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6. Distinguish between Strategic Planning and Tactical Planning. Give **one** example in each case.



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2. (a) What do the letters SWOT stand for? \_\_\_\_\_

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- (b) Explain its use in business: \_\_\_\_\_

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This is a compulsory question based on Units 2, 3 and 4

### APPLIED BUSINESS QUESTION

#### Harte Shoes Ltd

Harte Shoes Ltd is a small family run manufacturing business, located in Monaghan, which has operated in the highly competitive footwear industry since the 1970s. At its peak the company employed highly skilled shoe makers and a very effective sales team. Martin Harte, the owner, began to realise that the centuries-old footwear industry was in decline, largely as a result of cheaper imports from manufacturers in Eastern Europe. He decided to review the company's corporate strategy in order to make his company viable in the future.



His solution was based on the ever increasing popularity of Irish dance worldwide. The outstanding success of productions such as *Riverdance*, *Lord of the Dance* and the popularity of competitions such as the Irish Dance World Championships have seen a global increase in the numbers of girls and boys learning Irish dancing. Martin's goal was to create a range of soft and hard dance shoes, using the finest and most durable leather, and so well engineered that they would provide protection and comfort for Irish dancers worldwide.

He sought the assistance of Enterprise Ireland's 'Get Export Ready' scheme. Enterprise Ireland appointed Christine Landers, a Development Adviser, to Harte Shoes Ltd and she carried out a SWOT analysis. From this, it was clear that Harte Shoes Ltd had manufacturing expertise and that growing markets exist in the UK, America and Australia due to the global popularity of Irish dancing. However, she noted the lack of a computer aided design system (CAD) to assist with the production of shoes, especially in light of the fact that competitors from Eastern Europe had invested heavily in Information and Communications Technology (ICT). She also noted the absence of a quality website to facilitate online selling.

Martin discussed the SWOT analysis with existing employees and at that meeting a way forward was agreed. Martin invested a further €50,000 into the business to be used for modernising plant and equipment. Grant aid received from Enterprise Ireland was used for a new computer aided design system (CAD) and a website was established to showcase the new brand and to get orders from clients. Employees were given the required training and development through up-skilling courses organised by the company. Significant productivity improvements were achieved by introducing bonus shares for employees and offering a fair redundancy scheme. Martin was delighted with the innovative approach adopted by the design team in creating a range of quality hard and soft dance shoes. He welcomed their suggestions on the technical aspects of manufacturing hard dance shoes which included fibreglass heels and toes to increase the clicking sound, so important to Irish dance. His team developed a newly patented production technique enabling them to produce a dance shoe that is the lightest and loudest in the marketplace.

- (B) (i) Define the management activity of *planning*.  
 (ii) Explain the elements of a SWOT analysis **and** conduct the SWOT prepared by Christine Landers. (30 marks)

Read the information supplied and answer the questions which follow.

EducaPrint Ltd is a business publishing schoolbooks in Ireland. John O'Leary, the Production Manager, suggested introducing some of its traditional print books in eBook format. He wanted to tap into the improvements in broadband speed and the major developments in mobile devices. The eBooks were launched onto the market in 2013 to great success. EducaPrint Ltd operated a matrix organisation structure for the development of the eBook products.

- (B) Outline the benefits **and** challenges for EducaPrint Ltd of a matrix organisation structure (team structure) for the development of the eBook products. (20 marks)
- (C) Discuss the importance of the management activity of 'planning' for EducaPrint Ltd. (20 marks)

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**This is a compulsory question based on Units 3, 4 and 5**

### APPLIED BUSINESS QUESTION

#### Clothes-4-Us Ltd



Clothes-4-Us Ltd established its first retail store in Galway city in 1990. Its mission statement focuses on providing 'fashionable fast moving clothing' as well as 'value for money' for young fashion-conscious consumers. Its founder, Aoife Coyle, was determined from a very young age to become an entrepreneur and she chose the fashion industry because of her love of clothes. Under her guidance the business has expanded and now employs 600 staff in twenty retail stores located in prime sites throughout Ireland. The business continues to grow steadily. Strong performance in the Irish market and many years of profitability has encouraged Aoife to expand her successful business model into the UK clothing market. Monthly meetings are held to manage the growth and expansion of the business. Strategies have been put in place in the event of possible disruptions in the supply of essential stocks from global suppliers. Recently it was decided to undertake an advertising campaign on UK television to coincide with the opening of the company's first store in London's Oxford street.

Oliver Quinn, the Human Resource manager, has played a central role in the steady growth of Clothes-4-Us Ltd. He continues to effectively manage employee numbers. For the planned opening of the store in London, Oliver advertised job opportunities on the company's website and included an on-line application form. With increasing competition in the market coupled with recessionary times, Aoife and Oliver recognise the necessity to invest in staff training. A comprehensive induction programme is provided throughout the company and personnel from the Human Resource department meet employees annually to review their progress. Employees at Clothes-4-Us Ltd are well rewarded and there are opportunities for promotion for those who achieve their sales targets.

Aoife is concerned that the business may lose market share because of increased competition from rival 'copycat' fashion multiples. She has begun visiting the company's stores unannounced to monitor sales, employee behaviour and customer trends. In addition, the marketing department is carrying out regular consumer surveys. Fashion magazines with their coverage of the latest designer 'catwalk' fashion trends from Milan, Paris and London are closely monitored. The company's daily sales records and data from the Central Statistics Office (CSO) on market size and consumer expenditure patterns are continually analysed. Aoife believes that a renewed emphasis on its unique selling point (USP) of fashionable budget clothing, targeted at the young fashion-conscious consumer, will position Clothes-4-Us Ltd as the market leader. With this in mind the business has updated its slogan to "Affordable Fashion" which it will use for its advertising campaign in the UK market.

- (A) (i) Define the management activity of 'planning'.  
(ii) Illustrate how different types of planning benefit Clothes-4-Us Ltd. (20 marks)

Read the information supplied and answer the questions which follow.



### Good4U

Good4U is a family run health snacks business based in Sligo. In 2004 the business's original product was a sprouted seed. The Good4U goal was to become a market leader in the healthy snacks industry. The business now has over 40 products, including seed snacks and energy balls. Good4U recently launched a new salad topper range.

www.good4u.com

- (A) Outline the different types of planning that can contribute to a business being successful. Relate your answer to Good4U, making any appropriate assumptions. (20)

(A) Read the information supplied and answer the questions which follow.

*Ryanair CEO, Michael O'Leary, has apologised for the cancellation of flights. The airline admits it "messed up the planning of pilots' holidays". Source: Adapted from The Irish Times, 2017*

- (i) Illustrate your understanding of the term **contingency plan**.  
 (ii) Outline the importance of planning for an airline such as Ryanair. Refer to strategic, tactical and manpower planning in your answer. (25 marks)

### The Mayfair Hotel

The Mayfair Hotel is a five-star city centre hotel which is celebrating 100 years in business. To celebrate this centenary, the management of the hotel is planning various events. The General Manager, Ann Johnson, has suggested organising staff into various project teams, with a project leader to plan for this centenary celebration.

- (B) Evaluate how different types of planning contribute to business success. Relate your answer to the Mayfair Hotel, making any appropriate assumptions. (20 marks)  
 (C) Discuss the benefits **and** challenges for a business of developing a matrix organisation structure (team structure) to complete specific projects in a business. (20 marks)  
**(60 marks)**

- (B) Analyse the contributions that *strategic* and *tactical* planning can make to the successful management of a business. Use examples in your answer. (20 marks)

- (A) (i) What is meant by the term SWOT analysis?  
 (ii) Conduct a SWOT analysis on a business of your choice. (Include **two** points under each heading)

(20 marks)

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- (B)** Evaluate how two different types of planning contribute to the success of a business or community enterprise. Use examples in your answer. (20 marks)

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- (C)** *"Planning is the most important management activity"*

Explain why many managers would deem this statement to be true. Support your answer with reasons and examples. (25 marks)

