Section A (Short Answer)
Answer all questions.

You are advised to spend no more than 35 minutes on Section A.

1 (a) Define the term ‘co-operatives’. [2]
(b) Explain two advantages to a business of being part of a joint venture. [3]

2 (a) Define the term ‘job production’. [2]
(b) Explain two advantages to a business of changing from job production to batch production. [3]

3 Explain the importance of working capital to a new business. [5]

4 (a) Define the term ‘contract of employment’. [2]
(b) Explain the difference between redundancy and dismissal. [3]

Section B (Essay)
Answer one question only.

5 (a) Analyse how product portfolio analysis can help a business to achieve its marketing objectives. [8]
(b) Discuss the extent to which a new entrant in the computer manufacturing market will need to rely on penetration pricing to gain market share. [12]

6 ‘The success of any manufacturing business will depend on the productivity of its workforce.’
Discuss the extent to which you agree with this view. [20]

7 (a) Analyse the benefits to a business of accurate cost information. [8]
(b) Discuss the usefulness of liquidity ratios to potential investors in a business. [12]