

# **IB Business Management**

## ***Trimester Assessment Worksheet – 1.3 Business Objectives***

### **Worksheet 2: Corporate, Functional & Individual Objectives**

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

Instructions: Answer all questions. Total marks: 50.

## Section A: Multiple Choice (10)

1. Functional objectives are set for:
  - A. External stakeholders
  - B. Departments
  - C. Competitors
  - D. Governments only
2. Individual objectives are used to:
  - A. Replace strategy
  - B. Link daily tasks to wider goals
  - C. Set share prices
  - D. Avoid control
3. Labour productivity measures:
  - A. Total profit
  - B. Output per worker per time period
  - C. Advertising spend
  - D. Market size
4. If objectives are unclear, this may cause:
  - A. Higher motivation
  - B. Inefficiency and confusion
  - C. Guaranteed growth
  - D. Lower costs always
5. Corporate objectives usually reflect:
  - A. One team's preference
  - B. Overall direction of the business
  - C. Supplier contracts
  - D. Complaints only
6. Departmental objectives should:
  - A. Conflict with corporate aims
  - B. Align with corporate objectives
  - C. Ignore resources
  - D. Be unmeasurable
7. Increasing productivity can reduce:
  - A. Output
  - B. Unit costs
  - C. Customer demand
  - D. Quality always
8. Employee participation in objectives often:
  - A. Lowers ownership

- B. Improves commitment
- C. Removes deadlines
- D. Stops evaluation

9. KPIs are useful because they:

- A. Are subjective
- B. Measure progress toward objectives
- C. Replace mission
- D. Remove ethics

10. A risk of focusing only on productivity is:

- A. No measurement
- B. Reduced quality or morale
- C. Higher transparency
- D. Better CSR always

## Section B: Short Answer (15)

1. Explain the difference between **corporate**, **functional** and **individual** objectives. (6)
2. Explain how objectives can motivate employees when communicated well. (4)
3. Explain what labour productivity is and one way to improve it. (5)

## **Section C: Data Response – Customer service improvement plan (15)**

A telecoms company has a corporate objective to improve customer loyalty. The customer service department sets a functional objective to reduce complaint resolution time by 25% in 6 months. Team leaders set individual targets and introduce extra training.

1. Identify one corporate, one functional and one individual objective from the case. (6)
2. Analyse how improving labour productivity could help meet the functional objective. (4)
3. Evaluate whether increasing targets without extra resources is effective. (5)

## **Section D: Extended Response (10)**

Answer ONE question.

1. Discuss the benefits and drawbacks of using targets to manage employee performance. (10)
2. Discuss why mission and vision statements are difficult to measure directly. (10)

# Answer Key + Marking Guidance

## Section A answers

Q	Ans
1	B
2	B
3	B
4	B
5	B
6	B
7	B
8	B
9	B
10	B

## Sections B–D indicative content

- Corporate = whole business; Functional = department; Individual = personal targets aligned to department aims.
- Motivation improves when expectations are clear and progress is measurable; feedback supports improvement.
- Labour productivity = output per worker/time; improve via training, tech, workflow redesign.
- Case: corporate loyalty; functional resolution time; individual targets for agents + training.
- Targets without resources can raise stress and reduce quality; with training/tech can work—evaluate.
- 10-mark: balanced analysis and justified conclusion.

## Rubric (10-mark responses)

Level	Descriptor
1–3	Descriptive; limited terms; weak example; weak judgement.
4–6	Clear explanation; some analysis; relevant example(s); some balance.
7–8	Strong analysis; good application; both sides; justified conclusion.
9–10	Sophisticated evaluation; key terms integrated; criteria-based judgement.