

BzS1001

BUSINESS MANAGEMENT

National 5

Revision Pack 1

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National 5 Business Management Revision Pack 1

Teacher Note

Pack overview

This pack is designed to help students prepare for their National 5 examination in Business Management. It contains 50 carefully selected questions which sample the National 5 Course contents. Questions are organised by Unit and, where appropriate, Functional Area. In addition to testing knowledge and understanding of the Course contents, the questions and the accompanying support material are designed to increase student understanding of how to respond to the Command Words associated with the course.

It is anticipated that the pack might be used in one of 2 main ways viz

- End of Unit/Course – teacher led revision activities either classroom based or homework
- End of Unit/Course – student led self study activities (with little or no support from teachers)

Pack contents

The pack contains the following material:

- Revision/Self Study pack 1 containing the questions and a Command Word Reminder*
- Suggested Solutions
- Progress Tracker

*NOTE – The content of the Command Word Reminder has been hyperlinked to the questions. Consequently, students working with the soft file can view a reminder about the Command Word used in a question by clicking the hyperlink provided.

Question set summary (50)

- Unit 1 Business Environment – 8
- Unit 1 Business Influences – 6
- Unit 2 Marketing – 10
- Unit 2 Operations – 6
- Unit 3 HR – 9
- Unit 3 Finance – 11 (including one generic question on the use of IT in Functional Areas)

Command Word summary

- Identify
- State
- Suggest
- Outline
- Describe
- Explain
- Discuss
- Compare
- Justify
- Distinguish

Student material is provided in the following pages eg Instructions; Command Word Reminder; news articles and question sets. The Progress Tracker and Suggested Solutions are provided as separate files.

Instructions to Students using this pack

This pack was designed to help you revise for your National 5 Business Management examination. In total the pack contains 50 questions which have been organised by Unit and/or by Functional area. The first pack of the pack offers important guidance regarding how you should respond to each of the Command Words. Ensure that you read and refer to this frequently – failure to understand how to respond to a command word is the reason many candidates lose marks unnecessarily.

Your teacher may ask you to work through the questions relating to a unit or functional area once you have completed it. Alternatively, you may use the pack as a self-study revision activity during the weeks prior to your exam. Although suggested solutions are provided, if you are uncertain about any answer it is important that you discuss this with your teacher.

Many questions are based on the news articles provided about restaurants. If a question asks you to refer to the articles, you must do so.

A Progress Tracker is provided to help you keep a record of your revision activities and, after checking the suggested solutions, how many marks you feel your answers deserve. To help you to fine-tune your revision activities, look carefully for trends such as strengths or weaknesses relating to particular Units/Functional Areas or Command Words. Should you choose to do so you can use the pack more than once.

Important Hint: This pack has been designed to help you get as many marks as possible in your SQA exam. To do so it is essential that the answer you give for each question reflects the command word it contains. Failure to do so will result in you losing marks even although you have good knowledge and understanding of the Course contents. To help you to become more familiar with how to respond to each command word, a short Command Word Reminder sheet is provided below. If, however, you are working directly from this electronic file, a reminder about each Command Word can be viewed by clicking on the Command Word name in each of the questions.

COMMAND WORDS – a reminder

Tip 1– Check out the mark allocated of the question as this gives an indication of the amount of information required.

Tip 2 – Write in sentences – bullet points are not enough.

IDENTIFY/: You are required to - **state or produce a list**
STATE

EG: Identify (or State) three methods of production. (3)

ANSWER: Job; Flow and Batch

OUTLINE: You are required to - **provide a brief description**

EG: Outline the features of Job Production. (2)

ANSWER: Job Production is used when a customer wants a job done to his or her special requirements. An example of job production is a wedding cake.

DESCRIBE: You are required to - **provide a description**

EG: Describe Batch production. (3)

ANSWER: Batch production uses machinery to make groups of products that are almost identical. Groups can be customised eg a batch of white bread or a batch of brown bread. Once the batch of white bread has been produced, the equipment is cleaned and a batch of brown bread can be started.

EXPLAIN: You are required to – **explain the impact/consequence**

EG: Explain one advantage and one disadvantage of job production. (2)

ANSWER: Job production allows jobs to be customised to suit a customer's requirements which results in high customer satisfaction. Since each customer gets exactly what they want higher prices can be charged. Job production needs highly trained employees who earn higher wages which increases costs.

DISCUSS: You are required to - **discuss the advantages and disadvantages**

EG: Discuss Job Production. (2)

ANSWER: Job production allows for customisation of products which results in high customer satisfaction. Job production does not benefit from economies of scale (bulk buying discounts) as each job is different and because of this material is not bought in bulk.

COMPARE: You are required to - **describe the similarities and differences**

EG: Compare the use of Job Production and Batch Production. (1)

ANSWER: Job production involves making one product at a time whereas batch production involves making groups of similar products one after the other.

JUSTIFY: You are required to – **give advantages of something**

EG: Justify the use of automated production. (2)

ANSWER: Automated production ensures that quality is maintained to a high standard as each product is identical. Automated production has low wage costs as it relies on machinery rather than people.

SUGGEST: You are required to – **give an appropriate, short course of action**

EG: Suggest ways an organisation can be socially responsible. (2)

ANSWER: An organisation can recycle their waste materials. An organisation can purchase fair trade raw materials.

DISTINGUISH: You are required to – **describe the differences**

EG: Distinguish between capital intensive production and labour intensive production. (2)

ANSWER: Capital intensive production relies heavily on machines whereas labour intensive production relies heavily on employees. Capital intensive production has a low wage cost whereas labour intensive production has a higher wage cost.



Read the following extracts from recent news articles carefully before answering the questions that follow.

Recent research suggests that one in three of the top 100 UK restaurant groups are not making a profit.

A group of restaurant bosses has sent a letter to the Chancellor warning the government that it must act quickly if the sector is to avoid "damaging closures and job losses".

The letter blamed this on soaring business rates, rising employment costs and Brexit-fuelled inflation.

Jamie Oliver who closed 6 of his Jamie Italian outlets last year has announced that a further 12 of the remaining 35 will be closed.

Twenty of Byron Burger's 67 outlets will close and Italian chain Carluccio's is looking at possible strategies to cut its operating costs.

The problems being experienced are varied. One expert argues that restaurants need to move with the times and start taking account of consumer technology. Younger customers expect to be able to document what they are doing and "want to be seen in a cool place", which means restaurants must be "Instagrammable", he says.

Some experts believe that there is too much capacity in the market with consumers having a considerable amount of choice. Competitive pricing and maintaining quality, they claim, go hand in hand with success.

Other experts blame it on the rising popularity of home delivered meals (eg apps such as Deliveroo and Just Eat) or ready-meals such as Marks and Spencer's very successful 'Dine In for Two for £10' offers.

Pressure on consumer spending power due to low wage growth and higher inflation, however, also plays its part. Less disposable income consumers must make hard choices.

Unit 1 Business Environment

- 1/1 [Identify](#) the factors of production. (1)
- 1/2 [Describe](#) the Sector of Industry referred to in the news articles. (1)
- 1/3 [Compare](#) the Primary and Secondary Sectors of Industry. (2)
- 1/4 [Distinguish](#) between Sole Traders and Partnerships. (2)
- 1/5 [Discuss](#) the advantages and disadvantages of Private Limited Companies. (4)
- 1/6 [Compare](#) the objectives of the Private Sector and Third Sector of the Economy. (1)
- 1/7 [Suggest](#) how restaurants could be socially responsible. (2)
- 1/8 [Describe](#) two objectives for each Sector of the Economy. (6)

Unit 1 Business Influences

- 1/9 [Explain](#) how each of the following internal factors might influence the successfulness of a restaurant.
- (i) Human Resources (1)
 - (ii) Current Technology (1)
- 1/10 [Describe](#) the third internal factor that might influence the successfulness of a restaurant. (1)
- 1/11 [Describe](#) how external factors have had a negative impact on restaurants such as Jamie Oliver's. (4)
- 1/12 [Describe](#) the influence that Jamie Oliver's stakeholders can have over his restaurants. (3)
- 1/13 [Describe](#) the term wealth creation. (1)
- 1/14 [Justify](#) how good customer satisfaction might affect a restaurant. (2)

Unit 2 Marketing

- 2/1 [Describe](#) the marketing activities of a restaurant chain. (3)
- 2/2 [Justify](#) the use of market segmentation. (2)
- 2/3 [Describe](#) how knowledge of market segmentation might help Jamie Oliver's marketing team. (4)
- 2/4 [Describe](#) the factors that Jamie Oliver would consider when setting the prices of his meals. (3)
- 2/5 [Distinguish](#) between Promotional and Psychological pricing strategies. (1)
- 2/6 [Compare](#) the Introduction and Decline stages in the Product Life Cycle. (2)
- 2/7 Using the information in the articles, [outline](#) what is meant by celebrity endorsement. (1)
- 2/8 [Discuss](#) the advantages and disadvantages of branding for Jamie Oliver. (4)
- 2/9 [Distinguish](#) between Desk and Field research. (2)
- 2/10 [Describe](#) factors a business should consider when choosing their location. (2)

Unit 2 Operations

- 2/11 [Explain](#) the consequences of over and under stocking for a restaurant. (4)
- 2/12 [Describe](#) factors to be considered when choosing a method of production. (3)
- 2/13 [Distinguish](#) between Job and Flow production methods. (2)
- 2/14 [Compare](#) Capital intensive and Labour intensive methods of production. (1)
- 2/15 [Outline](#) the methods that restaurants can use to ensure they provide a good quality service. (2)
- 2/16 [Outline](#) how the actions of a restaurant can help the environment. (2)

Unit 3 Human Resources

- 3/1 [Describe](#) the duties of the HR team of a large restaurant chain. (3)
- 3/2 [Identify](#) the contents of a Job Description for a waiting staff vacancy. (3)
- 3/3 [Identify](#) the contents of a Person Specification for a waiting staff vacancy. (2)
- 3/4 [Describe](#) methods of training likely to be used in Jamie Oliver's restaurants. (3)
- 3/5 [State](#) the methods, other than an interview, that can be used during the selection process. (2)
- 3/6 [Describe](#) three types of industrial action that restaurant workers might consider. (2)
- 3/7 [Describe](#) flexible working practices that might be used in the Head Office of a chain of restaurants. (3)
- 3/8 [Describe](#) how employment legislation might influence a restaurant. (3)
- 3/9 [Explain](#) the benefits of motivating staff. (3)

Unit 3 Finance

- 3/10 [Explain](#) the role of a restaurant's Finance team. (2)
- 3/11 [Describe](#) the methods of raising finance available to Sole Traders and Partnerships. (2)
- 3/12 [Discuss](#) the methods of raising finance identified in 3/11. (4)
- 3/13 [Describe](#) one method of raising finance available to Private Limited Companies but not available to Sole Traders. (1)
- 3/14 [Compare](#) Fixed Costs and Variable Costs. (1)
- 3/15 [Describe](#) the purpose of Break Even Analysis. (1)
- 3/16 [Describe](#) three reasons why a restaurant might experience cash flow problems. (3)
- 3/17 [Describe](#) a solution for each of the reasons identified in 3/16. (3)
- 3/18 [Describe](#) the role of a Cash Budget. (3)
- 3/19 [Describe](#) how the preparation of an Income Statement could help an organisation. (2)
- 3/20 [Describe](#) the role of ICT in each of the following 4 functional areas. (NOTE: Clues provided for each area).
- (i) [Human Resources](#)
(Clues – Staff; Recruitment and Selection, Training). (3)
 - (ii) [Finance](#)
(Clue - money). (3)
 - (iii) [Operations](#)
(Clues – Inventory, Suppliers, Production, Quality). (3)
 - (iv) [Marketing](#)
(Clues - Marketing Mix, Research, Customers). (3)