

Please write clearly in block capitals.

Centre number

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Candidate number

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Surname

Forename(s)

Candidate signature

I declare this is my own work.

INTERNATIONAL GCSE BUSINESS

Paper 1 Influences of operations and human resources on business activity

Wednesday 23 October 2024

07:00 GMT

Time allowed: 2 hours

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 this 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 calculations must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 90.

Advice

You may use a bilingual dictionary.

For Examiner's Use	
Question	Mark
1–9	
10	
11	
TOTAL	



Section A

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

For multiple-choice questions, 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

Allowing staff time off for religious holidays is an example of...

[1 mark]

A competitive environment.

☐

B economic climate.

☐

C environmental considerations.

☐

D ethical considerations.

☐

0 2

If the US dollar rises in value against the Chinese currency, which **one** of the following is true?

[1 mark]

A American retailers importing Chinese products will pay more.

☐

B Chinese retailers importing American products will pay less.

☐

C Demand for American products in China will rise.

☐

D Demand for Chinese products in America will rise.

☐


0 3

Which **one** of the following is **not** a major section in a business plan?

[1 mark]

A Aims and objectives

☐

B Financial forecast

☐

C Marketing plan

☐

D Opportunity cost

☐**0 4**

Which **one** of the following is likely to be an objective of a not-for-profit organisation?

[1 mark]

A Help local communities

☐

B Increase shareholder value

☐

C Reduce competition

☐

D Take over other businesses

☐**0 5**

Which **one** of these would cause a direct increase in a business' variable costs?

[1 mark]

A An unsuccessful advertising campaign

☐

B Inflation

☐

C New competitor

☐

D Unexpected fall in demand

☐

Turn over for the next question

Turn over ►



0 6

Explain what is meant by a market.

[2 marks]

0 7Explain **one** benefit for a business of health and safety laws.**[2 marks]**

0 8

Explain why the amount of competition is important when choosing a business location.

[2 marks]



0 9

Explain **two** effects on a business of an increase in levels of employment in its local area.

[4 marks]

Effect 1 _____

Effect 2 _____

15

Turn over for Section B**Turn over ►**

Section BAnswer **all** questions in the spaces provided.**1 0****Item A**

Sura runs a small business which produces handmade painted plates. Two years ago, she quit her job and turned her hobby into a business. Each plate is made to the customer's exact design using job production. Sura sells entirely through an ecommerce site. She offers good customer service – especially when sending out orders. Sura ensures that her products have beautiful packaging and packages are wrapped very carefully to prevent damage.

1 0**1**Explain **two** benefits to Sura's business of providing good customer service.**[6 marks]**

Benefit 1 _____

Benefit 2 _____



1 0 . 2

Analyse why Sura has chosen to use job production.

[6 marks]

Question 10 continues on the next page**Turn over ►**

A year later, the business has grown with many more orders every month. Sura has employed an assistant. The job of the assistant involves marketing through social media, processing orders and sending out finished products. Sura advertised the job locally and interviewed all four applicants to find the one best suited to offering excellent customer service. Sura then provided two days' induction training to the successful applicant. This training focused on ensuring that the assistant understood Sura's policy on sending out orders.

	April 2023	April 2024
Orders per month	60	300
Cost of postage per order	\$5.00	\$3.50
Postage errors made by the assistant	1	15

Analyse how Sura's business benefits from having an effective recruitment process.

[illegible]

1 0 . 4

Using **Item B**, explain why Sura provided induction training for the assistant.**[3 marks]**

1 0 . 5

Use **Item B** and **Table 1** to explain **one** economy of scale and **one** diseconomy of scale that Sura's business might have.**[6 marks]**

Economy of scale

Diseconomy of scale

Question 10 continues on the next page**Turn over ►**

[12 marks]

[illegible]

[illegible]

39

Section C

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

1	1
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Item C

Zephyrus Running (ZR) is a large company manufacturing sports shoes. Product quality is an important issue for the business. All staff are trained regularly and supervisors use quality control to closely monitor the results of their work. The business has a tall structure, with each supervisor in charge of just five workers in its factories.

The directors believe that the business is run efficiently. The business, however, made a loss for the first time last year.

1	1	.	1
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Explain **one** way ZR could measure the quality of output in its factories.

[3 marks]

1	1	.	2
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Analyse how regular training can motivate ZR's production workers.

[6 marks]



1	1	.	3
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Explain **one** benefit and **one** drawback of having a tall organisational structure for the business.

[6 marks]

Benefit _____

Drawback _____

Question 11 continues on the next page

Turn over ►



Item D

ZR is a global business. It has 20 factories around the world, mainly located in countries with low wage levels. Its products are sold in over 100 countries, and ZR owns warehouses in each country in which it sells. The directors are worried about its fixed costs, which they consider to be the main reason that the business made a loss last year. The directors believe that their policy of buying materials in bulk from a few large suppliers means their variable costs are lower than any competitor. However, the business faces other problems including:

- problems finding reliable suppliers for its factories
- communication problems between factories and warehouses
- rapid changes in fashion leaving unsold inventory in warehouses.

Table 2

	Last year
Total number of products sold	12 million
Total variable costs (\$m)	240
Total fixed costs (\$m)	360

1	1	4
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Calculate the business' average unit cost last year.

Show your calculations.

[3 marks]

Answer \$ _____



1 1 . 5 Analyse how ZR benefits from globalisation.

[6 marks]

Question 11 continues on the next page

Turn over ►



ZR's directors are considering changing their stock management to a just in time (JIT) system.

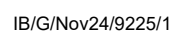
- analyse the advantages and disadvantages of ZR using just in time (JIT)
- use your analysis to recommend whether ZR should change to just in time (JIT) stock management.

[12 marks]

[illegible]

[illegible]

36



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ANSWER IN THE SPACES PROVIDED**



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[illegible]

