



**FACULTY OF MANAGEMENT
SUPPLEMENTARY EXAMINATION**

**DEPARTMENT OF INDUSTRIAL PSYCHOLOGY AND PEOPLE
MANAGEMENT**

Honours in HRM, HRD & ERM

<u>SUBJECT</u>	: Strategic HRM & Change Management
<u>CODE</u>	: HRM8X18
<u>DATE</u>	: January 2017
<u>DURATION</u>	: 3 HOURS
<u>TOTAL MARKS</u>	: 100

<u>EXAMINER(S)</u>	: Prof Wilfred I. Ukpere
<u>MODERATOR</u>	: Prof Sunday S. Babalola
<u>NUMBER OF PAGES</u>	: 4 PAGES

INSTRUCTIONS TO CANDIDATES:

- Question papers must be handed in.
 - This paper consists of Section A and B. Please answer all the questions in section A and answer 4 out of the 6 questions in Section B.
 - This is a closed book assessment.
 - Read the questions carefully and apply critical thinking.
 - Number your answers clearly.
 - Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
 - Structure your answers by using appropriate headings and sub-headings.
 - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
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Section A

Answer all questions under this section [40 Marks]

Briefly explain the following key concepts:

- | | |
|------------------------------------|-----------|
| 1. Operating environment | [4 Marks] |
| 2. Foreign branching | [4 Marks] |
| 3. Value chain analysis | [4 Marks] |
| 4. Horizontal Integration | [4 Marks] |
| 5. Turnaround | [4 Marks] |
| 6. Strategic alliances | [4 Marks] |
| 7. Matrix organisational structure | [4 Marks] |
| 8. Organisational development (OD) | [4 Marks] |
| 9. Action Research | [4 Marks] |
| 10. Intangible assets | [4 Marks] |

Section B

**Answer any 4 (Four) out of the 6 (Six) questions. All questions in section B carry equal marks
[60 Marks]**

QUESTION 1

[15 Marks]

"It is argued that outsourcing of an activity is bad because the activity is no longer a means of distinguishing the firm from its competitors, since all competitors can buy the same service from the same service provider. Hence it cannot be regarded as a source of competitive advantage".
From the above statement answer the following questions:

- 1.1 Do you agree or disagree with the above statement? Elaborate on your stance. [4 Marks]
- 1.2 Discuss how outsourcing is being used to increase the effectiveness of HR. [5 Marks]
- 1.3 List and briefly discuss the initial efforts to improve the effectiveness of traditional organisational structures [6 Marks]

QUESTION 2

[15 Marks]

Compare and contrast Lewin's three step change model and Kotters eight step plan model of organisational change.

[15 Marks]

Question 3

[15 Marks]

3.1 Distinguish between the general characteristics of a modernist and postmodernist organisation [10 Marks]

3.2 Distinguish between developmental, transitional and transformational change [5 Marks].

Question 4

[15 Marks]

As a change strategist you have just been consulted and informed that organisation 'A' has been facing some major challenges with regards to meeting her stakeholders expectations. As a change strategist you conducted an analysis and realised that the organisation has long moved into the stage 5 (decline) of its life cycle as depicted in the diagram below.

Organisation A

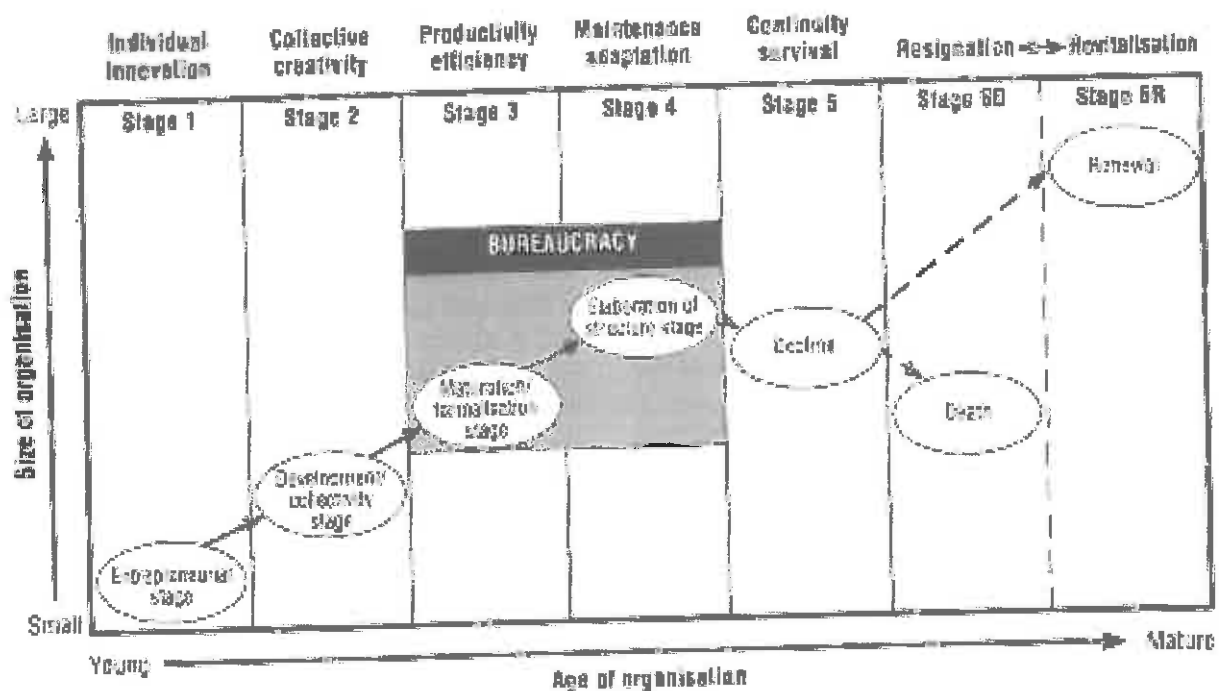


Figure 3.2 An integrated model of the organisational life cycle

Source: Van Tonder, 1995, p. 81

4.1 What are the warning signs that the organisation could be heading towards decline?
[7 Marks]

4.2 What possible advice could you provide to management in order to change the destiny of the organisation from decline/death to renewal?
[8 Marks]

Question 5

[15 Marks]

"Awareness strategic opportunities faced by global corporations and of the threat posed to them is important to planners in almost all domestic market. Among corporations headquartered in the United States that receive more than 50 percent of their annual profit from foreign operations are Citicorp, Coca-Cola, ExxonMobil, Gillette, IBM, Otis Elevator and Texas Instrument. In fact, the hundred largest U.S. globals earn an average of 37 percent of their operating profit abroad. Equally impressive is the effect of foreign-based globals that operate in the United States. Their direct foreign investment in the United States now exceeds \$90 billion, with Japanese, German, and French firms leading the way"(Pearce & Robinson, 2007:121). From the above narrative provide answer to the questions that follow:

5.1 What do you understand by the term globalisation [3 Marks]

5.2 Why do firms go global [7 Marks]

5.3 Explain the complexity of the global Environment [5 Marks]

Question 6

[15 Marks]

"To earn profits, firms need to perfect processes that respond to increases in the size and number of competing firms; to the expanded role of government as a buyer as a buyer, seller, regulator, and competitor in the free enterprise system and to greater business involvement in international trade. Perhaps the most significant improvement in these management processes came when "long-range planning," planning, programming, budgeting," and "business policy" were blended with increased emphasis on environmental forecasting and external considerations in formulating and implementing plans. This all-encompassing approach is known as strategic management" (Pearce & Robbins, 2007).

6.1 What are the dimensions strategic management [6 Marks]

6.2 What are the benefits of a participative approach to strategic management [6 Marks]

6.3 List the stakeholders of a business concern [3 Marks]

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