



UNIVERSITY
OF
JOHANNESBURG

<u>FACULTY</u>	: Health
<u>DEPARTMENT</u>	: Sport and Movement Studies
<u>CAMPUS</u>	: DFC
<u>MODULE</u>	: SPB14X7/HMS8X18 STRATEGIC MANAGEMENT IN SPORT
<u>SEMESTER</u>	: First
<u>EXAM</u>	: SSA July 2019

<u>DATE</u>	: July 2019	<u>SESSION</u>	: 08:30
	DR N JANSE VAN		
<u>ASSESSOR(S)</u>	: RENSBURG		
<u>MODERATOR</u>	: DR JT WEILBACH		
<u>DURATION</u>	: 3 HOUR	<u>MARKS</u>	: 100

NUMBER OF PAGES: 10 PAGES

INSTRUCTIONS:

1. This examination is an open book examination.
2. Students are allowed to bring their *textbooks, notes and/or other resources* into the exam room.
3. All resources must be *hardcopies/print format* (no computers, tablets or cellphones are allowed).
4. Students will be given 3 hours to complete the test. There are 2 questions. Students should allocate their time approximately as follows:
Question 1 – 36 minutes
Question 2 – 144 minutes
5. Read all questions carefully and make sure you understand the facts before you begin answering.
6. Write legibly, number correctly and be concise.
7. Deal with all the issues raised even if you believe the disposition of any one of them is controlling. If there are ambiguities in the facts, make whatever assumptions are necessary to resolve an issue; if additional facts are needed, state what these facts are and why they are needed.
8. Good luck and have a nice vacation

QUESTION 1 (20 MARKS)

Choose the one best answer from each of the various options presented to you. Only write down the option that you have chosen.

- 1.1) A good strategy requires:
- A) Clarity on what the organisation want to achieve in the future.
 - B) A deep understanding of the competitive environment and the resulting opportunities and threats.
 - C) An objective understanding of the strengths and weaknesses of the organisation.
 - D) A and B.
 - E) A, B and C.
- 1.2) The resultant impact of poor infrastructure in Africa on businesses, are:
- A) Supply chain problems.
 - B) Distribution channel problems.
 - C) Poor customer relationship management.
 - D) A and B.
 - E) A, B and C.
- 1.3) Which of the following is *not* a function of corporate governance?
- A) Specification of the distribution of rights and responsibilities among different participants in the corporation.
 - B) Specification of the rules and procedures for making decisions in corporate affairs.
 - C) Provision of a structure through which corporations set and pursue their objectives.
 - D) Monitoring the actions, policies and decisions of corporations.
 - E) Specification of the product or service of a company.
- 1.4) In the operationalising of strategy, which of the following does not happen?
- A) Strategic goals are translated into short-term goals by middle management.
 - B) Functional tactics are developed to support short-term objectives.
 - C) Policies and procedures are developed to ensure direction of daily activities.
 - D) Top management is provided with a long-term overview of the external environment.
 - E) 'Red tape' fulfils a justified and important role in the organisation.
- 1.5) Which of the following statements can best be associated with emergent strategy?
- A) Strategies are formulated, implemented and controlled.
 - B) None of the commitments are modified at any stage.
 - C) Many of the commitments are modified along the way.
 - D) A strategy which ineffective or destructive is completely discarded.
 - E) None of the above.

- 1.6) Absorptive capacity can best be referred to as:
- A) The capacity of an organisation to absorb bad decisions.
 - B) The capacity of an organisation to absorb external threats.
 - C) The capacity of an organisation to absorb external information, assimilate it and use it to address business problems.
 - D) The capacity of an organisation to absorb internal information, assimilate it and use it to address business problems.
 - E) None of the above.
- 1.7) is gained through experience, insight and intuition, and is difficult to share or record, making it virtually impossible to emulate or sell.
- A) Explicit knowledge.
 - B) Tacit knowledge.
 - C) General knowledge.
 - D) Experiential knowledge.
 - E) None of the above.
- 1.8) The acronym PESTLE stands for:
- A) Political, economic, social, technical, legal, environmental.
 - B) Police, electricity, socialism, technological, legal, economical.
 - C) Pretty efficient southern topographic licensed economics.
 - D) Political, economic, socialist, technological, legal, environmental.
 - E) Political, economic, social, technological, legal, environmental.
- 1.9) When one analyses the attractiveness of an industry, the five forces one should consider are generated by:
- A) Customers, suppliers, existing competitors, potential competitors, substitute providers.
 - B) Custodians, supplements, exiting competitors, provisional competitors, subsequent providers.
 - C) Curators, superlatives, excited competitors, pondering competitors, sublime providers.
 - D) Financial, Governmental, Environmental, Social, Legislative.
 - E) None of the above.
- 1.10) Which of the following best describes the layers from which culture can be conceived?
- A) Values.
 - B) Beliefs.
 - C) Behaviours.
 - D) Taken-for-granted assumptions.
 - E) All of the above.
- 1.11) Which of the following is not a core principle of successful business architecture?
- A) Business architecture is about the entire business
 - B) Business architecture is an ongoing process.
 - C) Multiple components make up business architecture.
 - D) Business architecture is prescriptive.
 - E) Multiple stages make up a business architecture.

- 1.12) Which of the following provides the best description of strategy deployment?
- A) A process by which a formulated strategy will implement itself.
 - B) A process by which a strategy becomes a self-fulfilling prophecy.
 - C) A process that aligns an organisation's functions and activities with its strategic goals and objectives.
 - D) A linear process which is predictable and projectable.
 - E) A non-linear process which one can never predict or project.
- 1.13) Benchmarking:
- A) provides a tool for comparing the organisation to its best competitors.
 - B) provides a tool for comparing the organisation to the best competitors in other industries to determine what is possible.
 - C) is the formal process of comparing the attributes of one organisation to those of another.
 - D) A and B.
 - E) A, B and C.
- 1.14) Measures of organisational efficiency include:
- A) measures of stakeholder satisfaction.
 - B) an internal focus of control.
 - C) measures of competitive success.
 - D) measuring the organisation's ability to model performance and life cycle cost given a set of predetermined criteria representing industry standards of excellence.
 - E) measures of organisational excellence.
- 1.15) In terms of strategic initiative reporting, which of the following is advised?
- A) The use of executive dashboards.
 - B) The fewer measures, the better.
 - C) Learning and adjusting as the strategy deployment takes shape.
 - D) All of the above.
 - E) None of the above.
- 1.16) Which one of the following is *not* an advantage of decentralisation?
- A) Top managers gain more control over departments and employees.
 - B) Morale and initiative on lower levels of management are improved.
 - C) Reduced duplication of tasks.
 - D) Less intensive management training is required.
 - E) No sophisticated planning and reporting methods are necessary.
- 1.17) Which of the following is a reason why change programs fail?
- A) Resistance to change.
 - B) Analysis paralysis.
 - C) Reinterpretation.
 - D) All of the above.
 - E) None of the above.

- 1.18) Which tool or technique is best suited to evaluate risk?
- A) Sensitivity analysis.
 - B) Break-even analysis.
 - C) Financial ratios.
 - D) None of the above.
 - E) All of the above.
- 1.19) Which tool or technique is best suited to determine key success factors as well as the attractiveness of competitors?
- A) Competitor Profile Matrix.
 - B) Scenario Planning.
 - C) Porter's Five Forces.
 - D) PESTLE/G.
 - E) Strategic Group Mapping.
- 1.20) Which of the following is *not* one of the five categories a resource can be grouped under?
- A) Physical capital.
 - B) Investment capital.
 - C) Financial capital.
 - D) Human capital.
 - E) Organisational capital.

[20]

QUESTION 2 (80 MARKS)

CASE STUDY:
World League Rugby
(Appendix A)

Study the case study and then answer all of the following questions accordingly.

- 2.1) Is the 'World League' an example of competitive advantage or sustainability? Which strategy (competitive advantage or sustainability) would be the most beneficial to World Rugby (WR)? Explain the answer by building your answer on appropriate theory. (10)
- 2.2) Formulate two (2) strategic goals for WR focussing on the 'World League' initiative to achieve any two (2) specific goals mentioned in the case study. (10)
- 2.3) Use Porter's five force model to determine the strategic implication for WR if they continue with the 'World League'. (20)
- 2.4) As change management is crucial during this new initiative of WR, what kind of strategic change is WR proposing? How should the strategic leaders of WR manage change? Identify the pitfalls and problems of managing change programmes. (20)
- 2.5) Explain how effective external stakeholder relations can add strategic value to WR's strategy. (16)
- 2.6) Explain how WR can make use of the balanced scorecard as a strategic control mechanism. (4)

[80]

TOTAL: 100 MARKS

World Rugby scrambles to explain World League thinking

2019-02-28 14:31

sport24

Cape Town - World Rugby has scrambled to issue a media statement following unprecedented fall-out after reports surfaced that they'd given the green-light for the creation of a 'World League' that would effectively end the playing days of countries outside the selected 'Big 12'.

In the statement published on their website, World Rugby stated: World Rugby recognises and values the importance of player considerations and input into the annual international competition discussions.

However, the manner the International Rugby Players (IRP) organisation has expressed these is surprising given regular engagement throughout this ongoing process. World Rugby's commitment to player welfare matters is unwavering and we will continue to engage and give full consideration to the welfare of players within the ongoing discussions.

It is inappropriate to comment on specifics whilst wider stakeholder consultation, including with IRP, is ongoing. However, it is important to note that some assumptions made in the statement regarding the proposed competition structure are inaccurate and that important matters such as playing load and emerging nation opportunities are at the heart of constructive dialogue on the overall concept.

Consumer research confirms a structured annual competition would make fans and new audiences more likely to watch, attend and engage with international rugby, exposing the sport to new fans worldwide. There is also no doubt that a structured annual international competition would deliver significantly greater long-term global media revenue for reinvestment in the global game. This project has at its heart long-term growth and stability, not short-term wins, and that includes greater opportunity for players.

As instructed by our Executive Committee and the Unions, we remain committed to a process of constructive dialogue with all stakeholders, including the IRP, to deliver a model that ensures the best-possible competition and commercial outcomes for all and a truly exciting and meaningful annual international competition structure that is great for players, clubs, fans and unions.

Source: <https://www.sport24.co.za/Rugby/world-rugby-scrambles-to-explain-world-league-thinking-20190228>

World League would leave smaller rugby nations with 'no hope'

2019-02-28 11:13

sport24

Cape Town – The proposed World League would leave smaller rugby nations with "no hope of advancement", says Samoan captain Chris Vui.

It was confirmed on Thursday that World Rugby is considering a new-look 12-team international tournament from 2020 that would see South Africa, New Zealand, Australia, Argentina, England, Ireland, Wales, Scotland, Italy, France, Japan and the USA compete in an annual tournament that would change the face of international rugby.

With no relegation or promotion expected, it leaves fringe rugby nations like Canada, Namibia, Fiji, Samoa, Tonga, Georgia and Romania well and truly sidelined.

It is understood that the proposed World League would run on a cycle of 10 to 12 years without any promotion or relegation, so it is understandable that the fringe nations are not overly excited by the product.

"For countries in this bracket and for Pacific Islanders in particular, our biggest issue has always been the 'club versus country' factor," Vui said.

"We feel that that a 12-year deal is not workable, particularly when it presents no hope of advancement during that period.

"This will have the dangerous knock-on effect of luring senior players away from their countries and more towards the clubs, which is the exact opposite of what we're all trying to achieve."

A decision on the World League is expected as early as next month.

Source: <https://www.sport24.co.za/Rugby/world-league-would-leave-smaller-rugby-nations-with-no-hope-20190228>

Pacific players suggest RWC boycott over league exclusion

2019-03-02 08:57



Paris - World Rugby's proposed League of Nations' drew more criticism on Friday when one players' organisation said it is even discussing a boycott of the 2019 Rugby World Cup.

Pacific Rugby Players Welfare (PRPW), an organisation of 600 mostly Europe-based professional players, issued a statement saying a boycott, which could include players of Pacific Island origin playing for other nations, would be a "legitimate player protest."

The organisation is unhappy because the reported new league plan excludes the Pacific from what the London-based PRPW called a "TV-driven world league of the top 12 Test teams".

Initial reports suggested Fiji, along with Japan, would be included, but when the *New Zealand Herald* reported World Rugby's plans on Thursday, Fiji had been replaced by the United States.

The Herald estimated that the competition would be worth between 10 million and 14 million New Zealand dollars to each participating nation.

"The players don't want it, they're overplayed now, so it's not going to happen," former All Blacks coach Graham Henry told New Zealand television earlier on Friday.

The plan ruled out promotion and relegation for at least 10 seasons, meaning Tonga, Samoa and Fiji, as well as other rising nations such as Georgia, would have no chance to win a place later.

"This is exactly what happened when they created Super Rugby," said former Samoa lock forward Daniel Leo, who heads the union that represents players of Pacific Island heritage at all levels of the European leagues.

"Their watchword was - let's take their players but whatever happens, keep the islands out."

"This will be Pacific Rugby Disaster 2.0."

Leo says it was "abundantly clear that World Rugby has failed the genuine rugby fan."

"Now is the time for the voice of Pacific rugby to be heard through our players, God's gift to our islands, and in a way that might head off this calamity," said Leo.

Some officials in the Tier 1 rugby nations have voiced unease.

Rugby Australia chief Raelene Castle said on Friday that, while the proposal would be good for Australia financially, "the competition model must provide opportunities for the Pacific Islands nations and other developing nations to continue to grow and compete with tier one nations."

New Zealand players' association chief executive Rob Nicol expressed opposition to the exclusion of the Pacific nations in a radio interview.

"We're not going to let a commercial land grab happen here at the expense of player welfare and the integrity of the international game," Nicol said.

Fiji, Samoa and Tonga have all qualified for the 2019 World Cup in Japan.

"If what I'm hearing is true then R.I.P Pacific Island Rugby... money is the winner at the end of the day I guess," tweeted Montpellier's Fijian back Nemani Nadolo.

On Thursday, World Rugby's ambitious Argentinian vice-president Agustin Pichot insisted he wanted to see two 12-team divisions created so that top nations who lack financial muscle in the sport such as Fiji would not lose out.

"I will never support a league that blocks the way for emerging nations," former Pumas star Pichot said.

"My position and my proposals have always been the same since the first day: 12 + 12 (two divisions of 12 teams each) with promotion-relegation and with enough rest period for the players."

Source: <https://www.sport24.co.za/Rugby/pacific-players-suggest-rwc-boycott-over-league-exclusion-20190302>

World's rugby bosses to discuss Nations Championship uproar

2019-03-13 08:52

sport24

Cape Town - The world's top rugby administrators will meet this week to discuss World Rugby's proposed Nations Championship.

When news broke last week of plans for the league-based tournament that would revolutionise Test rugby, it was met with strong criticism from current and former players as well as administrators from some of the game's smaller nations.

Since then, World Rugby has sought to end any confusion by saying it would be "flexible" and open to discussion before making any concrete decisions on the tournament.

According to the BBC website, discussions would take place in Dublin on Thursday for a "crunch meeting".

Representatives from all tier-one nations as well as Fiji and Japan will attend the meeting, which will also seek to deal with a statement released from numerous English and French clubs that voiced their dissatisfaction at being excluded from the talks.

According to Netwerk24, SA Rugby CEO Jurie Roux would be representing South Africa in Dublin.

Originally planned to be a 12-team tournament that saw all countries play 11 Tests before moving onto semi-finals and a final, the Nations Championship might lose the playoffs entirely after these Dublin talks because those sides who go the distance in the competition would have to play five successive Test matches at the end of the year.

The tournament, if it gets off the ground, is expected to start in 2022.

Source: <https://www.sport24.co.za/Rugby/world-rugby-bosses-to-discuss-nations-championship-uproar-20190313>

CVC bid for Six Nations threatens World Rugby competition

2019-03-13 13:11

sport24

London – The Six Nations is considering an offer from former Formula One owners CVC Capital Partners to take a stake in it which, if accepted, would scupper World Rugby's plans for their so-called Nations Championship, British media reported Wednesday.

CVC - who in December acquired a reported 27 percent stake worth more than £200 million (\$263 million) in the English Premiership - would enrich each of the six unions to the tune of £100million according to the BBC.

This comes on the eve of World Rugby hosting a meeting at their headquarters in Dublin over their controversial plans for an annual global competition which is seen as providing crucial financial funds for the southern hemisphere nations.

It is believed that both Ireland and Scotland oppose the Nations League concept primarily because they do not agree with there being relegation and promotion for the Six Nations.

The Six Nations unions - England, Ireland, Scotland, Wales, Italy and France - have been looking to the future for some time now about increasing their broadcast revenue collectively in a strategy dubbed 'Project Light'.

Their plan is to embrace both their championship and the November Tests - when the southern hemisphere teams come to them - in one broadcast deal.

CVC's reported offer - for an approximate 30% share in the Six Nations - is one of several, the BBC suggest.

According to The Times, CVC tabled their offer which would be restricted to the commercial arm and not the running of the tournament itself, on Monday.

However, it is believed should they accept CVC's offer it would lead to the Six Nations being taken away from free to air television -- it has been rumoured that Amazon are circling.

Sources at the unions have not denied an offer is on the table but insist a deal is not imminent.

The reports will not make World Rugby chairman Bill Beaumont's task any easier when he meets with the Tier 1 chief executives and those from Japan and Fiji as well as players' representatives on Thursday.

World Rugby outlined its concept for the new tournament last Wednesday, which would start in 2022, saying it was "committed to the global advancement of rugby".

The proposed Championship would see the formation of two conferences - a European conference and a rest of the world conference - each with two divisions of six teams and a third division comprising 16 teams.

Both the International Rugby Players (IRP) and the London-based Pacific Rugby Players Welfare (PRPW) organisation had been up in arms over original proposals that were leaked a fortnight ago.

The IRP - led by their President and world player of the year Johnny Sexton - were furious at what they saw were commercial interests being placed ahead of player welfare.

The PRPW were threatening a boycott of this year's World Cup due to the belief that none of the Pacific Islands would be in the 12 team top level competition -- with the United States featuring instead, apparently the idea of World Rugby's ambitious vice-chairman Agustin Pichot.

However, World Rugby clarified these matters last week.

"Under this model, the Pacific Islands and all teams outside the current Six Nations and The Rugby Championship would have a potential pathway" to play annually at the highest level of the game for the first time," it said in a statement.

"Player welfare is fundamental to our sport," it added.

"Within the original proposal, players would play a maximum of 13 matches if their team reaches the final, compared to an average of between 12 and 14 Test matches presently. Most teams would play 11 matches."

Source: <https://www.sport24.co.za/Rugby/cvc-bid-for-six-nations-threatens-world-rugby-competition-20190313>

World Rugby: Controversial shake-up would earn billions

2019-03-14 18:56



Dublin - World Rugby has defended its controversial Nations Championship concept, saying the proposed annual global tournament could earn the sport £5 billion in 12 years.

Rugby chiefs want to launch a new cross-hemisphere contest in 2022, in which the winners of the Six Nations would face off against the top team from an expanded, six-team Rugby Championship in an end of year final.

The international federation outlined its vision for the future of the sport during a meeting with international rugby's major stakeholders in Dublin on Thursday.

Plans include a three-division format and a system of promotion and relegation, which would be backed by a record commercial partnership with sports market company Infront guaranteeing nearly £5 billion for investment in the game over an initial 12-year period.

"There was strong recognition that World Rugby's Nations Championship proposal, based on a true pathway for all, has been developed with great care, extensive evaluation and with the global game at the forefront of our thinking," World Rugby chairperson Bill Beaumont said in a statement.

"We are encouraged that the format revisions and robust financial model has been well received.

"Everyone, not just the established teams, will benefit, accelerating the development and competitiveness of the global game.

"However, as you would expect in an ambitious, complex and multi-stakeholder project, not everyone is in full agreement on the way forward, including the matter of promotion and relegation, but we will continue to engage and consult."

Six Nations bosses are understood to be opposed to the idea of promotion and relegation, which underpins the Nations Championship concept.

And leading players have insisted their views must be heard, saying their opinions on the issue have been overlooked.

"We want to ensure that there will be no repeat of the current situation and that the frustrations over the lack of player consultation are addressed," said Wales captain Alun Wyn Jones.

Top players pre-empted the meeting in Dublin by demanding a seat on World Rugby's executive committee, and the governing body responded by pledging to work with the International Rugby Players organisation and club bosses over the proposals.

One potential cloud on the horizon is that the Six Nations is reportedly considering an offer from former Formula One owners CVC Capital Partners to take a stake in the Six Nations, which, if accepted could scupper World Rugby's plans.

Source: <https://www.sport24.co.za/Rugby/world-rugby-controversial-shake-up-would-earn-billions-20190314>

Deadline for World Rugby's Nations Championship extended

2019-04-05 19:07

sport24

Cape Town - World Rugby has reportedly given its Six Nations and Rugby Championship member unions an extra week to consider the Nations Championship concept.

According to BBC Sport, World Rugby had set a deadline of Friday for formal expressions of interest from the unions.

But it is understood this will not be enforced so more discussions can take place.

Scheduled to launch in 2022, the Nations Championship would see a top division of 12 teams from both hemispheres play each other once in a calendar year, either through traditional competitions like the Six Nations or an enlarged Rugby Championship, or in summer or autumn Test windows.

The top two teams would then meet in an end-of-year showpiece final.

The Daily Mail reports that a hard deadline of May 21 - the date of World Rugby's next council meeting - has been set for plans to be universally ratified.

Should the unions still not agree to the plans by then, the concept could fall through entirely.

There are also talks that the Nations Championship would be underpinned by a second division made up of current tier-two nations, who would be given the chance of promotion against the Nations Championship's bottom-placed team

Source: <https://www.sport24.co.za/Rugby/deadline-for-world-rugbys-nations-championship-extended-20190405>