

**'2017 Examination Package' -** Trial Examination 6 of 7

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# **BUSINESS MANAGEMENT**

Units 3 & 4 – Written examination (TSSM's 2015 trial exam updated for the current study design)

Reading time: 2 hours
Writing time: 15 minutes

# **QUESTION & ANSWER BOOK**

#### Structure of Book

| Section   | Number of | Number of questions | Number of |
|-----------|-----------|---------------------|-----------|
|           | questions | to be answered      | marks     |
| Section A | 6         | 4                   | 50        |
| Section B | 1         | 1                   | 25        |
|           |           |                     | 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 white out liquid/tape.
- No calculator is permitted in this examination.

#### **Materials supplied**

• Question and answer book of 18 pages.

#### **Instructions**

- Print your name in the space provided on the top of this page.
- All written responses must be in English.

Students are NOT permitted to bring mobile phones and/or any other unauthorised electronic communication devices into the examination room.

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# **SECTION A**

| Answer all questions in the space provided.   |
|---|
| Question 1 (12 marks)  Fire in the Skye Pty Ltd is a family run business that specialises in fireworks, pyrotechnics and special effects for movies and television. It has a state of the art manufacturing plant in Victoria. The CEO is considering downsizing staff as it considers outsourcing production to China to reduce costs and increase efficiency.  a. Define the term downsizing.  1 mark |
| <ul> <li>b. Distinguish between senior and middle management describing the type of planning that each of these levels of management would undertake.</li> <li>4 marks</li> </ul>   |
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 $\begin{center} \textbf{SECTION A} - \textbf{Question 1 -} continued \end{center}$ 

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|        | JSMAN EXAM   |
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| с.     | Explain one corporate social responsibility consideration for Fire in the Skye Pty Ltd in relation to outsourcing its production to China.  2 marks  |
|        |  |
| <br>d. | The operations manager is considering other ways to reduce costs in the manufacturing plant Explain a materials management strategy to optimise operations. Include <b>one</b> advantage and <b>one</b> disadvantage of this strategy in your response.  5 marks |
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**SECTION A – Question 1 -** continued

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© TSSM 2017 Page 3 of 3

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| Xe<br>rec<br>the | nos Hotels has established a chain of hotels across Australia and, despite strong profits in ent years, is concerned by growing competition. To maintain the high levels of productivity business is considering installing a new computer system in the reservations section at each tel within the next six months. |
| a.               | Describe employees as a restraining force and explain <b>one</b> high risk strategy for dealing with this employee resistance.  |
|                  | 4 marks   |
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© TSSM 2017 Page 4 of 4

| BUSMAN EXAM  |        |
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| <b>b.</b> Outline the key elements of the operations system at the Xenos Hotels.                           |        |
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| Question 3 (6 marks)  Describe two corporate social responsibility considerations in an operations system. |        |
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**SECTION A – Question 3 -** continued

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© TSSM 2017 Page 5 of 5

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| Question 4 (7 marks)   |
| Change whether from internal or external sources, small or large involves adopting new   |
| mindsets, processes, policies, practices and behaviours.<br>Explain the concept of business change and explain key performance indicators as sources of data |
| to analyse business performance. In your response outline two key performance indicators a   |
| business may refer to.   |
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SECTION A – Question 4 - continued

© TSSM 2017 Page 6 of 6

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**SECTION A** –continued

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© TSSM 2017 Page 7 of 7

#### **Question 5 (8 marks)**

Fielding & Devon is a recently established law firm operating as a partnership. Dave Rodgers, the Human Resource Manager, has been called by CEO, Ian Fielding, to explain the high number of recent resignations from the business. Most resignations have been from the younger graduates who have complained about the lack of direction, no sense of belonging and no support given by the business.

Ian has suggested that Dave needs to consider a means of motivating staff as a means of reducing staff turnover.

| Explain Lawrence and Nohria's theory of motivation and apply it to the situation at Fielding & Devon. |
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SECTION A – Question 5 - continued

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© TSSM 2017 Page 8 of 8

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| Question 6 (10 marks)  M J Architects & Building Construction has recently undergone a number of changes in its structure, objectives, management team and vision to be able to provide its customers with the highest quality services at the most affordable prices. |
| More specifically the changes mean:  |

- the 300 employees will now be paid under a collective agreement rather than an award
- performance appraisals will be on a three month cycle to ensure that staff meet company objectives
- the senior management team has moved towards a more consultative style of management

| Explain what a collective agreement is and the role of the human resource manager, employees    |
|---|
| and the Fair Work Commission in this process. In your response also describe what is meant by a |
| performance appraisal and how it may be linked to a collective agreement and the achievement of |
| business objectives. Evaluate the use of the consultative management style by the senior        |
| management team at MJ Architect & Building Construction when developing the collective          |
| agreement.  |
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**SECTION A – Question 6 -** continued

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© TSSM 2017 Page 9 of 9

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**SECTION A – Question 6 -** continued

© TSSM 2017 Page 10 of 10

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END OF SECTION A
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© TSSM 2017 Page 11 of 11

#### **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.

#### **Question 1**

Login Australia is a leading information technology services business employing over 1200 consulting staff nationwide. It recently went through significant change acquiring Linx IT Services based in Melbourne. Since the takeover senior management have noticed that staff morale has dropped as both companies merged into one. More staff are looking for jobs elsewhere and the human resource manager is under pressure to address these staffing issues.

| a. | Describe <b>two</b> driving forces for change that would affect Login Australia. | 4 marks |
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SECTION B – Question 1 - continued

© TSSM 2017 Page 12 of 12

| b. | When there are forces driving change there are often forces resisting that change. Describe <b>two</b> possible restraining forces that may impact Login Australia as they attempt to change. |
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| c. | With the use of an example, explain how the interests of <b>two</b> stakeholders of Login Australia could come into conflict.   |
|    | 4 marks   |
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**SECTION B – Question 1 -** continued

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© TSSM 2017 Page 13 of 13

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| d. | Discuss Maslow's theory of motivation as a means of addressing the current staff morale a |
|    | Login Australia. 4 mark   |
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SECTION B - Question 1 - continued

© TSSM 2017 Page 14 of 14

| <ul><li>e. The takeover of Linx IT has impacted the culture of the business.</li><li>i. Define corporate culture and distinguish between the official culture and the results.</li></ul> |     |   |  |  |
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|  |     | culture of a business.  3 marks   |  |  |
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|  | ii. | Suggest <b>one</b> key performance indicator that management at Login Australia could use to evaluate the corporate culture of the business after the takeover and justify your choice. |  |  |
|  |     | your choice.  2 marks   |  |  |
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 $\begin{center} \textbf{SECTION B} - \textbf{Question 1 -} \\ \textbf{continued} \end{center}$ 

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© TSSM 2017 Page 15 of 15

| f. | Explain <b>two</b> management skills that the human resource manager would use when dealing with staffing issues at Login Australia. |
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END OF QUESTION AND ANSWER BOOK

© TSSM 2017 Page 16 of 16

# Extra space for responses Clearly number all responses in this space.

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© TSSM 2017 Page 17 of 17

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© TSSM 2017 Page 18 of 18