

Candidate 1 evidence

ENTER NUMBER OF QUESTION	DO NOT WRITE IN THIS MARGIN
3) a) i)	Sole trader
	(ii) - Sole traders get to keep all the profits earned in the business for themselves and don't have to share it.
	- A sole trader business is harder ^{easy} to setup because there is less legal documents required.
	- A sole trader has a heavy workload because they have nobody to share it with which means they might give up on the business.
	b) i) recession -inflation -panic buying
	(ii) recession can influence a business Inflation can influence a business by making products more expensive to make so they have to sell it for more which leads to less sales

ENTER NUMBER OF QUESTION	DO NOT WRITE IN THIS MARGIN
c)	
4)	
a)	

-panic buying can influence a business by making them run out of stock quicker than expected which means they have to reorder and production will slow down because of lead time.

c) - Human resources are an internal factor for a business, this includes all the employees of the business, this can affect a business because if there isn't enough employees the business won't run.

- Finance is another internal factor for a business, this is all the money that the business has and can invest into the business.

4)

a) Introduction is when the product has just been launched onto the market and sales are low so advertising is required which means money is being spent on advertising instead of production.

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b)(i)	- Premium pricing - Low pricing
(ii)	- The production costs are a factor because if the business sell the product for less than it cost to make it they won't make a profit.
	- The quality of the product should be considered because if the product is high quality it should be sold at a high price.
c)	- An organisation could use point of sale displays, this is where the business puts the product they want sold the most at the tills so people impulse buy it.
	- An organisation could use loyalty cards, this is where the business give returning customers discounts on goods to encourage loyalty.

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	<p>- An organisation could use bundling, this is where the business puts lots of products together but puts a deal on them which means customers will purchase more of the product.</p>
	<p>- An organisation could use limited time deals, this is where the business sells a product for a limited time so that people purchase it more.</p>
5)	
a)	<p>Job production, allows customisation on each product tailored to each client which means people may pay more to get it customised.</p>
	<p>Job production is very labour intensive and requires skilled workers which means they will require a high wage.</p>
	<p>Job production has very little wastage because if one fails its only</p>

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	one product that will be scrapped which means it will have a better reputation than flow production companies because there is no wastage.
	b) Producing in an environmentally friendly way can benefit a business by giving them a good reputation which can lead to more sales.
	Producing in an environmentally friendly way can benefit a business by stopping environmental groups from protesting outside their business
	c) - The reliability of the supplier, will they deliver on time.
	- The distance to the supplier
	- The price of the supplier
	- The quality of the supplier's goods

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6)	
a)(i)	

$$A = 30$$
$$B = 300$$
$$C = -60$$

(ii) 25 units

b)(i) Income statement

(ii) - changing factors could decrease sales revenue

- price of supplier can increase price of sales

- increased expenses can decrease profit for the year.

c) - Spreadsheets can help a business with large and difficult numbers and doing sums with them which means there will be less human error

- Spreadsheets can also help a business with predicting the cash inflows and outflows.

ENTER NUMBER OF QUESTION	DO NOT WRITE IN THIS MARGIN
7)	a) - advertise a vacancy within the business - carry carry out a job analysis - carry out a job description - carry out a person specification
b)(i)	- Piece rate systems encourage employees to sell more goods or provide more services because they get paid for it however this can lead to poor quality of work because employees are rushing it.
	- Piece rate systems motivate employees to work faster which speeds up production however they could make mistakes and overlook work.
(ii)	Commission is where the employee who sells the goods receives a percentage of the profit made from each one.

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	<p>- Hourly rate is where the employees are paid for each hour they work which means they can pretend to work and still get paid each hour.</p>
	<p>c) -To help employees settle disputes within the business and come to a fair agreement</p>
	<p>-To let an employee take industrial action towards their company to demand a change.</p>