

Tutorial letter 101/3/2013

Business Informatics IIA ICT2641


Semesters 1 & 2

School of Computing

IMPORTANT INFORMATION:

This tutorial letter contains important information
about your module.

BAR CODE



CONTENTS

1	Introduction and welcome.....	3
1.1	Tutorial matter.....	3
2	Purpose OF and outcomes FOR the module	3
2.1	Purpose	3
2.2	Outcomes	4
3	Lecturer and contact details	4
3.1	Lecturers.....	4
3.2	Department.....	5
3.3	University.....	5
4	MODULE RELATED RESOURCES	5
4.1	Prescribed books	5
4.2	Recommended books	5
4.3	Electronic Reserves (e-Reserves).....	5
5	Student support services for the module.....	5
6	Module specific study plan	6
7	Module practical work and work integrated learning	7
8	Assessment.....	7
8.1	Assessment plan	7
8.2	General assignment numbers	7
8.2.1	Unique assignment numbers	7
8.2.2	Due dates of assignments.....	8
8.3	Submission of assignments	8
8.4	Assessment of Assignments	9
9	Examinations	9
10	Other assessment methods	11
11	Frequently asked questions.....	11
12	ASSIGNMENTS	11
13	SOURCES CONSULTED	37
14	CONCLUSION.....	37
15	ADDENDUM.....	37

1 INTRODUCTION AND WELCOME

Dear Student

We are pleased to welcome you to **Business Informatics IIA** and hope that you will find it both interesting and rewarding. We shall do our best to make your study of this module successful. You will be well on your way to success if you start studying early in the year and resolve to do the assignment(s) properly.

You will receive a number of tutorial letters during the year. A tutorial letter is our way of communicating with you about teaching, learning and assessment.

Tutorial Letter 101 contains important information about the scheme of work, resources and assignments for this module. We urge you to read it carefully and to keep it at hand when working through the study material, preparing the assignment(s), preparing for the examination and addressing questions to your lecturers.

Please read Tutorial Letter 301 in combination with Tutorial Letter 101 as it gives you an idea of generally important information when studying at a distance and within the College of Science, Engineering and Technology.

In Tutorial Letter 101, you will find the assignments and assessment criteria as well as instructions on the preparation and submission of the assignments. This tutorial letter also provides all the information you need with regard to the prescribed study material and other resources and how to obtain it. Please study this information carefully and make sure that you obtain the prescribed material as soon as possible.

We have also included certain general and administrative information about this module. Please study this section of the tutorial letter carefully.

Right from the start we would like to point out that **you must read all the tutorial letters** you receive during the semester **immediately and carefully**, as they always contain important and, sometimes, urgent information.

We hope that you will enjoy this module and wish you all the best!

1.1 Tutorial matter

Some of this tutorial matter may not be available when you register. Tutorial matter that is not available when you register will be posted to you as soon as possible, but is also available on *myUnisa*.

2 PURPOSE OF AND OUTCOMES FOR THE MODULE

2.1 Purpose

This module will be useful to provide an intermediate qualified business analyst with knowledge to understand the process of a business from the client's perspective, skills to analyze a business from a financial and business process perspective and values to propose a business solution.

The learner will be able to extend this knowledge into real-life financial business analysis situations.

The learner will be able to convert a problematic business process into a financially sound solution.

Qualified students are able to analyze, design and develop appropriate business solutions to specific standards e.g. project-bases perspective, suited to client's needs, client's satisfaction, reliability, cost-effectiveness, timeousness and efficiency.

Students will be equipped to diagnose business process problems and identify and implement solutions.

2.2 Outcomes

After studying Business Informatics IIA, you should be able to:

- ✍ construct a balance sheet and income statement in plain, simple English
- ✍ extract the figures necessary for constructing a productivity model
- ✍ construct the productivity model (ROAM – 'return on assets managed')
- ✍ perform all the calculations needed to use the ROAM model
- ✍ apply a flowcharting technique to identify performance improvement opportunities (PIOs)
- ✍ use the ROAM model to quantify performance improvement potential (PIP)
- ✍ show how changes in information systems will provide management with the measurement and feedback needed to improve and sustain productivity

3 LECTURER AND CONTACT DETAILS

3.1 Lecturers

You will find the details of your lecturer in Tutorial letter 301 as well as on myUnisa.

All queries that are not of a purely administrative nature **but** are **about the content of this module** should be directed to the responsible lecturer(s) Monday to Friday between 08:00 and 12:45. A voicemail facility is available when the lecturer is not in the office. Leave your name, student number, subject and complete telephone number, and state the specific problem you are experiencing, otherwise the lecturer cannot return your call. Please have your study material with you when you contact the lecturer.

Lecturers are available by appointment **only**, and you will not be able to see the lecturer if you arrive at the University without an appointment.

PLEASE NOTE: Letters to lecturers may not be enclosed with or inserted into assignments.

3.2 Department

This subject resides under the School of Computing.

3.3 University

If you need to contact the University about matters not related to the content of this module, please consult the publication *My studies @ Unisa* that you received with your study material. This booklet contains information on how to contact the University (e.g. to whom you can write for different queries, important telephone and fax numbers, addresses and details of the times certain facilities are open).

Always have your student number at hand when you contact the University.

4 MODULE RELATED RESOURCES

4.1 Prescribed books

Schaffer, R.H. 2002. **High-Impact Consulting.** *How Clients and Consultants Can Work Together to Achieve Extraordinary Results.* San Francisco, Calif.: Jossey-Bass. ISBN 0-7879-6049-7.

4.2 Recommended books

There are no recommended books for this module.

4.3 Electronic Reserves (e-Reserves)

None.

5 STUDENT SUPPORT SERVICES FOR THE MODULE

Important information appears in your *my Studies @ Unisa* brochure.

6 MODULE SPECIFIC STUDY PLAN

Use your *my Studies @ Unisa* brochure for general time management and planning skills.

	MATERIAL	TOPIC/REMARKS
1	Tutorial Letter 102, Part 1 chapter 1 Tutorial Letter 102, Part 1, chapter 2	Introduction The magic of measurement
2	Tutorial Letter 102, Part 1, chapter 3 Tutorial Letter 102, Part 1, chapter 4	In the shoes of the 'owner' 'Asset-spin' and ROAM
3	Tutorial Letter 102, Part 1, chapter 5 Tutorial Letter 102, Part 1, chapter 6	Building community-for-productivity Information technology and systems
4	Tutorial Letter 102, Part 1, chapter 6 Tutorial Letter 102, Part 1, chapter 7	Information technology and systems IT&S from a business perspective
5	Complete assignment 1	Submit assignment 1
6	Tutorial Letter 102, Part 2, chapter 1 Tutorial Letter 102, Part 2, chapter 2	Business Analysis: An overview Business Analyst as a consultant
7	Tutorial Letter 102, Part 2, chapter 3 Tutorial Letter 102, Part 2, chapter 4	Analyst as a Business consultant Analyst consulting process
8	Tutorial Letter 102, Part 2, chapter 5 Tutorial Letter 102, Part 2, chapter 6	Breakthrough strategy Project implementation management
9	Tutorial Letter 102, Part 2, chapter 7 Tutorial Letter 102, Part 2, chapter 8	Resistance and change barriers Analyst consulting case study
10	Textbook, chapter 1 Textbook, chapter 2	Low-yield, conventional consulting versus high-yield, high-impact consulting The five fatal flaws of conventional consulting
11	Textbook, chapter 3	The bottom-line results of high-impact consulting

	Textbook, chapter 4	Define goals in terms of client results instead of consultant products
12	Textbook, chapter 5 Textbook, chapter 6	Match project scope to what the client is ready to do Aim for rapid-cycle successes to generate momentum
13	Assignment 2	Complete and submit assignment 2

7 MODULE PRACTICAL WORK AND WORK INTEGRATED LEARNING

There are no practicals for this module.

8 ASSESSMENT

8.1 Assessment plan

Assignments are seen as part of the learning material for this module. As you do the assignment, study the reading texts, consult other resources, discuss the work with fellow students or tutors or do research, you are actively engaged in learning. Looking at the assessment criteria given for each assignment will help you to understand what is required of you more clearly.

8.2 General assignment numbers

Assignments are numbered consecutively per module, starting from 01. There are 2 compulsory assignments which you need to submit on myUnisa before or on the due date.

8.2.1 Unique assignment numbers

You will find the unique numbers for each assignment in the table under the heading 8.2.2.

8.2.2 Due dates of assignments

You must complete and submit assignment 1 and 2 on the appropriate due date to gain access to the examination.

Your assignment marks will be used to calculate your yearmark, which will form part of your final mark for the subject/module in a specific ratio. Your performance in your assignments thus plays a vital part in your final mark. You need a final mark of 50% in order to pass the subject/module.

If you have a valid reason for submitting an assignment late, attach the necessary documents, e.g. a death certificate in the case of the passing of an immediate family member or a doctor's certificate if you were ill. Note that we do **not** accept faxed assignments. Assignments have to be mailed early enough to reach the University by the due date.

SEMESTER 1				
Assignment No	Unique Assignment No	Percentage of Yearmark	Work Covered	Due date
1	306303	10%	Tutorial letter 102, Part 1, Chapters 1 – 7	25 Feb 2013
2	272166	90%	Tutorial Letter 102, Part 2, Chapters 1 – 8 Textbook Chapters 1 – 6	28 March 2013
SEMESTER 2				
Assignment No	Unique Assignment No	Percentage of Yearmark	Work Covered	Due date
1	377100	10%	Tutorial letter 102, Part 1, Chapters 1 – 7	26 July 2013
2	253605	90%	Tutorial Letter 102, Part 2, Chapters 1 – 8 Textbook Chapters 1 – 6	23 Aug 2013

NB: Old examination papers are placed on myUnisa. For practice purposes, you can attempt the examination papers.

8.3 Submission of assignments

Compulsory assignments should be submitted before or on the due date on myUnisa. For each assignment, you need to use the unique number as specified under heading 8.2.2

You need to submit your assignments on myUnisa. If you submit a 'paper' copy, it has to be entered manually by the assignment dept on the system and could result in a 4 week delay before the assignment reaches the lecturer for marking purposes.

8.4 Assessment of Assignments

Please note: Although students may work together when preparing assignments, each student must write and submit his or her own individual assignment. In other words, you must submit your own ideas in your own words, sometimes interspersing relevant short quotations that are properly referenced. It is unacceptable for students to submit identical assignments on the basis that they worked together. That is copying (a form of plagiarism) and none of these assignments will be marked. Furthermore, you may be penalised or subjected to disciplinary proceedings by the University.

Assignments received after the due dates will be returned unmarked.

You will receive the correct answers automatically for multiple-choice questions. For written assignments, markers will comment constructively on your work. However, commentaries on compulsory assignments **will be sent to all students registered for this module** in a follow-up tutorial letter, and not only to those students who submitted the assignments. The tutorial letter number will be 201, 202, etc.

As soon as you have received the commentaries, please check your answers. The assignments and the commentaries on these assignments constitute an important part of your learning and should help you to be better prepared for the next assignment and the examination.

9 EXAMINATIONS

Use your *my Studies @ Unisa* brochure for general examination guidelines and examination preparation guidelines.

9.1 Examination admission

You need to hand in assignment 1 and 2 to gain admission to the examination. Assignment 1 will contribute only 10% of your yearmark and assignment 2 will contribute 90%. If you want to obtain a good yearmark, you need to submit assignment 2.

9.2 How will this work in practice?

The examination mark will constitute 90% of the final mark and the yearmark 10%. Therefore the final mark is calculated as follows:

$$\text{Final mark} = (\text{yearmark} \times 0,1) + (\text{examination mark} \times 0,9)$$

For example, suppose your yearmark is 53% and your examination mark is 50%. We would calculate your final mark as follows:

$$\text{Final mark} = (53 \times 0,1) + (50 \times 0,9)$$

$$= 5,3 + 45$$

$$= 50,3$$

$$= 50\%$$

To pass this module, you need to achieve a final mark of 50% or more.

9.3 Examination period

This module is offered in a semester period of 15 weeks. This means that if you are registered for the first semester, you will write the examination in May/June 2013, and the supplementary examination will be written in October/ November 2013. If you are registered for the second semester, you will write the examination in October/November 2013, and the supplementary examination will be written in May/June 2014.

During the module of the relevant semester, the Examination Section will provide you with information on the examination in general, as well as on the examination venues, dates and times.

9.4 Examination paper

You will write one two hour paper totalling 100 marks.

9.5 Previous examination papers

Previous examination papers are available on myUnisa. You may, however, accept that examination questions will be similar to the questions asked in the activities in the workbooks and in the assignments.

9.6 Tutorial letter with information on the examination

To help you in your preparation for the examination, you will receive a tutorial letter that will explain the format of the examination paper, give you examples of questions that you may expect and set out clearly what material you have to study for examination purposes.

We hope that you will enjoy this module and we wish you success with your studies.

Kind regards.

The School of Computing

10 OTHER ASSESSMENT METHODS

There are self-assessment questions and workbooks available on myUnisa.

11 FREQUENTLY ASKED QUESTIONS

The *my Studies @ Unisa* brochure contains an A-Z guide of the most relevant study information.

12 ASSIGNMENTS

There are **different assignments for Semester 1 and Semester 2**. Please make sure that you answer the assignment relevant to your registration.

Semester 1

ASSIGNMENT 01

(due dates and unique numbers under heading 8.2.2)

12.1 Assignment 1

For the unique number and due date refer to the table under heading 8.2.2

Mark Allocation: 40

This assignment only contains multiple choice questions. Follow the instructions carefully and mark your answers on the mark reading sheet, alternatively submit your assignment on-line on MyUnisa.

To be able to answer the **first 14 multiple choice questions**, you will need to set up (in rough – **DO NOT SUBMIT IT**) a **Balance sheet**, an **Income Statement** as well as calculate the ATO, ROS and ROAM by using the information provided below:

The following figures were taken from the statements of Oriental Importers CC:

Owner's equity	R 7 500 000
Long-term loans	R 2 000 000 @ 10.5% interest
Current liabilities (creditors plus overdraft)	R1 500 000
Fixed assets (land, buildings, plant and equipment)	R1 500 000
Current assets (stock plus debtors)	R 9 500 000
Annual sales	R 5 000 000
Cost of sales	R 820 000
Operating expenses	R 560 000
Tax rate	30%
Owner's expected return on his investment	35%

Questions follow on next page.

Choose only ONE correct answer, e.g. 41. 3

1. What is the amount of the 'total Cash In'?
 1. 7 500 000
 2. 2 000 000
 3. 9 500 000
 4. 5 500 000

2. What is the amount of 'Total Assets Managed'?
 1. 11 000 000
 2. 9 500 000
 3. 500 000
 4. 1 500 000

3. On what amount does the Balance Sheet 'balance'?
 1. 11 000 000
 2. 2 000 000
 3. 1 500 000
 4. 9 500 000

4. What is the amount of the 'Ready-for-Sales' costs (COGS)?
 1. 560 000
 2. 5 000 000
 3. 820 000
 4. 1 500 000

5. What is the amount of the 'Wages, Salaries & Services (OPEX)?'
 1. 820 000
 2. 560 000
 3. 1 500 000
 4. 1 200 000

6. What was the 'Gross Profit'?
 1. 4 180 000
 2. 1 023 000
 3. 5 000 000
 4. 3 410 000

7. What was the 'Earnings before interest and Tax (EBIT)?'
 1. 2 387 000
 2. 2 625 000
 3. 3 410 000

4. 3 620 000
8. How much was owed to the lenders?
1. 380 100
 2. 367 500
 3. 210 000
 4. 787 500
9. What was the Profit before Tax?
1. 3 410 000
 2. 3 620 000
 3. 2 625 000
 4. 3 830 000
10. How much money did the taxman take?
1. 3 410 000
 2. 3 625 000
 3. 1 023 000
 4. 3 830 000
11. What was the owner's expected return?
1. 835 450
 2. 2 625 000
 3. 2 543 000
 4. 935 400
12. How much wealth were created/(destroyed)?
1. 238 000
 2. (238 000)
 3. 1 551 550
 4. (1 551 550)
13. What was the ATO#?
1. 0.45
 2. 0.01
 3. 0.05
 4. 0.09
14. What was ROS%?
1. 72%
 2. 62%
 3. 50%
 4. 43%
15. What was ROAM?
1. 1
 2. 4
 3. 7

4. 32.58 or 33

[End of questions pertaining to Balance sheet and Income statement.]

16. A change agent is someone who ...
1. bring about radical change.
 2. helps people to reach their full potential.
 3. changes problems to opportunities and get a sustainable solution.
 4. redesigns an information system.
17. Why is financial analysis a valuable technique for a business analyst?
1. It is the only source of information on the business.
 2. The business analyst uses it to understand the business.
 3. The business analyst needs to understand accountancy.
 4. He needs to get information from the financial department.
18. What is the main task of management?
1. To lead the organization.
 2. To get things done by using organizational resources.
 3. Decision making for the business.
 4. Manage the personnel working for the management.
19. How do you calculate labour productivity?
1. By dividing profit or sales by number of employees.
 2. By calculating the number of hours missed during strike actions.
 3. By calculating the worker days per section.
 4. By dividing profit by plant capacity used.
20. What is efficiency?
1. Examining the whole business as a unit.
 2. Doing things right.
 3. How well inputs are converted into outputs.
 4. How well goals are met.
21. What are the best indicators of employee motivation?
1. Absenteeism and sick leave.
 2. Staff turnover and staff morale.

3. Attitude surveys.
4. Absenteeism, labour turnover and sick leave.

22. What is the correct order for the queue for cash?

1. Opex, Gross profit, COS, Net profit
2. COS, Opex, Interest, Tax
3. Gross profit, net profit, interest, EBIT
4. Owners, lenders, taxman, suppliers

23. How do you calculate gross profit?

1. Deducting Opex from sales.
2. Adding COS to Opex.
3. Adding Opex to net profit.
4. Deducting COS from net profit.

24. What is the average time frame in which debtors would pay a company?

1. 4 months.
2. 3 months.
3. 2 months.
4. 1 month.

25. The ATO of Foreign Developers is 1.19 and the ROS is 10%. ROAM for that company is ...

1. 11.9%
2. 11.19
3. 11.19%
4. 11.9

26. What happens when ATO increases?

1. It does not effect ROAM or ROS.
2. ROS and ROAM both increases.
3. ROS goes down and ROAM goes up.
4. ROS goes up and ROAM goes down.

27. Why is organizational renewal necessary?

1. It helps the company to reposition itself.
2. It doesn't belong on the S-curve.
3. Without renewal the organization will decline.
4. The environment asks for it.

28. Projects with future potential require ... input.

1. 45%
2. 15%
3. 10%
4. 30%

The following statements are TRUE or FALSE. For a True statement, use the number 1 and for a FALSE statement, use the number 2. Therefore:

TRUE = 1 OR FALSE = 2:

29. To ensure that the project is aligned with business goals and priorities is the most important role of the business analyst.
30. A breakthrough project is about activities.
31. Productivity is measured by dividing the profit by the number of people in the organization.
32. Integrated assessment means measuring the company together with its customers and suppliers.
33. The biggest advantage of plotting numbers is it reduces risks of failure.
34. The two most important financial statement are income statement and balance sheet.
35. An owner who wants to start a business has to put in money that he generated from his own money plus money from lenders.
36. Half-finished goods is not an asset.
37. EVA is described as the difference between gross and net profit.
38. The best people to change the systems and procedures are the engineers.
39. The best information to obtain is information that can be electronically stored.

40. Strategic IT & S planning considers how the information and systems infrastructure will evolve.

[40]

Semester 1

ASSIGNMENT 02

(due dates and unique numbers under heading 8.2.2)

NOTE ON SUBMISSION OF THE ASSIGNMENT: Use word processing software such as Ms-Word, to complete this assignment. Make sure that your student number and the subject code appear as a header on each page. Please submit this assignment via *MyUnisa*.

QUESTION 1

[4]

Why is a business analyzed?

QUESTION 2

[3]

For a business analyst to be successful, he/she must make the transition from being a technology expert to being a business consultant. Explain how the business analysts make the three fundamental shifts in thinking and behavior.

QUESTION 3

[15]

Study the dialogue below carefully. Which conventional analyst role or partnership role does this conversation relate to? Also refer in your answer to the characteristics, advantages and disadvantages of this analyst role.

Client: 'Our market share is shrinking because of increased competition.'

Analyst: 'Why are customers buying from the competition?'

Client: 'We are not price-competitive. Our cost-of-sales is too high, especially on the production side.'

Analyst: 'I'd really like to work with you on this. Would it be of any value to you if we got a team together to identify opportunities for improvement and actions we can take now?'

Client: 'Sounds good to me...'

Analyst: 'In our collaboration we might also discover how technology can help us to reduce costs.'

Client: 'It is about time that we streamlined our production processes. Technology might be the answer. Let's see what the team thinks.'

QUESTION 4

[20]

One vital aspect of understanding the client's business is the 'business demographics'. Name and discuss the demographic factors that determine how the business operates or functions.

QUESTION 5

[12]

Discuss the distinctive design qualities of the analyst consultation process.

QUESTION 6

[6]

The concept client is an all-inclusive term. Explain the difference/similarities between the ultimate and primary client.

QUESTION 7

[16]

List and explain the five Breakthrough guidelines for selecting and designing projects that are destined to succeed (loaded for success).

QUESTION 8

[16]

- 8.1 Explain what factor can be used by business analysts to unlock people's potential in a crisis situation. (2)
- 8.2 List and explain each of these factors. (10)
- 8.3 How do people operate when these factors are present? (4)

QUESTION 9

[8]

Organizational culture is one of the 5 main change barriers that surface during a project. Name and explain what these unwritten rules are that are reinforced by management.

(½ mark for main + ½ mark for description = 8)

QUESTION 10

[20]

Read the following case study and answer the questions that follow:

e-Natis Case Study

Background information

Most South Africans are aware of the crisis with the new R408m e-Natis system in 2007. Quite a number of residents experienced the frustrations with this system first hand. The automotive industry in SA lost billions because new vehicles could not be sold and it had an impact on the car and truck rental business.

The purposes of the new eNatis system are as follow:

- Register and license motor vehicles.
- Manage applications for drivers' and learners' licences.
- Monitors traffic in SA.
- Contains information on:
 - vehicle registrations
 - state of infrastructure
 - Drivers contraventions, accidents
 - Financial records

The Tasima consortium (also called Masiye Phambili; the highest bidder in the tender process) won the bid in July 2001 to develop the new licensing system. The initial value was R354 731 000, but it was increased to R408million. AST Group bid R372million and Natcon bid R395million. The number of companies who bid lower than Tasima was 11 (the amount was raised from R354 731 000 to R408 million!!!)

Auditor General's Findings:

According to the press, the Auditor General (AG) produced a report in which the Department of Transport (DOT) were warned that there was an 80% chance of the system failing if the e-Natis system was implemented all at once (the 'big bang' approach).

This report also indicated that there is a possibility of overspending and the potential for fraudulent abuse of the system.

The AG highlighted weak passwords and password policies and access by users to powerful utility files. In addition to this, there was even cases of blank passwords allowing anyone access to the system. Security patches were not installed either. This could have compromised the database. The security problem existed for years on the old Natis system and it appears that the new eNatis system has the same issues. According to the AG the security lapses is a contravention of the Public Finance Management Act (PFMA). The maladministration and poor governance of the system leads to security gaps.

The AG found serious financial and logistical risks in implementing the system. The development of the system went over budget – this resulted in motorists being hit with a R30 fee to make up for the shortfall. The budget has been overspent by R117.6m. R15.5m was on the Oracle licence and R10m for the construction of the eNatis office and computer centre in Midrand. The data that has been provided to the tendering companies was inaccurate. The project team did not adhere to the deadlines – the project was extended by 20 months. The old system had to be maintained while the new system was developed. Skills were not transferred to the DOT; therefore they became dependant on Tasima. The benchmark of the system was

revised which led to the delay of the eNatis project. There is also a problem with the compatibility of the eNatis system with the police stolen-vehicle system registration.

It seems as if there was/is a problem with inadequately qualified personnel taking decisions. The AG found the project manager not qualified or competent to take technical decisions on the system. It has been found also by the AG that neither of the personnel had the required theoretical qualifications.

A network audit as well as a general management audit of e-Natis was also conducted by the AG.

Department of Transport

The Minister of Transport, Jeff Radebe, never received the AG's report. The AG has given this report to Thabo Tsholetsane, the operational head of the Road Transport management Corporation (RTMC).

The problems the DOT diagnosed were a computer server-capacity problem. Staff members had to work extended hours to reduce the backlog of transactions.

Abovementioned data about eNatis have been collected from the Beeld newspaper, News24.com, Mail and Guardian

9.1 From the abovementioned case study you need to define if the e-Natis project was defined in terms of the client or consultant's (Tasima) products.

(1)

9.2 By keeping your consulting methodologies from your textbook in mind, what do you suspect went wrong with this project?

(15)

9.3 What could the consulting company have done to prevent this disaster?

(9)

NB: Every student's answer will be different!

TOTAL: 120

Semester 2

ASSIGNMENT 01

(due dates and unique numbers under heading 8.2.2)

This assignment only contains multiple choice questions. Follow the instructions carefully and mark your answers on the mark reading sheet, alternatively submit your assignment on-line on MyUnisa.

To be able to answer the **first 15 multiple choice questions**, you will need to set up (in rough – **DO NOT SUBMIT IT**) a **Balance sheet**, an **Income Statement** as well as calculate the ATO, ROS and ROAM by using the information provided below:

The following figures were taken from the statements of Solar Africa Manufacturers:

Owner's equity	R 1 650 000
Long-term loans	R 1 050 000 @ 15% interest
Current liabilities (creditors plus overdraft)	R3 600 000
Fixed assets (land, buildings, plant and equipment)	R2 000 000
Current assets (stock plus debtors)	R 4 300 000
Annual sales	R 3 500 000
Cost of sales	R 1 200 000
Operating expenses	R 300 000
Tax rate	40%
Owner's expected return on his investment	30%

Questions follow on next page.

Choose only ONE correct answer, e.g. 41. 3

1. What is the amount of the 'total Cash In?'
 1. 1 650 000
 2. 2 700 000
 3. 600 000
 4. 5 500 000

2. What is the amount of 'Total Assets Managed'?
 1. 11 000 000
 2. 9 500 000
 3. 6 300 000
 4. 1 500 000

3. On what amount does the Balance Sheet 'balance'?
 1. 11 000 000
 2. 2 000 000
 3. 1 500 000
 4. 2 700 000

4. What is the amount of the 'Ready-for-Sales' costs (COGS)?
 1. 2 300 000
 2. 3 500 000
 3. 300 000
 4. 1 200 000

5. What is the amount of the 'Wages, Salaries & Services (OPEX)?'
 1. 737 000
 2. 300 000
 3. 1 105 000
 4. 1 200 000

6. What was the 'Gross Profit?'
 1. 2 300 000
 2. 1 200 000
 3. 2 700 000
 4. 6 300 000

7. What was the 'Earnings before interest and Tax (EBIT)?'
 1. 1 842 500
 2. 1 105 500
 3. 2 000 000
 4. 2 300 000

8. How much was owed to the lenders?
 1. 495 000
 2. 157 500
 3. 610 000
 4. 300 000
9. What was the Profit before Tax?
 1. 2 000 000
 2. 3 500 000
 3. 1 842 500
 4. 1 105 500
10. How much money did the taxman take?
 1. 495 000
 2. 737 000
 3. 157 500
 4. 300 000
11. What was the owner's expected return?
 1. 495 000
 2. 737 000
 3. 157 500
 4. 331 650
12. How much wealth were created/(destroyed)?
 1. 1 105 500
 2. 610 500
 3. 773 850
 4. (1 105 500)
13. What was the ATO#?
 1. 0.55 or 0.56
 2. 0.1
 3. 0.05 or 0.1
 4. 0.09
14. What was ROS%?
 1. 72%
 2. 62%
 3. 57%
 4. 43%
15. What was ROAM?
 1. 33
 2. 31.9 or 32
 3. 3

[End of questions pertaining to Balance sheet and Income statement.]

16. What is a change agent?
1. A person who changes problems into opportunities and obtains a sustainable solution.
 2. Someone who redesigns an information system.
 3. A person who brings about radical change.
 4. A person who helps people reach their full potential.
17. Financial analysis is a valuable technique for the business analyst because _____
1. the business analyst needs to understand accountancy.
 2. it is the only source of information on the business.
 3. he/she needs to get information from the financial department.
 4. the business analyst uses it to understand the business.
18. Identify one of the following queue for cash as the correct order.
1. Opex, gross profit, COS, net profit
 2. Gross profit, net profit, interest, EBIT
 3. Owners, lenders, taxman, suppliers
 4. COS, Opex, interest, tax
19. Gross profit is calculated by _____
1. adding COS to Opex.
 2. deducting Opex from sales.
 3. deducting COS from net profit.
 4. Adding Opex to net profit.

20. The main task of management is to _____
1. make decisions for the business.
 2. manage the personnel working for management.
 3. lead the organization.
 4. to get things done by using organizational resources.
21. The ATO of Lexus Manufacturers is 1.12 and the ROS is 10%. What is the ROAM for Lexus Manufacturers?
1. 11.2%
 2. 11.12
 3. 11.12%
 4. 11.2
22. How much input does projects with future potential require?
1. 15%
 2. 45%
 3. 10%
 4. 30%
23. Employees motivation are best indicated by _____
1. Absenteeism, labour turnover and sick leave.
 2. Staff turnover and staff morale.
 3. Absenteeism and sick leave.
 4. Attitude surveys.
24. When ATO increases _____

1. ROS and ROAM both increase.
2. ROS goes down and ROAM goes up.
3. it does not affect ROAM or ROS.
4. ROS goes up and ROAM goes down.

25. Labour productivity is calculated by _____

1. calculating the worker days per section.
2. dividing profit or sales by number of employees.
3. dividing profit by plant capacity used.
4. calculating the number of hours missed during strike actions.

26. What is the average time frame in which debtors would pay a company?

1. 2 months
2. 4 months
3. 3 months
4. 1 month

27. Why is organizational renewal necessary?

1. The environment asks for it.
2. It doesn't belong on the S-curve.
3. It helps the company to reposition itself.
4. Without renewal the organization will decline.

28. What is efficiency?

1. Doing things right.
2. How well goals are met.
3. Examining the whole business as a unit.
4. How well inputs are converted into outputs.

Indicate whether each of the following statements are true or false. On the mark reading sheet,

1 – True and 2 = False.

- 29. Integrated assessment means measuring the company together with its customers and suppliers.
- 30. Income statements and balance sheets are the two most important financial statements.
- 31. A person who wants to start a business needs to put money from the bank (lenders) as well as his/her own savings.
- 32. The engineers are the best people to change the systems and procedures.
- 33. Strategic IT & S planning considers how the information and systems infrastructure will evolve.
- 34. The difference between gross and net profit is EVA.
- 35. A breakthrough project is about activities.
- 36. Productivity is measured by dividing the profit by the number of people in the organization.
- 37. The best information to obtain is information that can be electronically stored.

- 38. The most important role of the business analyst is to ensure that the project is aligned with business goals and priorities.
- 39. The biggest advantage of plotting numbers is that it reduces the risks of failure.
- 40. Half-finished goods is not an asset.

[40]

Semester 2

ASSIGNMENT 02

(due dates and unique numbers under heading 8.2.2)

You can submit this assignment via MyUnisa in electronic format by following the instructions on MyUnisa. Keep in mind that it would be best if your document is in PDF format.

QUESTION 1

The role of the business analyst is directly influenced by changes in the business environment. What significant changes are currently taking place in the business world?

[20]

QUESTION 2

In the past, business analysts relied mainly on their technical competence, but currently multiple competencies are required for a business analyst to be successful. Why do business analysts need multiple competencies?

[4]

QUESTION 3

Given below are a few examples of conventional project definitions. Interpret the conventional project definition and write a high-impact project definition for each of the conventional project definitions:

- 3.1 Develop a point-of-sale software application.
- 3.2 Design and develop a safety incident tracking system.
- 3.3 Implement a production-line control (PLC) system at line 42.
- 3.4 Install a new passport processing system in the embassy.
- 3.5 Redesign the billing system.

[5]

QUESTION 4

Business analysts could play four distinctly different consulting roles. One of the roles is that of expert or technologist. Discuss the expert/technologist by referring to the following:

- 4.1 Characteristics

(5)

- 4.2 Advantages

(2)

4.3 Disadvantages

(5)

[12]

QUESTION 5

Discuss the critical elements of a business that a business analyst must understand in order for him/her to be successful.

[6]

QUESTION 6

“One vital aspect of understanding the client’s business is the ‘business demographics’.”

Name and discuss the demographical factors that are being referred to.

[20]

QUESTION 7

In order to implement the three consulting stages successfully, the business analyst has to be aware of the design characteristics of the process each step of the way. Name and discuss the most distinctive qualities of the analyst consultation process.

[8]

QUESTION 8

The concept of a client is an all-inclusive one. What different types of client does the analyst encounter in the consulting process?

[5]

QUESTION 9

Evaluate the following case. Determine whether it is a Breakthrough or conventional project. Substantiate your answer(s).

A vehicle manufacturer started an e-commerce project. The aim of this project was to link all plants with suppliers. The other aim was to allow customers to order customised vehicles via the Internet. A project management committee was set up. The project duration was 12 months, but customers were still not able to order customised vehicles.

[5]

QUESTION 10

Identify the implementation stage(s) in the examples below:

- 10.1 The new PCs in marketing must be installed by 10 September 2008.
- 10.2 Peter Blake is accountable for the finalisation of the PC installation.
- 10.3 Increase electronic sales of accounting applications in the corporate sector by R10 million within 12 weeks.

10.4 A project review meeting was held on 9 July 2008; all team members attended.

10.5 The project will be expanded into all branches of the company.

[5]

QUESTION 11

There are five (5) main change barriers that surface during a project. Explain one of them, namely ***weak performance expectations***.

[10]

See Question 12 on following page.

QUESTION 12

[20]

Read the following case study and answer the questions that follow:

e-Natis Case Study

Background information

Most South Africans are aware of the crisis with the new R408m e-Natis system in 2007. Quite a number of residents experienced the frustrations with this system first hand. The automotive industry in SA lost billions because new vehicles could not be sold and it had an impact on the car and truck rental business.

The purposes of the new eNatis system are as follow:

- Register and license motor vehicles.
- Manage applications for drivers' and learners' licences.
- Monitors traffic in SA.
- Contains information on:
 - vehicle registrations
 - state of infrastructure
 - Drivers contraventions, accidents
 - Financial records

The Tasima consortium (also called Masiye Phambili; the highest bidder in the tender process) won the bid in July 2001 to develop the new licensing system. The initial value was R354 731 000, but it was increased to R408million. AST Group bid R372million and Natcon bid R395million. The number of companies who bid lower than Tasima was 11 (the amount was raised from R354 731 000 to R408 million!!!)

Auditor General's Findings:

According to the press, the Auditor General (AG) produced a report in which the Department of Transport (DOT) were warned that there was an 80% chance of the system failing if the e-Natis system was implemented all at once (the 'big bang' approach).

This report also indicated that there is a possibility of overspending and the potential for fraudulent abuse of the system.

The AG highlighted weak passwords and password policies and access by users to powerful utility files. In addition to this, there was even cases of blank passwords allowing anyone access to the system. Security patches were not installed either. This could have

compromised the database. The security problem existed for years on the old Natis system and it appears that the new eNatis system has the same issues. According to the AG the security lapses is a contravention of the Public Finance Management Act (PFMA). The maladministration and poor governance of the system leads to security gaps.

The AG found serious financial and logistical risks in implementing the system. The development of the system went over budget – this resulted in motorists being hit with a R30 fee to make up for the shortfall. The budget has been overspent by R117.6m. R15.5m was on the Oracle licence and R10m for the construction of the eNatis office and computer centre in Midrand. The data that has been provided to the tendering companies was inaccurate. The project team did not adhere to the deadlines – the project was extended by 20 months. The old system had to be maintained while the new system was developed. Skills were not transferred to the DOT; therefore they became dependant on Tasima. The benchmark of the system was revised which led to the delay of the eNatis project. There is also a problem with the compatibility of the eNatis system with the police stolen-vehicle system registration.

It seems as if there was/is a problem with inadequately qualified personnel taking decisions. The AG found the project manager not qualified or competent to take technical decisions on the system. It has been found also by the AG that neither of the personnel had the required theoretical qualifications.

A network audit as well as a general management audit of e-Natis was also conducted by the AG.

Department of Transport

The Minister of Transport, Jeff Radebe, never received the AG's report. The AG has given this report to Thabo Tsholetsane, the operational head of the Road Transport management Corporation (RTMC).

The problems the DOT diagnosed were a computer server-capacity problem. Staff members had to work extended hours to reduce the backlog of transactions.

Abovementioned data about eNatis have been collected from the Beeld newspaper, News24.com, Mail and Guardian

9.4 From the abovementioned case study you need to define if the e-Natis project was defined in terms of the client or consultant's (Tasima) products.

(1)

9.5 By keeping your consulting methodologies from your textbook in mind, what do you suspect went wrong with this project?

(15)

9.6 What could the consulting company have done to prevent this disaster?

(9)

NB: Every student's answer will be different!

TOTAL: 120

13 SOURCES CONSULTED

Prescribed textbook and Tutorial Letter 102/2013.

14 CONCLUSION

After working through Tutorial Letters 101/2013, 102/2013 as well as the first six chapters of the prescribed textbook, you should be prepared for the examination at the end of the semester. You will receive guidelines for examination preparation after the due date of assignment 2.

15 ADDENDUM

None for this tutorial letter.