



GENERAL COMMENTS

The majority of students attempted all questions on the 2013 Industry and Enterprise examination. It was evident that many students had consulted previous examination reports and used the advice provided to prepare for the examination. While this is very useful, students must be able to use their knowledge to address the question asked rather than reproduce a rote-learned answer.

Many questions required students to move beyond descriptions to demonstrate higher-order understanding. While a significant number of students struggled to meet the requirements of this type of question, there were a number of very high-quality responses that showed accurate understanding of key words in the question. During the year, students should complete a wide range of responses to questions that have different operational terms; for example, 'explain', 'compare', 'discuss' and 'evaluate'.

Questions frequently require students to refer to an industry or workplace with which they are familiar. During the year, students should build up a range of examples and practise applying them in their coursework. In the examination, students are advised to think very carefully about the suitability of any example and ensure they make a relevant choice that enables them to answer all parts of a question.

The *VCE Industry and Enterprise Study Design* (2012–2016) and other relevant documents are available on the VCAA website and are vital sources of information for students and teachers. Students could use the study design as a guide for organising notes during the year, as well as revising in preparation for the examination.

SPECIFIC INFORMATION

Note: Student responses reproduced in this report have not been corrected for grammar, spelling or factual information.

This report provides sample answers or an indication of what the answers may have included. Unless otherwise stated, these are not intended to be exemplary or complete responses.

The statistics in this report may be subject to rounding errors resulting in a total less than 100 per cent.

Question 1a.

Marks	0	1	2	Average
%	62	19	19	0.6

Questions containing graphs have been included frequently in past examinations. However, the standard of the majority of responses to this question was disappointing. Students must learn to read graphs correctly – they should look at the title of the graph and the labels on the axes, as well as any additional information given. The graph in this question showed the relationship between the **growth** in online and retail sales during the period. Better responses described this relationship, while other responses described two patterns shown by the graph. Both of these approaches were acceptable for full marks.

The following is an example of a good response.

The graph compares the growth for online and retail sales between January 2011 and January 2013. During the period online sales had a much higher rate of growth than retail sales. Online sales growth varied from a 40% growth in the first half of 2011 to a low growth of about 15% in the middle of 2012 while retail did not grow by more than 5% and at times did not grow at all.

Question 1b.

Marks	0	1	2	Average
%	16	23	61	1.5

Students selected a variety of stakeholders, including owners, employees, customers and suppliers. Responses needed to comment on any logical impact that the trend could have for that stakeholder. Some responses outlined two impacts, while other responses outlined one impact in greater detail. Both of these approaches were acceptable.

The following is an example of a good response.

2013 Examination Report



Managers/owners of traditional retail stores are one stakeholder impacted by this trend. They were put under pressure to develop new strategies to respond to the stagnant retail market to maintain their market share. They had the opportunity of increased market exposure, potential to increase sales and profit, become more innovative and technologically advanced while having to invest in ICT.

Question 1c.

Marks	0	1	2	3	Average
%	7	16	43	34	2.1

In general, students showed that they had a sound understanding of the pressures and opportunities that online shopping could have for the Australian retail industry. Better responses were able to clearly explain how online shopping is both a pressure and an opportunity for change and made relevant points for each pressure and opportunity.

The following is an example of a good response.

Online shopping is an opportunity for the Australian retail industry as it opens up domestic markets to international consumers. Australia is a relatively small market (population 21m) and its geographically isolated location has previously made international markets less accessible. E-commerce, including online shopping, allows retailers to broaden the market and attract customers from all over the world with relative ease. Online shopping also poses a threat to the Australian retail industry as it means that Australian retailers are faced with fierce international competition. Some of these competitors are from countries with lower labour and production costs. This, in addition to the high Australian dollar means Australian products may struggle to compete with international products that are easily accessible to Australian buyers through online shopping.

Question 1d.

Marks	0	1	2	3	Average
%	7	27	38	29	1.9

The majority of students were able to build on their answer to Question 1c. in order to explain actual or possible responses that the industry could make. Many students showed detailed knowledge of the issue of online sales and approached the answer in a variety of acceptable ways – some answers explained three different responses by industry, while others gave greater detail about one or two responses.

The following is an example of a good response.

The Australian retail industry has responded to the pressure of online shopping by investing heavily in developing online stores. Most medium-large Australian retailers now have online stores allowing customers to purchase items online, pay securely with confidence, with a very short lead time. Many now offer free or capped postage to encourage online sales. Dotti offer 24 hour dispatch guarantee on items to ensure customers receive items very quickly. Target offer capped postage on small, medium or large items, many others offer free postage for purchases over varying amounts. Supermarket online shopping is commonplace with some even offering “Click-order and pick up” services. However the response has been uneven and many retailers were reluctant to take proactive action. Some of these retailers put pressure on the government to apply the GST to overseas retailers instead of taking action themselves.

Question 2a.

Marks	0	1	2	3	Average
%	12	33	30	25	1.7

The majority of students were able to write accurately about teamwork. However, a significant number struggled to explain the relationship between teamwork and enterprise culture, and the role of teamwork in developing an enterprise culture. To achieve full marks for this question, students were required to explain this relationship; explaining the role of teamwork was not sufficient. Students and teachers are reminded that enterprise culture is a central theme of the study. Therefore, students need to be able to relate various aspects of the study to this theme.

The following is an example of a good response.

An enterprise culture is one which proactively meets opportunities by supporting beliefs, attitudes and behaviours which encourage creativity and flexibility. Teamwork helps create a positive workplace in that relationships are generally stronger and people work and achieve together contributing to workplace culture and improving productivity. As a team, people bounce ideas off each other and brainstorm innovative ideas to achieve desirable outcomes. This develops the ability of individuals, the team and the workplace to be adaptable and solve problems. These are core elements of an enterprise culture.

2013 Examination Report



Question 2b.

Marks	0	1	2	3	4	Average
%	2	3	34	33	29	2.9

'Work-related skills' is an umbrella term for a range of skills listed in the Characteristics of the Study section of the study design. Most students were able to identify two work-related skills, but a number struggled to describe them in sufficient detail or how they assisted an individual to contribute to an enterprise culture.

The following is an example of a good response.

Adaptability: When others are involved - one must be adaptable and willing to consider their ideas and strategies. Flexibility and openness is required as is a willingness to work together to achieve a goal. Compromise may be required to an extent in teamwork situations. Another work related skill is the ability to communicate effectively. Communication is essential for an individual to contribute to an enterprise culture as it allows work to be allocated and ideas to spread and developed. The ability to communicate effectively involves the ability to select the most appropriate type of communication for the intended audience.

Question 3a.

Marks	0	1	2	Average
%	12	36	52	1.4

There are many possible definitions of quality control. The essential features are that it is a system for verifying and maintaining a desired level of quality in a product or service, that revolves around careful planning, monitoring and corrective action as required in all aspects of the supply of the product or service.

Most students were able to provide an accurate definition of quality control.

The following is an example of a good response.

Quality control is a process where products are checked and evaluated at all stages of the production of goods and delivery of services. It aims to ensure that defects are located and minimised so a consistent high standard is achieved.

Question 3b.

Marks	0	1	2	3	Average
%	9	34	27	29	1.8

In this question students were required to explain how the process of quality control assisted the business to maintain a high-quality product. Students are reminded that when responding to a question such as this they must apply their knowledge to the stimulus material and make specific reference to it in their answer to gain maximum marks.

The following is an example of a good response.

By using a quality control process Kim is able to maintain routine focus on quality at all stages of production. This allows her to control every aspect of the production process including allocating specific responsibilities to individual workers. This means she is able to guarantee that the products are of a consistent high standard. It also allows her to locate raw materials and parts of the process that do not help to achieve and maintain the required standard. She can then take corrective action to minimize error and eliminate the unsatisfactory element. This is vital for 'Jellies and Jams' as their reputation depends on maintaining consistent quality.

Question 3c.

Marks	0	1	2	3	4	Average
%	34	20	20	16	11	1.6

This question required students to demonstrate their understanding of the contribution that the management of quality can make to enterprise culture. An essential requirement of the question was the discussion of this contribution. Many students identified elements of an enterprise culture, including problem-solving, effective communication, initiative, and planning and organising, and then considered how the management of quality could promote the development of these. Students are reminded that 'discuss' requires them to address the benefits/strengths and limitations of key points made. Responses that only described, even in detail, were awarded a maximum of two marks.

The following is an example of a good response.

Quality refers to the extent to which a product satisfies customer expectations. Community or work settings can use a number of strategies to promote consistent quality in their goods or services. Quality control is one of these. An important aspect of quality

2013 Examination Report



control is worker empowerment and responsibility. At Toyota workers are encouraged to locate problems in the productive process that may reduce quality. They are then supported to use their problem solving skills to suggest ways to eliminate the problem. This includes team discussions to explore actions to correct problems. Workers may feel more valued as a result of this approach. It may also increase their confidence to locate any future problems. However, this approach can be time consuming for the firm and may be expensive to facilitate. If worker suggestions are not acted on it may reduce their willingness to make suggestions in the future.

Question 4a.

Marks	0	1	2	3	Average
%	6	21	34	39	2.1

Students handled this question well, with responses showing that students had a good understanding of the data contained within the DFAT China fact sheet. Responses needed to include a reference to both imports and exports. Some responses consisted only of a description, which could not achieve full marks.

The following is an example of a good response.

In the period 2007/8 – 2012/13 Australia's exports to China increased from a value of approximately \$25,000m to \$80,000m while imports have increased only slightly. In 2007/8 imports and exports had similar values but by 2012/12 exports were more than double the value of imports. In 2012 Australia was ranked as the sixth principal import country for China contributing 4.3% of their imports. All our major exports to China were from the primary sector with iron ore and concentrates by far the highest export with a value of \$A38 706m. This is more than half of the value of our exports to China. Our import pattern from China shows than no single area dominates. Our imports are in the key areas of telecom equipment and parts; computers and clothing.

Question 4b.

Marks	0	1	2	3	4	5	Average
%	20	24	22	15	11	8	2

The majority of students were able to identify a logical opportunity that this pattern of trade created for an industry in Australia. The most common example was that it provided the opportunity for workplaces or industry to expand the level of production and employment. Many students struggled to evaluate how the industry could respond or had responded to this opportunity. Students are reminded that a response to an evaluate question requires an overall conclusion.

The following is an example of a good response.

This pattern of trade has created the opportunity for the mining industry to expand by opening new mines and investing in technology to expand their production and exports. In the time period the pattern of trade clearly shows that there has been a significant growth in Australia's exports of primary materials especially mining raw materials. This has been partially facilitated by the growth in demand from the Chinese economy as it entered a stage of rapid growth. However, the Australian mining industry and the individual firms in it had to be able to compete in terms of price and quality with other countries who could also supply these minerals. We were able to do this because individual firms, like BHP-Billiton, were proactive seeing the opportunity at an early time and taking a variety of actions to ensure that their firms were internationally competitive. Many invested in technology to improve the efficiency of their operations. This investment was risky as they had to assume that the demand from China would last long enough to make the financial investment worthwhile. The increased demand from China led to an expansion in the workforce. Many people located to remote areas to take advantage of highly paid jobs. This may have had negative impacts on their families and put pressure on the infrastructure in many of the mining towns. Overall the mining industry's response was very effective for itself as well as for Australian economy as the balance of trade data above shows.

Question 5a.

Marks	0	1	2	3	Average
%	22	31	27	21	1.5

Most students were able to define functional and numerical flexibility, but many struggled to compare them. A comparison requires students to look at the similarities and differences between two concepts. High-quality responses used this approach as a structure – defining and then comparing both functional and numerical flexibility.

The following is an example of a good response.

Functional flexibility refers to the ability to perform a variety of tasks whereas numerical flexibility refers to adaptability in terms of how and when work occurs. Similarities include that both are proactive approaches to flexibility. In addition both may increase productivity and worker satisfaction. Difference between the two include that they focus on very different aspects of the workplace organisation. If a workplace has functional flexibility, it has increased flexibility in terms of staffing skills. This will

2013 Examination Report



probably increase training costs for the firm. Numerical flexibility means workers are able to work when the organization requires them. Numerical flexibility can just focus on worker availability and may not include any cost to the workplace.

Question 5b.

Marks	0	1	2	3	4	Average
%	27	29	22	13	9	1.5

This question required discussion of the benefits occurring in a workplace. Many students restricted their responses to discussion about benefits for the worker in their family life and did not address the benefits to the workplace as asked for in the question. A wide range of benefits were acceptable. These included the ability to retain experienced staff and decreased costs in recruitment and training. It was acceptable to approach this question from either the employee perspective or the employer perspective. Many students described but did not discuss the benefits of flexible work arrangements and were unable to achieve full marks.

The following is an example of a good response.

An example of numerical flexibility is the ability of Westpac workers to 'work away from the office one day week.' This type of numerical flexibility is called telecommuting and has many advantages in the workplace. One strength of telecommuting is that it allows workplaces to retain skilled workers who may otherwise leave due to changed circumstances. As Ms Kelly says it has helped the workplace to achieve its target of 40% of women in leadership positions before 2014. The workplace has a larger pool of talented workers and induction and training costs are reduced. The productivity of workers may be increased as they have better work life balance and so may be more motivated. However if telecommuting is very common it may have a negative impact of teamwork in the organisation as workers do not mix with each other.

Question 5c.

Marks	0	1	2	3	Average
%	13	27	35	25	1.8

The majority of students were able to explain the link between work-related skills and workplace flexibility. The most common approach for students was to identify a work-related skill and link it to workplace flexibility. A number of high-quality responses used the student's work placement to frame their response.

The following is an example of a good response.

High levels of work related skills means that employees are better equipped to work under flexible work arrangements. Higher skilled staff work better without the need for constant supervision and are better equipped to solve problems and use initiative to solve problems. This makes for example - multiskilling or working from home a lot easier. It also assists the ability to job share, work part time or come in and out of the workplace as they are better communicators and are more adaptable to changing work situations.

Question 6a.

Marks	0	1	2	Average
%	23	20	57	1.4

Enterprise capabilities identified in the study design are adaptability, initiative, communication, managing and leading, and problem-solving. The majority of students were able to identify and describe one set of enterprise capabilities.

The following is an example of a good response.

Managing and leading: This means that the worker is able to take charge, managing themselves and others. They will be able to plan and organise aspects of their work, manage risk, use resources effectively, working sustainably, reviewing their own performance, be socially responsible and work with others.

Question 6b.

Marks	0	1	2	3	Average
%	21	19	27	33	1.8

Most students provided a wide range of examples of how they developed and demonstrated the enterprise capabilities mentioned in Question 6a. in their structured workplace learning. Students who used the capabilities mentioned in 6a. were generally able to respond well.

The following is an example of a good response.

2013 Examination Report



In my structured workplace learning, at Heritage Golf Club, I continually built upon my problem solving capabilities. In spare time the group I worked with would often work on hypothetical risk assessment and reaction scenarios which acted as informal training to enhance problem solving capabilities. Furthermore, one time we were stuck with an extremely heavy umbrella, which needed to be moved upstairs, and I came up with the idea to put the umbrella on a plank of wood and drag it up the stairs using a rope. These practical scenarios allowed me to build upon my problem solving skills.

Question 6c.

Marks	0	1	2	3	4	Average
%	31	18	21	16	14	1.7

While a number of students demonstrated a high-level understanding of the role of enterprise capabilities in developing an enterprise culture, a significant number of responses did not demonstrate an understanding of the link between the capabilities and an enterprise culture.

The following is an example of a good response.

An enterprise culture is one that proactively meets challenges by supporting effective communication, where participants are encouraged to be adaptable, demonstrate initiative, solve problems and take on leadership roles. This means that the workplace and the individuals who work there will have a range of enterprise capabilities as well as relevant skills. Individual workers will develop the depth of these capabilities over time in one or more workplaces. This helps to make them a lifelong learner. It then follows that they will put these skills into practice at every opportunity and this will help foster an enterprise culture in the workplace. This process is like a spiral where the worker and the workplace will become even more enterprising. While each set of enterprise capabilities is complete in itself all the capabilities are complimentary and a workplace cannot be totally enterprising if only one set of capabilities are promoted and developed. Therefore it is essential that the managers in all workplace settings encourage and support the development of each set of capabilities. This is also important as they reinforce each other set of capabilities.

Question 7a.

Marks	0	1	2	Average
%	5	11	84	1.8

The majority of students were able to outline a precise way that their safety was protected during their structured workplace learning. Students provided a wide variety of examples (including induction procedures, OH&S training – including completion of WorkSafe modules – and modelling and mentoring by other workers) and outlined how this protected their safety.

The following is an example of a good response.

My safety was protected at Cotton On Body, employees had to clean the floor and it was done so after hours. The cords of the cleaners were kept to a minimum and whilst mopping the 'wet floor' sign was placed in the middle of the store to give a warning thus preventing potential slips and falls.

Question 7b.

Marks	0	1	2	3	Average
%	15	31	28	27	1.7

In response to this question, many students simply rewrote key points from the stimulus material that described the SmartCap and did not explain how the innovation was an enterprising approach to safety. Better responses linked specific features of the SmartCap to enterprising approaches to safety, with an explanation of why and how the innovation is enterprising.

The following is an example of a good response.

Two of the key components of enterprise are showing initiative and problem solving. The Smart Cap is an enterprising approach to safety as it addresses the problem of driver fatigue leading to accidents which impacts on productivity and most importantly contributes to a large number of deaths. It is enterprising as the approach addresses the problem of driver reluctance to wear other monitoring devices in a new way which makes use of the latest technological advances. In solving the problem for this industry an innovative good has been created which can provide a revenue stream through sales to other industries.

Question 7c.

Marks	0	1	2	3	4	Average
%	4	4	14	28	51	3.2

2013 Examination Report



Students handled this question well. The majority of students were able to identify two work-related skills and clearly describe how these could be applied to manage safety issues.

The following is an example of a good response.

Work-related skills are the set of abilities that support an enterprise culture. One skill that could be applied to manage safety is initiative. Initiative is the power or ability to take charge and act. This may be applied to the management of safety issues as hazards or threats to safety could be identified and removed before any injury occurs. The worker could also show initiative in the management of safety by suggesting new ways to address concerns. Another work-related skill that could be relevant is problem solving. This is the systematic approach to finding a course of action to correct an unsatisfactory situation. This skill could be needed as when a hazard or threat is identified a course of action to eliminate the risk must be selected. This may not always be obvious or straightforward and workers with highly developed problem solving skills will be better able to respond in a stressful and dangerous situation.

Question 7d.

Marks	0	1	2	3	4	5	6	7	8	Average
%	4	12	22	13	16	11	9	6	7	3.7

While it was pleasing that the majority of students answered this question, it was disappointing that many did not evaluate the extent to which innovation was occurring in an industry or work setting. Many students simply described one innovation they were familiar with but did not place it in the context of all actions by that workplace or industry. Some of these responses read like prepared answers. Students are again reminded that they need to answer the question asked, including responding to the task/action word directly. This response required students to evaluate the strengths/benefits and limitations of the level of innovation in the selected industry or work setting. They then needed to come to, and support, a conclusion regarding the extent to which the innovation was occurring. As this question required students to evaluate, responses were structured in a variety of ways, with the question marked globally.

The following is an example of a good response.

Innovation is the generation of new ideas to develop new or significantly improved goods, services, operations or management of a work setting or industry. An industry that that has consistently demonstrated high levels of innovation is the fast food industry. This has happened in a number of ways in a variety of fast food retailers. One innovation is the introduction of healthy choice menus which occurred in response to change social attitudes to fast food. An advantage of this innovation was that it was a proactive response to the change in values and allowed many retailers to improve sales and market share. A disadvantage of the approach was that the early adopter firms incurred research and development costs in designing and testing new products. Another innovation in this industry is in the use of technology ... Overall the advantages outweigh the disadvantages for the industry but the industry still needs to maintain its innovative effort if it is to retain its position in the Australian economy.