

Victorian Certificate of Education
Year

SUPERVISOR TO ATTACH PROCESSING LABEL HERE

STUDENT NUMBER

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Letter

BUSINESS MANAGEMENT**Written examination**

Day Date

Reading time: *.* to *.* (15 minutes)

Writing time: *.* to *.* (2 hours)

QUESTION AND ANSWER BOOK**Structure of book**

Section	Number of questions	Number of questions to be answered	Number of marks
A	8	8	50
B	5	5	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 20 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

Instructions for Section A

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

Question 1 (2 marks)

Define the term ‘social enterprise’ and give **one** example of a distinguishing feature of a social enterprise.

Question 2 (3 marks)

Explain how following a change model can assist a business with implementing a change successfully.

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Question 3 (6 marks)

Use an example to demonstrate the application of Lewin's Three-Step Change Model.

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SECTION A – continued
TURN OVER

Question 5 (4 marks)

Read the information in the table below relating to Dazzle Painting and Decorating, a Victorian business specialising in both interior and exterior house painting.

Key performance indicator	2015	2016
level of wastage	↑ 2%	↑ 3%
net profit	\$520 000	\$145 000

Explain how the principles of lean management could assist Dazzle Painting and Decorating with improving its performance. In your response, refer to the data provided.

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

Question 7 (15 marks)

Grocer Plus is a well-established supermarket chain with more than 5000 stores worldwide. Its human resources training program provides all staff with opportunities to become multiskilled. This, in turn, provides Grocer Plus' management with greater flexibility in managing the business as staff develop a greater breadth of skills. Grocer Plus' management is also very open to suggestions from staff and listens to what they have to say, while still maintaining final decision-making power for the business.

- a. Explain **one** training option that would be appropriate for Grocer Plus to continue to multiskill its employees.

2 marks

- b. Employee observation is one type of performance management strategy.

Propose a different performance management strategy that you believe would be effective in improving employee performance at Grocer Plus. Justify your choice.

4 marks

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- c. Identify the management style that is being used by the management at Grocer Plus and explain **one** benefit of using this style.

3 marks

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d. Grocer Plus' management is planning for the future of the business.

Discuss **two** options available to Grocer Plus in terms of Porter's Generic Strategies.

6 marks

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SECTION A – continued
TURN OVER

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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.

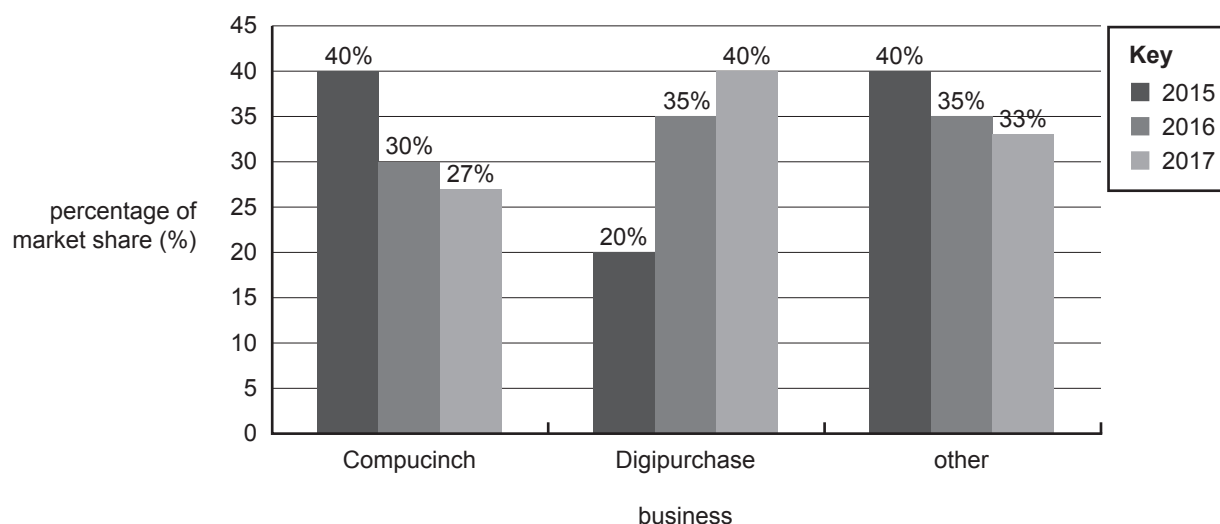
Case study

Compucinch Pty Ltd is an IT consultancy business established 15 years ago by its CEO, David Myles. The company specialises in the provision of expert advice, assistance and support to clients making IT software and hardware purchases. Step-by-step instructions and advice are provided to clients while they are making these purchases.

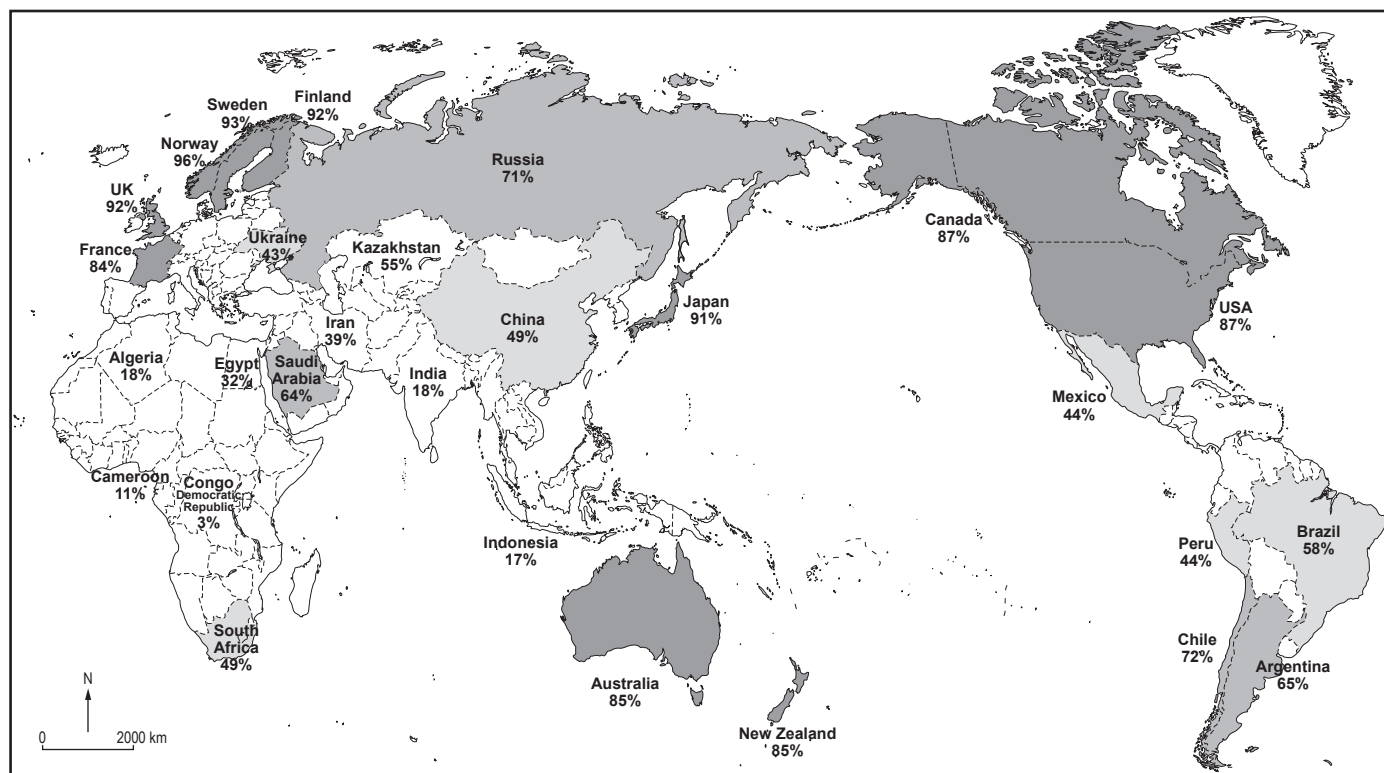
Compucinch has grown to employ 30 full-time employees since the establishment of the business. All of Compucinch's employees are currently working under award pay and conditions.

Digipurchase Pty Ltd is a competitor of Compucinch and offers a similar product range. Over the past six months, three of Compucinch's employees have resigned to take up positions with Digipurchase. Exit interviews have shown that the departing employees have been attracted by the more generous pay and conditions offered in the Digipurchase enterprise agreement.

Market share – Australian information technology purchase consultancy businesses



Percentage of individuals using the internet

Data: UNdata (<http://data.un.org>)

Key



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SECTION B – continued
TURN OVER

Question 1 (6 marks)

Explain the key elements of the operations system at Compucinch.

[illegible]

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Question 2 (4 marks)

As the CEO of Compucinch, David will need to possess and apply many management skills.

Explain how David might utilise planning skills and decision-making skills in order to manage Compucinch effectively.

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Question 4 (3 marks)

Explain why David will need to review key performance indicators (KPIs) to evaluate the performance of Compucinch. Refer to **one** relevant KPI, other than market share, to illustrate your response.

SECTION B – continued
TURN OVER

Question 5 (4 marks)

Describe **one** advantage and **one** disadvantage for Compucinch that are associated with changing from an award to an enterprise agreement as a means of establishing wages and conditions of work.

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Extra space for responses

Clearly number all responses in this space.

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TURN OVER

[illegible]

An answer book is available from the supervisor if you need extra paper to complete your answer. Please ensure you write your **student number** in the space provided on the front cover of the answer book. **At the end of the examination, place the answer book inside the front cover of this question and answer book.**