

## **10 Key Questions - Unit 1 Business in the Real World**

1. Explain why entrepreneurs may start their own businesses.
2. Why would a sole trader become a partnership?
3. What are the costs and benefits of a limited liability company?
4. Why do businesses set aims?
5. Why might the stakeholders of a business come into conflict with each other?
6. Why does the most important factor determining location depend on the type of business it is?
7. What are the main sections of a business plan?
8. Differentiate between organic and external growth.
9. Why could growing a business either increase or decrease average unit costs?
10. Differentiate between revenue and profit.

## **10 Key Questions - Unit 2 - Influences on Business**

1. Explain the main benefits of utilising e-commerce.
2. Why would a business choose to act ethically?
3. What impact do businesses have on the environment?
4. How can an increase in interest rates have an impact on a business?
5. Which ways can a UK business compete internationally?
6. What are the benefits of globalisation to a business?
7. Differentiate between consumer law and employee law.
8. Why do entrepreneurs embark on running a business?
9. What is the impact of increasing levels of competition on a business?
10. What impacts are there on a business of legislation?

### **Unit 3 10 Key Questions - Operations**

1. Explain what is meant by lean production.
2. How can the performance of the operations department be measured?
3. Why is reliability an important factor when choosing a supplier for a business operating just - in - time production?
4. What are the main advantages of job production?
5. What are the main advantages of flow production?
6. Why would a business selling durable items with seasonal demand, like umbrellas, be likely to utilise just - in - case production.
7. Differentiate between procurement and logistics.
8. Explain why improving the quality of a product may lead to an increase in costs.
9. What are the advantages to a business of using a total quality management system?
10. What are the main steps in the sales process for most businesses?

### **10 Key Questions Human Resources**

1. Why is it important for a business to have an effective recruitment process?
2. Why might a business employ staff on zero hour contracts?
3. How does commission motivate sales employees?
4. Differentiate between autocratic and democratic leadership styles.
5. What are the benefits of having a tall organisational structure?
6. Why might a business use on-the-job training instead of off-the-job training?
7. Differentiate between a wage and a salary.
8. Sally earns a salary of £30,000 PA. She also gets 3% commission on sales. She sold £25,000 worth of goods in January. What is her total pay for January? Show your working out.
9. Explain why businesses want a highly motivated workforce.
10. Explain the benefits to a business of employing part - time workers.

## Unit 5 10 Questions - Marketing

1. What are the four elements of the marketing mix?
2. What type of pricing involves matching the price of its competitors?
3. List 2 ways to segment a market?.
4. What section of the Boston Matrix has low market share and low market growth?
5. Name one advantage of primary research?
6. Name one benefit of quantitative data for a Business?.
7. Which pricing strategy sets the price high at first?
8. List two forms of sales promotions?
9. This diagram shows the stages a product moves through from its beginning to its end?
10. True or false, market growth is calculated with the following formula?  
$$\frac{\text{Original Market Size}}{\text{Change Market change}} \times 100$$

## Unit 6 10 Questions - Finance

1. What is the formula for revenue?
2. What source of finance is likely to involve and repayment of some kind?
3. List 2 internal sources of finance?
4. What financial document involves forecasting the inflows and outflows for a business?
5. Name one advantage of external finance?
6. Name one benefit of breakeven analysis?
7. Which profit calculation involves deducting the cost of sales?
8. List two items found on the statement of financial position?
9. This document involves three key pieces of information - sales revenue, cost of production and overall profit?
10. True or false, The Average Rate of Return (ARR) compares the average yearly profit from an investment with the cost of the investment and is stated as a percentage.?