

Victorian Certificate of Education 2017

SUPERVISOR TO ATTACH PROCESSING LABEL HERE

					Letter	
STUDENT NUMBER						

BUSINESS MANAGEMENT

Written examination

Monday 6 November 2017

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

Section	Number of questions	Number of questions to be answered	Number of marks
A	6	6	50
В	6	6	25
			Total 75

- 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

- Question and answer book of 28 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.

SECTION A

T	4	4 •	0 (O 4.	
Inc	Truit	tions	tor \	Section	

Answer all questions in the spaces provided.

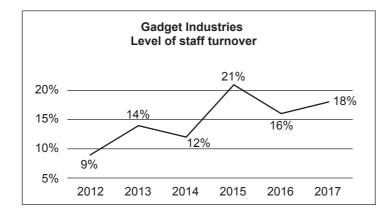
	Question	1 (8 marks)
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Gadget Industries has recently changed its business structure from being a sole trader to a partnership. The business has also employed a new Human Resource Manager to oversee this area of management responsibility.

a.	Define the term 'sole trader'.	1 mark
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b.	Outline one reason why a business may choose to operate as a partnership rather than as a sole trader.	2 marks
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2 marks

c. The new Human Resource Manager has examined the data below.



The data shows that the level of staff turnover, which is a key performance indicator, has changed over time.

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7 BUS	SMAN EXAM 4	
d.	In order to reduce the level of staff turnover, the Human Resource Manager has decided to adopt a persuasive management style.	
	Explain how a persuasive management style may assist in reducing the level of staff turnover.	3 marks
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5	2017 BUSMAN EXAM
Question 2 (3 marks)	
Distinguish between mediation and arbitration as a means of dispute resolution.	
Distinguish between inequation and arottation as a means of dispute resolution.	

17 BUS	MAN EXAM 6	
One	estion 3 (10 marks)	
Car than mot	Bright is a car cleaning and detailing service business owned by Aaron Bright. It charges higher prices its competitors. Following a staff survey, it was found that some of Car Bright's employees are lacking ivation. In addition, some customers have complained of slow service and that their cars have been rned not fully cleaned.	
a.	Describe an appropriate motivation strategy that Aaron could use to improve the performance of his employees.	2 marks

b.

Discover a guitable training ention that early he wood for Car Dright's complexes	4 mark
Discuss a suitable training option that could be used for Car Bright's employees.	4 mark

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MAN EXAM 8	
Locke and Latham's Goal Setting Theory has been recommended to Aaron to motivate his employees. Examine whether this theory is appropriate for Car Bright.	4 mark
	Locke and Latham's Goal Setting Theory has been recommended to Aaron to motivate his employees.

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/ BU	SMAN EXAM 10	
Qu	estion 4 (13 marks)	
Sm sau	all Goods Pty Ltd is a manufacturer of various types of processed meats, including ham, salami and sages. The Operations Manager, Heidi, is concerned about the increasing level of wastage. She has set objective to reduce wastage from the production process by 90% over the next two years.	
a.	Describe the principles of lean management.	2 marks
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b.

Explain how lean management principles might assist in the reduction of the small Goods Pty Ltd.	ie ievel of wastage at	4 mark

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17 BU	SMAN EXAM 12	
c.	Analyse the impact that the reduction of the level of wastage may have on Small Goods Pty Ltd's suppliers and one other stakeholder.	4 marks
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d.

ustify one corporate social responsibility consideration that a business, such as Small Goods Pty Ltd, needs to address when implementing change.	3 mark
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17 BUSMAN EXAM	14
Question 5 (6 marks)	
Jackson Incorporated is currently to the employees are worried that their	rying to determine new wages and conditions of work for its employees. Some of ir expectations will not be met.
Explain the role of each of the following	owing workplace relations participants during this process.
Human Resource Managers	

L O N

D 0

	15	2017 BUSMAN EXAM
Fair Work Commission		

BUSMAN EXAM	16
Question 6 (10 marks)	
	ness and effectiveness for a business can only come from advances in
Evaluate this statement.	

END OF SECTION A TURN OVER

SECTION B – Case study

Instructions for Section B

Use the case study provided to answer the questions in this section. Answers must apply to the case study. Answer **all** questions in the spaces provided.

Case study

The following is the first page from the 2017 'Report to Shareholders' of Shandra's Dairy Ltd.

Commencing as a family-run business 15 years ago, we are now one of the largest independent dairies in Australia. We are proud of the fact that our raw materials are sourced from local suppliers and that customer satisfaction remains at the centre of our operations. We use a strict quality control strategy to maintain the overall excellence of our products.

Business highlights in 2017

- Market share increased from 15% to 17%
- Increase in volume of sales to over 10 million litres of ice-cream
- Installation of four modern wind turbines at a total cost of \$1.25 million, reducing carbon emissions by 3 500 tonnes per year, thus assisting us in meeting our 2020 renewable energy target
- A saving of \$500 000 per year on electricity bills due to the installation of 600 solar panels

One of our key objectives is to enhance levels of environmental sustainability and make our entire site self-sufficient through renewable energy. Our CEO, Johanna Taylor, is eager to ensure that over 23% of the electricity used comes from renewable sources by 2020. This fits in with the Australian Government's Renewable Energy Target.

'Our commitment to renewable energy has meant an increase in expenses and debt in the short term, but shareholders will continue to see value as the saving in electricity costs will be sustained into the future.'

— Johanna Taylor

Another objective is to become a truly global brand – to do this we need to diversify. Our aim is to launch into the snack food market, concentrating on potato chips. These can be produced at our present manufacturing plant and with the use of our existing suppliers. We believe that this could commence by 2020 and we could export to markets in over 20 countries.

Future goals

- Implement a second strategy to improve quality by 1 July 2018
- Diversify into the snack food market within the next three years

Quo a.	Other than operations, identify one area of management responsibility.	1 mark
b.	Explain how the area of management responsibility identified in part a. can contribute to the achievement of Shandra's Dairy Ltd's objective of becoming more environmentally sustainable.	2 marks
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Compare quality control with one other quality strategy that Shandra's Dairy Ltd could implement to maintain the				
erall excellence of its products.				

BUSMAN EXAM	22
Question 4 (6 marks)	
Shandra's Dairy Ltd wants to di	versify into the snack food market within the next three years.
Shahara 5 Bany Eta Wants to an	votorif into the black room market within the new three years.
Apply Lewin's Three Step Chan	nge Model to assist Shandra's Dairy Ltd with this future goal.
11 3	

dentify one of the key approaches to strategic management from Porter's Generic Strategies. Discuss how this opproach could be applied in relation to Shandra's Dairy Ltd.				

BUSMAN EXAM	24
Question 6 (4 marks)	
One of the objectives of Shand	lra's Dairy Ltd is to become a truly global brand.
Explain one driving force and	one restraining force that could have an impact on the success of this objective.
r	r

Extra space for responses				
Clearly number all responses in this space.				

2017 BUSMAN EXAM

JSMAN EXAM	28	
you write your student numb	From the supervisor if you need extra paper to complete an answer. Please ensurer in the space provided on the front cover of the answer book. At the end of the rer book inside the front cover of this question and answer book.	re the

