OXFORD

INTERNATIONAL
AQA EXAMINATIONS

Please write clearly in block capitals.

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

Surname _____

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Candidate signature _____

I declare this is my own work.

INTERNATIONAL AS
BUSINESS

Unit 2: Managing Operations, Human Resources and Finance

Friday 15 January 2021 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
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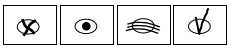
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Section A

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 Which of the following statements is true?

[1 mark]

A Capacity utilisation is the maximum amount of units a business can produce. ⬭

B Capital intensive means that a business is highly financed. ⬭

C Productivity is measured by dividing outputs by inputs. ⬭

D Unit costs are calculated by dividing variable costs by output. ⬭

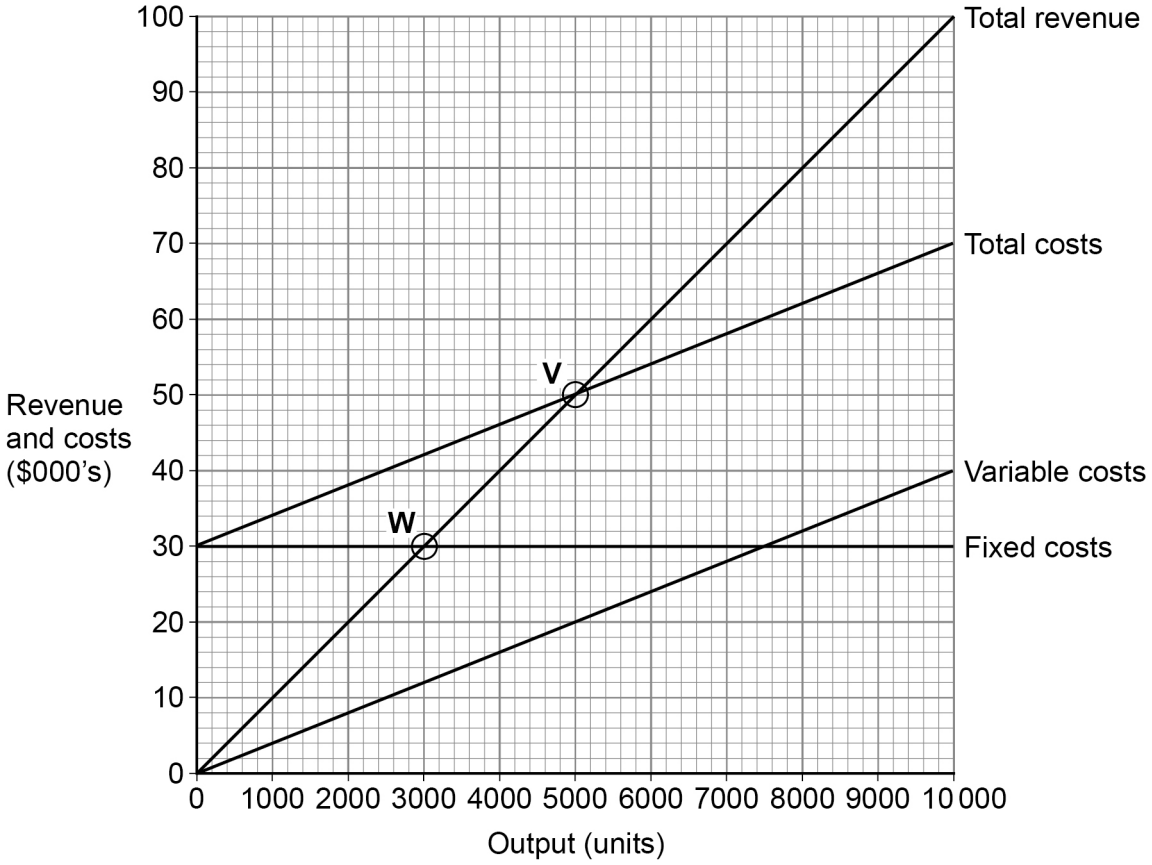
1

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0 2 Using **Figure 1**, identify which of the following statements is correct.

[1 mark]

Figure 1



A **W** is the break-even point and at 6000 units of output the business is making a loss. ⬭

B **V** is the break-even point and at 6000 units of output the business is making a profit. ⬭

C **W** is the break-even point and at 6000 units of output the business is making a profit. ⬭

D **V** is the break-even point and at 6000 units of output the business is making a loss. ⬭

1

Turn over for the next question

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0 3 The rent paid by a business increases. The impact of this on cash inflows, cash outflows and working capital is:

[1 mark]

	Cash Inflows	Cash Outflows	Working Capital	
A	Increase	Decrease	No change	⬭
B	No change	Increase	Increase	⬭
C	Decrease	No change	Increase	⬭
D	No change	Increase	Decrease	⬭

1

0 4 Explain **one** difficulty of introducing Kaizen to a business.

[3 marks]

3

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0 5 Explain **one** reason why a new business might lease its machinery rather than buy it.

[3 marks]

3

0 6 With reference to **Table 1**, calculate the gross profit variance.

State whether the gross profit variance is adverse or favourable.

[3 marks]

Table 1

	Budget $	Actual $	Variance $
Revenue	82 000	80 500	
Cost of Sales	63 100		1100 Adverse
Gross Profit			

3

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0 7 Explain **one** reason why the introduction of worker directors might improve employee motivation.

[3 marks]

3

0 8 This financial data relates to TAC plc for the year 2019–2020.

Revenue	$26 960 million
Dividends paid	$269 million
Gross Profit Margin	35.0%
Operating Profit Margin	12.8%

Calculate TAC's gross profit for the year 2019–2020 in $ million.

[2 marks]

2

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Section B

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

0 9 An entrepreneur is advised to produce a cash flow forecast for his start-up business.

Analyse **one** reason why he might benefit from this and **one** difficulty he might have when producing the cash flow forecast.

[9 marks]

Extra space

9

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1 0 Analyse **two** benefits to a global business of having a more diverse workforce.

[9 marks]

Extra space

9

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1 1 Some manufacturers use a labour-intensive approach to their operations.

Analyse **one** advantage and **one** disadvantage of a labour-intensive approach.

[9 marks]

Extra space

9

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Section C

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

1 2 A car manufacturer wants to increase its profit and has decided to use a Just In Time approach to production.

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

[12 marks]

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Extra space

12

Turn over ►

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1 3 A business has an objective of increasing customer satisfaction. It has decided to switch from a local supplier to a cheaper overseas supplier in order to reduce prices.

Assess the arguments for and against the business switching suppliers to increase customer satisfaction and make a judgement.

[12 marks]

Do not write outside the box

Extra space

12

Turn over ►

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1 4 A business needs to improve labour productivity within the next three months. It is considering whether to consult its employees on the best way to do this.

Assess the arguments for and against the business consulting with its employees and make a judgement.

[12 marks]

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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.** **Write the question numbers in the left-hand margin.**
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