BUSINESS MANAGEMENT

Written examination

Friday 18 November 2011
Reading time: 3.00 pm to 3.15 pm (15 minutes)
Writing time: 3.15 pm to 5.15 pm (2 hours)

QUESTION AND ANSWER BOOK

Structure of book

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<tr>
<th>Number of questions</th>
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<td>4</td>
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- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners and rulers.
- Students are NOT permitted to bring into the examination room: blank sheets of paper and/or white out liquid/tape.
- No calculator is allowed in this examination.

Materials supplied
- Question and answer book of 16 pages.
- Additional space is available at the end of the book if you need extra paper to complete an answer.

Instructions
- Write your student number in the space provided above on this page.
- All written responses must be in English.

Students are NOT permitted to bring mobile phones and/or any other unauthorised electronic devices into the examination room.

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Question 1
In the foyer of the head office of Southern Industries hangs a sign that states ‘Employees are our most important resource. If we look after our staff everything else will take care of itself’.

a. Define the term corporate culture.

b. Describe one way management can develop an organisation’s corporate culture.
c. Compare and contrast Maslow’s and Herzberg’s theories of motivation.

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4 marks
d. The Human Resource Manager of Southern Industries needs to use performance indicators to assist him in monitoring staff morale. Describe and justify two suitable performance indicators he could use to measure staff morale.

4 marks
e. The Human Resource Manager of Southern Industries has identified a problem with staff in the maintenance phase of the employment cycle. He believes that staff performance can be improved by implementing more effective
- induction
- training and development.

Explain both induction and training and development. Discuss how these practices will assist in the effective management of staff.
Freda Campbell is setting up a new business in Melbourne that will manufacture and sell furniture.

a. Evaluate two positive and two negative contributions of large-scale organisations to the economy.
b. Many large-scale organisations use a multistage planning process in order to achieve their objectives. Explain each of the steps in this process.
c. Identify, describe and justify a facilities design and layout strategy that Freda could use for manufacturing the furniture.

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5 marks
d. The key elements of an operations management system are inputs, processes and outputs. Discuss how ethical and socially responsible management practices could affect each of these elements.

6 marks
Freda will need to employ 250 people and is considering factors involved in managing human resources such as employee expectations.

e. Explain how employee expectations of Occupational Health and Safety (OH&S) and job security will need to be addressed by Freda.

4 marks
f. Describe and justify two management skills, other than communication, that Freda could use while establishing her business.

4 marks
Question 3

Jason Green is an Operations Manager who has just moved from an organisation that provides Internet services to an organisation named Trendsetters, that manufactures clothing. His supervisor has indicated that one of his first tasks is to work with the Human Resource Manager to update the firm’s employee relations policies. Jason is concerned about making changes too soon after he arrives.

a. Define the term policy.

b. Explain the similarities and differences between the centralised and decentralised approaches to employee relations.
c. Outline three differences between the operations management of service and manufacturing organisations.

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3 marks

d. Jason is aware that there will be some changes at Trendsetters as a result of updating the employee relations policies.
Discuss one benefit of adopting a low-risk practice as a strategy for effective change management.

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2 marks
Question 4
A writer for a business magazine recently stated ‘Change is a process that must be managed effectively to lead to success’. Management theorists have provided guidelines to assist managers with their change processes in order to achieve desired outcomes.

Explain four steps from Kotter’s 8-step theory of change management. Discuss how the effective use of Kotter’s change theory could impact on the internal environment of an organisation.

In your answer refer to an organisation or a significant change issue you have studied this year.
Extra space for responses

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A script book is available from the supervisor if you need extra paper to complete your answer. Please ensure you write your student number in the space provided on the front cover of the script book. At the end of the examination, place the script book inside the front cover of this question and answer book.