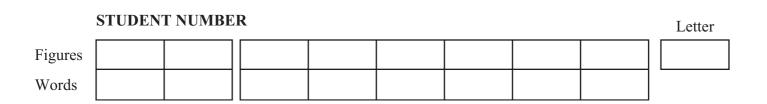




SUPERVISOR TO ATTACH PROCESSING LABEL HERE

Victorian Certificate of Education
2007



BUSINESS MANAGEMENT

Written examination

Friday 16 November 2007

Reading time: 11:45 am to 12.00 noon (15 minutes) Writing time: 12.00 noon to 2.00 pm (2 hours)

QUESTION AND ANSWER BOOK

Structure of book

Number of	Number of questions	Number of
questions	to be answered	marks
3	3	

- 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 allowed in this examination.

Materials supplied

- Question and answer book of 16 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.

Instructions

2

Answer all questions in the spaces provided.

Question 1

Staff turnover at White Sands, a major Queensland resort island, has been cut dramatically because of innovative personnel strategies. These strategies were introduced by Wendy Howard, Human Resource Manager. The Queensland Airlines Company operates White Sands which is located near the Great Barrier Reef. In May 2007, the Chief Executive Officer conducted a SWOT (strengths, weaknesses, opportunities and threats) analysis that resulted in the introduction of a decentralised management structure that encouraged greater staff participation.

Subsequently, Wendy conducted a training needs analysis that resulted in an induction program modelled on her observations of best practice companies. She also introduced a new training policy for existing staff. The new training policy encouraged multiskilling so staff could swap positions and transfer between departments. Wendy also introduced regular performance appraisals. She generated commitment and loyalty in her workforce by only recruiting people with long-term career aspirations at the resort.

- Define these terms. a.
 - i. Induction program

i.	Best practice	

ii.

1 + 1 = 2 marks

The Queensland Airlines Company is a large-scale organisation.

Identify two characteristics of large-scale organisations. b.

2 marks

Question 1 – continued www.theallpapers.com

c. Discuss the benefits of conducting a SWOT analysis. Use **two** examples from the White Sands case study to illustrate your answer.

4 marks

3

						4 m
Discuss t	ne relationship	between perfe	ormance app	oraisals and t	aining.	

f. Select and discuss a motivational theory that Wendy Howard may have used in developing the strategies she used at White Sands. Indicate why the motivational theory you selected is relevant to the strategies implemented at White Sands.



Total 18 marks

Ouestion 2

WAY TO GO

Skye Daily Press – 22 September 2007

Recent figures show that Meehan Electric Company is leading in productivity and quality compared with all other electricity providers. It has an excellent industrial relations record that has resulted from a significant change in its corporate culture.

Established 10 years ago by James Meehan, the business initially struggled to gain market share. There were feelings of mistrust between management and staff, and as a result productivity was low.

James decided to introduce enterprise bargaining to endeavour to become more productive and to improve the relationship between staff and management. He succeeded beyond his expectations and other electricity providers now benchmark their performance against his company.

Identify and explain one driving and one restraining force for change relevant to Meehan Electric Company's a. introduction of enterprise bargaining.

i.	driving
	-
ii.	restraining
ii. 	restraining

2 + 2 = 4 marks

Introducing enterprise bargaining in this case was a response to internal pressures for change. Organisations also need to respond to external pressures.

b. Identify and explain **two** external pressures for change and discuss how they may cause Meehan Electric Company to change its management practices.



Agreemen	5.					
						2 m
Discuss the introduce of the introduce o	differing opinions the nterprise bargaining.	nat two stakeho	olders may hav	ve had about Ja	mes Meehan's	decisio

Total 16 marks

Question 3

	Pacific Paint						
	Memorandum						
Date:	29 August 2007						
To:	Jerome Jones (Operations Manager)						
From:	Magnus Larsen (CEO)						
Торіс:	High wastage and inappropriate disposal of materials						
	Urgent Message:						
the pas	come to my attention that your department has caused significant spillage of oil and paint over t 6 months. Traces of this oil and paint have been found in the city's waterways and the Water is considering prosecution.						
The loc to do li	al community is threatening to boycott our products and encourage our international customers kewise.						
	ome to see you on Monday at 10.00 am to hear how you will resolve this situation.						

Jerome Jones has reviewed the operational procedures and determined that manual handling errors are to blame for the spillage of oil and paint. He believes that introducing new technology will eliminate this problem. This will lead to the redundancy of 15 staff.

Jerome has decided to adopt an autocratic management style.

a. i. Explain the characteristics of an autocratic management style.

2007 BUSMAN EXAM

ii.	Justify Jerome Jones'	' use of an autocratic management style in this situation.	
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2 + 2 = 4 marks

b. Identify and explain **two** management skills that Jerome Jones could use and discuss how these skills would assist him in his current situation.

c. Outline **two non-financial** key performance indicators that could be used to measure the success of the changes at Pacific Paint.



d. Identify and explain **two** operations management strategies (**apart from technology strategies**) that Jerome Jones could introduce and discuss how these strategies could improve business competitiveness.



- 13
- e. Discuss the elements of an operations management system. Illustrate your answer using a service firm.

Jones in thi	e positive and negative s situation.		105ponsionity 155t	ies faced by Jefff

6 marks Total 26 marks

END OF QUESTION AND ANSWER BOOK

14

Extra	space	for	responses
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Clearly number all responses in this space

A script book is available from the supervisor if you need extra paper to complete your answer. Please ensure you write your **student number** in the space provided on the front cover of the script book. At the end of the examination, place the script book inside the front cover of this question and answer book.

