**BUSINESS MANAGEMENT  
  
Unit 3 & 4 – Written examination**

PES

# 2021 Trial Examination

## Reading Time: 15 minutes Writing Time: 2 hours

**SOLUTIONS**

### Structure of book

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| --- | --- | --- | --- |
| *Section* | *Number of questions* | *Number of questions to be answered* | *Number of marks* |
| Section A  Section B | 4  5 | 4  5 | 50  25 |

* Students are permitted to bring into the examination room: pens, pencils, highlighters, erasers, sharpeners, and rulers.
* Students are not permitted to bring into the examination room: blank sheets of paper and/or white out liquid/tape.
* A calculator is not allowed in this examination.

**Materials supplied**

* Question and answer book of 19 pages.

**Instructions**

* Answer all questions in the answer book.
* All written responses must be in English.

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| --- | --- | --- | --- |
| *Section* | *Number of questions* | *Number of questions to be answered* | *Number of marks* |

Students are NOT permitted to bring mobile phones and/or any other unauthorised electronic devices into the examination room.

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| **Instructions**  Answer **all** questions in the spaces provided. |

**SECTION A**

**Question 1 (18 marks)**

Prestige Motors is a private limited company that specialises in the sales of rare, luxury vehicles. The owners, Jason and Mary-Anne Costas have built up a reputation Australia-wide and many of their buyers travel from interstate to view and purchase their premium priced vehicles. The business operates out of a huge showroom located in Mordialloc and has luxurious sales offices used by the sales team to negotiate deals with customers.

Whilst Jason and Mary-Anne originally relied on word-of-mouth to bring customers to their business, they have recently hired a sales and marketing specialist who has been assigned the objective of increasing market share.

With a sales team of 18 full time employees and 12 support staff, Jason and Mary have introduced elements of Total Quality Management (TQM) into the business. A surprising benefit from the TQM philosophy has been the improvement of corporate culture and decrease in staff turnover in the last 2 years.

**a.** Explain **one** feature of a private limited company like Prestige Motors. 2 marks

*One feature of a private limited company such as Prestige Motors is that they can have from 1-50 shareholders who must be invited to purchase shares. By having the ability to choose up to 50 shareholders, Prestige Motors can access more capital if needed.*

1 mark for an outline of a single feature

1 mark for a more detailed explanation expanding the **one** feature

**b**. Describe the sales and marketing area of management responsibility and suggest **one** way that the new Sales and Marketing Manager at Prestige Motors could achieve the objective of increasing market share. 3 marks

*Sales and Marketing is the area responsible for attracting car buyers to purchase the luxury cars being sold by Prestige Motors. The Sales and Marketing Manager will introduce strategies such as TV, Radio or social media advertising and will be involved with researching competitor behaviour and pricing in order to maintain Prestige Motor’s competitiveness. By increasing customer awareness of the business and the high level of quality and fair pricing of its prestige vehicles, the marketing manager can increase potential sales of vehicles relative to any competitors within the industry and therefore, achieve the objective of increasing market share.*

2 marks for the description of the sales and marketing area of responsibility.

1 mark for an example of how an increase of market share can be achieved showing an understanding of the KPI

**c.** Analyse the use of Total Quality Management by Prestige Motors as a part of their operations. 3 marks

*Prestige Motors could take a holistic approach to quality, ensuring every employee and manager has a commitment to continuous improvement in all aspects of the business with zero tolerance for defects or in this case customer complaints. As Prestige Motors is a service business, all employees should be trained to give the best and highest standards of customer service ensuring all facts or information given to customers about the cars they are purchasing is consistent and meets the highest quality standards by possibly benchmarking against the world’s best sales standards. It is important that all employees take ownership of Total Quality Management as employees will be expected to have input into pro-actively eliminating any faults that they might identify in customer service and suggesting methods of improvement.*

3 marks for the analysis of Total Quality Management linked to Prestige Motors; a service business

Response must explain TQM [1 mark] and then explain the relationship between TQM and how the business uses it to improve quality [2 marks]

**d.** Explain how Total Quality Management could have a positive impact on the ‘real corporate culture’ at Prestige Motors. 2 marks

*Total Quality Management involves both employees and management at Prestige Motors making a strong commitment to improving quality and taking pride in offering improvements to continuously improve the customer service standards business. This will benefit the real corporate culture at Prestige Motors as the respect and cooperation shown between all members of staff towards quality improvements will create a common goal and consistency with the actual shared values and beliefs that exist within the business. Quality improvements will not be imposed by management but rather will represent a value strongly and genuinely held and shared by everyone at Prestige Motors.*

1 mark for a demonstrated understanding of ‘real corporate culture’

1 mark for an explanation of how TQM could improve ‘real corporate culture’ at Prestige Motors

**e**. Explain how the key performance indicator ‘level of staff turnover’ could be used to analyse the performance of Prestige Motors. 2 marks

*If Prestige Motors are experiencing a reduction in the level of staff turnover, this means that the number of staff who leave the business and are replaced over a given period is reducing. This would be considered a benefit to Prestige Motors who would not have to put in place recruitment, selection, induction or training systems for new staff, saving employment costs and benefitting the net profit figures of the business. When analysing the success of Prestige Motors, retaining employees will add value to the business as long-term employees have confidence in the processes and systems of the business. This will enable higher sales, less mistakes, stronger employee friendships and loyalty and higher performance levels should increase the net profit figures of the business.*

1 mark for explaining the concept of ‘level of staff turnover’ in relation to Prestige Motors

1 mark for analysing how level of staff turnover could impact Prestige Motors (either positive or negative)

**f.** Prestige Motors could consider using Porter’s Differentiation strategy.

Discuss the use of Porter’s Differentiation Strategy by Prestige Motors. 6 marks

*One advantage of Prestige Motors using Porter’s Differentiation Strategy is that by making its products (vehicles) or services (sales and customer service) more unique, and higher quality with elite brand status, Prestige Motors would be able to use premium pricing to increase the margin between selling price and costs relating to sales creating a competitive advantage. Differentiation should increase profitability as premium pricing can be used for the vehicles being sold, therefore increasing the sales price of vehicles once brand success and customer loyalty is achieved.*

*A disadvantage, however, is that Prestige Motors may get a reputation for the high selling prices of their vehicles. This could reduce Prestige Motor’s competitiveness as they might find their sales fall relative to competitors who are offering cheaper prices.*

*Another disadvantage could be the additional costs of branding and constantly educating customers that Prestige Motors should be associated with high levels of quality for both their vehicles as well as their customer service levels. Additional employees may be needed in marketing to continue to develop the brand using social media or other advertising methods in order to justify their premium pricing further adding to operating costs.*

3 marks for benefits/advantages of Porter’s Differentiation Strategy in relation to Prestige Motors

3 marks for costs/disadvantages of Porter’s Differentiation Strategy in relation to Prestige Motors

**Question 2 (15 marks)**

The new Human Resource Manager, Gail Stewart, has been appointed by Exon Finance after the sudden resignation of the previous manager who was well known for his autocratic management style. Gail has realised in the first week of her job that many of the more experienced staff have indicated that they are likely to retire in the next two years. The remaining staff are new finance graduates who were originally attracted to their positions by the excellent wages and performance bonus incentives, however, they have not been meeting their performance targets due to a lack of motivation.

**a**. Distinguish between resignation and retirement. 3 marks

*Resignation is voluntary termination that occurs when an employee chooses to leave the business, usually to go to another job whereas retirement**occurs when an employee decides to give up full-time or part-time work and is no longer a part of the workforce. Therefore, the main difference is that when an employee chooses resignation, the employee will seek further employment with another business whereas retirement is for employees who no longer wish to work.*

1 mark for a definition of resignation or retirement

1 mark for the distinction between the two terms using whereas or a simple contrast between the two definitions

1 mark for a clear and more detailed distinction between the two terms

**b.** Evaluate a suitable management style that Gail Stewart could adopt in her role at Exon Finance. 6 marks

*Gail Stewart should use the consultative management style because the experienced employees as well as the finance graduates will benefit from two-way communication and Gail can use valuable employee input into her decisions, building positive relationships within Exon Finance. A disadvantage, however, could be that the manager (Gail) makes the final decision alone, after consulting with staff and this could result in some of the employee input being ignored or not included in the final decision which could reduce morale for those employees. Authority is still centralised with Gail; however, time is spent using employee expertise to improve management’s decisions. A benefit of using a consultative style is that with a current mixture of experienced and young graduates, the employees at Exon Finance will feel a greater sense of belonging when asked for their input into decisions, especially as the last manager would not have valued employees in this way.*

*When using a consultative style, however, Gail Stewart will find it more time consuming to ask for employee input and consider all the different options suggested by her team. She could also face the problem of selecting one course of action that ignores some of the staff input so employees may feel that the time spent offering input has been wasted and might refuse to offer input in the future.*

*When weighing up the strengths and weaknesses of the consultative style, I believe that Gail Stewart should seek input into decisions relating to motivational strategies needed to support new graduates to meet their performance targets to show she values employees, however, retain ultimate control over the final decisions and therefore demonstrate her experience and ability to lead the human resource team in the direction that she considers most beneficial for Exon Finance.*

*Other management styles could be used for this answer.*

2 marks for advantages of the suggested style linked to Exon Finance

2 marks for disadvantages of the suggested style linked to Exon Finance

1 mark for opinion/evaluative statement

1 mark for depth which could include reference to manager experience, employee experience or the previous manager’s style

**c.** Analyse the use of the Four Drive Theory (Lawrence and Nohria) to motivate the new finance graduates at Exon Finance. 6 marks

*The Four Drive theory (Lawrence and Nohria) says that the finance graduates have four basic motivational drives that must be identified and satisfied for motivation to occur. Employees’ drive to acquire, is met by the Human Resource Manager, Gail Stewart offering generous wages as well as status such as promotion and responsibility to those employees with a strong drive to acquire. However, Lawrence and Nohria recognise that some new graduates may not have a strong drive to acquire and may have drives in other categories that, if met, will provide much stronger motivation.*

*For those graduates with a strong drive to bond, Exon Finance should encourage the building of friendships between employees possibly using social activities, work parties and team building activities. To motivate graduates with a strong drive to comprehend, Gail Stewart should ensure that significant training and development is offered to provide challenge through opportunities to learn. Finally, the business should avoid triggering those employees with a strong drive to defend as these employees will feel a strong need to protect themselves or others from the threat of change or challenges to beliefs.*

*In order to motivate, the drive profile of each new graduate at Exon Finance needs to be identified using a psychological survey and once the individual drives are determined, strategies should be put in place to motivate employees based on their individual drives. Gail must recognise that the relative strengths of each drive varies for individuals and can change over time so ongoing assessment of the drives should occur regularly in order for motivation to continue into the longer term. The human resource manager, Gail Stewart, should ensure that jobs are structured to achieve a balance across each of the four drives, whilst recognising that individual drives may vary in order to successfully motivate each of the new graduates.*

*The response should be marked globally*

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| **Mark Range** | **Descriptor: typical performance in each range** |
| 5-6 marks | Awarded where students provide a detailed analysis of the use of the Four Drive Theory (Lawrence and Nohria) as well as giving a clear explanation of how the theory could be applied, specifically related to the new finance graduates |
| 3-4 marks | Awarded where students provide a clear explanation of the Four Drive Theory (Lawrence and Nohria) related to the new finance graduates |
| 1-2 marks | Awarded where students provide a basic explanation of the Four Drive Theory (Lawrence and Nohria) with little or no linking to the case study |
| 0 marks | Awarded where students are not able to explain any elements of the Four Drive Theory (Lawrence and Nohria) or no answer is provided |

**Question 3 (7 marks)**

**Notice to Employees:**

Banyule Council gives notice that it is bargaining in relation to an agreement (Banyule City Council Enterprise Agreement No. 8 2021) which is proposed to cover employees that are employed by Banyule City Council.

If you are an employee who would be covered by the proposed agreement:

You have the right to appoint a bargaining representative to represent you in bargaining for the agreement or in a matter before the Fair Work Commission about bargaining for the agreement.

**a**. Propose and justify **one** management skill that the Human Resource Manager at Banyule Council would need when negotiating an agreement with employees. 3 marks

*Negotiation skills involve the ability of the Human Resource Manager to resolve a dispute or produce a satisfactorily negotiated agreement for Banyule Council employees where both the Human Resource Manager (HRM) who represents Banyule Councils management and the employees/union are satisfied about the outcome. The HRM must listen to union demands, explain/justify Banyule Council’s offer covering pay/conditions whilst finding a compromise during the enterprise bargaining process.*

*Decision-making skills is the process of Banyule Council’s Human Resource Manager identifying the options available from a range of alternatives including pay and conditions proposed by unions or employee groups and then choosing the correct pay and conditions to meet the Council’s needs as well as satisfy the needs of Council employees.*

2 marks for description of two suitable skills

2 marks for justification of skills linked to the agreement being negotiated with Banyule Council

**b.** Describe **two** driving forces that could have initiated the introduction of the new agreement by Banyule City Council. 4 marks

*Competitors are businesses that offer rival products or services within the same market. Competitors of Banyule City Council such as rival Council-run facilities or private businesses who offer similar services will offer improved pay or conditions under their own agreement. Rival Councils therefore pressure the Banyule Council to change by introducing improved pay or conditions or risk losing their employees who will be attracted to work for a rival business if they can achieve better pay or conditions under their agreement. A business will need to respond to competitive pressures in order to maintain market share against rival businesses.*

*Banyule Council employees will seek change to improve the pay in their workplace to improve their personal wealth. Council employees will also want to negotiate better working conditions to match those offered by competitor businesses and to ensure that their skills are maintained whilst safety is ensured as part of a new agreement. Employees have a strong ability to influence Banyule Council to move forward with a new agreement because employees can lose motivation, become dissatisfied or leave their positions which could negatively impact on the success or the Council meeting its objectives.*

2 marks for one driving force linked to the introduction of the new agreement by Banyule City Council

2 marks for a second driving force linked to the introduction of the new agreement by Banyule City Council

**Question 4 (10 marks)**

*Corporate social responsibility is based on the belief that for corporations to hold a ‘social licence’ to operate, companies must fulfil a range of social obligations beyond their traditional profit-making role. This includes ensuring that corporate decision-making considers the social impacts of company activities on the interests of wider groups of stakeholders in the community.*

Dr Jeremy Sammut

(Dr Jeremy Sammut is a Senior Research Fellow and the Director of the Culture, Prosperity and Civil Society Program at The Centre for Independent Studies)

Explain the concept of ‘corporate social responsibility considerations.’ Describe corporate social responsibility strategies that can be used within operations and change management to ensure that Australian businesses meet the social obligations outlined in the statement by Dr Jeremy Sammut.

*Corporate Social Responsibility is the obligation of businesses to consider the interests of society*

*by acting ethically and taking responsibility for the economic, social and environmental consequences of their activities on all stakeholders. Even though acting in the interests of society may add costs and lower profit levels of a business, it is the right thing to do! Businesses can no longer focus entirely on the traditional ‘profit-making role as mentioned by Jeremy Sammut because the community will no longer tolerate businesses who do not support their local communities or who sacrifice the environment in order to gain a competitive advantage or return greater profits to owners or shareholders. Businesses operating for the ‘greater good’ will be rewarded with loyal customers, employees who are proud to work productively and shareholders who feel a comfortable connection with a business that ensures its activities do no harm morally, environmentally or economically to others.*

*An operations manager must ensure that the inputs sourced are from sustainable suppliers who behave ethically and who do not damage the environment, using materials that are recyclable and sustainable. Fairtrade accredited suppliers certify that their materials are farmed using sustainable practices so that forests and wildlife habitats are not destroyed. E.g. coffee and cocoa suppliers with Fairtrade certification use approved farming techniques that do not damage the environment. The operations manager should also ensure that during the transformation phase of production, businesses should minimise their power usage as business is a large consumer of electricity which contributes to carbon emissions and greenhouse gases. Purchasing equipment or technology that has lower power consumption or switching off lights or computers will significantly reduce the damage to the environment.*

*All businesses face change and this area requires management to consider the moral obligation to its suppliers who provide the raw materials for a business. If a business needs to reduce its production or outsource activities, the supplier will suffer if not give enough lead time to adjust to the change. This is a corporate social responsibility issue because the supplier’s business may be severely impacted or left with obsolete materials if orders are stopped suddenly or employees may lose their jobs causing damage to the local economy and the need for government provided welfare payments.*

*Another change issue relates to the introducing of new technology. A business must ensure that it manages any downsizing issues as a business has a moral obligation to its employees as well as the community to ensure that honest and open communication occurs to give employees time to find new jobs, retrain, or plan their finances so that they don't become unemployed. This is a corporate social responsibility issue because a business has the resources to plan for effective voluntary redundancy to ensure harm to employees is minimized even though behaving correctly may negatively impact on the profit figures of the business.*

*The response should be marked globally*

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| **Mark Range** | **Descriptor: typical performance in each range** |
| 9-10 marks  Very High | Very high-level explanation of the concept of ‘corporate social responsibility considerations’  Reference to the statement by Dr Jeremy Sammut that strongly connects the understanding of corporate social responsibility  At least two examples of corporate social responsibility related to operations management explained in detail.  At least two examples of corporate social responsibility related to change management explained in detail. |
| 7-8 marks  High | Clear explanation of the concept of ‘corporate social responsibility considerations’  Reference to the statement by Dr Jeremy Sammut that demonstrates student understanding of corporate social responsibility  At least two examples of corporate social responsibility related to operations management explained  At least two examples of corporate social responsibility related to change management explained |
| 5-6 marks  Medium | A brief explanation of the concept of ‘corporate social responsibility considerations’  Reference to the statement by Dr Jeremy Sammut that demonstrates some understanding of corporate social responsibility  An example of corporate social responsibility related to operations management explained  An example of corporate social responsibility related to change management explained |
| 3-4 marks  Low | Some elements of ‘corporate social responsibility considerations’ outlined  A brief reference to the statement by Dr Jeremy Sammut that relates to corporate social responsibility  An example of corporate social responsibility related to operations management or/  an example of corporate social responsibility related to change management explained |
| 1-2 marks  Very Low | Answer shows a limited understanding of ‘corporate social responsibility considerations’  No reference to the statement by Dr Jeremy Sammut  An example of corporate social responsibility related to operations management or/  an example of corporate social responsibility related to change management outlined |
| 0 marks | No response provided/or answer has no relevance to question |

**End of Section A**

**SECTION B – Case Study**

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| **Instructions for Section B**  Use the case study provided to answer the questions in this section. Answers must apply to the case study.  Answer **all** questions in the spaces provided. |

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**Question 1 (6 marks)**

Describe the key elements of the operations system at TimberTown.

*The operations system of TimberTown involves the use of inputs which are the resources used in the process of producing the timber products such as the plantations where the trees are grown, the trees, trucks and saws used to cut down the timber, factory and offices where timber orders and sales are recorded, the saw-mill workers, logging truck drivers, managers and office staff.*

*The processes of TimberTown involve the transformation of resource inputs such as cutting down the trees, transporting them to the processing saw-mill, debarking the trees, tracking the timber from forest to mill door.*

*The outputs of TimberTown are the final timber products produced and ready to be purchased and used by consumers such framing timber, decking and particle boards.*

2 marks for Inputs described and linked to TimberTown

2 marks for Processes described and linked to TimberTown

2 marks for Outputs described and linked to TimberTown

**Question 2 (4 marks)**

Analyse the performance of the Victorian division of TimberTown using the data provided.

*The Victorian division, relative to Queensland and NSW has the most sales for TimberTown, indicating that the number of customers purchasing timber products represents 50% of all the divisions. Victoria also has a proportionally larger share of the net profit figures showing 56% of total net profit for the group. This indicates that the revenue is greater than expenses for the Victorian division or the expenses are lower relative to revenue, indicating that the Victorian division is successfully supporting the mission statement: ‘TimberTown will meet the expectations of shareholders by maximising profits.’ It also appears that the Victorian division’s training program to reduce wastage has been successful with only 30% of total wastage being generated by Victoria, despite this division’s considerable contribution as a percentage to net profit figures. Low wastage indicates improved use of resources, lower costs or time to produce goods and will contribute to the Victorian division further meeting the ‘minimisation of environmental impacts’ objective stated on the mission statement. Low wastage figures could also account for expense reduction and therefore the 56% of net profit figures achieved by Victoria.*

*The response should be marked globally*

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| **Mark Range** | **Descriptor: typical performance in each range** |
| 4 marks | Awarded where students have accurately described in detail the three KPI’s as represented by the data for Victoria and used the data to analyse the successful achievement of objectives related to TimberTown |
| 3 marks | Awarded where students have described the KPI’s and made some links between some of the data and the successful achievement of objectives related to TimberTown |
| 2 marks | Awarded where students have briefly described the KPI’s and used the data provided but have not analysed the successful achievement of objectives related to TimberTown |
| 1 mark | Some of the data has been used with brief explanation and little or no analysis of the successful achievement of objectives related to TimberTown |
| 0 marks | where answer did not show the use of data or analysis of performance or no answer provided |

**Question 3 (6 marks)**

Describe **one** domestic and **one** global strategy that could be used by TimberTown to seek new business opportunities.

*A domestic strategy that TimberTown could use is innovation which involves TimberTown developing new timber products or procedures to make their timber unique or highly desirable to customers. This enables TimberTown to expand domestically as customers will be more attracted to the product expanding the market for the timber product. An example could be a means of waterproofing its wood products so that they don’t absorb water and warp or get damaged if used in outside environments. This innovation could create huge Australian demand for their timber product and TimberTown would benefit from the increased sales as customers are attracted to unique timber products.*

*Exporting could be a domestic strategy that gives TimberTown the opportunity to expand into larger markets by selling their timber products to overseas customers and transporting or supplying the good to the overseas customer. This global strategy could allow TimberTown to expand their sales into huge overseas markets and by increasing their production levels using mass production techniques, their costs of production could decrease allowing TimberTown to increase their net profit figures.*

*Award 3 marks for each strategy:*

* *2 marks for describing each relevant strategy (x 2)*
* *1 mark for linking the strategy to TimberTown (x 2)*

**Question 4 (5 marks)**

Apply **two** principles of the Learning Organisation (Senge) and explain how the principles could be used to help management at TimberTown achieve their business objectives.

Senge believes that an organisation must implement 5 principles to achieve a ‘Learning Organisation’ in order to successfully innovate and adapt to change.

*Senge says that the business must use ‘Systems Thinking’ with the belief that the business is not made up of individuals or departments but is interconnected and pressures to change should be backed with a long-term view of the whole system. If TimberTown uses ‘Systems Thinking, it would make organisation-wide decisions exploring the impact of a decision on multiple other areas of the business using broad consultation. For example, rather than introducing waste minimisation training to the Victorian division, using Systems Thinking, management from the other state divisions would have been included in this training rather than being left to operate under lower waste minimisation standards. With an organisation-wide focus on waste minimisation, TimberTown is much more likely to successfully reduce their waste across all states rather than just in Victoria.*

*A second principle that could be used by TimberTown is Personal Mastery which involves ongoing training and development to broaden and multi-skill everyone in order to build innovation. TimberTown management would encourage confidence within the entire business to grow and develop their skills, seek opportunities to improve every element of the way that they do their jobs and seek every-day opportunities to grow and achieve their personal best. If TimberTown helps employees to value Personal Mastery, all employees would want to be challenged by the waste minimisation training and all would see it as being their job to contribute to the achievement of this overall business-wide objective.*

*Other principles could be applied to this question*

Award 2 marks for applying the principles: (x 2)

* Describing the principle
* How does TimberTown use this principle?

Award one mark linking the principles to TimberTown

**Question 5 (4 marks)**

When discussing the introduction of the principles of the Learning Organisation (Senge), the management team have realised that significant change will be required at TimberTown and this may create concern amongst employees.

Describe **one** high- risk and **one** low- risk strategy that could be used by TimberTown to overcome employee resistance when introducing change.

*Manipulation is an example of a high risk strategy that could be used by TimberTown to overcome any resistance to the introduction of Senge’s Learning Organisation principles. Manipulation involves exerting undue influence over an employee that may be deceptive in order to get them to agree with the introduction of change. This can involve withholding certain information about the stress or increased workload caused by the introduction of the Learning Organisation concept or downplaying the impact of the change on employees, so they are more likely to support the change. If management are discovered applying unfair manipulation, the high risk is that the entire workforce could work against management and the change making it impossible to move the business forward.*

*A low risk strategy could be using communication of the change to inform employees at TimberTown of the reasons for and benefits of Senge’s Learning Organisation principles. Management must disclose facts or research, encourage employees to ask questions and be ready to respond honestly and employees should be encouraged to provide feedback. Communication is a low risk strategy because it helps employees to gain information in order to become better informed about the benefits of becoming a learning organisation which could speed up acceptance of change; However, by disclosing the facts, employees might find negatives and need further convincing, therefore adding workload to management.*

Award 2 marks for each strategy:

Award one mark for describing the strategy in relation to TimberTown’s introduction of change (x 2)

Award one mark for describing why the strategy is high risk or low risk (x 2)