COMMERCE PRESENTATIONS AND PUBLICATIONS

										Letter
Figures										
Words										

Name_____

VCE BUSINESS MANAGEMENT 3/4
2024

Practice examination A

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	7	7	50
B	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 20 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

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

Question 1 (2 marks)
Identify **two** factors in relation to the appropriateness of management styles.

Question 2 (4 marks)
Compare global sourcing of inputs and overseas manufacture as global considerations for operations management.

Question 3 (4 marks)
Describe how each of the following performance management strategies can achieve both business and employee objectives.

Management by objectives _____

_____

_____

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Appraisals _____

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Question 4 (13 marks)

EnergySphere, an Australian energy supplier, has recently proposed a merger with a local business that specialises in the manufacture of advanced energy storage technologies. The proposed merger would create a large renewable energy company that is capable of offering energy generation, storage and distribution. EnergySphere believes that this will create an opportunity to combine strengths of the two businesses, expand their market share, and drive innovation in the energy sector. However, the decision has raised concerns about potential staff redundancies, prompting the need for careful management of entitlement considerations and transition considerations.

a. Define the term 'innovation'. 2 marks

b. EnergySphere's corporate culture will be impacted by the proposed merger.

Outline **one** way in which EnergySphere could develop a positive corporate culture. 3 marks

c. Explain **two** similarities between entitlement considerations and transition considerations. 4 marks

Similarity 1 _____

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Similarity 2 _____

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d. Describe the impact that the proposed merger may have on EnergySphere's customers and **one** other stakeholder. 4 marks

Question 5 (11 marks)
Choc Harmony is a manufacturer of a range of high-quality chocolate products located in regional Victoria. The business has recently changed its business structure from being a sole trader to a private limited company, and the new board of directors is now proposing to expand into new markets.

a. Define the term 'private limited company'. 2 marks

b. Justify **two** reasons why Choc Harmony may have decided to operate as a private limited company rather than as a sole trader. 4 marks

c. Evaluate the use of Porter's differentiation strategy at Choc Harmony as it expands into new markets.
5 marks

Question 6 (10 marks)
'Achieving and maintaining efficiency and effectiveness can only occur at a business through the use of operations strategies.'

Discuss the extent to which you agree or disagree with this statement.

Question 7 (6 marks)
Using a contemporary business case study from the past four years, analyse the importance of reviewing key performance indicators to evaluate the effectiveness of business transformation.

Section B – Case Study

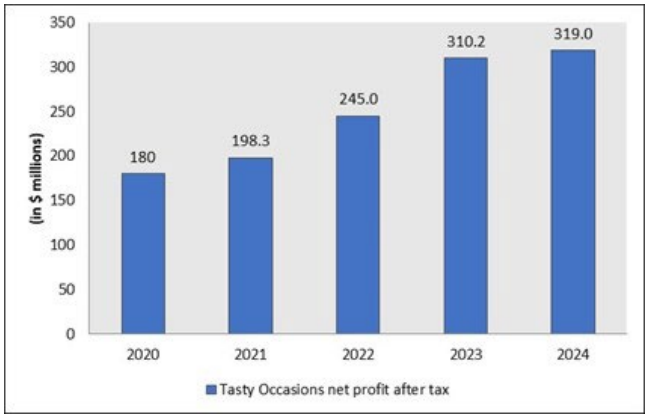
Instructions for Section B
Use the case study provided to answer the questions in this section. Answers must apply to the case study. Answer **all** questions in the spaces provided.

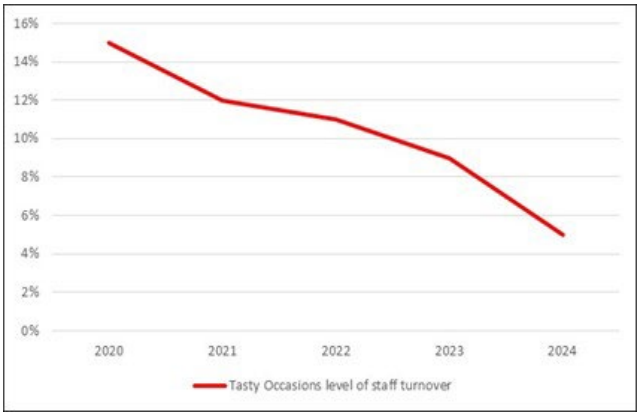
Case Study

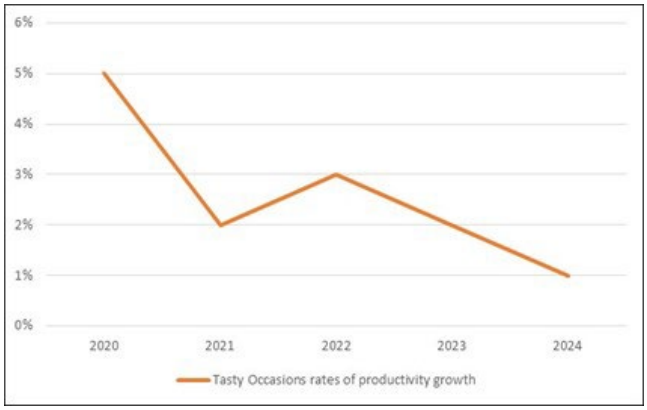
Tasty Occasions is a multifaceted catering service founded by chef Maria Thompson five years ago. The business began as a home-based side hustle focusing on providing catering for private events and corporate gatherings. Maria's culinary expertise and her commitment to using high-quality, seasonal and locally-sourced ingredients quickly resulted in the growth of a loyal customer base. The business is now experiencing strong financial results due to an expansion into larger events, improved productivity from its experienced staff adopting more efficient systems in its kitchen, and rigorous quality control. Maria ensures that every aspect of the catering experience is flawless, from the planning of menus and preparation of food, to the final presentation and service, making sure that customer expectations are exceeded.

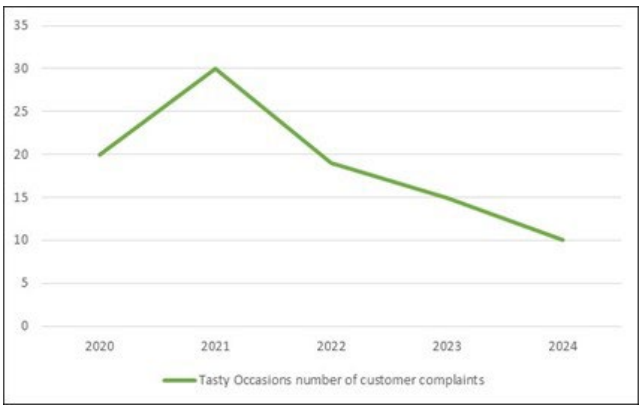
To build on its success, and to position the business for the future, Tasty Occasions is now planning to make further improvements by cutting costs and increasing investment in technology. To cut costs, Maria intends to reduce administrative expenses by the adoption of a paperless billing and invoicing system and reducing energy consumption through the implementation of energy-efficient kitchen equipment. Additionally, the business will invest in technology such as advanced event management software and a new customer relationship management system to better track customer preferences and feedback.

Maria has also implemented a number of initiatives with the aim of developing Tasty Occasions as a learning organisation. A team approach has been implemented, where teams of staff develop their own goals that align with business objectives. Employees are encouraged to undertake personal growth and learning, and Maria has developed a new vision for the business with her staff: 'to be the leading provider of catering services in Australia'.









Question 1 (2 marks)
Define the term 'number of customer complaints'.

Question 2 (2 marks)
Explain how leadership would be important in the management of the change at Tasty Occasions.

Question 3 (4 marks)
Compare the characteristics of operations management within a manufacturing business with those of a service business (such as Tasty Occasions).

Question 4 (5 marks)
Interpret the key performance indicators provided (page 13) to analyse why Tasty Occasions may have decided to cut costs and increase investment in technology.

Question 5 (8 marks)
Explain how each of the following management strategies could be used to respond to Tasty Occasions' key performance indicators and position the business for the future.

- Cost cutting _____

- Increased investment in technology _____

Question 6 (4 marks)
Justify the use of Senge's Learning Organisation during the period of change at Tasty Occasions.

END OF QUESTION AND ANSWER BOOKLET

Extra space for responses

Clearly number all responses in this space