Neap:

Trial Examination 2018

VCE Business Management Units 3&4

Written Examination

Question and Answer Booklet

Reading time: 15 minutes
Writing time: 2 hours

Student's Name: _____

Teacher's Name: _____

Structure of booklet

Section	*Number of questions*	*Number of questions to be answered*	*Number of marks*
A	5	5	50
B	6	6	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 booklet of 23 pages.

Additional space is available at the end of the booklet if you need extra paper to complete an answer.

Instructions

Write your **name** and your **teacher's name** 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.

Students are advised that this is a trial examination only and cannot in any way guarantee the content or the format of the 2018 VCE Business Management Units 3&4 Written Examination.

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SECTION A

Instructions for Section A

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

Question 1 (2 marks)

Distinguish between a sole trader and a partnership.

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Question 2 (19 marks)

Many managers now use a participative management style when working with employees.

a. Describe **two** features of a participative management style and explain **two** management skills a manager would use when implementing this style. 6 marks

b. Analyse the relationship between managing employees and business objectives. 3 marks

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c. Describe the key principles of Locke and Latham's Goal Setting Theory of motivation. 4 marks

d. Discuss **one** motivation strategy that may be used by a manager. In your response, provide **one** possible short-term and **one** possible long-term effect on motivation of the selected strategy. 6 marks

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Question 3 (12 marks)

Education Training Systems (ETS) is a business that provides consultancy services and staff training to health care and administration businesses. ETS has grown rapidly during the past five years and has employed a number of new staff. The director, Esme Jensen, is looking at expanding her business into other Australian states, as well as India and the Philippines. As part of this plan she is investigating the possibility of creating and outsourcing some of the training programs and moving managers overseas to train and establish new offices.

a. Explain the importance of leadership in change management. 2 marks

b. Identify and discuss **one** management strategy which Esme could implement to seek new business opportunities domestically or globally. 5 marks

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c. Esme is concerned about the impact of the expansion on the corporate culture of the business.

Distinguish between official and real corporate culture, and propose and justify **one** strategy Esme could implement to further develop corporate culture. 5 marks

Question 4 (7 marks)

a. Explain the key elements of an operations system and provide an example of each element from a contemporary business case study. 4 marks

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b. Compare the characteristics of operations management within both a manufacturing business and a service business. 3 marks

Question 5 (10 marks)

Outline the key principles of Lewin's Force Field Analysis theory, identifying and explaining **two** driving forces for change and **two** restraining forces for change on a business, and why businesses need to consider these forces when transforming a business.

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END OF SECTION A

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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.

Case study

Premier Research Institute is a business that is at the cutting edge of new technology and research in skincare preparations and treatments. An independent consultant has been hired to look at the performance of the business as the owners are considering expanding into advanced skincare preparations for hospitals and medical centres.

The consultant has prepared his final report. Some of the findings and data from the report are shown below.

Key performance indicator	2015	2016	2017	2018
number of sales ($'000)	413	450	530	570
percentage of market share (%)	19	20	22	23
rate of productivity growth (%)	9	11	12	11
level of wastage (%)	4	5	4	6
level of staff turnover (%)	5	6	8	11

Other information:

- Management at Premier Research Institute are looking at taking over one of the other small research companies in Victoria.
- Demand for products in Australia as well as New Zealand is forecast to increase.
- The business has started negotiations with a manufacturer in Sri Lanka to supply some of the ingredients.

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Question 1 (2 marks)

Explain how key performance indicators provide a source of data to analyse the performance of the business.

Question 2 (4 marks)

Describe the effect of the proposed change on **two** stakeholders of Premier Research Institute.

Question 3 (5 marks)

Identify and explain **two** global considerations that Premier Research Institute should address as it seeks to modify its operations system in light of the proposed changes.

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Question 4 (6 marks)

Define **two** of the key performance indicators in the table and explain what information they provide to the owners of Premier Research Institute.

Question 5 (4 marks)

Outline **one** of Porter's Generic Strategies and explain how Premier Research Institute could use this approach in the strategic management of the business.

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Question 6 (4 marks)

Premier Research Institute would like to use low-risk strategies to address possible employee resistance in the business.

Propose and justify **one** low-risk strategy the business could use, and explain the benefits of such a strategy.

END OF QUESTION AND ANSWER BOOKLET

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Extra space for responses

Clearly number all responses in this space.

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