

# **Tutorial letter 201/2/2018**

## **CORPORATE ENTREPRENEURSHIP**

### **MNE3702**

#### **Semester 1**

**Department of Entrepreneurship, Supply  
Chain, Transport, Tourism and Logistics  
Management**

**IMPORTANT INFORMATION:**

**This tutorial letter contains feedback for Assignment 01, Assignment 02 and  
examination information.**

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## 1. INTRODUCTION

Dear Student

Well done on getting this far. We hope that you have enjoyed the Corporate Entrepreneurship journey so far.

The purpose of this tutorial letter is to provide you with feedback on Assignments 01 and 02 as well as provide information regarding the examination.

## 2. FEEDBACK ON ASSIGNMENT 01

Although there will be no multiple-choice questions in the examination, the following clarities do form a vital part of the learning process. Read these comments carefully and compare them with the reasoning in your answers to the questions.

### QUESTION 1

The correct answer is **4**. Refer to page 8 in Kuratko *et al.* (2011).

The correct answer should be aggressiveness which unfortunately is not part of the four options provided. Therefore, none of the above is the most appropriate answer for this question.

### QUESTION 2

The correct answer is **2**. Refer to page 9 in Kuratko *et al.* (2011).

Corporate performance in the global economy of the twenty first century is defined by continuous innovation and an ability to continually redefine the competitive playing field.

### QUESTION 3

The correct answer is **1**. Refer to page 67 in Kuratko *et al.* (2011).

Although there is no scientific evidence for this, the belief (according to Kuratko *et al.*, 2011:67), is that risk is so high when the company ignores new product and service new opportunities, and engages in little to no innovation. See the last paragraph in page 67.

### QUESTION 4

The correct answer is **3**. Refer to pages 79 in Kuratko *et al.* (2011).

The entrepreneurial grid can be applied by characterising how an entrepreneur approaches external change; many individuals achieve success by quickly adapting to environmental change.

### QUESTION 5

The correct answer is **4**. Refer to page 81 in Kuratko *et al.* (2011).

Entrepreneurial Intensity serves a potentially critical role in integrating these three variables (company, its strategy and the internal structure of the company). Firms experiencing higher levels of environmental turbulence may require higher levels of EI to survive and grow, which in turn generates corporate strategies that are more aggressive (e.g., focusing on new product and market development) as well as structures that are more flexible, decentralised, and open.

### QUESTION 6

The correct answer is **2**. Refer to page 75 in Kuratko *et al.* (2011).

We know that TJ Manufacturers have introduced a new product that has revolutionised the market – the key word here is *revolutionised*. This is a bold word implying a high degree of innovativeness, risk-taking and pro-activeness in the market – a *high degree of entrepreneurship*. We also know that it was the *first new*

*product* they have introduced in *ten years*; therefore we can deduce the degree of frequency was low as it was the first innovation in a decade – in other words, innovation was periodic.

### **QUESTION 7**

The correct answer is **1**. Refer to page 75 in Kuratko *et al.* (2011).

An entrepreneurial event varies in terms of the degree of entrepreneurship (how much innovativeness, risk-taking, and pro-activeness is involved) and the frequency of entrepreneurship (how many entrepreneurial events take place within a company over a given period of time). To assess the overall level of entrepreneurship in a company, the concepts of degree and frequency must be considered together, this decides the entrepreneurial intensity (EI). To better understand the concept on of EI, take a look at Figure 3-5 in page 75 of your prescribed book.

### **QUESTION 8**

The correct answer is **4**. Refer to pages 151 in Kuratko *et al.* (2011).

As a dominant logic, entrepreneurship promotes strategic agility, flexibility, creativity, and continuous innovation throughout the company.

### **QUESTION 9**

The correct answer is **4**. Refer to page 151 in Kuratko *et al.* (2011).

While strategy and strategic management more specifically define that direction and determine how well it is accomplished, it is a dominant logic that sets the context for the company's overall direction.

### **QUESTION 10**

The correct answer is **3**. Refer to page 152 in Kuratko *et al.* (2011).

See the second last paragraph, with operational effectiveness, the company attempts to produce current products at lower costs, provide better customer service, offer higher product quality, or otherwise outperform rivals.

**QUESTION 11**

The correct answer is **3**. Refer to page 158 in Kuratko *et al.* (2011).

Strategic innovation pertaining to product-focused entrepreneurial initiatives has the following seven core components: (which number 2 is option 3 of question 11).

1. The company makes a strong commitment to an active policy of finding and Developing new products, with top management heavily involved in project initiation and support.
2. Innovation *is* defined as a company-wide task, not simply the responsibility of an R&D department or new product development department in isolation.
3. Strategies are formulated for the nature of the new products and services to be developed, including the extent to which innovation projects are concentrated around the company's current product line or are more diversified, and the desired levels of innovativeness, quality, and customization.
4. Strategies are formulated for the nature of the technologies to be utilized *in* new products and processes.
5. Strategies are formulated for the types of markets to be served through the company's innovative efforts, including how new or mature these markets are in general, and the newness of these markets to the company.
6. There is a clear sense of how aggressive or defensive the innovation efforts of the company are intended to be and a clear understanding of the planned levels of resource commitment to innovation as a percentage of company revenues.

7. The company has a planned approach for sourcing new product ideas, and a policy regarding the relative reliance on external (i.e. outsourced or licensed) versus internal product development.

### **QUESTION 12**

The correct answer is option 4. Refer to page 8 in Kuratko *et al.* (2011)

It is flexibility that enables one to design company strategies, processes and operational approaches that can simultaneously meet the diverse and evolving requirements of stakeholders.

### **QUESTION 13**

The correct answer is **3**. Refer to pages 100 in Kuratko *et al.* (2011).

With this form of strategic entrepreneurship the firm is in constant pursuit of entrepreneurial opportunities. Through domain redefinition, firms move into uncontested markets, or the so called "blue oceans".

### **QUESTION 14**

The correct answer is **4**. Refer to page 101 in Kuratko *et al.* (2011).

With organisational rejuvenation, the focus of the innovation effort is a core attribute or set of attributes associated with the firm's internal operations.

### **QUESTIONS 15**

The correct answer is **2**. Refer to page 188 in Kuratko *et al.* (2011).

Decentralised structures are consistent with the encouragement of individual initiative, experimentation and innovation.

### **QUESTIONS 16**

The correct answer is **1**. Refer to page 184 in Kuratko *et al.* (2011).

Once the structure is formalised, it is no longer static, it is continually changed as management struggles with the need to balance differentiation.

**QUESTION 17**

The correct answer is **2**. Refer to page 209 in Kuratko *et al.* (2011).

With a separate business unit, a specially dedicated and operationally distinct unit is created inside the corporate structure to house the entrepreneurial initiative.

**QUESTIONS 18**

The correct answer is **1**. Refer to page 178 in Kuratko *et al.* (2011).

Some entrepreneurs merely copy or imitate the strategy of their competitors which is an easy tactic and certainly less risky. But it clearly means an entrepreneur has no real competitive advantage. To succeed, new ventures must develop unique ways to compete.

**QUESTIONS 19**

The correct answer is **2**. Refer to page 175 in Kuratko *et al.* (2011).

It is the portfolio perspective suggesting that innovation can originate from throughout the organisation. Refer to “*instilling the desire to be innovative*” under **some contributing factors to entrepreneurial strategy** in page 174.

**QUESTION 20**

The correct answer is **1**. Refer to page 38 in Kuratko *et al.* (2011).

Start-up entrepreneurs face severe resource limitations as compared to corporate entrepreneurs who have access to finances, R&D, production facilities for trial runs, an established sales force, an existing brand, distribution channels that are in place, existing data-bases and market research resources, and an established customer base

**[20]**



### 3 FEEDBACK ON ASSIGNMENT 02

Assignment 02 consists of a combination of 8 long and short questions and was based on all the chapters of the prescribed book. All the questions were based on the case study entitled **Google**.

#### QUESTION 1

Organisational structure plays an important role in facilitating the corporate entrepreneurship process in a business. The structure of a company can be categorised into one of four general types of structure, each with specific characteristics.

Identify and briefly describe each type of organisational structure. (8)

#### *Chapter 7: Structuring the company for entrepreneurship*

Structure	M	Description (is only 1 mark for each structure)	
• <b>Simple structure</b>	√	Highly informal with coordination of tasks accomplished by direct supervision, all strategies determined at the top.	√
		Little specialisation of tasks exists; limited formalisation in terms of programs, rules or regulations.	√
		Low degree of bureaucracy and information systems are unsophisticated.	√
		Little need exists for integrating mechanisms, and power is concentrated at the top.	√
• <b>Machine/mechanistic bureaucracy</b>	√	A mechanistic and rigid structure in which coordination of tasks is achieved through standardisation of work.	√
		The structure is hierarchical and very bureaucratic. The need to follow formal guidelines and plans is stressed.	√
		A large technostructure exists in the company to design and plan operations.	√

		Technology is somewhat automated and integrated into operations.	√
		Well-developed information systems exist, but they focus on internal reporting and output tracking rather than on market developments.	√
		Power is concentrated among top executives and those who design workflow processes, with little disseminated to middle- or lower-level management.	√
• <b>Organic</b>	√	Limited hierarchy and highly flexible structure.	√
		Groups of trained specialists from different work areas collaborate to design and produce complex and rapidly changing products.	½
		Emphasis is on extensive personal interaction and face-to-face communication, frequent	√
		Power is decentralised and authority is linked to expertise.	√
		Few bureaucratic rules or standard procedures exist.	√
		Sensitive information-gathering systems are in place for anticipating and monitoring the external environment.	√
• <b>Divisionalised</b>	√	Self-contained profit centers exist for producing and marketing different product lines or groups.	√
		Divisions can differ significantly from one another in terms of their structures, with some being more organic and others more bureaucratic.	√
		There is overall pressure for divisions to conform, standardisation of procedures and methods.	√
		They operate somewhat independently, with a fair amount of decision-making authority delegated to divisional managers.	√
		Control is facilitated by sophisticated management systems. Coordination across divisions is achieved via inter-unit committees and a staff infrastructure at the head office.	√

**QUESTION 2**

Mention the type of organisational structure that Google makes use of. Motivate your answer by linking the characteristics of the selected structure with Google to build your argument. (6)

**See characteristics from page 188 – 195. Summary in Table 7-1, page 189 – 190**

Student could answer: Simple or Organic, or a mixture of the two. Most correct answer is			One mark for stating the type of structure.	M = √
Characteristi	<b>Simple</b>	<b>Organic</b>	<b>Application (up to 5 marks)</b>	
Power centralisation	All at the top	<b>Scientists, technocrats and middle managers</b>	A casual and democratic atmosphere – resulting in a ‘flat’ company. Organisation does not boast a large middle management, and upper management is so hands on. Teams are made up of member with equal authority and a certain level of autonomy is maintained. No ‘top down’ hierarchy.	√
			The founders, Larry and Sergey (approached on a first name basis), as well as other executives can be approached from anyone about any number of company issues.	√
Bureaucratic	Low, informal	<b>Organic</b>	Some level of autonomy for core employees, but under a unifying philosophy.	
Specialisation	low	<b>Extensive</b>	Groups of trained specialists from different work areas collaborate to design and produce complex and rapidly changing products. – Google has a highly collaborative culture.	√
Integration and coordination of effort	By CEO via direct supervision	<b>By integrating personnel &amp; task forces via mutual adjustment</b>	Open culture, everyone is a contributor and feels comfortable sharing ideas and opinions.	√
			Their offices and cafes are designed to encourage interactions between googlers within and across teams.	√
Information systems	Crude, informal	<b>Informal scanning, open communication</b>	Although employees function in loose teams in a relaxed atmosphere, the combination of this atmosphere with the methodical nature of Google task-based, engineer design system can make for a difficult fit.	√

			Deeply methodical methods and big expectations on employee behaviour, even if those expectations are casual, make for a Laboratory employee relationship.	√
Technology	Simple, custom	<b>Sophisticated product, automated or custom.</b>	Sophisticated products.	√
Dynamism/uncertainty	moderate	<b>Very high</b>	Willingness to learn from experiments and learn from its mistakes.	√
Growth	varies	<b>Rapid</b>	Continuously developing relevant design systems. Company spends a lot of time and money on the recruitment process of potential employees.	√

### QUESTION 3

Unpack the concept of “creative abrasion” and indicate how this concept is applied at Google. (10)

#### **Chapter 9: The people factor II: Human Resources Management**

Topic – HRM and the Paradox of Creative Abrasion Page 247 – 248

<b>Unpacking “creative abrasion” (up to 5 marks)</b>	
A way of fostering of entrepreneurship.	√
Requires that managers figure out how to get different approaches and perspectives to grate against one another in a productive process.	√
Calls for the development of leadership styles that focus on identifying and incorporating polarized viewpoints.	√
The probabilities for unexpected juxtapositions (the act or placement of two things, usually abstract concepts, near each other) are increased, as are levels of mutual understanding.	√
A corporate culture of heightened sensitivity and harmony is achieved.	√
Serves to facilitate divergence.	√
Must be complemented by leadership styles and structures that ultimately produce convergence.	√
Highlights differences that are natural, and that increase the level of stimulation and variety in the organisation.	√

It is an art, requiring patience and a sense of when to let the friction run its course, and when to interfere so as to avoid permanent dead ends.	√
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<b>Application (up to 5 marks) examples of application include</b> (please note, application is not limited to these examples,	
Examples of efforts to take advantage of abrasion could include hiring people	√
Googlers hail from all walks of life and speak dozens of languages, reflecting a global audience, which google serves.	√
Through the setup of the Google offices and Cafes, personnel are encouraged to interact within and across teams and to spark conversation about work as well as play. (bringing together inter-functional teams with members who have very different backgrounds and orientations)	√
Open culture and teams are made up of members where all have equal authority but where a certain level of autonomy is maintained.	√
Challenging a team with seemingly incompatible goals.	√
Blurring responsibilities between departments or functions/ everyone is a hands-on contributor.	√

**QUESTION 4**

By means of examples from the case study, briefly discuss whether Larry Page and Sergey Brin (founders) meet the characteristics of an entrepreneurial mindset. (4)

**Table 15 – 6 Characteristics of the Entrepreneurial Mindset**  
**Characteristics of an entrepreneurial mindset**

<b>Characteristic</b>	<b>M</b>	<b>Application could include: (only 1 mark)</b>	<b>M</b>
1. Passionately seek new opportunities	√	This is evident in Google's mission, which is to organise the world's information and make it universally accessible and useful.	√
2. Pursue opportunities with enormous discipline	√	Google hires people who are smart and determined, and they favour ability over experience. Google operates on a methodical nature of Google task-based, engineer design system.	√
3. Pursue only the very best opportunities and avoid exhausting themselves and their organisations by chasing after every option	√	Google spends a lot of time and money on the recruitment process of potential employees.	√
4. Focus on execution – specifically, adaptive execution.	√	The executives (Larry and Sergey) still play an active role in the day-to-day affairs of Google. A culture of delegation to ensure projects is executed.	√
5. They engage the energies of everyone in their domain.	√	Interactions are encouraged. Everyone can be considered hands-on contributors, share ideas and opinions. Decisions classically reserved for management, such as hiring, are done through a <i>collaborative process</i> .	√ √

*Any two points for 2 marks and 2 marks for application points (= 4 marks)*

**QUESTION 5**

Today organisations are confronted with dynamic, threatening, and complex changes in the external environment, and have been forced to adapt. There are four flexible rules which enhance a venture's chance of remaining adaptive and innovative, both through and beyond the growth stage. Identify and explain each of these rules and highlight how these rules are applied at Google. (8)

<ul style="list-style-type: none"> <li>• Share the entrepreneurial vision: ✓ The entrepreneurial vision is permeated throughout Google, helping employees to understand the direction and share in the responsibility for its growth. ✓ Despite the fact that they hail from all walks of life and speak dozens of languages, reflecting the global audience that they serve; Googlers' share common goals and visions for the company ✓.</li> <li>• Increase the perception of opportunity: ✓. At Google, the organisation strives to maintain the open culture often associated with startups, in which everyone is a hands-on contributor and feels comfortable sharing ideas and opinions. ✓</li> <li>• Institutionalise change as the organisation's goal: ✓ – Its willingness to learn from its experiment and learn from its mistakes compliments perfectly its internal collaborative structure is signal for the organisation's readiness to change. ✓</li> <li>• Instill the desire to be innovative: ✓ The organisation strives to maintain the open culture often associated with startups, in which everyone is a hands-on contributor and feels comfortable sharing ideas and opinions. ✓</li> </ul>	Chap ter 15 P432
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*One (1) mark for the rule and another one (1) for case application (Maximum of 8 marks)*

**QUESTION 6**

Some of the world's most innovative companies include Facebook, Amazon, Walmart, Disney and Nike. These companies have something in common; they are continuously striving for a sustainable competitive advantage and the managers within them continually reinvent themselves. Identify and explain the five key capabilities that would contribute towards Google achieving a sustainable competitive advantage. (5)

**Chapter 1: The entrepreneurial imperative in established organisations****Sustainable Competitive Advantage Page 7 – 9**

<b>Imperative</b>	<b>M</b>	<b>Description</b>	<b>A</b>
<b>Adaptability</b>	½	Ability to adjust to new conditions on a regular basis without losing focus or causing significant disruption of core operations and commitments. New conditions include: new technologies, new customer needs, new regulatory rules.	½
<b>Flexibility</b>	½	Ability to design company strategies, processes and operational approaches that can simultaneously meet the diverse and evolving requirements of stakeholders (such as customers, distributors, suppliers, financiers, regulators etc).	½
<b>Speed</b>	½	Ability to act quickly on emerging opportunities, to develop new products and services more rapidly, and to make critical operational decisions without lengthy deliberations.	½
<b>Aggressiveness</b>	½	An intense, focused, and proactive approach to eliminating competitors, delighting customers, and growing employees.	½
<b>innovativeness</b>	½	A continuous priority placed on developing and launching new products, services, processes, markets and technologies on leading the marketplace.	½

(5 marks)



**QUESTION 7**

Explain the term entrepreneurial intensity (1) and show by means of examples (8) from the case study how it is practiced at Google. (9)

<p>Up to 9 marks:</p> <ul style="list-style-type: none"> <li>• Entrepreneurial intensity refers to the assessment of the overall level of entrepreneurship in an organization by combining the degree of entrepreneurship (level of innovativeness, pro-activeness and risk-taking) and the frequency of entrepreneurship (the number of entrepreneurial events that take place in a given time period). ✓</li> <li>➤ Google is an innovative organisation. ✓ Businesses use Google's AdWords program to promote products and services. ✓ The use the Google AdSense program to deliver relevant AdWords is a sign of innovative organisation. ✓</li> <li>➤ They are also a risk taking organization. ✓ favor ability over experience, ✓ ignoring the tried and tested personnel can be risky for any organisation. The company spends a lot of time and finances on the recruitment process of potential employees. ✓</li> <li>➤ Google is a proactive organisation ✓ – Their offices and cafes are designed to encourage interactions between Googlers within and across teams, and to spark conversation about work as well as play. ✓</li> </ul>	<p>Chapter 3 P 74</p>
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*1 mark for the definition and any 8 for case application = 9 marks*

**[TOTAL: 50 Marks]**

#### **4. FEEDBACK ON SELF-ASSESSMENT**

Self-Assessment assignment consists of a combination of 5 long and short questions and is based on chapters 2, 3, 11 and 13 of the prescribed book. All

the questions were based on the case study entitled **The Challenge of Entrepreneurial Growth.**

**QUESTION 1 (P 300)**

Can the concept of unintended consequences be applied to any of these organizations? Explain each organization's case. (8)

**NO!**

Control initiatives are almost always well intentioned. Yet they frequently have unintended consequences. They become problematic for these reasons:

- Most control undermines the willingness of employees to tap their creative energies, come up with innovative ideas, fight for those ideas, and persevere in getting them implemented. ✓ There is no evidence from the case studies that any of the organizations (Walmart, Best Buy, Sysco and Walgreens) control system undermined the willingness of employees to tap their creative energies, come up with innovative ideas, fight for those ideas, and persevere in getting them implemented. Therefore, it does not apply to any of these four. ✓
- The next unintended consequence of controls is the "slowness problem. Controls tend to evolve to the point where they actually slow the organization down. ✓ Walmart, Best Buy, Sysco and Walgreens kept on introducing new products and services (diversifying) which require speed in dealing with the varieties and different markets. ✓
- Another unintended result of the control system can be referred to as the "means end problem". ✓ Desired organizational outcomes were achieved at all four organizations (Walmart, Best buy, Sysco and Walgreens). Therefore the control systems achieved the desired outcome and not unintended consequences. ✓

*(Mark allocation: One mark for imperative/point and one mark for application to case study =6 marks.)*

**NB!** If a student's answer is yes, then evidence from each of the case studies must be presented and marks can be awarded for the ability to motivate a different viewpoint.

### QUESTION 2 (Page 58 -71)

There is some level of entrepreneurship in every organization. Innovativeness, risk-taking and pro-activeness are three dimensions that characterize and determine the level of entrepreneurship within an organization. By quoting relevant examples from the case, Identify and discuss one of the three dimensions of corporate entrepreneurship that is more applicable to Walmart.

- **Innovativeness** ✓

- A high rate of new product/service introductions. ✓ Added complete home trends, ✓ bath dining, ✓ furniture, ✓ home décor ✓ and accessories. ✓ =(any 6 marks)

- **Pro-activeness** ✓

- An emphasis on continuous improvement ✓ - diversifying, ✓ spatial expansion (50 million square feet of space), ✓ sourcing, ✓ applying its mystery of supply chain ✓ and everyday low pricing strategy. ✓ =(any 6 marks)

### QUESTION 3

Identify and explain the specific constraints on corporate entrepreneurship which you would alert the organizations in the case study about? (10)

Page 351

<b>Systems</b> ✓	<b>Structures</b> ✓	<b>Strategic direction</b> ✓	<b>Policies and</b>	<b>People</b> ✓	<b>Culture</b> ✓
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			<b>procedures</b> ✓		
Misdirected reward and evaluation system✓	Too many hierarchical levels✓	Absence of innovation goals✓	Long and complex approval system✓	Fear of failure✓	Ill-defined values✓
Oppressive control systems✓	Overly narrow span of control✓	No formal strategy for entrepreneurship✓	Extensive red tape✓	Parochial bias✓	Lack of consensus on value and norm priorities✓
Inflexible budgeting systems✓	Top-down management✓	No vision from the top✓	Over reliance on established rules of thumb.✓	Short term orientation✓	Lack of fit of values with current competitive context✓
Arbitrary cost allocation system✓	Responsibility without authority✓	Lack of commitment from the senior executives✓	Unrealistic performance criteria✓	Complacency✓	Values that compete with innovativeness, risk taking and proactiveness✓
Overly rigid, formal planning system✓	Restricted communication channels✓	No entrepreneurial role models at the top✓		“Turf protection”✓	
	Lack of accountability for innovation and change✓			Inappropriate skills and talent to manage entrepreneurial change✓	

**QUESTION 4**

By means of examples from the case study, identify and explain the elements of control system which are identical for each of the four organizations in the case study. (20)

(Page 299)

	<b>Walmart</b>	<b>Best buy</b>	<b>Sysco</b>	<b>Walgreens</b>
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<b>Diversification</b> ✓	Groceries, home design decors and accessories. ✓	<i>Introduced new designs and brands including, Best buy, Audio Video, The carphone warehouse, Jiangsu five star etc.</i> ✓	<i>Offers full spectrum of foodservice supplies to complement its broad food product offerings.</i> ✓	<i>Geographic segmentation for a diverse markets with 6700 stores in 48 states, with 715 care clinics and 24 hour emergency pharmaceutical needs.</i> ✓
<b>Sales activity reports</b> ✓	<i>Fiscal year 2010 sales of \$405 billion.</i> ✓	<i>More than \$45 billion in annual revenue.</i> ✓	<i>Record net earnings of \$41 billion.</i> ✓	<i>Sales of \$63.3 billion.</i> ✓
<b>Objectives</b> ✓	<i>Achieving growth entrepreneuriall y. (achieved).</i> ✓	<i>Thwarting the advance of Walmart and other leading retailers by introducing new designs and</i>	<i>Becoming a global leader in the food service industry.</i> ✓	<i>Ensure customer reliance for their emergency pharmaceutical needs on Walgreens.</i> ✓

		<i>brands in the market. ✓</i>		
<b>Strategic and operational plans</b> ✓	<i>Mystery of supply chain and strategic sourcing to other items like home design decors. ✓</i>	<i>Multiple call centres and websites. ✓</i>	<i>Focuses on distribution of food to restaurants. ✓</i>	<i>Strategic sites for new locations ✓</i>
<b>Hiring rules exist</b> ✓	<i>A leader in employment opportunity. Evident as it employs more than 2.1 world wide. ✓</i>	<i>155 000 employees bringing the brands to customers through retail locations. ✓</i>	<i>51,000-person sales force. ✓</i>	<i>No hiring information provided. ✓</i>

One mark for imperative/point in **bold** per organization and one mark for application to case study to a maximum of **20 marks**.)

**NB!** This question is open for broader application by students (the application in the table is just a guideline).

### QUESTION 5

Identify and explain six (6) ways in which entrepreneurship can be manifested in these companies. (6)

**(P46)**

Traditional R&D (½)

*Leave it to the technical guys (½)*

Ad Hoc Venture Teams (½)

*Get the concept, the budget, and a deadline for the team. (½)*

New Venture Divisions or Groups (½)

*Have a factory for breakthrough concepts (½)*

Champions and the Mainstream (½)

*It's up to everyone, including you (½)*

Acquisition (½)

*Buy growth and obtain the products, markets, and technologies of others  
(½)*

Outsourcing (½)

*Have someone else to develop it for your organization, and then make the money  
(½)*

Hybrid Forms (½)

*Mix and match the other approaches to fit the context (½)*

*(Mark allocation: Half mark for imperative/point and another half mark for explanation of the point provided to a maximum of **6 marks/points**)*

**[TOTAL: 50 Marks]**

## **5 EXAMINATION GUIDELINES**

**Please note the following important information.**

### **5.1 Year mark**

The assignments will contribute a maximum of 20% towards your year mark, while the examination mark will contribute 80%. In order to pass this module you require a final mark of 50%. Irrespective of the year mark obtained, a sub minimum of 40% must be obtained in the examination. You will therefore not pass the examination if your examination mark is less than 40%. For further explanations on the calculations of your final mark, please refer to Tutorial Letter 101 which you received at the start of the semester.

## 5.2 Examination paper

Please take careful note of the following valuable information on the examination paper:

- ◆ The examination paper is set in English.
- ◆ The examination paper counts **70 marks** and consists of two sections (Sections A and B).
- ◆ **Section A** (30 marks) is **compulsory** and comprises a **case study**.
- ◆ **Section B** (40 marks) contains **three** questions of 20 marks each of which you may choose **any two** questions.
- ◆ The examination paper could include some of the questions which appeared in the assignments and activities in the e-tutor platform.
- ◆ The questions of Assignment 02 are examples of how questions are asked in the examination.
- ◆ NB: You have to be able to define and describe concepts, give examples and explain what is meant by certain concepts. In certain instances, practical application is important, especially for the case study questions asked.
- ◆ Please read each question carefully before answering it. Take note of key words such as “list” or “discuss” and do what the question asks you to do. If you only list things when you also have to discuss them, you will only get part of the marks.
- ◆ Pay special attention to the mark allocation of each question, as in many cases, half ( $\frac{1}{2}$ ) marks may be awarded.



**NOTE:**

- ◆ As you are aware, in order for students to truly master a module, **ALL** the material needs to be read, understood and studied. **Therefore, no examination scope is to be provided for this module. Please check your examination date, venue and time.** Please check your examination date, venue and time for your convenience.

## **6 CONCLUDING REMARKS**

We trust that you will find the feedback and information given valuable. Do not hesitate to contact us if you have any questions regarding the assignments and the feedback provided in this tutorial letter.

We wish you all the best with the upcoming examination period.

Sincerely,

The MNE3702 Team