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Unit 3 and 4 Business Management

Practice Exam Question and Answer Booklet

Duration: 15 minutes reading time, 2 hours writing time

Structure of book:

Section	Number of questions	Number of questions to be answered	Number of marks
A	7	7	65
Total			65

- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers 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:

- This question and answer booklet of 11 pages.

Instructions:

- You must complete all questions of the examination.
- Write all your answers in the spaces provided in this booklet.

Section A – Short-answer questions

Instructions

Answer **all** questions in the spaces provided.

Questions

Question 1

Fabrika Ltd is a large manufacturer and supplier of fabric to Australian retail organisations. The organisation has recently experienced a decrease in market share as a result of several retail organisations choosing overseas manufacturers over Fabrika. Operations manager Jenny Jones wants to improve the quality of her fabrics in order to remain competitive.

- a. Define the term 'operations management'.

1 mark

- b. Define the term 'market share'.

1 mark

- c. Identify and describe **one** quality management strategy and **one** other operations management strategy Jenny could use to improve operations.

6 marks

- d. Select and describe **two** performance indicators that Jenny could use to measure the success of the quality management strategy described above.

4 marks

- e. Identify and describe **two** positive and **two** negative contributions of large scale organisations to the economy.

4 marks

Total 16 marks

Question 2

Mr Ross is the manager of a building and contraction company who had recently notified staff their work hours will be reduced as a result of the installation of new operations technology to increase productivity. On inspection, he found that many workers did not know how to operate the new machinery and a week later they had gone on strike. The issue has been referred to an employment relations authority in order to solve the industrial dispute.

Identify and describe **two** management styles and justify which would be most effective for Mr Ross to use in the introduction of the new operations technology.

6 marks

Question 3

Greg Harlow is the CEO of Farmland, a dairy manufacturing business. The organisation is growing rapidly and new plants are opening all over Australia. As a result, Mr Harlow has announced that many staff members will be asked to relocate to the new plants. Identify and explain **three** management skills Mr Harlow could use in this situation to ensure the success of relocating staff.

6 marks

Question 4

Harry Shaw has recently joined large computer manufacturer Buzz Computers. During induction he is taught the corporate culture of the organisation, but after a month's employment he has noticed some differences between the culture described, and the culture he observes at work.

Define corporate culture and describe the difference between official culture and real culture. In your answer, name **two** indicators of real corporate culture Harry may have observed.

4 marks

Question 5

Articles Ltd owns several factories that manufacture clothing to be sold in various retail outlets throughout Victoria.

Define and describe the key elements of Articles Ltd's operations system.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

6 marks

Question 6

As a result of increased competition, supermarket chain Foodaway has been forced to make a number of changes. Head office has announced that environmentally friendly bags and self-service checkouts. Employees have heard rumours that Foodaway will be downsizing and as a result many employees are not welcoming the change and staff turnover levels have increased. Human Resource Manager Jeff Lancer has been called in to help the remaining employees cope with the transition.

- a. Explain Herzberg's theory of motivation. Discuss how using this theory might assist a Human Resource Manager in motivating the employees.

[illegible]

4 marks

- b. Identify and describe how a human resource management strategy that could be used to maintain employment and reduce staff turnover levels by meeting **two** employee expectations.

5 marks

c. Describe **two** driving and **two** restraining forces of change in Foodaway from the information provided.

4 marks

- d. After implementing the change, Jeff is still experiencing some resistance from some staff members. Identify **one** low-risk and **one** high-risk strategy for dealing with the change, and then justify which one would be more effective in change management.

4 marks

Total 17 marks

Question 7

Discuss how factors of the internal and external environments of a large-scale organisation may act as sources of change in relation to a significant issue or organisation that you have studied this year.

[illegible]

[illegible]

10 marks

END OF QUESTION AND ANSWER BOOK