Outcome 2
Discuss and analyse major aspects of the internal environment of large-scale organisations.

Task
Test: short answer

This task will be marked out of 30. It will be converted to a mark out of 20. It will contribute 50% of the marks (40) allocated for this outcome. A second task will be completed for this outcome.

The task has been designed to allow achievement up to and including the highest level in the Performance Descriptors.

You have 50 minutes to complete this task. NO access to notes or books.

Answer in space provided.

Your teacher will advise you of any variation to these conditions.

The following key knowledge is the focus of this task:
• management structures;
• corporate culture and its future development;
• selected key management roles;
  – planning: long, medium and short-term
  – organising: resource and task allocation techniques
  – controlling: financial and non-financial processes and control systems;
• the need for, and process of, policy development and its application.

The following key skills are the focus of this task:
• accurately use relevant management terms;
• analyse business information and data;
• analyse major aspects of the internal environment of large-scale organisations;
• apply knowledge and concepts to practical and/or simulated situations.

NAME: ______________________________________
Question 1
During 2011 QANTAS airlines conducted a strategic review of its business. As a result it announced a strategic plan for the coming three years that included the establishment of a new airline to operate in Asia. The implementation of this strategic plan would also affect the management structure that is currently in place and would see changes to make QANTAS less a bureaucracy and more customer focused.

a. Define the following terms:

Strategic plan

Management structure

Bureaucracy

3 x 1 = 3 marks
Task

b. QANTAS is likely to use a division-based management structure for its new Asia airline. Explain the division-based structure and contrast it with one other type.

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3 marks

c. Analyse the typical strategic planning process that would have been used by QANTAS.

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6 marks
Task

Question 2
Analyse two key characteristics of the corporate culture and state why a strong, real culture can be important to success.

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5 marks

Question 3

a. *Controlling* is a management role. Explain its application to management and briefly discuss its importance.

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3 marks
b. Frida is a frontline-manager (supervisor) in a supermarket. She has a number of duties and responsibilities related to the organising of staff (such as rosters), equipment used (such as scanners) and basic finance (ensuring there are adequate notes and coins for each check out). Frida is well liked but does have trouble with her organising role. This often results in her not getting tasks done or done in a rush, causing errors and mistakes.

Define *organising* as a management role and suggest how Frida might improve her performance in this area.

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2 marks

**Question 4**

The need for airlines to have thorough and up to date safety policies was made very clear during July and August 2011. For example, Tiger Airways was not permitted to fly any planes by the government regulator, CASA, due to deficiencies and problems with various aspects of its own safety policy. This policy includes aspects such as plane maintenance and repairs. Clearly, Tiger Airways will need to review and establish some new safety policies to avoid these problems in the future.

Analyse four important activities or steps that would be part of a Tiger Airways policy review and/or development process.

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8 marks

Total marks: 30

Extra Space
Clearly number all responses in this space.

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Task
Teacher Advice

Marking scheme
This QAT will be marked out of 30. A student’s score will then need to be reduced to a mark out of 20. This will represent 50% of the score for this outcome, which has a total value of 40 towards School Assessed Coursework for Unit 3. A second task (QAT Ser5BMU3O2D) can be completed for the remaining 50% (20 marks).

The grid below demonstrates the relationship between the highest performance descriptor and question/s in this QAT.

<table>
<thead>
<tr>
<th>Aspect of Highest Performance Descriptor</th>
<th>Question/s</th>
</tr>
</thead>
<tbody>
<tr>
<td>High level discussion and analysis.</td>
<td>1b, 1c, 3, 4</td>
</tr>
<tr>
<td>Highly effective application to practical and/or simulated situations.</td>
<td>1b, 1c, 3b, 4</td>
</tr>
<tr>
<td>Consistent and accurate use of management terms and concepts.</td>
<td>ALL</td>
</tr>
<tr>
<td>Comprehensive and accurate understanding of the implications for management of ethical and socially responsible decision-making regarding corporate management based on business information and data.</td>
<td>Note: Assessed in the second QAT developed for this outcome.</td>
</tr>
</tbody>
</table>

Note: This is one of two tasks for this outcome.
Solution Pathway

The following are suggested solutions. Teachers should consider the merits of alternative responses.

**Question 1a**

Strategic plan
*Long term and comprehensive planning related to the coming 1-5 years of the business. This planning seeks to establish and manage long-term objectives and is usually undertaken by senior management.*

Management structure
*The way in which an organisation is formally arranged in relation to the roles, responsibilities and authority of its managers. A management structure can take different forms such as being function-based, division-based or matrix.*

Bureaucracy
*A form of organisation that is characterised by formal, hierarchical based structures, rules, regulations and impersonal relationships. The concept developed by Max Weber is often seen as a negative characteristic of large-scale organisations.*

3 x 1 = 3 marks

**Question 1b**

Clear explanation (one mark) and a point of difference being highlighted (two marks).
*A division(al) based structure is where staff are grouped together according to products, services or the geographic location of markets. A contrasting structure is function-based where staff are grouped together according to activities in the organisation (such as marketing, finance etc).*

3 marks

**Question 1c**

Analysis involves breaking down the strategic planning process into key stages or parts. One mark for general introduction and one mark for each of the five main stages or similar analysis.
*Strategic planning is a complex activity that relies upon research and forecasting into the future. Five key stages are involved in the process. Firstly, objectives need to be set in terms of where does QANTAS want to go and be in the longer term. Secondly, a comprehensive analysis of the present internal situation and future external conditions needs to be conducted. This is commonly referred to as SWOT analysis where internal strengths/weaknesses and external opportunities and threats are highlighted. Such matters as the condition of their planes and the potential for new markets such as Asia are noted at this stage. Thirdly a set of alternative courses of action/strategies would be developed and those most appropriate would become central to the strategic plan. QANTAS identified the need to establish a new airline in Asia as one action. Fourthly the plan is actually implemented over the coming months/years in a methodical and organized manner. Finally, once aspects of the plan are implemented then results and targets are monitored. For example QANTAS would assess the sales achieved by the new airline against original targets.*

6 marks
Solution Pathway

Question 2
Students could choose any two characteristic (including values, attitudes, dress codes and ‘language’, celebrations and symbols) for two marks each and a further one mark for stating the importance of strong real culture.

One characteristic of a corporate culture is the values that it holds. These can relate to aspects such as honesty, quality or teamwork that are emphasised as part of the official culture and unify the different areas of the LSO. A second characteristic is the dress code that employees are expected to comply with so that an impression of professionalism and consistency is conveyed to others. Strong, real culture is crucial to success and research shows that the most successful companies have this. It is important that the official culture put forward to the public is actually matched in reality. Stakeholders, especially customers are reassured by strong culture.

5 marks

Question 3a
Students are allocated two marks for the first part of the question and one for the second part.

Controlling is a management role that involves the monitoring of activities to check if actual performance matches with planned performance. This role applies right across an organisation whether assessing the financial performance of the business or the work performance of employees. Most areas, departments or divisions of an organisation will be subject to some type of control system. If management does not put in place a range of control processes and systems then it is unlikely to know exactly the condition of the organisation at any point in time.

3 marks

Question 3b
One mark for the definition and one mark for a suggested activity to improve in the role.

Organising is the role of coordinating an organisation’s financial, human and physical resources. Frida could improve her performance by developing her skill in time management skills including prioritizing her tasks at the start of each day. This would allow a methodical approach to the role of organising.

2 marks

Question 4
Students could analyse any of several steps/activities in the policy development process. Two marks for each covered.

There are several activities that Tiger Airways should undertake as part of the policy development process. Firstly, they need to research and examine the current legislation that CASA has the responsibility for and ensure airlines comply with. There are obviously deficiencies in the company’s current policy or its implementation. Secondly, the company should consult with any relevant stakeholders in relation to the legislation (particularly CASA) and those to be affected by the policy development process, such as employees or suppliers. Thirdly the company should develop a draft of the revised policy based on its research and investigation of the legislation and distribute this to identified stakeholders. Finally, once feedback has been received
then consideration needs to be given to this information. This may result in changes to the draft to better protect the interests of stakeholders as long as it is consistent with the legislation and the requirements of CASA.

8 marks

Total marks: 30