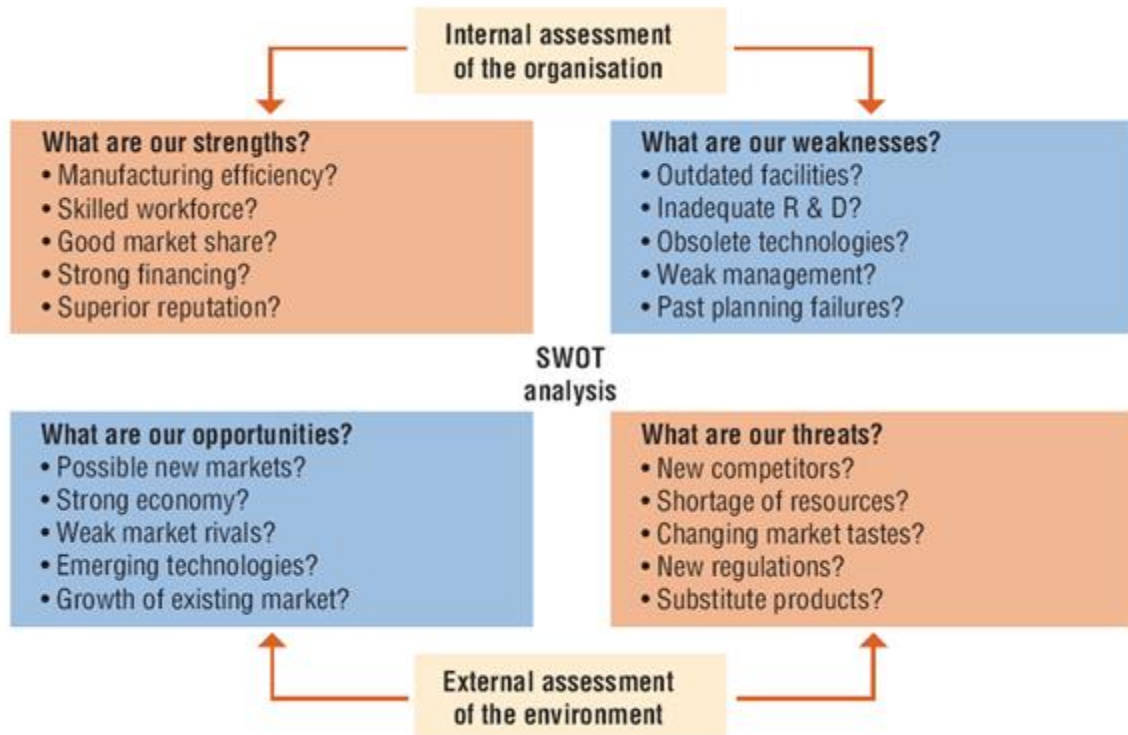


Theory questions from 1st and 2nd Progressive Assessment

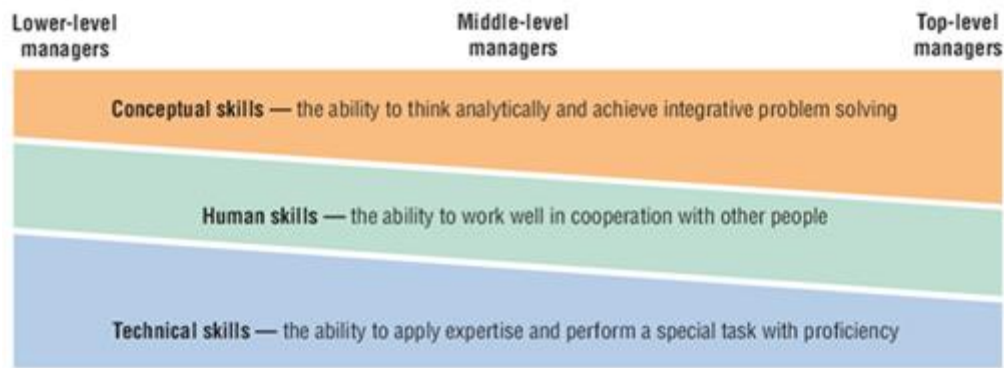
1. What is a SWOT analysis and what is it used for? How do you identify the S, W, O, and T?

SWOT Analysis of Strengths, Weaknesses, Opportunities and Threats:



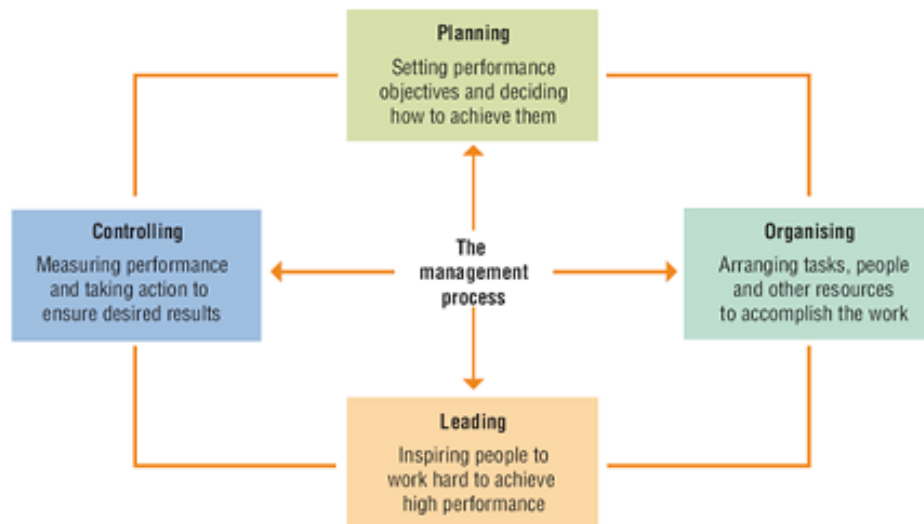
An organisations strengths and weaknesses become evident from analysing competitors, and the opportunities and threats are best assessed by looking at the particular industry and the external environments

2. What are the three levels of management? For each describe the functions for which they are responsible. Management requires a mix of three different kinds of skill. Name them, explain them, and describe how the balance among them differs for each level of management.



3. What is management? List the four Major functions of management and explain how they are related to each other.

Management is defined as the process of planning, organising, leading and controlling the use of resources to accomplish performance goals.



4. International business strategies are of two main types: market entry strategies and direct investment strategies. List and describe the strategies for the two main types (seven strategies in total).

Market entry strategies: **Exporting** (local products are sold abroad) **Importing** (process of acquires products from abroad and selling them in domestic markets), **licensing** (firm pays a fee for the rights to make or sell another company's product), **global sourcing** (materials or services are sources around the world for local use) and **franchising** (provides the complete package of support needed to open a particular business).

Direct investment strategies: **joint ventures** (establish operations in a foreign country through joint ownership with local partners) and **wholly owned subsidiaries** (a local operation completely owned by a foreign firm)

5. What are the three levels of strategy? What role does each level play in strategic planning?

The three levels of strategy are corporate strategy, business strategy and functional strategy. Corporate strategy sets long term direction for the total enterprise. Business strategy identifies how a division or strategic business unit will compete in its product or service domain. Functional strategy guides activities within one specific area of operations.

- 6. Social loafing, personality conflicts, difference in work styles, task ambiguity, poor readiness to work and culture differences are some common problems with working in teams. Select 4 of these and explain what they are and suggest how a good team leader might resolve them.**

Social loafing is when people slack off as the responsibility is diffused and others will do the work. Task ambiguity is when no-one in the group is really sure of their roles or specific tasks within the group. Personality conflicts arise when two or more group members having differing opinions and personalities, making it difficult to reach a compromise and to work together. Difference in work styles occur when people work at different paces, place more emphasis upon certain aspects or even approach a problem in a different way to the remainder of the team, making it difficult to combine the group's work due to the difference in styles (which may include writing and presentation). Poor readiness to work is when one or more group members possess little drive and they may distract other members rather than help the group achieve its task.

The team leader can remedy all of these problems by trying to avoid disruptive activities, providing maintenance activities (ensuring that the team are able to work well in harmony) and providing task activities that get the group started.

- 7. What is groupthink? (in your response, please list at least 3 indicators for identifying groupthink)**

- a. Provide at least 3 reasons/examples why groupthink within an organisation might be bad for the organisation**
- b. Describe at least 3 controls that management could put in place to ensure that groupthink doesn't occur?**

- Text book definition is a tendency for highly cohesive teams to lose their evaluative capabilities. In short, group think occurs when everyone relies upon one another, there is little conflict and no-one really disagrees with other group members, not much progress is made and the group almost stagnates.
- Indicators of group think are: Illusions of group invulnerability, Rationalising unpleasant and disconfirming data, Belief in inherent group morality, Negative stereotypes of competitors, Pressure to conform, Self-censorship, Illusions of unanimity and Mind guarding
- Groupthink is bad within an organisation as it prevents all possibilities from being considered, it means that there is no real innovation and it means that the group will likely not fulfil their tasks to the best of their ability than if there had been conflict – it ultimately impacts negatively upon the organisation's productivity.
- Ways to fix group think are to have team members discuss ideas with outsiders to bring in innovation, to assign one member to the role of devils advocate and to encourage some conflict and disagreement, don't appear to favour one particular course of action and create sub teams to approach the same topics.

- 8. The processes involved in managing an organisation are: Planning, Organising, Leading and Controlling.**

- a. Scenario planning is a planning tool that an organisation might use to assist in the planning process. Identify another such tool and describe how it might be used.**
- b. Outline the key activities involved in the controlling process and**