‘2017 Examination Package’ - Trial Examination 2 of 7

THIS BOX IS FOR ILLUSTRATIVE PURPOSES ONLY

STUDENT NUMBER

Figures									
Words									

Letter

BUSINESS MANAGEMENT

Units 3 & 4 – Written examination
(TSSM’s 2011 trial exam updated for the current study design)

Reading Time: 15 minutes
Writing Time: 2 hours

QUESTION AND ANSWER BOOK

Structure of book

Section	*Number of questions*	*Number of questions to be answered*	*Number of marks*
Section A	4	4	50
Section B	1	1	25
			Total 75

- 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 white out liquid/tape.
- No calculator is permitted in this examination.

Materials supplied

- Question and answer book of 18 pages.

Instructions

- Print your name in the space provided on the top of 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

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

Question 1 (7 marks)
The retail giant Harvey Norman Holdings Ltd. has experienced a recent slump in sales caused by price declines, a strong Australian dollar and of course the impact of the severe weather conditions mainly on the east coast of Australia.

Source: Business Spectator

a. Define the term publicly listed company.

1 mark

b. Distinguish between the objectives of a company such as Harvey Norman Holdings Ltd and the objectives of a social enterprise.

2 marks

SECTION A – Question 1 - continued

c. Harvey Norman Holdings Ltd. registered a reduction in profit of 16.5%. Describe **two** other key performance indicators that the organisation could use to evaluate its performance.

4 marks

SECTION A – continued
TURN OVER

Question 2 (6 marks)
Managers require particular skills to oversee the operation of a business. Describe three skills a manager should possess.

SECTION A – continued

Question 3 (14 marks)

a. Simon Stevens started a small business in Footscray producing and selling a range of olive oil products. The business operates as a sole trader and has grown to employ 14 people. Outline one area of management responsibility that Simon would need to oversee.

2 marks

b. Simon is considering taking on a partner as the business continues to grow. Explain two advantages that Simon might derive from operating his business as a partnership.

SECTION A – Question 3 – continued
TURN OVER

4 marks

c. Materials management is one strategy which Simon's operations manager could use to maximise production. Discuss one materials management strategy that Simon could use to improve the productivity and **c**ompetiveness of the business.

4 marks

SECTION A – Question 3 – continued

d. Simon’s olive business is involved in both manufacturing and retail operations. Contrast the main characteristics of the operations system of the manufacturing side of the business with the operations system of the retail side of the business.

4 marks

SECTION A – continued
TURN OVER

Question 4 (13 marks)

a. Productivity levels and staff motivation have fallen at Cadott Shoes Ltd. The Human Resource Manager Sally Smith is keen to address these issues. Explain the key features of Locke and Latham's Goal Setting Theory and explain how it may help improve productivity and motivation.

5 marks

SECTION A – Question 4 – continued

b. Evaluate two motivation strategies Sally could introduce to improve employee morale.

SECTION A – Question 4 – continued
TURN OVER

8 marks

SECTION A – continued

Question 5 (10 marks)
Resistance to change can be overcome by management using either low-risk or high-risk strategies with employees. Discuss what is meant by low-risk and high-risk strategies, providing two examples of each type of strategy. Identify which type of strategy may be more preferable for a business to use and explain how Lewin's Three Step Change model could also benefit a business undergoing change.

SECTION A – Question 5 – continued
TURN OVER

END OF SECTION A

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.

Question 1

Angus & Robertson book sellers have been affected by the importation of GST-free books from overseas. Consumers can now order books online before they have even hit the domestic shelves and at a significantly lower price.

Source: Business Spectator

a. Explain the concept of business change.

1 mark

b. Angus & Robertson will need to change to meet the changing environment in which they operate. Describe how Lewin's Force Field Analysis could be used by the business in this situation.

SECTION B – Question 1 – continued

6 marks

c. Describe the driving force for change affecting Angus & Robertson.

2 marks

SECTION B – Question 1 – continued

d. Porter developed two key approaches to strategic management that a business could adopt in the situation faced by Angus & Robertson. Evaluate those two key approaches.

SECTION B – Question 1 – continued
TURN OVER

8 marks

e. To assist businesses better manage change Senge developed the concept that all businesses should become 'learning organisations'. Explain what Senge meant by the term learning organisation and describe three principles of this theory.

SECTION B – Question 1 – continued

8 marks

END OF QUESTION AND ANSWER BOOK

Extra space for responses

Clearly number all responses in this space