



2017 Trial Examination

STUDENT NUMBER

Figures

Words

Letter

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BUSINESS MANAGEMENT

Unit 2 – Written Examination

Reading time: 15 minutes

Writing time: 2 hours

QUESTION & ANSWER BOOK

Structure of book

<i>Number of questions</i>	<i>Number of questions to be answered</i>	<i>Number of marks</i>
14	14	55

- 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 16 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.

The Daily Grind

Paul and Sophie have started up a coffee shop with a difference. Sophie is semi-retired and has a long history working in hospitality. She is very popular, hardworking and has the personality trait of being able to read people. Sophie believes the coffee should be organic and sourced from a raintree forest alliance supplier. She is meticulous in cleanliness and shows great concern for the environment.

Paul was recently made redundant from an IT firm. Prior to this he ran his own computer repair shop. Paul has developed a new app that allows customers to order a specific coffee, pay for it, and be ready at a precise time. The app also acts as a loyalty program and notifies customers when their coffee is actually ready.

The coffee shop is located directly opposite the entrance to a busy railway station and bus interchange, in a group of about 30 shops in an affluent eastern suburb.

The major issues now facing Paul and Sophie in establishing their business is meeting the legal requirements of running a business and the hiring of suitable staff.

Question 1 (2 marks)

Define the following terms:

- Policy

- green marketing

Question 2 (3 marks)

There are a number of legal requirements for establishing the coffee shop. Outline any three.

TURN OVER

Question 3 (4 marks)

Discuss the importance of choosing appropriate suppliers including the benefits and limitations of suppliers which meet the corporate social responsibility objectives of the coffee shop.

Question 4 (2 marks)

Explain a technological issue which may affect decision making when establishing a business.

TURN OVER

Question 5 (4 marks)

Explain the importance of establishing business bank accounts and record-keeping strategies.

Question 6 (3 marks)

Explain the relationship between marketing, establishing a customer base and business objectives.

TURN OVER

Question 7 (4 marks)

Explain two methods of market research that could be conducted by the owners of the coffee shop.

Question 8 (2 marks)

Describe the target market of the coffee shop.

TURN OVER

Question 9 (6 marks)

There are 7P's of marketing. Identify and describe 3 of them.

Question 10 (4 marks)

Distinguish planned from crisis public relations giving an example of each.

TURN OVER

Question 11 (2 marks)

Explain the benefits of induction for both employees and the employer.

Question 12 (5 marks)

The coffee shop will require a number of staff. Evaluate internal and external methods of recruitment.

TURN OVER

Question 13 (4 marks)

Distinguish legal obligations from corporate social responsibility management issues of employing staff. Give examples of each.

END OF QUESTION AND ANSWER BOOK