

Tuesday 20 May 2025 – Afternoon

Level 3 Cambridge Technical in Business

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

Time allowed: 1 hour 30 minutes

C423/2506

You must have:

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

You can use:

- a calculator



Please write clearly in black ink. **Do not write in the barcodes.**

Centre number

--	--	--	--	--

Candidate number

--	--	--	--

First name(s)

Last name

Date of birth

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

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.
- Use the Insert to 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.

1

(a) Identify **two** core competencies of AL Physio.

1

.....

2

.....

[2]

(b) Alex has suggested that AL Physio considers sponsoring a local under-13s youth football league.

Explain how ethical issues might influence this business decision.

.....

.....

.....

.....

.....

.....

.....

.....

..... [3]

- 2 Li has calculated AL Physio's gross profit ratio and net profit ratio for 2023 and 2024.

Year	Gross profit ratio	Net profit ratio
2023	35.5%	16.5%
2024	24.7%	5.7%

- (a) Explain why the gross profit ratio for each year is higher than the net profit ratio.

.....

.....

.....

.....

.....

..... [2]

- (b) Using this data, advise the partners whether they should be concerned about the financial performance of AL Physio in 2024.

Justify your answer.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [4]

3

(a) To investigate **Option 1: Sports rehabilitation service**, Li would like to conduct primary research by asking recent clients some questions.

(i) State **two advantages** of using primary research to investigate **Option 1**.

1

.....

2

.....

[2]

(ii) State **two disadvantages** of using primary research to investigate **Option 1**.

1

.....

2

.....

[2]

(b) Identify **one** cause of change for AL Physio and explain how it might affect Alex's preference for **Option 1: Sports rehabilitation service**.

Cause

.....

Explanation

.....

.....

.....

[3]

(c) Explain why Alex rather than Li might be biased towards **Option 1: Sports rehabilitation service**.

.....

.....

.....

.....

[2]

4 If **Option 1: Sports rehabilitation service** is chosen, Taylor, the new partner will need training in how to be an effective business partner.

(a) Explain **one advantage** for AL Physio of using off-the-job training, rather than on-the-job training, for the new partner.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [3]

(b) Explain **one disadvantage** for AL Physio of using off-the-job training, rather than on-the-job training, for the new partner.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [3]

5 Li is less willing to take risks than Alex.

Evaluate how Alex and Li's different attitudes to risk are likely to affect AL Physio's decision-making process.

[12]

This image shows a full page of white paper with horizontal dashed lines, typical of primary-ruled notebook paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

6

- (a) Currently, AL Physio's main client base is relatively wealthy individuals who pay for the service they receive.

Explain how choosing **Option 2: Strategic alliance with local health authority** might affect AL Physio's corporate image amongst these clients.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [3]

- (b) Li thinks that whichever option is chosen, the partnership should have a contingency plan.

Explain **one** advantage to AL Physio of contingency planning.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [3]

- 7 Recommend which **one** of the three options AL Physio should choose. Justify your recommendation.

[16]

This image shows a full page of a handwriting practice worksheet. It consists of multiple sets of three horizontal dashed lines, providing a guide for letter height and placement. The lines are evenly spaced across the entire page, leaving ample room for practicing various letters and words. There is no text or other markings on the page.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

END OF QUESTION PAPER

**Copyright Information**

OCR is committed to seeking permission to reproduce all third-party content that it uses in its assessment materials. OCR has attempted to identify and contact all copyright holders whose work is used in this paper. To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced in the OCR Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download from our public website (www.ocr.org.uk) after the live examination series.

If OCR has unwittingly failed to correctly acknowledge or clear any third-party content in this assessment material, OCR will be happy to correct its mistake at the earliest possible opportunity.

For queries or further information please contact The OCR Copyright Team, The Triangle Building, Shaftesbury Road, Cambridge CB2 8EA.

OCR is part of Cambridge University Press & Assessment, which is itself a department of the University of Cambridge.