



Oxford Cambridge and RSA

Thursday 13 January 2022 – Morning

Level 3 Cambridge Technical in Business

05834/05835/05836/05837/05878 Unit 3: Business decisions

Time allowed: 1 hour 30 minutes

C423/2201



You must have:

- a clean copy of the Pre-release (inside this document)

You can use:

- a calculator



Please write clearly in black ink.

Centre number

Candidate number

First name(s) _____

Last name _____

Date of birth

INSTRUCTIONS

- Use black ink.
- Write your answer to each question in the space provided. You can use extra paper if you need to, but you must clearly show your candidate number, the centre number and the question numbers.
- Answer **all** the questions.

INFORMATION

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

ADVICE

- Read each question carefully before you start your answer.

| 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 Different types of business information will be used to choose between the three options under consideration at *FCC*.

(a) Draw a line linking each of the **three** types of information to its correct definition. You must only draw **three** lines.

| | | | |
|-------------------|--|--|--|
| | | | |
| 1 External | | Data that can be expressed as numbers | |
| 2 Forecasted | | Data from sources within the business | |
| 3 Quantitative | | Data that is a prediction of future events | |
| | | Data from sources outside the business | |
| | | Data that cannot be converted into numbers | |

[3]

(b) Primary research will be used to obtain information about the three options.

(i) State **one** benefit to *FCC* of using primary research.

.....
..... [1]

(ii) State **one** drawback to *FCC* of using primary research.

.....
..... [1]

(b) (i) State **one** benefit to *FCC* of using average rate of return (ARR) as part of an investment appraisal.

.....
..... [1]

(ii) State **one** drawback to *FCC* of using average rate of return (ARR) as part of an investment appraisal.

.....
..... [1]

3 (a) *FCC*'s current rate of absenteeism is too high.

(i) State what is meant by 'absenteeism'.

.....
..... [1]

(ii) Explain **one** problem that *FCC* could face due to a high rate of absenteeism.

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.....
..... [2]

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6 (a) (i) State **two** benefits to a business of making a contingency plan.

1

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2

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[2]

(ii) State **two** drawbacks to a business of making a contingency plan.

1

.....

.....

2

.....

.....

[2]

(b) If **Option 3 - Export to Eastern Europe** is chosen, the tourer caravans will need to be transported by ship from *FCC*'s local seaport to their destination country. Alternative forms of transport would be unsuitable due to the weight and size of the tourer caravans.

Identify and explain **one** contingency that Anika could make for occasions when *FCC*'s local seaport is unavailable due to bad weather.

Contingency

.....

.....

Explanation

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[2]

7 Recommend which **one** of the three options *FCC* should take. Justify your recommendation.

[16]

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