



REGENT Business School

Master of Business Administration

Year 1

(Trimester 2 and 3)

January 2016

Academic and Assessment Calendar

CONTENTS	PAGE
1. MESSAGE FROM THE PROGRAMME COORDINATOR	2
2. PURPOSE OF ACADEMIC AND ASSESSMENT CALENDAR	3
3. CONTACT INFORMATION	3
4. STUDENT SUPPORT SERVICES	4
5. PROGRAMME STRUCTURE	5
6. WORKSHOPS	5
7. PROGRAMME ASSESSMENT	7
8. ASSIGNMENT SUBMISSION GUIDELINES	8
9. PRESCRIBED/RECOMMENDED READINGS	9
10. ASSIGNMENT SCHEDULE	10
11. EXAMINATIONS	59
APPENDIX A: ASSIGNMENT COVER SHEET	62

1. MESSAGE FROM THE PROGRAMME COORDINATOR

Dear Student

I am delighted to welcome you to REGENT Business School (RBS). It gives me great pleasure in addressing you as the Programme Coordinator for the Master of Business Administration. We are very excited that you have joined our team and we hope that your studies bring you much enjoyment, enthusiasm and most importantly a fruitful academic learning experience.

The Master of Business Administration Degree (MBA) is the world's best known and most widely recognised management education qualification being viewed as a prerequisite to most top management positions. It provides the most comprehensive mix of modules in the field of management. Accounting and Finance, Strategic Marketing and Managerial Economics are three of the several modules that will be encountered over this twenty month Degree. The MBA also comprises a research and dissertation component.

We are pleased that you are registered, and on behalf of REGENT Business School, the Management, Staff and we wish you the very best throughout your studies. We look forward to getting to know you better in the months ahead. We wish you much success as you fulfill your academic goals and as you learn more about yourself and your place in the world.

Best wishes

Osman Seedat

MBA Programme Coordinator

2. PURPOSE OF ACADEMIC AND ASSESSMENT CALENDAR

The objective of the academic and assessment calendar is to clearly define the rollout for the academic year ahead, and assist the student in grasping the assessment terminology and requirements. Students will find the programme structure inclusive of the module outlines, timeframes and other important deliverables.

The calendar contains all the formative assessments that need to be completed and submitted, together with the summative assessment dates.

The assessment and academic calendar is a supplementary booklet, and it is imperative that it be referenced in conjunction to the General Handbook for the academic year.

3. CONTACT INFORMATION

3.1 RBS OFFICES

REGENT Business School offers its academic programme via the distance learning mode of delivery. All administration of academic programmes are conducted out of REGENT Business School Head office in Durban. The Johannesburg office provides administrative support services and helps facilitate communication between the Head Office and students.

The contact details of the offices are as follows:

Durban	Johannesburg
Physical Address: 35 Samora Machel (Aliwal) Street Durban, 4001, South Africa	Physical Address: 2 nd Floor Sunnyside Centre, 13 Frost Avenue, Sunnyside, Auckland Park, Johannesburg, 2092
Postal Address: PO Box 10686 Marine Parade, 4056, South Africa	Postal Address: PO Box 291353 Melville Johannesburg, 2109, South Africa
Telephone: +27 31 3044626 or +27 31 826 7300	Telephone: +27 11 4821404
Fax: +27 31 3047303	Fax: +27 11 4825299
WEBSITE: http://www.regent.ac.za Email: studentsupport@regent.ac.za	

4. STUDENT SUPPORT SERVICES : STUDENT INFORMATION DESK (SID)

Student centric education is one of the major policy objectives of REGENT Business School. In pursuance of this policy, the institution established a dedicated office to deal with student enquiries called the **Student Information Desk (SID)**. SID is manned by a team which is committed to the principle of excellence in service delivery.

Perhaps, more importantly, SID gives intrinsic meaning and credence to the institution's motto – *“Taking The Distance Out Of Distance Learning”*. The team at SID ensures that the many challenges and problems experienced by learners at a distance are dealt with efficiently.

Furthermore, in an effort to coordinate all student queries and ensure timeous and appropriate feedback; a specially designed system has been developed with the following focus:

- Formalise all queries and generate reference numbers for future communication.
- To coordinate communication between students and different divisions of the Business School.
- To follow-up on each query and bring it to a closure.
- To identify student challenges and strategise support with a view to mitigating challenges.

The consultants of the Student Information Desk (SID) will be able to provide you with information that you require.

Once again on behalf of the management and support team, REGENT Business School would like to confirm its commitment to students to ensure that you have a rewarding and fulfilling study experience.

We wish you everything of the best with your studies. Please feel free to contact the support staff of RBS.

We are committed towards your success.

studentsupport@regent.ac.za

5. PROGRAMME STRUCTURE

The MBA **trimester two** modules are structured as follows:

- Global Political Economy
- Governance and Sustainability
- Leadership and Human Capital Development

The MBA **trimester three** modules are structured as follows:

- Accounting and Finance
- Operations and Supply Chain Management
- Information and Knowledge Management

6. WORKSHOPS

RBS will conduct workshop sessions for each module in each trimester; however the workshops are held in regions where there are viable student numbers per module. The workshops are held on weekends. Whilst it is not compulsory to attend these workshops, all students are encouraged to attend the workshops at the nearest available workshop venue. In addition to obtaining additional insight regarding the modules, students have the opportunity of meeting and interacting with other students and academics.

6.1 WORKSHOP VENUES

COUNTRY	CITY	VENUE
South Africa	Durban	REGENT Business School 35 Samora Machel (Aliwal) Street, Durban
South Africa	Johannesburg	University of Witwatersrand 27 St Andrews Road Parktown Johannesburg
Swaziland	Matsapha	Lot 132 City Centre, Manzini, Swaziland Mbabha Street Commercial Area, Manzini – Near Swaziland Milling
Namibia	Ongwediva	University of Namibia Oshakati Campus Eliander Mwatale Street Oshakati Namibia
Namibia	Windhoek	Dr Augustino Netto Drive Unit 3 Ausspahn Plaza Office Park Ground Floor Windhoek
South Africa	East London	90 Vincent Road Next to Green Dot Media East London

- Workshops will be **held** at the venues above **depending on student numbers**.
 - In addition, workshops could be held at venues not mentioned above depending on student numbers
 - Workshop programmes may be adjusted on the day of the workshop.
- Students should carry all study material to each workshop.**

6.2 WORKSHOP STRUCTURE

Workshops will be conducted for the following modules for trimester one:

TRIMESTER TWO	WORKSHOP START DATE & TIME
<ul style="list-style-type: none"> Global Political Economy Governance and Sustainability Leadership and Human Capital Development 	04 June 2016 Start time : 08h00
TRIMESTER THREE	
<ul style="list-style-type: none"> Accounting and Finance Operations and Supply Chain Management Information and Knowledge Management 	08 October 2016 Start time : 08h00

7. PROGRAMME ASSESSMENT

- Each student is required to **submit one assignment (formative)** and **write one formal examination (summative)** for each module. Both assessments are compulsory.
- The final mark is computed as a weighted average of 50% from the formative component and 50% of the summative component.
- A student is required to obtain a final mark of at least 50% and a sub-minimum of at least 40% for both formative and summative component to pass a module.
- Refer to the General Handbook section, for details pertaining to Regent Business School's Assessment Policy***

8. ASSIGNMENTS

8.1 ASSIGNMENT SUBMISSION GUIDELINES

The submission of assignments is compulsory. Students who do not submit an assignment for a module may be refused entry to the examination in that module. There is normally one assignment per module. The dates indicated in the assignment submission schedule are the **final due** dates. Students will be penalised if they submit assignments after the final submission date. **Hand written** assignments will not be accepted.

Ensure that an assignment cover is attached to your assignment before submitting. Please print your own assignment cover page. Assignments that do not have an assignment cover page will not be processed for assessment. A sample copy is attached at the back of this academic and assessments calendar.

8.2 Submission of assignments via e-mail

- Assignments should be submitted to the myRegent email address.
- Assignments must be submitted by e-mail to **mbasupport@regent.ac.za**
- The assignments must be submitted as a single **PDF** file.
- You will receive confirmation of receipt of an assignment **only after it has been downloaded and printed.**
- Should you **not receive a response within a week** of sending/emailing an assignment, you must contact the assessments department.
- ***Refer to the General Handbook, for further details on guidelines for submission of assignments***

9. PRESCRIBED/RECOMMENDED READINGS

All prescribed textbooks may be purchased from Shesha Books or any other accredited bookseller. You can contact Shesha Books on +27 31 3322702 or email sales@sheshabooks.co.za for further details.

Based on the publication of new editions as well as ongoing curriculum review and development, the prescribed/recommended list of textbooks are subject to review and/or change on a regular basis. The latest edition of each book should be used.

MODULE	PRESCRIBED BOOKS (P) and RECOMMENDED READINGS (R)
Global Political Economy	Ravenhill, J. Global Political Economy 4 th edition. (P)
Governance and Sustainability	Wixley, T. and Everingham, G. (2010) Corporate Governance. Third edition. Siberlnk (P)
Leadership and Human Capital Development	Nel and Werner (2014). Human Resource Management. 9th Edition. South Africa, Oxford University Press. (P)
Accounting and Finance	Fundamentals of Corporate Finance 5th South African Edition (2012) by Firer, C.; Ross, S.; Westerfield, R.W. and Jordan, B.D. - McGraw-Hill. (P) Accounting for Non-Accounting Students - 8th Edition (2010) by Dyson, J.R. - Prentice Hall. (R)
Operations and Supply Chain Management	Heizer,J. and Render,B. (2016). Operations Management .(11th Edition). New Jersey: Prentice Hall. (P) Schroeder,G. (2011). Operations Management. (Contemporary Concepts and Cases. USA: McGraw Hill. (R) Stevenson J. (2011). Production Operations Management. International Edition. USA: McGraw Hill (R)
Information and Knowledge Management	Laudon K.C. and Laudon J.P. (2016) Management Information Systems Managing the Digital Firm. 14th Edition. Boston: Pearson. (P) Marakas, G.M. and O'Brien, J.A. (2013). Introduction to Information systems. 16th Edition. New York: McGraw-Hill. (R)

10. ASSIGNMENT SCHEDULE

MODULE	ASSIGNMENT SUBMISSION DATE
TRIMESTER TWO	
Leadership and Human Capital Development	27 June 2016
Governance and Sustainability	06 July 2016
Global Political Economy	13 July 2016
TRIMESTER THREE	
Information and Knowledge Management	26 October 2016
Operations and Supply Chain Management	03 November 2016
Accounting and Finance	10 November 2016

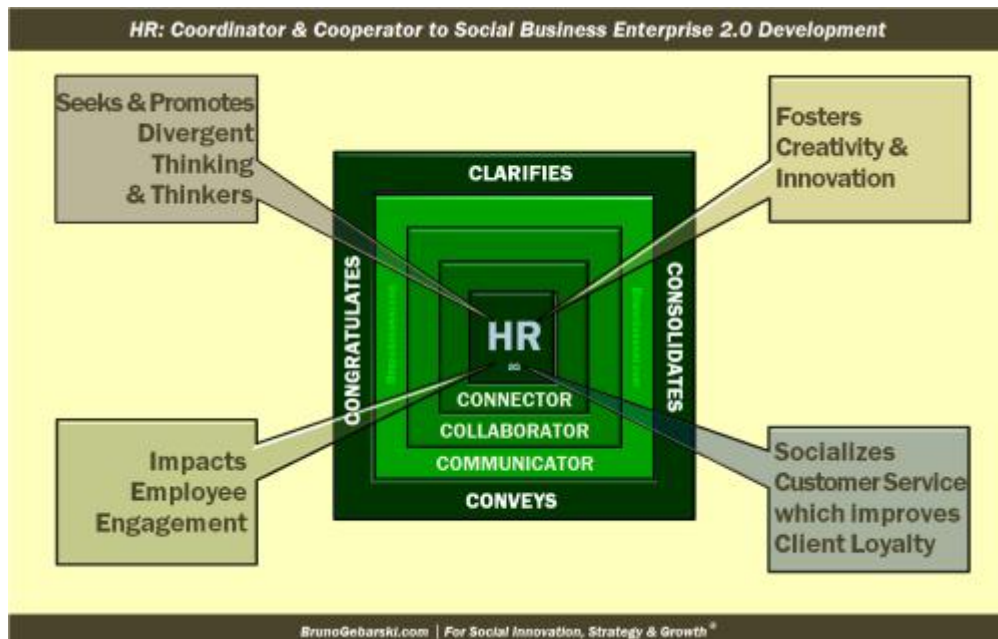
10.1 ASSIGNMENT QUESTIONS: TRIMESTER TWO (JUNE - AUGUST 2016)

10.1.1 LEADERSHIP AND HUMAN CAPITAL DEVELOPMENT

[100 marks]

QUESTION ONE

[10]



With reference to the above diagram, discuss the 7Cs approach to the role of HR in an organisation.

QUESTION TWO

[40]

Read the following and answer the questions that follow

Managing a global workforce

As companies stake their growth strategies on global expansion and pursuit of new markets, their ability to forge a human capital strategy and HR capability that is both globally consistent and locally relevant will be critical to success.

In late 2009, consumer goods giant Unilever—a \$61 billion company—announced a challenging goal: to double the size of its business.

Unilever's strategy depends on expanding its presence in global markets, especially in emerging economies. Executives were aware that growth on that scale would require waves of new hiring across those markets. To deliver high levels of performance cost effectively, Unilever is looking to manage these employees in ways that are aligned with a global approach to employee services, while also complying with different statutory requirements and respecting local differences in how people are motivated, developed and paid.

On the other side of the world, Huawei Technologies Co.—a \$28 billion Chinese networking and telecommunications equipment supplier—is extending its global reach. As it increases its presence around the world, it is looking to create a talent infrastructure attuned to different markets while building a global culture of shared values and a human resources capability that can support the company's business operations worldwide.

Tracking the routes to corporate globalisation these days is like watching the contrails of jet planes: They come from anywhere and go everywhere. Yet whatever direction a global expansion takes, companies face common challenges, all related to how their people—who ultimately execute business strategy, innovate and serve customers—are sourced, developed and managed.

As executives now understand, cultural differences really do matter. Labour laws vary in what sometimes seem to be irreconcilable ways; attitudes and policies toward workers that are common and accepted in one nation are not necessarily appropriate in another; and leadership

styles that are successful at the home office—whether in São Paulo or New York or London or Beijing—may only undermine the operation of those parts of the organisation that are an ocean away.

As companies in almost every industry stake a large portion of their growth plans on global expansion, the precision and consistency with which they approach talent management capabilities, HR policies and leadership development must increase. Attracting and retaining skilled workers, stabilising the labour force in a new market, increasing productivity, structuring an organisation so that credible and competent leadership is placed in the right locations, fashioning a culture that is consistent but also accommodates local differences—these are now the activities and competencies that are critical to success.

One of the most profound but also subtle issues companies face as they expand—from West to East and vice versa—is adopting a genuinely neutral global perspective, without presumptions about whose role is dominant.

From a governance perspective, globalisation strategies usually follow a predictable course. As companies expand beyond their original markets, they first move from a structure with a dominant global headquarters to one that replicates essential functions—marketing, sales, distribution, manufacturing and so on—within each country of operations.

Yet such a regional or national focus often results in fragmentation and operational redundancy. By giving each region the ability to pay, reward and develop people differently, HR processes and functions themselves can end up compromising the global strategy rather than enabling it. In a local market, for example, regional or national policies can undermine a company's reputation as a good place to work.

So in the current globalisation phase, most multinational executives are turning to a management structure that combines the benefits of globally consistent policies on the one hand and local relevance on the other.

In other words, they have an HR approach that is both super global and super local.

When value is driven by consistency and standardized operations (HR transactions, for example, or training that provides a functional workforce with common skills), a company needs global policies, services and technology platforms. But when value is driven by the

needs and variations of specific markets—sourcing talent, motivating, rewarding—a company needs to be intensely local in its focus.

Ultimately, the goal is to create an HR capability that moves as fast as, or faster than, the business so that the structures needed to get the right people in the right places to seize local market opportunities anywhere in the world don't constrain the business.

For a company to execute globally, its governance structures must allow more decisions to be made locally in areas into which it is expanding. The company must create processes and ways of working that encourage innovation at the local level; this is especially critical in industries for which understanding consumer tastes and preferences within a distinct market is important.

Equally important, leaders must be drawn not only from where the company has historically done business but also from areas where there is significant market potential. Processes and governance structures should be redesigned to put more decision making into the hands of managers in those new markets.

Diversity of Board makeup is also important. The board of directors at MasterCard, for example, includes executives from the United Kingdom, India, the United States, Mexico, Belgium and Hong Kong. Philip Morris International Management's board includes members not only from the United States and Europe but also from Mexico and China. These leadership structures reflect a company's global character and market intentions rather than its more parochial origins.

Leadership development is also critical; the next generation of executives needs to be exposed to other cultures and receive training in global management.

In some cases, this kind of global experience and exposure translates into long-term overseas assignments for personnel. But other creative approaches can be effective as well.

Technologies and information systems also play a key role in the super global aspect of the dual imperative. Across the board, executives we've spoken with—whether from emerging or developed markets—are pursuing common, global systems for HR information and processing as a means to achieve the kind of consistency that overcomes regional limitations. Such work, which often also involves establishing shared services centers for the HR function, must also

be accompanied by the redesign of HR processes to achieve both consistency and local relevance.

Shell, for example, implemented a single IT system for HR—called Shell People—that executives credited as a key reason the company was able to move forward successfully with a global business strategy less constrained by governance and policies focused at local or national levels.

The redesign of systems and processes at Shell to enable a global, consistent platform also changed the way management thinks about which talent-related competencies were core and strategic, and which were not. For such non-core tasks as payroll processing and benefits management, the goals of efficiency and productivity are better handled through a shared services or outsourcing approach. By streamlining its processes and consolidating systems, HR can then assume a more strategic role, less encumbered by day-to-day transactional requirements.

Source: (Modified) <https://www.accenture.com>

- 2.1 Elaborate on the phrase “**Super Global, Super Local**” by focusing on HR strategies that align with business strategies in achieving competitive advantage. (15)
- 2.2 Describe workforce planning and assess its value to the workplace as companies globalise. (15)
- 2.3 Discuss the role of technology in managing HR functions in a global organisation. (10)

QUESTION THREE

[30]

Read the case study and answer the questions that follow:

Yahoo's Forced Ranking Raises Legal Questions

Forced ranking—which requires managers to rate each worker's performance using a number that compares him or her with peers—is sometimes used to provide a nondiscriminatory reason for layoffs. But the practice is subject to abuse and often results in claims of discrimination, as shown by a lawsuit filed Feb. 1 against search engine and tech company Yahoo.

“A forced ranking system should not be used simply as a means of reducing head count,” said James McDonald Jr., an attorney with Fisher & Phillips in Irvine, Calif. “There are more strategic methods that are less likely to trigger lawsuits, such as eliminating an unprofitable location or a redundant department.”

In his lawsuit against Yahoo, Gregory Anderson, editorial director of Yahoo's Autos, Homes, Shopping, Small Business and Travel sections, alleged that Yahoo used forced ranking as part of its performance rating system to discriminate against men in Yahoo's media division. He also claimed that Yahoo violated the California and federal Worker Adjustment and Retraining Notification (WARN) acts.

As forced ranking became criticised in the press, Marissa Mayer, the president and CEO of Yahoo, on Dec. 21, 2012, and Nov. 7, 2013, publicly denied that the company's rating system resembled forced ranking, Anderson asserted in his complaint. She focused on how the company's performance management system relies on the five categories that employees fit in—anywhere from “greatly exceeds” to “misses” expectations.

Jon Parsons, a lawyer in Palo Alto, California., who represents Anderson, told that the ranking system was “a tool of terror. Nobody had to explain why they were letting you go.” It also was subject to manipulation for discriminatory reasons, he emphasised.

Quarterly Performance Review

Anderson was fired while on personal leave in 2014 for the prestigious Knight-Wallace Journalism Fellowship at the University of Michigan. During the fellowship, Anderson was working on a documentary for Yahoo Autos about the toxic effects of leaded gas on children.

At the time he was discharged, he was told he was ranked among the lowest 5 percent of Yahoo's employees—all of whom were being terminated at substantially the same time. Yahoo terminated approximately 600 employees then, based on its quarterly performance review procedure.

The quarterly performance review procedure closely resembles a forced ranking or stack ranking. But stack ranking has been abandoned by other companies due to class-action discrimination lawsuits, and the companies that still use it conduct the ranking annually and provide more employee feedback, according to Anderson's complaint.

Under Yahoo's performance ratings process, the manager who directly supervised an employee allegedly assigned that worker a rating from 0 to 5. The ratings were called buckets and were labelled "greatly exceeds," "exceeds," "achieves," "occasionally misses" and "misses."

Each quarter, a specified percentage of each department's employees would be assigned to each bucket. Then there was calibration, where higher-level management modified the employee scores up or down. Those at the bottom of the ratings were terminated, but the cut-off point for termination varied from quarter to quarter, Anderson claimed. The percentages assigned to each of the five buckets allegedly changed from quarter to quarter companywide, and different departments would be assigned different percentages.

At one point, two "occasionally misses" quarterly designations within a one-year period would result in termination. For some quarters, the scores were averaged over a period of several quarters and the bottom 5 percent were terminated. In other quarters, the metric used to identify bottom performers was altered solely to reach a head count reduction goal, Anderson alleged. Manipulation of the ratings system permitted employment decisions, including terminations, to be made on the basis of stereotyping, he claimed.

Anderson also claimed that it was Yahoo's policy and practice that employees on approved leave were not subject to its ratings process for the quarters they were absent.

Anderson asserted that between January 2012 and July 2015, Yahoo unlawfully reduced its workforce by 31 percent to less than 11,000 employees without declaring a reduction in force under the California or federal WARN acts. The federal WARN Act requires employers to provide notification 60 calendar days in advance of plant closings and mass layoffs and pay employees for the 60 days. A covered mass layoff occurs when a layoff of six months or longer affects either 500 or more workers or at least 33 percent of the employer's workforce when the layoff affects between 50 and 499 workers. The California WARN Act applies to layoffs of 50 or more employees within a 30-day period regardless of the percentage of workforce.

Yahoo paid employees 60 days of severance, which Parsons said did not comply with the WARN Act **Worker Adjustment and Retraining Notification Act**. Either the 60 days payment counted as WARN Act payment or it was payment for a release of claims—not both, he explained.

Parsons also said 60 days of notice should have been provided in accordance with the laws to help give employees the opportunity to find another job while they still were employed.

Gender Discrimination

Anderson also sued for intentional discrimination based on gender under state and federal law, citing a colleague's remark that Yahoo was looking to fill his old position with a woman. Yahoo eventually did hire a woman to replace Anderson.

He also said the calibration process was full of personal bias, pointing to a vice president's alleged comment during calibration that one individual should be rated lower because "He just annoys me. I don't want to be around him."

In addition, Anderson noted that when the female vice president of editorial began working at Yahoo, less than 20 percent of the top managers in the media division were female. Three years later, more than 80 percent of the top managers were female. And of the approximately 16 senior-level editorial employees hired or promoted by her in an 18-month period, 14 of them were women.

Women with the same rating as men were treated better than their male counterparts, he further alleged. One woman who received the same "occasionally misses" score as a male

colleague wasn't fired. He was, and she took his job. She was allowed to appeal her rating, but he was not, Anderson alleged.

There has to be a "good explanation of that," Parsons said. He said that Anderson "is not some angry white guy lashing out. [Anderson believes] for generations, women were discriminated against in positions of management." However, Parsons added, laws can't be broken today to remedy past discrimination. "No discrimination is acceptable," Parsons said.

"The most effective way to prevent discrimination is to tie the rankings to objective evaluation criteria," McDonald observed. "This becomes more difficult the higher the employee rises in the company in most cases, as supervisory evaluation of management- and executive-level employees almost always carries a subjective element."

McDonald added, "Another way to prevent discrimination is for HR to monitor the results of the rankings to ensure they do not have a disparate impact on any protected classification and if they do, to determine whether the rankings were legitimate. An organisation's using a forced ranking system primarily to reduce the number of male employees would be apparent from such a review."

When asked what Yahoo might have done differently, Parsons said it should have stopped its acquisitions, announced a reduction in force and respected its obligations under the WARN acts.

Yahoo did not respond to a request for comment. The company announced on Feb. 2 that it would explore "strategic alternatives" as part of a restructuring that will eliminate roughly 15 percent of its workforce. source: (<https://www.shrm.org/>)

- 3.1 Critically analyse the performance management process followed by Yahoo as outlined in the case. (10)
- 3.2 Discuss the role of modern performance management methods in managing employee performance. (10)
- 3.3 Identify diversity management issues faced by Yahoo and suggest ways to mitigate them. (10)

QUESTION FOUR

[20]

- 4.1 Contrast charismatic and transformational leadership styles and discuss the relative applicability of these leadership styles in multinational enterprises (MNEs). (10)
- 4.2 Critically evaluate emotional intelligence as an essential trait of leader/leadership (10)

END OF LEADERSHIP AND HUMAN CAPITAL DEVELOPMENT ASSIGNMENT

10.1.2 GOVERNANCE AND SUSTAINABILITY

[100 marks]

QUESTION ONE

[50]

Read the case study below and answer the questions that follow:

FIFA Scandal: The Complicated Science of Corruption

The soccer world is abuzz with the allegations that officials at FIFA (*Fédération Internationale de Football Association*) engaged in racketeering, money laundering, and other criminal activities.

Officials at FIFA engaged in a "24-year scheme to enrich themselves through the corruption of international soccer," according to a statement released by the United States Department of Justice on Wednesday (May 27). But while it's tempting to blame such activities on poor morals, research shows that corruption — or abuse of power for private gain — is far more complicated, said Marina Zaloznaya, an assistant professor of sociology at the University of Iowa. Corruption can span large groups — such as organisations or even the populations of entire nations — if the majority of the people within them find bribery and other forms of corruption to be commonplace, Zaloznaya said.

Organisations with widespread corruption typically develop cultures that justify and encourage corruption, often so much that corruption becomes routine and isn't viewed as an offense, Zaloznaya said. "Simply put, in the course of everyday organisational lives, organisational members are more likely to do what others around them consider 'normal' and 'justified' than what they personally practice or believe to be 'normal' outside the organisations," Zaloznaya told Live Science in an email.

It doesn't matter what kind of morals or personality a person has: "Anybody can do it if he or she happen to be influenced by the 'wrong' type of organisational culture," especially one with lax regulations, she said.

Corruption ingredients

There are many facets of an organisation that can lead to corruption, but Zaloznaya focused on three important ones. First, people may perceive that there is a "need" to engage in corruption, she said. "For instance, low salaries or red tape may create a perception that accepting or giving bribes is necessary to make ends meet," or to get things done within the organisation, she said. Second, people tend to engage in corruption if they don't think they'll get caught and punished, or if they think the punishments will be light, she said. Finally, corruption is influenced by an organisation's culture. When corruption becomes institutionalised, and familiar, people are "more likely to partake in illicit exchanges," Zaloznaya said. Christopher Yenkey, an assistant professor of organisations and strategy at The University of Chicago Booth School of Business, said that the allegations indeed make it seem that corruption was accepted in FIFA's culture. Yenkey pointed to the example of Chuck Blazer, a former official with FIFA and Concacaf, a governing group that oversees soccer in the North American, Central American and Caribbean region, who pled guilty in 2013 to charges that he engaged in racketeering, wire fraud, money laundering and income tax evasion, according to The New York Times.

A 2013 Concacaf report found that from 1996 to 2011, Blazer received about \$20.6 million in payments from commissions, fees and rental payments, most of it with little oversight, the Times reported. But when he left CONCACAF and FIFA, Blazer said he was "perfectly satisfied," adding that he did "an excellent job." He gave himself credit for the organisation's "good levels of income," according to the Times.

"It just tells you that this [allegedly] is a normal practice," Yenkey said. Blazer likely saw his millions "as part of his compensation package," Yenkey said. Corruption can grow out of cultures "where this kind of behaviour is considered normal — it's not considered illegal or immoral — and sort of 'everybody's doing it,'" Yenkey said. In the FIFA case, Blazer has become a cooperative witness, and helped the U.S. government learn about the organisation, the Times reported.

Fixing and preventing corruption

Once corruption is entrenched as a common practice, it can be incredibly hard to fix, said Ifeoma Ajunwa, a law professor at the University of the District of Columbia Law School. That's why preventing it is important. "Transparency is key," Ajunwa said in an email. Institutions can try to prevent corruption by "designing the organisation in such a way that all transactions are done out in the open and with adequate oversight." Also, organisations can hold classes that teach business ethics and anti-corruption policies, Ajunwa said.

To stop corruption once it has started, organisations have to change their entire culture, experts said. "A concerted effort to create an environment that discourages corruption and defines it as unacceptable, unfeasible and reprehensible," is what is needed to stop corruption, Zaloznaya said. However, it can take a powerful outside entity, such as the U.S. or Swiss government, to charge corrupt offenders, Yenkey said. In the FIFA case, there didn't appear to be a push from inside the organisation to stop corruption, he said.

1.1 FIFA has become synonymous with corruption. According to Professor Arjunwa, cited in the above article, "Once corruption is entrenched as a common practice, it can be incredibly hard to fix".

With reference to this discuss, using appropriate examples, the elements of corporate culture that can lead to a state where corruption is entrenched. (20)

1.2 From a close reading of the above article, it appears that "prevention is better than cure" when dealing with the 'disease' of corruption. Evaluate and discuss how management structures, styles, and skills play a role in promoting a healthy corporate culture that displays integrity. (30)

QUESTION TWO

[25]

Corporate Governance is concerned with creating a balance between the economic and social goals of a company including such aspects as the efficient use of resources, accountability in the use of its power, and the behaviour of the organisation in its social environment. Good governance offers long term benefits for organisations.

With reference to this, discuss the relationship between governance and sustainability.

QUESTION THREE

[25]

Discuss the different levels of stakeholder analyses and subsequent prioritisation process that one would undertake to identify, map and prioritise stakeholder relationships of an organisation.

END OF GOVERNANCE AND SUSTAINABILITY ASSIGNMENT

10.1.3 GLOBAL POLITICAL ECONOMY**[100 marks]**

Read the following extract and answer the questions that follow

THE POLITICAL ECONOMY OF LOW-WAGE LABOUR

The struggles of fast-food, retail, and other service workers since 2012 have thrust the issue of low-wage work into the national spotlight and shifted the national debate over whether to raise the minimum wage from the federally mandated non-tipped wage of \$7.25 per hour. Courageous workers like George Walker, a cabin cleaner at Philadelphia International Airport, have begun challenging their impoverishment as corporate profits soar. “I am over fifty,” Walker said, “and tired of living in poverty.” Walker—forced to choose between paying for his wife’s medicine and covering the family’s housing costs—and other workers like him who have joined organizing campaigns, have highlighted the moral depravity of companies that sweep aside the daily struggles of workers in order to maximize profits. Yet even as public opinion has shifted decisively in favor of raising the minimum wage, the size of the low-wage workforce has continued to grow. Nearly 40 percent of American workers earn less than the \$15.00 an hour demanded by the low-wage workers movement, and the experience of low-wage work is a common one. Still, myths abound about low-wage labour, its origins, and the workers who perform it. The ruling class has much at stake in this fight in which workers confront not only their wages and working conditions, but the ideological apparatus of neoliberalism, which stresses individual responsibility and deregulation. Neoliberal policies, media myths, and the intersection with oppression that many low-wage workers face collude to keep them marginalized. This persists even as their labour, particularly the labour of those in industries like healthcare and education, remain central drivers of economic growth.

Though the recent struggles of low-wage workers, particularly those in the Fight for 15, have focused on the ideological changes and declining living standards that resulted from neoliberal transformation, Marxists understand that low-wage labour is more than a blip in capitalism’s history. Rather, the tendency toward low-wage labour is embedded in capitalist social relations. As Marx wrote in *Wage Labour and Capital*, “the more productive capital grows, the more it extends the division of labour and the application of machinery; the more the division of labour and the application of machinery extend, the more does competition extend among the workers, the more do their wages shrink together. But even if we understand low-wage labour

as a persistent historical feature of capitalism, we still have to explain its particularities in the neoliberal period, and what role low-wage labour plays in structuring ruling class economic and political power. As low-wage labour represents a larger and larger proportion of the American working class, the question of the nature of low-wage work, and flowing from that, the potential of low-wage workers to play a central role in transforming society, should be of primary concern for the Left.

What does it mean to be a low-wage worker in the United States? Workers' concept of low-wage work is shaped by a number of socio-political factors—documentation status, race, gender, geographic location, education level, and previous employment. Subjective factors like workers' perception of the job market also play a role. Economists' category of low-wage work, meanwhile, appears similarly malleable with different markers being used in different studies. For the sake of clarity, in this article I will define low-wage labour as any job that pays \$13.83 or less an hour, the most common boundary in the economic studies surveyed in this article. We should note, however, that the sheer scope of low-wage work in our economy makes any clean categorization difficult. While no one would argue that it is as difficult to get by on \$20.00 an hour as it is on \$7.25, most workers in both the low- and middle-wage categories—\$13.83 and under and \$13.84 to \$21.13 per hour respectively—earn less than the estimated cost of living in most major cities for an average family. A huge spectrum of workers in the United States is kept below, at, or very barely above the poverty line. In reality, for most people in the US, only high-wage jobs —those which pay \$21.14 or more per hour—can really be considered living-wage jobs.

While individual capitalists care little for the form of the labour so long as they profit, service work, productive or unproductive for capital, plays a central role in the social division of labour, particularly as the functions of the family are socialized and incorporated into the formal mechanisms of the market. Food service, healthcare, education, cleaning staff: all play a central role in the social reproduction of the working class. The very ability of higher-wage workers to return to work each day relies on other workers engaged in lower-wage labour. The differences between an average Boeing machinist who makes \$73,000 each year and a Whole Foods cashier, who, at \$10.00 an hour earns \$20,800 if they are lucky enough to work full-time, may seem stark, but from the perspective of capital, their wage relationship—that they sell their labour in order to survive—is identical.

Forty years of neoliberalism has once again produced a significant shift in the composition of the low-wage workforce. Economic restructuring has increased the number of low-wage jobs at the same time that a political backlash against collective rights and the demand for redistributive remedies has rolled back the gains of twentieth-century social movements. Demands for equality morphed into “equality of opportunity”—a concept of equality uniquely well suited for a period dominated by a return to free-market fundamentalism—which ultimately “helped to obscure deepening social divisions and curtail the utility of civil rights laws for workers facing simultaneous and systemic disadvantages” based on their sex, race, and immigration status.

Low-wage labour and capitalism

It is one thing to observe these trends, another to explain them. A multitude of explanations for the massive growth of low-wage labour exist: deindustrialization and the expansion of the service economy, lack of education, and unambitious millennials, just to name a few.

Wages haven’t decreased because workers today are less skilled than they were forty years ago. In fact, workers today are better trained and educated than at any other point in history—and capitalists have even profited from training and educating workers through an ongoing class project to privatize education. From for-profit universities to for-profit charter schools, capitalists are turning education into a business.

For Marxists, this underscores the central role that crises play under capitalism. They help the capitalists who survive the crises to restructure the economy, to reconstitute themselves, and to increase their own profitability. And in the context of trying to understand low-wage labour, it clarifies another point: that the restructuring of work is not natural, nor is it automatic, but rather it is shaped by ruling-class interests. And indeed, the nearly 25 percent of American workers now employed in low-wage jobs is expected to grow more than 3 percentage points to 28 percent in the next six years, even as profitability has been restored and economic growth, though sluggish, has returned. Siu and Jaimovich, like Canadian Marxist David McNally, underscore that the current recession is not a “normal” recession, where after a period of decline, the economy returns to its previous level and workers, recalled to their jobs, recover what they lost in the downturn. “We think of recessions as temporary,” Siu said, “but they lead to these permanent changes.”⁵⁷ “CNN Money” stated that “Low-paying jobs are here to stay,”

but we should add an important caveat—low wages are, indeed, here to stay unless we shift the balance of class power in the favor of workers.⁵⁷

And, of course, the state controls the national borders. Neoliberal policies have opened the borders to capital and severely restricted the ability of workers to cross them. Free trade policies like NAFTA have driven unemployment and displacement in places like Mexico, and huge waves of migration have resulted. Criminalizing migrants after creating an economic state of affairs which forces migration is a mechanism to ensure cheap labour in the United States, whose population growth rate does not keep pace with economic growth. As Justin Akers Chacón notes, making work visas inaccessible “deprive[s] the workers of the means to change jobs, negotiate wages in good faith, remain in the country to work for extended periods, or establish permanent residency.”⁶² The contradiction of borders open to capital but restricted for workers, a contradiction managed by the state, is a central aspect of global neoliberalism..

The situation of low-wage workers, and the position they occupy in a changing economy, are important to understand for anyone interested in challenging capitalism. This is not only because of the moral repugnance of consigning millions of workers who are disproportionately women and people of color to a life where they must constantly struggle for basic survival, but because the situation of low-wage workers portends things to come for the rest of the working class. We have already seen the first steps toward the reorganization of manufacturing into low-wage work with the introduction of two-tier contracts, disappearing pensions, and decreased benefits packages. The wage erosion low-wage workers experienced during the recession—averaging a 68 cent drop in hourly wages, equivalent to an income drop of 6.4 percent—mirrored the larger trend for all workers, who experienced an 8.4 percent decrease in household wealth over the same period.⁶³ The mechanisms which grind so powerfully against low-wage workers are also working against the class as a whole.

The solution is clear, though certainly not simple: we need highly organised, militant unions that will fight for workers’ interests inside and outside of the workplace, and we need a political alternative to the two-party system—since neither Democrats or Republicans have any interest in standing up to the efforts of corporations to shape political debate and legislation in favour of capital.

Source: (Modified) <http://isreview.org>

- 1.1 Critically analyse the IPE theories mentioned in the case and explain the theoretical attributes that are responsible for low wages in Walmart. (15)
- 1.2 Propose ways for improving wages in capitalist economies in the face of rapid globalisation. (15)

QUESTION TWO

[20]

Read the following article and answer the question that follows:

Can trade change the way we see globalisation?

By Wolfgang Lehmacher

Many voices have been prophesying the end of globalisation. Koert Debeuf, political analyst and visiting research fellow, CRIC, Oxford University, writes in the aftermath of the Paris attacks on 13 November 2015: “The world has left the path of globalisation and is taking the trail of tribalisation.” Are we facing a new trend?

Globalisation is a multidimensional phenomenon – the interconnectedness, interdependence and integration of cultures, markets and individuals. The emergence and growth of the global net of diverse national economies has brought new perspectives and prosperity to countries, companies and citizens. Although the trade flows are changing and the growth has slowed after the global financial crisis, connectivity is the key enabler of modern life.

Despite all connectedness and convergence, the world remains diverse. And that diversity is a major source of creativity; it drives innovation and progress, growth and prosperity. Connections and interactions within and among groups with a multitude of races, ethnicities, genders and sexual orientations are driving creativity and innovation in companies and across geographies. Competition makes us focus and keeps us contributing to economic growth.

However, diversity and competition are also leading to anxiety and conflict.

There is a need to strike the right balance between growth and prosperity on the one hand and preservation and protection on the other. What are the specific roles governments, businesses and resources play in this respect?

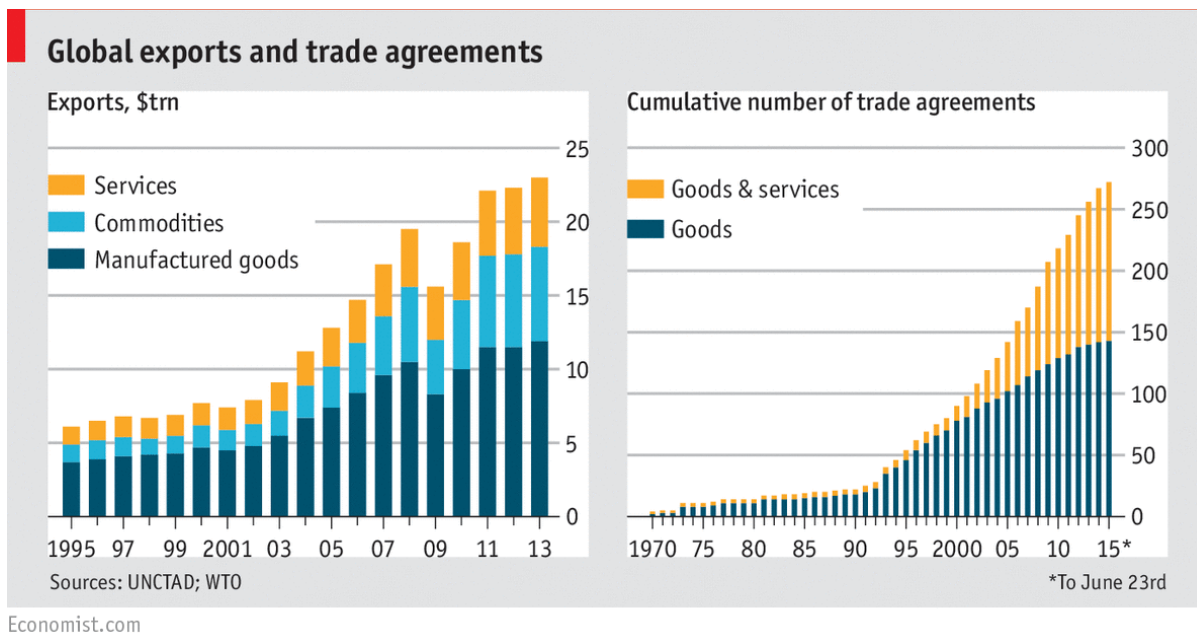
Borders aren't always barriers

In the wake of the 9/11 attacks in New York, and more recently in Paris and Brussels, governments have attempted to protect citizens by raising the barriers at their borders. The intentions are good, but the practice risks burdening the economy or even excluding their own consumers, investors, brands and manufacturers from the many benefits and opportunities created by international trade and globalization.

However, today's governments may not have the mandate to make this decision themselves. One of the deep-rooted desires of humanity is to exchange with other people and travel the world. As we see in the ongoing "hacktivist" challenges to the national firewalls, people will not give up on finding ways to access what is kept away from them – even if they simultaneously fear losing the security provided by national borders.

Borders do not need to be barriers. Modern technology has reached a stage where both security and fluidity is possible. Despite open borders, local cultures persist – as many examples show. Nations should continue to set the rules based on local codes, interests and needs, while regional and international bodies, such as the ASEAN and the World Trade Organisation, help to prepare, negotiate and execute international frameworks and implement tested tools for secure borderless flow of goods and people, capital and data.

This often challenged but widely used model requires from the various actors – mainly governments and international organisations – empathy, creativity, diplomacy and pragmatism.



Small businesses with global goals

Multinational companies have been developing the capacity to thrive in global commerce for some time. Thanks to internet, small and mid-sized companies have also gained access to the global markets. Although the physical supply chain still struggles to overcome the various hurdles to make international commerce easy and truly a reality, many online platforms and sites already exist to serve sellers and buyers, independent of location.

On the back of international agreements and with the help of supply-chain service providers, global brands have built global sourcing, manufacturing and distribution networks. The diverse range of companies competing in today's worldwide markets do not only design, manufacture and provide us with the goods we enjoy – but also offer jobs in the many countries in which they operate.

Therefore, not only are global companies likely to object to regulation that significantly restricts their ability to manufacture and sell abroad, but smaller players, employees and consumers might well join the effort to maintain access to resources, products and customers in the digital global market.

Global solutions to global problems

On the one hand, the planet needs preservation and protection: if we do not act there will be more plastic than fish in terms of weight in the world's oceans by 2050. On the other hand people need food, shelter, healthcare, education and jobs: in 2015, 836 million people around the world were living on less than \$1.25 a day. While there are grave concerns about the effect of industrialization and consumption on resources and the environment, there is no doubt that poverty should be eradicated. And as the poor often live on the most affordable and hence vulnerable land, one obstacle to ending poverty is climate change.

We can observe that no barrier, no net, no firewall is large, long or strong enough to keep pollution, micro-plastics, terrorists and other threats away. Considering the magnitude of today's environmental threats, there is a need to act fast and collectively. The world needs a cross-disciplinary and cross-industry effort, not only to effectively respond to the global environmental and resource challenge but also to other crises, such as pandemics, conflicts and the refugee challenge.

COP21, the Bali package and many other initiatives and agreements show that governments and enterprises are willing to stand together to develop more effective global frameworks and mechanisms. We need to strengthen the global platforms of collaboration and impact on which international organisations and governments, businesses and academia can co-create the most effective and balanced global solutions.

Ultimately, globalisation is not an on/off exercise but the on-going responsible management of global conventions and national codes, global markets and diverse economies, global commons and inclusive global growth. This requires confident and capable actors with strong identities not afraid to open up and willing and able to respect the different cultures while complying with international treaties and law. Even more so, globalisation should be the golden path that connects and lifts the diverse global community to the next level of prosperity.

SOURCE: <https://www.weforum.org>

- 2.1 Evaluate the contention that globalisation is “the golden path that connects and lifts the diverse global community to the next level of prosperity”

QUESTION THREE

[25]

Read the following article and answer the questions that follow:

Regional integration is a must for Africa

by Caroline Ko

Throughout the post-war period, international trade has proven to be a key driver of growth for many countries, in particular for small economies. Although Africa has been growing at unprecedented rates over the past decade, the continent's international trade remains low, pointing to an important source of growth that remains unexploited.

This is very different from the path of Asia: trade in this region more than doubled between 1995 and 2010 whereas trade in sub-Saharan Africa has largely stalled at a mere 2% of world total. And despite efforts aimed at diversifying the export base, African exports remain highly focused on commodities – they account for over half of sub-Saharan exports compared to just about 10% for Asia and advanced economies.

The Asian success story holds an additional lesson for Africa. By fostering regional integration, Asia was able to create regional value chains and thus become more efficient. This in turn enabled the region to become a key player in global value chains, which today increasingly characterize world trade (close to 30% of world trade is undertaken through cross border value chains, which is also the average for developing Asia).

Yet, Africa's history of trade integration is fraught with difficulties and setbacks. Despite numerous commitments to create integration zones, the continent continues to register the lowest percentage of trade within the region worldwide – a mere 12% cent of total exports take place within Africa, compared with 25% in ASEAN and over 60% in the European Union. This is largely a result of a mix of trade policies that have been heavily focused on gaining access to developed economies and regional integration efforts that were not fully implemented.

For Africa the potential gains from increased regional integration are particularly substantial: 54 economies of Africa – of which almost half register a population of less than 10 million and

more than a third being landlocked – make the continent the most fragmented region in the world. In addition, more than a third of African economies are landlocked.

How can the continent realise these gains to boost growth and put itself on a sustained and inclusive growth path?

The World Economic Forum's *Africa Competitiveness Report 2013* sheds light on the key barriers that prevent Africa from reaping the full benefits of international trade, and hence increased regional integration. While market access is relatively open and the regulatory environment conducive to trade in comparison with other regions (regional differences between East, Southern and West Africa, however, remain) our data shows that the continent suffers severely from inefficient border administration and a lack of adequate infrastructure, both in transport and information and communication technologies (ICTs).

Particularly, import and export procedures present the area where the data points to the largest differences across the continent (Mauritius ranks 29th compared with Chad at 132nd place). This is also the area where especially landlocked economies underperform the sub-Saharan average by a wide margin.

The benefits of customs reform are, however, considerable. In addition to speeding up the clearance process at the border, more efficient customs contribute to a better collection of tariff and tax revenues, more formal cross-border trading activity and lower levels of corruption. Promising efforts towards reforming customs administrations have been undertaken in recent years. IT-based systems, such as the automated System for Customs Data (ASYCUDA), have been implemented in over 40 African countries, which have proven successful and are relatively easier to implement. Yet, they also require efforts to scale up ICT infrastructure, an area where the continent is widely trailing behind.

In terms of sequencing, simplifying import-export procedures is a relatively quick way to reap benefits quickly, while physical infrastructure is being updated. Our data further shows that access to finance and identifying potential markets and buyers are considered the most important bottlenecks to exporting across Africa. This suggests that further developing the financial services sector would be beneficial for trade.

Regional integration can help Africa build regional value chains, and thereby tap into global value chains. Regional integration efforts, however, need to go hand in hand with competitiveness-enhancing policies as explored in other parts of the *Africa Competitiveness Report*.

The importance of regional integration is being felt across the continent, as evidenced by African leaders now calling for a free trade area by 2017. Nevertheless, it still takes almost twice as long to trade across borders in sub-Saharan Africa compared with other regions, such as Latin America and the Caribbean and South-East Asia. Thus, much remains to be done to fully reap the benefits of regional integration for Africa.

SOURCE: <https://www.weforum.org>

- 3.1 Critically evaluate the argument that regional integration in Africa is a “must”. (15)
- 3.2 Discuss the reasons why regionalism might assist or impede trade liberalisation at the global level. (10)

QUESTION FOUR**[25]**

Read the following article and answer the questions that follow:

What the world needs now is a single currency

It is almost a truism to say that euro membership worsened the Greek crisis. The thinking goes that because Greece does not have its own currency, it could not increase competitiveness and boost growth through devaluation.

Although devaluation is a valuable instrument, I think most countries and companies would benefit if the world, not just Europe, used a single currency.

Today's fragmented financial world is unfair. On the one hand, there's Denmark with such a glut of currency, local and foreign, that its central bank's key deposit rate is minus 0.75 percent.

Then there's Greece, which has had to limit withdrawals from ATMs to e60 (R815) a day because of a severe cash crunch.

Consider the case of Apple, which had about \$160 billion (R2 trillion) in March last year and made \$1.795bn in interest and dividend income that year – which is less than 1 percent, considering Apple kept increasing the cash holding. There are countries that would kill to be financed at that rate – but are forced to accept much higher ones, and not always because they are unsafe, but because they are often dragged down by risk perceptions that have little to do with reality. Before the 2008 financial crisis, financial globalisation was on the rise, partly because investors underestimated risk.

After the mortgage crash, it became clear that rating agencies were not much help and that local and specialised knowledge was needed to make smart decisions. The EU debt crisis only confirmed this. Cross-border investment fell off sharply.

Generally, the fiscal regimes, political and macroeconomic risks of countries vary so much that mistakes happen, even with detailed and knowledgeable analysis. To ensure that financial resources are distributed more evenly across the world, it would make sense to cut

down country-specific risk. Taking monetary policy out of individual countries' hands would go a long way toward that goal. Currency risk would be eliminated. There would always be coups, corruption, fraud and mismanagement to throw the best models off kilter. Yet there would be less to worry about.

Now, the world's 140 or so currencies sometimes make cross-border flows dangerous. The ability to devalue is nice, but it's illusory, to a large extent. It helps balance a budget, bring down debt and make exports competitive, but it hits citizens with high inflation. If the world used the same currency, the problems inadvertently caused by the euro wouldn't be replicated. Of course, there would be the question of who should administer the global central bank. This is where something like Bitcoin could come in handy: a decentralised system that works with little human intervention and that regulates itself.

This is naive utopianism, of course. The obstacles to this are huge. But this pipe dream shows how tough and complex the euro project is. Those who write it off as a failure don't show it enough respect. Sure, there have been setbacks but its participants are accumulating data that may one day allow us to figure out how to bring the whole world closer together. – Bloomberg

- 4.1 Eichengreen has argued that the means to guarantee a stable international monetary system is complete monetary integration; that is, creation of a single currency managed by a central bank.

With reference to the article and the view that a single currency is 'naive utopianism', critically discuss the extent to which complete monetary integration is possible and the implications of this. (15)

- 4.2 Discuss whether a hegemonic leader is necessary for a stable international monetary and financial system to exist. (10)

END OF GLOBAL POLITICAL ECONOMY ASSIGNMENT

10.2 ASSIGNMENT QUESTIONS: TRIMESTER THREE (OCTOBER - DECEMBER 2016)

10.2.1 ACCOUNTING AND FINANCE ASSIGNMENT

[100 Marks]

QUESTION ONE

[30]

The following 2 mutually exclusive projects (Project Maringa and Project Nelli) are available:

Year/s	Cash Flows (Maringa)	Cash Flows (Nelli)
0	-200 000	-20 000
1	18 000	10 000
2	28 000	9 000
3	28 000	10 000
4	300 000	8 000

NOTE:

- a. The company requires a rate of return of 15% on its investment.
- b. Salvage values for the projects are as follows:
 - * Project Maringa R10 000 (sold as scrap).
 - * Project Nelli R1 000 (sold as scrap)

Required:

- 1.1. Applying the payback rule, determine which is the more lucrative project. (5)
- 1.2 Explain why this method would not be used as the sole decision tool when making a capital investment decision. (4)
- 1.3 If the Accounting Rate of Return (ARR) is used, which project is more viable? (5)
- 1.4 Determine which project is more lucrative if the NPV rule is applied (All workings to be shown). (14)
- 1.5. Which method is most reliable? Why? (2)

QUESTION TWO

[25]

You are presented with the following financial statements (including comparative figures) for the year ended 28 February 2015:

STAN (PTY) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR-ENDED 28 FEBRUARY 2015

	2015	R	2014
Sales	16 000		11 000
Stock: 1 March:	240		200
Purchases	7 960		5 600
Stock: 28 February	<u>(300)</u>		<u>(240)</u>
Cost of Sales	<u>(7 900)</u>		<u>(5 560)</u>
Gross Profit	8 100		5 440
Interest on Investment	<u>100</u>		<u>40</u>
Gross Income	8 200		5 480
Distribution	<u>(1430)</u>		<u>(1010)</u>
Salaries	720		660
Advertising	120		90
Vehicle Expenses	190		160
Depreciation: Vehicles	400		100
Administration	<u>(1 740)</u>		<u>(1 550)</u>
Salaries	1 240		980
Depreciation on equipment	100		40
Directors fees	60		260
Audit fees	40		30
Sundry expenses	<u>300</u>		<u>240</u>
Financial	<u>(240)</u>		<u>(80)</u>
Interest on debentures	<u>(240)</u>		<u>(80)</u>
Profit before tax	4 790		2 840
Company tax	<u>(1 440)</u>		<u>(850)</u>
Profit after tax	3 350		1 990
Dividend paid and proposed	<u>(1 000)</u>		<u>(400)</u>
Interim	200		150
Proposed	<u>800</u>		<u>250</u>
Retained income for the year	<u>2 350</u>		<u>1 590</u>

STAN (PTY) LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY

		2015	R	2014
ASSETS	Notes			
Non-current Assets		<u>11 280</u>		<u>5 720</u>
Tangible	1	10 280		5 320
Investment	2	<u>1 000</u>		<u>400</u>
Current Assets		3 320		2 880
Inventory		300		240
Debtors		2 920		1 760
Cash		<u>100</u>		<u>880</u>
Total Assets		<u>14 600</u>		<u>8 600</u>
EQUITY AND LIABILITIES				
Share Capital and Reserves		<u>9 750</u>		<u>6 220</u>
Share Capital	3	3 000		2 600
Reserves	4	<u>6 750</u>		<u>3 620</u>
Non-current Liabilities	5	1 810		670
Current Liabilities		<u>3 040</u>		<u>1 710</u>
Trade Creditors		740		590
Receiver of Revenue – Tax		1 440		850
Accrued expenses		60		20
Proposed dividends		<u>800</u>		<u>250</u>
Total Equity and Liabilities		<u>14 600</u>		<u>8 600</u>

Notes to the Statement of Financial Position

	R'000	2015 R'000 Dep. To date	R'000 Book value	R'000 Cost	2014 R'000 Dep. To date	R'000 Book value
1. Non-current Assets	Cost					
Premises	8 400	-	8 400	4 400	-	4 400
Equipment	900	(220)	680	440	(120)	320
Vehicles	1 800	(600)	1 200	800	(200)	600
	11 100	(820)	10 280	5 640	(320)	5 320
2. Investments						
Netbank: Fixed Deposit – 10%			1 000			400
3. Share Capital						
R1 Ordinary shares – fully paid			3 000			2 600
4. Reserves			6 750			3 620
Share premium		1 080			300	
Retained income		5 670			3 320	
5. Non-current Liabilities			1 810			670
12% Debentures		670			670	
14% Debentures		1 140			-	

Required:

2.1 Prepare the Cash Flow Statement for the year ended 28 February 2015. (18)

2.2 Interpret the cash flow patterns (3 activities). (7)

QUESTION THREE

[25]

Thomas Ltd is a spare parts agent for motorcycles in Tshwane, South Africa. The company commenced operations at the beginning of the 2010 year. Although being profitable, the business is experiencing cash flow problems. The financial director has approached you for advice in order to remedy this situation. The following amounts for the current (2015) and comparative years were extracted from the records of the company:

	2014	2015 (current)
	R`000	
Turnover (all sales on credit)	220 000	250 000
Cost of sales	150 000	165 000
Profit before interest and tax	11 000	10 500
Accounts receivable	25 000	29 600
Accounts payable	14 700	17 000
Inventory	26 000	30 400
Bank/ (overdraft)	(1000)	(2 000)

Required:

- 3.1 Outline the purpose of financial statement analysis (3)
- 3.2 Calculate the following ratios for **each** year:
 - 3.2.1 Accounts receivable (debtors) collection period
 - 3.2.2 Inventory holding period
 - 3.2.3 Accounts payable (creditors) payment period
 - 3.2.4 Current ratio
 - 3.2.5 Acid test ratio (10)

- 3.3 Evaluate the company's working capital management in light of the above calculations. (12)

QUESTION FOUR [20]

Tazz (Pty) Ltd manufactures steel rods and uses a standard costing system.

The following is the standard variable cost for one of their products:

	R
Material @ R8,00 per kg	20.00
Labour @ 1.5 hrs	22.50
Variable overheads	
- varying with hours worked: 1.5 hrs @ R6.00 per hour	9.00
- varying with production	7.00

Budgeted sales 11 700 units

Actual results for June 2015 are as follows:

Materials purchased 32 000 kg	R262 400
Labour Rate per hour R16.00	R304 000
Variable overheads	
- varying with hours worked	R108 300
- varying with production	R 78 000
Sales	R624 000

Additional information:

The budgeted selling price is R50.00 per unit.

1. 12 000 units were manufactured and sold during June 2015.
2. There were no completed units, work in progress or material on hand at the beginning or end of June 2015.

Required:

Calculate and briefly evaluate each of the following for **June 2015**:

- | | | |
|-----|-----------------------------|-----|
| 4.1 | Material price variance. | (4) |
| 4.2 | Material quantity variance. | (4) |
| 4.3 | Labour rate variance. | (4) |
| 4.4 | Labour efficiency variance. | (4) |
| 4.5 | Selling price variance | (4) |

END OF ACCOUNTING AND FINANCE ASSIGNMENT

10.2.2 OPERATIONS AND SUPPLY CHAIN MANAGEMENT

QUESTION ONE

[40]

Read the following and answer the questions that follow:

Successful Supply Chain Management: Walmart

When you drop by Walmart, you are witnessing one of history's greatest logistical and operational triumphs. According to Supply Chain Digest, this retail giant stocks products made in more than 70 countries and at any given time, operates more than 11,000 stores in 27 countries around the world, and manages an average of \$32 billion in inventory. With these kinds of numbers, having an effective and efficient supply chain management strategy and system is imperative. The entire organisation is committed to a business model of driving costs out of supply chains to enable consumers to save money and live better.

Over the past ten years, Walmart has become the world's largest and arguably most powerful retailer with the highest sales per square foot, inventory turnover, and operating profit of any discount retailer. In its transition from regional retailer to global powerhouse, the organisation has become synonymous with the concept of successful supply chain management. "I don't believe there is a university in the world that doesn't talk about Walmart and the supply chain," said James Crowell, director of the Supply Chain Management Research Center at the Walton College of Business. "They are just so well respected because they do it so well."

Walmart began with the goal to provide customers with the goods they wanted whenever and wherever they wanted them. The company then focused on developing cost structures that allowed it to offer low everyday pricing. Walmart then concentrated on developing a more highly structured and advanced supply chain management strategy to exploit and enhance this competitive advantage and assume market leadership position.

Fewer Links In The Supply Chain

Even in its early years, Walmart's supply chain management contributed to its success.

Founder Sam Walton, who owned several Ben Franklin franchise stores before opening the first Walmart in Rogers, Ark in 1962, selectively purchased bulk merchandise and transported it

directly to his stores.

Walmart's supply chain innovation began with the company removing a few of the chain's links. In the 1980s, Walmart began working directly with manufacturers to cut costs and more efficiently manage the supply chain.

Under a Walmart's supply chain initiative called Vendor Managed Inventory (VMI), manufacturers became responsible for managing their products in Walmart's warehouses. As a result, Walmart was able to expect close to 100% order fulfilment on merchandise. In 1989, Wal-Mart was named Retailer of the Decade, with distribution costs estimated at a mere 1.7% of its cost of sales – far superior to competitors like Kmart (3.5%) and Sears (5%). The company's supply chain has only become more effective since then.

Strategic Vendor Partnerships

Walmart embarked on strategic sourcing to find products at the best price from suppliers who are in a position to ensure they can meet demand. The company then establishes strategic partnerships with most of their vendors, offering them the potential for long-term and high volume purchases in exchange for the lowest possible prices. Furthermore, Walmart streamlined supply chain management by constructing communication and relationship networks with suppliers to improve material flow with lower inventories. The network of global suppliers, warehouses, and retail stores has been described as behaving almost like a single firm.

"Wal-Mart's whole thing was collaboration," Crowell said. "That's a big part of what made them so successful."

Cross Docking As Inventory Tactic

Cross docking is a logistics practice that is the centrepiece of Walmart's strategy to replenish inventory efficiently. It means the direct transfer of products from inbound or outbound truck trailers without extra storage, by unloading items from an incoming semi-trailer truck or railroad car and loading these materials directly into outbound trucks, trailers, or rail cars (and vice versa), with no storage in between.

Suppliers have been delivering products to Walmart's distribution centres where the product is cross docked and then delivered to Walmart stores. Cross docking keeps inventory and transportation costs down, reduces transportation time, and eliminates inefficiencies. Walmart's truck fleet of non-unionized drivers continuously deliver goods to distribution centres (located an average 130 miles from the store), where they are stored, repackaged and distributed without sitting in inventory. Goods will cross from one loading dock to another, usually in 24 hours or less, and company trucks that would otherwise return empty "back haul" unsold merchandise.

Using cross docking, products are routed from suppliers to Walmart's warehouses, where they are then shipped to stores without sitting for long periods of time in inventory. This strategy reduced Walmart's costs significantly and they passed those savings on to their customers with highly competitive pricing.

Technology

In its relentless pursuit of low consumer prices, Walmart embraced technology to become an innovator in the way stores track inventory and restock their shelves, thus allowing them to cut costs. Technology plays a key role in Walmart's supply chain, serving as the foundation of their supply chain. Walmart has the largest information technology infrastructure of any private company in the world. Its state-of-the-art technology and network design allow Walmart to accurately forecast demand, track and predict inventory levels, create highly efficient transportation routes, and manage customer relationships and service response logistics.

For example, Walmart implemented the first companywide use of Universal Product Code bar codes, in which store level information was immediately collected and analysed, and the company then devised Retail Link, a mammoth Bentonville database. Through a global satellite system, Retail Link is connected to analysts who forecast supplier demands to the supplier network, which displays real-time sales data from cash registers and to Walmart's distribution centres.

Suppliers and manufacturers within the supply chain synchronize their demand projections under a collaborative planning, forecasting and replenishment scheme, and every link in the chain is connected through technology that includes a central database, store-level point-of-

sale systems, and a satellite network. What made Walmart so innovative was that it has been sharing all this information with all their partners and back in the days, a lot of companies weren't doing that. In fact, they were using third parties where they had to pay for that information.

Walmart's approach means frequent, informal cooperation among stores, distribution centers and suppliers and less centralized control. Furthermore, the company's supply chain, by tracking customer purchases and demand, allows consumers to effectively pull merchandise to stores rather than having the company push goods onto shelves. In recent years, Wal-Mart has used radio frequency identification tags (RFID), which use numerical codes that can be scanned from a distance to track pallets of merchandise moving along the supply chain. As inventory must be handled by both Wal-Mart and its suppliers, Wal-Mart has encouraged its suppliers to use RFID technology as well.

Even more recently, the company has begun using smart tags, read by a handheld scanner, that allow employees to quickly learn which items need to be replaced so that shelves are consistently stocked and inventory is closely watched. According to researchers at the University of Arkansas, there was a 16% reduction in out-of-stocks since Wal-Mart introduced RFID technology into its supply chain. The researchers also pointed out that the products using an electronic product code were replenished three times as fast as items that only used bar code technology.

In addition, Wal-Mart also networked its suppliers through computers. It entered into collaboration with P&G for maintaining the inventory in its stores and built an automated re-ordering system, which linked all computers between P&G factory through a satellite communication system. P&G then delivered the item either to Wal-Mart distribution centre or directly to the concerned stores. Walmart's supply chain management strategy has provided the company with several sustainable competitive advantages, including lower product costs, reduced inventory carrying costs, improved in-store variety and selection, and highly competitive pricing for the consumer. This strategy has helped Walmart become a dominant force in a competitive global market. As technology evolves, Walmart continues to focus on innovative processes and systems to improve its supply chain and achieve greater efficiency.

A close look at Walmart's supply chain and inventory operations definitely provides valuable learning

Source: <https://www.tradegecko.com/>

- 1.1 Discuss, in detail, the key performance indicators Walmart would use in evaluating their suppliers performance. (25)
- 1.2 Conduct a risk assessment on the Walmart supply chain. (15)

QUESTION TWO

[10]

Janet Mazibuko, Logistics Manager at Sun International has the option of shipping meat carcasses from Gauteng to Durban via container, using road or rail. The typical shipment has a value of R 1.4 million. A road container takes 3 days and costs R 40 000, whilst rail takes 7 days at a cost of R 25 000. Holding costs are estimated at 24.5% in either case.

Determine how the shipment should be made

QUESTION THREE

[25]

Mthembu Bakery supplies bread and cakes to shops, supermarkets and hypermarkets in the Ugu district. A summary of customer complaints for the month of October 2015 is listed in the table below:

October 2015	Number of complaints
Bread stale	60
Trays dirty	80
Driver rude	25
Late delivery	185
Incorrect Invoice	10
No icing on cakes	40

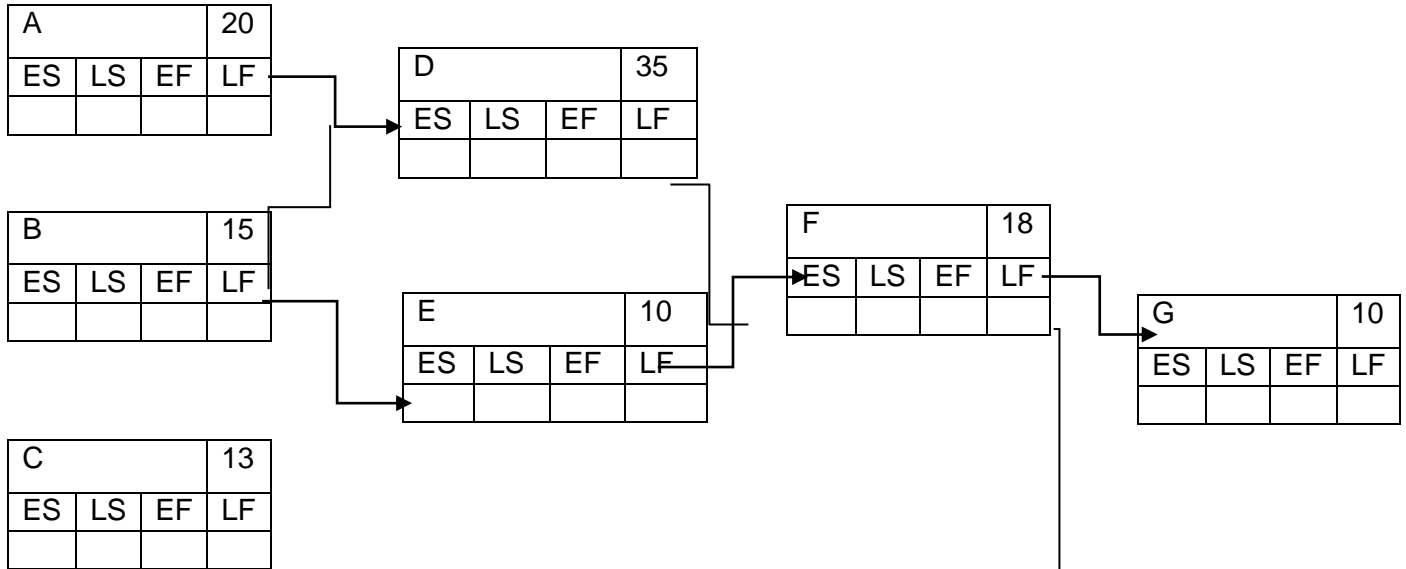
- 3.1 Construct a Check Sheet that will help identify the problem. (5)
- 3.2 Compile the Pareto Chart from the data in the Check Sheet. (10)

- 3.3 Discuss the management decisions that would have to be taken to resolve these customer complaints. (10)

QUESTION FOUR

[25]

A Network Diagram for a project is presented below:



- 4.1 Identify the Critical Path. (5)
- 4.2 Calculate the Early Start; Late Start; Early Finish and Late Finish for all activities. (15)
- 4.3 Compute the 'slack' time for each activity. (5)

END OF OPERATIONS AND SUPPLY CHAIN MANAGEMENT ASSIGNMENT

10.2.3 INFORMATION AND KNOWLEDGE MANAGEMENT

[100 Marks]

QUESTION ONE

[50]

Read the case study below and answer **ALL** questions that follow

The Battle over Net Neutrality

What kind of Internet user are you? Do you primarily use the Net to do a little e-mail and online banking? Or are you online all day, watching YouTube videos, downloading music files, or playing online games? Do you use your iPhone to stream TV shows and movies on a regular basis? If you're a power Internet or smartphone user, you are consuming a great deal of bandwidth. Could hundreds of millions of people like you start to slow the Internet down? Video streaming on Netflix accounts for 32 percent of all bandwidth use in the United States, and Google's YouTube for 19 percent of Web traffic at peak hours. If user demand overwhelms network capacity, the Internet might not come to a screeching halt, but users could face sluggish download speeds and video transmission. Heavy use of iPhones in urban areas such as New York and San Francisco has already degraded service on the AT&T wireless network. AT&T reported that 3 percent of its subscriber base accounted for 40 percent of its data traffic.

Internet service providers (ISPs) assert that network congestion is a serious problem and that expanding their networks would require passing on burdensome costs to consumers. These companies believe differential pricing methods, which include data caps and metered use—charging based on the amount of bandwidth consumed—are the fairest way to finance necessary investments in their network infrastructures. But metering Internet use is not widely accepted, because of an ongoing debate about net neutrality. Net neutrality is the idea that Internet service providers must allow customers equal access to content and applications, regardless of the source or nature of the content. Presently, the Internet is neutral: all Internet traffic is treated equally on a first-come, first-served basis by Internet backbone owners. However, this arrangement prevents telecommunications and cable companies from charging differentiated prices based on the amount of bandwidth consumed by the content being delivered over the Internet. The strange alliance of net neutrality advocates includes MoveOn.org; the Christian Coalition; the American Library Association; data-intensive Web

businesses such as Netflix, Amazon, and Google; major consumer groups; and a host of bloggers and small businesses. Net neutrality advocates argue that differentiated pricing would impose heavy costs on heavy bandwidth users such as YouTube, Skype, and other innovative services, preventing high-bandwidth start-up companies from gaining traction. Net neutrality supporters also argue that without net neutrality, ISPs that are also cable companies, such as Comcast, might block online streaming video from Netflix or Hulu in order to force customers to use the cable company's on-demand movie rental services. Network owners believe regulation to enforce net neutrality will impede U.S. competitiveness by discouraging capital expenditure for new networks and curbing their networks' ability to cope with the exploding demand for Internet and wireless traffic. U.S. Internet service lags behind many other nations in overall speed, cost, and quality of service, adding credibility to this argument. And with enough options for Internet access, dissatisfied consumers could simply switch to providers who enforce net neutrality and allow unlimited Internet use.

The wireless industry had been largely exempted from net neutrality rules, because the government determined it was a less mature network and companies should be allowed more freedom to manage traffic. Wireless providers already have tiered plans that charge heavy bandwidth users larger service fees. A December 2012 report by the non-profit, non-partisan, public policy institute, New America Foundation (NAF), disputes these claims. Like personal computers, the processing capacity of the routers and switches in wired broadband networks has vastly expanded while the price has declined. Although total U.S. Internet data consumption rose 120% in 2012, the cost to transport the data decreased at a faster pace.

The net cost to carriers was at worst flat and for the most part, down. The NAF report further asserts that lack of competition has enabled wired broadband carriers to charge higher rates, institute data caps, and spend less on the capital expenditures needed to upgrade and maintain their networks than they have in the past.

The courts have maintained that the Federal Communications Commission (FCC) has no authority to dictate how the Internet operates. The Communications Act of 1996 forbids the agency from managing the Internet as a "common carrier," the regulatory approach the commission took toward telephones, and the FCC itself decided not to classify broadband as a telecommunications service.

On January 14, 2014, the U.S. Court of Appeals for the District of Columbia struck down the FCC's "Open Internet" rules that required equal treatment of Internet traffic and prevented broadband providers from blocking traffic favouring certain sites or charging special fees to companies that account for the most traffic. The court said the FCC saddled broadband providers with the same sorts of obligations as traditional "common carrier" telecommunications services, such as landline phone systems, even though the commission had explicitly decided not to classify broadband as a telecommunications service.

On April 24, 2014, the FCC announced that it would propose new rules that allow companies like Disney, Google or Netflix to pay Internet service providers like Comcast and Verizon for special, faster lanes to send video and other content to their customers. Broadband providers would have to disclose how they treat all Internet traffic and on what terms they offer more rapid lanes, and would be required to act in a "commercially reasonable manner." Providers would not be allowed to block Web sites. The proposed rules would also require Internet service providers to disclose whether, in assigning faster lanes, they had favoured their affiliated companies that provide content.

Nevertheless, the FCC continues to push for an open Internet. On April 30, 2014, FCC chairman Tom Wheeler announced that lack of competition has hurt consumers, and that the FCC planned to write tough new rules to enforce net neutrality.

Sources: "Should the U.S. Regulate Broadband Internet Access as a Utility?" Wall Street Journal, May 11, 2014; Edward Wyatt, "Stern Talk From Chief of F.C.C. on Open Net," New York Times, April 30, 2014 and "F.C.C., in a Shift, Backs Fast Lane for Web Traffic," New York Times, April 24, 2014; Amol Sharma, "Netflix, YouTube Could Feel Effects of 'Open Internet' Ruling," Wall Street Journal, January 14, 2014; Gautham Nagesh, "FCC to Propose New 'Net Neutrality' Rules," Wall Street Journal, April 23, 2014; Shira Ovide, "Moving Beyond the Net Neutrality Debate," Wall Street Journal, January 14, 2014; Gautham Nagesh and Amol Sharma, "Court Tosses Rules of Road for Internet," Wall Street Journal, January 4, 2014; UpdAlina Selyukh, "S. Court to Hear Oral Arguments in Net Neutrality Case on September 9," Reuters, June 25, 2013; and Hibah Hussain, Danielle Kehl, Benjamin Lennett, and Patrick Lucey, "Capping the Nation's Broadband Future? Dwindling Competition Is Fueling the Rise of

Increasingly Costly and Restrictive Internet Usage Caps,” New America Foundation, December 17, 2012.

- 1.1 Explain what is meant by network neutrality and explain why the Internet has operated under net neutrality up to this point in time. (10)
- 1.2 Identify who in the case study is in favour of network neutrality and who is opposed to network neutrality. Provide reasons in each case. (10)
- 1.3 Explain the impact on individual users, businesses, and government if Internet providers switched to a tiered service model for transmission over land lines as well as wireless (15)
- 1.4 Discuss the implications of the following statement:
Net neutrality is the most important issue facing the Internet since the advent of the Internet. (15)

QUESTION TWO**[50]**

Read the case study below and answer **ALL** questions that follow

UPS Competes Globally with Information Technology

United Parcel Service (UPS) started out in 1907 in a closet-sized basement office. Jim Casey and Claude Ryan—two teenagers from Seattle with two bicycles and one phone—promised the “best service and lowest rates.” UPS has used this formula successfully for more than a century to become the world’s largest ground and air package-delivery Company. It is a global enterprise with nearly 400,000 employees, 96,000 vehicles, and the world’s ninth largest airline. Today UPS delivers 16.3 million packages and documents each day in the United States and more than 220 other countries and territories. The firm has been able to maintain leadership in small-pack- age delivery services despite stiff competition from FedEx and Airborne Express by investing heavily in advanced information technology. UPS spends more than \$1 billion each year to maintain a high level of customer service while keeping costs low and streamlining its overall operations. It all starts with the scannable bar-coded label attached to a package, which contains detailed information about the sender, the destination, and when the package should arrive. Customers can download and print their own labels using special software provided by UPS or by accessing the UPS Web site. Before the package is even picked up, information from the “smart” label is transmit- ted to one of UPS’s computer centres in Mahwah, New Jersey, or Alpharetta, Georgia and sent to the distribution centre nearest its final destination.

Dispatchers at this centre download the label data and use special software to create the most efficient delivery route for each driver that considers traffic, weather conditions, and the location of each stop. In 2009, UPS began installing sensors in its delivery vehicles that can capture the truck’s speed and location, the number of times it’s placed in reverse and whether the driver’s seat belt is buckled. At the end of each day, these data are uploaded to a UPS central computer and analysed. By combining GPS information and data from fuel-efficiency sensors installed on more than 46,000 vehicles in 2011, UPS reduced fuel consumption by 8.4 million gallons and cut 85 million miles off its routes. PS estimates that saving only one daily mile

driven per driver saves the company \$30 million. The first thing a UPS driver picks up each day is a handheld computer called a Delivery Information wireless cell phone network. As soon as the driver logs on, his or her day's route is downloaded onto the handheld. The DIAD also automatically captures customers' signatures along with pickup and delivery information. Package tracking information is then transmitted to UPS's computer network for storage and processing. From there, the information can be accessed worldwide to provide proof of delivery to customers or to respond to customer queries. It usually takes less than 60 seconds from the time a driver presses "complete" on a the DIAD for the new information to be available on the Web.

Through its automated package tracking system, UPS can monitor and even re-route packages throughout the delivery process. At various points along the route from sender to receiver, bar code devices scan shipping information on the package label and feed data about the progress of the package into the central computer. Customer service representatives are able to check the status of any package from desktop computers linked to the central computers and respond immediately to inquiries from customers. UPS customers can also access this information from the company's Web site using their own computers or mobile phones. UPS now has mobile apps and a mobile Web site for iPhone, BlackBerry, and Android smartphone users. Anyone with a package to ship can access the UPS Web site to track packages, check delivery routes, calculate shipping rates, determine time in transit, print labels, and schedule a pickup. The data collected at the UPS Web site are transmitted to the UPS central computer and then back to the customer after processing. UPS also provides tools that enable customers, such as Cisco Systems, to embed UPS functions, such as tracking and cost calculations, into their own Web sites so that they can track shipments without visiting the UPS site. A Web-based Post Sales Order Management System (OMS) manages global service orders and inventory for critical parts fulfilment. The system enables high-tech electronics, aerospace, medical equipment, and other companies anywhere in the world that ship critical parts to quickly assess their critical parts inventory, determine the most optimal routing strategy to meet customer needs, place orders online, and track parts from the warehouse to the end user.

An automated e-mail or fax feature keeps customers informed of each shipping milestone and can provide notification of any changes to flight schedules for commercial airlines carrying their parts. UPS is now leveraging its decades of expertise managing its own global delivery network

to manage logistics and supply chain activities for other companies. It created a UPS Supply Chain Solutions division that provides a complete bundle of standardized services to subscribing companies at a fraction of what it would cost to build their own systems and infrastructure. These services include supply-chain design and management, freight forwarding, customs brokerage, mail services, multimodal transportation, and financial services, in addition to logistics services. For example, UPS handles logistics for Lighting Science Group, the world's leading maker of advanced light products such as energy-efficient light-emitting diode (LED) lamps and custom design lighting systems. The company has manufacturing operations in Satellite Beach, Florida and China. UPS conducted a warehouse/distribution analysis to shape the manufacturer's distribution strategy, in which finished goods from China are brought to a UPS warehouse in Fort Worth, Texas, for distribution. The UPS warehouse repackages finished goods, handles returns and conducts daily cycle counts as well as annual inventory. Lighting Science uses UPS Trade Management Services and UPS Customs Brokerage to help manage import and export compliance to ensure timely, reliable delivery and reduce customs delays. UPS also helps Lighting Science reduce customer inventory and improve order fulfilment.

UPS manages logistics and international shipping for Celaris, the world's largest wireless accessory vendor, selling mobile phone cases, headphones, screen protectors, and chargers. Celaris has nearly 1,000 franchises in the United States, Canada and the United Kingdom. The company's supply chain is complex, with products developed in Georgia, manufactured at more than 25 locations in Asia and 10 locations in the U.S., warehoused in a Georgia distribution centre, and shipped to franchisees and customers worldwide

Sources: "A Good Call Becomes a Thriving Business," UPS Compass, February 2014;"High-Tech Manufacturer Masters Logistics, UPS Compass, January 2014; www.ups.com, accessed April 17, 2014; Steve Rosenbush and Michael Totty, "How Big Data Is Transforming Business," The Wall Street Journal, March 10, 2013; Thomas H. Davenport, "Analytics That Tell You What to Do," The Wall Street Journal, April 3, 2013; Elana Varon, "How UPS Trains Front-Line Workers to Use Predictive Analytics," DataInformed, January 31, 2013; and Jennifer Levitz and Timothy W. Martin, "UPS, Other Big Shippers, Carve Health Care Niches," The Wall Street Journal, June 27, 2012.

- 2.1 Identify and explain the inputs, processing, and outputs of UPS's package tracking system. (10)
- 2.2 Describe the technologies that are used by UPS and explain how these technologies are related to UPS's business strategy. (10)
- 2.3 Critically analyse the strategic business objectives that UPS's information system addresses. (15)
- 2.4 Critically forecast what would happen if UPS's information systems were not available. (15)

END OF INFORMATION AND KNOWLEDGE MANAGEMENT ASSIGNMENT

11. EXAMINATIONS

11.1 EXAMINATION VENUES

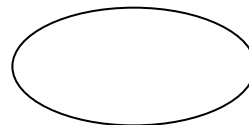
REGION	EXAMINATION VENUE
KWAZULU NATAL	Regent Business School 35 Samora Machel Street (Aliwal Street) Durban
GAUTENG	Regent Business School 13 Frost Avenue, Sunnyside Auckland Park Johannesburg
WESTERN CAPE	Regent Business School 1 st Floor 99 Main Road Claremont Cape Town <i>(Enter Stadium on Main – take stairs to lifts – exit on 1st Floor)</i>
EASTERN CAPE	Regent Business School 90 Vincent Road Vincent East London 5201
LIMPOPO	Edupark Edupark Avenue off Dorp Street A Block 1 st Floor Edupark Administration office Polokwane Opposite New Peter Mokaba Stadium
MPUMALANGA	SAVF social work offices No 35 Murray Street Nelspruit

REGION	EXAMINATION VENUE
SWAZILAND	Lot 132 City Centre Mbabha Street Commercial Area Manzini- Near Swaziland Milling
NAMIBIA (Windhoek)	Dr Augustino Netto Drive Unit 3 Ausspahn Plaza Office Park Ground Floor
NAMIBIA (Ongwediva)	University of Namibia Oshakati Campus Eliander Mwatale Street Oshakati Namibia
ZAMBIA	Zamcom Zambia Institute of Mass Communication Education Trust Plot 3529 Government Road Lusaka
ZIMBABWE	Boston Place 13 Boston Avenue Rhodesville Off Samora Machel Avenue Harare
MAFIKENG	Molopo Executive Country Lodge Corner off Nelson Mandela & North Street Mafikeng.

11.2 EXAMINATION DATES

MODULES	FINAL EXAMINATION
TRIMESTER TWO	
LEADERSHIP AND HUMAN CAPITAL DEVELOPMENT	Monday, 15 August 2016 (13h30-16h30)
GOVERNANCE AND SUSTAINABILITY	Wednesday, 17 August 2016 (13h30-16h30)
GLOBAL POLITICAL ECONOMY	Friday, 19 August 2016 (13h30-16h30)
TRIMESTER THREE	
ACCOUNTING AND FINANCE	Monday, 05 December 2016 (09h00-12h00)
OPERATIONS AND SUPPLY CHAIN MANAGEMENT	Wednesday, 07 December 2016 (09h00-13h00)
INFORMATION AND KNOWLEDGE MANAGEMENT	Wednesday, 07 December 2016 (09h00-13h00)

Appendix A: ASSIGNMENT COVER SHEET



Date Received:

Date Returned:

Programme	MASTER OF BUSINESS ADMINISTRATION		
Module Name			
Assignment Number			
Surname			
First Name/S			
Student Number			
Date Submitted			
Postal Address			
E-MAIL			
myregent email address@myregent.ac.za		
E-Mail			
(alternate email address)			
Contact Numbers	Cell :		
	Home :		
	Work :		
Alternate contact :Name			
Relationship			
Contact number			

I hereby confirm that the assignment submitted herein is my own original work.

Signature of Student:.....Date:.....