

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
SUPPLEMENTARY EXAMINATION PAPER
JULY 2015

(IDE STUDENTS)

TITLE OF PAPER: BUSINESS POLICY & STRATEGIC MANAGEMENT

COURSE CODE: BA511

DURATION: 3 HOURS

INSTRUCTIONS:

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS SIX (6)
2. THE PAPER CONSISTS OF TWO SECTIONS; SECTION A AND SECTION B.
3. ATTEMPT SECTION A WHICH IS COMPULSORY AND ANY OTHER THREE (3) QUESTIONS IN SECTION B.
4. THE MARKS ALLOCATED FOR A QUESTION/PART QUESTION ARE AS INDICATED AT THE END OF EACH QUESTION/PART QUESTION.
5. WHERE APPLICABLE, ALL WORKINGS/CALCULATIONS MUST BE CLEARLY SHOWN.

NOTE: MAXIMUM MARKS WILL BE AWARDED FOR GOOD QUALITY LAYOUT, ACCURACY AND PRESENTATION OF WORK.

THIS PAPER MUST NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR

SECTION A: CASE STUDY

This section is compulsory.

Strategic planning is the Australian wool industry

Western Australian wool producers have been invited to participate in a series of forums that will help define Australian Wool Innovation strategic plan for 2002 -05. The industry consultation forums will take place in Sydney on 14 – 15 March and have the theme 'From rhetoric to reality – shaping a better future for wool'. AWI managing director, Col Dorber, said the forums were open to all wool producers and interested industry organizations from across Australia. He said seminars would cover innovative wool production, from harvesting to design and marketing.

They would explore expectations, threats and opportunities for wool production, quality at lower costs and seeing the consumer world as wool's oyster. Mr Dorber said the two-day program was designed to be thought-provoking and would address a range of key issues that impact on AWI's strategic plan development. These issues included research and development adoption, integrated farm management, change programs, genetics, market intelligence, direct producer-processor alliances, reducing handling, testing and selling costs and maintaining wool quality.

Source: 'AWI shapes better future for wool'. www.wool.com.au, 28 February 2002.

Questions:

- a) Encapsulate on the important components one should observe in the development of a successful strategic plan.
(20 marks)

- b) Given the wide scope of issues relevant to the strategic plan for the Australian Wool Industry, should a specialist research and planning function be used to gather, analyse and apply the relevant information, or should this be part of the role of all managers? What are the pros and cons of each approach?
(20 marks)

Section B: Choose any three (3) questions from this section.

Question 2

All businesses have a duty to be socially responsible. Discuss.

(20 marks)

Question 3

Organizations in different market positions (i.e. market leader, market follower and weak competitor) need different types of leadership strategies to sustain the ever changing market environment. Discuss fully.

(20 marks)

Question 4

- a) Why is environmental uncertainty an important concept in strategic management? (5 marks)
- b) A firm's response strategy to an environmental issue will include both reactive and proactive strategies. Discuss five of those strategies. (15 marks)

Question 5

A local NGO whose principal objective is to assist communities in poverty alleviation has recently been faced with problems ranging from low employee morale and shortage of funds as this sector is also getting saturated with several NGOs pursuing almost similar objectives, and is thus failing in its primary objective.

- a) Discuss the possible problem conditions that could affect such an organization in its bid to successfully formulate and implement a strategy to meet its objectives. (12 marks)
- b) Discuss the strategic options that such an organization can successfully pursue towards meeting its objectives. (8 marks)

Question 6

- a. Discuss four reasons why organizations may diversify. (8 marks)
- b. Discuss about the three broad approaches to corporate level resource allocation (6 marks)
- c. Differentiate between the two main types of diversification (6 marks)