

Name James Smith (1801879)

15/05/2020

Time: 1pm

Team Management (MSX02199)

Question 1,

A)	Project A		Project B	
	Annual	Cumulative	Annual	Cumulative
Year	Cashflow	Cashflow	Cashflow	Cashflow
0	(44,000)	(44,000)	(33,000)	(33,000)
1	14,000	(30,000)	11,250	(21,750)
2	18,000	(12,000)	09,750	(12,000)
3	29,000	+12,000	12,000	+0
4	8,000	+20,000	16,000	+16,000

Project A pay back = 2 years and 6 Months

Project B pay back = 3 years and 0 Months

B) Accounting rate of return = $\frac{\text{Average Annual Profit}}{\text{Initial Investment}}$

$$64000 \div 4 = 16000$$

$$49000 \div 4 = 12250$$

$$\begin{aligned} \text{Average project A} &= 16000 \div 44000 \\ \text{Accounting rate of return} &= \underline{0.36} \end{aligned}$$

$$\begin{aligned} \text{Average project B} &= 12250 \div 33000 \\ \text{Accounting rate of return} &= \underline{0.37} \end{aligned}$$

Year	Project A
1	$14000 \div 44000 = 0.318$
2	$18000 \div 44000 = 0.409$
3	$29000 \div 44000 = 0.54$
4	$8000 \div 44000 = 0.18$

Year	Project B
1	$11250 \div 33000 = 0.341$
2	$9750 \div 33000 = 0.295$
3	$12000 \div 33000 = 0.36$
4	$16000 \div 33000 = 0.48$

Name: James Smith (1801871) 15/05/2020
 Time: 1 pm Team Management (MSX02199)

Question 4:

c)

Year	Project A	Discount rate	Net present value	Project B	Discount rate	Net present value
1	£14,000	0.885	£12390	£11,250	0.885	£9956.25
2	£18,000	0.783	£14094	£9,750	0.783	£7639.25
3	£29,000	0.693	£16632	£12,000	0.693	£8316
4	£8,000	0.613	£4904	£16,000	0.613	£9808

Total NPV = £48020 - £44,000 Total NPV = £35714.50 - £33,000
 NPV = £4020 NPV = £2,714.50

D) I would select project A because it has a faster payback time and a larger net present value than project B.

E)

$$IRR = \frac{\text{Net cash flow In}}{(1 + 0.13)^t} - \text{Initial Investment}$$

$$IRR = \frac{69000}{(1 + 0.13)^4} - 49,000 = 47.48\%$$

$$= 47\%$$

F) Factors to be considered when making capital investment decisions include the cost of borrowing, including interest rates. Another includes the change in demand and economic growth. Also hidden costs, which include staff turn over and training.

3/7

Name: Jairo Smith (1801879) 15/05/2020
Time: 1pm Team Management (MSX02199)

Question 2:

A)

Key types of Sponsorship for an organisation include ~~Financial~~ ^{Financial} Sponsors, Media Sponsors, arts sponsorship and Social Sponsorship.

By spending money on Sponsorship you can hope to achieve brand awareness, building and enhancing the corporate image and provide a business with a cost effective means for meeting their target audience.

As Sponsorship can be the sole income for a business, they are very important to pay wages, equipment and work spaces.

An example of good Sponsorship is Red Bull, where they sponsor a range of Sports teams and have gained a massive brand awareness all over the world. But it is very important that your Sponsorship ~~aligns~~ aligns with your values and ~~ethic~~ ethics.

4/7

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Question 2:

- B) Using the S.O.S.T.A.C model, by looking at where the team is now and ~~know~~ where we want to be, the first step would be to analyse all competitors at our level.

Knowing we want to be a competitive ~~team~~ in the Motorcross championship, by firstly contacting local dirt bike and Mountain bike Shops and local Universities will help to gain an interest and following in the community. Hopefully these will lead to small Sponsorships and ~~adv~~ advertising for the team.

By looking at a Strategy, by applying a dress code and behaviour to the team brings a level of professionalism and a Corporate sense of team when arriving to a track. These dress codes and behaviour develop a strong pride for employees and team ~~members~~ ^{Members}.

The S.O.S.T.A.C process, stands for;

S = Situation Analysis - where are we now.

O = objectives - where we want to be.

S = Strategy - How will we get there.

T = Tactics - What we need to get there.

A = Action - ~~How~~ ^{What} we need to do.

C = Control - How will ~~to~~ we monitor performance.

5/7

Name: James Smith (1801879) 15/05/2020
Time: 1pm Team Margaret (MSX02199)

Question 2:

b)

Depending on where the team principle wants to develop current performance and compete against local or national competitors will determine the strategy for how we as a team will get there. We will need to develop a vision, decide on KPIs KPIs and SMART objectives. Then by implementing these objectives and monitoring them along the way and adjust if necessary.

c)

Using the SOSTAC marketing strategy, any company could develop a digital marketing strategy, that expands on their sponsorship arrangements. These can include, attending trade shows, ensuring merchandise is of high quality, advertising in key areas that fit a unique selling point. Public relations are also important and when done badly, can be damaging to any company.

Any company would want word of mouth to be positive and therefore customer service and direct marketing are key factors.

6/4

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Time: 1pm Team Management (MSX02199)

Question 3:

A)

Team development is important in motorsport because when teams do not work well, risk factors become very high. Tuckman's model for forming a team is useful when thinking about motorsport. First you need to form your team, team members would have high energy, be enthusiastic and ~~polite~~ ^{any} team leader would play a dominant role at this stage. The next phase is storming, where there is often conflict where people air their views. Then there is norming where direction and ~~vision~~ ^{vision} is aligned, this leads to performing where the team is hopefully successful. Finally mourning, where teams reflect and celebrate.

B) i) - Belbin would say that the traits of plant, monitor/evaluator and specialist are important in vehicle development and testing.

ii) - Belbin would say that coordinator, team worker and research/investigator would suit someone arranging sponsorship funding.

iii) - Belbin would say that implementer, shaper and completer finisher are important for practice ~~and~~ ^{and} race weekends because these are doing ~~acting~~ ^{acting} traits.

Teams are made up of individuals and we all use different personality traits when working in a team. Belbin identified these nine traits.

7/7

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Question 3:

c) Two models of ~~motivator~~^{Motivation} are Herzberg and Maslow. Maslow's hierarchy of needs suggests that you need;

- 1- Basic needs met first (eg food)
- 2- Safety and Security (eg safe work environment)
- 3- Sense of belonging (eg feel part of a team)
- 4- Self Esteem (eg respect).
- 5- Self Actualisation (eg achieving targets).

As a team principle, I would make sure the environment is safe, build up team spirit where everyone respected and reasses our targets.

Herzberg's two factor theory, shows that motivators control the level of job satisfaction and hygiene factors control the level of job dis-satisfaction.

I would ensure that ~~a~~^{our} workshop is very clean and tidy and a high morale is present.
I would use positive recognition to keep job satisfaction high.