1. Glossary of terms

Students should prepare a comprehensive glossary of key terms that are used in the study design. These terms typically arise from the key knowledge within each area of study. As every area of study in Units 3 and 4 has the following key skill, ‘define, describe and apply relevant business management concepts and terms’, students need to be prepared for questions that assess this skill.

Students should treat their glossary as a dynamic resource, always updating it as their understanding of the terms expands. A digital glossary supports these modifications as well as allowing hyperlinking to other resources, such as illustrative case studies, notes and websites.

An effective and fun revision activity is a ‘terminology quiz’. This can be played as a team sport activity where the class is divided into two or more teams. A set of terms with their definitions is printed on individual small strips of paper, which are placed in a box. One team member selects a piece of paper and then their opposing team member is required to either define the term or name the term if the definition is provided. Two points are allocated for a correct individual answer; however, conferring with another team member only earns one point for a correct answer. This game works well when students are revising individual areas of study and as a general revision activity for both units.

1. Question techniques

Students should apply a routine when answering examination questions. Following is a suggested approach to address examination questions.

* Read each question carefully to determine its component parts. There could be more than one requirement and sometimes when students are under pressure they tend to answer only the first part of a question. For example, Question 1 of the VCAA sample written examination for VCE Business Management (<http://www.vcaa.vic.edu.au/Documents/exams/busmngmnt/busman-samp-w.pdf>) reads ‘Define the term “social enterprise” and give one example of a distinguishing feature of a social enterprise’. Students could not score full marks (2 marks) if they did not define the term and provide an example.
* Use a highlighter pen to mark the different elements of a question. Different colours can be used to identify task words, key terms and the number of question parts. **Note:** Task words are sometimes referred to action, command or direction words. Students should have a colour-coding system organised well before the examination so this technique becomes automatic and readily understood when under pressure.
* Pause, think and then write. Pausing allows the recall of the theory related to the question and thinking involves understanding clearly what is required of the question. When writing, students need to make sure that the answer meets the requirements of the task word. They should also check that they have answered all the requirements including when examples are requested.
1. Task words

Students should know the task words they are likely to encounter in examination questions. They need to understand the requirements of a specific task word, recognise whether it is a low-order or high-order question and then determine the requirements of the question in relation to the space provided and the mark allocation.

As indicated in past VCE Business Management examination reports (<http://www.vcaa.vic.edu.au/Pages/vce/studies/busmngmnt/exams.aspx#H2N1002A>), many students do not know the meaning of task words, which impedes their ability to understand the requirements of a question.

Students must respond correctly to the task words to ensure full marks can be gained for a question. The sample written VCE 2017 Business Management examination uses the following task words in the questions: compare, define, describe, discuss, evaluate, explain, identify, illustrate, justify and propose, with the most commonly used task word being ‘explain’. It should also be noted that additional task words included in the 2015 and 2016 VCE Business Management examinations were: apply, analyse, distinguish and outline.

The following table shows task words that are included in either the outcome statements or in the key skills of Units 3 and 4 in the current study design. Students should be familiar with the meaning of each of these task words.

summary of Task words in Units 3 and 4

|  |  |
| --- | --- |
| **Outcome task words** | **Key skill task words** |
| AnalyseApplyDiscussExplainEvaluatePropose | AnalyseApplyCompareDefineDescribeDiscuss | EvaluateExamineInterpretJustify Propose Research |

1. Sample Questions and answers

**Task word: Discuss**

Meaning: Briefly define the key terms, explain the key elements and why they are important. Examine both sides—benefits and limitations of an issue.

Question 1 (4 marks)

Discuss the use of the participative management style in resolving conflict in the workplace.

*Sample answer:*

A participative management style is one where the manager works with the employees to agree on a decision together. This involves two-way communication and the employees have the opportunity to share ideas and be involved in the decision-making process.

The use of the participative management style by management in resolving conflict can be beneficial as the managers and employees work together to arrive at a decision or resolution. Agreeing on a decision will promote positive employee relations.

A limitation of the participative management style in resolving conflict is that it is time-consuming. Employers need to listen to employees’ opinions and both management and employees need to strive to reach an agreed decision. This may escalate the conflict if a decision cannot be agreed upon in a timely manner.

*Marking guide:*

***1 mark*** *for defining participative management style*

***1 mark*** *for explaining a benefit of the management style*

***1 mark*** *for explaining a limitation of the management style*

***1 mark*** *for linking the management style with resolving conflict*

Question 2 (4 marks)

Discuss the use of Maslow’s Hierarchy of Needs theory in improving productivity in the workplace.

*Sample answer:*

Maslow’s theory states that employees are motivated by satisfying a hierarchy of five needs. Each level within the hierarchy acts as a motivator until it has been met, and once the need is fulfilled it no longer acts as a motivator. Each level needs to be achieved in order of importance. From the bottom to the top of the hierarchy, the levels include physiological, safety, social (belongingness), esteem and self-actualisation.

The benefit of using Maslow’s theory to improve productivity is that it will assist a manager to motivate individual employees by meeting each of their level of needs according to the hierarchy. If a manager can meet employees’ needs in order of importance, it can motivate them and thereby lead to increased productivity within the workplace.

However, the theory has its limitations as identifying the level each employee is at on the hierarchy and determining and implementing an appropriate strategy for each employee is difficult. Therefore, it might be difficult to motivate the employees as a group and time-consuming to identify each need, which will adversely affect productivity.

*Marking guide:*

***1 mark*** *for outlining Maslow’s theory*

***1 mark*** *for explaining a benefit of the motivational theory*

***1 mark*** *for explaining a limitation of the motivational theory*

***1 mark*** *for linking the theory to productivity*

**Task word: Evaluate**

*Meaning:* Define the key terms and provide both positive and negative judgements about an action or event. Use examples, where appropriate. Describe to what degree an action or an event succeeded. Was it a success? Why or why not? It is important to provide an opinion or a value judgment.

Question 3 (4 marks)

Evaluate the use of performance-related pay to increase the long-term motivation of employees.

*Sample answer:*

Performance-related pay is a reward that an employee might receive in addition to their normal wage as recognition for exceeding a standard set by their employer.

With this type of strategy, if employees achieve set goals they typically receive financial rewards such as bonuses and commissions. Therefore, performance-related pay might have a positive effect on the motivation of employees in the long-term as individual employees may continually strive to meet goals set by management in search of increasing financial rewards.

However, a limitation of motivating employees with performance-related pay is that some rewards, such as bonuses and commissions, may cause conflict among employees. This could create a negative culture and cause conflict within the workplace, therefore not motivating the employees in the long-term.

Overall, it is unlikely that performance-related pay will motivate employees in the long-term as it is an extrinsic reward, which usually only motivates employees in the short-term. Intrinsic rewards, such as career progression and greater levels of self-management, are more likely to motivate employees in the long-term.

*Marking guide:*

***1 mark*** *for defining performance-related pay*

***1 mark*** *for explaining a benefit of performance-related pay*

***1 mark*** *for explaining a limitation of performance-related pay*

***1 mark*** *for explaining why/why not performance-related pay will be successful in motivating employees in the long-term*

**Task word: Compare**

*Meaning:* Explain the points of similarities and differences between them.

Question 5 (4 marks)

Compare the **two** quality management strategies of quality control and quality assurance.

*Sample answer:*

Quality control involves the use of **inspections** at various points in the process of manufacturing a product to check for problems and defects against predetermined standards **whereas** Quality assurance involves continuous **inspections** with procedures and practices being put in place relating to quality, customer satisfaction and continuous improvement. Documentation of processes is used that includes establishing controls, forms of corrective action and audits.

The similarity between quality control and quality assurance is that they **both involve inspections** during the production process to identify and remove defective products and **both** ensure that customers do not receive a faulty product.

A difference between quality control and quality assurance is that quality control is a **reactive** **approach** to quality management because items are checked at the post-production stage against predetermined standards. **However,** quality assurance adopts a **proactive approach** to the management of quality as it builds quality checks into processes and procedures during the production stage. [Additionally, a business adopting a quality assurance approach can apply for international accreditation (ISO 9000 series), which involves having its quality management system audited and, if successful, its products, services or systems internationally recognised and accredited whereas Quality control checks have the standards set within the business]

*Marking guide*:

***Remember, when comparing, you must identify FEATURES to explain outline similarities or differences. Ideally 1 point for mark with both similarities and differences outlined.***

***As a guide:***

***2 marks*** *for describing two similarities between quality control and quality assurance*

***2 marks*** *for describing two differences between quality control and quality assurance [with a linking word between each different feature eg. whilst, however, whereas]*

Question 6 (4 marks)

Compare the features of an award and an agreement in setting wages and working conditions in the workplace.

*Sample answer:*

An award is a legally binding agreement that sets out the minimum wages and working conditions for an industry **whereas** an agreement sets out the minimum wages and working conditions for a group of employees within an individual business or for an individual employee.

A similarity between an award and an agreement is that they **both** set out the minimum wages and working conditions for a group of employees in a workplace and **both** must include the 10 National Employment Standards (NES).

A difference between them is that an award is created by the Fair Work Commission with employer associations and unions making recommendations on what should be included whereas agreements are created following a period of negotiation (bargaining) between an employer and their employees at the workplace or with the assistance of a union acting as their bargaining agents.

*Marking guide:*

***2 marks*** *for describing two similarities between an award and an agreement*

***2 marks*** *for describing two differences between an award and an agreement*

**Task word: Justify**

*Meaning:* Recommend a choice with supporting arguments.

Question 7 (2 marks)

Justify the use of **one** management skill to ensure that managers can implement change effectively in the workplace.

*Sample answer:*

Communicating is the effective transfer of information between sender and receiver and includes listening to feedback. Managers need to use the skill of communicating when changes are occurring in a business. This would ensure that employees understand the nature of the change and why the change is needed. Communication also allows the manager to listen to ideas from employees, which would facilitate a smoother change. When employees have a voice they become more involved in the change process.

*Marking guide:*

***1 mark*** *for defining a management skill*

***1 mark*** *for describing how the management skill can help a manager implement change successfully*

Question 8 (2 marks)

Justify **one** strategy that a manager could implement to improve the corporate culture of a business.

*Sample answer:*

A manager could use employee training as a strategy to improve the corporate culture of a business. Training could increase employees’ awareness of the values of the business, such as providing exceptional customer service, and provide employees with the skills and knowledge to provide the required level of customer service.

*Marking guide:*

***1 mark*** *for describing a strategy*

***1 mark*** *for describing how the strategy could help a manager improve the corporate culture of a business*