

COMMERCE PRESENTATIONS AND PUBLICATIONS



Figures

Words

Letter

Name _____

VCE BUSINESS MANAGEMENT 3/4 2018

Practice examination No. 1

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
A	5	5	50
B	7	7	25
			Total 75

- Students are to write in blue or black pen
- Students are permitted to bring into the practice examination: 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 allowed in this examination

Materials supplied

- Question and answer book of 19 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 (7 marks)

- a. Identify **two** factors in relation to the appropriateness of management styles. 2 marks

- b. Outline **one** similarity and **one** difference between the key approaches to strategic management by Porter's Generic Strategies (1985). 2 marks

Similarity _____

Difference _____

- c. According to Peter Senge, systems thinking is “the discipline that integrates the disciplines, fusing them into a coherent body of theory and practice.” Explain what this means. 3 marks

Question 2 (13 marks)

Agile Consulting is a large accounting firm with increasing rates of staff absenteeism and high level of staff turnover. The CEO believes that a lack of motivation is to blame for this problem.

a. Define the term 'rates of staff absenteeism'.

1 mark

b. Explain and discuss how either career advancement or support would assist to motivate employees at Agile Consulting. Justify which motivation strategy would be the most suitable for the business. 8 marks

This image shows a single 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.

- c. Explain **two** performance management strategies that may assist in ensuring that Agile Consulting's business objectives are achieved. 4 marks

Question 3 (6 marks)

Distinguish between the **three** key elements of the operations system of a manufacturing business and a service business. In your response, use examples that you have studied this year.

Key element 1 _____

Key element 2 _____

Key element 3 _____

Question 4 (13 marks)

RuffStuff has decided to manufacture its products overseas. The Human Resource Manager is expecting some employee resistance to the change.

- a. Other than overseas manufacture, identify and explain **two** global considerations in operations management. 4 marks

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page or a sheet of stationery.

- b. Suggest **one** low-risk strategy and **one** high-risk strategy for overcoming employee resistance. Discuss both strategies and outline which one would be more effective when RuffStuff introduces overseas manufacture. 6 marks

This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small margins at the top and bottom. There is no handwriting or other markings on the page.

- c. Analyse the importance of **one** key performance indicator for evaluating the effectiveness of the transformation at RuffStuff. 4 marks

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page or a sheet of stationery. There is no handwriting or other markings on the page.

Question 5 (10 marks)

'Improved productivity, competitiveness and effectiveness for a business can only come from the provision of staff training.'

Evaluate this statement.

[illegible]

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.

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 information is found on eChemist Retail Group's website.

Over the last four decades, we've developed from a partnership of two pharmacists to a global company that is now one of Australia's leading health, beauty and wellbeing businesses. The company now has stores in all Australian states. We recently listed on the Australian Securities Exchange (ASX) and acquired a number of other brands, all of which continue to experience strong growth.

Our vision

eChemist's vision is "To work together as a team to be the most respected and inspirational choice for health, beauty and wellbeing".

Our values

At eChemist, we are guided by the following values in our daily activities:

Excellence – be extraordinary by being the best we can be individually and collectively

Initiative – be brave and make a difference by having the courage, confidence and passion to make a difference – be proactive and make a positive effort to change things for the better

Respect – seek to understand and value diversity by valuing the input others can make

Unity – working with and for each other as one team, based on selflessness and trust – by working together we will create positive and sustainable change

Outlook

Across the next financial year, eChemist expects:

- a clear focus on performance across operations and have strategies in place to reduce waste and costs
- that current market conditions will continue
- that pharmacy distribution will continue to deliver steady performance
- our store network growth to continue with moderate sales growth in the near term
- to develop a clear focus on our commitment to environmental sustainability
- to focus on improving corporate culture

Question 1 (2 marks)

Explain why eChemist Retail Group is a public listed company.

Question 2 (5 marks)

a. Define 'corporate culture'.

1 mark

b. Using Lawrence and Nohria's Four Drive Theory, justify **two** strategies to improve the corporate culture at eChemist. 4 marks

Question 3 (4 marks)

Discuss the use of a suitable management style that could be applied to eChemist.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on the right side, suggesting it's resting on a surface.

Question 4 (4 marks)

Haley is the CEO of eChemist. She is considering altering the company's vision statement to focus on a commitment to environmental sustainability.

Describe how the vision statement affects the planning undertaken by the CEO of eChemist.

This image shows a single 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 5 (3 marks)

Identify and explain how an area of management responsibility can contribute to the achievement of eChemist's focus of becoming more environmentally sustainable.

[illegible]

Question 6 (3 marks)

Describe a strategy that eChemist could use to improve the efficiency and effectiveness of its operations in relation to waste minimisation in the production process.

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 (4 marks)

Explain how Lewin's Three Step Change Model can be used to support the socially responsible management of change at eChemist.

[illegible]

END OF QUESTION AND ANSWER BOOKLET

Extra space for responses

Clearly number all responses in this space

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.