Unit 1

- 1. <u>Define the term micro finance provider</u> in the context of the case study?
- 2. <u>Identify challenges Su might face</u>
 when opening a start-up business such as AS?
- 3. <u>Identify the stakeholder involved in this</u> <u>case study?</u>
- 4. What problems does Su faces as she operates both AS and HH?
- 5. Describe the entrepreneurship of Su?
- 6. What is Su's mission and vision statement?
- 7. What do you mean by strategic decision and tactical decision?
- 8. <u>Discuss the costs and benefits to</u>
 <u>Afgan Sun and HH of keeping their firm</u>
 <u>as a private limited rather than public</u>
 <u>limited company?</u>

- 9. Define the term NGO?
- 10. Identify advantages and disadvantages for AK bank work alongside Afghan Sun.
- 11. Explain why businesses in developing countries such as Afghanistan would benefit from microfinance providers.
- 12. <u>Identify the importance of an effective</u> <u>leadership roles for businesses?</u>
- 13. Examine two difficulties small businesses like Afghan sun face in obtaining sources of finance as a start-up.
- 14. What are the factors that can affect Su's objective for AS?
- 15. What are the possible threats that AS may undergo after setting up its base in Afghanistan?

- 16. Describe the characteristics of Suchenlin as an entrepreneur.
- 17. What are the possible conflicts between stakeholders in the case study?
- 18. Identify the reasons for establishing AS?
- 19. What do you mean by For-profit microfinance?
 - 20. Identify two advantages and two disadvantages for Su hiring through internal recruitment.
- 21. For the recruitment of a two new senior managers, discuss if she should promote junior employees or hire more experienced workers.

SWOT Analysis

Weakness **Strengths** Financial Less knowledge of new market cooperation from **AKBank** Lack of employee's Cheap labor and knowledge on Afghan culture resources No new ideas from Suitable facility at lower rents local managers Low spendable Strategic decision maker income of customers Appropriate pricing power • Benefits to and promotion methods to be used communities • Effective • Problem in distribution channels leadership qualities

- Optimum
 utilization of
 resources to
 minimize the cost
- Benefits of effective delegation of authority
- Motivated and strong workforce
- Internal recruitment from HH to AS
- Empowerment of employees and encourage teamwork
- Clear vision and mission

Limited market research

Threats Opportunities • Remote location Potential growth in this industry with poor • Low competition infrastructure Afghanistan's • Govt. support Fundraising political instability • Unstable events Motivated Government condition employees • Financial risks • To capture large market share High unemployment Development and due to Outsourcing competition from nearby More demands countries from customer • Increase in costs Fast changing technology

- reparation of future managers
- Scoop for entering other developing countries
- Financial
 assistance by the
 stakeholders of
 HH

Ansoff Matrix

	Existing	<u>New</u>
Existing	Market Penetration • please	Product Development add
<u>New</u>	Market Development • informatio	Diversification n • please

	n	
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STEEPLE ANALYSIS for 2 countries: STEEPLE:

a. A framework for analysing the external factors affecting business objectives and strategies, in this case choosing the country for the main production facility.

Factors	Country A	Country B
Social	Low but rising unemployme nt	High unemployme nt
Technological	New facilities needed	Facilities available

Economic	Developed economy High cost of wages Stable currency	Developing economy 25 Low cost of wages Falling currency
Environment al	Complex transport links to Afghanistan	Straightforwa rd transport
Political	Stable environment Election may lead to change Limited government assistance Free market economy	One party state Government encourages investment from overseas Grants available
Legal	Major trade	No Major

		trade agreements
Ethical	skrt	skrt

AS stakeholders:

Suchenlin	Internal stakeholder	
Arif Koomar	External stakeholder	
AK Bank	External stakeholder	
Governments	External stakeholder	
NGOs	External stakeholder	
David	Internal stakeholder	

Customers	External stakeholder
Local agents	External stakeholder
Salima	External to Internal stakeholder

Unit 1

Line 3-4- 1.3 strategic decision making

Line 7 – 1.3 Ethical Objectives

Line 9 – 1.2 For profit microfinance provider

types of ownership

Line 14 – 1.3 Ethical objectives through

giving great benefits to communities

Line 15-18 - 1.5 External Environment

through description of Afghanistan

Line 19 – 1.2 Types of Organisation as AS

is a private limited company, and Social

Enterprises

Line 25 – Vision and aims

Line 26 - Microfinancing

Line 32 – Fishbone diagram

Line 35 – 1.4 Stakeholder Conflict

Line 37 – 1.3 Mission statement

Line 40 – 1.2 Types of Organisation

Table 1 – Decision Tree

Table 1 – 1.5 External Environment

Line 65 – 1.4 stakeholders – internal and external

Line 65 and 66 – Types of organisation through Micro-financiers

Lines 69 – 72 – External Environment

Line 75 – External Environment

Unit 2

Line 3- 2.3 leadership vs management Line 6- 2.4 intrinsic motivation and job enrichment Line 19- 2.1 volunteer force for employees 2.4 motivation as they are keen to work on project without wages

Line 21- 2.4 teamwork

Line 29- 2.4 empowerment

Line 29-30- 2.3 key functions of management

Line 31- team working as a method of motivation

Line 33- 2.6 industrial/ employee relations Line 38- daniel pink's motivation theory as she enjoys organizing as it gives her a sense of purpose

Line 40-41- role of leader

Line 42-47- organizational culture

Line 4-47- recruitment and selection

Line 76- human resource planning

Unit 3

Line 10- 3.1 sources of finance
Table 1- wage costs. Expenditure
Line 63- 64- sources of finance- share
capital and loan capital
Line 68- cash flow forecast
Table 2- cash flow forecast (yearly)

Unit 4

Glossary

1.1 With reference to Afghan Sun, describe two ways in which CSR can benefit the business.

(4)

- 1.2 Analyse the effectiveness of Su's leadership style at the Afghan Sun company. (6)
- 2.1 With reference to Afghan Sun, outline two key features of operating as a private Limited company.(4)
- 2.2 Apply the SWOT analysis to Afghan Sun as a startup business. (6)
- 3.1 With reference to Afghan Sun, describe two benefits of having a product oriented marketing approach.
- 3.2 Evaluate the decision of recruiting internally as opposed to externally. (6)

	2013	2014
Cash	\$50m	\$40m
Creditors	\$800m	\$850m
Debtors	\$350m	\$410m
Short term	\$200m	\$400m
loans		
Stock	\$360m	\$375m
Ratios:		

Current	0.76	0.66
ratio		
Acid test	0.40	0.3
(quick)		
ratio		

- 4.1 Define the term share capital. /Define the term microfinance. (2)
- 4.2 Explain one advantage and one disadvantage of Afghan outsourcing the 1st production of certain products.(4)

4.3 Discuss reasons why just in time (JIT) lean production might be useful for AS. (4)

4.4 Using the information above discuss two possible strategies that can be implemented

to improve the business' financial ratios. (10)

- 5.1 On arrival in Afghanistan the core group of people notice the following:
 - There is very little infrastructure outside of the populated areas. The roads are inaccessible and the majority of people do not have their own transport.
 - The lack of economic stability is evident in the way the people live.
 - There is however signs of small transport companies around the more rural areas.

The conditions that the people live in are poor and rapidly deteriorating. There is power cords all over the ground and the lights are a luxury in most parts of the rural areas.

Using the additional data and the case study recommend pricing and promotional options. (20)

Additional questions

1. Prepare a suitable marketing mix for the solar power system of AS. (8 marks)

- 2. Explain the usefulness of a business plan. (6 marks)
- 3. Discuss the role of human resource planning to AS. (6 marks)
- Examine the cash flow forecast of AS.
 (6 marks)
- Evaluate and suggest the best location for Su to finalize the main production facility [10]
- 6. State two benefits of microfinance [2]
- 7. Using table 1 & 2, apply force field analysis and recommend which country to opted for production facility [10]

^{8.} Skrt skrt [20]