Tutorial Letter 101/3/2019

Strategy Implementation and Control

MNG3702

Semester 1 and 2

Department of Business Management

IMPORTANT INFORMATION

Please register on myUnisa, activate your myLife e-mail address and make sure that you have regular access to the myUnisa module website, MNG3702-2019-S1/S2, as well as your group website.

Note: This is an online module and therefore it is available on myUnisa. However, in order to support you in your learning process, you will also receive study material in printed format.

BARCODE

CONTENTS

1 INTRODUCTION 4

2 PURPOSE OF AND OUTCOMES FOR THE MODULE MNG3702 5

2.1 Purpose of the module MNG3702 5

2.2 Specific outcomes of the module MNG3702 6

3 LECTURERS AND CONTACT DETAILS 6

3.1 Lecturers 6

3.2 Department 7

3.3 University 7

4 MODULE-RELATED RESOURCES 8

4.1 Prescribed book 8

4.2 Learning units 8

4.3 e-Tutors 8

4.4 Library services and resources information 9

5 STUDENT SUPPORT SERVICES FOR THE MODULE 9

6 MODULE-SPECIFIC APPROACH 10

6.1 Blended approach 10

7 ASSESSMENT 10

7.1 Assessment plan 10

7.2 Unique assignment numbers and due dates 11

7.3 Submission of assignments 11

7.4 Plagiarism 12

7.5 Assignments 12

8 OTHER ASSESSMENT METHODS 12

9 EXAMINATION 13

9.1 Format of the examination 13

9.2 Alternative assessment to assist students who qualify for final year concession 13

10 FREQUENTLY ASKED QUESTIONS 13

11 CONCLUSION 14

ANNEXURE A: COMPULSORY ASSIGNMENT 01 FOR 2019 – SEMESTER 1 15

ANNEXURE B: COMPULSORY ASSIGNMENT 01 FOR 2019 – SEMESTER 2 25

ANNEXURE C: SELF-ASSESSMENT ASSIGNMENT FOR 2019– SEMESTERS 1 AND 2 35

ANNEXURE D: COMPULSORY ASSIGNMENT 02 FOR 2019 – SEMESTER 1 41

ANNEXURE E: COMPULSORY ASSIGNMENT 02 FOR 2019 – SEMESTER 2 45

Please note:
Strategic Implementation and Control is a semester module, not a year module, and so you will be enrolled for either Semester 1 or Semester 2. Kindly ensure that you complete the correct assignments for the semester for which you have enrolled.

1 INTRODUCTION

Dear Strategist

By now you should be quite familiar with the approach to the strategic management modules. In the MNG3701 module you covered the strategic planning part of the strategic management process. If you are registered for MNG3701 and MNG3702 simultaneously, we (module lecturers) recommend that you begin with MNG3701 before starting MNG3702. This module (MNG3702) covers those aspects of strategic management that deal with translating strategy (strategic planning) into action. This is known as strategy implementation and control.

In terms of the MNG3702 module content, you will be introduced to the challenges faced by organisations in operationalising their strategies to ensure that they survive and grow in volatile and increasingly competitive business environments. More specifically, the following implementation challenges are explored in this module within a strategic management context:

- Strategy as change and the importance of change management and organisational learning in enhancing strategy implementation.
- Aligning strategic leadership and organisational culture with strategy for effective strategy implementation
- Aligning organisational structure with strategy for effective strategy implementation.
- The indispensable roles of functional strategies and effective resource deployment for strategy implementation and control in a project management approach.
- Managing implementation risk within a framework of corporate governance, strategic risk management, strategic performance management and strategic control.

Students will also be introduced to case method of assessment in the formative assessments (Assignments 01 and 02), which will align more closely to the formative assessment (examination).

When you register, you will receive an inventory letter containing information about your study material. Also see the booklet entitled *Studies @ Unisa*. The following study material should also be included in your study package:

- Tutorial Letter 101 MNG3702/3/2019
- Tutorial Letter 301 MNALLEQ/4/2019

Please note: Some of this study material may not have been available when you registered. Study material that was not available when you registered will be posted to you as soon as possible, but is also available on **myUnisa**.

This tutorial letter contains important information about the schedule of work, resources and assignments for this module. It will also help you with your examination preparation.

Regarding the **assignments**, this tutorial letter contains the relevant assessment, instructions on how to complete and submit the assignments, and the assignments themselves (see Annexures B to E). Please note that this tutorial letter contains the assignments for both semesters 1 and 2. Make sure you complete the correct assignments for your semester.

Regarding **resources**, this tutorial letter provides essential information about the prescribed textbook, the study material and other resources, and how to obtain them. Please study this information carefully and be sure to obtain a copy of the prescribed textbook as soon as possible.

Before contacting the university, please read through all of your tutorial letters carefully, as they contain important and sometimes, urgent information. Before you start your studies of this module, you need to

know a bit about Unisa and the Department of Business Management. Please familiarise yourself with the following, about which you will find more information in Tutorial Letter 301 MNALLEQ/4/2019:

- how to communicate with us
- information about the examination
- other administrative information

Contact details of the various administrative departments are included in the brochure, *Study @ Unisa,* which you should have received with your study package. This brochure contains general information about, *inter alia*, orders, the use of the library, booksellers, regional offices and instructions on submitting Assignments 01 and 02.

As Unisa is an open, distance learning institution, there is little, or no, face-to-face contact with the lecturers. Most of the interactions between lecturers, tutors and students take place in an online environment. Unisa has therefore come up with a valuable resource to enable it to be of more efficient and effective help to its students: **myUnisa** is a personalised website where students can interact with each other, e-tutors and their lecturer whenever they want to and download electronic versions of the study material. A personalised schedule, assignments, and examination dates and times are available, as are past examination papers. There is also the option of submitting your assignments online so that you have the assurance that they will not get lost in the post. All the information that you need for each module is on this site, so make every effort to register by going to http://my.unisa.ac.za.

Study the above brochure, this tutorial letter and the learning unit entitled "Overview" before you commence your studies of this module. **Do not** forget to register on myUnisa as the module is offered using a blended approach (official study materials are made available online and in printed format).

We would like to wish you all the best in your academic efforts and we are looking forward to meeting you on the *my*Unisa forum.

2 PURPOSE OF AND OUTCOMES FOR THE MODULE MNG3702

2.1 Purpose of the module MNG3702

Students who successfully complete this module will be able to critically evaluate decisions on and choices of implementing strategy, and make recommendations on strategy implementation and strategic control in practical business situations.

In the module Strategic Planning (MNG3701) we saw that the ability of an organisation to be proactive and effectively adapt to changes in the environment could mean the difference between success and failure. However, of even greater importance is the realisation that strategies which are not implemented, no matter how good they are, will come to nothing. In this module students will explore how strategic plans are implemented and strategic control executed.

Strategic Management is a unique integrated course in the study of business management, since it considers the entire organisation – not just divisional or functional segments of it. As in the case of Strategic Planning, you will therefore again have to adopt a 'big-picture' approach when learning more about strategy implementation and strategic control and need to consider the impact of management decisions regarding strategy implementation for the entire organisation across all functional areas.

The organisation's strategic plans therefore can succeed only if properly supported and implemented by middle and lower management, provided the necessary resources, capabilities and competencies are available.

2.2 Specific outcomes of the module MNG3702

MNG3702 students are expected to master **all** the learning outcomes outlined at the beginning of each learning unit. The specific outcomes for the MNG3702 module are as follows:

Specific outcome 1:
Critically discuss the process of managing strategy implementation in a dynamic business environment.

Specific outcome 2:
Explain the process of change management within the context of strategy implementation

Specific outcome 3:
Critically discuss the role of corporate governance as a framework for strategy implementation and control

Specific outcome 4:
Critically evaluate the management of organisational performance as a part of strategy implementation and control.

3 LECTURERS AND CONTACT DETAILS

3.1 Lecturers

The details of the lecturers responsible for this module are as follows:

Name: Prof T Botha
Email: brevit@ unisa.ac.za
Office: Preller street, Muckleneuk Ridge, Pretoria, AJH van der Walt Building, Room 4-73

Name: Mr N Ramasimu
Email: ramasnf@unisa.ac.za
Office: Preller street, Muckleneuk Ridge, Pretoria, AJH van der Walt Building, Room 4-74

Name: Mr Francois Crafford
Email: MNG3702@unisa.ac.za
Office: Preller street, Muckleneuk Ridge, Pretoria, AJH van der Walt Building, Room 4-25

Please note: Mr Crafford will be on Research and Development leave for the first part of 2019. He will be available from 1 May 2019.

LECTURER AVAILABILITY

The lecturers for this module will be available to take phone calls on academic matters and/or to attend to students who may prefer to visit personally for academic engagement. However, the days and times of lecturer's availability will be communicated in the module page on myUnisa. These days and times are subject to change from time to time in order to accommodate the lecturer's work schedule and other commitments. The changes on the days and times will be communicated by the lecturers in advance through the announcement option on myUnisa as and when this happen. Students are advised to check the module page on myUnisa before making phone calls or visiting the lecturer's office for academic enquiries/engagements.

Please note that enquiries of an **academic nature** should be directed to the module lecturers.

Always include your student number and module code when you contact the module lecturers. Should you contact us via an e-mail, please indicate your student number in the subject line.

.
We have created two email addresses for this module specifically. The email address for communicating with lecturers with regard to ***academic enquiries***, is the following:
MNGAcademic@unisa.ac.za

The email address for communicating with lecturers with regard to administrative enquiries relating to MNG3702 only, is the following:
MNGAdmin@unisa.ac.za

If you are unable to get in contact with the lecturers, you may also contact the postgraduate assistants in the strategic management section. Details of the post-graduate assistant will be provided on myUnisa via announcements in due course.

Administrative queries (non-academic queries), such as queries about admission, examination timetables and assignment marks, should be addressed to the relevant administrative section.

3.2 Department

Contact details of the various administrative departments are included in the brochure *Studies @ Unisa,* which you received with your study package.

Please note the Department of Business Management's contact details for all queries. These are telephone number +27 12 429 4220 and the email address is busman@unisa.ac.za.

3.3 University

If you need to contact the university about matters not related to the contents of this module, please consult the brochure, *Study @ Unisa,* which you received with your study material. This brochure contains information on how to contact the university (eg to whom you can write for different queries, important numbers, addresses and details of the times certain facilities are open).

Below is a quick reference guide to the contact details of various administrative departments that student contact often and where your queries should be addressed.

Directorate/Business Unit	Description of enquiry	Short SMS code	Email address
Student Admissions and Registrations	Applications and registrations	43578	Study-info@unisa.ac.za
Student Assessment Administration	Assignments and examinations	43584	For assignments: Assign@unisa.ac.za For examination: Exams@unisa.ac.za
Despatch	Study material	43579	despatch@unisa.ac.za
Finance	Student accounts	31954	finan@unisa.ac.za
ICT (myUnisa & myLife)	myUnisa myLife email	43582	MyUnisaHelp@unisa.ac.za MyLifeHelp@unisa.ac.za

4 MODULE-RELATED RESOURCES

4.1 Prescribed book

You will not be able to complete the assignments or study for the examination without the following prescribed textbook:

Venter, P (ed). 2014. **Practicing Strategy: A Southern African context**. Cape Town: Juta.

ISBN: 9781485102519

Please consult the list of official booksellers and their addresses as detailed in *Study @ Unisa*.

Should you experience any problems obtaining the prescribed book from the booksellers, please contact the Department: Prescribed Books as soon as possible via email: vospresc@unisa.ac.za.

The learning units (available in printed format and online) should be used together with the prescribed textbook. The learning units will help you develop insight into strategy implementation and control, while the prescribed textbook provides you with the required module content. The learning outcomes for this module relate closely to chapters 6, 10, 11, 12 and 13.

4.2 Learning units

The learning units provide the framework for your studies of Strategy Implementation and Control. Each learning unit also provides the specific outcomes and assessment criteria for this module. These are very important as they indicate what you have to achieve in this module to succeed in the examination. **As a rule of thumb, work from the learning units to the sources indicated in each of the learning units**. Note that the first learning unit gives an overview of what is to follow in the other Learning units, and is not aligned with any one specific chapter in the textbook. The sources that were used to develop the learning guide draw on more than just the textbook. Therefore the learner guide is a "wrap around" guide for the sources indicated in the guide. The textbook is only **one** of the sources that the learning units draw on.

Working through the learning units will also help you develop insight into the syllabus. Bear in mind that both insight and knowledge are assessed in the examination. More specifically case studies will be used in the formative and summative assessment. Students will be required to critically evaluate strategic implementation decisions and make recommendations. It is therefore important to work through the learning units and all the activities and self-assessment questions at the end of each study unit.

4.3 e-Tutors

Please note online tutorials (e-tutors) are made available to students registered for modules at NQF level 7.

Once you have been registered for a qualifying module, you will be allocated to a group of students with whom you will be interacting during the tuition period as well as an e-tutor who will be your tutorial facilitator. Thereafter you will receive an SMS informing you about your group, the name of your e-tutor and instructions on how to log onto myUnisa in order to receive further information on the e-tutoring process.

Online tutorials are conducted by qualified e-tutors who are appointed by Unisa and are offered free of charge.

IMPORTANT

Participation in e-tutoring is compulsory for this module. A mark for your participation will be awarded to you by your e-tutor, which will contribute to your semester mark for this module. Full details are provided in Section 7 of this tutorial letter.

All you need to be able to participate in e-tutoring is a computer with internet connection. If you live close to a Unisa regional Centre or a Telecentre contracted with Unisa, please feel free to visit any of these to access the internet. E-Tutoring takes place on myUnisa where you are expected to connect with other students in your allocated group. It is the role of the e-tutor to guide you through your study materials. For you to get the most out of online tutoring, you need to participate actively in the online discussions that the e-tutor will be facilitating.

If you are not allocated to an e-tutor group, due to unavailability of a suitable e-tutor, please join the lecturers in the "Discussion forum" conversation on the module's main site.

There are modules which students repeatedly fail, these modules are allocated face-to-face tutors and tutorials for these modules take place at the Unisa regional centres. These tutorials are also offered free of charge, however, it is important for you to register at your nearest Unisa Regional Centre to secure attendance of these classes.

4.4 Library services and resources information

For brief information, go to www.unisa.ac.za/brochures/studies

For detailed information, go to http://www.unisa.ac.za/library. For research support and services of personal librarians, click on "Research support".

The library has compiled a number of library guides:

- finding recommended reading in the print collection and e-reserves – http://libguides.unisa.ac.za/request/undergrad
- requesting material – http://libguides.unisa.ac.za/request/request
- postgraduate information services – http://libguides.unisa.ac.za/request/postgrad
- finding, obtaining and using library resources and tools to assist in doing research – http://libguides.unisa.ac.za/Research_Skills
- how to contact the library/finding us on social media/frequently asked questions – http://libguides.unisa.ac.za/ask

5 STUDENT SUPPORT SERVICES FOR THE MODULE

Student support for the module as regards academic content is given mainly by the module lecturer and e-tutors via email and the **myUnisa** discussion forum. The details of other forms of student support are included in the brochure, *Study @ Unisa*, which you received with your study package.

Please take note of the following important information:

Please be aware of the existence of multiple fraudulent and predatory providers of classes and examination guidance to Unisa students – especially students registered for MNG3702. Please note that Unisa does not have agreements with any of these agencies/schools/colleges/individuals to provide tuition or support to our students. Unisa also does not provide these predators with study material, guidelines or your contact information.

These providers may not have the necessary expertise to assist you and often charge exorbitant fees. If you receive an invitation from any agency or College, it is best to confirm with your lecturer if the provider is a legitimate Unisa partner.

6 MODULE-SPECIFIC APPROACH

6.1 Blended approach

In the MNG3702 module, a blended approach is followed to delivering study materials and providing student support. This means that official study materials are made available in printed format and online. Student support for the module is primarily given in an online environment through myUnisa tools and e-tutors. More specifically, communication between students and the university takes place in an online environment – by email, through the myUnisa "Discussions forums" tool and "FAQ" tool.

You will also find our approach in this module to be different from the approaches followed in most – if not all – of your other modules, with the exception of MNG3701 (which also follows outcomes-based principles). In this module, you will take charge of your progress - you will have to take responsibility for mastering the learning outcomes and you will have to keep to a regular study schedule. We will give you all the support that we possibly can, but ultimately it will be up to you to decide how you are going to master the required knowledge, skills and values in the relevant context.

You are probably used to memorising facts from a prescribed textbook and reproducing them in the examination in order to pass a module. **This module, MNG3702, is not about memorising facts! It is about mastering certain outcomes and applying theory to given case scenarios.** It is about learning. It is about going out into the world and appreciating the many sources on which you can draw to find answers to your questions – including your own experiences. It is about asking questions, and it is a wonderful way of discovering more about the real business world.

To achieve the outcomes for this module, you will have to plan your learning experience strategically. To do this, you will have to carefully read and reread the section in the learning units entitled, "Overview". This section contains important information that you will need in order to plan your studies, such as the number of hours that you will have to spend in order to master the outcomes (120 notional hours), the number of learning units to cover (7), and so on.

When planning your learning experience, remember that your examination preparation starts today. You need to **commit at least 8 hours week for 15 weeks to master the module outcomes**. Consider each activity in the learning units as a potential examination question, because that is what it is! This should be good news to you, because it means that you will not have to put yourself through the ordeal of a crash course a week before the examination starts. Devote quality time to each activity, reflect on the issues raised, ask questions, find answers, question the questions, and question the answers.

By the time you need to write the examination, you should be well prepared, provided you have completed all the activities indicated in the study guide, participated actively in the online "Discussion Forums" tool and have mastered the outcomes and the learning outcome standards listed at the beginning of each topic.

7 ASSESSMENT

7.1 Assessment plan

The university has a policy of compulsory assignments for all modules for 2019. There are two compulsory assignments for MNG3702:

Assignment 01: Assignment 01 consists of 20 multiple-choice questions. **To gain admission to the examination you must submit Assignment 01.** You will gain examination admission purely by **submitting** the assignment and **not** on the strength of the mark that you obtain for it. Failure to submit Assignment 01, will mean that you will **not be admitted to the examination**. Tutorial Letter 201 will contain feedback on Assignment 01. Assignment 01 for semester 01 appears in Annexure A of this tutorial letter, whereas Assignment 01 for semester 02 appears in Annexure B.

Assignment 02: Assignment 02 is based on a case study. The answers to Assignment 02 will also be provided in Tutorial letter 201. Kindly ensure that Assignment 02 reach us on or before the due date.

Assignment 02 for semester 1 appears in Annexure D, whereas Assignment 02 for semester 2 appears in Annexure E.

This tutorial letter also contains a self-assessment assignment, provided in Annexure C. The questions of the self-assessment assignment is based on a case study provided to you. Please complete the self-assessment assignment, since it will provide you with another learning experience.

7.2 Unique assignment numbers and due dates

Assignment number	**First semester** (Only students who are enrolled for the January–June period should submit these assignments.)		**Second semester** (Only students who are enrolled for the July–December period should submit these assignments.)	
	Due date	**Unique number**	**Due date**	**Unique number**
01	26 February 2019	748073	2 August 2019	817957
02	5 April 2019	819853	20 September 2019	789504

7.3 Submission of assignments

Please note that the assignments for Semester 1 differ from those for Semester 2. It is your responsibility to ensure that you submit the correct assignment for your semester of enrolment. If you submit an assignment for the wrong semester of enrolment or a wrong assignment, **it will not be marked**.

The main purpose of the assignments is to encourage you to study the learning units, to read through certain sections over and over again, and to think about the study material in terms of its **practical application**. You may find the questions difficult, or even ambiguous. Our aim is not to trick you or to catch you out, but to make you think.

Formative assessment for **MNG3702** takes place through a year mark system. As already mentioned, Assignments 01 and 02 are compulsory. You will be awarded a mark for Assignment 01 and a mark for Assignment 02. Both assignment marks are taken into account to calculate your semester mark and they carry an equal weight in the calculation of your semester mark. **Your final assessment mark for this module will be a combination of the assignment marks and the examination mark.** The two assignment marks will contribute a maximum of 20% to the final assessment mark for the module, while the examination mark will contribute 80%.

Irrespective of the year mark you receive, you must obtain a subminimum of 40% in the examination. **You will therefore not pass the module if your examination mark is less than 40%.**

Please study the following examples to see how the assignment mark will contribute to the final assessment mark.

Example 1:

If you are awarded an assignment mark of 50% for Assignment 01 and 50% for Assignment 02, the average ((50%+50%)/2) of the two assignment marks are multiplied by 20%. This equals 10% of the final assessment mark. If you obtain 35 out of a possible 70 marks in the examination (50%), this percentage is multiplied by 80. This equals 40% of the final assessment mark. The assignment mark and the examination mark are then added together (10% + 40%) to give a final assessment mark of 50% for the module.

Example 2:

If you are awarded an assignment mark of 60% for Assignment 01 and 80% for Assignment 02, the average ((60%+80%)/2) of the two assignment marks are multiplied by 20%. This equals 14% of the final assessment mark. If you then obtain 44 out of 70 marks (or 63%) in the examination, this figure is multiplied by 80% to give 50,2% of the final assessment mark. The two results are then added to give a final assessment mark of 64% (14% + 50,2%) for the module.

For detailed information concerning assignments, consult *Study @ Unisa*, which you received with your study material.

To submit assignments **via myUnisa:**

Go to http://my.unisa.ac.za.
Log in by using your student number and password.
Select the programme and the module.
Click on "Assignments".
Click on "Submit Assignments".
Follow the instructions.

7.4 Plagiarism

Plagiarism is the act of taking the words, ideas and thoughts of others and passing them off as your own. It is a form of theft and involves a number of dishonest activities. Examples of plagiarism include copying from the textbook, or any other source, or copying from fellow students and passing off their work as your own work.

All students receive the Disciplinary Code for Students (2004) when they register. You are advised to study the Code, especially sections 2.1.13 and 2.1.14 (2004:3-4). Kindly read the University's Policy on Copyright Infringement and Plagiarism as well.

Please note: Although students may work together when preparing assignments, each student must write and submit his or her own individual assignment. In other words, you must submit your own ideas in your own words, sometimes interspersed with relevant short quotations that are properly referenced. It is unacceptable for students to submit identical assignments on the basis that they worked together. That is copying (a form of plagiarism) and none of these assignments will be marked. Furthermore, you may be penalised or subjected to disciplinary proceedings by the University.

7.5 Assignments

The assignments appear in Annexures A, B, C, D and E of this tutorial letter.

8 OTHER ASSESSMENT METHODS

There are no other assessment methods for this module.

9 EXAMINATION

9.1 Format of the examination

The format of the examination paper is as follows:

Duration: 2 hours

Marks: 70

Format of the examination: The examination will comprise of two sections, namely Section A and Section B. Section A will consist of 20 multiple-choice questions, worth one mark each (20 marks in total for Section A). Section B will contain a **case study** with longer paragraph-type questions based on the case study. The total marks for Section B will be 50. **You are strongly encourage to complete the self-assessment assignment provided in Annexure C of this tutorial letter, since it will give you an indication of what you can expect in terms of Section B in the examination question paper.**

Copies of previous examination papers are available on **myUnisa**. We recommend that you do **NOT** use previous examination papers (before 2015) as part of your examination preparation, as these papers were based on the previous module outcomes (questions may not align with the 2018 module outcomes and a different prescribed book was ides prior to 2015). **Note also that the memoranda are not available to students. Please do not contact us with requests for model answers.**

9.2 Alternative assessment to assist students who qualify for final year concession

The Study @ Unisa brochure contains important information on the Final Year Concession procedure to assist students with one or two modules outstanding. The Directorate Student Assessment Administration will inform all students who qualify for a final year (FI) concession per SMS/email **(note module lecturers are not involved in the process of identifying and informing students that qualify for an FI concession)**. For this module, FI students have the option to engage in an alternative method of assessment. For this module, the alternative method of assessment will be determined by the lecturers concerned. More information on the alternative method of assessment will be communicated directly to the qualifying students. Alternative methods of assessment are subject to stringent academic rules and processes and should not be considered an easier option. Failure to meet the learning outcomes of the module, through the alternative method of assessment, will result in a fail and you will need to re-register for the outstanding module.

10 FREQUENTLY ASKED QUESTIONS

See *Study @ Unisa*, which you received with your study material, for a list of the most frequently asked general questions.

11 CONCLUSION

We look forward to a good working relationship with you. We would like this to be an interesting module for you, and we hope that you will participate in **myUnisa** discussions.

We wish you success in your studies.

Your lecturers for MNG3702
Department of Business Management
Unisa

ANNEXURE A: COMPULSORY ASSIGNMENT 01 FOR 2019 – SEMESTER 1

DUE DATE: 26 FEBRUARY 2019 (UNIQUE NUMBER: 748073)

Assignment 01 is a multiple-choice assignment, consisting of 20 multiple-choice questions. These questions are theoretical type questions. It covers all the learning units in the study guide and the corresponding chapters in the prescribed book.

Question 1

_____ strategies are detailed statements of the means that will be used by an organisation to achieve short-term objectives and establish competitive advantage.

1 Business

2 Grand

3 Functional

4 Generic

Question 2

Which of the following organisational structures is/are associated with dual channels of authority? Choose the correct answer/combination of answers below:

A functional organisational structure

B Divisional organisational structure

C Matrix organisational structure

D Projectised organisational structure

1 A

2 A B

3 B C

4 C D

Question 3

Which one of the following characterises policies as a means of strategy implementation?

1 Policies set boundaries, constraints and limits on all kinds of administrative actions.

2 Policies describe the process to be followed in executing routine tasks and activities.

3 Policies provide direction in terms of the selection of a portfolio of strategic initiatives that the organisation can pursue.

4 Policies align organisational culture, structure and systems employed.

Question 4

Which of the following describe successful strategy implementation? Choose the correct combination of answers below:

A The organisation achieves its desired outcomes and strategic objectives.

B The organisation completes all its strategic initiatives successfully.

C The organisation realises maximum profits.

D The organisation is managed to the satisfaction of its shareholders.

E The organisation, its operations and performance are acceptable to all its stakeholders.

1 A C

2 A B E

3 B C D

4 D E

Question 5

One reason for the failure of strategy implementation in organisations is the so-called “Icarus paradox”, according to which organisations _____.

1 focus on profit maximisation, losing sight of other issues such as corporate citizenship and governance

2 choose strategies that support its internal strengths and weaknesses, losing sight of external opportunities and threats

3 select organisational structures that support short-term objectives, ignoring long-term goals

4 dwell on past successes, losing sight of and not adapting to changing market realities and changed requirements for competitive advantage to cope with new realities

Question 6

The (i) _____ in an organisation form/s the core if its cultural web, as it represents (ii) _____.

1 (i) routines; (ii) the ways things are done on a day-to-day basis within the organisation

2 (i) control systems; (ii) formal and informal ways of monitoring and supporting people within the organistaion

3 (i) organisational structures; (ii) formal roles and reporting relationships in an organisation

4 (i) desired paradigm; (ii) all the assumptions taken for granted in the organisation

Question 7

(i) _____ is a type of strategic change associated with (ii) _____.

1 (i) Evolution; (ii) a good deal of disruption in an organisation

2 (ii) Revolution; (ii) rapid and major strategic and cultural transformation

3 (i) Reconstruction; (ii) the realignment of organisational strategies with the vision and mission of the organisation

4 (i) Adaptation; (ii) a changing organisational culture that happens over time

Question 8

Study the following list of concepts in order to answer question 8.

A Strategy

B Systems

C Structure

D Style

E Staff

F Skills

G Shared values

Which of the concepts listed above are, according to the McKinsey 7-S framework, regarded as “hard” sub-systems?

1 A B C

2 B D

3 C E F

4 D F G

Question 9

Which of the following are components of organisational architecture according to the Lee, Venter and Bates framework?

A Organisational vision and mission statement

B The internal and external stakeholders of the organisation

C The maturity of the organisation

D Organisational capabilities, that are underpinned by structure and systems; knowledge, skills and abilities; and technology

E Organisational processes

F Organisational absorptive capacity

G Organisational culture

1 A B D

2 B D E G

3 C E

4 D F G

Question 10

According to John Kotter, the most difficult aspect of strategic change, which is also the step that will take up most of the time, is to change the _____.

1 reporting lines in a new organisational structure

2 performance management system in the organisation

3 leadership styles of organisational management

4 culture or mind-set of the organisation

Question 11

Leaders transmit and shape organisational culture in various ways. Which of the following are examples of structural mechanisms that leaders can use?

A how leaders react to critical incidents

B how resources are allocated

C rituals

D statements

E how performance management systems are used

1 A B C

2 B C

3 C D

4 D E

Question 12

Which of the following are components of strategy deployment?

A Successful identification of strengths, weaknesses, opportunities and threats

B Successful selection of generic and grand strategies

C Successful implementation of strategic initiatives

D Successful measurement of organisational maturity

E Successful alignment of organisational units with strategic direction

F Successful alignment of individual behaviour with strategic direction

1 A B D

2 B D E

3 C E F

4 D E F

Question 13

Which one of the following domains of strategy deployment bridge the gap between the thinking process (of which strategy is the outcome) and the deployment process (where the portfolio of investments is the outcome)?

1 ideation

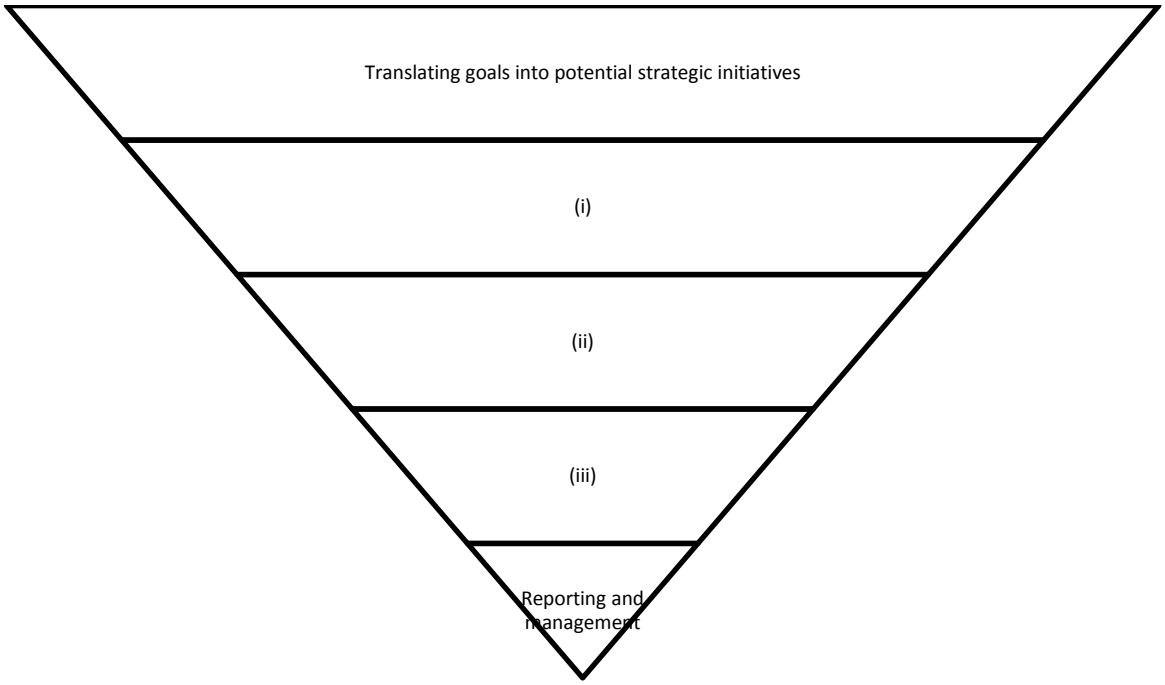
2 synthesis

3 transition

4 engagement

Question 14

The figure below depicts a summary of the strategic initiative management process. Fill in the missing spaces.



1 (i) Identifying functional initiatives (ii) Implementing management by objectives (iii) Aligning strategic, functional and individual behaviour

2 (i) Prioritising strategic initiatives; (ii) Defining and approving strategic initiatives; (iii) Aligning individual behaviour

3 (i) Identifying projects; (ii) Identifying programs; (iii) Identifying individual activities

4 (i) Approving strategic initiatives; (ii) Implementing strategic initiatives; (iii) Controlling strategic initiatives

Question 15

Which one of the following can be regarded as a barrier to successful strategy deployment?

1 Managers are trained to execute

2 Bounded rationality

3 Culture of change

4 Integration of “thinking” and “doing”

Question 16

In the strategy execution framework, an organisation will typically select strategic initiatives that they will pursue, which will form the (i) _____; where the purpose of the latter is to (ii) _____.

1 (i) portfolio of projects; (ii) select a set of projects that have the best chance of success in contributing to the vision and mission of the organisation

2 (i) organisational goals; (ii) direct the actions of individuals in the organisation

3 (i) programme; (ii) identify activities and short-term goals for each functional area in the organisation

4 (i) mission statement; (ii) provide an indication of where the organisation will be over the long term

Question 17

Identify the attributes of a project from the list below:

A A project has a specific purpose and desired outcome

B A project has a permanent nature

C A project is multidisciplinary and requires resources from various organisational areas and functions

D Effective project management requires strategic leadership

E Each project has its own methodology to be followed

1 A B C D E

2 A C D

3 B C E

4 D E

Question 18

Study the following types of organisational change to answer question 18.

A moving from a manual transactional processing to an automated transaction processing system

B create a new managerial position

C restructuring the entire organisation

D appoint a new top management team

E realign cultural values and beliefs with change

F implement team-building activities to improve staff moral

Which of the changes above are examples of large-scale organisational changes?

1 A B C

2 C D E

3 C D E F

4 E F

Question 19

There are four elements to measure organisational performance. These measures are (i) _____; (ii) _____; (iii) _____ and (iv) _____.

1 (i) vision; (ii) mission; (iii) goals; (iv) policies

2 (i) effectiveness; (ii) efficiency; (iii) goals; (iv) objectives

3 (i) productivity; (ii) profit; (iii) staff turnover; (iv) policies

4 (i) goals and objectives; (ii)a quantifiable measurement; (iii) a baseline measure; (iv) a target

Question 20

The organisational maturity model has been developed in order to assess an organisation's progress towards performance excellence. From the list below, identify the key business areas that organisations need to assess.

A	Financial wellness
B	Organisational strategy, structure and support
C	Corporate governance
D	Workflow processes
E	Strategic risk
F	Management skills and competence
G	Corporate citizenship
H	Functional skills and competence
I	Business ethics
J	Resource and information management systems

1	A B D F H
2	B D F H J
3	C D E F G
4	G H I J

ANNEXURE B: COMPULSORY ASSIGNMENT 01 FOR 2019 – SEMESTER 2

DUE DATE: 2 August 2019 (Unique number: 817957)

Assignment 01 is a multiple-choice assignment, consisting of 20 multiple-choice questions. These questions are theoretical type questions. This assignment covers all the learning units in the study guide as well as the corresponding chapters in the prescribed book.

Question 1

Which of the following are components of strategy deployment?

A Successful formulation of strategic direction

B Successful implementation of change initiatives

C Successful alignment of individual behaviour with strategic direction

D Successful analysis of the internal environment

E Successful alignment of organisational units with strategic direction

F Successful analysis of the external environment

1 A B C

2 B C E

3 C D E

4 D E F

Questions 2, 3 and 4

In the following table, Column A lists the various layers of organisational culture, whereas Column B provides an explanation thereof. Match the layer of organisational culture in Column A with the appropriate explanation thereof in Column B.

Column A **Layer of organisational culture**		**Column** **Explanation**	
2	Values	1	These are the reflections of someone's sense of what ought to be and can typically be discerned in how people talk about issues that the organisation faces.
3	Beliefs	2	These define what to the most important aspects which the organisation should pay attention to as well as which actions to take in various kinds of situations.
4	Behaviours	3	These explain the ethical code of conduct applicable in an organisation.
		4	These are the beliefs, traits and behavioural norms that management has determined should guide the pursuit of its vision and mission.
		5	These are the day-to-day ways in which the organisation operates, and it includes work routines and how the organisation is structured and controlled.

Question 5

Which one of the following organisational structures are advisable when an organisation diversifies its product or service lines, and serves a number of geographical areas and heterogeneous customer groups?

1 Simple organisational structure

2 Functional organisational structure

3 Network structure

4 Divisional structures

Question 6

Study the following list of changes that may occur in an organisation to answer question 6.

A implement a new management information system

B implement a new training and development programme for line management

C restructuring the entire organisation

D replace all printers connected to personal workstations with centralised printers

E realign cultural values and beliefs with various strategic changes

F appoint a new executive management team

Which of the changes listed above can be regarded as large-scale organisational changes?

1 A B

2 B C D

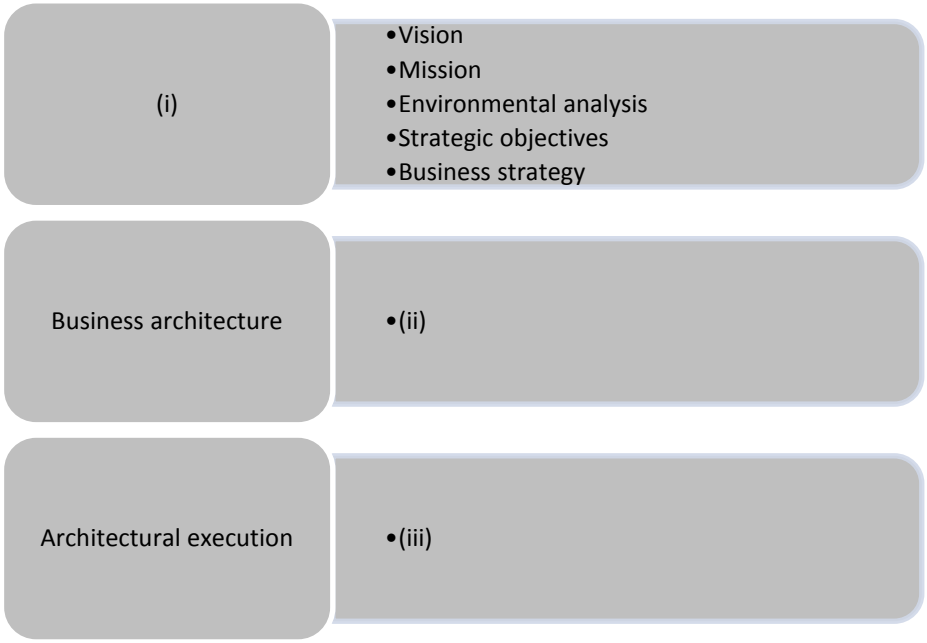
3 B F

4 C E F

Question 7

The following figure depicts the role of business architecture in the strategic management process.

Fill in the missing spaces of this figure to answer this question.



1 (i) strategic architecture; (ii) competitive architecture; (iii) functional architecture

2 (i) overall architecture; (ii) internal architecture; (iii) external architecture

3 (i) strategic architecture; (ii) internal and external architecture; (iii) organisational structure and subsequent structures

4 (i) strategic direction; (ii) strategic planning; (iii) strategic control

Question 8

John Kotter developed a change model that consists of various stages.

During which one of the following stages of this model will a group of individuals, with the requisite knowledge, skills and attitudes, drive the change in the organisation?

1 Stage 3: Building a high performance team

2 Stage 2: Creating the guiding coalition

3 Stage 4: Ensure buy-in from all stakeholders

4 Stage 1: Establish a sense of urgency

Question 9

Various barriers to organisational change exist.

Which one of the following is an example of a barrier to change that is associated with cultural reasons?

1 Various members of the organisation feels disconnected from the change and do not see it as relevant to them.

2 Functional management of the organisation have a different idea of the changes required in the organisation than the Board of Directors.

3 The organisational structure do not support the strategic change envisaged.

4 Current organisational systems do not support the strategic change required to survive over the long term.

Question 10

Which one of the following statements regarding organisational learning is correct?

1 Organisational learning is an ad hoc activity performed as and when required.

2 Organisational learning refers to the dynamic capability of being able to learn and adapt continuously.

3 Organisational learning does not form part of the organisation's culture

4 Organisational learning does form part of the organisation's culture and processes, but it does not form part of its structures.

Question 11

Which one of the following refers to the ability of the organisation to recognise the value of new, external information, to assimilate its and to use it to address business problems, which is regarded as a barrier to organisational learning?

1 dominant general management logic

2 absorptive capacity

3 management ignorance

4 applying new knowledge

Questions 12 and 13

To answer questions 12 and 13, study the following examples of the transfer of knowledge to others.

A Learner pilots are instructed on what to how, when to do it and how to do it, and after a while this becomes almost automatic.

B A junior purchaser may learn by observing the purchasing manager negotiating the best price and quality of products ordered from a supplier.

C In course in leadership skills is developed for all first-line managers in an organisation.

D The Information Technology Department writes a manual to all users of the new database installed.

Question 12

Which of the above is an example of **socialisation** as a type of knowledge transfer?

1 A

2 B

3 C

4 D

Question 13

Which of the above is an example of **combination** as a type of knowledge transfer?

1 A

2 B

3 C

4 D

Question 14

Various mechanisms to become a learning organisation exist.

Which one of the following mechanisms refer to an organisation that questions the fundamental underlying assumptions that are made when they are striving to achieve a goal.

1 encourage individual and team learning

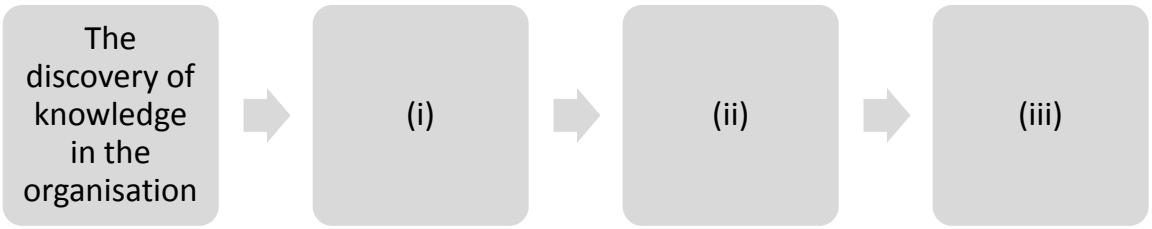
2 encouraging double-loop learning

3 legitimising dissent

4 encouraging experimentation

Question 15

The figure below depicts the process of knowledge management. Complete the missing spaces.



1 (i) The dissemination of knowledge to internal stakeholders; (ii) The dissemination of knowledge to external stakeholders; (iii) Applying knowledge to make decisions

2 (i) Capturing the knowledge in a way that enables it to be shared across departments; (ii) Sharing knowledge throughout the organisation; (iii) Applying knowledge to solve business problems and make decisions

3 (i) The classification of knowledge; (ii) The transformation of knowledge throughout the organisation; (iii) Storing information relevant to various departments and sections

4 (i) Capturing the knowledge; (ii) Classifying the knowledge; (iii) Manipulating the knowledge; (iii) Storing the knowledge

Question 16

An ambidextrous organisation can be defined as an organisation that has the ability to _____.

1 identify internal strengths and weaknesses and simultaneously match it with external strengths and weaknesses

2 apply existing knowledge in processes and procedures while exploring new and improved processes and procedures in an external environmental analysis

3 create a long-term vision and determine medium- and short term plans to achieve the vision

4 be equally good at exploiting existing opportunities using existing organisational capabilities while exploring and searching for new opportunities and new capabilities

Question 17

Organisations typically identify various strategic initiatives and select those that will contribute to its strategic goals.

Selected strategic initiatives will form the _____ that the organisation will resource and track.

1 strategic programme

2 portfolio of projects

3 portfolio of programmes

4 strategy execution framework

Question 18

Employees can be rewarded in various ways.

Which of the following are examples of intrinsic rewards?

A a competitive salary and salary increases

B inspiring employees

C stock options

D flexible working conditions

E create the opportunity to work on challenging projects

1 A C

2 A C D

3 B C D

4 B D E

Questions 19 and 20

Consider the following table that relates to the various elements of strategic control to answer questions 19 and 20.

	Reactive controls	**Proactive controls**
Purpose	Track implementation progress and keep the implementation process on track	Identify internal and external threats to the implementation process actively
Control mechanisms	(i) _____	(ii) _____
Control measures	(iii) _____	(iv) _____

Question 19

Control mechanisms in terms of reactive controls is/are (i) _____; whilst control mechanisms for proactive controls is/are (ii) _____.

1 (i) programme management, scenario analysis; (ii) assumptions and linear programming

2 (i) project management, organisational performance measurement; Balanced Scorecard; (ii) environmental scanning

3 (i) scenario planning; (ii) project management

4 (i) environmental scanning; (ii) linear programming and decision trees

Question 20

Control measures in terms of reactive controls is/are (iii) _____; whilst control measures for proactive controls is/are (iv) _____.

1 (iii) achievement of strategic initiative milestones and strategic objectives; (iv) assumptions and unexpected events

2 (iii) functional performance and achievement of functional objectives; (iv) environmental scanning

3 (iii) management by objectives; (iv) budgets

4 (iii) policies and procedures; (iv) assumptions

ANNEXURE C: SELF-ASSESSMENT ASSIGNMENT FOR 2019– SEMESTERS 1 AND 2

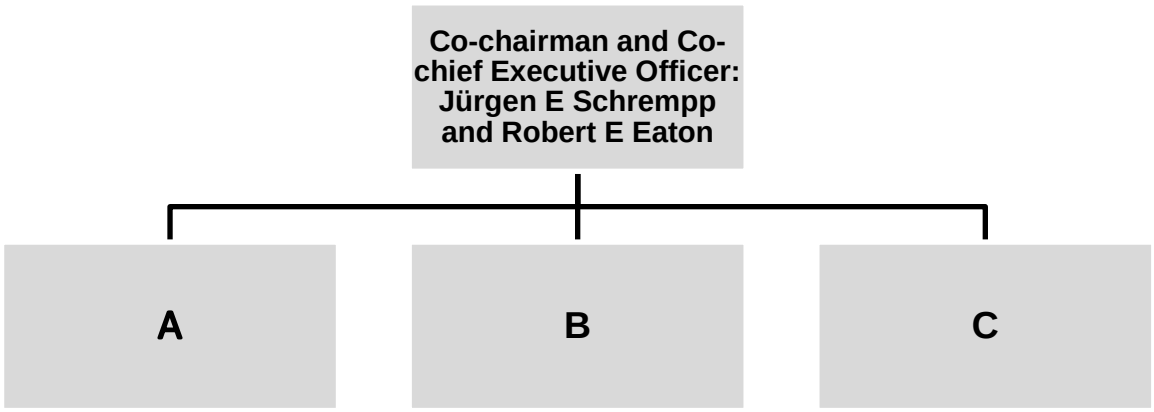
The questions for the self-assessment assignment are based on the DaimlerChrysler case study provided below. Please study this case study to answer the questions below.

DaimlerChrysler merger

On 7 May 1998, Daimler-Benz Aktiengesellschaft in Germany, the manufacturers of the iconic Mercedes Benz range, and Chrysler Corporation in the United States of America, signed a merger contract to establish a new company - DaimlerChrysler AG. The newly formed *Aktiengesellschaft* (AG) was organised and existed under the laws of the Federal Republic of Germany. Daimler, who proposed the merger and dominated it, paid US$35 billion for Chrysler. The intention of the merger between the two companies was twofold – (i) to safeguard its long-term competitiveness, mainly by reducing the new company's production costs; and (ii) to increase the new company's footprint dramatically, especially in North America. Sadly, the merger between the two companies is probably the most famous of all international mergers that ended in failure.

Figure 1 illustrates the DaimlerChrysler Management Board, responsible for managing DaimlerChrysler AG and represents the new company in its dealing with third parties. Jürgen E Schrempp from Daimler and Robert E Eaton played key roles in the merger process.

Figure 1: DaimlerChrysler AG Board of Management



Group A consisted of board members representing the following interests in the company:

- Research and Technology
- Services
- Aerospace
- Commercial Vehicles
- Sales and Marketing: Mercedes-Benz

Group B consisted of board members representing the following interests in the company:

- Passenger Cars: Mercedes-Benz
- Passenger Cars and Trucks: Chrysler and Integration
- Corporate Development
- Chief Financial Officer
- Global purchasing

Together with the Co-Chairmen and Co-Chief Executive officers, Group B's board members formed the Chairmen's Integration Council.

Group C consisted of board members representing the following interests in the company:

- Sales and Marketing: Chrysler
- Human Resources: Daimler-Benz
- Product Strategy and Design: Chrysler
- International: Chrysler
- Procurement and Supply: Chrysler
- Manufacturing: Chrysler

In 2007, Daimler sold its Chrysler division in the US to Cerberus Capital for US$7.4 billion (for which they paid US$35 billion in 1998). Cerberus Capital Management was taking an 80.1 percent stake in the automaker for that amount. The financial performance of Daimler increased dramatically after the sale. Without Chrysler, Daimler reported a net profit of €4 billion for the year 2007 (compared to €3.8 billion in 2006). Sales rose to €99.4 billion from €99.2 billion. The sheer difference in the amounts of money paid for Chrysler by Daimler and later by Cerberus Capital, makes one really wonder how such a promising merger could fail so dramatically. "We obviously overestimated the potential of synergies," Dieter Zetsche, chief executive of DaimlerChrysler, said at a news conference at the company's headquarters in Stuttgart, Germany, after Daimler sold its Chrysler division to Cerberus Capital Management.

Upon closer examination, the two companies differed from each other in many ways, as indicated in Table 1 below.

Table 1: Comparison between Daimler and Chrysler

Aspect of comparison	Daimler	Chrysler
Attitude towards hierarchy and structure	Follows a strong and formal hierarchy, clear chain of command, bureaucratic culture with respect for authority. Little payment disparity exists between various levels in the organisation.	Follows an informal, team oriented and flexible approach. Payment disparities between various levels in the organisation exist.
Company's values	Values reliability and the highest levels of quality.	Focus on catchy designs and offers cars at competitive prices.

Aspect of comparison	Daimler	Chrysler
Trust	Daimler workers felt reluctant to work with American workers. Daimler was imposing and tried to dictate the terms on which the new merged company should work.	Chrysler workers felt reluctant to work with German employees. Chrysler's employees mistrusted Daimler and raised some serious communication challenges. Chrysler's middle managers and engineers saw the merger as a sell-out to foreigners, and they feared an invasion of rigid working practices from the German company into their own rather freewheeling company.
Decision making	Daimler made use of centralised decision-making.	Chrysler workers were used to creative and decentralised decision-making practices.
Control	Daimler employed methodical control practices.	Chrysler encouraged adaptability in control processes.
Official language	Official language at Daimler was German.	Official language at Chrysler was English.
Products offered	High quality, luxurious motor vehicles, offered at high prices.	Attractive and comfortable motor vehicles offered at very competitive prices.
Currency	Daimler traded in German Marks.	Chrysler traded in US$.

Differences in the first two aspects compared in the table above, resulted in conflicting orders given by managers to their subordinates and the formulation of different goals in different departments. American and German managers had different values, which drove and directed their work. Different departments were heading in opposing directions. The two companies were never integrated into a cohesive whole and the potential synergies that were identified as reasons for the merger, went unrealised. Furthermore, employees of the two companies did not like each other – they could not cooperate to an extent necessary to make the merger a success.

Mistrust between German and American employees and between management and their subordinates were mainly caused by the realisation that the agreed term "merger-of-equals" did not materialise and that is was, in actual fact, a takeover of Chrysler by Daimler. During the initial stages of organisational integration, huge bulks of Chrysler's key executives either resigned or were replaced by Germans counterparts. Poor communications lead to sharp decreases in productivity of the merged companies.

In theory, the Daimler-Chrysler merger should have yielded two potential sources of competitive advantage. The first potential source was cohesive global brand architecture. The second source lay in the creation of a coherent platform strategy. The cost of developing new motor vehicles is very high.

Therefore, manufacturers design “platforms” from which they create families of vehicles. They also try to share parts between platforms to drive economies of scale in manufacturing.

Realising synergy in brand architecture and platform strategy would have required deep integration of Daimler and Chrysler. One of the plans of the merger was for Chrysler to use Daimler parts, components and even vehicle architecture to sharply reduce the cost to produce future vehicles. Unfortunately, problems surfaced when Daimler’s Mercedes-Benz luxury division, whose components Chrysler were supposed to use, was reluctant to share with its mass-market partner. In return, Daimler had hoped that Chrysler would dramatically increase its footprint in the promised land of auto sales – North America. Due to increased competition from Asian motorcar manufacturers, Chrysler fell short. The management team would have had to develop a global brand strategy and associated logic of competitive positioning. None of this happened. Management of the merged company managed the two companies as separate operations.

Only two years after the merger, the new company admitted that they needed to deal with many barriers that prohibited them from realising their initial merger goals. Over and above the differences between the two merged companies (indicated in Table 1 above) time differences between the US and Germany also posed a big problem – managers from both companies criss-cross the Atlantic in a stream of meetings and workshops, seeking ways to drive down expenditures and share future development costs. People such as Mr Hubbert from Daimler (member of the Chairmen’s Integration Council and responsible for Passenger cars: Mercedes-Benz), acknowledged that Daimler, seeking to solve strategic problems of its own, had engineered a friendly takeover of the American car manufacturer. The merged company also faced financial problems. It was admitted that renewed cost-cutting efforts had to be undertaken to improve its operating results. The merged company also realised the importance of communication with investors when their share price fell more than 40% in 1999, only one year after the merger. Competition in the motor vehicle industry intensified, especially in Chrysler’s home market. At the time of the merger, share options became hugely available, which resulted in senior Chrysler managers becoming rich. This triggered concern in Germany. Furthermore, Americans were remunerated two, three or even four times as much as their German equivalents. Management also needed to coordinate hundreds of integration projects, for which they formed an automotive council of five senior managers to which all projects needed to report every four to six weeks.

Adapted from (i)http://www.commisceo-global.com/blog/cultural-differences-in-international-merger-and-acquisitions; (ii) http://www.casestudyinc.com/daimler-chrysler-and-the-failed-merger; (iii)http://www.economist.com/node/341352; and (iv) http://www.globalsepri.org/uploadphotos/2008912171836151.pdf.

Question 1
Organisational culture influences an organisation's actions and approaches to conduct business and the way in which strategy is implemented.

Question 1.1

Define the terms *organisational culture* (in an organisational context) and the *cultural web*. (2 marks)

Question 1.2

List and explain the elements of the cultural web. Apply each element of the cultural web to the Daimler Chrysler AG company. Present your answer in a table in the same format as the table indicated below: (28 marks)

Element of the cultural web	Explanation of the element	Application of the element to Daimler-Benz	Application of the element to Chrysler
(i)			
(ii)			
(iii)			
(iv)			
(v)			
(vi)			
(vii)			

1.3 Would you describe the strategic leadership of Jürgen E Schrempp and Robert J Eaton as being successful? Substantiate your answer. (5 marks)

[35 marks]

Question 2

Question 2.1

Discuss the various types of strategic change (12.marks) and identify the type of change applicable to the DaimlerChrysler merger. Substantiate your answer (2 marks)

(12 marks)

Question 2.2

The management of strategic change requires the execution of various activities. Identify these activities (3 marks). For each activity, apply the execution of the activity to the DaimlerChrysler merger. In your answer, you should also indicate the failures of the merger in terms of the execution of activities (6 marks).

(9 marks)

Question 2.3

Strategic change often fails, as we have seen in the DaimlerChrysler merger. Explain the barriers to strategic change (10 marks). Identify the most important reasons for the failure of the DaimlerChrysler merger and substantiate your answer (4 marks). (14 marks)

[35 marks]

ANNEXURE D: COMPULSORY ASSIGNMENT 02 FOR 2019 – SEMESTER 1

DUE DATE: 5 April 2019, UNIQUE NUMBER: 819853

IMPORTANT:

The questions in this assignment are based on the information provided on Eastman Kodak and Fujifilm. In your answers to the questions in this assignment, you need to write FULL AND MEANINGFUL SENTENCES (not merely a list of concepts). You will also be required to show insight in the application of strategy implementation and control theory to the given information in the case study.

Kodak is at death's door; Fujifilm, its old rival, is thriving. Why?

The Eastman Kodak Company (referred to simply as Kodak) is an American technology company founded in 1888 when it was known for its pioneering technology and innovative marketing. "You press the button, we do the rest," was its slogan in 1988. By 1976 Kodak accounted for 90% of film and 85% of camera sales in America. Until the 1990s it was regularly rated as one of the world's five most valuable brands. The company's ubiquity was such that its "Kodak moment" tagline entered the common lexicon to describe a personal event that was demanded to be recorded for posterity. The company built one of the world's first digital cameras in 1975.

Then came digital photography to replaced film, and smartphones replace cameras. Kodak's revenues peaked at nearly US$16 billion in 1996, and its profits at US$2.5 billion in 1999. Then Kodak's financial struggle began as a result of the decline in sales of photographic film and its inability to adapt to a world in which digital photography had become pervasive and available in just about every cellular telephone.

Fujifilm Holdings Corporation, better known as Fujifilm, is a Japanese company and one of Kodak's competitors. Fujifilm is very similar to Kodak in many aspects, but has been faring much better in the age of pervasive digital photography. Both companies have seen their traditional business being rendered obsolete and both companies have been aware of the advent of digital photography. Whereas Kodak has been unable to adapt to this new environment, Fujifilm has successfully weathered the storm and is still today a profitable and sustainable company. Observers point to a number of key differences that led to Fujifilm adapting more successfully to its changing environment than Kodak.

The first difference can be found in corporate culture. Kodak had a culture of complacency, ironically cultivated by its massive success and near monopoly in instant film photography in the USA. Despite its strengths – hefty investment in research a rigorous approach to manufacturing and good relations with its local community – Kodak has become a complacent monopolist. Fujifilm was also aware of the threat of digital photography surging towards it like a tsunami by the 1980s, but in response, it developed a three-pronged strategy. First, Fujifilm squeezed as much money out of the film business for as long as possible. Second, Fuji prepared for the switch to digital photography. Lastly, Fuji diversified into new lines of business.

The second difference between Kodak and Fuji, can be found in the inconsistency in the Kodak leadership, which meant that Kodak's strategies changed with every new CEO. As a result, the company was never

able to diversify successfully. For example, George Fisher, CEO from 1993 until 1999, focused on Kodak's expertise in digital imaging rather than in chemicals, and mass-produced digital cameras until camera phones destroyed that business. The latest CEO, Antonio Perez, who took charge in 2005, insisted that digital printing would save Kodak. At Fuji, technological change sparked an internal power struggle. At first, participants in the consumer film business, who refused to see the looming crises, prevailed. But the eventual winner was Shigetaka Komori, who chided them as "lazy" and "irresponsible" for not preparing better for the digital onslaught. Named boss incrementally between 2000 and 2003, he set about overhauling the company. He spend around US$9 billion on 40 companies since 2000. He slashed costs and jobs. In one 19-month period, he booked more than ¥250 billion in restructuring costs for depreciation and to shed superfluous distributors, development labs, managers and researchers. "It was a painful experience, " says Mr Komori. "But to see the situation as it was, nobody could survive. So we had to reconstruct the business model".

The third difference between the Kodak and Fujifilm companies can be found in its ability to compete in a changing market environment. Kodak executives were not used to competing in a high-technology world in which speed-to-market is critical to success. Hence, they were more committed to making perfect products than to getting products into the market as quickly as possible and fixing the shortcomings in later models. Even when Kodak decided to diversify, it took years to make its first acquisition. It created a widely admired venture-capital arm, but never made big enough bets to create breakthroughs. By contrast, rather than simply trying to convert its film camera business to a digital camera business, Fujifilm tapped its chemical expertise for other uses. Film is a bit like skin – both contain collagen. Just as photos fade because of oxidation, cosmetic firms would like you to think that skin is preserved with anti-oxidants. In Fuji's library of 200 000 chemical compounds, 4 000 are related to anti-oxidants. Therefore the company launched a line of cosmetics which is sold in Asia and Europe. Fuji also successfully branched out into other pharmaceuticals, liquid-crystal display (LCD) panels for television sets and other electronic devices. Today, Fujifilm makes only 1% of its revenue from photographic film.

The fourth difference between the companies can be found in its ability to identify target markets for the future. While many high technology companies were achieving great success in emerging markets, Kodak's failure to read the emerging markets correctly cost the company dearly. Emerging markets generally switched early on from analogue to digital, many emerging markets leapfrogging from having no cameras straight to using digital on the back of the rapid adoption of cellular telephone technology.

Whereas Fujifilm has mastered new tactics and survived, Kodak, like so many great companies before it, seems to have run its course and is on the brink of simply fading away.

Source: Available online: http://www.economist.com/node/21542796 [Accessed 25 November 2017].

Question 1

Organisational learning is imperative for the success and sustainability of organisations.

Question 1.1

Define the term *absorptive capacity.* (2 marks)

Question 1.2

Identify and explain the four dimensions of absorptive capacity and then compare and contrast both companies on each dimension. (16 marks)

Question 2

All organisations have to change in order to survive over the long term.

Question 2.1

Define the term *strategic change*. (2 marks)

Question 2.2

Explain the change process of Kurt Lewin and compare the execution of each step of the process by Kodak and Fujifilm. (9 marks)

Question 3

Organisational success is largely dependent on the decisions made by strategic leaders.

Question 3.1

Define the concept *strategic leadership*. (2 marks)

Question 3.2

Critically evaluate the leadership skills of Mr Shigetaka Komori of Fujifilm, according to the seven principles of strategic leadership. Remember to list the seven principles of strategic leadership in your answer. (12 marks)

Question 4

The strategy execution framework advocates a project-driven approach to strategy implementation.

Question 4.1

Explain the concept *project driven approach to strategy implementation*. (2 marks)

Question 4.2

A project typically has five stages. Apply these stages to one project (any project from the various projects described) evident from Fujifilm in the case. (5 marks)

ANNEXURE E: COMPULSORY ASSIGNMENT 02 FOR 2019 – SEMESTER 2

DUE DATE: 20 September 2019, UNIQUE NUMBER: 789504

IMPORTANT:

The questions in this assignment are based on the information provided on Nedbank and the strategic leadership of Tom Boardman. In your answers to the questions in this assignment, you need to write FULL AND MEANINGFUL SENTENCES (not merely a list of concepts). You will also be required to show insight in the application of strategy implementation and control theory to the given information in the case study.

Nedbank: The strategic leadership of Tom Boardman, 2004 to 2009

Nedbank's history traces back to the early 19th century with the establishment of the Cape of Good Hope Bank in 1831. Following successive branding and structural changes, from The Nederlandsche Bank voor Zuid-Africa to the Netherlands Bank of South Africa, to Nedcor Group in the 1980s, the Nedbank Group was formed in 2003. Today the bank has strategic alliances across the globe, they are proud of their reputation as one of the most transformed banks in South Africa.

The history of the bank has various highlights. For example, in 1964, it became the first bank to introduce computerised banking services and in 1983, it became the first bank in South Africa to pay interest on current accounts. In addition, the bank underwent various mergers, acquisitions, name changes, listings and delistings on the stock exchange, and launched various corporate social responsibility initiatives such as the World Wide Fund for Nature, which launched the Green Trust.

Nedbank regards 2004 as a watershed year for the group as both structural and strategic changes were implemented to restore its performance and lay the foundation for sustainable growth into the future. In this year, Nedbank was faced with considerable challenges and a highly uncertain future. In the previous year, the Nedcor Group was formed, combining Nedcor, BoE, Nedcor Investment Bank and Cape of Good Hope Bank. In 2004, the bank was losing market share, headline earnings[1] were down 98 per cent with a return on equity[2] of only 0, 4 per cent. Nedbank was considered the lowest of the top banks in South Africa, who were all on an upwards trajectory compared to Nedbank's decline. Nedbank's reputation was at an all-time low. During this time, Tom Boardman was appointed as CEO and has been tasked with the rebuilding of Nedbank. On the day of the announcement of his appointment, the Bank's stock prices drop by 6 per cent. However, the new CEO had a plan which entailed a complete overhaul of the way the company did business, including corporate culture and leadership. Mr Boardman formulated the following goals:

- Regain market share in key retail product areas and penetrate the mass market

[1] Headline earnings are a measurement of Nedbank's earnings based solely on operational and capital investment activities. Headline earnings specifically exclude any income related to staff reductions, the sale of assets or accounting write-downs.

[2] Return on equity (ROE) measures Nedbank's profitability. It calculates how many Rands the bank generates with each Rand of shareholder's equity.

- Retain leading positions in key wholesale market segments and grow the business banking franchise
- Reposition and stretch the Nedbank brand for broader market appeal
- Become a bank for all South Africans
- Become the best place to work for in the financial services sector

The core business strategy of the bank informed a redefinition of its brand and the supporting marketing initiatives, anchored in the restated vision "[t]o become Southern Africa's most highly rated and respected bank … by our staff, clients, shareholders, regulators and communities However, in order to be successful, Tom Boardman and Nedbank understood that, in order to realise the vision, the bank needs to change, undergo a learning process. In addition, they also realised that this new vision needed to be supported by a strong strategy and a uniting set of values. "In order to create a 'High Performing Culture' it was critical these values were adopted, accepted and lived by all employees, and be seen to exist with top leadership". The emergence of a vision-led, values-driven organisation was encapsulated in what is referred to at Nedbank as the "Dagwood" - an overall one-page strategic summary of the issues important to the rebuilding of Nedbank.

Tom Boardman launched Strategy, Values and Brand workshops with senior leadership to establish the direction and core values of the organisation. Four of the core values were established during this process, and were aligned with their parent company's values. These four values are accountability, respect, integrity and pushing beyond boundaries. For the final value, Nedbank's employees were encouraged to offer their input. The value cohesively chosen was "people-centred" which reflected Nedbank's efforts to become more client driven and employee focused. The "Journey Back to the Top" was a three-year planning process, which sought to address the immediate issues facing Nedbank, while establishing measures to track the effectiveness of their initiatives. Priorities included breaking down silos within the organisation through restructuring departments and the executive team, fostering transparency by promoting two-way communication between leadership and staff, and developing a fair and equitable environment, which went beyond the laws required in
South Africa.

Using regular Cultural Values Assessments, Nedbank is able to gauge the effectiveness of their various initiatives. They use the assessment, in conjunction with an additional employee satisfaction survey, to listen to their employees. This helps to point the organisation in the right direction and understand what shifts in priorities might be needed to improve performance.

The outcomes of Nedbank's turnaround strategy were remarkable. Since 2005, Nedbank have measured their culture every year. They include the result from their annual Cultural Values
Assessment as part of their corporate scorecard. The regular assessments of their culture have allowed Nedbank to measure and monitor the evolution of their organisation. Each year since the survey has been offered to employees, the participation rate has increased – from 20% in the first year to 69% in 2010. The entropy score[3] has fallen from 25% in 2005 to 13% in 2009, where it remained in 2010 despite the continued uncertainty in the financial market place. The value matches from the Current to Desired Culture has risen from three to six. The Nedbank Staff Survey shows an overall improvement of 26% during this time. In 2010, Nedbank achieved an additional milestone when they reached their long sought after goal of a top Current Culture value at Level 5.

Changes to the organisation were not just felt internally. Hard measures were also impacted, as Nedbank realised their targets of 20 per cent return on equity and 55 percent cost-to-income ratio. They also had the highest shareholder return of all the "Big Five" South African banks in 2009.

[3] Entropy is a universal property of systems and refers to their tendency to run down and die. A primary objective of management, from a systems perspective, is to avoid entropy and to strive for synergy. Synergy reinforces the need to work together in a cooperative fashion.

Clearly, Nedbank has made great strides from 2004 when it comes to their culture. Their success can be attributed, at least in some part, to their focus on building a strong foundation of values within the organisation. However, Nedbank continues to face challenges. Market conditions within the financial industry are still marked by instability and on-going uncertainty. In 2010, Nedbank had a change in leadership with the appointment of Michael W T Brown as new CEO, following the retirement of Tom Boardman. Mr Brown's was appointed as Chief Financial Officer of the bank in 2004. He was previously an executive director of BoE Limited and, after the merger between Nedbank Limited, BoE Limited, Nedbank Investment Bank Limited and Cape of Good Hope Bank Limited. In 2003, he was appointed as Head: Commercial Property Finance at Nedbank Limited, and was part of succession planning done by Mr Boardman. The bank continue to emphasise their culture by tying their results to their scorecard just as they would do with financial measures and recognising its importance as their competitive advantage.

Sources: Adapted from:

(i) https://www.nedbank.co.za/content/nedbank/desktop/gt/en/aboutus/about-nedbank-group/who-we-are/Our-history.html; [Accessed 20 April 2018]

(ii) https://www.valuescentre.com/sites/default/files/uploads/2011-07-29/Barrett%20Nedbank%20Case%20Study%20final.pdf [Accessed 20 April 2018]

Question 1

Strategic management is a complex and dynamic discipline. However, the process perspective of strategic management provides us with a valuable starting point in understanding strategy-as-practice.

Question 1.1

Explain the process perspective of strategic management. In your answer, you need to identify and briefly explain the stages of the process perspective. (3 marks)

Question 1.2

Apply each of the stages in the process perspective of strategic management, to the Nedbank case study. In your answer, you need to list each stage and provide evidence from the application of the stage at Nedbank. (6 marks)

Question 2

Various studies have been undertaken to gain a better understanding of the skills required to be a strategic leader and how these skills can be mastered in a way that allows strategic leaders to think strategically and navigate the unknown effectively. Their findings have been captured in six principles of strategic leadership.

Question 2.1

Explain the six principles of strategic leadership. In your answer, you need to identify each principle and provide a brief explanation thereof. (6 marks)

Question 2.2

Critically evaluate the strategic leadership of Mr Tom Boardman and his senior management team against the six principles of strategic leadership explained in the previous question. (6 marks)

Question 3

'Strategy is not about conducting business as usual – it is about managing change.'

Question 3.1

Explain the various types of **strategic change** that may occur in organisations. In your answer, you need to identify each type of strategic change and provide the correct explanation thereof. (4 marks)

Question 3.2

Identify the type of strategic change evident at Nedbank for the period 2003 to 2009. Substantiate your answer. (2 marks)

Question 4

'Organisations cannot change unless they are able to learn and adapt'.

Question 4.1

Explain the various mechanisms which, when used in combination, can assist an organisation to become a learning organisation. In your answer, you need to provide a brief explanation of each mechanism. (11 marks)

Question 4.2

Critically evaluate Nedbank's implementation of the mechanisms explained in the previous question. (6 marks)

Question 5

'Strategic control is necessary in any organisation to ensure that the organisational resources are deployed in such a way that it attains its overall objectives.'

Critically evaluate the application of the strategic control process in Nedbank for the period 2003 to 2009. In your answer, you need to identify each step of the strategic control process first. Second, you need to evaluate Nedbank's application of each step of the process. (6 marks)