

UNIVERSITY OF SWAZILAND

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST SEMESTER EXAMINATION 2015

I.D.E.

TITLE OF PAPER : BUSINESS ENVIRONMENT

COURSE : BA111

DEGREE AND YEAR :BCOM II

TIME ALLOWED :THREE (3) HOURS

INSTRUCTIONS:

- 1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
- 2. SECTION (A) IS COMPULSORY**
- 3. ANSWER ANY THREE (3) QUESTIONS FROM SECTION B**

**NOTE: MARKS WILL BE AWARDED FOR GOOD
COMMUNICATION IN ENGLISH AND FOR ORDERLY
PRESENTATION**

**THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL
INVIGILATOR HAS GRANTED PERMISSION**

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SECTION A [COMPULSORY]**READ THE FOLLOWING CASE AND ANSWER THE QUESTIONS BELOW****NOOSE TIGHTENS AROUND NECKS OF AURORA DIRECTORS**

A press release by trade union Solidarity on 6 May 2012 said that directors from the Aurora Group as well as the management consultants appointed by the directors to manage the Pamodzi mines, on behalf of Aurora, will all be personally sued for their share in the reckless management and collapse of Pamodzi mines. This followed the lodging of application, in terms of section 424 of the Companies Act, by the liquidators of Pamodzi.

According to Solidarity, 'the reckless of the directors and management consultants resulted in, among others, damage worth millions of rand to mine infrastructure, embezzlement of revenue generated from gold sales, non-payment of salaries and creditors, mismanagement and alleged unauthorized payments amounting to millions'. Gideon du Plessis, Solidarity Deputy General Secretary, confirm that the court was requested to investigate the suspicion that the Aurora directors and consultants had deliberately misled the liquidators about their financial ability. It was further alleged that the directors only had one objective with Aurora, being self-enrichment, whilst the Aurora employees had attempted to save the mine from flooding, demolition and demise to their own financial detriment. Du Plessis was quoted as saying 'Aurora is one of the biggest corporate scandals in South Africa since 1994. It is a story of corruption self-enrichment, vandalism and the inhumanity of directors and management consultants, combined with the lack of political will to intervene. At the same time, it is a story of integrity, courage and perseverance shown by employees who have lost everything in the process'.

QUESTION 1

- a) With reference to the case above, explain how corporate governance relates to corporate social responsibility. **(20 MARKS)**
- b) Discuss the roles and responsibility of boards within a company in terms of good governance. **(20 MARKS)**

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

Explain the concept of environment and sustainable development and then discuss why companies should be concerned about ecological issues. **(20 MARKS)**

QUESTION 3

Identify the different forms of sexual harassment in the workplace and then discuss how companies can eradicate sexual harassment. **(20 MARKS)**

QUESTION 4

Describe the main forces in the macro environment and how they impact organizations **(20 MARKS)**

QUESTION 5

Describe with examples the different elements that make-up an organizations. **(20 MARKS)**