OXFORD

INTERNATIONAL
AQA EXAMINATIONS

Please write clearly in block capitals.

Centre number | | | | | | Candidate number | | | | |

Surname _____

Forename(s) _____

Candidate signature _____

# INTERNATIONAL AS

# BUSINESS

## Unit 2 Managing Operations, Human Resources and Finance

Tuesday 14 May 2019 07:00 GMT Time allowed: 1 hour 30 minutes

**Materials**

For this paper you must have:

- a calculator, which you are expected to use where appropriate.

**Instructions**

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of the page.
- Answer **all** questions.
- You must answer the questions in the spaces provided.
  Do not write outside the box around each page or on blank pages.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- You may **not** use an English dictionary.

**Information**

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.

**Advice**

- You may use a bilingual dictionary.

| For Examiner's Use | |
|---|---|
| Question | Mark |
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |
| 7 | |
| 8 | |
| 9 | |
| 10 | |
| 11 | |
| 12 | |
| 13 | |
| 14 | |
| **TOTAL** | |

*Do not write outside the box*

## Section A

Answer **all** questions in the spaces provided.

Only **one** answer per question is allowed.

For each question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD ⬬ WRONG METHODS ⊗ ⦿ ≈ √

If you want to change your answer you must cross out your original answer as shown. ⊠

If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown. ⊗

**0 1** Funding a project or venture by raising small amounts of money from a large number of people is known as:

**A** Venture capital ⬭

**B** Debt factoring ⬭

**C** Crowdfunding ⬭

**D** Paying debts ⬭

**[1 mark]**

1

**0 2** Which of the following is a motivator according to Herzberg?

**A** Basic pay ⬭

**B** Recognition ⬭

**C** Working conditions ⬭

**D** Company policies ⬭

**[1 mark]**

1

*Do not write outside the box*

**0 3** A manufacturing business has annual fixed costs of $63 000 and variable costs of $42 000. It produced 21 000 units in one year. What is the unit cost?

**A** $2 ⬭

**B** $3 ⬭

**C** $4 ⬭

**D** $5 ⬭

**[1 mark]**

1

**0 4** Explain **one** way to reduce labour turnover.

**[3 marks]**

3

**0 5** Calculate the operating profit margin for 2018.

| | **2018 ($)** |
|---|---|
| **Sales revenue** | 95 545 |
| **Cost of sales** | 34 125 |
| **Expenses** | 52 670 |

**[3 marks]**

3

*Do not write outside the box*

**0 6** The following data apply to a small business:

| | |
|---|---|
| **Fixed costs ($)** | 45 000 |
| **Selling price ($)** | 12 |
| **Variable cost per unit ($)** | 8 |

Calculate the break-even output. Show your working.

**[2 marks]**

**2**

**0 7** Explain **one** factor affecting a restaurant's level of inventory.

**[3 marks]**

**3**

*Do not write outside the box*

**0 8** An airline is operating significantly under capacity. Explain **one** action that it might take to improve its capacity utilisation.

**[3 marks]**

3

**Turn over for the next section**

*Do not write outside the box*

## Section B

Answer **all** questions in the spaces provided.

**0 9** A business is expanding internationally, which means that the sales manager has an increase in workload. Analyse the benefits to the business of delegation.

**[9 marks]**

Extra space

**9**

Do not write outside the box

**1 0** An online fashion retailer has seen a decrease in sales and is reviewing its expenditure budget for 2018.

| | Budget $ | Actual $ |
|---|---|---|
| **Salaries** | 62 500 | 65 500 |
| **Inventory** | 96 500 | 84 245 |
| **Distribution** | 43 700 | 46 000 |

Analyse how the business could improve its variances.

**[9 marks]**

Extra space

9

*Do not write outside the box*

**1 1** A construction business is trying to reduce costs by reducing the number of employees. Analyse the possible impact of this decision on productivity.

**[9 marks]**

Extra space

**9**

*Do not write outside the box*

## Section C

Answer **all** questions in the spaces provided.

**1 2** A private limited company needs to raise finance so that it can invest in new technology.

It has decided to apply for a bank loan rather than issue new shares.

Assess the arguments for and against the decision and make a judgement.

**[12 marks]**

Extra space

**12**

*Do not write outside the box*

**1 3** An electronics manufacturer wants to improve its customer satisfaction rates.

It has decided to choose quality control rather than Total Quality Management (TQM).

Assess the arguments for and against the decision and make a judgement.

**[12 marks]**

Extra space

**12**

*Do not write outside the box*

**1 4** A mobile phone retailer is reviewing its financial methods of motivation.

It has decided to pay its sales staff on a commission-only basis.

Assess the arguments for and against the decision and make a judgement.

**[12 marks]**

Extra space

**12**

**END OF QUESTIONS**

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**ANSWER IN THE SPACES PROVIDED**

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| Question number | **Additional page, if required.**<br>**Write the question numbers in the left-hand margin.** |
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**ANSWER IN THE SPACES PROVIDED**

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