Unit 3 - Outcome 1

Business Foundations

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Business Foundations

**CHAPTER 2**

**Key knowledge**

• Characteristics of stakeholders of businesses including their interests, potential conflicts between stakeholders, and corporate social responsibility considerations.

**2010 EXAMQuestion 1**

The Global Financial Crisis has led to a substantial reduction in the number of customers for Flyalot Airlines. Management is predicting that a further drop in customer numbers will occur over the next twelve months. As a result management is reviewing all areas of the organisation.

2010 Exam - QUESTION 1 B.

Identify and explain how two **stakeholder** groups of Flyalot Airlines would have been adversely affected by the Global Financial Crisis.4 marks

2015 EXAM - QUESTION 1

Swanston Airlines is a large-scale organisation providing ights to all capital cities in Australia. Swanston Airlines recently suffered a technology breakdown in its computerised ticketing system that led to customers not being able to book tickets, get seat allocations or board ights for 24 hours. This resulted in very unhappy customers who missed ights, were angry and argued with staff, and demanded refunds. The CEO of Swanston Airlines has called a meeting of senior management to review current policies and procedures in order to develop a new policy to better deal with customer relations in the future.

2015 EXAM - QUESTION 1

**b.** Explain how **two stakeholders**, other than customers, could have been affected by the technology breakdown. 4 marks

**2013 EXAM - QUESTION 1 C.**

**Stakeholders** may place competing demands on large-scale organisations. Explain why this may occur.

2 marks

**Key Knowledge**

* Corporate culture, both official and real, and strategies for its development

**2013 EXAM – QUESTION 3**

Alice Smith has read the biographies of many great business leaders. She would like to follow in the footsteps of these successful leaders. Alice has just taken over as the CEO of The Traveller’s Helpmate, a business that publishes print and online travel guides. Her observation is that her staff are professional, highly educated and independent. In private conversations, some staff have said that they felt underappreciated by the previous CEO as positive feedback was rarely provided.

**2013 EXAM – QEUSTION 3 B.**

The biographies that Alice read indicated the importance of a strong corporate culture.

Identify **two** indicators of **corporate culture** and explain how each reflects the shared values and beliefs of an organisation.

**2011 EXAM - Question 1**

In the foyer of the head office of Southern Industries hangs a sign that states ‘Employees are our most important resource. If we look after our staff everything else will take care of itself’.

**2011 EXAM -** QUESTION 1 A

Define the term **corporate culture**. 1 mark

**2011 EXAM - QUESIOTN 1 B.**

Describe one way management can develop an organisation’s **corporate culture.**  2 marks