



**2005 Industry and Enterprise Studies GA 3: Written examination**

**GENERAL COMMENTS**

The 2005 Industry and Enterprise Studies examination was worth a total of 50 marks and followed the same format as past examination papers. Students were required to answer five questions. Section A consisted of Questions 1 to 4 and students had to answer all questions in this section. A total of 40 marks was available for Section A. Section B contained three questions, from which students had to select one.

Question	Area of Study/Content	Marks
<b>Section A – Short-answer. Answer all questions.</b>		
1	Terminology	10
2	Skills shortages	10
3	Enterprise and enterprise culture	10
4	Pressures and opportunities	10
<b>Section B – Extended response. Answer one question.</b>		10
1	Training and workplace learning	
2	Quality	
3	Technology	

In Section B there was a choice of three questions. These questions each covered a different topic as shown in the table above. Question 1 proved to be the most popular choice with 55 per cent of students choosing to answer this question. This was followed by Question 3, with 34 per cent of students. Each of the questions in Section B provided excellent scope for students to draw on and use examples either from their work placement or from case study material covered in class.

Historically, students have performed better on questions that allowed them to draw on their work placement or other case study material to provide relevant workplace or industry examples. Students who regularly observe the media during the year also perform better in the examination. For example, Question 2 in Section A (on skills shortages) and Question 4 in Section A (on water sustainability) provided students with the opportunity to draw on current events. Overall, students who performed well were well prepared and able to draw on a range of examples or industries. These students also used the examination time wisely.

Question 1a. in Section A proved difficult for some students as they were unable to define the term ‘balance of payments’. Some students also had difficulty with Question 2 in Section A, failing to make use of the information presented in the newspaper article to answer the set questions.

Overall, students could perform better in the examination by paying more attention to examination technique. In particular, students should:

- make sure that they select workplaces or industries that allow for sufficient scope and depth to provide examples and answer questions sufficiently
- develop a glossary of terms and examples during the year, making sure that they use clear definitions and that the term being defined is not repeated in the definition
- make sure that they are familiar with all areas of study in the course, rather than specialising in one or ignoring dot points in some areas of study
- practise answering comparative-type questions, such as Question 1b. in Section A of the 2005 examination
- use any stimulus material, such as statistics or newspaper articles, provided in the examination paper to answer specific questions
- pay careful attention to the marks allocated for each question, as the number of marks provides an indication as to how much they are expected to write
- attempt all parts of each question and not leave any questions out. Marks are not deducted for incorrect answers and assessors are generally looking to award marks
- assume that the assessor knows nothing and answer each question as clearly as possible. Demonstrate knowledge as best as possible, while at the same time making sure to answer the question. Too often students just write down all they know about a topic without answering the question.

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The examination requires students to draw on their own experience from the workplace as well as knowledge about broader Australian industry. Teachers should continue to introduce students to as many case studies, current events and examples as possible. Students should familiarise themselves with current events relating to workplace and industry issues and be prepared to use these in the examination if they contain relevant examples.

## SPECIFIC INFORMATION

### Section A

#### Question 1ai.

Marks	0	1	2	Average
%	9	41	50	1.4

Workplace training is training that is conducted in the workplace to teach employees the skills required to carry out their job with accuracy and skill. This training usually occurs during work hours and the organisation's equipment and resources are used to conduct the training. An example would be training provided by the employer in how to use a new accounting software package.

#### Question 1aii.

Marks	0	1	2	Average
%	28	49	23	1.0

Enterprise skills are a set of skills that are about being creative, flexible and adaptable to situations. They are about attitudes and behaviour and examples include initiating ideas, being flexible, taking and managing risk and thinking creatively. For example, an enterprising worker would have the skills and ability to initiate new ideas or solve problems without being directed by the boss.

#### Question 1aiii.

Marks	0	1	2	Average
%	84	6	11	0.3

Balance of payments is the difference between a country's imports and exports. Australia is a country that has always relied on imports and as such has had a negative balance of payments. However, in recent times there has been a considerable push for Australian industry to explore new export markets, as this helps create employment in Australia.

#### Question 1b.

Marks	0	1	2	3	4	Average
%	45	19	19	12	5	1.2

Industrial awards and individual employment contracts are both employment arrangements between an employer and an employee.

Industrial awards cover workers in many industries and occupations. Each industry or occupation has its own Award and this covers all the workers in that workplace. The Workplace Relations Act simplified awards to 20 'allowable matters', so that award coverage is now less than it has been traditionally.

An individual employment contract is an arrangement between one employer and one employee. Also known as Australian Workplace Agreements, they were introduced to give greater flexibility to employers in the way that they employ staff. An individual employment contract is negotiated without trade union involvement, where as award negotiations are undertaken by trade unions on behalf of employees.

#### Question 2a.

Marks	0	1	2	Average
%	5	22	73	1.7

The term skills shortage is used to describe a situation where there is a lack of labour supply in a particular occupation or industry. At present there are skills shortages in some of the traditional trades, including metal trades, electrical and electronic, printing and construction.

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## Question 2b.

Marks	0	1	2	3	4	Average
%	12	16	32	16	24	2.3

Operational change: In the short term it is likely that some businesses will suffer increased recruitment costs as they seek to find workers to fill the areas where there is a lack of labour supply. It may also impact on productivity or reduce expansion in the short term.

Structural change: In the longer term, businesses may have to adapt their operations to accommodate a lower skill base. Some industries and occupations may disappear completely.

Also acceptable was the idea that a lack of skilled workers leads to reduced quality.

## Question 2c.

Marks	0	1	2	3	4	Average
%	8	17	38	16	20	2.2

The government could encourage young people to take up training in areas where there is known to be a possibility of future skills shortages. They could do this in a number of ways, including offering financial incentives to employers to create apprenticeships in these areas. The government is already beginning to address the issue of skills shortage by creating the new Australian Technical Colleges, announced in last year's federal budget.

Industry could also assist by developing new training such as that proposed by the Australian Industry Group's technology cadetship, which combines the technical and employability skills needed in the modern manufacturing industry.

## Question 3a.

Marks	0	1	2	3	4	Average
%	21	16	27	13	24	2.0

Enterprise is a set of qualities and behaviours that encourage flexibility and creativity. These qualities and behaviours allow individuals, organisations and society to cope with change. Enterprise skills have been seen as valuable attributes for at least the last 15 years.

One essential characteristic of enterprise is to be 'creative and innovative'. This means approaching tasks, situations and possible challenges in new and better ways, which allows individuals and organisations to adopt a proactive approach and see the positives in the challenge. In this way, better solutions are fostered and continuous improvement is promoted. It is important that individuals learn innovative problem solving strategies and that organisations are flexible enough in their style and structure to allow these processes to operate.

An example of an organisation that used innovation in response to a challenge is Borders, the bookstore. Borders began their operations in the US, where they mainly sold academic books from traditional shop fronts. Changes in the market led them to analyse all aspects of their operations. Two innovative responses were to begin online retailing and to include a powerful search engine to help customers locate wanted books. They also introduced coffee shops and reading centres into their expanding retail outlets to encourage customers to linger and browse.

Another enterprise skill is 'accepting responsibility'. This means knowing what your key tasks and areas for action are and being accountable for them. It often means looking for opportunities beyond simply doing your work.

An example of an individual accepting responsibility was at a large legal firm, where one of the trainees realised that the firm could save hundreds of dollars a year if they changed their paper supplier. She completed comparative costings and gave them to her supervisor. The firm made the change and she was rewarded with a bonus.

## Question 3b.

Marks	0	1	2	3	4	Average
%	30	23	24	11	13	1.6

The following is an example of the type of response assessors were looking for in reply to this question.

Enterprise assists the organisation to achieve goals because it becomes a thread that runs through all activities in the organisation and is embedded in the organisation's culture. In my work placement, I was employed at a toyshop, in the

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retail trade industry (personal and household goods). The goals of this organisation are to achieve growing profits, increase market share, provide quality service to customers and have high staff morale.

Enterprise is clearly seen in human resource management. Its benefits flow to help achieve other goals. In my workplace there are monthly team meetings where all staff meet with the manager. Here we talk about our work and our view of the organisation's operation. The manager does not mind what you say, so workers learnt to be honest. Workers are now more accepting of responsibility for their work and the success of the shop. The manager listens to ideas and helps you take the risk to try them.

One change was when a casual worker suggested setting up a play area where children were given some toys to play with. This stopped them touching other toys and allowed the parents to be relaxed when they shopped. The staff member felt proud, got an employee award, and sales increased, helping two goals to be achieved more.

### Question 3c.

Marks	0	1	2	Average
%	34	35	31	1.0

Australia must be competitive internationally if we are to continue to enjoy our relatively high standard of living. This globalisation means that Australian industry must adapt to the pressures for change and recognise increased foreign trade. If an industry or an organisation has an enterprise culture they will have a range of skills and behaviours that will help them manage the risk and thrive.

### Question 4a.

Marks	0	1	2	Average
%	18	50	32	1.2

The use of a natural resource such as water is described as unsustainable when current use compromises the availability of the resource for future generations. While water resources are meeting many present needs and wants, they will become increasingly scarce in the future. The persistent drawing of water from the environment is causing ecological damage that is also not sustainable.

### Question 4b.

Marks	0	1	2	Average
%	9	40	51	1.4

There is growing demand for water, which results from population growth and massive use (sometimes waste) of water in some industries. There is also demand in society for 'environmental water' to be returned to our 'sick' waterways.

Climate change is predicted to give us more hot and dry days. Overall rainfall is expected to decrease and higher temperatures will increase demand for water.

### Question 4c.

Marks	0	1	2	Average
%	8	14	78	1.7

Water is used for irrigation in agricultural industries. This is one of the most significant uses of water in Victoria.

### Question 4d.

Marks	0	1	2	3	4	Average
%	15	22	34	12	18	2.0

Farmers could look for opportunities to reduce their water use and, where possible, use recycled water or treated sewage, as has been discussed at Werribee. Farmers could also plant drought resistant crops or crop varieties that require less water.

## SECTION B

Question Chosen	0	1	2	3
%	2	55	9	34

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## Part a.

Marks	0	1	2	3	4	5	6	Average
%	10	9	15	14	18	11	23	3.5

## Part b.

Marks	0	1	2	3	4	Average
%	16	20	28	19	17	2.0

## Question 1

### Topic: Training and Workplace Learning

#### 1a.

Three types of training used in the workplace include the following.

- **Off-the-job training:** This is training that takes place away from the workplace. It may include seminars and/or courses conducted at a venue other than the workplace and these may range in length from one day to several weeks or months. Other forms of off-the-job training include formal tertiary courses such as the component of an Apprenticeship or New Apprenticeship that is conducted at TAFE. Some employees may choose to advance their career opportunities by studying at night school or taking a university course by distance education, while at the same time working during the day.
- **Competency-based training:** The skills learned in this type of training are not just performed once and forgotten – they can be used repeatedly. It may involve different types of training; for example, formal (Vocational and Educational Training), mentoring/coaching, on the job and off the job. Competency-based training has become a significant method of training in Australia, with Industry Training Advisory Bodies playing an integral role in its design, development and implementation. Competency-based training has been embraced by many industries across Australia. Employees must demonstrate competence in the skills acquired, and they may keep attempting the competency until they have performed it satisfactorily
- **Mentoring:** This involves a more experienced staff member taking on the role of a ‘buddy’ for new staff members in an organisation. Mentoring is becoming more and more popular in industry today as it makes the transition to a new workplace less stressful for the new employee if they feel they have someone they can ask the ‘little’ questions that may not have been covered in an induction program. Mentoring can also benefit the mentor. It encourages them to become team players, to give more of themselves in assisting new staff members, and to take on more of a leadership role within an organisation. For example, teachers who start at a new school may be assigned a mentor. The mentor would be a more experienced teacher who could assist the new teacher to become used to how the school operates, and act as a point of contact to answer any questions/help with any issues that may arise.

#### 1b.

Training improves productivity in the workplace by improving occupational health and safety in the workplace and reducing the risks associated with workplace accidents, which result in increased downtime and loss of productivity. This allows new employees to have a smooth transition to the new workplace, giving them increased security and a sense of belonging. This in turn assists in retaining the employee long term and reduces recruitment costs and time lost due to unfamiliarity with the workplace. Employees can therefore learn a range of transferable skills, maintain interest in their job and can be used for a number of different tasks across the workplace.

## Question 2

### Topic: Quality

#### 2a.

Total Quality Management (TQM) is a quality system that is widely used in industry (along with quality control, quality assurance and six sigma). As its name suggests, TQM attempts to be total: it promotes continuous improvement in the quality of all the processes, goods and services of a business, not just the final product. TQM relies heavily on statistical analysis of the production process to guide and measure improvement.

Three central principles of TQM are continuous improvement, customer focus and employee participation.

- As a principle, continuous improvement regards quality as ‘a journey rather than a destination’. It is always looking for better ways of working, or more efficient work practices. Statistical benchmarking of performance against past performance, competitors or similar producers gives a clear indication of the extent of improvement.



- The TQM system believes that quality is in the mind of the customer: the customer is paramount. This principle applies to both external customers who buy the finished product and internal customers who are part of the production process.
- All workers in a workplace should be part of a TQM system. They are all expected to contribute to and take responsibility for quality. Employee participation and empowerment are encouraged through structures such as 'quality circles' – teams of between four and 10 employees that meet regularly to identify areas for improvement and to find solutions to production problems.

**2b.**

As noted above, TQM expects employees to be involved in the quality process. Employees should take a customer service approach (customer focus) to both external and internal customers. A worker should be conscious of the quality of their communication with customers, provide additional advice, take a positive attitude to problems or complaints, take follow-up action to assist the customer if necessary, and attempt to identify any special needs or requirements of customers. When training is needed in these areas, employees should be keen to learn new skills.

In a quality process employees are automatically involved in identifying and implementing improvement. The four-phase cycle of improvement in quality theory applies to the entire workplace. The cycle consists of planning (for example, deciding on ways to improve), doing (implementation), checking (evaluating the success of an improvement) and acting (the improvement becomes standard practice in the workplace).

**Question 3**

**Topic: Technology**

**3a.**

The following is an example of the type of response assessors were looking for in reply to this question.

Technology is about the use of machines to assist, or replace, people in the workplace. It is a very broad area and covers areas like information and communication, automation and robotics. An industry that I am familiar with is the retail industry – food retailing, as I work in the local supermarket. Since I have worked at the supermarket I have had to learn a great deal about technology, especially with the new scanners and ATM machines.

A pressure of the introduction of scanners was the high cost to install them in an independent supermarket in a small rural town. My boss wanted to introduce the scanners as it was more efficient, allowing better stock control and reducing delays in re-stocking as well as in the spoiling of perishable goods. My boss had to do a very careful budget and work with the accountant and bank manager to spread the cost of the purchase.

Technology often dates very quickly. This creates another pressure as people and organisations often feel the need to purchase new technology, feeling that it will help give them a competitive edge. A current example of this is the planned introduction of pay-by-touch technology. My boss has been talking about this and has decided that we do not have a high enough customer volume to warrant the expense.

Another pressure associated with the introduction of the scanning system was that it led to the sacking of two casual night workers. This saved the organisation money but was very difficult for the boss because he knew the workers and their families. He felt very badly about this, especially when one of the workers did not find another job. He tried to help by giving them a months notice, references and phoning other local business people.

**3b.**

Training is essential in any organisation. Training covers a wide range of things and concerns, developing knowledge and skills to be used in the workplace.

Training, if properly planned and implemented, assists the introduction of technology in a number of ways:

- firstly, workers are often reluctant to change, especially if the change is about technology. Training will help improve the workers confidence in using the technology. This will make them feel more secure and connected to their jobs and their workplace. They will not only be able to use the technology more effectively and efficiently, but may approach the next technological change with less resistance
- secondly, technology is often very complex. Often where training is brief and inadequate, the technology is not used to its full potential to increase productivity for the organisation. A structured training plan will allow workers to be introduced to key aspects of technology. It will also assist the technology to be integrated into the organisation's operations to achieve organisational goals.