

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
MAIN EXAMINATION PAPER, MAY 2009

TITLE OF PAPER : **BUSINESS ENVIRONMENT**

DEGREE AND YEAR : **DIP.COMM 1 /IDE LEVEL 1**

COURSE CODE : **BA 111**

TIME ALLOWED : **TWO (2) HOURS**

INSTRUCTIONS :

- 1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B).**
- 2. THE CASE STUDY ON SECTION (A) IS COMPULSORY. TOTAL MARKS POSSIBLE : 50 MARKS**
- 3. ANSWER ANY TWO QUESTIONS FROM SECTION (B): TOTAL MARKS POSSIBLE : 50 MARKS**

NOTE: MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH AND FOR ORDERLY PRESENTATION OF WORK.

DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR HAS GRANTED PERMISSION.

SECTION A. - COMPULSORY

USPS ON DIVERSITY

One of the largest U.S. employers is also one of the best at managing workforce diversity. With about 780, 000 employees and \$68 billion in annual revenues, the United States Postal Services (USPS) is responsible for delivering mail to that country's homes and businesses. Over the years, the Federal agency has become a leader in promoting diversity up and down the hierarchy. Its success has been recognized by a listing in Fortune magazine's "50 Best Companies for Diversity" ranking for five consecutive years.

The drive for diversity started in 1992. Top management carefully analyzed the demographic shifts within the US and the USPS's growing involvement in global commerce, then created a Diversity Development department within the human resource function. The purpose was "to increase employees' awareness of and appreciation for ethnic and cultural diversity, both in the postal workplace and among customers," says Murry E. Weatherall, vice president of diversity development. Next, the USPS began training diversity specialists in career development and coaching skills so they could support and encourage diversity on the local. The agency also initiated an Affirmative Employment Program to attract minority and female applicants as well as people with disabilities. In 1996, the USPS launched a National Awards Program for Diversity Achievement, inviting employees to nominate colleagues and teams that have made outstanding contributions to promoting diversity.

As a result of these activities, the composition of the USPS workforce reflects more diversity. In 1991, 34 percent of the workforce was female; by 2004, 38 percent was female. The position of minorities in the workforce has increased, from 32 percent in 1991 to 37 percent in 2004. Now 59 percent of newly hired employees are members

of minority groups and 24 percent of the top-salaried managers are members of minorities. Women hold 42 percent of first line management jobs, 31 percent of middle management jobs, and 27 percent of senior management jobs at USPS.

The USPS keeps its diversity specialists up to date on the latest techniques and trends through National Diversity Network meetings and educational programs led by headquarters staff. A special events committee provides internal support for the diversity-related programs such as National Hispanic Heritage month, Black History month, and National Asian Pacific American Heritage month. And to gauge internal reaction to diversity initiatives, the agency has an outside firm conduct a confidential survey of 25 percent of its employees every three months. The surveys ask for comments on discrimination, harassment, fairness, and other issues, providing feedback on how the workforce views the diversity situation.

Case adapted from Certo and Certo, Principles of Management, 10th Edition

1. What challenges do managers face when it comes to workforce diversity? Explain, under headings, only 4. (20 marks)
2. It would seem USPS has got it right when it comes to workforce diversity. What else would you recommend that management does to further enhance diversity initiatives at USPS? Explain *only 2 points*, relating them to USPS situation. (10 marks)
3. In your opinion, what benefits does diversity provide for USPS? Explain, under headings, only 4 points, with specific reference to USPS. (20 marks)

SECTION B – ANSWER ANY 2 QUESTIONS

Question 2

Explain, giving an example for each, the following concepts

- A. Corporate Flexibility as a benefit of workforce diversity. (10 Marks)
- B. The *difference* between Indirect Lobbying and Accommodative Social Responsibility strategies (NOTE : explain the difference, giving an example to explain the difference) (5 Marks)
- C. Two methods that can be used for drug testing in the workplace. (10 Marks)

Question 3

List and explain *two advantages* and *two disadvantages* of

- (a) Internal
- (b) External recruiting.

For each method (internal, external) give *an example of a specific method* that an organization can use to do such a recruiting. (25 marks)

Question 4

Given the high levels of competition in the business environment, *discuss, under headings, 4 strategies that a company can employ to counter such.* (25 marks)