

15/5/20 @ 13:00 - Management Innovation and Sustainability

M5X01176

ii) For a person in charge of arranging sponsorship funding, I would agree that the leader would want to be a charismatic leader. Blessed with the gift of the gab and capable of enticing sponsors into signing incredible deals seems like the ideal preference.

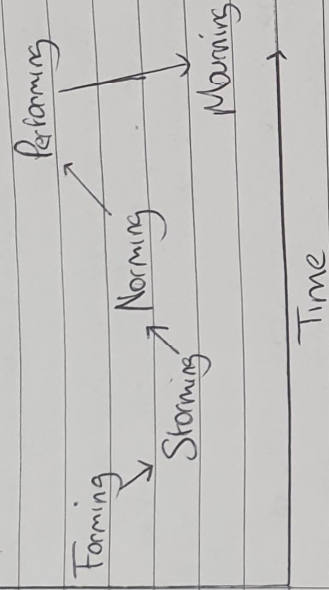
However, overly-charismatic may have the opposite to desired effect on some sponsors, and so I would argue that a traditional style combination would be most beneficial. A leader charismatic enough to charm, and traditional enough to establish appropriate boundaries.

iii) For a leader who would be in charge of practice over the race weekend, I would argue a combination of the leadership styles to be most beneficial. You want someone with some charismatic traits who is able to motivate the team and keep pushing them to improve for the win. You also want someone who's has situational and functional traits, who's able to handle unexpected situations that occur during practice or the race, and is able to lead the team without becoming flustered or overwhelmed.

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6a.)

Output ↑



6a.i.) For vehicle development and testing, I would argue that the leader presented should be functional, not very capable of situational style leadership. The development and testing stage is an incredibly important part of the business that requires maintaining specific standards, and involves exceptional degrees of accuracy. Therefore I would argue that the leader ~~should~~ should be functional and capable of leading in any area of the development and instructions.

I would also argue that a leader capable of acting situationally would be beneficial, as ~~if someone~~ if someone begins to go wrong or mistakes are made. You want someone in charge with a cool head who can handle the various situations.

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Q1c.) Project A

(44,000)	1	(44,000)
14,000	0.885	12,390
18,000	0.783	14,094
24,000	0.693	16,632
8,000	0.613	4,904

Total cash flow = 48,020

$$NPV = 48,020 - 44,000$$

$$= 4,020$$

Project B

(33,000)	1	(33,000)
11,250	0.885	9,956.25
9,750	0.783	7,634.25
12,000	0.693	8,316
16,000	0.613	9,808

$$\text{Total cash flow} = 35,714.5$$

$$NPV = 35,714.5 - 33,000$$

$$= 2,714.5$$

d.) I ~~total suggest~~ suggest Project A as it has the fastest rate of return and the highest

I would suggest Project A, as it has the shortest payback time and has a higher NPV meaning a better return on capital over time.

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Q1a.)	Project A	Project B
	(44,000)	(33,000)
	14,000	11,250
	18,000	9,750
	24,000	12,000
	8,000	16,000

Payback = $\frac{2}{2}$ years $\times$ months Payback = 3 years exactly

$$24/12 = 2 \quad 12/12 = 6$$

Payback A = 2 years 6 months

6.) Project A Project B

$$ARR = \frac{64,000}{44,000} \times 100 = 29.09\%$$

$$\left(\frac{64,000}{44,000} \right) \times 100 = 36.36\%$$

$$\left(\frac{49,000}{33,000} \right) \times 100 =$$

$$ARR = \frac{64,000}{44,000} \times 100\%$$

$$ARR = \frac{49,000}{33,000} \times 100$$

$$= 1.45 = 145\%$$

$$1.48 = 148\%$$

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e) Project A	1290	³ 1490	144.15	516	15%
(44000)	1	1	1	1	1
14,000	0.893	0.885	0.877	0.862	80.87
18000	0.797	0.783	0.769	0.743	0.756
24000	0.712	0.693	0.675	0.641	0.658
8000	0.636	0.613	0.592	0.582	0.572
			0.592		

Cash flow = 49024 48020 42793

~~490~~

IRR to closest % = 14%

4

5) Two factors that should be considered

as part of the decision-making process include:

~~o Factors for investment~~

o External factors - these could include varying interest rates / levels of inflation or incoming

government / global policies

o Another factor to be considered is the Businesses

Confidence - How much success has there been in the past? What is the market share targets?

What is the existing capacity versus predicted future requirements.

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5b.) C - Control - This stage involves reviewing and monitoring the system regularly and adjusting when needed.

Once the team had successfully established where they are at currently, where they would like to be, the process simply becomes finding the best way to get them there, and maintain that, or allow for changes if the aim changes.

5c.)

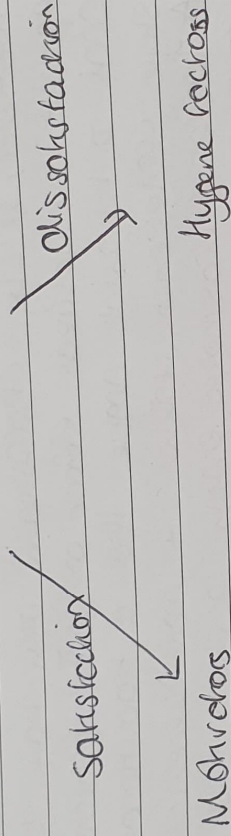
Sponsorship can lead to a great many benefits that can be considered as part of the marketing mix.

Sponsorship contracts will often have express terms outlining advertising, use of other sponsors, etc... In some respects these may limit some aspects ~~for~~ eg if trade with a sponsor competitor is ~~also~~ banned. However, it may also open up various advertising opportunities for both parties involved. As such they are a promotion. We may be tied to purchasing volumes of things from the supplier, which eventually effects the end product and can lead to inability to improve in certain areas. However benefits can often be found on the price of items, ie the cost of building a race bike will be significantly cheaper to the team if the sponsor is providing discounted parts in return for promotion of free

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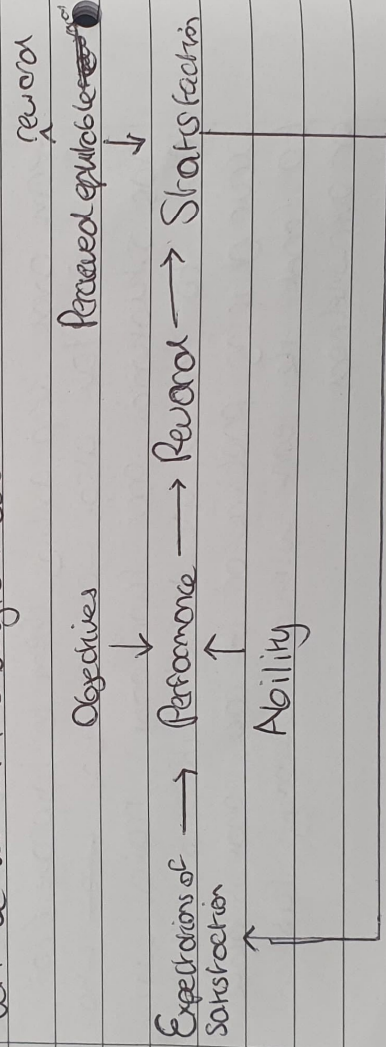
6c.) One theory of motivation is Herzberg's theory which is outlined below.

- o Some factors in workplace control job satisfaction, if they're not present there will be no satisfaction
- o Other factors control dissatisfaction, if these are not correct there will be dissatisfaction.



- o Motivators control satisfaction and include examples such as incentives
- o Hygiene factors control dissatisfaction - ~~these~~

The second theory is expectation theory which can be seen in the diagram below.



Some motivation techniques that could be used include offering incentives eg bonus, holiday etc... Ensuring staff are praised / recognised for contributions.

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Q6a.) There are various stages involved in the development of a team, these include...

Forming Stage - The initial stage in which everyone comes together. Output is generally high, involves high energy, enthusiasm etc...

The second stage is the storming stage. This is generally where ideas are thrown into the mix, and can cause discomfort or conflict within the team. Output generally lowers.

The third stage is known as the Norming stage:-

This is when ideas that have been agreed upon become fine tuned and improved upon. Output improves.

Performing is the next stage - This involves carrying out tasks/ completing objectives.

Output again higher as completion draws closer, and goals within reach.

The final stage is the norming phase.

- This is the phase in which the team can celebrate and reflect upon their achievements. Did they achieve as much as hoped? Output low.

A diagram envisaging these stages can be seen perfect.

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Q5a.) There are various types of sponsorship available these could include:

- o Programme Sponsorship - TV, films etc...
- o Individual Sponsorship - Danny Kent, David Beckham etc..
- o Event sponsorship
- o Sports sponsorship - supporting teams / Ellen McArthur + Kingstons

~~These~~ Gaining sponsorship can provide some benefits to an organisation which include

- Improving
- Increase sales
- Improving or maintaining relationships
- Attract other customers
- cost effective method for reaching a large audience.

Is it always beneficial? No - Make sure its appropriate

Some years back the Bike Devil MV Augusta team at the BSB championship secured a large sponsorship with Pornhub. After spending large amounts to prepare the bike and include the sponsorship. They were told on the first day of racing that they would not be allowed to ~~race~~ race in the televised race, due to the large Pornhub stickers on the bike. MV's race for the weekend was a no go, and the contract with the sponsors had to be cancelled after having already incurred costs.

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6c.) • giving them ownership of a task.

All of the above examples would be considered to be motivators.

Lack of examples such as these will amount to

~~Hygiene factors~~ and ~~not~~ ~~even~~ lack of motivation.

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6-) In order to develop a strategy to gain sponsorship for the team we will use the S.O.S.I.A.C model.

S - Situational Analysis (where are we now?) (can be seen below)

- With regards to the team, many things need to be established. What has the team got?

Rivers? Mechanics? equipment? etc...

Not only that but what is performance like?

Can this be improved, if so how?

O - Objectives (where do we want to be?)

- what level do we want to compete at?

How many rivers etc... do we want in

a full team. Is there more equipment to

be bought or training to be done?

Are these goals realistic?

S - Strategy - (How do we get there?)

How do we secure the rivers? Source equipment,

complete training, hire extra staff etc... What companies do we want sponsorship from? What equipment do we want sponsored.

T - Tactics - This process involves delving into

the fine details of the strategy. Eg Employment

preferences. Need a new mechanic, preferably with

experience in racing motors.

A - Action - This stage involves putting

the previous plans to work. I.E. going

and hiring a training staff, and physically

acquiring equipment.

Decide what you want sponsored, develop sponsorship plan

Research companies. Select appropriate company and

method of contact.