

Student Name: _____

Student Number

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2015

BUSINESS STUDIES

TRIAL HSC EXAMINATION

General Instructions

- Reading time – 5 minutes
- Working time – 3 hours
- Write using blue or black pen
- Board-approved calculators may be used
- Use Multiple Choice Answer Sheet provided
- Write your Name and/or Student Number at the top of this page, page 8, 10, 13, 15 and the Multiple Choice Answer Sheet

Total marks – 100

Section I

Pages 2-7

20 marks

- Attempt Questions 1-20
- Allow about 35 minutes for this section
- Use Answer Sheet provided

Section II

Pages 9-16

40 marks

- Attempt Questions 21-25
- Allow about 1 hour and 15 minutes for this section

Section III

Page 19

20 marks

- Attempt Question 26
- Allow about 35 minutes for this section

Section IV

Page 20

- Attempt either Question 27 or 28
- Allow about 35 minutes for this section

This exam paper must not be taken out of the examination room

Disclaimer

This Business Studies HSC Trial Examination has been prepared by practicing teachers in accordance with the Board of Studies documents, Principles for Setting HSC Examinations in a Standards-Referenced Framework (BOS Bulletin, Vol 8, No 9, Nov/Dec 1999) and Principles for Developing Marking Guidelines Examinations in a Standards Referenced Framework (BOS Bulletin, Vol 9, No 3, May 2000). These papers, however, are for Teachers/schools' professional use only with their respective students and are not intended to be representing 'advice', nor interpreting the Board of Studies' intentions in any way. Paramount Education accepts no liability for any misrepresentation related to this Trial HSC exam question paper. Advice on HSC examination issues should only be sought from the NSW BOSTES.

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Section I

Multiple Choice (20 marks)

Attempt Questions 1-20

Allow about 35 minutes for this section

Use the Answer Sheet provided.

1 Which one of the following is considered as an unlawful marketing technique according to the Competition and Consumer Act, 2010 (Cth)?

- (A) Sugging
- (B) Product positioning
- (C) Price skimming
- (D) Resale price maintenance

2 Which of the following refers to the process of 'transformation' in business operations?

- (A) Where a business converts inputs into outputs or finished goods
- (B) Where a business differentiates products in order to make them unique or special in some way
- (C) Where a business is a manufacturer of consumer products
- (D) Where a business changes its legal structure as it grows and expands its operations

3 Max has been offered a redundancy package by his employer's management at Speedy Haulage. He has worked with the interstate freight company for over 25 years. He has seriously considered the package and has now firmly decided to accept his firm's offer.

Which of the following refers to Max's situation above in terms of the human resource cycle?

- (A) Worker maintenance
- (B) Involuntary separation
- (C) Voluntary separation
- (D) Worker retrenchment

4 Which of the following refers to the liquidity objective of financial management?

- (A) A business's ability to meet its long term financial obligations
- (B) A business's ability to meet its short term financial obligations
- (C) A business's ability to use its resources efficiently to ensure its financial profitability
- (D) A business's ability to use its capital effectively to ensure its financial profitability

5

'Infusion' is a private company specializing in the manufacture of beauty products. Its marketing relies solely on sales people going out to various shopping centres, homes and community events in order to persuade potential customers to buy their company products.

Which of the following marketing approaches relates to Infusion's case above?

- (A) Marketing approach
- (B) Sales approach
- (C) Production approach
- (D) Relationship marketing approach

6 A business has current assets worth \$915 million and current liabilities worth \$1, 130 million.

Which of the following is the current ratio for this business?

- (A) 1 : 0.8
- (B) 1 ; 1.2
- (C) 0.8 : 1
- (D) 0.08 : 1

7

Charlie is a railway worker and a member of the Transport Workers Union (TWU). Recently, his union negotiated a new deal with the employer for a 2.5% increase in pay but with some trade-offs such as a shorter meal and tea breaks. As well, staff meetings are to be held outside of normal working hours in order to increase productivity of operations.

Which of the following processes of wage negotiations or employment contracts does Charlie's situation relate to?

- (A) Awards agreements
- (B) Individual contracts
- (C) Greenfield agreements
- (D) Enterprise agreements

8 Which one of the following situations is considered as a psychological factor that could influence the marketing process?

- (A) An increase in the government's GST from 10% to 12%
- (B) A significant reduction in the number of smokers in Australia
- (C) A slowdown in Australia's economic activity
- (D) Australian consumers' perception that imported clothes from Europe are of a higher quality compared to those manufactured in Australia

Examine the following financial data which is supplied by Kennards Pty. Ltd. to answer Question 9:

Current liabilities	\$63 000
Owners' equity	\$345 000
Non-current liabilities	\$182 000

(Gearing ratio = total debts ÷ owners' equity x 100)

- 9 Which of the following is the gearing ratio for Kennards Pty. Ltd?
- (A) 140 %
 - (B) 71 %
 - (C) 18 %
 - (D) 52 %
- 10 The Australian dollar depreciates in value relative to the \$US.
Which of the following statements is correct in this case?
- (A) Australian demand for imports would fall and demand for Australia's exports would increase
 - (B) A greater number of Australian tourists would travel overseas and less overseas tourists would come to Australia
 - (C) Australia's export competitiveness would decline while import competitiveness in Australia would increase
 - (D) Australia's foreign debt would decrease when denominated in US dollars
- 11 Which of the following stakeholders in the human resource management process plays the role of representing and protecting workers rights and conditions in the workplace?
- (A) Employer associations
 - (B) Fair Pay Commission
 - (C) Trade unions
 - (D) Lawyers and the judicial system
- 12 Which of the following is NOT an example of 'established technology'?
- (A) Laptop computers
 - (B) Electronic Data Exchange (EDE)
 - (C) Just-In-Time (JIT)
 - (D) Electronic Fund Transfer at Point Of Sale (EFTPOS)

13 Which of the following options outlines the correct steps or sequence in the product design and development process?

(A)	Market research	→	Concept development	→	Cost/benefit assessment	→	Product design	→	Product testing	→	Product Launch
(B)	Concept development	→	Market research	→	Cost/benefit assessment	→	Product testing	→	Product design	→	Product launch
(C)	Product design	→	Product testing	→	Market research	→	Concept development	→	Product launch	→	Cost/benefit assessment
(D)	Market research	→	Product testing	→	Concept development	→	Cost/benefit assessment	→	Product design	→	Product Launch

14 Which of the following refers to the concept of 'global web'?

- (A) The integration of the various national economies into the one global economy
- (B) Where a producer sources component parts for a product from a number of different global regions
- (C) The internet technology otherwise known as the World Wide Web
- (D) Where a business needs to manage the logistics associated with transporting and storage of products

15

Jamie Oliver's restaurant chain in Australia, in planning to open up two new restaurant outlets, has conducted market research in certain Sydney suburbs in order to identify certain socio-economic characteristics of the population in those areas of Sydney.

Which of the following is the kind of market segmentation that applies to Jamie Oliver's case above?

- (A) Psychographic segmentation
- (B) Geographical segmentation
- (C) Behavioural segmentation
- (D) Demographic segmentation

16 Which of the following refers to a business that is said to be 'highly geared'?

- (A) The business is experiencing rapid growth rate
- (B) The business is acquiring a bigger market share
- (C) The business is taking greater risks through debt
- (D) The business's profitability is at an all-time record high

17

The international company 'Louis Vutton' tends to pay a lot of attention and detail to the presentation of their travel and fashion accessories. The aim is to create a certain unique image of their famous global brands in the minds of customers.

Which of the following marketing strategies relates to Louis Vutton's case above?

- (A) Promotion
- (B) Place
- (C) Process
- (D) Physical evidence

18 Which of the following are common techniques used by a business to assist in sequencing and scheduling of operations?

- (A) The Gantt Chart and Critical Path Analysis
- (B) Total Quality Management (TQM) and the Gantt Chart
- (C) Quality Assurance (QA) and Critical Path Analysis
- (D) Computer Aided Manufactures (CAM) and Supply Chain Management (SCM)

19 Which of the following is a form of 'hedging' by a global business?

- (A) Foreign exchange market
- (B) Forward exchange contract
- (C) Payment in advance
- (D) Currency speculation

20 Which of the following is a benefit to employers from demonstrating ethical and corporate social responsibility in managing staff?

- (A) Improved staff retention
- (B) A bigger market share
- (C) Greater subsidy from the government
- (D) Increased business costs for staff training

End of Section I

Student Name: _____

Student Number

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Trial HSC Business Studies

Section II

40 marks

Attempt Questions 21-25

Allow about 1 hour and 15 minutes for this section

Answer the questions in the space provided

Question 21 (10 marks)

Delphi Enterprises is an engineering company based in the state of Western Australia. In its latest strategic plan, Delphi is aiming to redefine its business goals due to its growth and global expansion. As well, it plans to outsource a number of its operations' functions in order to gain greater efficiencies in their overall operation.

Marks

- (a) Describe the primary role of operations management. 2

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- (b) Outline TWO operations performance objectives for a business such as Delphi. 2

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Question 21 continues on page 9

(c) Explain how government policies may impact on Delphi's business operations. 2

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(d) Discuss TWO advantages and TWO disadvantages of outsourcing as an operations strategy by Delphi. 4

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End of question 21

Student Name _____ Student Number

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Question 22 (9 marks)

Wow Jeans, an up-market manufacturer of jeans, is planning to launch a new marketing campaign for their jeans brands throughout Australia. They will undertake some new market research initially in order to identify their target market in terms of product pricing, sales and product positioning.

Marks

- (a) Define the term 'marketing' 2

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- (b) Explain briefly how market research can assist Wow Jeans in determining their target market. 2

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- (c) Identify ONE distribution/place strategy that Wow Jeans could use to increase their brand recognition and availability to consumers. 1

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- (d) Discuss TWO of the steps involved in developing a marketing plan that could be considered by Wow Jeans for the launch of their new marketing campaign. 4

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Question 22 continues on page 11

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End of Question 22

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Student Name _____ Student Number

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Question 23 (7 marks)

Gold Star Enterprises has provided you with the following financial information:

	2013	2014
Sales	254,000	314,000
Less COGS		
Opening Stock	62,000	42,000
Purchases	25,000	31,000
Closing stock	30,000	28,000
	<u>117,000</u>	<u>101,000</u>
Gross Profit	137,000	213,000
Less expenses		
Rent	22,000	23,000
Wages	82,000	98,000
Phone	1,450	1,500
Electricity	1,600	1,800
	<u>107,050</u>	<u>124,300</u>
Net Profit	29,950	88,700

Marks

- (a) Calculate the net profit ratio for 2014 for Gold Star Enterprises (show all workings) ($Net\ profit\ ratio = net\ profit \div sales\ revenue \times 100/1$) 2

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- (b) Identify ONE possible reason for the change in profitability from 2013 to 2014. 1

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Question 23 continues on page 14

- (c) Suggest and explain TWO marketing strategies that could be applied at Gold Star Enterprises to increase sales and profitability by 5 %. 4

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End of Question 23

Student Name _____ Student Number

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Question 24 (7 Marks)

Read the following scenario to answer the questions that follow:

Wondercorp Pty. Ltd is an Australian company specializing in the development and exporting of electrical security systems. Over the last couple of years, the company has won several contracts in a number of overseas countries worth millions of dollars. The management is keen to adopt some financial strategies that would help minimize risks associated with international financial dealings.

- | | Marks |
|--|-----------------|
| <p>(a) Identify ONE financial influence on a global business.</p> <p>.....</p> <p>.....</p> | <p>1</p> |
| <p>(b) Outline a reason why exporters, such as Wondercorp, may choose to use derivatives when dealing in the international financial market.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> | <p>2</p> |
| <p>(c) Explain TWO methods of payment which may be used by Wondercorp Pty. Ltd. to reduce their financial risk.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> | <p>4</p> |

End of Question 24

Student Name _____

Student Number

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Question 25 (7 marks)

The role played by human resource management is crucial for the successful performance of any business.

Marks

- (a) Identify ONE advantage and ONE disadvantage of the autocratic style of leadership in human resource management. 2

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- (b) Outline TWO employers' responsibilities towards their employees under common law contracts. 2

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- (c) Explain the interdependence between human resource management and other key business functions. 3

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End of Question 25

Trial HSC Business Studies

Section III

Question 26

(20 marks)

Attempt Question 26

Allow about 35 minutes for this section

Answer the question in a SEPARATE writing booklet.

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 26 (20 Marks)

Classic Furniture Pty. Ltd., a leading Australian furniture manufacturer, has been operating for 27 years in one of Melbourne's outer suburbs. The company directors have become concerned about some issues with their operation's performance. One problem that has been identified concerns inventory control and monitoring. This problem is largely due to some mismanagement as well as shortage of space in their inadequate warehousing.

In addition, there has been a gradual slump in their market share over the last three years from 16% to 9% in the Australian furniture market. This is largely due to intensive marketing campaigns and the offering of lower prices by two of their competitors.

The Directors are keen to rectify the situation as the problems identified are affecting the financial performance and future viability of Classic Furniture.

As a business consultant, prepare a report for Classic Furniture Pty. Ltd.

In your report, you should:

- Outline TWO strategies for the operation function that could be implemented to improve inventory management
- Discuss ONE promotion strategy and ONE price strategy that the business could use to achieve its marketing objectives and improve their financial performance

Section IV

(20 marks)

**Attempt either Question 27 OR 28
Allow about 35 minutes for this section**

Answer the question in a SEPARATE writing booklet.

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

- Demonstrate knowledge and understanding relevant to the question
 - Apply relevant business case study/studies and contemporary business issues
 - Communicate using relevant business terminology and concepts
 - Present a sustained, logical and cohesive response
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Question 27 (20 Marks)

With reference to particular business/businesses you have studied, assess the financial management strategies that may be used in response to global market influences on business finance.

OR

Question 28 (20 Marks)

With reference to particular business/businesses you have studied, assess the effectiveness of the relevant human resource management strategies in response to changes in social conditions and the current legal framework.

End of paper

Student Name: _____

Student Number

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Answer Sheet-Section 1 (20 marks)

Use this Answer Sheet to answer Section 1

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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Paramount Education

**2015 HSC TRIAL BUSINESS STUDIES EXAMINATION
MARKING GUIDELINES**

**Section I
(20 marks)
Questions 1-20 (1 mark each)**

Question	Answer	Syllabus Outcomes	Targeted Performance Bands
1	D	H1, H2	2
2	A	H2, H4	3
3	C	H1, H3, H4	4
4	B	H1, H4, H5	4
5	B	H2, H4, H5	3
6	C	H2, H10	5
7	D	H2, H3, H4	5
8	D	H2, H4, H5	3
9	B	H10	5
10	A	H2, H4, H5	4
11	C	H3, H4, H5, H6	4
12	C	H1, H4	3
13	A	H1, H2, H4	5
14	B	H2, H4, H5	3
15	D	H1, H4	4
16	C	H1, H5, H6	4
17	D	H2, H4, H5, H6	4
18	A	H2, H4, H5	4
19	B	H2, H4, H5, H6	5
20	A	H2, H3, H6	4

DISCLAIMER

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Section II
(40 marks)

Question 21 (10 marks)
(a) (2 marks)

Outcomes Assessed: H4

Targeted Performance Bands: 3

Criteria	Mark
• Clearly describes the primary role of operations management	2
• Sketches a description of the primary role of operations management	1

Answers could include:

- The primary role of operations management is to transform inputs, such as raw materials, into outputs (i.e. products/services)

(b) (2 marks)

Outcomes Assessed: H4

Targeted Performance Bands: 3

Criteria	Mark
• Clearly outlines TWO operations performance objectives for a business such as Delphi	2
• Sketches an outline of ONE or TWO operations performance objectives for a business such as Delphi	1

Answers could include:

Performance objectives may include:

- | | |
|------------------------------|--|
| - Quality of product/service | - Customisation |
| - Speed of delivery | - Cost |
| - Dependability | - New product/service design and development |
| - Flexibility | |

(c) (2 marks)

Outcomes Assessed: H2, H4, H5

Targeted Performance Bands: 4

Criteria	Marks
• Clearly explains how government policies may impact on Delphi's business operations	2
• Sketches a limited outline on how government policies may impact on Delphi's business operations	1

Answers could include:

- Tax policies (e.g. tax concessions, capital gains tax etc.)
- Trade protection vs free trade for domestic industries
- Policies to increase Productivity/ efficiency (e.g. National Competition policy)

(d) (4 marks)

Outcomes Assessed: H2, H4, H6

Targeted Performance Bands: 4

Criteria	Marks
• Clearly discusses TWO advantages and TWO disadvantages of outsourcing as an operations strategy by Delphi	4
• Provides a limited discussion of TWO advantages and TWO disadvantages of outsourcing as an operations strategy by Delphi	2-3
• Sketches an outline of ONE advantage and/or ONE disadvantage of outsourcing as an operations strategy by Delphi	1

Answers could include:

Advantages of outsourcing may include:

- Lower costs to business
- Greater efficiency
- Better allocation of business resources
- Business can focus on its main activity or prime function
-

Disadvantages of outsourcing may involve:

- Loss of control over the quality of product/service
- Loss of know-how/knowledge of processes and solutions
- Information technology may become neglected when outsourced to external firm

Question 22 (9 marks)

(a) (2 marks)

Outcomes Assessed: H1, H4

Targeted Performance Bands: 3

Criteria	Marks
• Clearly defines the term 'marketing'	2
• Sketches a definition of the term 'marketing'	1

(b) (2 marks)

Outcomes Assessed: H4, H5

Targeted Performance Bands: 3

Criteria	Marks
• Correctly explains briefly how market research can assist Wow Jeans in determining their target market.	2
• Identifies and sketches an outline of how market research can assist Wow Jeans in determining their target market.	1

Answers could include:

- Market research allows a business to get better and up-to-date information about their customers' needs and wants. Being well informed about all aspects of the market especially the buying behaviour of existing and potential customers places the business in a much better position in the market.

(c) (1 mark)

Outcomes Assessed: H1, H5, H6

Targeted Performance Bands: 3

Criteria	Marks
• Correctly identifies ONE distribution/place strategy that Wow Jeans could use to increase their brand recognition and availability to consumers	1

Answers could include:

Distribution/place strategies may include:

- Distribution channels
- Channel choice (i.e. intensive, selective and exclusive)
- Transport choices
- Warehousing choices

(d) (4 marks)

Outcomes Assessed: H4, H5, H6

Targeted Performance Bands: 4

Criteria	Marks
• Clearly discusses TWO of the steps involved in developing a marketing plan that could be considered by Wow Jeans for the launch of their new marketing campaign	4
• Provides a limited discussion of TWO of the steps involved in developing a marketing plan that could be considered by Wow Jeans for the launch of their new marketing campaign	2-3
• Sketches an outline of ONE of the steps involved in developing a marketing plan that could be considered by Wow Jeans for the launch of their new marketing campaign	1

Answers could include:

Steps in developing a marketing plan may include:

- Situational analysis
- Market research
- Establishing market objectives
- Identifying target market
- Developing market strategies
- Implement, monitor and control

Question 23 (7 marks)

(a) (2 marks)

Outcomes Assessed: H10

Targeted Performance Bands: 3

Criteria	Marks
• Correctly calculates the net profit ratio for 2014 for Gold Star Enterprises	2
• Sketches a calculation of the net profit ratio for 2014 for Gold Star Enterprises	1

Answers could include:

Net profit ratio = 28.25%

(b) (1 mark)

Outcomes Assessed: H4, H10

Targeted Performance Bands: 3

Criteria	Marks
• Clearly identifies ONE possible reason for the change in profitability from 2013 to 2014.	1

Answers could include:

- Increased sales in 2014
- Lower quantity of stocks held in 2014

(c) (4 marks)

Outcomes Assessed: H4, H5, H6

Targeted Performance Bands: 4

Criteria	Marks
• Clearly suggests and explains TWO marketing strategies that could be applied at Gold Star Enterprises to increase sales and profitability by 5 %.	4
• Provides a suggestion and limited explanation of TWO marketing strategies that could be applied at Gold Star Enterprises to increase sales and profitability by 5 %.	2-3
• Sketches a suggestion of ONE marketing strategy that could be applied at Gold Star Enterprises to increase sales and profitability by 5 %.	1

Answers could include:

Marketing strategies may include:

- Product
- Price
- Promotion
- Place
- People
- Process
- Physical evidence

Question 24 (7 marks)

(a) (1 mark)

Outcomes Assessed: H2, H3, H4

Targeted Performance Bands: 3

Criteria	Marks
• Clearly identifies ONE financial influence on a global business	1

Answers could include:

- Exchange rate/currency fluctuations
- Interest rates
- Overseas borrowing
- Hedging

(b) (2 marks)

Outcomes Assessed: H2, H4, H6

Targeted Performance Bands: 3

Criteria	Marks
• Clearly outlines a reason why exporters, such as Wondercorp, may choose to use derivatives when dealing in the international financial market.	2
• Sketches an outline of a reason why exporters, such as Wondercorp, may choose to use derivatives when dealing in the international financial market.	1

Answers could include:

- Exporters may opt to use derivatives because it allows them to minimize financial risks and uncertainty involved with currency fluctuations and/or exporting risks.

(c) (4 marks)

Outcomes Assessed: H2, H4, H5, H6

Targeted Performance Bands: 3

Criteria	Marks
• Clearly explains TWO methods of payment which may be used by Wondercorp to reduce their financial risk.	4
• Provides a limited explanation of TWO methods of payment which may be used by Wondercorp to reduce their financial risk.	2-3
• Sketches a basic outline of ONE method of payment which may be used by Wondercorp to reduce their financial risk.	1

Answers could include:

Methods of payment may include:

- Payment in advance
- Letter of credit
- Clean payment
- Bills of exchange

Question 25 (7 marks)

(a) (2 marks)

Outcomes Assessed: H5, H6

Targeted Performance Bands: 2

Criteria	Marks
• Clearly identifies ONE advantage and ONE disadvantage of the autocratic style of leadership in human resource management	2
• Identifies Either ONE advantage or ONE disadvantage of the autocratic style of leadership in human resource management	1

Answers could include:

Advantages include:

- Tasks are completed on time
- Leadership style suits groups of employees that require manager's directions and/or guidance such as young employees

Disadvantages include:

- Inflexible leadership
- Reduces worker satisfaction and motivation
- Employee has little or no role in the decision-making process

(b) (2 marks)

Outcomes Assessed: H5, H6

Targeted Performance Bands: 3

Criteria	Marks
• Clearly outlines TWO employers' responsibilities towards their employees under common law contracts.	2
• Sketches an outline of TWO employers' responsibilities towards their employees under common law contracts.	1

Answers could include:

- Payment of wage or salary in accordance with the relevant award
- Duty of care (e.g. workplace health and safety)
- Compliance with relevant legislations. For example, Anti-Discrimination Act, 1977 (NSW), Fair Work Australia Act 2009 (Cth) and
- A fair treatment of all employees.

(c) (3 marks)

Outcomes Assessed: H4, H5, H6

Targeted Performance Bands: 4

Criteria	Marks
• Clearly explains the interdependence between human resource management and other key business functions	3
• Provides a limited explanation of the interdependence between human resource management and other key business functions.	1-2

Answers could include:

- The various business functions of operations, finance, marketing and human resource management need to work together in a coordinated manner in order to achieve the stated business goals/objectives. A human resource manager is usually a member of the executive team of a large business and therefore is aware and involved in decision-making processes that affect all aspects of the business.

Section III
(20 marks)

Question 26(20 marks)

Outcomes Assessed: H1- H6

Targeted Performance Bands: 2-6

Criteria	Marks
<ul style="list-style-type: none"> • Provides a clear and comprehensive outline of TWO strategies for the operation function that could be implemented to improve inventory management • Clearly discusses ONE promotion strategy and ONE price strategy that the business could use to achieve its marketing objectives and improve their financial performance • Integrates appropriate business terms, relevant concepts, and relates to the stimulus material in the question • Synthesises own information with the information provided to develop a sustained, logical and well-structured response 	17-20
<ul style="list-style-type: none"> • Demonstrates an understanding of TWO strategies for the operation function that could be implemented to improve inventory management • Discusses ONE promotion strategy and ONE price strategy that the business could use to achieve its marketing objectives and improve their financial performance • Consistently uses business terms, relevant concepts, and relates to the stimulus material in the question • Uses own information and the information provided to develop a logical and well-structured response 	13-16
<ul style="list-style-type: none"> • Provides an adequate understanding of ONE or TWO strategies for the operation function that could be implemented to improve inventory management • Provides a limited discussion of ONE promotion strategy and/or ONE price strategy that the business could use to achieve its marketing objectives and improve their financial performance • Makes some use of business terms, relevant concepts, and relates to the stimulus material in the question • Uses own information and the information provided to develop a coherent response 	9-12
<ul style="list-style-type: none"> • Sketches some aspects of the operation function that could be implemented to improve inventory management • Sketches some aspects of either ONE promotion strategy or ONE price strategy that the business could use to achieve its marketing objectives and improve their financial performance • Uses some business terms and/or concepts • Uses information to develop a generalised response 	5-8
<ul style="list-style-type: none"> • Lists aspects of some operations and/or marketing strategies • Uses some economic terms and/or concepts • Presents a limited response 	1-4

Answers could include:

Strategies for the operation function towards improving inventory management may include:

- Advantages of holding stock
- Disadvantages of holding stock
- Inventory valuation methods (i.e. LIFO, FIFO, Just-In-Time)

Product promotion strategies may include:

- The Promotion mix including advertising, personal selling and relationship marketing, sales promotion and publicity and public relations

Price strategies may include:

- Price penetration, price skimming, loss leader and price points

Marketing objectives are to promote a business's products/services and are to be consistent with the goals/objectives of a business which are to maximise profits among others.

Question 27 (20 marks)

Outcomes Assessed: H1- H6

Targeted Performance Bands: 2-6

Criteria	Marks
<ul style="list-style-type: none">• Provides a clear and comprehensive assessment of the financial management strategies that may be used in response to global market influences on business finance• Integrates appropriate business terms, relevant concepts, and makes reference to relevant case study/studies• Presents a sustained, logical and cohesive response to the question	17-20
<ul style="list-style-type: none">• Assesses the financial management strategies that may be used in response to global market influences on business finance• Consistently uses business terms, relevant concepts, and makes reference to relevant case study/studies• Uses own information to develop a logical and well-structured response	13-16
<ul style="list-style-type: none">• Provides an adequate understanding of the financial management strategies that may be used in response to global market influences on business finance• Makes some use of business terms, relevant concepts, and may make some reference to relevant case study/studies• Uses own information to develop a coherent response	9-12
<ul style="list-style-type: none">• Sketches some aspects of the financial management strategies that may be used in response to global market influences• Uses some business terms and/or concepts• Uses information to develop a generalised response	5-8
<ul style="list-style-type: none">• Lists aspects of some considerations of the financial management• Uses some economic terms and/or concepts• Presents a limited response	1-4

Answers could include:

Business financial management strategies include:

- Cash flow management
- Working capital/liquidity management
- Control of current assets
- Control of current liabilities

Global market influences on business finance include:

- Exchange rate/currency fluctuations
 - Appreciation
 - Depreciation
- Relative interest rates
 - domestic interest rates
 - global interest rates
- Methods of international payment and their associated level of risk
- Practice of hedging

Question 28 (20 marks)

Outcomes Assessed: H1- H6

Targeted Performance Bands: 2-6

Criteria	Marks
<ul style="list-style-type: none"> • Provides a clear and comprehensive assessment of the effectiveness of the relevant human resource management strategies in response to changes in social conditions and the current legal framework. • Integrates appropriate business terms, relevant concepts, and makes reference to relevant case study/studies • Synthesises own information with the information provided to develop a sustained, logical and well-structured response 	17-20
<ul style="list-style-type: none"> • Assesses the effectiveness of the relevant human resource management strategies in response to changes in social conditions and the current legal framework. • Consistently uses business terms, relevant concepts, and makes reference to relevant case study/studies • Uses own information and the information provided to develop a logical and well-structured response 	13-16
<ul style="list-style-type: none"> • Provides an adequate assessment of the effectiveness of the relevant human resource management strategies in response to changes in social conditions and the current legal framework. • Makes some use of business terms, relevant concepts, and may make some reference to relevant case study/studies • Uses own information and the information provided to develop a coherent response 	9-12
<ul style="list-style-type: none"> • Sketches some aspects of human resource management strategies in response to changes in social conditions and/or the current legal framework. • Uses some business terms and/or concepts • Uses information to develop a generalised response 	5-8
<ul style="list-style-type: none"> • Lists some aspects of human resource management strategies • Uses some business terms and/or concepts • Presents a limited response 	1-4

Answers could include:

Human resource management strategies may include:

- Leadership styles and job design
- Recruitment, training, development and performance management
- Global factors
- Rewards management

Social conditions and current legal framework changes:

- Changing work patterns:
 - o Rising female participation rate
 - o Ageing workforce
 - o Early retirement

- o Career flexibility and job mobility

- The employment contract (i.e. relevant Enterprise agreement)
- Changes in legislation (e.g. Fair Work Australia Act, 2009 (Cth) etc.
- Industrial climate
- WHS Act, 2011
- Worker's compensation
- Anti-discrimination
- EEO etc.