



**COLLEGE OF BUSINESS AND ECONOMICS**  
**DEPARTMENT OF BUSINESS MANAGEMENT**  
**SUPPLEMENTARY SUMMATIVE ASSESSMENT**

**SUBJECT:** BUSINESS MANAGEMENT  
**CODE:** BMA1A01 / BMA11A1  
**DATE:** July 2018  
**TIME ALLOWED:** 120 Minutes  
**TOTAL MARKS:** 100

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**MODERATOR:** Dr W Van der Linde  
**NUMBER OF PAGES:** 18

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**INSTRUCTIONS:**

- This is a closed-book assessment.
  - Question papers must be handed in together with your answer books.
  - Read the questions carefully and answer only what is asked.
  - Answer all the questions:
    - Answer **section A** in the back of the answer book on the answer sheet provided. Indicate the correct answer as per the instructions.
    - Answer **section B** in the answer book.
  - 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 subheadings.
  - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
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**SECTION B****[60 MARKS]****READ THE FOLLOWING CASE STUDY AND ANSWER QUESTIONS 1 AND 2.****TIGER BRANDS: NO LINK TO LISTERIOSIS DEATHS AND OUR PRODUCTS**

Tiger Brand's Chief Executive Officer (CEO), Lawrence MacDougall briefed the media in Johannesburg after the Minister of Health Dr. Aaron Motsoaledi revealed that the source of the listeriosis outbreak in South Africa was traced back to the company's contaminated Enterprise production factories in Limpopo, Polokwane, Pretoria and Germiston. The country has been struggling with the listeriosis outbreak for 14 months. By the end of February 2018, health authorities had confirmed 948 cases with 180 fatalities. The company recalled all its ready-to-eat meat products like polony, viennas and bacon manufactured at the facilities due to its unsuitability for human consumption. Tiger Brands acknowledged that the loss of life is devastating for the company but refused to take blame for the people killed by listeriosis. MacDougall said his company will not apologise unless there is proof of negligence.

"We have not received the results from the government yet. We are acting without that information so we don't know what it is. So we are taking precautions to protect the consumer. There is no direct link between the deaths and our products that we are aware of at this point," said MacDougall. He said 40% of the environmental swabs taken for tests by the National Institute of Communicable Diseases (NICD) at its factory in Polokwane in February, came back positive for the ST6 Listeria strain, but no products were implicated. MacDougall insisted their facilities surpassed South African safety standards and conformed to European standards. He added that levels of listeria contamination in their Polokwane facility was below the threshold determined by company health standards.

In its scant communication, the Tiger Brands CEO failed to show compassion and instead came across as being cold and unsympathetic. He said the financial implications of the product recall are still being calculated. At the time of compiling this case study, Tiger Brands' share price had dropped by almost 13% at the Johannesburg Stock Exchange.

**Source:** Adapted from: <https://www.businessinsider.co.za/why-tiger-brands-ceo-couldnt-say-sorry-for-the-listeria-outbreak-2018-3> (Accessed 07 April 2018)

**QUESTION 1****[14 MARKS]**

- 1.1 Lawrence MacDougall, the CEO of Tiger Brands briefed the media in Johannesburg about the listeriosis outbreak in South Africa linked to the company. Which **two managerial roles** and related **sub-roles** did he demonstrate? (4)
- 1.2 "We have not received the results from the government yet. We are acting without that information so we don't know what it is." said MacDougall. Based on this confusing statement, which **communication competency dimension** is lacking and why? (2)
- 1.3 According to Nieuwenhuizen and Oosthuizen, management theories define what causes what and why. From the case study, which management theory was not complied with by Tiger Brands? (1)
- 1.4 Based on your answer above, demonstrate how this theory was compromised by Tiger Brands? (3)
- 1.5 Step 2 of the planning process entails 'Determining goals and objectives' for an organisation like Tiger Brands. **List** four (4) objectives that the management of Tiger Brands should focus on to manage the current crisis effectively. (4)

**QUESTION 2****[8 MARKS]**

- 2.1 The source of the listeriosis outbreak in South Africa was traced back to Tiger Brands' Enterprise factories. **Which** organisational structure in terms of **departmentalisation** is evident in this case study? **Define** this organisational structure. (2)
- 2.2 What are the two (2) values/benefits of this departmentalisation structure? (2)
- 2.3 Use the case study and *quote* a sentence to support your answer above. (2)
- 2.4 "In its scant communication, the Tiger Brands CEO failed to show compassion and instead came across as being cold and unsympathetic as he emphasis was on the financial implications rather than the people who got poisoned". According to **Blake and Mouton's Managerial Grid**, what leadership style did the Tiger Brands CEO display and justify your answer? (2)

**QUESTION 3****[10 MARKS]**

Leadership powers are classified according to personal power, positional power and responses from subordinates (employees).

**List** two (2) sources of personal power, five (5) sources of positional power and three (3) possible responses from subordinates. (10)

**QUESTION 4****[28 MARKS]**

- 4.1 Describe the Situational leadership theory. (2)
- 4.2 Indicate seven (7) dimensions identified by situational theorists as being impactful on the effectiveness of leaders. (7)
- 4.3 During each stage in the transformation process, control needs to take place. **Explain** the three (3) types of control relevant to each phase. (3)
- 4.4 There are four (4) main sources of control in most companies. **Discuss** these sources. (8)
- 4.5 Designing effective organisational controls and control systems is not simple because there are many issues to deal with. **Indicate** eight (8) typical characteristics of effective control. (8)

**END OF ASSESSMENT**