



Figures									Letter
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Name _____

VCE BUSINESS MANAGEMENT 3/4 2019

Practice examination No. 2

Reading time: 15 minutes

Writing time: 2 hours

QUESTION AND 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	3	3	50
B	6	6	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 20 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 (14 marks)

South East Laundry is a private limited company that provides a laundry service to the South-Eastern suburbs of Melbourne. Its customers include hotels, motels, restaurants, hospitals, aged-care facilities, golf clubs and party-hire businesses. South East Laundry's mission is "to provide quality laundry services at affordable prices." It values customers first, cleanliness, integrity and professionalism. The company recently explored the possibility of becoming a public listed company, but decided against this. The CEO of South East Laundry believes that employees must be closely supervised as this maximises productivity and reduces the amount of time wasted. The business has an increasing rate of staff absenteeism and the level of staff turnover has become unacceptably high.

- a. Define the term 'private limited company'. 2 marks

- b. Outline **one** reason why a business may choose to operate as a private limited company rather than as a public listed company. 2 marks

- c. Other than 'to make a profit', describe **two** business objectives that would be relevant to South East Laundry. 4 marks

d. Distinguish between official and real corporate culture.

2 marks

e. Identify and justify **two** motivation strategies to improve the corporate culture at South East Laundry.

4 marks

Question 2 (26 marks)

Bendigo Brewed Drinks Ltd manufactures soft drink products at its production facilities in Australia. One of Bendigo Brewed Drinks' objectives is to become a global brand. The business currently employs 250 people in Australia and New Zealand. Working hours and conditions are determined by the relevant award. However, the business is considering establishing an agreement with employees, which has the support of the union.

- a. Explain how the interests of **two** stakeholders at Bendigo Brewed Drinks may potentially be in conflict. 4 marks

- b. Explain how **two** areas of management responsibility might contribute to the achievement of Bendigo Brewed Drinks' objective of becoming a global brand. 4 marks

c. Describe how each of the following strategies could assist Bendigo Brewed Drinks in improving its operations. 4 marks

• master production schedule _____

• lean management _____

- d. Explain a strategy that Bendigo Brewed Drinks could use to improve the efficiency and effectiveness of its operations related to technological developments. 3 marks

f. Evaluate either awards or agreements as suitable methods of determining wages and conditions of work at Bendigo Brewed Drinks. 5 marks

Question 3 (10 marks)

Describe **two** driving forces for change and **two** restraining forces in businesses. Apply the principles of the Force Field Analysis theory (Lewin) to a contemporary business case study from the past four years.

Section B – Case Study

Instructions for Section B

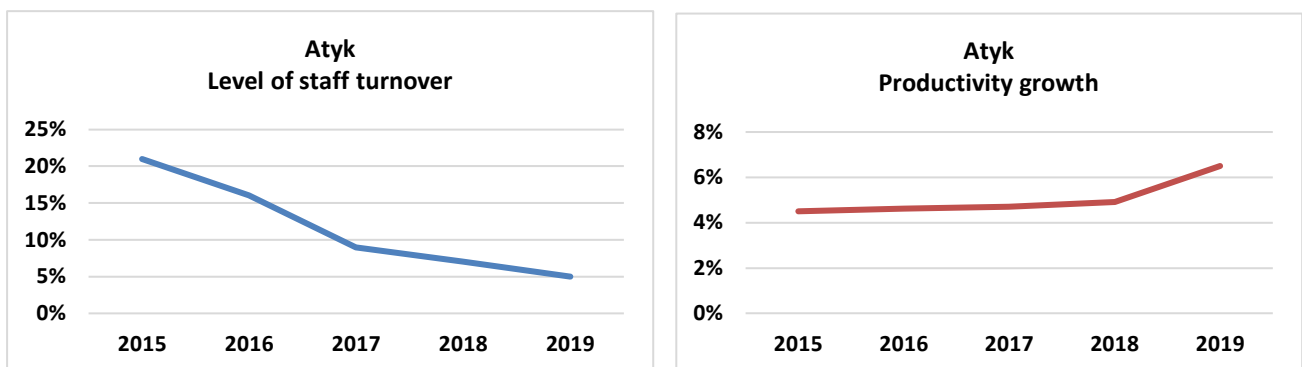
Use the case study provided to answer the questions in this section. Answers must apply to the case study.

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

Case Study

Atyk is a manufacturer of equipment for the mining and construction industries. It has a large market share in Australia and growing exports to Asia. The company was formed in the 1980s. It currently employs approximately 400 people in its two manufacturing sites and headquarters. The business has implemented a number of initiatives with the intention of developing the company into a learning organisation. These changes have been introduced to position the business for the future.

Atyk has implemented a team approach, where teams develop their own goals that align with business objectives. A great deal of effort has gone into setting up programs that allow people to make a greater contribution to the success of the business, including encouraging employees to undertake personal growth and learning. The business has also introduced a more flexible workplace. These arrangements include split shifts and job sharing. While there has been some resistance from employees, the business has seen huge improvements in productivity and staff turnover.



Atyk also developed a new vision and mission statement with employees. This process began with the business's management team explaining the change to shareholders, employees and customers. The following statements were recently communicated to all stakeholders:

Our Vision

- A global leader in our production and application

Our Mission

- We are passionate about innovation and continuous improvement
- We set high standards in all of our activities
- We are focused on the needs of our customers

Atyk CEO Ashlee Brewer has said that the business is taking a long-term view in regards to ensuring that the company is successful. She has also said that the management team had analysed all parts of the business and is acting on what had been learnt.

Question 1 (2 marks)

Explain how leadership would be important in the management of the change at Atyk.

Question 2 (4 marks)

Referring to **two** factors in relation to the appropriateness of management styles, justify the use of the participative management style at Atyk.

Question 4 (6 marks)

Discuss **two** suitable training options that could be used for employees at Atyk. Recommend which option the business should adopt.

Question 5 (4 marks)

Describe the benefits for Atyk of adopting **two** low-risk strategies to overcome employee resistance.

Question 6 (4 marks)

Define and justify **two** performance indicators that Atyk could use to measure the effectiveness of change.

END OF QUESTION AND ANSWER BOOKLET

