# UNIT 2 EXAM REVISION QUESTIONS

**Area of Study 1- Legal requirements and financial considerations**

1. An overview of legal requirements for establishing a business such as registering the business name, registering a website domain name, trade practices legislation, business tax compliance and work safe insurance-

*-Discuss the importance of legal requirements for establishing a business. (4 marks)*

*-Identify and explain three legal requirements required for establishing a business (3 marks)*

*-Outline what GST is. (1 mark)*

*-Describe two state taxes that a business must pay. (2 marks)*

*-Define work safe insurance. (1 mark)*

1. The importance of establishing bank accounts, financial control systems and record-keeping strategies-separate entity principle  
     
   *-Explain one reason why a business owner requires separate bank accounts for the business and personal banking. (2 marks)*

*-Discuss the benefits of opening a new separate bank account for a business. (4 marks)*

*-Compare two financial control systems required for a business. (4 marks)*

*-Explain why it is important to maintain accurate financial records. (2 marks)*

*-Describe two types of financial control systems that business owners could outsource and outline the benefits of each. (4 marks)*

1. The importance of choosing appropriate suppliers including the benefits and limitations of suppliers which meet the corporate social responsibility objectives of the business.

*-Discuss the benefits of using a supplier which practices corporate social responsibility. (4 marks)*

*-Propose two methods in which a business can demonstrate CSR when choosing suppliers.   
(4 marks)*

*-Evaluate the use of selecting a supplier which does not practice CSR.*

*-Explain the relationship between profit and CSR. (2 marks)*

1. The need for policies and procedures to achieve compliance with legal requirements and establish business routines

*-Distinguish between a policy and a procedure (2 marks)*

*-Outline the two main pressures for changes to a policy. (2 marks)*

*-Explain the steps in a policy development process (6 marks)*

1. Technological and global issues which may affect decision making when establishing a business, such as generating customer databases and contacts with overseas suppliers and retailers, globalisation

*-Explain two ways technology has changed the way business owners monitor the performance of their business. (2 marks)*

*-Discuss the effect that technology has had on the use of overseas suppliers. (2 marks)*

*-Discuss the impact of technology on free trade practices. (2 marks)*

*-Explain how businesses can rethink their business strategies in order to incorporate the advancements in technology, to maximise efficiency and profit. (4 marks)*

**Area of Study 2-Marketing a business**

1. The relationship between marketing, establishing a customer base and business objectives

*-Discuss the importance of marketing increase a customer base. (2 marks)*

*-Explain how a business can use marketing to achieve business objectives. (3 marks)*

*-Discuss the relationship between marketing and establishing a customer base.*

1. External (macro and operating) and internal environment factors affecting the establishment of a customer base and brand identity

*-Analyse how two factors from the macro environment can affect the establishment of a customer base. (2 marks)*

*-Identify and explain how two factors from the operating environment can affect the establishment of a customer base. (4 marks)*

*-How can suppliers and their actions, impact on a business’ brand identity? (2 marks)*

1. Market research practices such as data collection techniques, analysis and interpretation

*-Identify and explain three ways in which market research data can be collected. (3 marks)*

*-Identify and evaluate two market research data collection techniques. (2 marks)*

*-Explain the importance of market research (2 marks)*

1. Target market attributes such as market dimensions, segments, consumer trends and behavior

*-Using an example, describe how a business can use target markets to achieve business objectives. (2 marks)*

*-Discuss the importance of a business catering towards a specific target market. (2 marks)*

*-Identify and explain two ways a business can increase profit through analysis of consumer behaviours. (2 marks)*

*-Distinguish between primary and secondary target markets. (2 marks)*

1. The 7Ps model of marketing: product, price, place, promotion, people, physical evidence and process

*-Using an example, explain the importance of the product element of the marketing mix. (2 marks)*

*-Describe the main purpose of promotion in the marketing mix. (2 marks)*

*-Identify the 7P’s of marketing. (3 marks)*

1. The product life cycle: introduction, growth, maturity, decline, extension, and the relationship between each of these stages and the choice of marketing strategy

*-Using product examples, analyse the product life cycle. (5 marks)*

*-Evaluate the importance of diversification strategies. (2 marks)*

*-Using an example, explain one way a business can extend the life of their product. (2 marks)*

1. The features and value of customer relations strategies such as providing quality customer service and establishing customer loyalty programs

*-Outline two benefits of using a customer loyalty program (2 marks)*

*-Explain what it means to take a proactive approach to quality customer relations. (2 marks)*

1. An overview of public relations and its relationship to business objectives

*-Outline the benefits of a business adopting public relations strategies. (2 marks)*

*-Outline two benefits of a business projecting a positive image. (2 marks)*

1. Public relations strategies such as planned and crisis public relations, the importance of maintaining a positive relationship with the customer base and the implications if this relationship is not maintained

*-Recommend and justify three public relations strategies a business could use. (3 marks)*

*-Identify and describe two priorities that a business must manage in a crisis. (2 marks)*

*-Using two examples, explain the difference between planned and unplanned PR (4 marks)*

1. Corporate social responsibility management issues regarding establishing a customer base, such as green marketing.  
   *-Define corporate social responsibility. (1 mark)*

*-Outline one green marketing process (2 marks)*

**Area of Study 3- Staffing a business**

1. The relationship between the performance of staff and achieving business objectives

*-Explain each phase of the employment phase. (3 marks)*

*-Explain why good staff are vital to achieving business objectives. (2 marks)*

*-Explain why HR managers/business owners need to monitor their staffing needs (2 marks)*

1. Identification of the staffing needs of the business such as the knowledge, skills and ideas staff can contribute to the business

*-Explain how successfully identifying staffing needs can contribute to the success of a business. (2 marks)*

*-Outline why determining staffing needs is an ongoing process. (2 marks)*

1. The effects that developments in technology may have on staffing needs

*-Outline two ways technological developments have impacted staffing needs (4 marks)*

*-Explain one reason a business owner needs to be aware of technological advancements when staffing a business. (2 marks)*

*-Outline one way replacing humans with technology will advance productivity. (2 marks)*

1. Job analysis and its relationship to job design and related documentation, job descriptions and job specifications

*-What is job analysis? Explain how well designed jobs can lead to lower staff turnover. (3 marks)*

*-Explain the relationship between job descriptions and job specification. (2 marks)*

*-Distinguish between job description and job specification (2 marks)*

1. Recruitment methods and the advantages and disadvantages of each method:

* internal such as intranet and word-of-mouth
* external such as websites, online recruitment agencies, social media

*-Evaluate the use of internal recruitment. (4 marks)*

*- Evaluate the use of external recruitment. (4 marks)*

1. Selection methods such as interview, psychological testing, work testing, online selection, and the advantages and disadvantages of each

*-Explain how work testing can be a beneficial selection process. (2 marks)*

1. Employment arrangements such as full time, part time, contractual and casual

*-What are the 10 National Employment Standards? How do they protect workers? (8 marks)*

1. Employer expectations such as contracts of employment, business loyalty and terms of notice

*-Identify and explain two expectations an employer has of a new employee. (2 marks)*

1. Employee expectations such as conditions of employment, remuneration, job security and work–life balance

*-How can an employer address the expectation of work-life balance of their employees? (2 marks)*

*-Identify and explain 2 expectations employees have of their employer. (2 marks)*

1. Legal obligations for staffing such as Occupational Health and Safety (OHS) and agencies such as Equal Employment Opportunities and Workplace Gender Equality Agency

*-Outline the purpose of the Equal Employment Opportunity Agency (2 mark)*

1. The purpose and common methods of employee induction

*-Evaluate the use of hand on training as an employee induction method. (2 marks)*

*-Outline two different employee induction methods (2 marks)*

1. Global issues such as overseas recruitment

-*Outline two reasons why a business may recruit employee from overseas. (2 marks)*

1. Corporate social responsibility management issues regarding establishing the staffing of a business.

-*Discuss the impact of using offshoring on Australian Business’. (2 marks)*