



UNIVERSITY  
OF  
JOHANNESBURG

## **JUNE EXAMINATION**

**PROGRAMME** : HUMAN MOVEMENT STUDIES  
**SUBJECT NAME** : STRATEGIC MANAGEMENT IN SPORT  
**SUBJECT CODE** : HMS 8X18 / SPB 14X7  
**DATE** : 26 MAY 2016 AT 08:30  
**DURATION** : 3 HOUR  
**TOTAL MARKS** : 100

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**EXAMINER** : Ludolf Smit  
**MODERATOR** : Prof Geoff Goldman  
**NUMBER OF PAGES** : THIS PAPER CONSISTS OF THREE (3) PAGES

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### **INSTRUCTIONS TO CANDIDATES:**

**MAKE SURE THAT YOU HAVE THE COMPLETE PAPER.**

**ANSWER ALL THE QUESTIONS.**

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**Case study:**

Buthlezi Sport Stadium (BSS) is a family run business in the heart of Soweto. Dad Johannes, Mom Thembi, Daughter Sonia and Son Sizwe run the business.

Sizwe played as a striker for the Pirates a few years ago and is now the head coach / team manager of the Soweto Devils soccer team (LFA Football League or amateur league) that calls the BSS its home. The stadium is situated on a large parcel of ground that belongs to the family and it is underutilised, it has space for more fields other than the two that are currently in use - one for practice and one for weekend games where the 700 seat stadium and 1000 standing space is always full.

The family makes a living as they have for the past 20 years. Sonia wants to expand the stadium, Sizwe wants to grow his team into a premier league team (top professional league), Mom stays out of the discussion and Dad does not believe you mess with something that has worked for so many years. Each family member has one vote in family / business meetings which they have at their home on the grounds.

The turnover of the company has been steady at around R2 600 000 annually and the family makes most of turnover as profit as they do all the grounds work and maintenance themselves – the maintenance for the last year was R600 000, the family sells their own tickets and subcontract the food stalls – the food stalls bring in R1 200 000 annually (details of income and expenses below)

	2013	2013	2014	2015
Ticket sales	R 2 300 000	R 2 400 000	R 2 500 000	R 2 600 000
Maintenance	R -900 000	R -500 000	R -700 000	R -600 000
Food stalls	R 874 800	R 972 000	R 1 080 000	R 1 200 000
Profit	R 2 274 800	R 2 872 000	R 2 880 000	R 3 200 000

BSS (and the family) have no debts, R5 million in the bank and little expenses. The family lives comfortably on the proceeds of their business and gives a lot back to the community in the form of kit and training for underprivileged youth, a feeding scheme and free tickets for ones they know cannot afford it.

Mom feels that they can do more for the community and asked Sonia to look at a way of making more money out of the business with the idea of giving more back to the community, improve their lot and possible helping Sizwe to move his team up the league ladder. Sizwe has terrible business sense but is an inspired coach

She said if Sonia can come up with a plan she will support her.

Sonia is in her Honors year of sport management and her Strategy knowledge will come in handy here.

**Your task as Sonia:**

**While completing the following task, where you make an assumption please state so clearly**

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Please develop a detailed strategy for Buthelezi Sport Stadium  
After outlining the full Strategic Management Process Model, please elaborate on the following:

- Determining the strategic direction for BSS
- Do an environmental analysis for BSS
- Engage in a Strategy formulation exercise
- Develop a Implementation plan for your strategy
- Explain how you will achieve strategic control to your implemented strategy