



2007 Industry and Enterprise GA 3: Written Examination

GENERAL COMMENTS

The 2007 examination followed the same format as previous years. The examination was worth a total of 50 marks. Section A consisted of a series of compulsory short answer questions that covered all aspects of the course. Section B, which was marked out of 10, allowed students to select one of three questions for an extended two-part response. Students made good use of the space provided for answers and, in general, clearly indicated when they used the extra space provided at the back of the booklet. The quality of expression, especially spelling, showed an improvement over previous years.

As has been the case in previous years, many students made excellent use of their work placement to illustrate examples in their responses to questions. Students are strongly encouraged to continue to look for opportunities to do this in the examination and to practise doing so in coursework throughout the year. Students' skills in making these links will be developed if they consider key aspects of the course (for example, enterprise qualities, quality, globalisation and technology) during their work placement.

It was pleasing to note that students appeared to have read and taken notice of last year's assessment report and used a wide variety of relevant and interesting case studies and examples. In general, this added significantly to responses. Teachers are to be congratulated on their ability to provide 'real' examples and relate them to the course in a way that students understand and can apply.

A large number of students, including students who had produced quality responses, did not answer all questions. Students are reminded that marks are not lost for incorrect answers and they should attempt all questions.

Examination skills showed some improvement on past years; however, a number of areas continue to be of concern. In particular, students should:

- make sure that they are prepared for questions on all parts of the study design
- carefully read questions and answer the specific question rather than simply writing all they know about a topic
- be aware of the instruction word in the question and how this will shape their response
- take note of the number of marks for each question and use this as one guide to the length and depth of their response
- develop a glossary of key terms and use these to answer definition questions as well as to incorporate the terms in other answers as relevant.

SPECIFIC INFORMATION

For each question, an outline answer (or answers) is provided. Where appropriate, these have been written from a student's perspective. In some cases the answer given is not the only answer that could have been awarded marks.

Section A

Question 1a.

Marks	0	1	Average
%	48	52	0.5

Technology is a broad term used to cover all tools and processes used to assist people to perform tasks. In industry it is often referred to as capital.

Students continue to use the terms technology and information technology interchangeably. Information technology is a subset of technology. Many students gave an example of technology instead of a definition as required. While examples can enhance a definition, they cannot replace one.

Question 1b.

Marks	0	1	2	Average
%	15	51	33	1.2

In the retail industry the introduction of electronic scanners has been an important technological development. These scanners provide instant information on stock levels by reading the bar codes on goods. Therefore, retailers have a quick way to count stock and to compare it to records of stock purchased and sold. In addition, the scanners allow staff

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to assist customers by showing the availability of stock. Retailers with more than one location can use it to assist customers in locating an item in other stores.

Some students did not provide a description of the development and instead provided advantages and disadvantages. The question required students to say what the development actually did. In addition to carefully reading the question, students are urged to think about the applicability of the examples they select.

Question 1c.

Marks	0	1	2	3	4	Average
%	28	30	25	9	8	1.4

These scanners are now used extensively in the retail industry. At the clothing store where I work part-time, the scanners have had a significant impact on work practices and work organisation. Staff no longer have to spend as long looking for stock either for customers or during the stock take process. This time saving can be used to allow them to complete other tasks or for the employer to reduce the hours that staff are required to work. As it also involves a new skill, many workers also need to complete additional training to enable them to use the technology. The job descriptions of some workers changed as a result of this new technology.

This question proved challenging for students. Firstly they were required to use the same example as in the previous question. The major concern was that although many students had a grasp of the impact of the technological development they did not apply that knowledge to work practices or organisation. These are fundamental terms that were extracted from a dot point in the study design. Students must carefully read and respond to the question that is asked. This question was worth four marks and therefore required a detailed response.

Question 2a.

Marks	0	1	Average
%	3	97	1.0

Retail trade, health and community services, construction and education were all correct responses. Students were required only to name the industry to be awarded the mark.

This question was well handled although some students wrote an excessive amount, using time that may have been better used elsewhere.

Question 2b.

Marks	0	1	2	Average
%	32	43	25	0.9

Two reasons for the growth in employment in construction in the period 2001–2006 were:

- historically low interest rates: During the period 2001–2006 the Australian economy experienced relatively low interest rates. This made the cost of borrowing money cheaper for the public and led to an increase in the demand for new homes and renovations
- First Home Buyer Grant: This period also had a first home buyer grant supported by the government which was designed to increase demand in the housing sector. Part of this demand was in the new home market.

Students who responded to this question were generally able to suggest two possible reasons for employment growth in the period. The majority of students then outlined their response, linking it to the data. Some students may find this type of question easier to answer if they use two fundamentally different reasons.

Question 2c.

Marks	0	1	2	Average
%	13	36	50	1.4

Two reasons for the decline in employment in manufacturing in the period 2001–2006 were:

- high domestic wages and production costs in Australia, which meant that the cost of manufactured goods for Australian consumers was too high and caused them to shift to cheaper imports
- growth in the industrial capacity of the Chinese economy and the success of the Chinese in a number of markets which had previously purchased Australian goods.

Students used their knowledge of the course and the economy in general to suggest a range of logical causes for the data. The majority of students then outlined how these suggestions impacted on the industry.

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Question 2d.

Marks	0	1	2	Average
%	19	44	37	1.2

The government could provide increased training opportunities for workers who have lost their jobs. They could target these training opportunities in areas where there are skills shortages. These could be provided at TAFE and could also involve some financial support for those who have lost their jobs so that they are able to pay for the training costs.

Students were not required to nominate a response that the government has implemented, merely suggest one that was **possible**. Students generally commented on training; however, a number of other responses were also provided, including assisting the unemployed to relocate and providing incentives for industry to hire the unemployed. An explanation of how the response could assist the unemployed was required.

Question 3a.

Marks	0	1	Average
%	60	40	0.4

Globalisation is the increased interdependence between countries. This occurs on many levels, including a reduction in trade and other economic barriers as well as in communications and movements of people.

Most students demonstrated that they had at least a basic knowledge of globalisation. A number of students limited their response to trade and did not indicate an understanding of the full dimensions of globalisation.

Question 3b.

Marks	0	1	2	3	4	Average
%	28	22	24	13	13	1.6

The manufacturing industry is an example of one that has been impacted by globalisation. Historically the manufacturing sector in Australia has been supported by protective government policies such as tariffs. The removal of these meant that the industry had to compete with other countries with vastly different economic conditions. In Australia, wages and conditions are much higher than those in many of the countries that we are competing against. In addition we have high OH&S standards to protect workers. The combined impact of these means that goods manufactured in Australia will probably have a higher price than those imported from overseas. The public needs to be persuaded to purchase the Australian-made products by innovative campaigns such as 'Buy Australian' or by the production of goods that, although more expensive, are perceived to be of a higher quality. Some firms have been able to use this pressure as an opportunity and so the impact has been positive. In cases where the industry has not been able to achieve this, there have been a number of negative impacts. These have included firms closing down due to a decline in sales or moving off shore to produce in a cheaper country. This has led to a significant reduction in levels of employment in the industry. Regional areas have felt this very strongly.

This question provided an excellent opportunity for capable students to demonstrate their understanding of the course and the impact that one of the pressures for change has on an industry that they were familiar with. In general, students who had investigated an industry, either through work placement or case study analysis, addressed the question well and provided some high quality responses.

Question 4a.

Marks	0	1	2	Average
%	69	25	6	0.4

Quality assurance is an external certification of a product or service which indicates that the product or service has reached a designated standard in all areas. One principle of quality assurance is the consistent use of data to achieve the certification.

Many students found this question difficult. Responses showed some confusion between quality assurance and other quality variables. Many responses did not list a quality principle.

Question 4b.

Marks	0	1	2	3	4	Average
%	41	26	19	7	8	1.2

An organisation that I am familiar with is MacKenzie Quarries where I completed my work placement. Employees play a key role in most aspects of quality within this organisation. This involves the employees consistently monitoring,

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testing and inspecting raw materials at various stages during the production process. Employees are responsible for the implementation of the quality system that operates in the organisation. This means that they must consistently maintain the accepted standards in aspects of operation and accept personal responsibility for the standard of work completed. If they locate a problem they must take the appropriate action, which varies from completing an incident report to halting the production process. In addition, the quarry manager holds regular team meetings in which employees are asked for suggestions on ways to improve the quality of the service or to cut production costs. This encourages all employees to be constantly aware of quality issues and to be innovative in their thinking about strategies to improve quality.

Students were much more comfortable with this question, which asked them to provide a general discussion of the role of employees in the quality process. Many students were able to add significantly to their answer by skilful use of their work placement. While the majority of students had a very good grasp of the central role of employees in providing a quality good or service, many were unable to outline exactly what employees need to do to help achieve this.

Question 5a.

Marks	0	1	Average
%	65	35	0.4

An enterprising culture is one in which the underlying beliefs, attitudes and values create an atmosphere that encourages people to respond to work issues in a positive, creative and flexible way to create better outcomes for all stakeholders.

Students this year had an improved grasp of the dimensions of enterprise culture, especially in terms of its key indicators and the outcomes which it can generate.

Question 5b.

Marks	0	1	2	Average
%	33	28	38	1.1

An individual can show they are enterprising in the workplace by:

- demonstrating flexibility. They can do this by becoming functionally flexible by completing training so that they are multi-skilled and can perform an increased number of tasks in the workplace as well as meeting the needs of the changing workplace
- accepting responsibility. This can be done in a number of ways, including accepting personal accountability for work actions and working in a proactive and independent way.

Students were expected to nominate two ways that workers could show that they are enterprising in the workplace and outline how these qualities could be demonstrated in a workplace. There appeared to be some confusion about the attributes of enterprising people; students and teachers should refer to the introduction of the study design, which has a summary of lifelong and work-related skills.

Question 5c.

Marks	0	1	2	Average
%	39	36	26	0.9

A possible positive outcome for Australian industry is that the industry can become more internationally competitive. If the industry is able to benchmark itself against competitors, the viability of the industry and the individual organisations in it will be enhanced. This will promote stable employment and profit within the industry as well as economic growth and security for the economy.

The majority of students made links between enterprise culture and an improvement in the quality of goods and services assisting industry to be competitive.

Question 5d.

Marks	0	1	2	Average
%	44	29	27	0.9

If a worker is employed in an organisation which is managed in an autocratic style this may hinder the development of enterprising characteristics. In this environment workers will not be encouraged to show initiative or to voice ideas and opinions.

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Question 6a.

Marks	0	1	2	Average
%	28	41	30	1.0

Two ways that training that can be conducted in the workplace are competency based training and formal courses, like First Aid training, which are delivered to all workers on site.

Students were only required to name the type of training. A wide variety of responses was accepted. Some responses were confused and showed a lack of understanding of the difference between on the job and off the job training. Many students provided an explanation of the impact of the type of training; however, this was not asked for. In some cases students provided an excessive amount of detail on the first type of training and then did not name a second type of training.

Question 6b.

Marks	0	1	2	3	4	5	6	Average
%	9	9	14	19	21	14	14	3.3

Employees

- Training, for example as part of an induction process, can assist employees to develop their understanding of the processes used in the workplace. This means that they have a greater potential to contribute to the workplace.
- Training, for example in a software program, can assist the worker to gain satisfaction from the work and can also be used on their resume to increase their employability.

Employers

- Training can provide employers with an increased understanding of workers' motivation as well as strategies to increase the productivity of workers and develop and maintain a productive and harmonious workplace.
- Training in OH&S can help decrease risks and accidents in the workplace. A safer workplace will be more productive and time will not be lost due to accidents.

Industry

- Training in OH&S can improve the reputation of the industry. This should assist the industry to be more competitive.
- If training is conducted in the majority of workplaces then the workforce will be more skilled and flexible. This should increase productivity and profit within the industry as well as providing a pool of higher skilled workers who can move between workplaces in the industry.

Responses to this question demonstrated that students had a good understanding of training for employees and employers. Many students were not able to isolate advantages at an industry level. Students made good use of the subheadings within the question.

Section B

Question chosen	None	1	2	3
%	7	25	44	23

Part a.

Marks	0	1	2	3	4	Average
%	21	21	27	14	17	1.8

Part b.

Marks	0	1	2	3	4	5	6	Average
%	26	15	16	15	10	5	13	2.4

This section allowed students to show the depth of their knowledge and to incorporate more detail into their responses. Students need to think carefully about the example selected to ensure that it allows them scope to demonstrate their knowledge. They need to pay careful attention to the wording of the question and ensure that they respond to it precisely and in enough detail (as suggested by the number of marks allocated to the question).



Question 1a.

One pressure that has the potential to create change in the retail industry is technology. The industry is constantly exposed to a range of technological innovations which it is urged to adopt. In recent years this has included the changes to the cash register at the point of sale. Today, this technology does much more than add the prices of purchased goods, calculate change and provide the consumer with a receipt. The cash register can now provide detailed information on sales movements which can assist with stock control. The technology is now so complex, yet simple to use, that many larger stores are introducing self-service registers.

Question 1b.

The stakeholders impacted by this pressure include workers, employers and customers. Employees may be taken out of their comfort zone by new technology if they are not confident with its use or have to change their work practices. They may need additional training. In addition, some employees may have their hours reduced, which will result in a loss of income. Employers will need to decide whether to introduce the technology in the first place and may have to select the most appropriate software. After this they may need to organise and implement training for staff. However, the technology will improve tracking of stock. This will assist them to provide better service to customers and may reduce stock loss. Both of these have the potential to increase sales. Customers, especially older people, may not like the self-serve registers and may begin to shop at a competitor's store. Customers looking for particular stock will find the new stock tracking system helpful. This improvement in the quality of the service may encourage customer loyalty.

Question 2a.

A recent innovation in the telecommunications industry is Telstra's next G 3GSM network, which Telstra claims will be the world's fastest national wireless broadband network. The innovation supports video calling, content and features on wireless broadband to more Australians than previously, including access to regional and remote areas for the first time. The network will reach over 98.8% of Australians and cover over 1.9 million square kilometres. The innovation represents an investment by Telstra of over \$1 billion.

Question 2b.

Customers are a stakeholder group impacted by this innovation. As at February 13, Telstra had 415,000 customers who had signed up to the new network. The network promises to provide them with enhanced mobile phone coverage. This is particularly attractive to customers in rural and remote areas. However, a potential impact on customers is that the new technology may be more expensive than the old technology.

Shareholders are another stakeholder group who will be impacted by the change. At least initially, they are happy because in the six months to December 2006 sales revenue increased by two per cent, or \$225 million, largely due to growth in mobile and broadband sales. The share price also increased. Shareholders will be hoping that this trend continues.

Competitors are a third group impacted by the innovation. In this industry competitors are very aware of what others are doing. In the short term, competitors saw the increase in Telstra's market share. This was so significant that it led Optus and 3 to undertake research and development into upgrading their own networks during the next three years. This will be at significant cost to them.

Question 3a.

Lifelong learning can be a difficult concept to grasp. Some students assumed that it necessarily involved formal education in a school-like setting. Lifelong learning refers to the recognition, by industry and individual workers, that individuals will need to continually learn throughout their life if they are to make effective contributions to their work and achieve their potential as workers. A worker will not stay in the same workplace for their entire working life, and during the time that they are there the nature of the work may change. Each change will involve the learning of new knowledge and skills. Workers need to be able to offer the competencies in demand at the time in order to enhance their work satisfaction and security and to ensure that their workplace is competitive in the industry. If workers and industry accept this and respond in a proactive way, the skills set of the worker, and of all workers in the industry, will grow and the industry has a greater chance of increasing profit and competitiveness. This means that the workforce will be both more skilled and more flexible.

Question 3b.

Workers: The impact on workers is generally positive. A more skilled worker is generally a safer worker. In addition, a highly skilled worker is a more competent worker and so is likely to be more satisfied with their work and able to grow their career and increase their wage. A negative for workers is that they will have to be prepared to undergo more training and this may be in their own time or at their own expense.

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Industry: A highly skilled workforce is likely to lead to improvements in productivity and competitiveness for the industry as workers will take their skills with them when they change jobs. Over time, new ideas and innovations from any enhanced participation by workers will move across the industry and generate further improvements in other firms.

Employers: Employers may need to provide enhanced training, which is an added expense for them and may not result in an obvious return in the short term. In some cases that return may not come to the individual firm but may spread across the industry to actually assist competitors. Hopefully, the increased skill level of the workers will not only lead to productivity gains but also to innovative ideas that can be used to help ensure the viability of the firm.