successfully for several years using mostly manual systems and traditional selling methods. However, due to increasing competition, rising operating costs, and changing customer expectations, the owner, Ms. Nomsa Khumalo, has decided to introduce major operational changes to improve business performance and sustainability.

The proposed changes include:

- Introducing a digital point-of-sale and stock control system
- Expanding online marketing and delivery services
- Restructuring employee roles and responsibilities
- Introducing customer service standards and performance monitoring
- Improving financial record keeping and reporting systems

Although management believes these changes will improve the business, several challenges have emerged during implementation:

- Some employees are resisting the new technology and work procedures.
- Employees fear that restructuring may lead to job losses.
- Communication between management and employees has become poor.
- Customers have complained about temporary service delays during the transition period.
- Staff morale has decreased due to uncertainty about the changes.

The owner has requested your assistance in helping the business manage the change process effectively and maintain positive relationships with employees, customers, and suppliers.

As part of your work experience activities, you are required to:

- Analyse the changes taking place in the business.

- Identify stakeholders affected by the changes.
- Recommend turnaround and change management strategies.
- Develop action and communication plans to support implementation.
- Explore the role of the change management team.
- Apply coaching and counselling principles to support employees during the transition process.

Use the information provided in the scenario to complete all assessment activities that follow.

2.1.1(a) Using the scenario of Fresh Harvest Bakery, identify and analyse TWO operational changes taking place in the business. **(2)**

Consider any TWO of the following operational changes in the business:

- Introduction of a digital point-of-sale and stock control system.
- Expansion of online marketing and delivery services.
- Restructuring employee roles and responsibilities.
- Introduction of customer service standards and performance monitoring.

Marking Guide: Award 2 marks for identifies and analysing TWO operational changes in the business.

2.1.1(b) From the challenges identified in 2.1.1 (a) recommend ONE impactful turnaround strategy that could assist the business to improve performance and achieve growth. **(1)**

Consider any ONE of the following turnaround strategies:

- Provide employee training on new technology and systems to improve productivity and reduce resistance to change.
- Improve communication between management and employees to support teamwork and reduce uncertainty.
- Strengthen online marketing and customer service to attract and retain customers.
- Introduce performance monitoring and financial controls to improve operational efficiency and profitability.

Marking Guide: Award 1 mark for recommending impactful turnaround strategies for business growth and sustainability. Partial marks for vague or incomplete explanations.

- 2.1.2** Using the scenario of Fresh Harvest Bakery, identify and describe TWO types of change and scope that is taking place within the business. assess how the changes may affect employees, customers, or business operations. **(4)**

Consider any TWO types of change from the following:

Type of Change 1: Technological Change

- Fresh Harvest Bakery is introducing a digital point-of-sale and stock control system.
- Scope of change:
 - Affects sales processing, stock management, record keeping, and reporting systems across the business.
- Impact:
 - Employees may require training to use the new technology effectively.

Type of Change 2: Operational Change

- The bakery is restructuring employee responsibilities and introducing performance monitoring systems.
- Scope of change:
 - Affects reporting lines, employee responsibilities, workflow processes, and performance expectations.
- Impact:
 - Employees may experience resistance or uncertainty regarding new responsibilities.

Type of Change 3: Marketing and Service Delivery Change

- The bakery is expanding online marketing and delivery services.
- Scope of change:
 - Affects customer communication methods, ordering systems, and service delivery processes.
- Impact:
 - Customers gain easier access to products and services.

Marking Guide: Award 2 marks documenting and describing at least TWO relevant types of change and explain the scope of the changes and its 2 marks for explaining the impact on employees, customers, or operations.

2.1.3 Using the scenario of Fresh Harvest Bakery, identify at least FOUR stakeholders involved in the change process and state the role or interest of each stakeholder in the changes taking place in the business. (4)

Consider and FOUR of the following:

- The **business owner** oversees the implementation of the changes and business operations.
- The **employees** are affected by new technology, restructuring, and new work procedures.
- The **customers** are affected by changes in customer service and delivery processes.
- The **suppliers** provide products and materials needed for business operations.
- The management team is responsible for coordinating and monitoring the implementation of changes.
- The **IT service providers** assist with installation and support of digital systems.

Marking Guide: Award 2 marks for identifying FOUR relevant stakeholders and 2 marks for clearly stating their role or interest in the business.

2.1.4 Using the scenario of Fresh Harvest Bakery, identify any TWO members who may form part of the change management team and discuss how the team supports the implementation of change in the business. (3)

Consider any TWO of the following:

- Members of the change management team may include:
 - Business owner
 - Supervisors or managers
 - HR representative
 - IT support personnel
 - Employee representatives
- Role of the change management team:
 - Coordinate and monitor the implementation of changes.
 - Communicate changes to employees and stakeholders.
 - Provide support and training to employees during the transition process.
 - Address challenges and resistance to change.

Marking Guide: Award 2 marks for identifying TWO relevant members of the change management team and 1 mark for explaining how the team supports the implementation of change.

2.1.5 Using the scenario of Fresh Harvest Bakery, develop an action plan to support the implementation of change in the business.

Your action plan must include:

- at least THREE actions,
- the purpose of each action, and
- the expected benefit or outcome for the business.

Use the table below to present your answer.

(5)

Change Challenge	Action to be Implemented	Purpose of the Action	Expected Outcome
Employees resisting new technology	Provide training on the digital systems	To improve employee understanding and confidence	Increased productivity and reduced resistance to change
Poor communication between management and employees	Introduce regular staff meetings and progress updates	To improve communication and employee involvement	Improved teamwork and employee morale
Customer complaints during the transition period	Develop a customer communication and feedback process	To keep customers informed and address concerns quickly	Improved customer satisfaction and trust
Fear of job losses among employees	Provide counselling and explain restructuring processes clearly	To reduce uncertainty and anxiety among employees	Improved employee confidence and cooperation

Marking Guide: Award 2 marks for identifying at least THREE relevant actions to support change, 2 marks for explaining the purpose of the actions and 1 mark for explaining expected outcomes or benefits for the business.

2.1.6 Using the scenario of Fresh Harvest Bakery, create a communication plan that can promote positive change during the implementation of the business changes.

Your communication plan must include:

- At least TWO communication activities or methods. (2)
- The purpose of each communication activity. (1)
- The stakeholders involved. (1)
- How the communication plan could support positive changes in the business. (2)

Use the table below to present your answer.

Consider any two communication methods from:

Communication Activity/Method	Purpose	Stakeholders Involved	Expected Benefit for the Business
Staff meetings and progress updates	To explain changes and provide project updates	Employees and management	Improves communication, teamwork, and employee understanding
Customer notices and social media updates	To inform customers about temporary changes or delays	Customers and marketing staff	Reduces customer confusion and improves customer trust
Training workshops and information sessions	To educate employees on new systems and procedures	Employees, trainers, and management	Improves employee confidence and reduces resistance to change
Suggestion boxes and feedback sessions	To allow stakeholders to share concerns and ideas	Employees and customers	Encourages participation and improves problem-solving
Email and WhatsApp communication groups	To provide quick updates and reminders	Employees, suppliers, and management	Improves coordination and information sharing

Marking Guide: Award 2 marks for including TWO relevant communication activities or methods, 1 mark for explaining the purpose and 1 mark for stating stakeholders involved for each activity and 2 marks for explaining how the communication plan promotes positive change.

2.1.7 Using the scenario of Fresh Harvest Bakery, discuss at least THREE characteristics of a good coach and explain how each characteristic can support employees and management during the change process. **(6)**

Consider and THREE from the following:

- **Good communication skills**
 - A good coach communicates clearly and listens actively to employee concerns.
 - Help employees understand the purpose of the changes and reduces confusion.
 - Example: Explaining the new digital systems and work procedures to employees.
- **Patience and empathy**
 - A coach should understand employee fears and resistance to change.
 - Helps build trust and support employees during stressful transitions.
 - Example: Supporting employees who fear job losses or struggle with new technology.
- **Problem-solving and decision-making skills**
 - A good coach can identify workplace challenges and recommend practical solutions.
 - Assists the business in managing operational disruptions during the change process.
- **Leadership and motivational ability**
 - Encourages employees to participate positively in the change process.
 - Helps improve morale, teamwork, and workplace commitment.
- **Adaptability and flexibility**
 - Enables the coach to respond effectively to unexpected challenges.
 - Supports continuous improvement during implementation of changes.
- **Professionalism and ethical behaviour**
 - Builds credibility and trust among employees and management.
 - Encourages respectful and responsible workplace behaviour.

Marking Guide: Award 3 marks for discussing THREE characteristics of a good coach and 2 marks for explaining how the characteristics support change management in the business. Partial marks for vague or incomplete explanations.

SUB- TOTAL: 31 marks

Question 3

3.1 Read the scenario below and then answer the questions that follow.

Scenario: Pure Taste Foods

You are a Small Business Consultant working for **FG Consulting Services**. You have recently been engaged by a small manufacturing business called **Pure Taste Foods**, owned by Mr. Kabelo Ndlovu, to provide consulting services aimed at improving operational efficiency and business performance.

Background of the Business

Pure Taste Foods produces and supplies packaged sauces, spices, and ready-made food products to local supermarkets, restaurants, schools, and community retailers. The business has grown steadily over the past four years and currently employs 18 workers.

Due to increased customer demand and expansion into new markets, the owner has noticed several operational challenges affecting the smooth flow of business activities and overall profitability.

Mr. Ndlovu therefore entered into a consulting agreement with your company to:

- Analyse the business value chain
- Identify operational weaknesses and inefficiencies
- Improve coordination between departments and suppliers
- Strengthen customer service and product delivery
- Recommend strategies to improve productivity and profitability

Business Operations and Value Chain Activities

The business value chain currently includes the following activities:

Inbound Logistics

- Raw materials such as spices, packaging materials, and ingredients are sourced from local suppliers.
- Deliveries from suppliers are sometimes delayed, causing production interruptions.

Operations / Production

- Employees mix, process, package, and label products manually.
- Production delays occur due to equipment breakdowns and inconsistent stock availability.

Outbound Logistics

- Products are distributed to supermarkets, restaurants, and local retailers.
- Transport delays and poor delivery scheduling sometimes result in late deliveries to customers.

Marketing and Sales

- Products are promoted through local events, retail displays, and social media.
- The business has limited digital marketing skills and weak online customer engagement.

Customer Service

- Customer complaints are handled informally.
- Some customers complain about delayed responses and inconsistent product quality.

Operational Relationship Challenges

The owner reports the following problems within the value chain:

- Poor communication between suppliers, production staff, and delivery teams
- Lack of coordination between sales and stock control departments
- Delayed supplier deliveries affecting production schedules
- Customer complaints not communicated effectively to production staff
- Limited use of technology to track stock and deliveries
- Increased operational costs due to wastage and delays

The business recently lost a supply opportunity with a major retailer because of delayed deliveries and inconsistent communication.

Governance and Reporting Structure

Pure Taste Foods has a small management board consisting of:

- The business owner

- Operations supervisor
- Finance officer
- Sales and marketing coordinator

The Board has requested a formal report from the consultant outlining:

- Weaknesses within the value chain
- Challenges affecting operational relationships
- Recommendations to improve business efficiency and coordination
- Strategies to improve communication across the value chain

Consultant's Task

As the appointed Small Business Consultant, you are required to:

- Identify and explain the value chain of the business.
- Evaluate operational relationships between departments and stakeholders.
- Analyse challenges affecting the value chain.
- Recommend improvement strategies.
- Develop an action plan and communication approach to report challenges and solutions to the Board.

Use the information provided in the scenario to complete following questions.

3.1.1 Using the scenario of Pure Taste Foods, identify at least TWO operational relationship challenges within the value chain, explain how these challenges affect business operations, customer service, or profitability, and recommend suitable strategies that could improve coordination and communication within the value chain. **(4)**

Consider any TWO of the following:

Poor Communication Between Suppliers, Production Staff, and Delivery Teams

- Delayed communication regarding supplier deliveries affects production schedules and delivery planning.

Recommended strategy:

- Introduce regular coordination meetings and digital communication systems to improve information sharing between departments and suppliers.

Lack of Coordination Between Sales and Stock Control Departments

- Sales staff may accept customer orders without confirming stock availability.
- This may lead to stock shortages, delayed deliveries, and customer dissatisfaction.
- Recommended strategy:
 - Implement integrated stock monitoring systems and improve communication between sales and stock control teams.

Customer Complaints Not Communicated Effectively to Production Staff

- Production staff may remain unaware of recurring product quality complaints.
- Recommended strategy:
 - Introduce formal customer complaint reporting procedures and feedback systems linked to production management.

Limited Use of Technology to Track Stock and Deliveries

- Manual systems make it difficult to monitor stock levels and delivery schedules accurately.
- Recommended strategy:
 - Introduce digital stock control and delivery tracking systems to improve operational efficiency and coordination.

Marking Guide: Award 2 marks for identifying and analysing TWO operational relationship challenges affecting the value chain and 1 mark for explaining the impact on business operations, customer service, or profitability and 1 mark for recommending suitable strategies to improve coordination and communication within the value chain.

3.1.2(a) Using the scenario of Pure Taste Foods identify at least FOUR components of the value chain used by the business. **(4)**

Consider any FOUR of the following

- Inbound logistics which includes receiving raw materials such as spices, ingredients, and packaging materials from suppliers.
- Operations / production such as employees process, package, and label products for customers.

- Outbound logistics which is how products are distributed to supermarkets, restaurants, and retailers.
- Marketing and sales which entails promoting products through local events and social media.
- Customer service which handles customer complaints and product feedback.

Marking Guide: Award 1 mark each for identifying at least FOUR components of the value chain used by the business.

3.1.2(b) Evaluate how the operational relationships between departments, suppliers, and customers affect business efficiency and performance. **(4)**

Business is affected by:

- Poor communication between suppliers and production staff which delays supplier deliveries interrupting production schedules.
- Weak coordination between sales and stock control departments which may lead to customer dissatisfaction and operational inefficiencies.
- Poor communication of customer complaints to production staff negatively affecting customer satisfaction and business reputation.
- Weak delivery coordination resulting in the loss of a supply opportunity with a major retailer.
- Limited use of technology increases operational delays and wastage.

Marking Guide: Award 4 marks for evaluating how the operational relationships between departments, suppliers, and customers affect business efficiency and performance.

3.1.3 Using the scenario of Pure Taste Foods, discuss FOUR challenges affecting operational relationships and describe how each challenge discussed impacts business efficiency, communication, customer service, or profitability. **(6)**

Consider any FOUR of the following:

- Poor communication between suppliers, production staff, and delivery teams
 - Delayed information sharing affects production schedules and delivery planning.
 - Causes operational delays and reduces business efficiency.
- Delayed supplier deliveries

- Interrupts production because raw materials are not available on time.
- Leads to delayed customer orders and possible loss of customers.
- Lack of coordination between sales and stock control departments
 - Sales staff may commit to orders without confirming stock availability.
 - Results in customer dissatisfaction and poor service delivery.
- Customer complaints not communicated effectively to production staff
 - Product quality issues may continue because corrective actions are not implemented.
 - Negatively affects customer satisfaction and business reputation.
- Limited use of technology in stock and delivery management
 - Manual systems increase the risk of errors, delays, and poor tracking of operations.
 - Reduces operational efficiency and increases wastage.
- Increased operational costs due to wastage and delays
 - Poor coordination and inefficiencies increase business expenses.
 - Reduces profitability and business sustainability.

Marking Guide: Award 4 marks for discussing clearly FOUR challenges affecting operational relationships and describing how each challenge impacts business efficiency, communication, customer service, or profitability. Partial marks for vague or incomplete explanations.

3.1.4 Using the scenario of Pure Taste Foods, develop an action plan to communicate the operational relationship challenges identified in the value chain to the Board. **(4)**

Your action plan must include:

- At least ONE challenge to be communicated.
- The communication method to be used.
- The purpose of communication.
- The expected outcome for the business.

Use the table below to present your answer.

Challenge Identified	Communication Method	Purpose of Communication	Expected Outcome
Delayed supplier deliveries affecting production	Board meeting and written report	To inform the Board about supply chain delays and	Improved supplier coordination and

		recommend solutions	reduced production delays
Poor communication between departments	Internal presentation and email communication	To highlight operational inefficiencies and improve teamwork	Improved communication and operational efficiency
Customer complaints about delayed deliveries	Performance report and stakeholder meeting	To discuss customer service challenges and corrective actions	Improved customer satisfaction and service delivery
Limited use of technology in operations	Proposal presentation to the Board	To recommend digital systems for stock and delivery management	Improved operational control and reduced wastage

Marking Guide: Award 1 mark each for stating ONE challenge to be communicated, 1 mark for the communication method to be used, 1 mark for stating purpose of the communication and 1 mark for stating the expected outcome for the business.

SUB- TOTAL: 22 marks

GRAND TOTAL: 110 marks