### 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.
Question One

When J was promoted to be the new Sales and Marketing Manager for Company L, after working there in different capacities over the last ten years, it was a popular choice among her co-employees. J was always a good team player and enjoyed helping individuals. However, in the six months since her promotion, although staff morale has never been higher, sales have dropped and targets have not been met.

J is now under pressure from senior management to improve the level of performance of the sales and marketing team which she leads. It has been suggested to J, by a senior manager, that her management style has not been as effective as it could be, and that she needs to change her approach to leadership, paying more attention to the task. J disagrees and claims that it is outside factors that are to blame for the poor performance, rather than her leadership style.

Required:

Compare and contrast J's current style of management with the one it is suggested she should adopt. You should support your answer with reference to relevant management style/leadership theories.

(Total for Question One = 10 marks)

Question Two

Porter's Diamond is a useful framework that can help an organisation in identifying the extent to which it can build on home based national advantages to create competitive advantage, when compared with its industry competitors from different countries.

Required:

Discuss the four interacting determinants in Porter's Diamond framework that explain the sources of national competitive advantage.

(Total for Question Two = 10 marks)
Question Three

C Consultancy Company provides management consultancy to a range of organisations. It employs staff who have different industry backgrounds and who also offer different specialisms, for example, in finance, marketing, IT, leadership, change management and logistics. The Company is currently organised around these specialist areas, with each specialism having a senior manager in charge. However, for some of its project work it is necessary to adopt a matrix structure to meet the client’s requirements.

Required:

(a) **Describe** the key characteristics of a matrix project structure.  
(4 marks)

(b) **Explain** the advantages and disadvantages of a matrix project structure for C Consultancy Company’s project work.  
(6 marks)

(Total for Question Three = 10 marks)

Question Four

S is enrolled on T Company's management development programme. Although S has a financial background, the aim of the management development programme is to help him to gain a better appreciation of the external and competitive environment in which T Company operates. As part of the management development programme, S has been asked to make a presentation to his peers on the importance of undertaking competitive analysis and the types of information that need to be collected for this purpose.

Required:

Explain what S’s presentation should include on:

(a) why undertaking competitive analysis is important.  
(4 marks)

(b) the types of information that should be collected when undertaking competitor analysis.  
(6 marks)

(Total for Question Four = 10 marks)
Question Five
There are different views on how an organisation can gain competitive advantage, but contemporary research is placing greater emphasis on the resource-based view.

Required:
Explain the concept of competitive advantage AND what is meant by the resource-based view.

(Total for Question Five = 10 marks)

(Total for Section A = 50 marks)

End of Section A

Section B starts on the opposite page
Question Six

DG Company has made a significant investment in a project to develop a new client management IT system, which when implemented should help give the company a competitive edge. However, all is not well with the management of the project and B, the project sponsor, is particularly concerned about the progress.

There appear to have been a series of problems throughout the project which B feels she should have been alerted to. The result has been that the project manager she had appointed has now resigned, complaining that he was unclear on his role in the project, and that B was constantly interfering.

B has now appointed R, an experienced project manager, to get the project back on track, and is keen that, from the start, they are both clear of their roles and responsibilities.

R has reviewed the project and is preparing for his first meeting with B. However, he has found it difficult to establish the status of the project, which seems to have been previously run without adequate controls in place. He is finding it hard to track down the project documentation, and it would seem that the project is running significantly over budget and time. In addition, the project team appears to be de-motivated and is unclear on what each member of the team is doing.

R intends to suggest to B that a formal project methodology such as PRINCE2 should now be used.

Required:

(a) **Explain** how using a project management methodology, such as PRINCE2, could help minimise the problems that have occurred in the client management IT system project. (15 marks)

(b) **Distinguish** between the roles of B as the project sponsor and R, the project manager. (10 marks)

(Total for Question Six = 25 marks)
Question Seven

In response to changing customer demands and strong competition, the new product development team of Z Company has been working on a new product range. However, the process has not been easy and conflict between different interest groups is a major problem. For instance, the Marketing Department staff are complaining that the research and development staff are not working quickly enough in translating their ideas into possible products. Production staff are saying that no consideration has been given to the implications of the new product designs on the production process.

A hastily convened meeting by the Finance Director of Z Company to discuss the financial viability of the new range of products has not helped. This ended in chaos with no agreement being reached as to how to proceed. Members of the Marketing Department returned to their desks complaining that the finance team had not brought along the relevant information on which to base the discussions. They also felt they had not been allowed to voice their views during the meeting, which was dominated by ‘financial speak’. Members of the Production Department were unclear on why they had been asked to attend at all and felt they had wasted their time. It is clear that the meeting was poorly run.

Required:

(a) Explain the sources of conflict between the different groups involved in the new product development process. (13 marks)

(b) Discuss what the Finance Director should do to ensure that future meetings are effective in achieving satisfactory outcomes for all members. (12 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.

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

Management Level Paper

E2 – Enterprise Management

September 2011

Friday Session