



Victorian Certificate of Education
2023

Name: _____

Teacher's name: _____

STUDENT NUMBER

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UNITS 3&4 BUSINESS MANAGEMENT

- TRIAL 2

Written examination

2023

Reading time: 15 minutes

Writing time: 2 hours

QUESTION AND ANSWER BOOK

Structure of book

Section	Number of questions	Number of questions to be answered	Number of marks
A	5	5	50
B	6	6	25
			Total 75

- 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 correction fluid/tape.
- No calculator is allowed in this examination.

Materials supplied

- Question and answer book.
- Additional space is available at the end of the book if you need extra space 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.

SECTION A**Instructions for Section A**

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

Question 1 (10 marks)

Pat's Pergolas is a small business owned and managed by Pat Hillview that has been constructing and modernising timber decks and pergolas in Melbourne since 2019. Pat's business has steadily grown over the past three years and currently employs five full-time and three apprentice carpenters. Holly, one of Pat's most experienced staff members, is moving to Sydney and Pat sees this as an opportunity to restructure the business and bring Holly on board as a partner in order to continue growing the business' reach across Australia.

- a. With reference to Pat's Pergolas, outline **one** difference between a sole trader and a partnership business. 2 marks

- b. Explain one reason why Pat might benefit from expanding the business into a partnership rather than continuing as a sole trader. 2 marks

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Question 2 (12 marks)

Laura's Café started serving customers breakfast and brunch in Melbourne's CBD in 2022. The business has quickly established a reputation as one of the best breakfast spots in the city and, to assist with the growth in customers, Laura has employed a new barista and waiter. Since employing the new barista, Laura has noticed that the performance of her original (and, previously, only) staff member, Fabian, has significantly decreased. Laura has received a number of complaints from customers about Fabian's attitude and standard of service. It is clear to Laura that Fabian has become resistant to the recent staffing changes and that his motivation and performance issues need to be addressed before the café's strong brand and reputation are damaged.

- a. Outline **one** performance management strategy that Laura could implement to address issues with the performance of her staff. 2 marks

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b. Compare low-risk strategies and high-risk strategies to overcome employee resistance to change. 4 marks

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- c. In a recent meeting with Fabian, Laura became aware that Fabian has only worked in cafés where he is the only barista and has never had to work in a larger team environment until now. Fabian has requested training to support the development of his teamwork and interpersonal skills. 6 marks

Explain how investing in training and **one** other management strategy (other than performance management) could support Laura to respond to issues with her employee's performance.

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Question 4 (8 marks)

Staff turnover at Palm Beach Resort, a major resort in Sydney's northern beaches, has been cut dramatically because of new and, according to staff, significantly improved leadership after the resort's previous manager resigned. In August 2021, the owner of Palm Beach Resort conducted a SWOT (strengths, weaknesses, opportunities and threats) analysis and was surprised to learn that the staff were unhappy with the previous management's approach to running the resort. Concerns including bullying, disrespect and a lack of involvement in decision-making among the resort's most experienced staff resulted in the introduction of a more open and people-focused manager who encourages greater staff involvement in day-to-day operations. Despite this change, the owner still firmly believes that managers are employed to be responsible for the ultimate direction that the resort takes as it strives to be the highest-rated resort in Australia.

- a. Outline **one** reason why leadership is important when managing change. 2 marks

- b. Identify the management style that is being used by the new manager at Palm Beach Resorts. 1 mark

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- c. Analyse the relationship between the management style being used by the manager at Palm Beach Resort and **two** of the following management skills: 5 marks
- Communication
 - Leadership
 - Interpersonal

Question 5 (10 marks)

Shiny Diamonds Pty Ltd has been manufacturing hand-crafted designer jewellery for 15 years, selling to retail jewellery stores which then sell to the public. Senior management is investigating introducing a retail store that provides diamond grading, polishing and repair services, however the Operations Manager is concerned this change will take too much focus away from its manufacturing operations and lead to a reduction in quality standards.

- a. Outline two differences in the operations system of manufacturing and service businesses. Refer to Shiny Diamonds Pty Ltd in your answer. 4 marks

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- b.** Describe and justify two quality management strategies that could be implemented to improve the effectiveness of Shiny Diamonds Pty Ltd's operations system as the company expands into retail services. 6 marks

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SECTION B**Instructions for Section B**

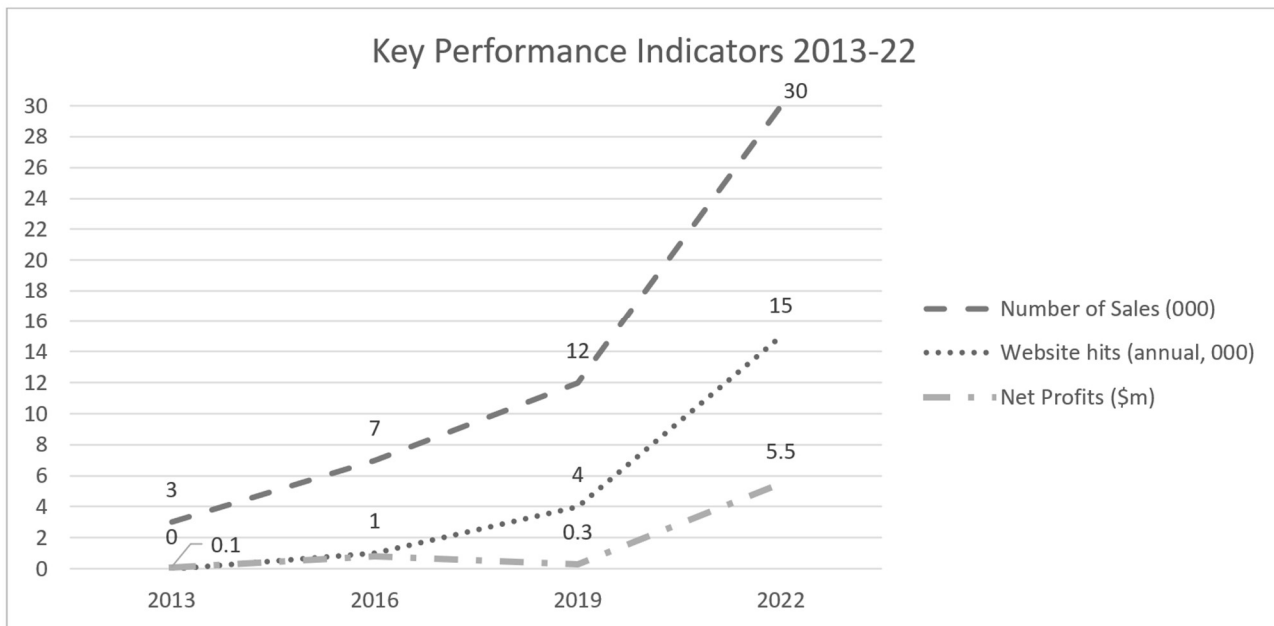
Use the case study provided to answer the questions in this section.

Answers must apply to the case study.

Answer all questions in the spaces provided.

Fashionista Sisters Pty Ltd opened its first retail clothing and footwear store in Melbourne in 2012 after fashion design graduates and sisters, Kate and Lani Woodhouse, decided to start their own fashion label. After almost five years in business, in 2016, Kate and Lani decided to explore new ways to expand their target market. They paired up with Code2U, an innovative technology start-up business that assists clients to launch a website and attract increased customer traffic and sales.

In 2019, Code2U helped Kate and Lani to write a code that enabled them to track fashion-related customer searches and web page visits through artificial intelligence. This enabled them to gain an increased understanding of emerging trends so that they could better forecast designs to produce for their store. The company's new website has been active for 12 months and is used to process customer purchases online, promote the Fashionista Sisters brand and show the range of clothing and footwear that is available in store. Data resulting from the relationship with Code2U can be seen in the graph below:



A big focus for the sisters in 2023 is to motivate their 15 staff members to increase their sales performance. Kate has read some research articles on motivation and believes that the company should change from its current approach to deciding employee wages and working conditions through the industry award. Kate is planning to introduce a workplace agreement including performance-related pay incentives for employees whose sales figures are the highest each month, with scaling bonuses based on customer satisfaction ratings and the number of sales.

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Question 1 (2 marks)

Define the term 'number of website hits.'

Question 2 (3 marks)

Describe the relationship between the number of website hits and **one** other key performance indicator.

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Question 4 (4 marks)

Explain how the decision to introduce a workplace agreement could impact the achievement of **one** business objective.

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Question 5 (4 marks)

Explain how the proposed workplace agreement at Fashionista Sisters Pty Ltd could impact employees and **one** other stakeholder.

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