

Tutorial Letter 201/1/2018

Contemporary Management Issues MNG2602

Semester 1

Department of Business Management

IMPORTANT INFORMATION

This tutorial letter contains important information
about your module.

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1 INTRODUCTION

Dear Student

This tutorial letter provides feedback on Assignment 01. The assignments and the feedback on them constitute a vital part of your learning and will assist you in preparing for the examination.

2 MODEL ANSWERS – ASSIGNMENT 01

SECTION A: PARAGRAPH-TYPE QUESTIONS

40 MARKS

QUESTION 1

(6 marks)

➤ **2001 – Globalisation and the global economy (✓)**

Description (✓)

Globalisation refers to the worldwide integration of markets, cultures, the removal of legal and political barriers to trade and the "death of distance".

Globalisation is the economic and social interaction process whereby different countries work together to create a global economy.

Justification (✓)

Shoprite expanded to the North African market (Egypt) – this indicates operating in another country, a new market.

➤ **2003 – Increased power and demands of the customer (✓)**

Description (✓)

There has been an increase in the customers' awareness of possible products and services. They are now able to choose products according to the criteria they set in terms of cost, quality, time, service, innovation and customisation.

Justification (✓)

Lower-income groups would buy only from the best-priced retailers. Shoprite dropped their prices even more so that the lower-income consumers would also buy from them at the Usave chains.

Reference: Brevis & Vrba, 2014:49 & 52

QUESTION 2

(8 marks)

➤ 2001 – Global (✓)

Shoprite, as a “new” organisation, is operating in an increasingly global economy.

Management challenges

- Managers of organisations competing in the global environment require global leadership skills. (✓)
- Managers of organisations must understand and appreciate the diverse cultures of the individuals involved. (✓)
- Managers of organisations must be able to think and operate globally. (✓)

➤ 2003 – Flexibility (✓)

Flexibility is a key feature because Shoprite had to respond to changes in customer needs.

Management challenges (any 3)

- Managers need to be able to work on more than one project simultaneously as they might be members of various teams at any given time.
- Multitasking skills must be developed.
- Flexible organisations must have flexible labour practices.
- Employees (current and prospective) need to have certain characteristics.
- Leadership, people skills, a positive attitude and maturity are critical for managers’ personal progress.

Reference: Brevis & Vrba, 2014:57–58 & 61–62

QUESTION 3

(4 marks)

“...due to the financial crisis worldwide.”

The force of change is **external** (✓) as it stems from the macroenvironment of the organisation (✓), more specifically the **global/international sub-environment** (✓). This environment includes events that occur in one country that lead to change in other countries because of the integration and interdependence of world markets (✓). The financial crisis worldwide had a direct impact on most countries’ economies, and therefore on many large organisations.

Reference: Brevis & Vrba, 2014:95

QUESTION 4**(4 marks)****Constructive culture**

Members are encouraged to interact with others and approach tasks in ways that will help them meet their higher-order needs. (✓)

Passive/defensive culture

Members believe that they must interact with others in ways that will not threaten their own security. (✓)

Aggressive/defensive culture

Members are expected to approach tasks in vigorous ways in order to protect their own status and security. (✓)

Shoprite has a CONSTRUCTIVE culture. The focus is on involving people across the business, either to develop their ideas or become involved in working together to make ideas happen. (✓)

Reference: Brevis & Vrba, 2014:127

QUESTION 5**(12 marks)**

5.1 (6 marks)

The cause of the conflict is **interpersonal**. (✓)

Interpersonal conflict refers to the relationships or communication between individuals.

Interpersonal conflict can occur due to the following:

- **Personal differences** between individuals stem from different demographical factors. (✓)
- **Communication breakdown** – Poor communication and misinformation result in individuals or groups having the wrong perceptions of other individuals or groups in the organisation. (✓)
- **Role incompatibility** – Managers have different functions and roles that are interdependent. This interdependency may lead to conflict. (✓)
- **Environmental stressors** – Individuals could find the internal and external environment stressful. (✓)
- **Competing for the same positions** – Individuals may compete for the same scarce positions in the organisation. (✓)

Reference: Brevis & Vrba, 2014:149–150

5.2 (6 marks)

The five conflict management strategies resulting from the two management style dimensions are the following:

1. **Avoidance:** one or both parties choose to avoid or suppress the conflict. (✓)
2. **Accommodation:** one party chooses to focus on the other party's needs to suppress or resolve the conflict or to seek some form of maintaining the status quo. (✓)
3. **Compromise:** both parties give up something and the parties reach a consensus decision. (✓)
4. **Competition:** the focus of one or both parties is on their own interests, resulting in dysfunctional conflict and a win-lose result. (✓)
5. **Collaboration:** differences are met and addressed, resulting in a win-win solution for the parties. (✓)

Collaboration was used to resolve the conflict. (✓)

Reference: Brevis & Vrba, 2014:152

QUESTION 6

(6 marks)

Shoprite subscribes to the **learning-effectiveness paradigm**.

“...the focus is on involving people across the business...”

“Shoprite values diversity as part of building a strong brand and a dedicated workforce; welcoming diversity as a part of creating a strong and innovative corporate culture.”

(any 3 x 2 marks each)

The **focus** strategy in this paradigm involves diversity being incorporated into the heart and fabric of the mission, work, and culture of the organisation. Their focus should be on diversity.

The **HR practice** strategy involves HR practices being redesigned and transformed to enhance the performance of all employees.

The **effectiveness** strategy involves all employees feeling respected, valued and included. There is a considerable degree of diversity among employees.

The **weaknesses/strengths** strategy involves the organisation capitalising on the diversity of all employees, and making all employees feel respected, valued and included.

Reference: Brevis & Vrba, 2014:203

SUBTOTAL SECTION A: 40 MARKS

SECTION B: REFLECT ON YOUR LEARNING EXPERIENCE

5 MARKS

A total of 5 marks were awarded for the following:

- 3 marks for some reflection
- 1 mark for a list of references
- 1 mark for a signed declaration of authenticity (proving that this is your own work) – see the template in Addendum F of Tutorial Letter 101.

SUBTOTAL SECTION B: 5 MARKS

TOTAL ASSIGNMENT 01: 45 MARKS

3 CONCLUSION

I trust that the guidelines given in this tutorial letter will assist you in evaluating your answers to the questions in Assignment 01. The feedback on Assignment 02 will be uploaded on myUnisa after the due date for the assignment in Tutorial Letter 202, which will also include guidelines for the upcoming examination.

I wish you every success with your preparation for the examination. I should like to encourage you to contact me, should you encounter any problems with the contents of this module.

Best wishes

Lynette Cronje

Your lecturer for MNG2602