



Victorian Certificate of Education
2023

Name: _____

Teacher's name: _____

STUDENT NUMBER

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Letter

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UNITS 3&4 BUSINESS MANAGEMENT – TRIAL 1

Written examination

2023

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	4	4	40
B	7	7	35
			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 correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied

- Question and answer book.
- Additional space is available at the end of the book if you need extra space 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 (11 marks)

A-Team Adventure Tours (AAT) started as a partnership in 2019 between friends, Allegra and Aria, and offers guided historical and adventure tours around Australia. Following a challenging two years, in 2022, Allegra and Aria expanded the business and employed five employees to assist with the increased demand for their tours; however, after six months, three of the employees resigned due to low job satisfaction.

- a.** Define the term 'partnership.' Refer to A-Team Adventure Tours in your response. 2 marks

- b.** With reference to the current situation at A-Team Adventure Tours, explain **one** entitlement consideration and **one** transition consideration. 3 marks

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- c. Analyse how **one** of the following theories of motivation could be applied to address the issue of low job satisfaction among employees at A-Team Adventure Tours: 6 marks
- The Hierarchy of Needs Theory (Maslow)
 - Goal Setting Theory (Locke and Latham)

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Question 2 (15 marks)

The recent trend of inflating oil prices has led to a substantial rise in airline ticket prices and a reduction in the number of customers for Platypus Airlines Ltd; senior management is predicting sales and profits will continue to decline over the next 12 months as inflation and rising interest rates have a negative impact on domestic and international travel. In light of this, senior management is reviewing all areas of the company to reduce operating costs.

- a.** Distinguish between a proactive and reactive approach to change. Refer to Platypus Airlines Ltd in your response. 4 marks

- b.** With reference to an example, define the term 'stakeholder.' 2 marks

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- c. Analyse one impact that the reduction in customer numbers may have on Platypus Airlines Ltd's employees and one other stakeholder. 4 marks

- d.** In relation to time, describe and justify an appropriate management style that could be used by senior management at Platypus Airlines. 5 marks

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Question 3 (4 marks)

Explain how **one** driving force and **one** restraining force may have influenced change in a contemporary business that you have studied.

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Question 4 (10 marks)

The real corporate culture of a business can sometimes be very different from its official corporate culture, which can lead to problems with performance – both financially and non-financially – to which the business must respond with positive change. If the culture for change is not positive, however, the changes will likely fail.

- a. Compare real corporate culture and official corporate culture. Refer to **one** strategy that can be used to develop each in your response. 4 marks

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- b.** Explain how **two** principles of Senge's Learning Organisation can be used to create a positive culture for change. 6 marks

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SECTION B

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.

Sheeran Electric Cars Pty Ltd has become a leading producer of electric and hybrid cars, being rated as the highest-performing electric car manufacturer for quality, productivity, safety and both employee as well as customer satisfaction in 2022. The company has established an excellent workplace relations record, which its founder and CEO, Anthony Sheeran, believes stems from the following factors: its strong corporate culture and focus on people; its pursuit of excellence in all aspects of its operations; and its ability to distinguish itself from other car manufacturers, which are still producing petrol-only cars.

Established 10 years ago, the company initially struggled to gain any substantial market share as its hybrid and electric cars were considered to be relatively new innovations. Issues with its operations were widespread, leading to long delays for new car orders, faulty cars being returned and a feeling of distrust between management and employees.

In 2014, faced with low sales, huge financial losses and the prospect of bankruptcy – but with a product he believed could change the world – Anthony decided to take a risk and expanded his management team. He introduced two experienced managers in Operations and Human Resources to address concerns with quality, waste and low employee motivation. The rest, as Anthony says, ‘is history’ as the company is now highly profitable and an international benchmark that is used by other electric and hybrid car manufacturers.

Question 1 (2 marks)

Outline the relationship between human resource management and business objectives.

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Question 2 (3 marks)

Explain how the human resource manager could have supported Sheeran Electric Cars Pty Ltd to develop an 'excellent workplace relations record.'

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Question 3 (4 marks)

Compare the characteristics of operations management within a manufacturing business (such as Sheeran Electric Cars) with those of a service business.

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Question 4 (10 marks)

Evaluate Porter's generic strategies of lower cost and differentiation to improve business performance. Refer to Sheeran Electric Cars Pty Ltd in your response.

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Question 5 (6 marks)

Describe how Sheeran Electric Cars Pty Ltd could have implemented Lewin's Three Step Change Model to address concerns that are related to its operations.

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Question 6 (4 marks)

Justify **two** motivation strategies that could have addressed concerns of low employee motivation at Sheeran Electric Cars Pty Ltd.

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Question 7 (6 marks)

Explain how the following strategies could have improved the efficiency or effectiveness of operations at Sheeran Electric Cars Pty Ltd:

- Total Quality Management
- Lean management

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END OF QUESTION AND ANSWER BOOK

Extra space for responses

Clearly number all responses in this space.

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