

2024 VCE Business Management external assessment report

General comments

In general, students performed well in the 2024 VCE Business Management examination, with the majority of students attempting all questions. Students are reminded that they are expected to apply their understanding and skill set to the case studies and scenarios provided in order to achieve higher marks, rather than simply relying on memorised content.

- Definitions:** There appears to be some confusion about when it is appropriate to provide a definition in a response. Marks will not be awarded for definitions that are not specifically required, as indicated by the wording of a question. For example, in Section B, there was no need to define 'on-the-job training' when responding to Question 6, nor was there a need to define 'autocratic management style' when responding to Question 4. Likewise, in Section A, definitions of 'low risk strategy' (Question 1b.) and 'corporate social responsibility' (Question 3a.) were not required. Students can demonstrate an understanding of the term implicitly within their response; an explicit definition is not required. To clarify, it is expected that a definition will be included when:
 - the command term is 'define'
 - subsequent sections of the response require the student to show how aspects of a definition have been applied (for example, Section B Question 1)
 - distinguishing between or comparing two terms (but only when using the definitions to highlight similarities or differences that exist).
- Time management:** The majority of students were able to provide a response to all questions within the examination. Students are reminded, however, that effective time management is crucial. It is important that they avoid spending too long writing overly detailed responses to questions with a low mark allocation, as this may leave insufficient time to address questions with higher mark allocations (such as Section A Question 4, worth 10 marks). Students are encouraged to maintain a steady pace throughout the exam in order to avoid leaving responses unanswered towards the end. Practising timed exams will assist students in developing the skills required to complete all sections thoroughly within the allotted two hours of writing time.
- Command terms:** The overall accuracy of responses suggests that students are comfortable with the majority of commonly used command terms. It is clear that students have worked with the [glossary of command terms](#) and are applying their understanding accurately. For example, students responded accurately to commonly used command terms such as 'discuss' and 'compare'. Students are reminded that command terms used less frequently in past examinations may be used in the future. It was notable in the 2024 examination that students did not respond as well to command terms 'analyse', 'interpret' and 'justify'.
- The study design:** The study design is a useful tool for indicating the language and terminology students are required to use in order to demonstrate their learning. A strong understanding of the study's terminology will empower students to use these terms accurately.

It was evident in some responses that many students were reproducing pre-learned material verbatim. Students are reminded that there are no definitions that require a specific sequence of words to be used;

marks are awarded based on the depth of understanding that is shown and the ability to apply key knowledge and key skills in a way that is relevant and accurate.

Many students appeared to have memorised intricate details of contemporary case studies covered in class. These details were often outside the scope of the task and did not accurately address the question being asked. For example, Section A Question 4 required students to discuss strategies for managing human resources in the context of a contemporary case study. A significant number of responses focused on change management rather than human resource management. Similarly, Section A Question 3c. required students to *justify* the use of a specific theory, but many responses instead described the process of applying the theory, which did not fully address the requirements of the question.

In 2024, 65 examinations were potentially impacted by the early publication of the examination material. After extensive analysis, only 5 exams were found to have been impacted. The Business Management examination was one of those 5 examinations.

The independent Expert Advisory Panel led by Professor John Firth:

- reviewed student marks in the affected exams and identified any anomalies in how students have responded to the affected questions, including how the affected question related to the rest of the exam
- analysed if any discrepancies were identified. If so, the panel conducted further analysis.

The statistical analysis revealed anomalies in the data where a small number of students performed significantly better on the impacted questions compared to their performance in the rest of the paper.

To avoid any consequent disadvantage for other students, the Panel recommended that those students were removed from the standard study score, including the distribution of study scores. The scores of impacted students were then inserted into the overall distribution at a matched point after the study scores had been distributed.

This has ensured that no student lost a mark through this process and no student was disadvantaged as a result of this process.

Specific information

Note: Student responses reproduced in this report have not been corrected for grammar, spelling or factual information.

This report provides sample answers, or an indication of what answers may have included. Unless otherwise stated, these are not intended to be exemplary or complete responses.

The statistics in this report may be subject to rounding resulting in a total more or less than 100 per cent.

Section A

Question 1a.

Mark	0	1	2	Average
%	30	18	51	1.2

This question required students to both refer to and describe one of the key elements of the operating system and then link the chosen element to the business, Sammah's Foodz.

The key elements in the operations system are inputs, processes and outputs. Some responses did not name an element, while others did not adequately describe the element selected. When applying the 'process' element, responses often focused on the new technology as a process rather than recognising that technology is an input. When using technology as a process, the focus must be on what the technology is *doing*. To describe a process, students are encouraged to use verbs. For Sammah's Foodz, verbs such as mixing, cutting, packaging and freezing are examples that describe acceptable processes. Responses that focused on outputs were generally strong, providing both a general explanation of outputs and a specific application to the business output (frozen savoury food).

The following is an example of a high-scoring response.

Inputs refer to the resources used to make a business' goods or services, such as raw materials, equipment or labour. Some inputs at Samaah's Foodz include the ingredients used to make the savoury foods that are frozen, as well as the freezers used to freeze and store the product. Additionally, the employees employed to stack the frozen savoury food items are an input.

Question 1b.

Mark	0	1	2	3	Average
%	9	19	44	29	2.0

This question required students to demonstrate their understanding of a low-risk strategy for change. The low-risk strategies for change identified in the study design include communication, empowerment, support and incentives. Training and counselling were also considered appropriate strategies. A high-scoring response needed to explain how the selected strategy could be used to reduce employee resistance to change at Sammah's Foodz (either the introduction of new technology or reduction of waste).

When using 'support' as a low-risk strategy, it is important that the *type* of support offered to employees is explained. Students who were able to do this by linking support to counselling, for example, were able to access full marks.

Students are reminded that they must respond to all parts of the question to be awarded full marks. In this case, they were required to clearly explain how the chosen strategy would reduce resistance to change at Sammah's Foodz. Simply using the name of the business in the response was not sufficient; the response needed to link the introduction of new technology or waste reduction to plausible employee concerns about one or both of these changes.

The following is an example of a high-scoring response.

One low risk strategy Sammah's Foodz could use is communication, which is the transferring of information (about the change to introduce new technology to broaden products and reduce waste) to employees. The communication of this change should openly and honestly outline the reasons and benefits for changing, including to achieve the new goals of broadening products and reducing waste, as well as communicating consequences of not changing. By allowing employees to clearly understand the reasons for change in order to remain competitive, they are more likely to accept the change and thus employee resistance can be overcome.

Question 1c.

Mark	0	1	2	3	4	5	6	Average
%	4	5	10	20	24	20	18	3.9

This question required students to demonstrate an understanding of how the strategies of reduce, reuse and recycle could be used to reduce waste at Sammah's Foodz.

Responses that scored well clearly described how each of these strategies could be implemented. When explaining 'reduce', many students were able to make links to inventory control systems such as Just in Time, showing a clear understanding of how this strategy may be used.

Students are again reminded that simply using the name of the business in the response is not sufficient to link the concept to the case study. Responses that received full marks discussed the perishable nature of the ingredients, the implementation of new technology, the packaging of the product, and other aspects that would be specific to a food manufacturer.

Students are reminded to avoid the use of circular definitions as these do not demonstrate understanding. A circular definition is one in which the term that is being defined is used as part of the definition: for example, 'Recycle is when something is recycled.'

The following is an example of a high-scoring response.

Sammah's could minimise waste through the implementation firstly of 'reduce', which involves minimising unnecessary resources that do not add value to the final product. By identifying areas of their production process that do not add value, such as excess packaging around their frozen goods, they could begin only purchasing the minimum necessary packaging, thereby reducing that wastage that results when customers throw this material away.

Next, they could utilise 'reuse' to identify materials such as packaging that would otherwise be discarded, and use it again. For example, they could develop a system in which customers return the packaging from their products in return for discounts. Sammah's could then reuse this packaging again and reduce its wastage.

Finally, they could utilise 'recycle' by using materials that would otherwise be discarded and transforming them into new products. For example, offcuts from the ingredients they use in their savoury foods could be repurposed into new meals, such as creating a new frozen soup range with the offcut ingredients, thereby recycling them and reducing waste.

Question 1d.

Mark	0	1	2	3	4	Average
%	14	11	33	23	19	2.2

The command term 'discuss' requires students to consider strengths and weaknesses, advantages and disadvantages, or pros and cons. Students are encouraged to structure responses to ensure they are addressing the requirements of the command term within the question being asked.

To achieve full marks for this response, students were required to:

- identify at least one advantage and one disadvantage of Porter's differentiation approach
- link the advantages or disadvantages to the number of sales
- clearly show how the advantages or disadvantages may apply to Sammah's Foodz.

Common errors included:

- not including disadvantages in the response
- defining Porter's differentiation approach without discussing its advantages and disadvantages for Sammah's Foodz
- not linking the theory to the number of sales.

The following is an example of a high-scoring response.

One advantage of Porter's differentiation strategy for Sammah's Foodz is that it means that they will be able to charge premium prices for their frozen savoury items as their competition don't have these items.

Moreover, another advantage of Porter's differentiation strategy for Sammah's Foodz is that they will be able to attract a more loyal customer base whereby customers can only buy those products from them. Therefore, this can lead to an increased number of sales from their loyal customers.

However, one disadvantage of Porter's differentiation strategy for Sammah's Foodz as they seek to increase their sales is that it could be expensive to implement a range of products that their competition don't have and so this could ultimately take away from their ability to focus on actually selling the items of a perceived value. Furthermore, another disadvantage of Porter's differentiation strategy for Sammah's Foodz is that it may not be hard for other competing businesses to also introduce the products Sammah's stocks, which could therefore lead to decreased sales.

Question 2a.

Mark	0	1	2	Average
%	12	41	47	1.4

This question required students to define the term 'quality' in relation to operations management.

As there were two marks available, responses needed to highlight two aspects of the definition to achieve full marks. Possible responses included any two of:

- high or excellent standard of goods and services
- meeting or exceeding customer needs or expectations
- goods and services meeting the business's benchmarks or criteria for production
- goods and services being 'fit for purpose'
- an absence or low occurrence of defects
- consistency, durability or aesthetically pleasing presentation.

A specific link to the case study was not required, but many strong responses did include a reference to the material in the prompt.

A common error included using the term 'quality' as a descriptive term without addressing its meaning or attempting to explain the advantages or disadvantages of businesses producing high-quality products.

The following is an example of a high-scoring response.

In operations management, quality refers to achieving a standard of excellence in a finished good or service that is provided or delivered to an end customer, e.g. at Surf 'n Stuff they want to improve the quality in the standard of excellence of their finished product of swimwear by reducing defective outputs. Less defective outputs improves quality as more outputs achieve a standard of excellence.

Question 2b.

Mark	0	1	2	3	4	Average
%	12	20	30	26	12	2.1

This question required students to compare the business concepts of effectiveness and efficiency.

For full marks, students were required to explain at least one similarity and one difference, with reference to business concepts (such as objectives and/or strategies) in their explanations.

Similarities included the following:

- Both concepts are business objectives and can therefore be used to measure business success.
- Efficiency and effectiveness can be achieved through the same strategies. For example, implementing

an automated production line can improve accuracy of production and limit defects, thus improving efficiency. It can also replace expensive human labour, reducing costs and achieving the objective of making a profit.

- Both efficiency and effectiveness can be used to measure the performance of the operations system.

Differences included the following:

- Effectiveness measures how well a business achieves its objectives, whereas efficiency relates to how well a business uses its resources (time, labour, materials) to produce its goods and services.
- Efficiency tends to have a narrower focus on the operations system, whereas effectiveness is broader and can relate to different parts of the business. For example, increasing net profit could involve human resources strategies to reduce staff turnover, which will reduce expenses.

Common errors included listing similarities and differences without any explanation of the concepts, or simply defining both terms rather than comparing them. Students are encouraged to signpost their comparisons by using 'A similarity is ...' and 'A difference is ...' to structure their responses and ensure they are meeting the requirements of the command term 'compare'.

Some responses demonstrated insufficient understanding of one or both concepts, resulting in poor comparisons. For example, many students incorrectly referred to effectiveness as 'how well a product works', whereas the term relates to the achievement of business objectives. Likewise, when writing about efficiency, students commonly confused the concept with productivity or achieving objectives (effectiveness).

The following is an example of a high-scoring response.

Effectiveness refers to meeting goals and objectives whereas efficiency refers to the best use of resources. Operations management is the business of producing desired goods and services to satisfy customer needs so effectiveness can refer to set objectives in sales/quality, whereas efficiency refers to elements such as reducing waste or increasing productivity. On the other hand, the two terms are similar in that they can both be used to frame business objectives. For example, a business might set the objective of improving efficiency by 5%, and they can also set an objective of improving effectiveness by reducing wastage by 3%.

Question 2c.

Mark	0	1	2	3	Average
%	9	22	39	30	1.9

This question required students to explain how either artificial intelligence or computer-aided design could be used to improve efficiency with reference to the case study.

Many students demonstrated a good understanding of their chosen technology strategy; however, responses focused on computer-aided design were generally stronger. Some students provided vague applications of artificial intelligence that made it difficult to show how it would improve efficiency. Other students suggested applications of artificial intelligence that were inconsistent with the case study (which was a manufacturing business). Students should prepare a range of artificial intelligence strategies that could be applied to both service and manufacturing businesses.

Other common errors included:

- not making any meaningful links to the case study
- not explaining how the strategy would improve efficiency
- explaining how the strategy would address one of the stated objectives in the case study (which would achieve effectiveness rather than efficiency).

The following is an example of a high-scoring response.

Computer aided design is the use of technology by a firm to create and design products which may be then made. At Surf n' Stuff they would be able to use computer aided design to create different swimwear products and new surfboard shapes using technology. This would be able to design boards with correct sizing and volume. Such as it may be able to create a longboard with the height of 9,2 and the correct volume and dimensions all through the use of technology. This then allows them to see whether this board will look good and whether it needs to be produced Rather than simply producing it and then realising it is not a good product which would be extremely inefficient. Instead using computer aided design will benefit Surf n' Stuff even potentially allowing for individual customer orders to be created online. Which they can then show to customers what their board will look like to ensure the utmost level of satisfaction. As efficiency is the ability to increase outputs with the same or less inputs. The use of computer aided design will reduce inputs in the production process as less is wasted due to being able to pre check designs online rather than producing them and hoping they are up to standard. This then lowers inputs and can even save time for the same amount of outputs. Thus, increasing their efficiency as a result.

Question 2d.

Mark	0	1	2	3	4	5	6	Average
%	21	5	13	16	27	12	6	2.9

For this question, students were required to explain how the business in the case study could apply two principles of Senge's Learning Organisation to develop a positive culture for change.

Many students demonstrated a strong understanding of the principles of Senge's Learning Organisation, with Team Learning, Personal Mastery, Shared Vision, Mental Models and Systems Thinking all being used in response to this question.

Common errors included:

- not referencing the case study
- making only a superficial reference to the case study (such as including the business or CEO's name)
- explaining how the principles would develop a 'positive culture' without addressing the concept of change.

Students are reminded that they must respond directly to the question being asked rather than rely on rote-learned responses that do not directly address the question.

The following is an example of a high-scoring response.

Surf 'n Stuff could use the principle personal mastery to create a positive culture for change because it's where an individual (employee) is committed to self-improvement and becomes a lifelong learner. For example, workers at Surf 'n Stuff could take additional training to develop their skills and knowledge regarding the sale of surfing equipment. This may lead to employees feeling more confident in their abilities and skills at Surf n' Stuff. Thus, creating a positive culture to change, as the employees will be more open and accepting of change (e.g. new product lines) if they feel as though they are equipped to deal with it.

Surf 'n Stuff can also use the principle systems thinking as it involves evaluating the performance of a business as a whole, and as a part of the wider environment, rather than as separate units. This may lead to integrating different parts of Surf 'n Stuff such as operations finance, human resources etc. together. Thus, creating a positive for change as elements at Surf 'n Stuff will be working together and supporting each other to improve whole business performance, making them more accepting of change as they are all working together.

Question 3a.

Mark	0	1	2	3	Average
%	33	25	23	19	1.3

This question required students to outline a strategy to support corporate social responsibility (CSR) at Allygant Attire. To earn full marks, the CSR strategy needed to be linked to Allygant Attire in a way that was specific to their operations of hiring out formal wear.

The most common error was providing CSR strategies that did not relate to operations management: for example, responses frequently focused on ensuring staff were transitioned out of the business in a supportive manner (which is the responsibility of human resources). Some responses misinterpreted Allygant Attire as a manufacturing business, resulting in incorrect CSR strategies being provided. Others provided a detailed definition of CSR without effectively explaining how it applied to the case study.

In preparation for the examination, students should ensure they are familiar with CSR strategies for all outcomes, including operations, human resources and change management.

The following is an example of a high-scoring response.

One way Allygant Attire could improve its corporate social responsibility within its operations management system is through ensuring that it ensures the environmental sustainability of its inputs. This means that the business should ensure that the formal wear it procures to complete its hiring service is produced in a manner that does not harm the environment, such as through the use of sustainable materials – rather than plastics and poly-synthetic materials that could instead harm the environment. And so, this could be improved through ensuring that Allygant properly inspects its suppliers, so as to ensure that their production of formal wear is done in an ethical and environmentally sustainable manner – and if it is not, then Allygant could then change its supplier to one that does abide by such practices.

Question 3b.

Mark	0	1	2	3	4	Average
%	8	11	31	30	20	2.4

This question required students to explain two restraining forces for Allygant Attire, specifically related to developing their new website and closing some of their physical stores. Students needed to describe how and why each force acted to prevent (or slow) the process of change. The most commonly identified restraining forces were 'employees' and 'customers'.

While most students identified relevant restraining forces, they often did not adequately explain either *why* or *how* these forces would restrict the implementation of online services. Responses tended to simply refer to the dissatisfaction of stakeholders, mostly employees, without further expansion or specific links to the online services. For example, when explaining 'time' as a restraining force, responses often lacked detail beyond stating that the change would take a long time. Similarly, explanations of 'organisational inertia' often defined the term without explaining how or why it would limit change. In many cases, responses identified 'employees' and 'organisational inertia' as the two restraining forces but did not effectively distinguish between the ways these forces influenced the change process.

Students needed to be able to explain not only why a particular stakeholder or concept is a restraining force but also how that force would limit the change.

The following is an example of a high-scoring response.

One restraining force for Allygant Attire in relation to developing their website to enable online services is employees. This is because the development of their website will involve closing six of its stores, which will require many staff to be made redundant. Therefore, employees will resist this change as it could negatively impact both their job and financial security.

Furthermore, another restraining force for Allygant Attire is financial considerations. This is because the development of their website will require the business to advertise their online services, which has already seen them spend a large amount of money. As net profit is key to a business's survival, a large expensive like this could hinder Allygant's ability to make a profit, therefore possibly discouraging this change.

Question 3c.

Mark	0	1	2	3	Average
%	14	34	38	14	1.5

To earn full marks, students were required to demonstrate an adequate understanding of the Three-step Change Model and explain the benefits of implementing the model for Allygant Attire.

The command term 'justify' required students to explain the benefits of using the model; however, the majority of students applied the three steps with no specific benefits or advantages identified or explained. In other words, they were able to explain what the model was but not how implementation of the model would benefit the business.

In preparation for the examination, students should develop their understanding of the theoretical model, especially the refreeze step, which relates to embedding the change into normal business practices, rather than evaluating the change. Students should not limit themselves to only being familiar with the three steps of the model. They must also be able to evaluate the model and explain reasons for its effectiveness and the benefits of using it.

The following is an example of a high-scoring response.

Lewin's Three-step Change Model provides a scaffold to employees to use when implementing a change to unfreeze, change and refreeze. This allows managers at Allygant Attire clear steps to follow which may facilitate the significant changes to be implemented. For example, managers will understand that they will just have to unfreeze, explaining to employees why the closure of stores is necessary to ensuring business success in online spaces. Another benefit of using the Three-step Change Model is that it ensures a change can be embedded within the culture, policies and activities of a business into the future. This means that once the website is developed, Allygant Attire does not revert to focusing on the shops found at shopping centres but continues to review the online website to ensure it can be successful and remain in the business into the long-term.

Question 4

Mark	0	1	2	3	4	5	6	7	8	9	10	Average
%	12	9	11	12	13	14	12	9	6	3	1	4.0

This 10-mark question required students to:

- describe multiple strategies used when managing employees – these did not specifically have to be human resources strategies, but their relationship to employees needed to be explored
- explain how these strategies may affect specific business objectives
- detail how these strategies could be used in the context of at least one contemporary case study.

Areas of strength in students' responses included the following:

- Almost all students were able to recall a contemporary case study from the past four years.
- A number of students realised they should only use strategies that had an impact on employees.
- Most students used more than one strategy, with two or three strategies the most common.

Common errors included:

- explaining strategies and objectives that were unrelated to the chosen case studies
- using management skills, management styles, motivational theories or strategies specifically designed to avoid human interaction (such as automated production lines or artificial intelligence)
- referring to objectives in general without specifying which objectives were being affected
- claiming that strategies would improve an objective with no explanation of how this would occur
- focusing on implementing change rather than objectives (often due to the chosen case study).

Students should focus on developing a clear understanding of what constitutes a strategy, as distinct from a skill or style. Students should also familiarise themselves with several contemporary case studies for different areas of study, rather than focusing exclusively on change management (Unit 4). Students who referenced only a single change-based case study often could not explain how these businesses could achieve outcomes beyond the successful implementation of change. Students benefit from access to simple case studies about businesses they can easily understand.

The following is an example of a high-scoring response.

In recent years, many supermarkets (such as Coles) have started using artificial intelligence to assist in detecting unusual behaviour from customers when they are using the self-service checkouts. One of the objectives of this process was to reduce the total value of items lost to theft. As a result of this, the businesses would also be hoping that net profit would increase over time.

Implementing this change successfully has required the use of a number of different human resource strategies. For example, employees have been given on-the-job training to ensure that they know how to use the equipment. The AI function in the registers links directly to gates that allow the customer to exit the store. Employees need to know how to respond if the gates fail to open; in some cases it may indicate that the customer is attempting to steal an item, but in other cases it might mean that there has been an error in the analysis process.

The managers will also need to use a variety of motivation strategies to ensure that the employees remain alert. Although the task of scanning items and placing them in bags is no longer done by staff members, the employees will still need to be aware of customers who need assistance. For example, the managers at Coles might decide to use performance related pay for those employees who proactively assist a certain number of customers each day. Alternatively they might use this process to identify young employees who are keen to progress their career at the supermarket. This could help to ensure that any future money that is spent on training is directed appropriately.

Finally, the managers may also need to implement some performance management strategies if the objectives are to be achieved. For example, employee observation at the checkouts will make it possible for the managers at Coles to see whether or not the employees are using the signals provided by the artificial intelligence appropriately. Doing this will ultimately reduce the number of items lost to theft. With lower losses due to this outcome, the total expense for inventory losses will be reduced. This will help to increase the net profit of Coles, ultimately achieving the objectives that were set when the change was made.

Section B – Case study

Question 1

Mark	0	1	2	Average
%	12	60	28	1.2

This question required students to show how planning could be used to help successfully implement one of the changes indicated in the case study. Responses needed to demonstrate an understanding of the planning process and, as with all tasks in Section B, be directly linked to the case study.

Use of appropriate tense was an issue when responding to this question, with many students explaining how planning had been used (past tense) rather than how planning could be used (future tense), making it difficult for them to effectively apply their understanding to the business. Others identified an appropriate objective from the case study (for example, replacing the staffroom with a first aid room), but then simply stated that planning would be necessary to make this possible.

Strong responses used a definition of planning or steps in the planning process to show how it could be applied in the situation described in the case study. A definition of planning was not required for full marks, but students who started their responses in this way gave themselves a firm concept to which they could link the rest of their response.

The following is an example of a high-scoring response.

Planning involves determining Soaring Rox Pty Ltd's objectives and then implementing strategies to achieve those aims. Mia can implement planning by determining one of the business' aims to improve safety (as per the negative review by Felix) and then introduce strategies to achieve this, being the creation of the first aid room. Mia would create steps to achieve the first aid room and plan out when and who she needs to contact to initiate the transformation of the staffroom to a first aid room.

Question 2

Mark	0	1	2	3	Average
%	6	34	44	16	1.7

This question required students to interpret a graph to explain the relationship between two key performance indicators (the number of website hits and market share). Responses needed to incorporate data from the graph and information from the case study. Students also needed to be able to explain the causal relationship between the two variables.

The majority of responses highlighted the fact that there was a correlation between the two indicators (for example, when one goes down, so does the other) without explaining how a change in one variable affected the other.

A careful analysis of the supplied graph shows that the number of website hits started to decline before the market share. This suggests that the drop in website traffic *caused* the decline in market share. This could be because fewer people were able to book rock-climbing sessions online or access the contact details necessary to call and book a session. Despite this, assessors also accepted responses in which the causal relationship was reversed. Students who explained that a fall in the market share would mean that fewer people visited the website could still achieve full marks.

The following is an example of a high-scoring response.

The number of website hits and percentage of market share have a direct relationship, meaning that the decrease in percentage of market share is linked to the decrease of number of website hits. Number of website hits measures the amount of customer visits that Soaring Rox's online website receives over a given time period. It has unfavourably decreased from over 8000 in July 2023 to under 3000 in June 2024. Likewise, the percentage of market share has unfavourably decreased from around 12% to 8%. Percentage of market share refers to the amount of overall sales controlled by Soaring Rox in the rock climbing industry in relation to competitors, expressed as a percentage over a given time period. This indicates that Soaring Rox's website is difficult to use or has bugs that need to be fixed, which reduces the number of customers that book rock climbing experiences, thus decreasing their customer sales and bookings in relation to other rock climbing centres in the city, thus decreasing their percentage of market share.

Question 3

Mark	0	1	2	3	4	Average
%	15	19	31	23	13	2.0

This question required students to describe a conflict that could arise during the period of change at the rock-climbing business. Responses needed to correctly identify the expectations of two stakeholders and explain how one of the changes in the case study could result in one stakeholder's expectations being met while another group was disappointed.

A significant number of students seemed to misunderstand the word 'conflict' in the context of this question. These students chose to write about a verbal altercation between two groups or, at times, a physical confrontation. Another common error was asserting that one stakeholder would be angry about the changes without any mention of a second group. Many students included information that was not provided in the case study. For instance, it was common for students to assume that employees would not be paid for the training that they were being asked to complete, or that the business would need to set up a new location for the staffroom.

Responses that scored highly included specific information about the expectations of two stakeholder groups. For example, they might have mentioned that employees expect to be able to maintain a reasonable work-life balance or that customers want access to high-quality climbing experiences for a reasonable price. These responses explained how one of the changes in the case study (such as the requirement to attend training) would please one group (for example, customers would enjoy a higher-quality, safer climbing experience) and disappoint another (for example, the employees would be required to work longer hours).

The following is an example of a high-scoring response.

One stakeholder of Soaring Rox are managers similar to Mia who want the business to achieve its objectives (efficiency and effectiveness) so that they achieve performance-based bonuses and career advancement. Another stakeholder of the business would be the general community who either live close to the business or are affected by operations. Managers run sections of a business. The general community want the business to give employment for the local area, have a social conscience, and be an environmental citizen. At Soaring Rox, managers are seeking to change to sourcing high-demand equipment from overseas suppliers. This would create conflict with the general community as local suppliers and businesses would be negatively affected and see losses of employment. Another cause for conflict at Soaring Rox is that the transportation of such equipment from overseas would result in carbon emissions, harming the environment, and going against the interests of the general community.

Question 4

Mark	0	1	2	3	4	5	6	Average
%	10	8	12	20	24	18	8	3.3

This question required students to evaluate the management style being used at Soaring Rox. They needed to ascertain the value of using the management style by drawing on the information supplied within the case study material. A judgement was required based on the content of the stimulus material.

The majority of students were able to correctly infer from the case study that the manager was using an autocratic management style, identifying that decisions were made without consultation and that employees were told of these decisions without any attempt to persuade them about why these decisions were necessary.

Responses needed to weigh up the advantages and disadvantages of the style in this context and include an evaluative statement about the appropriateness of the style identified as being used. An evaluative statement must add value to the overall response and be based on evidence; it should not be a simple statement of opinion (such as, 'I think that in this case the autocratic style is appropriate'), nor should it be general in nature (for example, 'The advantages outweigh the disadvantages, so the autocratic style is best'). It was also not necessary to suggest an alternative management style.

The following is an example of a high-scoring response.

A benefit of Mia Tarian using an autocratic management style at Soaring Rox is that it can ensure change is implemented at the business swiftly. As Soaring Rox is facing a crisis of decreasing market share in the rock climbing industry, as she is using centralised decision making and is making business decisions herself without needing to consult opinions for employees, such as the decision to replace the first-aid room, this can ensure change occurs swiftly. Additionally another benefit is that Mia can clearly communicate to employees about the changes made at Soaring Rox, which can ensure change occurs exactly as intended. As an autocratic management style utilises one way communication, Mia can clearly tell staff during the meeting what is expected of them, such as attending training sessions, which forces employees to undergo training on using rock climbing equipment effectively.

However, a disadvantage of Mia using an autocratic management style is that employee morale can decrease as employees are not given the ability to provide feedback on changes, such as employees unhappy with the replacement of their staff room. This can lead to higher levels of staff turnover, increasing expenses at Soaring Rox. Additionally, another disadvantage is that Mia misses out on hearing better ideas from her employees as decision making is centralised, such as placing the first aid provider in an area of the rock climbing centre that is not as popular.

Question 5

Mark	0	1	2	3	4	Average
%	11	18	33	27	11	2.1

This question required students to explain the importance of reviewing key performance indicators (KPIs) during a period of change at the rock-climbing centre.

High-scoring responses referred to the data provided (or data that could have been useful in this context).

Key reasons why managers might benefit from reviewing KPIs during a period of business transformation included:

- confirming the success of strategies that have been implemented
- determining whether or not existing strategies need to be reconsidered
- identifying new issues that have arisen and need a response
- assisting in identifying parts of the business that are doing well so that successful strategies can be replicated elsewhere.

The question specifically required students to focus on reviewing KPIs *during* a period of change, yet many responses incorrectly discussed using KPIs as a driving force to *initiate* change. While using KPIs to drive change is valid in the broader sense, the context of this question required students to think about the period during which the transformation is already underway.

The following is an example of a high-scoring response.

It is important to review key performance indicators (KPIs) because they are a criterion that objectively quantify the relative success of a business transformation. By reviewing KPIs, this may lead to Mia Tarion being able to analyse the extent of change and identify areas of most success and areas that require additional support to be achieved.

For instance, following the introduction of staff first aid training and new equipment to the business, if Soaring Rox Pty Ltd's percentage of market share has increased from 8% this could indicate change has been successful. Conversely, Mia Tarion could then consider alternate management strategies such as quality assurance if change has not achieved its objective. Therefore, by reviewing KPIs, the business can determine if change has been successful in achieving its desired objective or if additional strategies are required to increase market share and website hits at Soaring Rox.

Question 6

Mark	0	1	2	3	4	5	6	Average
%	5	6	15	22	28	17	8	3.5

This question required students to discuss the use of on-the-job training.

The majority of students responded appropriately to the command term 'discuss', including both advantages and disadvantages within their response. Some students provided an evaluative statement, which was not required. A small but significant percentage of students wrote a justification of on-the-job training rather than a discussion. The most common error was failing to link the response to the case study material, which is a requirement for every response in Section B.

The strongest responses used the context of the case study to elaborate on the advantages and disadvantages: for example, highlighting that different types of harnesses are used in the rock-climbing industry and, therefore, working with familiar equipment ensured that the training was relevant, efficient and likely to lead to better overall levels of safety.

The following is an example of a high-scoring response.

One advantage of on-the-job training is that employees will be trained in the same working environment that they will be working in, which is the Soaring Rox climbing centre. This means that employees will be more familiar with what must be done during their work as they would have been trained specifically in that location. This means that the training at Soaring Rox will be more relevant to what is required of the employee.

Another advantage is that the training may be conducted by individuals who work at Soaring Rox such as the CEO, Mia. This means that employees are being trained by someone who is very familiar with the objective for the training programs (to increase their knowledge of the equipment) and is familiar with the environment that the employees are being trained at.

A disadvantage is that there is an increased chance for workplace distractions that may decrease the quality of the training programs such as work calls in the climbing centre that must be taken by Mia, which may interrupt the training. This would mean the skills of the employees may take longer to develop.

Another disadvantage is that Mia or other individuals who are conducting the training may not be specialised trainers, meaning they could be passing down bad habits or practices to employees without realising which would not contribute to the skills of employees.