



ATAR course examination, 2022

Question/Answer booklet

BUSINESS MANAGEMENT AND ENTERPRISE

Place one of your candidate identification labels in this box.
Ensure the label is straight and within the lines of this box.

WA student number: In figures

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In words

Time allowed for this paper

Reading time before commencing work: ten minutes
Working time: three hours

Number of additional
answer booklets used
(if applicable):

Materials required/recommended for this paper

To be provided by the supervisor

This Question/Answer booklet

To be provided by the candidate

Standard items: pens (blue/black preferred), pencils (including coloured), sharpener, correction fluid/tape, eraser, ruler, highlighters

Special items: up to three calculators, which do not have the capacity to create or store programmes or text, are permitted in this ATAR course examination

Important note to candidates

No other items may be taken into the examination room. It is **your** responsibility to ensure that you do not have any unauthorised material. If you have any unauthorised material with you, hand it to the supervisor **before** reading any further.



Structure of this paper

Section	Number of questions available	Number of questions to be answered	Suggested working time (minutes)	Marks available	Percentage of examination
Section One Short answer	6	6	100	60	60
Section Two Extended answer	3	2	80	50	40
Total					100

Instructions to candidates

1. The rules for the conduct of the Western Australian external examinations are detailed in the *Year 12 Information Handbook 2022: Part II Examinations*. Sitting this examination implies that you agree to abide by these rules.
2. Write your answers in this Question/Answer booklet preferably using a blue/black pen. Do not use erasable or gel pens.
3. You must be careful to confine your answers to the specific questions asked and to follow any instructions that are specific to a particular question.
4. Supplementary pages for planning/continuing your answers to questions are provided at the end of this Question/Answer booklet. If you use these pages to continue an answer, indicate at the original answer where the answer is continued, i.e. give the page number.

See next page

Section One: Short answer

60% (60 Marks)

This section has **six** questions. Answer **all** questions. Write your answers in the spaces provided.

Supplementary pages for planning/continuing your answers to questions are provided at the end of this Question/Answer booklet. If you use these pages to continue an answer, indicate at the original answer where the answer is continued, i.e. give the page number.

Suggested working time: 100 minutes.

Question 1

(12 marks)

Business leaders often see the opportunities that may arise from developing global alliance partnerships. However, there are always costs and benefits to consider.

- (a) Define the following global strategic alliances and identify **one** benefit for each. (6 marks)

Outsourcing: _____

Acquisition: _____

Joint venture: _____

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Question 1 (continued)

- (b) Explain **two** strategies for minimising financial risks in export markets. (6 marks)

One: _____

Two: _____

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Question 2

(10 marks)

Change management models prepare, support and equip business owners to drive change for business success.

(a) Label the change management model below. (4 marks)

(i) Title: _____

(ii) _____

(iii) _____



(b) Explain the method for using the above change management model. (3 marks)

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Question 2 (continued)

- (c) Explain how the model on page 5 can prepare people for change within a business. (3 marks)

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Question 3**(10 marks)**

Finance is an important aspect for a business to consider when starting up or expanding.

- (a) Describe a type of financial institution that a business could use to access finance.

(2 marks)

- (b) Outline the meaning of 'retained profits'.

(2 marks)

- (c) Describe each of the following sources of external funding.

(6 marks)

Debentures: _____

Share capital: _____

Trade credit: _____

Question 4

(9 marks)

International business competitiveness involves using technologies effectively while also being able to mobilise and lead global teams.

- (a) Explain **two** leadership traits that are required in a cross-cultural setting. (6 marks)

One: _____

Two: _____

- (b) Explain **one** way in which a local business can use e-commerce to gain international customers. (3 marks)

See next page

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Question 5

(10 marks)

The process a product takes from ideation to it being available in retail stores can be very complex and is affected by a variety of environmental factors.

- (a) Explain the features of product development. (3 marks)

- (b) Select and justify which inventory control technique would be better for a business to use where there are international supply chain issues. (3 marks)

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Question 5 (continued)

- (c) Explain the role of corporate social responsibility and provide an example of how it may be applied in a global business setting. (4 marks)

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Question 6**(9 marks)**

Lisa owns several clothing boutiques in Australia and is thinking of opening up a branch overseas.

- (a) Advise Lisa why she needs to consider the impact of legal systems on her business operation in global markets, particularly in relation to patent registrations. (3 marks)

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See next page

Question 6 (continued)

- (b) Explain how the following economic factors could impact on Lisa's business operations in the global market. (6 marks)

Currency fluctuations: _____

Economic activity: _____

End of Section One

See next page

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Section Two: Extended answer**40% (50 Marks)**

This section contains **three** questions. You must answer **two** questions. Write your answers on the pages provided following Question 9.

You may make reference to other relevant case studies you have studied during the year.

Suggested working time: 80 minutes.

Question 7**(25 marks)**

Natasha has completed an online horticulture course and is keen to start up her own business helping people build and manage their own vegetable gardens. Natasha believes her business will be successful due to the recent growth in the number of people wanting fresh produce that they can grow at home. Friends have told her about Freelancer, the world's largest freelancing, outsourcing and crowdsourcing marketplace. It connects freelancers and those who want to hire them.

During her research about the use of online platforms, Natasha has found information about the 'gig economy'. The gig economy is the use of online platforms like Uber and Freelancer to instantaneously connect consumers with service providers to deliver goods and services. In 2019, 7.1% of Australians had worked, or tried to find work, in the gig economy, with Airtasker, Uber, Freelancer, Uber Eats and Deliveroo being the top five platforms with registered workers. The benefits for entrepreneurs in a gig economy include low barriers to entry, no requirement for qualifications or experience, flexible working hours and a low-risk opportunity to run a business. However, the online platforms hold all the power, often taking a high commission. The income is uncertain and the long-term sustainability of work is questionable.

Natasha previously worked in marketing, so she has a good understanding of how to promote her business. However, she has never managed her own business and is not confident with the financial and legal aspects of business operations. To differentiate her business from competitors, Natasha is planning to be innovative in the way she provides her service by having a weekly podcast and a YouTube channel. She is planning to provide her clients with information about the most up-to-date self-watering technology, the best plant covers to protect gardens from pests and the most effective composting technology. She eventually wants to offer a membership to her website that will include online tutorials for people to learn about organic food gardening. Natasha believes starting up her business on Freelancer is a great way to test the business idea without having to over-invest. In the process, she hopes to use social media content to develop her business idea and grow a customer base.

Referring to the case study and your own knowledge, answer the questions below.

- (a) Describe **two** benefits of innovation for Natasha's business. (4 marks)
- (b) Explain **two** factors that may impact the success of Natasha's innovation. (6 marks)
- (c) Prepare a SWOT analysis for Natasha using Freelancer to start her business, and evaluate whether it is a viable idea. (12 marks)
- (d) Explain how evaluation and control will be required to form part of Natasha's strategic plan if her business is to succeed. (3 marks)

See next page

Question 8

(25 marks)

Starting in 2010 as a café in Perth, Jensenze has since grown to five branches around the metropolitan area. Owners Kath and Lao attribute the success of their business to the growing demand for their organic fruit juices. Jensenze has been producing these juices from locally sourced ingredients and Kath's own recipes. Jensenze has also developed a website for customers to order their products online.

The popularity of these products has increased in recent years as a result of many of their customers switching to healthier diets and lifestyles. Kath says "there has been so much in the news regarding the health benefits of organic fruit juices. The ingredients used in the production of our fruit juices are grown with no pesticides. More importantly, organic juices are a rich source of antioxidants and Vitamins A and C. The antioxidants play an important role in strengthening bones and promoting better vision. Our customers are totally on board with living a healthy lifestyle and are reaping the benefits." Lao adds "Over the past two years, we have seen an increase in online orders for our fruit juices and, given the success and growth of our business, we are now thinking of selling our products to a global market".

Kath and Lao met while at university in New Zealand and often travel back to visit friends. The samples of their organic juices they have taken with them on these visits have been well received. During these visits, Kath and Lao have also noticed a lack of organic fruit juices on the market and have been wondering if they should consider filling this gap. Their friends often ask them if they would set up a café in New Zealand, mentioning that Australia has an ongoing free trade agreement with the country. After giving it much thought, Kath and Lao are ready to venture into the New Zealand market to sell their organic fruit juices. At this stage, they are unsure if they should begin selling their products online or start up their first café in New Zealand.

Referring to the case study and your own knowledge, answer the questions below.

- (a) Explain **three** benefits of home grown products to the Australian economy. (9 marks)
- (b) Describe **two** government incentives that encourage Australian businesses to engage in international trade. (4 marks)
- (c) Describe **two** features of the Australia New Zealand Closer Economic Relations Trade Agreement (ANZCERTA). (4 marks)
- (d) Analyse **one** benefit and **one** challenge to Australian-owned businesses as a result of free trade agreements (FTAs). (8 marks)

See next page

Question 9

(25 marks)

The demand for good-quality online education has increased in recent years, especially in geographic areas where accessing physical learning campuses has been challenging. It is estimated that by 2025, one billion students from around the globe will be actively seeking education and skill development, especially in business and entrepreneurship. In Australia, education counts as one of the nation's largest export industries. Globally, the online learning industry is increasing rapidly, with many regional education hubs being established by competing international learning institutions.

EduOz.com is a technology-based business that specialises in developing online courses for people wanting to enhance their business skills and knowledge. These courses, currently written in English, comprise a set of individual topic modules with written content, videos and learning activities that relate to starting up a business enterprise. Domestically, EduOz.com has been successful in attracting a strong customer base. It now wants to expand its reach globally by introducing its online courses into foreign markets. The focus of EduOz.com is on becoming a global brand leader in business skill development for budding entrepreneurs around the world who want to start their own businesses.

In developing its online products, EduOz.com is aware that it needs to take into consideration various cultural issues, business regulations and local industry rivalry. The developers are unsure whether to create courses in different languages or to remain with their current courses written in English. Course content could be modified to reflect the diverse cultures, economic environments, government policies and legal requirements of a variety of countries. Currently, prospective students need to have a basic level of understanding of English literacy and numeracy to complete the current courses. EduOz.com needs to invest time and research into developing course content addressing business practices in the countries where it intends to sell its courses. It is also considering whether it should re-brand its products by creating a new name and catchy slogan for its entry into this market.

Referring to the case study and your own knowledge, answer the questions below.

- (a) Propose a social media campaign idea that EduOz.com could develop to launch its business in a global market. (3 marks)
- (b) Explain the implication of standardisation or adaptation in relation to **both** product features **and** product name when marketing EduOz.com courses globally. (6 marks)
- (c) Analyse how **two** cultural considerations might impact EduOz.com's global business practice in developing courses. (8 marks)
- (d) Examine how **both** the level of consumer demand **and** competitor activity could determine the feasibility of EduOz.com expanding into a foreign market. (8 marks)

End of questions

Question number: _____

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Question number: _____

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Supplementary page

Question number: _____

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<p><i>Published by the School Curriculum and Standards Authority of Western Australia 303 Sevenoaks Street CANNINGTON WA 6107</i></p>
