

Student Name:



2024 BUSINESS MANAGEMENT UNIT 3 &4

Trial Examination

Reading Time: 15 minutes

Writing Time: 2 hours

QUESTION & ANSWER BOOK

Structure of book

<i>Section</i>	<i>Number of questions</i>	<i>Number of questions to be answered</i>	<i>Number of marks</i>
A	6	6	50
B	6	6	25
			Total: 75

- Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners, 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 22 pages

Instructions

- Answer all questions in the answer book.
- All written responses must be in English.

Students are not permitted to bring mobile phones and/or any other unauthorized electronic devices into the examination room.

Instructions

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

SECTION A

Question 1 (7 marks)

Vic's Carpets sells low-cost carpets and floor coverings. In 2023, they made the decision to source most of their supplies of carpet products from businesses based in India, China and Hong Kong.

- a. Define the term 'supplier' and explain how suppliers are stakeholders of Vic's Carpets. 3 marks

Vic, the owner of Vic's Carpets has been analysing competitors within the industry and has decided to use Porter's lower cost strategy.

- b.** Explain how the use of Porter's lower cost strategy could improve the performance of Vic's business.

4 marks

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Question 2 (8 marks)

Lenny's Lights has been highly profitable over the last 12 years, selling a wide range of light fittings and home décor products. The owner, Leonora Lewis, uses industry awards to determine the pay and conditions relating to the 15 employees in her business. She increased staffing levels due to the business's success in 2022, however, the economic climate has seen a downturn in sales and Leonora has decided to make 5 staff redundant and change suppliers to reduce operating costs.

- a. Evaluate the use of awards to determine the pay and conditions for Lenny's Lights. 5 marks

[illegible]

b. Discuss redundancy as a termination method.

4 marks

- c. Describe **one** entitlement consideration for the employees who have been made redundant at Lenny's Lights.

2 marks

Question 3 (4 marks)

Explain how the use of **one** of the following performance management strategies could achieve employee objectives.

- Self-evaluation OR
- Employee observation

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Question 4 (10 marks)

Apple Inc. is an American multinational corporation and technology company headquartered in California. It designs, develops and sells consumer products including iPhones. The Smartphone industry is highly competitive, constantly being pressured to change by design and develop innovative features to capture market share. Telecommunications companies need to become Learning Organisations.

Using Apple Inc. or another contemporary business case study, analyse:

- the concept of change
- the importance of leadership when applying the principles of the Learning Organisation (Senge) to transform a business.

[illegible]

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Question 5 (10 marks)

Truong and Hanh own two highly successful Vietnamese restaurants in Essendon and Northcote. They have been investigating opportunities to purchase a third restaurant in an inner-city area of Melbourne. Their accountant has researched three restaurants that are currently for sale that are excellent opportunities and very similar in location, customer base and size. The following KPI's have been provided to help Truong and Hanh make their decision.

Table 1: Data relating to the month of May 2024			
	Option 1	Option 2	Option 3
Number of Sales	9 600	14 000	10 000
Number of Customer Complaints	3	46	11
Level of Staff Turnover	2%	10%	3%
Number of Workplace Accidents	1	5	2
Net profit figures	540 000	535 000	538 000

- a. Interpret the KPIs provided in Table 1 to justify which restaurant Truong and Hanh should purchase. 6 marks**

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[illegible]

b. Analyse two management strategies to respond to two different key performance indicators for Option 2 in Table 1. 6 marks

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[illegible]

Question 6 (6 marks)

Montgomery Financial Services (MFS) have just been informed that a media story will be run outlining their overcharging of clients. The media story, as outlined would do considerable damage to the reputation of Montgomery Financial Services. Jacob Peterson, Head of Operations, has been aware that several complaints have been received from clients and he has assumed that customer relations staff have dealt with the issues. Jacob's natural leadership style has been described as very 'laissez-faire' with the use of a lot of delegation allowing employees to be able to control their roles.

Jacob is holding an emergency meeting with the customer service team and is reflecting on the management style and skills needed to successfully manage this crisis.

Explain the relationship between management styles and management skills as they relate to Jacob Peterson and the situation at Montgomery Financial Services (MFS).

[illegible]

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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.



Alpine Natural Foods is a national supplier of pre-cooked meals supplying major Australian supermarket chains, catering groups and airlines.

CEO: Alissa Jones

Stock price: \$12.45(ASX)

Headquarters: Melbourne, VICTORIA

Production facility: Doveton, VICTORIA

Founded: 31 October 1978

Number of employees: 2 300 (2024)

Daily Times: Alpine Natural Foods to expand their range
7 May 2024, Peter Sinclair, Daily Times article.

Alpine Natural Foods has launched more than 30 convenient new fresh meal solutions to help customers save food preparation time. The new product range has been incredibly successful with an 8% growth in market share for the company who were close to closing down post-Covid.

The following comment is from a spokesperson for Alpine Natural Foods, Paul Johnson, Operations Manager.

“We’ve listened to customer feedback relating to environmental concerns and have reviewed our entire operations process, looking for ways to minimise waste. During a series of ‘think tank’ meetings held in late 2023, employees were asked to have input into our Sustainability Policy where ALL processes and supply chains were investigated to identify waste and eliminate it.

We have also formed partnerships with agencies to provide crisis food relief, by providing food for those who are in need.

A key to our success is that we use the freshest ingredients for our recipes, use computer aided manufacturing to ensure consistency in quality and have eliminated plastic packaging to ensure that all the packaging of our products can be recycled. Our fleet of delivery vans used to deliver meals daily to major supermarket chains were upgraded in January 2024 and are now ‘all electric’, further reducing the carbon footprint of our operations.

Source: [https://DailyTimes.com.au/Business Management News](https://DailyTimes.com.au/Business%20Management%20News)

Question 1 (4 marks)

Explain **two** driving forces that have pressured Alpine Natural Foods to introduce change.

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Question 2 (5 marks)

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Question 3 (6 marks)

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Question 4 (3 marks)

Analyse the use of computer-aided manufacturing techniques at Alpine Natural Foods to improve the efficiency of its processes.

Question 5 (3 marks)

Propose and justify a global consideration that could meet shareholder expectations at Alpine Natural Foods.

Question 6 (4 marks)

Explain **two** corporate social responsibility considerations for the operations manager at Alpine Natural Foods.

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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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[illegible]