



Enterprise Pillar
Management Level
E2 – Enterprise Management

24 May 2011 - Tuesday Afternoon Session

Instructions to candidates

You are allowed three hours to answer this question paper.
You are allowed 20 minutes reading time before the examination begins during which you should read the question paper and, if you wish, highlight and/or make notes on the question paper. However, you are not allowed, under any circumstances , to open the answer book and start writing or use your calculator during this reading time.
You are strongly advised to carefully read all the question requirements before attempting the question concerned (that is all parts and/or sub-questions).
ALL answers must be written in the answer book. Answers or notes written on the question paper will not be submitted for marking.
ALL QUESTIONS ARE COMPULSORY.
Section A comprises 5 questions and is on pages 2 to 4.
Section B comprises 2 questions and is on pages 5 and 6.
The list of verbs as published in the syllabus is given for reference on page 7.
Write your candidate number, the paper number and the examination subject title in the spaces provided on the front of the examination answer book. Also write your contact ID and name in the space provided in the right hand margin and seal to close.
Tick the appropriate boxes on the front of the answer book to indicate which questions you have answered.

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TURN OVER

SECTION A – 50 MARKS

[You are advised to spend no longer than 18 minutes on each question in this section]

ANSWER ALL FIVE QUESTIONS IN THIS SECTION

Question One

The Board of FF Supermarket is examining the company's current market position. As part of the review, the Board has asked for an analysis of industry competition to be undertaken in order to establish the attractiveness of the industry and sources of competition.

Required:

Discuss the contribution of Porter's Five Forces model in assessing the attractiveness of the industry in which FF currently operates.

(Total for Question One = 10 marks)

Question Two

Due to the complexity of the tasks involved in many projects, communication of responsibility for those tasks is often helped by means of graphical planning techniques.

Required:

(a) **Describe** the techniques of work breakdown structure (WBS) and Gantt charts.

(4 marks)

(b) **Explain** the importance of **both** WBS **and** Gantt charts in the project communication process.

(6 marks)

(Total for Question Two = 10 marks)

Section A continues on the opposite page

Question Three

TR has recently been promoted to his first management position. In the past, he very much enjoyed working as part of a team, but is having some difficulty in adapting to his new role as leader of a team. In his recent appraisal he has acknowledged that his style of management is not effective in all instances. In particular, he feels that he has not been very flexible in dealing with some of the issues that he has faced. He has identified that he would benefit from leadership training to help him better understand the alternative styles of management that he could adopt to help him develop to become more effective in his role.

Required:

Explain to TR, with reference to theory, the different management / leadership styles he could adopt to help him to become more effective in his role.

(Total for Question Three = 10 marks)

Question Four

Z Company is very successful as market leader in digital media products where it has demonstrated its ability to innovate in new product development and design at a very fast pace, creating new products that its customers had not yet imagined. At a press launch for its latest product, the Chief Executive was asked about the company's impressive performance in recent years. She responded by saying that the company is committed to a resource-based approach to strategic development, with a desire to challenge itself to constantly stretch its capabilities.

Required:

Discuss the main characteristics of the resource-based approach to strategic development that the Chief Executive of Z Company referred to at the press launch.

(Total for Question Four = 10 marks)

Section A continues on the next page

TURN OVER

Question Five

K is a kitchen and bathroom design and installation company which currently has showrooms in one region only of Country T. The company has enjoyed considerable success since it was established five years ago, using high quality products and computer-aided design techniques. This has now encouraged K Company to target other regions of Country T where it hopes to open more showrooms.

Since the company will, as yet, be unknown to potential customers, it recognises that it may be difficult to break into a competitive market in the other regions that are already being served by other well-established local and national companies. In order to help determine whether to pursue the expansion strategy, the owners of K Company have decided to try to collect as much intelligence information as possible on its potential competitors in other regions of Country T.

Required:

Describe what would be involved in K Company gathering competitive intelligence information, making reference to the type of information that is needed and the different sources that could be used.

(Total for Question Five = 10 marks)

(Total for Section A = 50 marks)

End of Section A

Section B starts on the opposite page

SECTION B – 50 MARKS

[You are advised to spend no longer than 45 minutes on each question in this section]

ANSWER *BOTH* QUESTIONS FROM THIS SECTION – 25 MARKS EACH

Question Six

P Company manufactures and sells a range of children's clothing through its retail shops and is currently designing a website in order to allow customers to purchase products online. The project is a major investment for P Company and it is seen by the Board of Directors as being a critical strategic development to ensure the continued success of the business in a highly competitive market.

The project team consists of staff from different departments of P Company. This is seen to be important by the Board of Directors, as a number of different business areas in P Company are dependent on the new website going live successfully and on time. The Board of Directors has also appointed G to be the project manager responsible for the development and implementation of this new website. G only joined P Company six months ago as an IT Manager, and she has never previously taken on the role of a project manager. She was chosen by the IT Director to be the project manager on the basis of her strong technical knowledge and experience in website development.

However, G has expressed concerns to the Board of Directors about her appointment as project manager on this strategically important project. She feels that she has a very limited understanding of the roles and responsibilities of a project manager. She is used to the day to day operations of the IT Department and is most comfortable with the technical aspects of the project, but feels that she does not have the range of skills necessary to lead such an important project.

Required:

- (a) **Distinguish** the characteristics of the website development project in P Company from the characteristics of 'business as usual' work. *(10 marks)*
- (b) **Explain** to G the role and responsibilities of the project manager for the new website development project. *(15 marks)*

(Total for Question Six = 25 marks)

Section B continues on the next page

TURN OVER

Question Seven

PR has recently joined FPC Company as the new Finance Director. He is required to work towards getting the finance staff to play a fuller role in the company, becoming more integrated into the strategic and business activities of the organisation. However, PR is aware that this will not be an easy task since his impression is that the Finance Department has a very poor reputation in the company, and current relationships between the finance staff and other departments are not good.

Having discussed the poor perception with other department heads, it is clear that the finance staff are generally viewed as being unhelpful. Many of the complaints surround poor communications. A consistent comment made is that messages received from the Finance Department are too complicated and that too much financial jargon is used. Another common observation is that at inter-department meetings, the finance team use 'financial speak' which other members of staff find hard to understand. The finance staff have an obsession with financial indicators, and do not appreciate that there are other factors which inform decisions. It is also felt that too many emails are sent from the Finance Department, and it is often difficult to find the relevant information on some of the financial spreadsheets circulated which are supposed to help in decision making.

PR has noted that many of the staff in the Finance Department are de-motivated. None of them appear to have clear targets and objectives, and they have told him that they have had no feedback on their performance and staff development simply has not existed. PR has established that, whilst there is a company-wide staff performance appraisal system in place, none of the staff in his department have had an appraisal in recent years.

PR has identified a number of immediate actions to improve the performance of the Finance Department. He has decided that all staff in the Finance Department need training to improve their communication skills. He also intends to make sure the company's appraisal system is implemented and that all staff in his department will have an appraisal in the next three months.

Required:

- (a) **Discuss** what should be covered in the series of training sessions to help members of staff in the Finance Department improve their communication skills. *(15 marks)*
- (b) **Explain** how implementing FPC Company's staff appraisal system in the Finance Department could help improve the performance of staff. *(10 marks)*

(Total for Question Seven = 25 marks)

(Total for Section B = 50 marks)

End of Question Paper

LIST OF VERBS USED IN THE QUESTION REQUIREMENTS

A list of the learning objectives and verbs that appear in the syllabus and in the question requirements for each question in this paper.

It is important that you answer the question according to the definition of the verb.

LEARNING OBJECTIVE	VERBS USED	DEFINITION
Level 1- KNOWLEDGE What you are expected to know.	List State Define	Make a list of Express, fully or clearly, the details of/facts of Give the exact meaning of
Level 2 - COMPREHENSION What you are expected to understand.	Describe Distinguish Explain Identify Illustrate	Communicate the key features Highlight the differences between Make clear or intelligible/State the meaning or purpose of Recognise, establish or select after consideration Use an example to describe or explain something
Level 3 - APPLICATION How you are expected to apply your knowledge.	Apply Calculate Demonstrate Prepare Reconcile Solve Tabulate	Put to practical use Ascertain or reckon mathematically Prove with certainty or to exhibit by practical means Make or get ready for use Make or prove consistent/compatible Find an answer to Arrange in a table
Level 4 - ANALYSIS How you are expected to analyse the detail of what you have learned.	Analyse Categorise Compare and contrast Construct Discuss Interpret Prioritise Produce	Examine in detail the structure of Place into a defined class or division Show the similarities and/or differences between Build up or compile Examine in detail by argument Translate into intelligible or familiar terms Place in order of priority or sequence for action Create or bring into existence
Level 5 - EVALUATION How you are expected to use your learning to evaluate, make decisions or recommendations.	Advise Evaluate Recommend	Counsel, inform or notify Appraise or assess the value of Propose a course of action

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