



**Victorian Certificate of Education
2009**

SUPERVISOR TO ATTACH PROCESSING LABEL HERE

STUDENT NUMBER

Figures

Words

Letter

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BUSINESS MANAGEMENT
Written examination

Friday 13 November 2009

Reading time: 3.00 pm to 3.15 pm (15 minutes)

Writing time: 3.15 pm to 5.15 pm (2 hours)

QUESTION AND ANSWER BOOK

Structure of book

<i>Number of questions</i>	<i>Number of questions to be answered</i>	<i>Number of marks</i>
3	3	60

- 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

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

Question 1

The 2008/2009 global financial crisis has led to a decrease in automobile sales in Australia and hence a reduction in demand for parts of all types. At Johnson Automotive, a manufacturer of brake parts, the workforce has been reduced from 500 to 300. The remaining staff have had their hours of work and pay reduced by 30%. These changes have been made in an autocratic manner, upsetting many of the stakeholders of the organisation. The plant manager who made these changes has since resigned and has been replaced by a new plant manager who plans to adopt a participative management style.

- a. Define the term stakeholder.

1 mark

- b. Contrast the participative and autocratic management styles. Include **two** characteristics of each management style in your answer.

4 marks

c. Discuss **two** advantages and **two** disadvantages of the participative management style.

4 marks

d. Describe **two** human resource strategies that the new plant manager could implement to improve employee satisfaction.

4 marks

e. As a consequence of the significant changes at Johnson Automotive, the plant manager has decided to focus on the roles of **planning** and **controlling**. Define each of these roles. Discuss how these roles will assist the new plant manager to deal with these changes.

4 marks

Question 2

Wombat Airlines is a large-scale organisation that operates internationally. A unique feature of this airline is that it does not outsource any part of its business. This means it is responsible for the maintenance and cleaning of its planes and the manufacture and supply of the food that it serves.

- a. Describe **two** characteristics that would identify Wombat Airlines as a large-scale organisation.

2 marks

- b. Outline **three** ways that large-scale organisations contribute to the economy.

3 marks

c. Discuss **two** differences between the operations of a service business and the operations of a manufacturing business. Illustrate your answer with examples from Wombat Airlines **or** another organisation you have studied this year.

4 marks

d. Strategies that managers use to optimise their operations can be grouped into four areas.

These are

- facilities design and layout
- materials management
- management of quality
- technology.

Select **two** areas from the above list.

Identify and describe **one** operations management strategy from each of the **two** areas selected. Discuss how Wombat Airlines could use them to improve its operations.

4 marks

Question 3

The Wilton Hotel has decided to change its business strategy and upgrade from a 3 star hotel to a 5 star luxury resort. Ms Zheng, the proprietor, realises that the staff will need to improve their standard of service to achieve a 5 star rating. An increase in the staff to client ratio is also needed, so twenty new staff will be employed.

- a.** Discuss **two** ways this change in business strategy will affect the way in which the human resource department selects new staff.

4 marks

c. Describe **one** driving force and **one** restraining force for change that Ms Zheng may have considered before adopting this business strategy.

i. Driving _____

ii. Restraining _____

2 + 2 = 4 marks

d. Select and describe a change management theory. Discuss how this theory would assist Ms Zheng in implementing this business strategy.

6 marks

Total 18 marks

