

# Business

## Practice Questions

Year 12



# Instructions

## Individual, exam-style questions

The questions contained in this booklet match the style of questions that are typically asked in exams. This booklet is not however, a practice exam. Elevate's research with top students identified that top students do more practice questions than anyone else. They begin the process of testing their knowledge early in the year.

Therefore, we have provided exam-format questions that are sorted by topic so that you can answer them as you learn the information, rather than waiting until the very end of the year to complete exams.

## Comments, questions?

Let us know if you need any further advice by visiting [www.elevateeducation.com](http://www.elevateeducation.com). You can comment on any of our material, or head to the FAQ section and ask us a question. Also, you can find us on social media so you can stay up to date on any brand new tips we release throughout the year.

## Other information

Every effort has been made to ensure the accuracy of the information expressed in this booklet, but no warranty or fitness is implied. If you'd like to provide any feedback on this booklet, let us know at [admin@elevateeducation.com](mailto:admin@elevateeducation.com).

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# Business Environments

1. What is the difference between the near and remote business environments?
2. Outline each of the factors of the near business environment and explain how they might affect a business?
3. Outline each of the factors of the remote business environment and explain how they might effect a business.
4. Max plans on opening a sporting shop specialising in selling AFL merchandise and equipment. What remote environmental factors should he be aware of and how may they impact sales? What near environmental factors should he be aware of and how may the impact sales?
5. Rebecca plans on starting a business importing children's clothes from China. What remote environmental factors should she be aware of and how will these impact her business?
6. How much control does a business have over the remote environment? If we can't control it, why do we need to pay attention to it?

# Product-Life Cycle

1. What are the 4 stages of the product life cycle (PLC) and how are they relevant to the marketing process? How could a manager use the PLC to assist in their management?
2. What are the business challenges associated with the introduction stage? How might a manager deal with these challenges?
3. What are the business challenges associated with the growth stage? How might a manager deal with these challenges?
4. What are the business challenges associated with the maturity stage? How might a manager deal with these challenges?
5. What are the business challenges associated with the decline stage? How might a manager deal with these challenges?
6. Gemma has developed a brand new i-Pad app. What stage of the PLC would this product be in? Identify one thing that Gemma could do in each element of the marketing mix to ensure that her app has the highest odds of success in launching.
7. Jason has developed a new surfboard design which has been popularly received by the market. The design has been so popular that competitors are now starting to copy it. What stage of the PLC is Jason in? Identify one strategy that Jason could use in each element of the marketing mix to maximize sales for his surf board.
8. Adam's company "Ring Tones Are Us" produces ring tones for mobile phones. Over recent months business has started to slow and sales have decreased. What stage of the PLC is Adam in? Identify one strategy that Adam could use in each element of the marketing mix to deal with the challenges of this stage of the PLC.
9. James company "Ynos" produces Walkman's. Over the last 12 months sales have been falling and competitors have started to quit the market. What stage of the PLC is James in? Identify one strategy that James could use in each element of the marketing mix to deal with the challenges of this stage of the PLC.
10. What are the 4 stages of the PLC. Identify one product that would fall in each stage of the PLC. Why did you put each product in its respective stage?
11. Which stage of the PLC would you put each of the product's and explain why?
  - Running shoes
  - Sunglasses
  - GPS Navigators

- Microwaves
- Hybrid cars
- E-Reader
- MP3 Player
- Video players
- Books
- Housing insulation

# Management definitions, roles and skills

1. It is said that there are 4 elements to management. Define each element and give an example of a task a manager may perform for each element.
  - Planning
  - Organising
  - Leading
  - Controlling
2. Henry Mintzberg identified 10 roles of a manager and grouped them into 3 categories: interpersonal, informational, decisional. Describe each of the categories and describe a task that would fall into each category.
3. Each of the following skills are important to management. Define each skill, explain why they are important and provide an example of each:
  - People skills
  - Strategic skills
  - Vision
  - Flexibility
  - Team work
  - Problem Solving
  - Diversity Management
4. You are the Managing Director of “Plasmas Are Us”. You recently observed one of your managers communicate poorly with staff. Describe to them 3 important elements of people skills.
5. You are working as a consultant to “Desk Makers Anonymous” and believe that the Managing Director can improve their emotional Intelligence. Explain what emotional intelligence is and provide the MD with 3 examples of good emotional intelligence.

# Operations

1. What is meant by the “operations function”?
2. How does operations help a business achieve its objectives?
3. Outline 3 differences between a product and a service?
4. What is the role of the Operations Manager?
5. There are 3 key elements to an operations system: inputs, processes and outputs. Define and provide 3 examples of each:
  - a. Inputs
  - b. Processes
  - c. Outputs
6. Rob runs a book publishing business. Provide an example of inputs, processes and outputs associated with this business.
7. Shaun runs a business manufacturing book cases. Provide an example of inputs, processes and outputs associated with this business.
8. Carmen runs a business producing hamburger patties. Provide an example of inputs, processes and outputs associated with this business.
9. Carmen runs a business producing hamburger patties. Describe some ethical issues or challenges that may be involved in the inputs, processes and output elements of the business.
10. What is a facility?
11. James operates a retail business selling furniture in Sydney. He has previously outsourced manufacturing of his furniture, but now wants to open his own production facility. Outline 3 factors that James must consider when determining where to locate this facility.
12. What is meant by operations layout?
13. Management theory suggests that there are 3 approaches to operations lay-out: Process lay-out, product layout and fixed position lay-out. Describe each of these layouts.

14. Product quality has a number of dimensions. Define what is meant by each of these dimensions and provide an example of a product which you would describe as having high levels of quality for each characteristic:
- a. Reliability
  - b. Durability
  - c. Features
  - d. Appearance
  - e. Consistency
15. You are working as a consultant to a company producing push bikes. The company has had recent problems with quality, having a large number of defects spotted on the production line. You have suggested the company adopt Total Quality Management. Define what is meant by Total Quality Management and describe how it would help improve quality for the push bike manufacturer.



# Marketing

1. What is meant by market segmentation? Describe 3 different methods for segmenting a market.
2. You are the marketing manager for Swatch watches. Describe how a marketing manager could use the following segmentation variables to segment the watch market:
  - a. Demographics
  - b. Behavior – buyer needs
  - c. Pyschographics
  - d. Geographic
3. You are the marketing manager for a company that makes snow boards and skis. Describe how a marketing manager could use the following segmentation variables to segment the snow board and ski market:
  - a. Demographics
  - b. Behavior – buyer needs
  - c. Pyschographics
  - d. Geographic
4. Having identified relevant market segments a company can pursue a niche, differentiated or undifferentiated marketing approach. Describe what each of these strategies entail.
5. What is meant by product strategy? If you were designing a low-cost watch for teenagers what would be some of your product considerations?
6. What is meant by promotional strategy?
7. What is meant by price strategy? What are some of the key considerations that must be taken into account when determining a product's price?
8. What is meant by place strategy?

# Human Resources

1. What is meant by the Human Resources Function and how does it help a company achieve their objectives?
2. The following are tasks of HRM. Define each and explain how it helps the business achieve its outcomes:
  - a. Human resource planning
  - b. Recruitment
  - c. Selection
  - d. Induction
  - e. Performance management
  - f. Managing culture and workplace satisfaction
  - g. Motivating staff
  - h. Industrial relations
3. Identify 3 performance indicators that would measure the effectiveness of the HRM function and describe what these performance indicators measure and its impact on a business achieving its outcomes.
4. You are the HRM Manager at a tutoring business. The Managing Director heard that he could motivate staff by using Maslow's Hierarchy of Human Needs. Define this theory to the MD and explain how each of the human needs may be relevant to managing a team of tutors at the tuition centre.
5. You are the HR Manager for an airline and you have recently noticed that motivation amongst cabin crew (hosts and hostesses) has dropped. You have decided to apply Herzberg's Hygiene Theory to address this problem. Describe what is meant by a hygiene factor and a motivation factor and give examples of each for cabin crew.
6. David McClelland argues that there are 3 basic human needs. Outline these needs and outline how you would use them to motivate staff working on the floor at Coles.
7. Your friend runs a café and has recently had some trouble motivating their waiters. Your friend knows that do business studies and has asked you to suggest 2 different methods to increase the motivation of their staff.
8. What is job analysis? Why would an HR manager use job analysis?
9. What does recruitment mean?
10. What does selection mean?

11. You have just opened a restaurant called “We Love Tacos” and recently advertised a number of waiter positions in the local newspaper. You received 50 applications. Describe 3 methods you would use to select staff from these applications. Describe the benefits and the problems associated with each selection method.
12. What are some ethical issues that a manager involved in recruiting and selecting staff must be aware of? How would could a manage effectively deal with these issues?
13. What is meant by corporate culture?
14. What is the purpose of conducting an induction? How would an induction process help improve staff morale and company culture?