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| Economics and Business Year 10Economic Performance and Living StandardsBusiness Case Study | |
| Description of task | Case study based on content drawn from: the ways businesses organise themselves to improve productivity, economic factors that influence business function, and the ways that businesses respond to improved economic conditions. |
| Assessment Conditions | A 50 minute paper to be completed under test conditions. |
| Content from the Western Australian Curriculum | **Knowledge and understanding**  Ways that businesses respond to improved economic conditions (e.g. increasing their research and development funding to create innovative products, adjusting marketing strategies to expand their market share)  **Humanities and Social Sciences skills**  **Analysis**  Apply subject-specific skills and concepts in familiar, new and hypothetical situations  **Evaluating**  Draw evidence-based conclusions by evaluating information and/or data, taking into account ambiguities and multiple perspectives; to negotiate and resolve contentious issues; to propose individual and collective action in response to contemporary events, challenges, developments, issues, problems and/or phenomena  Communicating and reflecting  **Communicating and reflecting**  Develop texts, particularly explanations and discussions, using evidence from a range of sources to support conclusions and/or arguments |
| Key concepts | Making Choices  Interdependence  Business Productivity |
| Task preparation | |
| Prior learning | Students are familiar with the ways businesses organise themselves to improve productivity and the ways that businesses respond to improved economic conditions. This includes an understanding of the changes a business make to its operations to take advantage of favourable economic conditions, the changes can a business make to its operations to maintain its position during poor economic conditions and the relationship between economic conditions and business profits. |
| Assessment task | |
| Resources | Harvard Business Review  https://hbr.org/2016/11/how-dominos-pizza-reinvented-itself |

**Instructions to students**

1. Write your answers in this Question/Answer booklet preferably using a blue/black pen. Do not use erasable or gel pens.
2. Answer all questions. Write your answers in this Question/Answer Booklet.
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. You are encouraged to refer to the relevant sources/ case study to support your answer for any question.

**Business Case Study: Short answer (25 Marks)**

This case study contains **two** questions with parts. Answer **both** 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: 50 minutes.

**Question 1 (17 marks)**

Read the case study below, titled **How Domino’s Pizza Reinvented Itself** and answer the questions that follow.

The scale of the changes at Domino’s are remarkable. Today, Domino’s is the second-largest pizza chain in the world, with more than 12,500 locations in more than 80 countries. How did Domino’s achieve all of this positive change?

First, Domino’s reminded themselves that it is not just in the pizza-making business, it is also in the pizza-delivery business, which means it has to be in the technology business. Dominos have 400 workers dedicated to software and analytics. All that technology has changed how customers order (using the Domino’s app, or directly via twitter, or even by texting an emoji); how they monitor the status of their order; and how Domino’s manages its operations.

Secondly, Domino’s had to reinvigorate the brand. Even if delivery was the essential part of its business, the pizza mattered too—and the pizza was bad. Soon after he took over, the company launched an ad campaign that has become legendary for its boldness, sharing comments from focus groups about what people thought of the product including “worst pizza I ever had” and “the crust tastes like cardboard.” The business promised to improve their product.

Thirdly, Domino’s had to spice up the company’s image as well as its products. Transportation is a core part of the business so it made sense for Domino’s to create a purpose-built pizza-delivery vehicle with just one seat and a warming oven that can hold up to 80 pizzas. The business is also experimenting with robotic delivery, and delivery by drones. There is substance to all of these initiatives, but they are also designed to modernise the company’s image, to create a sense of style.

*Source: Harvard Business Review [Adapted from https://hbr.org/2016/11/how-dominos-pizza-reinvented-itself]*

1. Describe the size and scope of Domino’s pizza. (2 marks)

1. Name THREE strategies that Domino’s used to improve its business. (3 marks)

1. Using the case study, explain how Domino’s has used capital resources to improve productivity. (4 marks)

1. Describe THREE challenges that Domino’s could face as it continues to attempt to expand its market share. (3 marks)

1. Outline FIVE labour productivity measures that Domino’s could implement to ensure it is a profitable and sustainable business. (5 marks)

**Question 2 (8 marks)**

Suppose you were to start your own pizza delivery business.

1. Using the space below create a flow chart, outlining the processes you would use to take pizza orders and serve your customers.
2. Suggest THREE productivity improvements you could make to improve the business’ processes.

**Supplementary page for planning/continuing your answer**

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| **Marking key** | |
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| **Description** | Marks |
| Question 1 | |
| 1. Describe the size and scope of Domino’s pizza | |
| Size – 12500 stores | 1 |
| Scope – 80 countries | 1 |
| Subtotal | 2 |
| **Description** | Marks |
| 1. Name THREE strategies that Domino’s used to improve its business. | |
| Increased technology to assist ordering and delivery | 1 |
| Increased brand image by improving transportation vehicles | 1 |
| Invigorated product image – improved pizza recipes based on customer feedback | 1 |
| Subtotal | 3 |
| **Description** | Marks |
| c) Using the case study, explain how Domino’s has used capital resources to improve productivity. | |
| Improvement to business processes | 1 |
| Relevant example - how they monitor the status of their order; and how Domino’s manages its operations | 1 |
| Increasing technology | 1 |
| Relevant example - software and analytics - technology has changed how customers order (using the Domino’s app, or directly via twitter, or even by texting an emoji) | 1 |
| Subtotal | 4 |
| **Description** | Marks |
| d) Describe THREE challenges that Domino’s could face as it continues to attempt to expand its market share. | |
| A decline in economic conditions – lower levels of consumption spending leading to lower levels of spending on takeaway food | 1 |
| Threat to market share – competition (pricing, product differentiation) | 1 |
| Shocks to the production process (i.e. supplier relationships, distribution channels) | 1 |
| Subtotal | 3 |
| **Description** | Marks |
| e) Outline FIVE labour productivity measures that Domino’s could implement to ensure it is a profitable and sustainable business. | |
| Workplace training and education | 1 |
| Management skills – focus on developing staff | 1 |
| Feedback and performance appraisals | 1 |
| Improving the workplace ‘culture’ | 1 |
| Flexibility in working hours and conditions | 1 |
| Subtotal | 5 |
| **Description** | Marks |
| Question 2 | |
| 1. Using the space below create a flow chart, outlining the processes you would use to take pizza orders and serve your customers. | |
| The design of the flowchart allows for the following:   * Uses a title/description to define the process that is diagrammed * Arranges the activities in proper sequence * Draw arrows to show the flow of the process | 1-3 |
| The flowchart involves all relevant individuals in the process (i.e. workers, supervisors, suppliers, customers) | 1-2 |
| Subtotal | 5 |
| **Description** | Marks |
| 1. Suggest THREE productivity improvements you could make to improve the business’ processes | |
| ONE mark for each relevant suggestion | 1 |
| Subtotal | 3 |
| Total | **25** |