

Year 11- 2024
Business Studies
L Nielsen



Task Number: 2
Weight: 35%

Notification Date: 24/5/2024
Due Date: Friday 21/6/2024 Week 2
 (handed to Ms Nielsen by 3:20pm)

OUTCOMES ASSESSED

P4 assesses the processes and interdependence of key business functions
 P5 examines the application of management theories and strategies
 P6 analyses the responsibilities of business to internal and external stakeholders
 P8 evaluates information for actual and hypothetical business situations
 P10 applies mathematical concepts appropriately in business situations

TASK DESCRIPTION

Unit: Business Management
 Task type: Examination style questions
 This assessment is a TAKE HOME TASK with 2 periods of class time allocated as well.
 This task will provide students the opportunity to demonstrate their knowledge of concepts within the topic of **Business Management**.
Marking Guidelines - Marks will be allocated next to each question and task will be marked as per HSC standards

TASK INSTRUCTIONS

SECTION 1 – MULTIPLE CHOICE

- Questions 1-18
- 18 marks (1 mark each)
- Complete Section 1 on the Multiple Choice Answer Sheet provided

SECTION 2 – SHORT ANSWER

- Questions 19-24
- Marks are written beside each question
- Complete Section 2 in the spaces provided

SECTION 3 – BUSINESS REPORT

- Question 25
- 20 marks
- Complete Section 3 on paper. Section 3 is to be hand written

Teacher's signature: _____

HT Admin signature: _____

Deputy Principal's signature: _____

Comments:

Teacher signature _____ Date _____

Task Mark	Task Rank	Cumulative Rank

Section I

18 marks

Attempt Questions 1–18

Select the alternative A, B, C or D that best answers the question and indicate your choice with a cross (X) in the appropriate space on the grid below.

	A	B	C	D
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	A	B	C	D
11				
12				
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14				
15				
16				
17				
18				

1. A café has identified the following on their balance sheet.

Total assets	\$35 000
Total owner's equity	\$15 000
Current liabilities	\$ 7 000

What is the value of non-current liabilities?

- (A) \$13 000
(B) \$22 000
(C) \$42 000
(D) \$50 000
2. Jack is 65 years old. He has worked for Stockdale Building Corporation for over 10 years. He has been given notice by the human resources department that his position no longer exists and his services are no longer required by the business.

What form of separation is this?

- (A) Resignation
(B) Retirement
(C) Involuntary redundancy
(D) Voluntary redundancy
3. Which of the following is an example of a transforming resource?

- (A) Information
(B) Intermediate goods
(C) Human resources
(D) Raw materials

4. Which management approach makes decisions based on current circumstances, while acknowledging the potential for change and the need for flexibility?

- (A) Behavioural approach
(B) Classical approach
(C) Contingency approach
(D) Scientific approach

5. Which of the following reflects a hierarchical pyramid organisational structure?

- (A) A wide span of control with a long chain of command
- (B) A long chain of command with a narrow span of control
- (C) A narrow span of control and a short chain of command
- (D) A short chain of command and a wide span of control

6. A business is advertising for a full-time supervisor who has strong communication skills and works well with other people.

Which skills is that company looking for in an applicant?

- (A) Visionary skills
- (B) Flexibility skills
- (C) Interpersonal skills
- (D) Strategic thinking skills

7. Which of the following is a social goal for a business?

- (A) To provide employment
- (B) To control a larger share of the total market
- (C) To satisfy shareholders need for return on investment
- (D) To be seen by the community as environmentally friendly

8. Which identifies the trend in structural changes to management approaches more recently adopted by Australian businesses?

- (A) Narrow span of control and work teams
- (B) Narrow span of control and outsourcing
- (C) Outsourcing and flatter organisational structures
- (D) Outsourcing and hierarchical organisational structures

9. Sam wants to measure his employee's productivity levels.

What is he measuring?

- (A) Ability of staff to make decisions
- (B) Ability of staff to process directions
- (C) The output to input ratio of production
- (D) How much an employee can produce in a set period of time

10. In Australia, full-time employees are entitled to 12 months unpaid maternity leave and 10 days paid personal and carer's leave.

What is the legal basis for these entitlements?

- (A) Collective agreements
- (B) Enterprise agreements
- (C) Individual Employment contracts
- (D) National Employment Standards

11. One of the functions of managers is to determine work activities and delegate tasks to employees to ensure work is carried out.

Which of the following best describes this function?

- (A) Controlling
- (B) Leading
- (C) Organising
- (D) Planning

12. Which of the following is an entitlement for a casual employee?

- (A) Regular working hours
- (B) Sick leave and maternity leave
- (C) Holiday leave and long service leave
- (D) Fair pay and safe working conditions

13. Steve won a large amount of money playing Lotto. The local newspaper printed an unpaid story about Steve and the shop where he purchased the winning ticket.

This is an example of which type of marketing for the shop?

- (A) Advertising
- (B) Publicity
- (C) Sales promotion
- (D) Word of mouth

14. Which management approach utilises an autocratic leadership style and hierarchical organisational structure?

- (A) Behavioural management approach
- (B) Classical management approach
- (C) Contingency management approach
- (D) Political management approach

15. A clothing manufacturer decides to segment its market to target 25-40 year old females.

Which element of market segmentation is this strategy based on?

- (A) Behavioural
- (B) Demographic
- (C) Geographic
- (D) Psychographic

16. James is a project manager for a building company. He sequences events so tasks can be completed in the shortest time possible.

Which scheduling strategy is James using?

- (A) Gantt chart
- (B) Critical path analysis
- (C) Supply chain
- (D) Computer aided design

Use the following information to answer Questions 17 and 18.

Lily Candles Income Statement – 2017

Sales	\$100 000
Opening stock	\$30 000
Insurance	\$2 000
Advertising	\$1 500
Closing stock	\$15 000
Purchases	\$5 000
Telephone	\$1 000

17. What is Lily's cost of goods sold?

- (A) \$10 500
- (B) \$20 000
- (C) \$45 500
- (D) \$85 000

18. What is Lily's gross profit?

- (A) \$10 500
- (B) \$45 500
- (C) \$80 000
- (D) \$154 500

Section II

58 marks

Attempt Questions 19 - 24

Answer the questions in the spaces provided. These spaces provide guidance for the expected length of response.

Question 19 (10 marks)

Marks

Mirage Technology Pty Ltd. is a small company specialising in manufacturing computer hardware. Due to increased competition, this business is looking to invest in new technology and training programs to improve productivity. They have appointed a new manager to implement the changes. The manager has adopted a classical management approach. This has resulted in growing tension between management and employees.

- (a) Discuss how adopting a different approach can help improve the relationship between management and employees.

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Marks

- (b) Recommend TWO strategies that Mirage Technology can implement to manage change effectively.

4

- (i)
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(ii)

(c) Outline the leadership style this manager is using.

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Question 20 (8 marks)

Marks

Lux Furniture has seen sales decline and staff turnover rise in the last 5 years. They have hired a consultant to offer suggestions on how to improve the business. One suggestion was that they adopt a behavioural management approach.

(a) Discuss how adopting a behavioural management approach can help Lux Furniture reduce their staff turnover.

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(b) Recommend TWO marketing strategies this business can use to improve sales.

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(i)

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(ii)

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William's Plumbing Supplies Pty Ltd
June 30 2018

<u>Assets</u>	(\$)	<u>Liabilities</u>	(\$)
Current Assets		Current Liabilities	
Cash	4 000	Accounts Payable	13 800
Accounts Receivables	9 300	Overdraft	5 000
Inventory	21 000		
Non-current assets		Non-current Liabilities	
Equipment	97 500	Mortgage	157 500
Property	120 000		
Motor vehicle	63 000		
		Owner's Equity	
		Net profit	?
		Capital	87 500

ADDITIONAL INFORMATION

Sales in 2018	\$93 000
Cost of goods sold in 2018	\$52 400
Purchases in 2018	\$34 000
Gross profit in 2017	\$51 800
Net profit in 2017	\$73 000

(a) Differentiate between debt and equity finance.

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(b) Calculate and comment on net profit in 2018.

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(c) Calculate and comment on gross profit in 2018.

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(d) Recommend TWO strategies that can be used to improve the net profit of this business.

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(ii)
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Question 22 (10 marks)

Marks

Businesses prioritise increased staff involvement in order to improve motivation and morale.

(a) Identify TWO benefits of staff involvement within a business. 2

(i)

(ii)

(b) Describe TWO non-monetary strategies used by a business to motivate staff. 4

(i)

(ii)

(c) Discuss TWO types of involuntary separation that may occur in a business. 4

(i)

(ii)

Question 23 (10 marks)

Marks

Operations managers use a variety of approaches to maintain or improve quality.

(a) What is quality management?

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(b) Describe TWO benefits of quality management practices.

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(ii)
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(c) Examine TWO quality management approaches that may be used by operations managers.

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(ii)
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Income statement for Olivia Accessories and Jewels
for the period ending 30 June 2019

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Sales	150 000
Cost of goods sold	80 000
Gross profit	70 000
Total expenses	52 400
Net profit	?
<i>Additional information</i>	
Sales in 2018:	\$300 000
Cost of goods sold in 2018	\$105 000
Gross profit in 2018:	\$195 000
Net profit in 2018:	\$73 000

(a) Calculate and comment on the *net profit* of this business in 2019.

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Marks

(b) Outline how an income statement can provide useful information to a business.

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Section III

20 marks

Attempt Question 25

Answer the question on your own paper

The expected length of the response is *approximately* 800 words or six written pages.

In your answer you will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
 - apply the hypothetical business situation
 - communicate using relevant business terminology and concepts
 - present a sustained, logical and cohesive response in the form of a business report
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Question 2. (20 marks)

Beach Boards Pty Ltd is a small business which offers surf lessons and takes tourists on surfing holidays along the New South Wales Coast. It has been operating successfully for 10 years.

Beach Boards Pty Ltd employs 2 managers and 20 people who perform all tasks in the business including taking bookings, offering surf lessons, maintaining equipment and running tours.

Twelve months ago, the company took out a loan to buy a second bus to meet an increase in demand for surfing holidays.

Beach Boards Pty Ltd has always relied on word-of-mouth advertising and good reviews on the internet to attract new clients.

More recently, a further increase in demand for surfing holiday has attracted additional competitors into the market. This has reduced overall sales for Beach Boards Pty Ltd.

Beach Boards Pty Ltd has reviewed its current business position and is looking to:

- Increase its market share
- Increase its overall sales and revenue
- Raise its brand awareness with its target market

You have been hired as a consultant by the management of Beach Boards Pty Ltd to write a business report which;

- Outlines TWO challenges Beach Boards Pty Ltd is facing during its current phase of the business life cycle.
- Explains how the skills of management could contribute to improving the current business position of Beach Boards Pty Ltd
- Recommend how a change to the marketing mix could help Beach Boards Pty Ltd achieve its business goals.

End of paper