

OCR

Oxford Cambridge and RSA

Level 3 Cambridge Technical in Business**05834/05835/05836/05837/05878****Unit 3: Business decisions****Friday 12 January 2018 – Morning****Time allowed: 1 hour 30 minutes****You must have:**

- a clean copy of the pre-release (insert C424)

You may use:

- a calculator

First Name						Last Name				
Centre Number						Candidate Number				
Date of Birth	D	D	M	M	Y	Y	Y	Y		

INSTRUCTIONS

- Use black ink.
- Complete the boxes above with your name, centre number, candidate number and date of birth.
- Answer **all** the questions.
- Write your answer to each question in the space provided.
- If additional answer space is required, you should use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.

INFORMATION

- The total mark for this paper is **60**.
- The marks for each question are shown in brackets [].
- This document consists of **12** pages.

FOR EXAMINER USE ONLY	
Question No	Mark
1	/8
2	/6
3	/6
4	/6
5	/12
6	/6
7	/16
Total	/60

Answer **all** the questions.

1 (a) *Gateway Revision Ltd* makes many business decisions. Business decisions can be classified into three categories:

- strategic
- tactical
- operational.

Complete the table below by naming the type of business decision being made in each of the following examples. To help you, the first example has been completed for you.

Example	Type of business decision
Decision to allow writers to work from home	<i>Operational</i>
Decision to expand the product range in order to enter a new market	
Decision to replace warehouse staff with new technology	
Decision to reduce prices to 10% below those of a competitor	
Decision to replace an existing supplier with one that is cheaper	

[4]

(b) Explain, using a relevant example, how each of the following could impact on *Gateway Revision Ltd's* decision-making.

(i) Opportunity cost

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[2]

(ii) The core competencies of *Gateway Revision Ltd*

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[2]

3 Jason believes that if either **Option 2 – Extend the product range** or **Option 3 – Expand into overseas markets** are chosen, new writers will need to be hired.

(a) Explain **two** ways a skills audit could help *Gateway Revision Ltd* with its workforce planning.

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2.....
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[4]

(b) Explain how on-the-job training could be used to support a new employee at *Gateway Revision Ltd*.

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[2]

- 4 The table below shows sales data for 2017.

	Number of GCSE revision guides sold	Three-month moving average
January	2563	
February	2680	
March	2972	2738.33
April	3659	3103.67
May	4208	3613.00
June	2596	3487.67
July	1580	2794.67
August	1284	
September	2370	1744.67
October	2689	2114.33
November	2460	2506.33
December	2235	2461.33

- (a) Calculate the three-month moving average for August 2017.

Show your workings

Three-month moving average for August 2017 = guides

[2]

- (b) Explain why it is not possible to calculate February 2017's three-month moving average.

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 [2]

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END OF QUESTION PAPER

ADDITIONAL ANSWER SPACE

If additional answer space is required, you should use the following lined page(s).
The question number(s) must be clearly shown in the margin(s) – for example 2(b) or 6(a).

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