

Trial Examination 2022

HSC Year 12 Business Studies

**General
Instructions**

- Reading time – 5 minutes
- Working time – 3 hours
- Write using black pen
- Draw diagrams using pencil
- Calculators approved by NESA may be used

**Total Marks:
100**

SECTION I – 20 marks (pages 2–7)

- Attempt Questions 1–20
- Allow about 35 minutes for this section

SECTION II – 40 marks (pages 9–20)

- Attempt Questions 21–24
- Allow about 1 hour and 15 minutes for this section

SECTION III – 20 marks (page 21)

- Attempt Question 25
- Allow about 35 minutes for this section

SECTION IV – 20 marks (page 22)

- Attempt either Question 26 or Question 27
- Allow about 35 minutes for this section

Students are advised that this is a trial examination only and cannot in any way guarantee the content or the format of the 2022 HSC Year 12 Business Studies examination.

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SECTION I

20 marks

Attempt Questions 1–20

Allow about 35 minutes for this section

Use the multiple-choice answer sheet for Questions 1–20.

- 1 Which of the following is NOT considered an ethical issue in the marketing of products?
 - A. price discrimination
 - B. sugging
 - C. engaging in fair competition
 - D. truth and accuracy in advertising

- 2 What type of company can gain funds through issuing shares on the Australian Securities Exchange (ASX)?
 - A. private
 - B. public
 - C. public sector
 - D. any company looking for funding

- 3 A company purchases a machine for its factory and, as a result, an employee loses their job. This is an example of
 - A. voluntary separation.
 - B. resignation.
 - C. retirement.
 - D. redundancy.

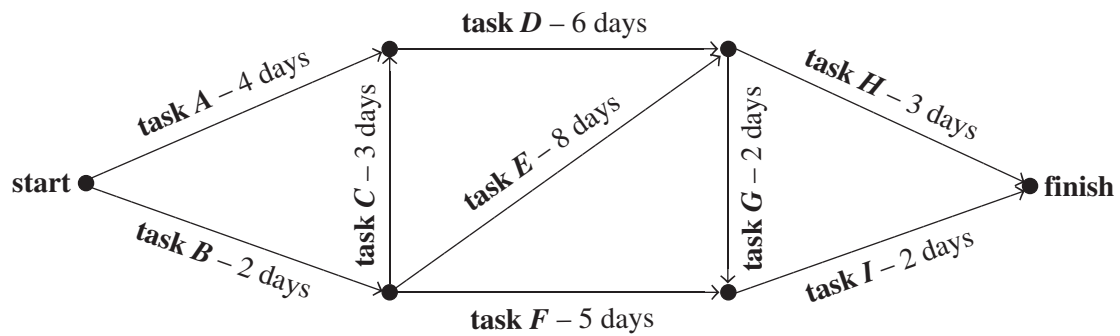
- 4 Which legislation regulates consumer laws and marketing practices in New South Wales (NSW)?
 - A. *Trade Practices Act 1974* (Cwlth)
 - B. *Fair Work Act 2009* (Cwlth)
 - C. *Competition and Consumer Act 2010* (Cwlth)
 - D. *Anti-Discrimination Act 1977* (NSW)

- 5 Which of the following external sources of finance is used primarily for short-term debt financing?
 - A. debentures
 - B. commercial bills
 - C. leasing
 - D. retained profits

- 6 Which of the following are indicators of the effectiveness of human resource management when compared with industry averages?
- lower absenteeism, lower turnover rates and fewer accidents
 - fewer accidents, higher salaries and bigger bonuses
 - more employees, lower turnover rates and lower levels of disputes
 - higher worker satisfaction, lower turnover rates and higher number of incidents resolved through negotiation and mediation

Use the following information to answer Questions 7 and 8.

The network diagram shows the time required for tasks A–I on a certain project.



- 7 What is the minimum completion time for the project?
- 9 days
 - 14 days
 - 15 days
 - 35 days
- 8 If task F is delayed by 6 days, the duration of the critical path
- does not change.
 - increases by 6 days.
 - increases by 1 day.
 - increases by 4 days.

- 9 Consider the following statements about pricing strategies.
- Statement 1: The penetration pricing strategy is used when a product is in the introduction stage of its life cycle.
- Statement 2: The skimming pricing strategy is used when a product is in the introduction stage of its life cycle.
- Which of the following options is correct?
- A. Statement 1 is true and statement 2 is false.
 - B. Statement 1 is false and statement 2 is true.
 - C. Both statement 1 and statement 2 are true.
 - D. Both statement 1 and statement 2 are false.

- 10 The figures in the table are from the financial statements of company Y from 2021 to 2022.

<i>Revenue</i>	\$21 million
<i>Cost of goods sold</i>	\$6 million
<i>Inventory (at end of financial year (EOFY))</i>	\$3 million
<i>Expenses</i>	\$5 million

The gross profit for company Y is

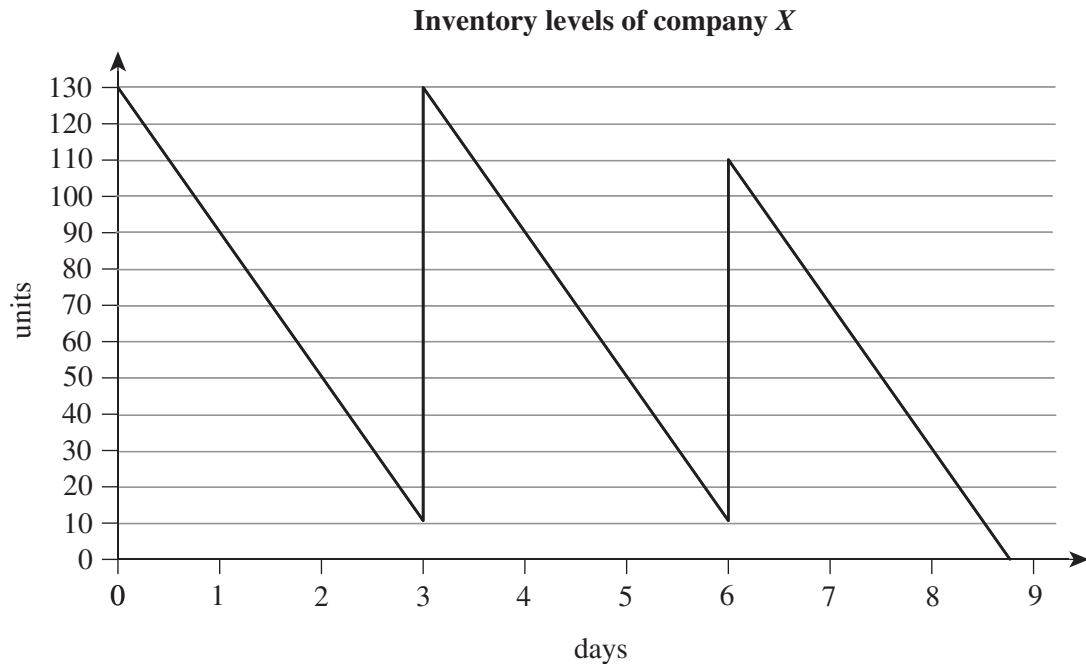
- A. \$10 million
 - B. \$15 million
 - C. \$16 million
 - D. \$18 million
- 11 Which of the following statements about leadership styles is correct?
- A. The autocratic leadership style is outdated and should be replaced by a democratic leadership style.
 - B. Participative management styles work best when all members of a team are experts.
 - C. Traditional pyramid structures are more efficient than flat structures.
 - D. Managers should always involve all workers in the decision-making process.
- 12 A bicycle company has invested \$3 million in the creation of a new, bigger manufacturing facility, incorporating recently released robotic machinery. This has helped them achieve greater efficiency, resulting in lower costs per item manufactured.
- Which of the following best describes what the company has achieved?
- A. cost leadership
 - B. competitive advantage
 - C. improved economies of scale
 - D. leading edge technology

- 13** In the human resources process, unions assist and represent
- the business.
 - the employer(s).
 - employer associations.
 - the employee(s).
- 14** Which of the following products is most likely to have an exclusive distribution channel?
- latest model laptops
 - Swiss chocolate bars
 - high-end washing machines
 - luxury cars
- 15** Which of the following is a national minimum employment standard?
- An employee must be given an extended break after having worked for the same employer for a long period of time (10 years in NSW).
 - All employees must be given a 30-minute break for every 8 hours they work.
 - An employer must pay employees for the car-related costs that accrue as a result of driving for the employer.
 - An employer must not request a full-time employee to work more than 70 hours in a given week, unless the additional hours are reasonable.
- 16** Which of the following factors is categorised correctly in terms of a SWOT analysis?

	<i>Scenario</i>	<i>SWOT</i>
A.	mediocre quality management	threat
B.	downswing in the economic cycle	weakness
C.	bankruptcy of main competitor	opportunity
D.	obtaining the newest robotic machinery in operations	opportunity

Use the following information to answer Questions 17 and 18.

The graph shows the inventory levels of company X over a period of approximately nine days.



- 17** Based on the number of units stocked by the company and the timing of reorders, which inventory management system is company X most likely using?
- A. last-in-first-out (LIFO)
 - B. first-in-last-out (FILO)
 - C. supply chain management
 - D. just-in-time (JIT)
- 18** Due to an error in the quantity of units ordered, company X's stock ran out during the time period shown in the graph above.
- If a lead time of two days exists for orders, then the error was made on day
- A. 4
 - B. 6
 - C. 7
 - D. 8

- 19** A business has more current liabilities than current assets and over 66.6% of the money used is sourced from shareholders.
What can be said about the business's current ratio (current assets ÷ current liabilities) and gearing, as measured by the debt to equity ratio (total liabilities ÷ total equity)?
- A. The business has a high current ratio and likely has good gearing.
 - B. The business has a high current ratio but likely has poor gearing.
 - C. The business has a low current ratio and likely has good gearing.
 - D. The business has a low current ratio and likely has poor gearing.
- 20** The Reserve Bank of Australia (RBA) changes the cash rate and, as a result, interest rates in Australia fall.
This is likely to cause an increase in Australian exports because it will lead to
- A. increased costs of Australian businesses and an increase in the exchange rate of the Australian dollar.
 - B. increased costs of Australian businesses and a decrease in the exchange rate of the Australian dollar.
 - C. decreased costs of Australian businesses and an increase in the exchange rate of the Australian dollar.
 - D. decreased costs of Australian businesses and a decrease in the exchange rate of the Australian dollar.

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HSC Year 12 Business Studies

Section II Answer Booklet

SECTION II

40 marks

Attempt Questions 21–24

Allow about 1 hour and 15 minutes for this section

Instructions

- Answer the questions in the spaces provided. These spaces provide guidance for the expected length of response.
 - Extra writing space is provided at the back of this booklet. If you use this space, clearly indicate which question you are answering.
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Please turn over

Question 21 (10 marks)

A leather wallet manufacturer in Australia has been struggling with competition from overseas manufacturers over the past few years. Due to high labour costs in Australia, the business has decided to differentiate its products from the competition.

- (a) Describe the influence of technologies on business operations. Support your answer with relevant examples for the business. **2**

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- (b) Compare and contrast quality control and quality assurance. Support your answer with relevant examples for the business. **3**

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Question 21 continues on page 11

Question 22 (10 marks)

- (a) Outline TWO market types in which a business could operate. **2**

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- (b) Distinguish between the psychological factors and sociocultural factors that can influence customer choice. **3**

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Question 22 continues on page 13

Question 23 (10 marks)

- (a) Describe TWO objectives of financial management. **4**

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- (b) Outline the influence of the government on financial management. **2**

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Question 23 continues on page 15

Question 23 (continued)

- (c) Discuss the advantages and disadvantages of both debt financing and equity financing. **4**

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End of Question 23

Question 24 (10 marks)

- (a) Explain the interdependence between human resource management and operations. **4**

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- (b) Discuss the possible influences of corporate social responsibility and ethics on human resource management. **4**

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Question 24 continues on page 17

Question 24 (continued)

- (c) Outline the use of performance management as a human resource management strategy. **2**

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End of Question 24

SECTION III**20 marks****Attempt Question 25****Allow about 35 minutes for this section**

Answer the question in the Sections III and IV Writing Booklet. Extra writing booklets are available.

Your answer will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
- apply the hypothetical business situation
- communicate using relevant terminology and concepts
- present a sustained, logical and cohesive response in the form of a business report.

Question 25 (20 marks)

Sierra's Salad Stand is a flourishing healthy lunch business in the heart of the central business district (CBD). As the business has grown rapidly in the past few months, the sole owner has decided to recruit workers to help with preparing food and serving customers.

The owner is seeking assistance with:

- understanding laws regarding employing workers
- recruiting suitable workers
- financing the additional cost of new workers in the short-term.

You have been hired as a consultant by Sierra's Salad Stand to write a business report to the owner. In your report:

- outline aspects of the current legal framework that Sierra's Salad Stand must be mindful of when recruiting new workers
- recommend **THREE** human resource management strategies that Sierra's Salad Stand could use in the recruitment and development of new workers
- explain an appropriate source of funding to finance the recruitment and development of new workers.

Please turn over

SECTION IV

20 marks

Attempt either Question 26 or 27

Allow about 35 minutes for this section

Answer the question in the Sections III and IV Writing Booklet. Extra writing booklets are available.

Your answer will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
- apply relevant business case study/studies and contemporary business issues
- communicate using relevant business terminology and concepts
- present a sustained, logical and cohesive response.

Question 26 (20 marks)

Evaluate the importance of operations strategies in helping a business achieve cost leadership and product differentiation.

OR

Question 27 (20 marks)

Evaluate the importance of market segmentation in helping a business create a viable range of marketing strategies.

End of paper



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Sections III and IV Writing Booklet

Instructions

- Answer BOTH sections

- Answer Question 25 from Section III on pages 2–8
- If you need more space to answer Question 25, ask for an extra writing booklet

- Answer either Question 26 or Question 27 from Section IV on pages 10–16
- Write the question number for Section IV in the space provided on page 10
- If you need more space for Section IV, ask for an extra writing booklet
- Write using a black pen

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End of Section III

Turn over for Section IV

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HSC Year 12 Business Studies

DIRECTIONS:

Write your name in the space provided.

Write your student number in the boxes provided below. Then, in the columns of digits below each box, fill in the oval which has the same number as you have written in the box. Fill in **one** oval only in each column.

Read each question and its suggested answers. Select the alternative A, B, C, or D that best answers the question. Fill in the response oval completely, using blue or black pen. Mark only **one** oval per question.

A B C D

If you think you have made a mistake, put a cross through the incorrect answer and fill in the new answer.

A B C D

If you change your mind and have crossed out what you consider to be the correct answer, then indicate this by writing the word *correct* and draw an arrow as follows.

A B C D
correct
 ↓

STUDENT NAME: _____

STUDENT NUMBER:

①	①	①	①	①	①	①	①	①
②	②	②	②	②	②	②	②	②
③	③	③	③	③	③	③	③	③
④	④	④	④	④	④	④	④	④
⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤	⑤
⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥	⑥
⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦	⑦
⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧	⑧
⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨	⑨
⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩	⑩

SECTION I MULTIPLE-CHOICE ANSWER SHEET

1. A B C D
2. A B C D
3. A B C D
4. A B C D
5. A B C D
6. A B C D
7. A B C D
8. A B C D
9. A B C D
10. A B C D
11. A B C D
12. A B C D
13. A B C D
14. A B C D
15. A B C D
16. A B C D
17. A B C D
18. A B C D
19. A B C D
20. A B C D

**STUDENTS SHOULD NOW CONTINUE
WITH SECTIONS II–IV**