



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	Johannesburg Business School
<b>DEPARTMENT</b>	Business Management
<b>CAMPUS</b>	Bunting / Kingsway / Soweto
<b>MODULE NAME</b>	Entrepreneurship 2B
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<b>SEMESTER</b>	Second
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Supplementary Summative Assessment January 2020

<b>ASSESSMENT DATE</b>	January 2020	<b>SESSION</b>	
<b>ASSESSORS</b>	Dr M Bounds / Ms N Mitchley		
<b>MODERATOR</b>	Ms C van Tonder		
<b>DURATION</b>	120 min	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	9
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**INFORMATION/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** on the multiple-choice sheet provided in the answer book. Indicate the correct answer as per the instructions on the multiple-choice sheet. **TOTAL of 15 MARKS.**
  - Answer **Sections B and C** in the answer book. **TOTAL of 75 MARKS.**
- Number your answers clearly.

**STUDENT NUMBER:**.....

**SECTION A****[15 MARKS]**

Answer ALL the questions in this section in the answer book provided.

**QUESTION 1**

Which of the following statements, referring to corporate entrepreneurship and the environment in which it operates, are CORRECT?

- (i) Mutual dependence exists between corporate entrepreneurship and the environment.
- (ii) The forces in the corporate environment and the pace at which they change, create uncertainty for the entrepreneurship manager.
- (iii) One of the means available to the corporate entrepreneurship person to cope with uncertainty in the environment is to embark on a process of human resources planning.
- (iv) Surviving in the corporate entrepreneurship sector depends on the early detection of changes in the environment.
- (v) Controllable forces like technological innovations, economic and political occurrences and the social changes in the community, positively influence the relationship between corporate entrepreneurship' and the environment.

Choose the correct combination

- A (i), (ii) and (v)
- B (i), (iv) and (v)
- C (i), (iii) and (v)
- D (i), (ii) and (v)

**QUESTION 2**

There are four categories of entrepreneurs according to Miner, which are \_\_\_\_\_.

- A Personal Adviser, Expert Idea Generator, Champion, Initiator
- B Real Manager, Personal Adviser, Initiator, Super-Salesperson
- C Expert Idea Generator, Personal Adviser, Real Manager, Super-Salesperson
- D Super-Salesperson, Personal Adviser, Champion, Real Manager

**QUESTION 3**

An opportunity has \_\_\_\_\_ essential qualities and can be seen as a \_\_\_\_\_.

- A two, window of opportunity
- B three, favourable set of circumstances
- C four, favourable set of circumstances
- D five, the window of opportunity

**QUESTION 4**

In essence, strategic management is not \_\_\_\_\_.

- A the formulation of long-range plans for the effective management of external opportunities and threats
- B looking beyond immediate crises and day-to-day demands
- C the effective management of a company's internal strengths and weaknesses
- D a short-term search for new sources of competitive advantage
- E ensuring that fellow employees stay focused on the target while being flexible in the tactical approaches employed

**QUESTION 5**

The state of the economy is determined by \_\_\_\_\_.

- A an efficient government
- B combination of all businesses
- C department of trade and industry
- D entrepreneurs

**QUESTION 6**

The true corporate entrepreneur is adaptive, innovative and willing to take risks, but as the business grows, a \_\_\_\_\_ style becomes necessary.

- A transformational leadership
- B bureaucratic
- C more managerial
- D habitual entrepreneurial

**QUESTION 7**

Creativity involves the adjustment or refinement of existing procedures or products, and the identification of opportunities and solutions to problems. It always includes \_\_\_\_\_.

- A new ideas
- B new products
- C new services
- D adaptations of innovations

**QUESTION 8**

Sound human relations and a positive attitude are the basis of \_\_\_\_\_.

- A ingenuity
- B calculated risk-taking
- C creativity
- D leadership

**QUESTION 9**

Dell Inc. is moving forward with plans to begin selling PCs through solution providers, channel partners and retail partners, instead of sticking with the pure direct sales model championed by company founder Michael Dell. Which form of strategic entrepreneurship does Dell adapt?

- A strategic renewal
- B sustained regeneration
- C domain redefinition
- D organisational rejuvenation

**QUESTION 10**

Which one of the following is the corporate venture capital investment extending the corporation's presence in product market or technological arenas regarded as strategic to corporation?

- A Enabling investment
- B Driving investment
- C Emergent
- D Passive

**QUESTION 11**

Which sentence below is not a principle of the effective use of award programmes to encourage entrepreneurship?

- A Emphasise success rather than failure
- B Timing in rewarding an achievement is not crucial
- C Provide recognition in a personal and honest manner
- D Tailor the recognition and reward to the unique needs of the people involved

**QUESTION 12**

In a benign or controllable external environment, what kind of management style and organisational structure is appropriate and effective?

- A Entrepreneurial and organic
- B Entrepreneurial and mechanistic
- C Conservative and organic
- D Conservative and mechanistic

**QUESTION 13**

Which one of the following is not one of the five key company capabilities that lead to a competitive advantage?

- A Speed
- B Flexibility
- C Coordination
- D Aggressiveness

**QUESTION 14**

What can be referred to as the “extent to which events are innovative, risky and proactive?”

- A Frequency of entrepreneurship
- B Degree of entrepreneurship
- C Level of entrepreneurship
- D Intensity of entrepreneurship

**QUESTION 15**

Which one of the following is NOT an example of an internal challenge for HRM?

- A Job analysis
- B HR planning
- C Employee recruitment
- D Union pressure

**SECTION B****[15 MARKS]****QUESTION 1****[15 Marks]**

*Read the following scenario and answer the question that follows.*

**New growth venture creation: Sphiwe's mobile swim academy**

Sphiwe has recently completed a three-year degree in Computer Science and is keen to start a new venture. Sphiwe is very passionate about swimming and holds national championship titles in various swimming disciplines. He is also a qualified swimming instructor and would like to provide swimming lessons to his community in a different, more personalised way, using unique teaching techniques. Sphiwe plans to travel to clients and provide the lessons in the client's pool.

Sphiwe's research shows that the only traditional swimming school in Oakview has closed down a year ago due to operational problems and has since not re-opened. Most of the respondents indicated that they now travel more than 15 km to get their children to the nearest swimming school, which is very inconvenient. Most of them have pools and have indicated that they prefer swimming instruction at their own homes and are willing to pay for such a service.

Satisfied with the opportunity that he has identified, Sphiwe is ready to start his new business venture.

Apply the six-stage entrepreneurial process to the scenario to demonstrate your understanding of the steps that Sphiwe will go through while creating the new venture. [Mark allocation: **2 marks** for identifying and describing the stage; and **1 mark** for application to the case study].

**SECTION C****[70 MARKS]**

***Read the case study and answer the questions that follow.***

**Tiger Brands**

Founded in 1921 by Jacob Frankel, with some help from Joffe Marks, Tiger Brands Limited – formerly known as Tiger Oats Limited – was built on the strength of family businesses and the spirit of entrepreneurship.

**Our Vision**

To be the world's most admired branded consumer packaged goods company in emerging markets.

**Our Mission**

To be a high performing, fast-moving consumer goods company with leading brands, operating across the globe in several selected emerging territories.

**Leading Brands include:** Albany; Tastic; Jungle; KOO; Black Cat; All Gold; Oros; Doom; Purity; Enterprise; Energade; Ingram's; Fatti's & Moni's; and Maynards.

**Logistics**

Visibility, flexibility and cost savings for Tiger Brands with Imperial Managed Logistics' consolidated transport solution. Imperial Managed Logistics' partnership with Tiger Brands is founded on operational excellence and a commitment to continuously drive efficiencies and improvements throughout the Fast Moving Consumer Goods (FMCG) giant's network. This differentiates Imperial Managed Logistics from transactional based transport service providers, and it is enabling Tiger Brands to compete even more competitively in the consumer marketplace.

**Motivation to Change**

Outlining Tiger Brand's motivation for partnering with Imperial, chief integration officer Cobus Rossouw explains that the group had embarked on a process to identify opportunities that would create value and leverage total network volumes. This led to the consolidation of Tiger's Consumer and Grains Divisions, and to a structured approach to operations improvement aimed at ensuring business continuity and sustainability, and to achieving guaranteed service levels. Tiger Brands' fragmented transport service provider model was a pressing problem that had to be addressed in order for this process to pay dividends.

**Systems upgrade in 2014**

Tiger Brands have implemented Oracle E-Business Suite to help streamline its leading businesses and drive international expansion of brands as diverse as baby care products, smoked sausage and skin creams.

- Tiger Brands carried out an upgrade to unify the financial, sales, ordering, manufacturing, and procurement processes running its 25 leading businesses and approximately 8 000 products. A leaner, more agile platform now replaces disparate IT systems inherited over three decades of acquisitions.

- The upgrade has enabled the company to replace infrastructure that had accountants working on five different systems, eliminate redundant accounting sections and save training time as employees only need to know one system. It has also given Tiger Brands better control of business processes, such as the 'catch weight' functionality that accounts for weight variance of its meat products throughout their production.
- The experienced Tiger Brands IT team, together with Accenture, a Diamond level member of Oracle Partner Network (OPN), quickly carried out the upgrade with minimal business downtime. The company's financial shared services team experienced immediate benefits, as single payments could be made across several business units and single logons provided for better efficiency and more accuracy.

### **Strategic review**

The Tiger Brands group embarked on a comprehensive strategic review in 2016, which focused on delivering sustainable profitable growth. Tiger Brands desperately needs new ideas. Analysts have not been happy with its levels of innovation, feeling it has been resting on its laurels as a market leader in so many of its brand categories. Innovations mentioned in its 2016 results include Fatti's & Moni's launching instant noodles and Jungle adding single-serve Jungle cups, moves which appear to reflect it following already established trends rather than innovating itself. MacDougall says there have been small innovations but the group will work on big innovation projects.

Its promised strategic review, announced earlier this year, is not yet concluded but is aimed at rejuvenating the domestic business, establishing a strong and profitable growth trend in the rest of Africa, restructuring and re-engineering the business to achieve a competitive cost base and provide savings for reinvestment and creating a competitive organisational structure.

Sustainability remains a critical enabler in the company's business strategy. Our approach to sustainability is based on a group-wide, six-pillar framework, namely – Growth, Governance, Economy, Environment, Society and Partnerships and includes guidance on objectives, goals and targets for sustainability, minimum requirements and standards as well as enables the group to identify where Tiger Brands wants to innovate and develop leading practices.

#### **Sources:**

<http://www.tigerbrands.com/about-us-4/tiger-brands-history/>

<https://www.iol.co.za/business-report/companies/tiger-brands-in-strategic-review-9355245>

[http://www.itweb.co.za/index.php?option=com\\_content&view=article&id=137663](http://www.itweb.co.za/index.php?option=com_content&view=article&id=137663)

<http://www.imperiallogistics.co.za/case-studies/visibility-flexibility-and-cost-savings-tiger-brands-imperial-managed-logistics%E2%80%99>

<http://www.tigerbrands.com/wp-content/uploads/2016/11/TIGER-BRANDS-YEAR-END-FINANCIAL-RESULTS-PRESS-RELEASE-2016.pdf>



**QUESTION 2****[2 marks]**

Define corporate entrepreneurship.

**QUESTION 3****[20 marks]**

Identify and explain **TWO** motives **(4)** for corporate venturing, **AND** the reasoning **(16)** behind these two motives.

**QUESTION 4****[12 marks]**

Strategy does not exist in a vacuum. Even the most entrepreneurial of strategies will fail unless coupled with management practices that support and reinforce the strategy. Identify and explain any **SIX** factors that contribute to Tiger Brands having a well-conceptualised entrepreneurial strategy.

**QUESTION 5****[14 marks]**

Structures are created to bring order and logic to company operations. Answer the following questions regarding a corporate ventures structure.

4.1 Identify and describe **FOUR** general types of structures. **[4]**

4.2 Identify and define **FIVE** structures used by companies to produce new products and services. **[10]**

**QUESTION 6****[8 marks]**

Companies are social environments, with tribal habits, well-defined cultural roles for individuals, and various strategies for determining inclusion, reinforcing identity, and adapting to change. Identify **FOUR** prototypes that organisational cultures are generally related to.

**QUESTION 7****[14 marks]**

Distinguish between “Mainstream exploitation” vs “New stream” exploration, using the table format below.

“Mainstream exploitation”	“New stream” exploration

**END OF EXAMINATION**