

# Year 11 Business Studies Preliminary Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

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# Table of Contents

<b>Copyright</b> .....	<b>1</b>
<b>Table of Contents</b> .....	<b>2</b>
<b>Introduction</b> .....	<b>3</b>
<b>How to Use This Guide</b> .....	<b>4</b>
<b>Questions</b> .....	<b>5</b>
<b>Answers</b> .....	<b>8</b>
<b>Explanations</b> .....	<b>10</b>
<b>Next Steps</b> .....	<b>15</b>

SAMPLE

# Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

**Remember:** successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

# How to Use This Guide

**This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:**

## **1. Start with a Diagnostic Review**

**Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.**

## **2. Study in Short, Focused Sessions**

**Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.**

## **3. Learn from the Explanations**

**After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.**

## **4. Track Your Progress**

**Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.**

## **5. Simulate the Real Exam**

**Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.**

## **6. Repeat and Review**

**Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.**

**There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!**

## Questions

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- 1. Which industry includes services that used to be performed in the home?**
  - A. Quinary**
  - B. Tertiary**
  - C. Quaternary**
  - D. Primary**
  
- 2. Which two sections of a SWOT analysis are negative?**
  - A. Weaknesses, Threats**
  - B. Strengths, Opportunities**
  - C. Opportunities, Threats**
  - D. Strengths, Weaknesses**
  
- 3. Quaternary industry refers to:**
  - A. Services that involve transferring and processing information**
  - B. Primary resource extraction**
  - C. Home-based services**
  - D. Financial services only**
  
- 4. Who typically receives royalties in a franchise arrangement?**
  - A. Franchisee**
  - B. Franchisor**
  - C. Supplier**
  - D. Customer**
  
- 5. What is a Franchisor?**
  - A. The business that allows someone to use their name**
  - B. The person who runs the franchise**
  - C. The customer**
  - D. The investor**
  
- 6. Which statement best describes variable costs?**
  - A. Costs that stay constant regardless of production**
  - B. Costs that change depending on how much you produce**
  - C. Costs that are fixed by contract**
  - D. Costs that do not exist in service businesses**

- 7. Budgets primarily help management by indicating how the business's finances will be allocated.**
- A. How the business's finances will be allocated**
  - B. How to increase market share**
  - C. How to reduce taxes**
  - D. How to hire more staff**
- 8. Superannuation in the workplace refers to what?**
- A. Pension contributions**
  - B. Salary**
  - C. Insurance premiums**
  - D. Tax on wages**
- 9. In the post-maturity context, which term describes maintaining current performance without growth or decline?**
- A. Remain at a steady state**
  - B. Renewal**
  - C. Decline**
  - D. Expand into new markets**
- 10. What are the two ways good managers can use the limited resources of the business to best achieve goals?**
- A. Hire competent staff, Use teams**
  - B. Increase budget, Outsource all work**
  - C. Centralize all decisions, Micro-manage**
  - D. Cut costs, Delay projects**

## Answers

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1. A
2. A
3. A
4. B
5. A
6. B
7. A
8. A
9. A
10. A

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## **Explanations**

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**1. Which industry includes services that used to be performed in the home?**

- A. Quinary**
- B. Tertiary**
- C. Quaternary**
- D. Primary**

When we classify economic activity by sectors, the quinary sector covers domestic and personal services—things that people used to do themselves at home but are now provided by professional services. So childcare, cleaning, home maintenance, elder care, and other personal or household services have moved from the home into specialized firms, placing them in this sector. The other sectors relate to different areas: primary and secondary deal with extraction and manufacturing, tertiary covers a broad range of general services, and quaternary focuses on knowledge-based work.

**2. Which two sections of a SWOT analysis are negative?**

- A. Weaknesses, Threats**
- B. Strengths, Opportunities**
- C. Opportunities, Threats**
- D. Strengths, Weaknesses**

In a SWOT analysis, the negative areas are weaknesses and threats. Weaknesses are internal factors that hold the business back, while threats are external forces that could harm objectives. Together, they highlight the internal limitations and external challenges a company needs to manage. The other pairings mix positives and negatives or are both positive, so they don't represent the negative side as a pair. For instance, strengths and opportunities are positive areas, and opportunities with threats mix a positive with a negative. Strengths with weaknesses combine internal positives and negatives, not two negative sections.

**3. Quaternary industry refers to:**

- A. Services that involve transferring and processing information**
- B. Primary resource extraction**
- C. Home-based services**
- D. Financial services only**

Quaternary industry centers on knowledge-based activities that create, process, and transfer information. It includes work like research and development, information technology services, data analysis, media, consulting, and education—areas that convert information into new ideas or innovations rather than simply extracting resources or providing basic services. The choice describing services that involve transferring and processing information fits best because it directly reflects this focus on handling and using knowledge. Extracting resources belongs to the primary sector, not the quaternary. Home-based services are more typical of general service work and don't specifically capture the information-centric nature of the quaternary sector. Financial services cover a broad range of activities and aren't defined solely by information processing, so they aren't the best fit for this category.

#### 4. Who typically receives royalties in a franchise arrangement?

- A. Franchisee
- B. Franchisor**
- C. Supplier
- D. Customer

Royalties come from the franchisee to the party that owns and provides the business model, brand, and ongoing support. In a franchise setup, the franchisor grants the right to operate under its system, so it collects these ongoing payments as compensation for that access. The franchisee pays the royalties to the franchisor, typically as a percentage of sales or a regular fee, which funds brand maintenance, training, and support. It isn't paid to suppliers or customers, and the recipient isn't the franchisee. That's why the franchisor is the one that typically receives royalties.

#### 5. What is a Franchisor?

- A. The business that allows someone to use their name**
- B. The person who runs the franchise
- C. The customer
- D. The investor

In franchising, the key idea is ownership of the brand and the proven operating system, and licensing that to others. The franchisor is the business that owns the brand, its products, and the way the business operates, and it grants others the right to use that name and system. They provide training, marketing support, and ongoing guidance to keep all locations consistent. The person running a specific franchise location is the franchisee, who applies the franchisor's system at the local level. The customer is the buyer of the goods or services, and the investor provides capital but does not operate the business. So the description that the franchisor is the business that allows someone to use its name best captures this role.

#### 6. Which statement best describes variable costs?

- A. Costs that stay constant regardless of production
- B. Costs that change depending on how much you produce**
- C. Costs that are fixed by contract
- D. Costs that do not exist in service businesses

Variable costs are costs that change in response to the level of production or activity. When you produce more, you buy more materials, pay more direct labor, and use more utilities, so these costs rise. When output drops, these costs fall accordingly. This is different from fixed costs, which stay the same regardless of how much you produce, like rent or salaries. The idea that costs are fixed by contract isn't what defines variable costs, and service businesses do incur variable costs too (such as hourly wages or consumables used in delivering a service). So costs that change with production best describe variable costs.

**7. Budgets primarily help management by indicating how the business's finances will be allocated.**

**A. How the business's finances will be allocated**

**B. How to increase market share**

**C. How to reduce taxes**

**D. How to hire more staff**

Budgets are a planning tool that shows how finite finances will be spread across activities over a period. Management uses this to decide where money should go, setting priorities and limits so resources align with planned goals. That focus on allocating funds to different departments, projects, or activities is why the option about indicating how the business's finances will be allocated is the best fit. Budgets provide a framework for coordinating spending and measuring performance, even though they can influence other aims like marketing, taxes, or staffing; their primary purpose is the allocation of available funds.

**8. Superannuation in the workplace refers to what?**

**A. Pension contributions**

**B. Salary**

**C. Insurance premiums**

**D. Tax on wages**

Superannuation in the workplace is about retirement savings contributions made for employees. It refers to money set aside in a retirement fund, typically contributed by the employer (and sometimes by the employee), and invested so it grows for use after retirement. This is separate from the wages employees receive as salary today, and it isn't about insurance premiums or a tax on wages. The idea of pension contributions fits here because it describes funding a pension/retirement fund to provide income in the future."

**9. In the post-maturity context, which term describes maintaining current performance without growth or decline?**

**A. Remain at a steady state**

**B. Renewal**

**C. Decline**

**D. Expand into new markets**

In the post-maturity phase, demand often levels off and the focus shifts to keeping performance stable rather than pushing for growth. Describing this as remaining at a steady state means outputs like sales and profits are kept at current, unchanged levels over time. It's about stability and efficiency—maintaining what you have rather than expanding or shrinking. Renewal would involve reinvigorating growth through changes or new initiatives. Decline describes dropping performance. Expanding into new markets signals growth, not stability. So staying at a steady state best fits the idea of no growth or decline.

**10. What are the two ways good managers can use the limited resources of the business to best achieve goals?**

**A. Hire competent staff, Use teams**

**B. Increase budget, Outsource all work**

**C. Centralize all decisions, Micro-manage**

**D. Cut costs, Delay projects**

Maximizing limited resources comes down to getting the most from people and how you organize work. Hiring competent staff ensures you have individuals with the right skills and abilities to complete tasks effectively, reduce errors, and maintain steady progress. When you have capable people, you can trust them to take ownership and carry out work efficiently without constant supervision. Using teams then builds on that foundation by bringing together diverse strengths. Teams share workload, speed up problem-solving, and improve coordination so resources aren't wasted on duplicated effort. This collaborative approach makes it easier to adapt to constraints and keep projects moving toward goals. The other ideas rely on more money, more control, or delaying value creation, which isn't the best way to achieve goals when resources are tight. So, pairing skilled staff with teamwork makes the most of what you have and drives progress toward objectives.

## Next Steps

**Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.**

**As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.**

**If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at [hello@examzify.com](mailto:hello@examzify.com).**

**Or visit your dedicated course page for more study tools and resources:**

**<https://yr11businessstudiesprelim.examzify.com>**

**We wish you the very best on your exam journey. You've got this!**

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