

VCE Business Management 2023-2027

Implementation



VICTORIAN CURRICULUM
AND ASSESSMENT AUTHORITY



Acknowledgement of Country

The VCAA respectfully acknowledges the Traditional Owners of Country throughout Victoria and pays respect to the ongoing living cultures of First Peoples.



Welcome

Outline

- **Minor Review Process**
- **Overview of the 2023 study**
- **Summary of changes for Units 1 & 2**
- **Summary of changes for Units 3 & 4**
- **Further information and resources**
- **Questions**

Learning Intentions

- To gain an understanding of the revised Study Design 2023-2027
- To develop an overview of the new and/or changed areas of study and assessment (Units 1 to 4)
- To have an opportunity to find out about forthcoming information and resources
- To have an opportunity to ask questions

VCE Study Review process

1. VCE data analysis
2. Key stakeholder questionnaire /survey
3. VCTA Subject association survey
4. Focus group feedback
5. Decision on major/minor review
6. Minor Review panel writers
7. Draft Study Design for consultation
8. Consultation survey & questionnaire
9. Final Study Design for approval and accreditation
10. Support materials and Implementation Program

Findings from monitoring

- Generally very positive reception from students and teachers
- Study student numbers are very strong and are up on the previous study design – very popular, contemporary examples, applicable to part time jobs, VCE subject
- Unit 1 – a good introduction, entrepreneurship and business opportunities focus
- Unit 2 – very popular in marketing & staffing but AOS1 “dry” but understand its placement in the course flow
- Unit 3 seen as a little content heavy, clarification on Lean management
- Unit 4 seen as lighter, but allowing more time for contemporary example review and application leading into exams

Overview of 2023-2027 study design

- **Scope of study**
- **Rationale**
- **Aims**

Developed and incorporated feedback from teachers.
Feedback via the consultation stage also incorporated

Changes to the study design

2017-2022	Unit One Planning a business	Unit Two Establishing a business	Unit Three Managing a business	Unit Four Transforming a business
Areas of Study	The business idea	Legal requirements & financial considerations	Business foundations	Reviewing performance – the need for change
	External Environment	Marketing a business	Managing employees	Implementing change
	Internal Environment	Staffing a business	Operations management	

2023-2027	Unit One Planning a business	Unit Two Establishing a business	Unit Three Managing a business	Unit Four Transforming a business
Areas of Study	The business idea	Legal requirements & financial considerations	Business foundations	Reviewing performance – the need for change
	Internal business environment & planning	Marketing a business	Human Resource Management	Implementing change
	External business environment and planning	Staffing a business	Operations management	

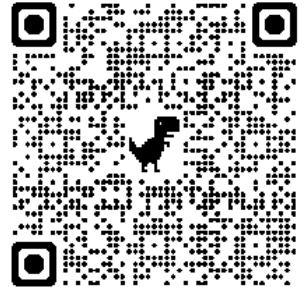
Consistent skills

Key skills

- identify, define, describe and apply business management concepts and terms
- interpret, discuss, compare and evaluate business information, theories and ideas
- analyse case studies and contemporary examples of business management
- apply business management knowledge to practical and/or simulated business situations
- propose, justify and evaluate management strategies to improve business performance

Link to VCAA Glossary of command terms

- <https://www.vcaa.vic.edu.au/assessment/vce-assessment/Pages/GlossaryofCommandTerms.aspx>



Glossary of command terms

This glossary of command terms provides a list of terms commonly used across the Victorian Curriculum F–10, VCE study designs and VCE examinations.

The glossary can be used by:

- teachers across Foundation to Level 10 and VCE to develop internal assessment tasks and prepare students for tests and examinations
- examination panels in the development of assessment items for external examinations.

The glossary may be used in classrooms by teachers across all F–10 curriculum areas and VCE studies to help students better understand the requirements of command terms in the context of their discipline. Students may benefit from using the glossary in the context of questions and tasks they are working on as opposed to learning the terms in isolation.

It is important that the command terms are not interpreted in an overly prescriptive way. Teachers are reminded that study-specific nuances may elicit different kinds of responses to a given term as the term may carry a particular meaning within a discipline that is not necessarily represented in the glossary. For example, an 'evaluate' question will require a different response in Mathematics than it will in History.

Support Materials: previously known as Advice for teachers


Source: <https://www.vcaa.vic.edu.au/curriculum/vce/vce-study-designs/business-management/Pages/Planning.aspx>

Study design for implementation in 2023

Teachers are advised that the study design listed below is for use from 2023. This is available to teachers in preparation for the implementation of the new study in 2023. Additional resources will be added progressively as they become available.

▼ 2023 Implementation

For accreditation period 2023-2027

-  [VCE Business Management Study Design](#) for implementation in 2023.

- **Support materials**

These support materials incorporate the previously known *Advice for teachers*.

- [Planning](#)
- [Teaching and learning](#)
- [Assessment](#)

Unit 1: What's new?

Outcome 1

- **the concept of entrepreneurship**
- the personal motivation behind starting a business such as the desire for financial and personal independence, to make a profit and to fulfil a market and/or social need
- the characteristics of successful business managers and business entrepreneurs and how these characteristics contribute to business success **(resequenced)**
- sources of business opportunity such as innovation and entrepreneurship, recognising and taking advantage of market opportunities, changing customer needs, research and development, technological development and global markets **(resequenced, entrepreneurship covered distinctly in DP#1)**
- the importance of goal setting **and decision-making** in business **(resequenced)**

Unit 1 Area of study 2: new

Outcome 2: **to focus on internal environment**

AS title: Internal business environment and planning

The relationship between the internal environment and the external environment of a business

- types of businesses such as sole trader, partnership, private limited company, public listed company, **social enterprises and government business enterprises**, and the factors affecting the choice of business structure **(U3 link, changed order)**
- types of business models such as online business, direct-to-consumer business, bricks-and-mortar business, franchise, importer and exporter **(changed order)**
- business resource needs (natural, labour and capital) and the factors affecting the use of business resources **(change to order, change to wording)**
- business locations and the factors affecting choice of location **(changed order)**
- sources of finance available to establish a business and the factors affecting the **type and source of finance chosen (change to order, change to wording)**
- business support services such as legal, financial, technological, community-based, formal and informal networks, and business mentors
- planning analysis **tools to assist in determining the strengths and weaknesses of decisions regarding changing internal factors**, such as SWOT analysis
- **overview of business plans, including the benefits of using them and an outline of their key features**
- corporate social responsibility **considerations** and business planning.

Unit 1: Area of study 3: new

Outcome 3: Focus: **external environment**

AS title: External business environment and planning

Macro factors affecting business planning

- economic conditions such as interest rates, **employment levels**, tax rates and levels of consumer confidence ~~affect business planning~~
- technological considerations such as how the market may change in the future and **how businesses adapt to developments in technology**
- global **considerations** such as overseas competitors, overseas markets, offshoring of labour, exchange rates, patenting, copyrights, trademarks and online sales **'issues' becomes 'considerations'**
- corporate social responsibility **considerations related to business planning, such as environmental considerations and planning for socially responsible production of goods and services**

Operating factors that affect business planning

- suppliers **of business resources and considerations regarding the supply chain, such as from where resources are sourced and how they reach the business**

Teaching and Learning – Support Materials

Unit 1, Outcome 3 example

Write a detailed research essay; for example, on the topic of how legal and government regulations affect businesses in the planning stage.



Detailed example



Research essay

A research essay provides students with the opportunity to delve more deeply into a topic than they would in structured short-answer questions, and to make more sophisticated connections between ideas, concepts and real life business cases.

Developing an essay topic

Option 1: No specific case study identified

- Select a relevant macro or operating factor as a focus in the question.
- Select a relevant key skill to assess.

For example:

- Describe how legal and government regulations affect businesses in the planning stage.
- Discuss the impact changing economic conditions have on small retail businesses.
- Analyse how corporate responsibility considerations relates to business planning in manufacturing.
- Evaluate the impact competitors have on business planning.

Detailed example



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- Evaluate the impact competitors have on business planning.

Option 2: Link to a real-life case study

- Select a relevant macro or operating factor as a focus in the question.
- Select a relevant key skill to assess.
- Link to a real-life case study (either through phrasing such as 'with reference to a contemporary case study' or use a case study you are studying in class).

For example:

- With reference to a contemporary case study, describe how the business has adapted to developments in technology.
- With reference to a contemporary case study, analyse the impact changing societal attitudes and behaviour have affected the business over time.
- With reference to a contemporary case study, discuss the use of local suppliers.

Suggested essay structure

Introduction

- Present the topic and outline the main ideas that will be included in the essay.

Main body (2–4 paragraphs)

- Each paragraph needs to include relevant business management information and concepts as well as examples and evidence to support the key ideas or arguments.

Conclusion

- Summarise the main points

Unit 2: what's different?

Outcome 1

- **an overview of the role of external professionals when establishing a business**

Outcome 2

- **technological developments in marketing such as social media, email marketing, search engine optimisation, artificial intelligence, data analytics and management of data**
- corporate social responsibility management **considerations** regarding establishment of a customer base, such as green marketing **and the protection of customer privacy.**

Unit 2: what's different?

Outcome 3

- job analysis and its relationship to job design and related documentation, job descriptions and job specifications
- ~~employment arrangements such as full time, part time, contractual and casual~~
- **overview of the National Employment Standards**
- employer expectations such as contracts of employment, business loyalty and terms of notice
- ~~global issues such as overseas recruitment~~
- ~~corporate social responsibility management issues regarding establishing the staffing of a business~~
- **corporate social responsibility management considerations regarding establishment of staffing for a business and overseas recruitment. (combined CSR and global considerations)**

Teaching and Learning – Support Materials

Unit 2, Outcome 3 example

Construct an infographic about the National Employment Standards.



Detailed example



National Employment Standards infographic

Overview of the task

The purpose of this task is for students to communicate their knowledge and understanding of the National Employment Standards into an infographic, targeted at young people entering the workforce.

Resources

- Laptop, computer or tablet (digital)
- Infographic maker such as Canva, Piktochart, Venngage or use PowerPoint, Google Slides, Paint or Google Draw (digital)
- Poster paper, textas and pens (paper)
- The National Employment Standards ([Fair Work](#))
- Optional: infographic examples

Unit 2 Outcome 3: Support materials

Tips for making an effective infographic:

- Use a combination of colours and graphics to grab the attention of the reader
- Focus on key words and thoughtfully use fonts to highlight important information
- Remember that 'less is more' and include only critical information; do not write chunks of information
- Use diagrams, flowcharts, bullet points, lines, icons and other related images
- Arrange key information in a visual hierarchy, in order of importance. Make sure important information is more prominent.

Unit 3 Area of Study 1: What's different?

Outcome 1

- business objectives including to make a profit, to increase market share, **to improve efficiency, to improve effectiveness,** to fulfil a market need, to fulfill a social need and to meet shareholder expectations
- **stakeholders of businesses including owners, managers, employees, customers, suppliers and the general community (*explicit*)**
- ~~the areas of management responsibility including operations, finance, human resources, sales and marketing, and technology support, and how each area contributes to the achievement of business objectives (*removed*)~~
- corporate culture both official and real, **and strategies for its development. (*relocated to Unit 4 with Senge*)**

Support Materials – Planning – Resources & Terminology

Definitions clarified

Efficiency

- A term used throughout the VCE Business Management Study Design 2023–2027. Students are not required to have an in-depth academic- or economic-based knowledge of productive, allocative, intertemporal or dynamic efficiencies.
- **For the purposes of this study design, efficiency is about how well a business uses its resources (time, raw materials, labour, machinery, technology etc.) in producing a good or service.**
- Efficiency is a broad aim or objective;
- e.g.: to reduce a waste of time or raw materials.
- Efficiency is a related but separate term to productivity (the ratio of outputs to inputs, and maybe expressed as a measurement).
- ‘Efficiency’ is also expressed as an objective in the VCE Business Management Study Design 2023–2027 Unit 3 Outcome 1 (that is, for a business striving to be more efficient with its use of raw materials)

Support Materials – Planning – Resources & Terminology

Effectiveness

- For the purposes of the VCE Business Management Study Design 2023–2027, **is the extent to which a business achieves its stated objectives.**
- U3 O1 denotes stated business objectives as including: to make a profit, to increase market share, to improve efficiency, to fulfil a market need, to fulfil a social need and to meet shareholder expectations; Effectiveness involves an assessment of how well these stated objectives have been achieved.

Corporate social responsibility

- There are a number of definitions for ‘corporate social responsibility (CSR).
- In a broad sense CSR refers to a business’s initiatives to assess and take responsibility for the it’s effects on environmental and social wellbeing.
- CSR generally applies to **efforts that go above and beyond what may be legally required by regulators or environmental protection groups**, as well as ethical considerations regarding the workforce and their families

Unit 3 Area of study 2: What's different?

Title- **Human Resource Management** : (Managing Employees)

- Motivation strategies including performance-related pay, career advancement, investment in training, **support strategies and sanction strategies** (**clearly distinct entities**)
- termination management including retirement, redundancy, resignation and dismissal, **entitlement considerations** and **transition considerations** (**clearly distinct**)
- an overview of the dispute resolution process including **grievance procedures**, mediation and arbitration.

Support Materials – Planning – Resources & Terminology

Strategies

- The term ‘strategies’ occurs throughout the VCE Business Management Study Design 2023–2027 (motivation strategies, performance management strategies, operations strategies, management strategies to respond to key performance indicators, high- and low-risk strategies).
- **A generic term to represent any business solution to a problem or a course of action to take advantage of an opportunity.**
- A list of management strategies to respond to key performance indicators and / or seek new business opportunities is stated in Unit 4 Outcome 2.

Support Materials – Planning – Resources & Terminology

Considerations

- Used throughout the VCE Business Management Study Design 2023–2027 (corporate social responsibility considerations, global considerations).
- **Used to reflect concepts, themes, concerns etc. that business managers may commonly take ‘into consideration’ when making business decisions.**
- These considerations may then lead to strategies being implemented by business managers to take account of them

Contemporary business case study

- Refers to a **real-world business example drawn from the past four years.** Examples may be drawn either from Australia or throughout the world. The purpose of the four-year framework is to keep the study current and engaging for students and applicable to the real world. The four years extends back from the full year of that year’s VCE Business Management examination (for example, in the November 2023 VCE Business Management examination students can refer to business examples up to and including the full 2020 year (2020, 2021, 2022 and 2023

Unit 3 Area of study 3: What's different?

Outcome 3

- Strategies to improve both the efficiency and effectiveness of operations related to technological developments, including the use of automated production lines, **robotics**, computer-aided design, computer-aided manufacturing techniques, **artificial intelligence** and **online services** (*replaced website development*)
- Strategies to improve the efficiency and effectiveness of operations through waste minimisation in the production process, including **reduce, reuse, recycle** (*separated dot points*)
- The **pull, one-piece flow, takt, zero defects strategy** to improve the efficiency and effectiveness of operations related to **lean management** (*specified*)
- Global considerations in operations management, including global sourcing of inputs, overseas manufacture, global outsourcing **and an overview of supply chain management.**

Support materials: Lean management

Lean, as a management philosophy, is a way of thinking. It considers first and foremost what the customer is willing to pay for, or in other words, added value. Activities that do not add value to the end product or customer are defined as waste and should be reduced or eliminated to free up resources to be used for adding value...

It was derived from Toyota's 1930 operating model 'The Toyota Way' (Toyota Production System, TPS). The term 'Lean' was coined in 1988 by John Krafcik, and defined in 1996 by James Womack and Daniel Jones to consist of five key principles: precisely specify value by specific product, identify the value stream for each product, make value flow without interruptions, let customer pull value from the producer, and pursue perfection...

Womack and Jones define Lean as '...a way to do more and more with less and less – less human effort, less equipment, less time, and less space – while coming closer and closer to providing customers exactly what they want'. They then translate this into five key principles:

1. Value: Specify the value desired by the customer. 'Form a team for each product to stick with that product during its entire production cycle', 'Enter into a dialogue with the customer' (e.g. Voice of the customer).
2. The Value Stream: Identify the value stream for each product providing that value and challenge all of the wasted steps (generally nine out of ten) currently necessary to provide it.
3. Flow: Make the product flow continuously through the remaining value-added steps.
4. Pull: Introduce pull between all steps where continuous flow is possible.
5. Perfection: Manage toward perfection so that the number of steps and the amount of time and information needed to serve the customer continually falls.

Lean management takes these Lean manufacturing principles and applies them to both manufacturing and non-manufacturing service businesses.

Support materials: Lean management

Lean management

For the purpose of the VCE Business Management Study Design 2023–2027 students will study the **four simplified principles of Lean Management**:

- **Pull** – production of the good or service is only started when the customer places an order. The customer order ‘pulls’ at the production system with their demand.
- **One-piece flow** – the operations process focuses on one good or service at a time.
- **Takt** – the operations process seeks to create a rhythm whereby all the steps in the production of the good or service are synchronised to create a ‘continuous flow’.
- **Zero defects** – the operations process strives for perfection by continuously improving until it achieves zero defects.

Unit 4: what's different?

Outcome 1

- **proactive and reactive approaches to change**
- key performance indicators as sources of data to analyse the performance of businesses, percentage of market share, net profit figures, rate of productivity growth, number of sales, rates of staff absenteeism, level of staff turnover, level of wastage, number of customer complaints, **number of website hits** and number of workplace accidents
- key principles of the Force Field Analysis theory (Lewin) **including weighting, ranking, implementing a response and evaluating the response (made specific)**
- driving forces for change in business including **owners**, managers, employees, competitors, legislation, pursuit of profit, reduction of costs, globalisation, technology, innovation and societal attitudes

Support materials

Proactive and reactive approaches to change

- For the purposes of the VCE Business Management Study Design 2023–2027 ‘proactive’ refers to intent of a business to take action **prior to a competitor, or prior to poor key performance indicator data** requiring a strategic response. A proactive approach **initiates** strategies seeking new opportunities.
- A ‘reactive’ approach to change refers to a business response to data such as key performance indicators (KPIs) showing an area of poor performance requiring a response to address this , or a competitor entering a new market that then requires a response from the business. Strategies initiated by a business may be similar with both proactive and reactive approaches, it is the driving force and timing of the response for the implementation of these strategies that differs

Support materials

Lewin's Force Field Analysis Theory

- Created by **Kurt Lewin in 1951**. Today, the theory is used in business for making and communicating decisions on how to achieve goals and visions.
- **Main idea:** Situations are maintained by an equilibrium between forces that drive change and others that resist change. For change to happen, driving forces must be strengthened or the resisting forces weakened so driving forces overpower restraining forces and a new equilibrium point is established.

Step 1: Define goal or vision for change.

Step 2: Identify and rank forces for change.

Step 3: Identify forces against change.

Step 4: Assign scores / weights – for each force according to the degree of influence of each on the plan, then total the scores / weights for each side (for and against).

Step 5: Analyse, apply and evaluate – once Force Field Analysis has been completed a business then decides whether or not to move forward with the change based on whether forces against change outweigh forces for it. They also consider strategies to strengthen driving forces or weaken the restraining forces to maximise potential for successful change

Unit 4 Area of Study 1: what's different?

Outcome 2

- management strategies to respond to key performance indicators **and/or seek new business opportunities**, including staff training, staff motivation, change in management styles or management skills, increased investment in technology, improving quality in production, cost cutting, initiating lean production techniques, redeployment of resources (natural, labour and capital), **innovation, global sourcing of inputs, overseas manufacture and global outsourcing**
- **corporate culture and strategies for its development**
- an overview of the principles of the Learning Organisation (Senge) **and the need to create a positive culture for change**

Terminology

Units 1 & 2 – ‘such as’

Units 3 & 4 – ‘including.....’

School based assessment

Use a variety of tasks chosen from:

- Case study analysis
- Business research report
- Development of a business plan and/or feasibility study
- Interview and report on contact with a business
- School-based, short term business activity
- Business simulation exercise
- Essay
- Business survey and analysis
- Media analysis

Weighting unchanged

Unit Three		Unit Four	
Outcome One	20	Outcome One	50
Outcome Two	40	Outcome Two	50
Outcome Three	40		

Support materials: teaching and learning

Examples of learning activities

- Develop a glossary of key business management terms.
- Watch television documentaries and / or read online reports of real business case studies from the past four years and analyse how businesses are implementing change.
- Develop a grid of management strategies that can be matched to key performance indicators.
- Develop a matching grid of management strategies that can help achieve one of the two principles of Porter's Generic Strategies Approach to strategic management.
- Research on the internet to identify examples of businesses applying the principles of the Learning Organisation (Senge).
- Design a concept map that summarises the key principles of the Three Step Change Model (Lewin).
- As a class, debate whether high- or low-risk strategies to overcome employee resistance are more effective in the short or long term.
- Draw a mind map of a certain set of data for a key performance indicator and all the possible strategies that management could use to respond to it. Add to this mind map the advantages and disadvantages of applying each strategy.
- Construct a SWOT analysis for a particular business case study. Propose management strategies that can respond to the opportunities and the threats.
- Use DeBono's six hats problem-solving approach to look at management strategies from a range of different perspectives. Propose a strategic solution and a process to achieve this solution via the blue hat.
- Create decision-making charts or fishbone diagrams to logically and visually lay out a problem, possible alternative management strategies to solve it, the pros and cons of each strategy and comparisons of the consequences on different stakeholders. After consideration, state the decision that needs to be made.
- In groups, analyse a hypothetical business case study and reported key performance indicators, and propose management strategies to respond to the data.
- Apply problem-solving models to respond to business case studies (both real and hypothetical) of poor business key performance indicators.

Hypothetical business case study – Problem-solving scenario

Orange is a smart phone manufacturer that is operating in a very competitive market with high customer demands and a constant drive to lower prices. Orange has created products with very similar features to their competitors and very similar price points. The corporate culture in Orange is very friendly and supportive and the workforce is incredibly loyal. The team has reviewed its key performance data for the last year.

	Previous year	Current year
Percentage of market share of smart phones	10%	4%
Net profit figures	\$5 million	\$3 million
Number of sales	5 million	3 million
Number of website hits	4 million	2 million
Level of staff turnover	1%	0.2%
Level of wastage	0.5%	0.5%

Questions?

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