



St Leonard's College
Melbourne

VCE Unit 3 Business Management EXAMINATION
Semester 1 – Tuesday 11 June and Friday 14 June, 2019
Question and Answer Booklet

STUDENT NAME: _____

TEACHER(S): Ms Emerson-Drake Mr Harris

TIME ALLOWED: Reading time 15 minutes
 Writing time 90 minutes

INSTRUCTIONS

<p>You are not permitted to use notes, texts or a dictionary. You are to answer each question in space provided. Do not write in pencil.</p>
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STRUCTURE OF BOOKLET / MARKING SCHEME

Section	Number of questions	Number of questions to be answered	Number of marks
A	5	5	32
B	5	5	20
			Total 52

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SECTION A

Instructions for Section A
Answer **all** questions in the spaces provided.

Question 1 (10 marks)

Joan Hardy owns a business which specialises in making custom order hammocks and chairs. The business employs 36 staff. She currently has the business set up as a sole trader but is considering turning her business into a private limited company.

- a. Explain the difference between a sole trader and a private limited company and justify which type of ownership structure Joan should adopt for her business. (4 marks)

b. Explain one business objective that Joan could have for her business. (2 marks)

c. Outline the interests of one stakeholder that Joan may have and explain a corporate social responsibility consideration for one of these stakeholders. (2 marks)

d. As currently a sole trader, Joan undertakes the management of a variety of areas of responsibility.

Explain one area that Joan would be responsible for. (2 marks)

Question 2 (4 marks)

Donald Myers is a very relaxed manager and he likes to give full responsibility to his staff.

Identify the style displayed by Donald and explain the appropriateness of this style in regards to the experience of his employees.

Question 3 (4 marks)

Explain the role of unions and employer associations during negotiations of wages and conditions at a business.

Question 4 (4 marks)

Derek Lionel has unmotivated and poorly performing staff at his auto-mechanic business.

Explain two motivational or performance management strategies that could be used by Derek to improve the effectiveness of his staff.

Question 5 (10 marks)

Zac McDonald is aiming to improve the efficiency and effectiveness of his tinned tomato manufacturing business.

Evaluate whether Zac should use quality strategies or technology strategies in order to improve the efficiency and effectiveness of the operations of the business.

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Question 2 (4 marks)

Explain the principles of lean management and explain one way that these principles could be used at Tyre Might to improve its operations.

Question 3 (6 marks)

Tyre Might is seeking to become more efficient and effective through its use of materials. Analyse one materials management strategy in improving efficiency and effectiveness.

Question 4 (2 marks)

In an effort to remain competitive, Tyre Might is considering looking globally for improvements in its operations.

Discuss one global consideration that could be used by Tyre Might to improve its operations.

Question 5 (4 marks)

To improve the quality of production, Tyre Might is looking to increase the spending on training its staff.

Explain and justify the use of off-the-job training at Tyre Might.

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