BUSINESS MANAGEMENT
Written examination

Monday 31 October 2016
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

<table>
<thead>
<tr>
<th>Number of questions</th>
<th>Number of questions to be answered</th>
<th>Number of marks</th>
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<tbody>
<tr>
<td>6</td>
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- Students are to write in blue or black pen.
- 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 correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied
- 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.
Question 1 (12 marks)
a. Outline two positive contributions that large-scale organisations make to the economy. 2 marks

Instructions
Answer all questions in the spaces provided.
b. Distinguish between two key elements of the operations system of a manufacturing organisation and a service organisation. In your response, use examples that you have studied this year. 4 marks

Element 1

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Element 2

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c. Explain the key management role of controlling in relation to materials management.

6 marks
• the management of quality.
Question 2 (9 marks)
PJA Sports is a large-scale organisation that manufactures and sells sports equipment in Queensland. It is a family-friendly and long-running manufacturer. Most working conditions are negotiated between small groups of employees and management until everyone is satisfied. The staff turnover rate at PJA Sports is below 3%. The organisation supports family values, training and career paths in the workplace. However, the rising cost of production threatens PJA Sports’ ability to compete.

Win It Now Pty Ltd is a similar business operating in Melbourne. The CEO of Win It Now believes that employees must be closely supervised as this creates long-term success and minimises time wasted. Employee participation in decision-making is discouraged. Working hours and conditions are set by the CEO and are not negotiable. The staff turnover rate was 26% over the past year.

Win It Now recently took over the Queensland operations of PJA Sports. This allowed Win It Now to expand into the Queensland market. After the takeover, the CEO of Win It Now sent all Queensland employees an email that outlined management’s expectations. The email included information on set working hours, remuneration and conditions that would no longer be negotiated. Staff in Queensland were not happy.

a. Define the term ‘corporate culture’.

b. Describe two differences between Maslow’s and Locke’s theories of motivation.
c. Using Maslow’s theory of motivation, justify two strategies to improve the corporate culture at Win It Now.  

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d. Justify an appropriate management structure for Win It Now after the takeover. 2 marks
Question 3 (7 marks)
As social media becomes mainstream, organisations must develop policies regarding the private use of social media by employees in the workplace.

a. Explain why policies are necessary in the management of large-scale organisations. 2 marks

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b. Describe two steps in a policy development process. 2 marks

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c. Define and justify **one** performance indicator that a large-scale organisation could use to measure the effectiveness of a new policy.  

Question 4 (15 marks)
a. Distinguish between driving forces and restraining forces for change. Describe an example of each.  

Question 4 – continued
b. Using either two strategies of operations or two phases of the employment cycle, explain the impact of change on a large-scale organisation that you have studied this year.

4 marks
c. Apply **four** steps of Kotter’s theory of change management to a significant change issue that you have studied this year. 8 marks
**Question 5** (12 marks)

a. Compare two features of a centralised approach and a decentralised approach to employee relations. 4 marks

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b. Describe the interests of one stakeholder from the internal environment and one stakeholder from the operating environment of a large-scale organisation.

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c. Justify an appropriate management style that could be used to help in the resolution of conflicts that may arise in the workplace.

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d. Other than communication, justify **two** management skills required to successfully resolve disputes. 4 marks
Question 6 (10 marks)
The operations and human resource management functions are central to the success of large-scale organisations. Increasingly, stakeholders are demanding that business practices are ethically and socially responsible. However, there are costs associated with being ethically and socially responsible.

Describe the relationship of operations and human resources to business objectives. Discuss two strategies to optimise operations and two practices or processes to effectively manage human resources that communicate a commitment to being ethically and socially responsible.
Extra space for responses
Clearly number all responses in this space.
An answer 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 answer book. At the end of the examination, place the answer book inside the front cover of this question and answer book.