#### **COMMERCE PRESENTATIONS AND PUBLICATIONS**



Figures
Words

Name

# VCE BUSINESS MANAGEMENT UNIT 3/4 2023

# **Practice examination A**

Reading time: 15 minutes Writing time: 2 hours

# **QUESTION AND ANSWER BOOK**

## Structure of book

Section	Number of questions	s to be answered Me			
A 5		5	50		
В	6	6 25			
			Total 75		

- Students are to write in blue or black pen
- Students are permitted to bring into the practice examination: 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 21 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

#### **Section A**

	_		_	_
Inctri	uctions	for S	oction	Δ

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

### Question 1 (16 marks)

Laundry Fresh is a social enterprise established six years ago by Nathan and Ethan. Situated in Sunshine, the duo launched the business with a strong emphasis on corporate social responsibility. After spending several years planning and making numerous attempts to start the business, Laundry Fresh now provides employment and training opportunities for homeless people, employing 50 staff from the local area. Additionally, the business aims to make use of sustainable inputs where possible, sourced from suppliers in Australia. Laundry Fresh has become renowned for its exceptional laundry services.

a.	Define the term 'corporate social responsibility'.	2 marks

b.	Discuss Laundry Fresh's use of social ent	erprise as a type of business.	4 marks

service business such as Laundry Fresh.	6 marks
Key element 1	
Key element ?	
Key element 2	
Key element 3	

d.	Explain the positive and negative aspects that will need to be considered by Laundry implements socially responsible practices.	Fresh as 4 marks
		<del></del>

Question 2 (4 marks) Distinguish between a proactive and reactive approach to change.					

#### Question 3 (20 marks)

MegaEquip Machinery is an Australian manufacturer of cutting-edge equipment for the mining and construction industries. The business takes pride in the quality of its products. Currently employing 250 people in Australia and New Zealand the company has established itself as a leading participant in the market. Management at MegaEquip Machinery has recognised the need to stay competitive and position itself for long-term success, so the operations manager is exploring the possibility of manufacturing some of the business's products overseas. The human resources manager is aware that this proposal may result in the loss of some jobs, and is preparing to deal with this issue. She understands that some employees are concerned, and that the union has been contacted. Steve Cummins, the CEO of MegaEquip Machinery, realises that the business must act now or risk losing market share to competitors. Known for his use of the autocratic management style, Mr Cummins has said that the employees are selfish and need to stop complaining.

a.	Identify <b>two</b> stakeholder groups at MegaEquip Machinery and describe a potential conflibetween these stakeholders.	ct that may occur 4 marks

b.	MegaEquip Machinery already outsources some customer service functions to the Philippines.						
	Compare <b>two</b> features of global outsourcing to overseas manufacture at MegaEquip Machin	nery. 4 marks					

C.	Describe the role of the human resource manager and the union at MegaEquip Machinery	's workplace 3 marks

d.	It has been suggested to Steve Cummins that he use the persuasive management style.						
	Explain the characteristics of this style and justify its use at MegaEquip Machinery.						

e.	Discuss the MegaEquip N		mediation	would	be an	appropriate	means	of	resolving	a dispute at 5 marks

# Question 4 (10 marks)

Change management theories provide a structured approach for the successful management of change in a business.

Explain how Lewin's Three Step Change Model could be used to:

- promote forces for change
- reduce forces against change
- encourage the use of low-risk strategies.

In your response, refer to a contemporary business case study.		

#### Section B - Case Study

#### Instructions for Section B

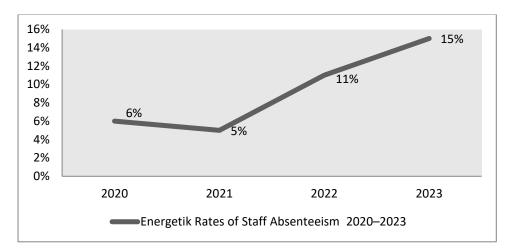
Use the case study provided to answer the questions in this section. Answers must apply to the case study. Answer **all** questions in the spaces provided.

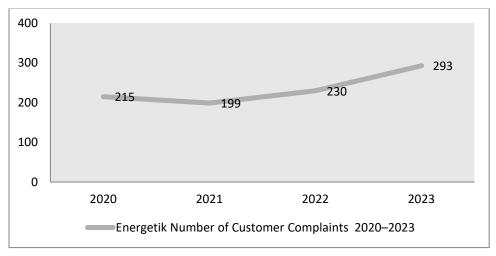
## Case Study (25 marks)

Energetik Group Ltd is a public listed company involved in the generation and retailing of energy. The business implemented a transformation program two years ago with the intention of becoming more socially and environmentally responsible. As part of the change at the business, Energetik has invested heavily in renewable energy, including wind, solar and batteries, shutting down most of its coal-fired generation over the two-year period.

While the business has developed a positive reputation and is financially successful, there are a number of problems that executive management team is concerned about. One concern is an increasing number of complaints about the reliability of the business's services and a consequential decline in sales. The business is also facing a problem with increasing rates of staff absenteeism. The executive management team believes that a lack of motivation is to blame for this problem.

The chief executive officer (CEO) of Energetik wants immediate improvement and has asked the operations manager and the human resource manager to work together to improve quality and commitment to the business. She has suggested that some off-the-job training would be a good starting point. The CEO has presented the following two graphs to the operations manager and the human resource manager, which highlight the movement in two key performance indicators since 2020.





<b>Question 1</b> (4 marks) Interpret Energetik Group's key performance indicators to analyse the performance of the business between 2020 and 2023.		

Question 2 (3 marks)		
Explain why there is a need for off-the-job training at Energetik Group.		

nergetik Group. Justify wh	nich motivatio	on strategy w	ould be the m	ost suitable foi	r the business.

<b>Question 4</b> (7 marks)  Propose and evaluate a strategy that Energetik Group could use to improve the efficiency and effectiveness of its operations related to quality.	

<b>Question 5</b> (4 marks) Explain and justify <b>two</b> management skills required to address the issue of customer complaints at Energetik Group.

Extra space for responses	
Clearly number all responses in this space	


# **END OF QUESTION AND ANSWER BOOKLET**