

UNIVERSITY OF SWAZILAND

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS ADMINISTRATION

RE-SIT / SUPPLEMENTARY EXAMINATION

NOVEMBER 2013

TITLE OF PAPER : **BUSINESS ENVIRONMENT**

DEGREE : **B.COMM**

COURSE CODE : **BA 111**

TIME ALLOWED : **THREE (3) HOURS**

INSTRUCTIONS : **1.THIS PAPER CONSISTS OF SECTIONS (A) AND (B)**
2. THE CASE STUDY ON SECTION (A) IS COMPULSORY. TOTAL MARKS POSSIBLE: 40 MARKS
3. ANSWER ANY THREE QUESTIONS FROM SECTION (B): TOTAL MARKS POSSIBLE: 60 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

The Swazi Lifestyle Holidays company wishes to conduct a survey of all classes of people that are involved with the company to determine their role. The consultant hired to do this first listed all the people who come into contact with the company, those who have an impact on its activities and those it influences either directly or indirectly. He termed all these individuals, organizations and communities the company's stakeholders. He identified the following groups:

Employees, managers, directors, shareholders, customers, suppliers, advisers, consultants, competitors, the government, the local community, pressure groups, and the Media.

Questions

- (a) Explain why the consultant referred to these groups as stakeholders and define a stake. (10)
- (b) Use these categories as examples to explain primary, secondary, core, strategic and environmental stakeholders (10 marks)
- (c) Discuss their attributes in terms of their legitimacy, power and urgency (10 marks)
- (d) Categorise them into internal and external stakeholders (10 marks)

SECTION B

Question 1

Corporate Social Responsibility (CSR) is defined as an obligation over and above that required by law and economics, to pursue social objectives that are good for society. Discuss the arguments for and against CSR. (20 marks)

Question 2

It is important to inculcate and pursue high levels of ethical standards in conducting business and related activities. How can businesses maintain such standards? (20 marks)

Question 3

In business management, we normally identify three types of environment that businesses interact with, resulting in negative or positive consequences for businesses. These micro, market and macro environments. Define the macro environment emphasizing the way in which businesses interact with it. Identify six components of the macro environment and use examples to discuss how they may impact on businesses. (20 marks)

Question 4

Describe the socialist and free market economic systems. Compare and contrast these two systems. (20 marks)