

AQA A-level Business Studies (Year 1)

Revision Mats (Topics 1-6)

State and describe three different external influences on a business.

What do the following business selling types mean?

What do the following business selling types mean?

Give one example of a product that has the Fairtrade stamp.

Fairtrade products are beneficial for the growers/producers of a product. However, they also provide benefits for the retailer.

Give an example...

What is meant by sustainability ?

UNIT 2

MANAGEMENT, LEADERSHIP AND DECISION MAKING

UNDERSTANDING MANAGEMENT, LEADERSHIP AND DECISION MAKING

There are four main ‘functions’ of management. Briefly describe what each of these four functions consists of...

Planning

Directing

Organising

Controlling

THEORY: Mintzberg's Roles of Management:

In the space below, draw out Mintzberg’s table, remembering the ten management roles and their categories.

Role	Category
	Interpersonal management
	Informational management
	Decisional management

Which of the management roles do you think is the most important for a leader to possess? Justify your answer.

What is the difference between a manager and a leader?

Give an example of a business where a autocratic leadership style may work best...

Give an example of a business where a laissez-faire style may be adapted?

Give one method of employee motivation

What is a ‘programmed’ decision?

What is a ‘non-programmed’ decision?

Define the following terms:

Opportunity cost:

Risk:

Uncertainty:

Long term:

Short term:

What is meant by the term ‘scientific decision making’?

A business can learn from experience. Do you think that this is a reliable way of estimating risk?

Do you think that making a decision based on ‘hunch’ is advisable in business? Explain why/why not.

Decision trees:

In the exam you may be asked to construct a decision tree.

1. Define the following decision-tree terms:

Net gain:

Probability:

‘Do nothing’:

2. How do you calculate expected value using a decision tree? What does this value tell us?

3. What do the following represent on a decision tree?

Box =

Circle =

Do you think a business should rely only on decision trees? Why/why not?

If an event has a probability of 0.2, what percentage chance does this event have of happening?

If an event will happen 2/10 times, what is the percentage change that the event will occur?

Using the stakeholders identified in the above exercise, create a stakeholder map below for Freddie’s Footballs. The two labels will be ‘level of interest’ and ‘level of power’.

Look at the stakeholders you have identified to have both high levels of power and interest. What actions could Freddie take to keep these stakeholders on side?

Look at your identified stakeholders. Do you think that there could be a conflict of interest between any groups?

What other methods of communicating with stakeholders exist? List three below

Which stakeholder do you think is the most important in a business? Justify your answer.

What is meant by the term ‘social responsibility’?

How may cash flow influence a decision taken?

Freddie decides to use a method of ‘consultation’ when addressing any conflicts of interest. What is a consultation?

Do you think that employees are an important business stakeholder? Why/why not?

What is the difference between primary and secondary stakeholders?

THEORY: The Blake Moulton Grid

Below are blank axes. Add the following ‘Blake Moulton’ descriptors to this empty table: Country Club, Produce-or-perish, Impoverished, Middle-of-the-road, Team leadership.

Concern for task

Concern for people

What are the features of an autocratic leader?

What are the features of an democratic leader?

What are the features of an laissez-faire leader?

What is meant by a ‘subordinate’?

The choice of leadership style may depend on...

UNDERSTANDING MANAGEMENT DECISION MAKING

Often in business, the decision-making process theory is applied. It consists of five parts. What are these five steps to making a successful decision?

1

2

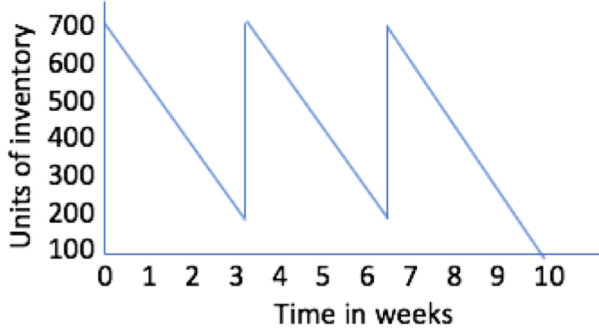
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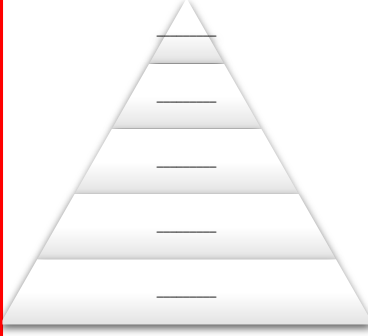
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THEORY: Tannenbaum-Schmidt continuum. Roughly sketch out the continuum in the space provided below.

Influences on decision making

SETTING OPERATIONAL OBJECTIVES		ANALYSING OPERATIONAL OBJECTIVES		INCREASING EFFICIENCY AND PRODUCTIVITY.		MANAGING INVENTORY AND SUPPLY CHAINS					
What is meant by the term ‘operational management’?		Give the formula for labour productivity.		What is meant by the term ‘efficiency’?		Apart from improving efficiency and quality, give two other operational targets a business may set		Explain briefly what is meant by ‘Mass Customisation’.			
Explain briefly the difference between labour and capital intensive processes.		If a factory produces 10,000 units a week and employs 500 manufacturing staff, what is the labour productivity per employee?		What is meant by the term labour productivity’?		1		‘Any customer can have a car painted any colour that he wants so long as it is black.’ Henry Ford.			
						2		What is inventory and why is it important for a business to hold it?			
						Give three consequences of poor inventory management.		What do the following terms mean in relation to inventory charts? Lead time: Re-order level: Buffer inventory: Re-order quantity:			
Give two examples of labour and capital intensive processes.		How are unit costs calculated?		Add ways that a business can increase it’s labour productivity to the mind map below.		1					
Labour =						1					
Capital =		If a business produce 5,000 units at a cost of £10,000, what is the unit cost?				2					
1				Give a potential difficulty in increasing labour productivity.		Give a business/industry where labour productivity will be a very important measure.		What is meant by the term ‘Lean Production’?		Complete the following: (Don’t worry about being too specific for this question) 1. What is the buffer inventory? 2. What happened at 10 weeks? 3. Draw the reorder point at 400 units. 4. Calculate the lead time.	
2											
What is a ‘supply chain’?		What is meant by the term capacity?									
Give an example of an operational objective. Make sure it follows the SMART criteria.		What is the formula for capacity utilisation?		Explain, using an example, what is meant by the term ‘Kaizen’.		Give one advantage and one disadvantage of a lean production method.		State three ways that a manager may respond to a drop in demand.		What is the difference between a part-time and full-time member of staff?	
List three other types of operational objective.		The London Eye has 32 capsules, with each able to hold 25 people. On a rainy morning, the London eye held 320 at a given point. The next day it was sunny. The London Eye held 720 people. What was the capacity utilisation when it was sunny and when it was raining?		Give one detailed example of how technology can be used to improve a business’s operational efficiency.		Efficiency is the most important measure of success for a business. Do you agree?		1		What advantages and disadvantages does this method of production bring?	
e.g. defect rates.								2		What is meant by vertical integration? Give one advantage Give one disadvantage 	
1								3			
2											
3								Define ‘supply chain’			
What is meant by a competitive advantage?		What percentage more people travelled when it was sunny compared to when it was raining?									
For each of the PESTLE framework, give one external influence on business operations:		Why is low capacity utilisation a concern for businesses?		What is meant by a ‘quality product or service’?		Does quality always mean that a product is superior than it’s competitors?		What should a business consider when choosing it’s supply chain? Create a mind map in the space below.		What is meant by outsourcing?	
P										Give one advantage of outsourcing.	
E											
S											
T								What is meant by the dependability of a business?		What steps can a business take to increase flexibility?	
L								Why is it an important consideration?		Give one disadvantage to using temporary staff to meet drops in demand.	
E											
How has the rise of ecommerce changed the way businesses operate? State two points.		Businesses should aim to hit 100% capacity utilisation. True or False? Explain your answer.		What is the difference between quality control and quality assurance?		Explain one benefit, and one difficulty in improving quality.				What reasons could a manager give for not wanting to outsource operations? List three.	
1										1	
2										2	
Define ‘economy of scale’.										3	

SETTING FINANCIAL OBJECTIVES		Define profit	UNIT 5 Decision making to improve financial performance.	SOURCES OF FINANCE								
Within the finance department, we can have the following types of objective. Give an example of each.		Define cash flow.		In the boxes below, state as many different sources of finance as you can think of.								
Revenue:		Profit is more important than cash flow. To what extent do you agree?		Short term		Long term						
Cost:				Internal								
Profit:												
What is meant by an investment?		What is the difference between current and non-current assets.	External									
State the formula for Return on Investment.												
Give one external, and one internal influence on the financial objectives of a business:		What is meant by the capital structure of a business?	What is meant by the break-even output of a business?		What is meant by venture capital?		What is meant by share capital?					
			What is meant by the term 'margin of safety'?		In less than 200 words, explain what debt factoring is.							
			What is the formula for break-even output?									
ANALYSING FINANCIAL PERFORMANCE		For a good video on break-even output, follow the link: https://www.youtube.com/watch?v=mN8dGY57lBk	What is the difference between a mortgage and a debentures.		What is Crowdfunding?							
What is a budget?			What is the difference between gross profit margin, operating profit margin and profit-for-the-year margin?		What are the influences on which source of finance a business chooses?							
What research could a business undertake before creating a budget?			Write the formula for each below.	What is an overdraft and why is it useful for an organisation?		Which source of finance would you choose for a start-up company and why?		Influences				
Why is constructing a budget difficult?		IMPROVING CASH FLOW AND PROFITS		What is meant by profitability?		Why is it important for a business to monitor cash flow?						
What is variance? Give an example of a variance.		What is meant by the term 'overtrading'? What impacts does it have on a business?		List three more causes of cash flow problems for a business.								
What are some advantages and disadvantages of budgeting?			How could a business improve it's cash flow and profits?									
Advantages			Improving cash flow									
Disadvantages			Improving profitability									
What is the difference between a budget and a cash-flow forecast?		How is net cash flow calculated?	Calculate the gross profit for the business.		Explain the concept of trade credit.		Give an example of a cash inflow and a cash outflow for a business.		'Increasing prices will always lead to increased profits'. To what extent do you agree?		What is meant by the term 'opportunity cost'?	
A business had a net cash flow of £10,000 in to the business. If the opening balance was £151,502, what is the new cash position?		Why is creating a cash-flow forecast important?	Calculate the gross profit margin for the business		INFLOW:		OUTFLOW:					
			Calculate the operating profit margin for the business									
			Calculate the profit-for-the-year margin for the business									

SETTING HUMAN RESOURCE OBJECTIVES		UNIT 6 Decision making to improve human resource performance	IMPROVING MOTIVATION AND ENGAGEMENT							
What is meant by Human Resources?	What are the internal and external influences on decisions made in the HR function of a business? List three of each below: Internal: External:		Define the following: Employee engagement: Motivation:	What is meant by ‘Taylorism’?	Fill in the gaps on Maslow’s hierarchy of needs. 					
Do you think that HR is the most important functional area? Why, or why not? _____ _____ _____ _____ _____ _____ _____ _____ _____	What is the difference between a hard HRM and soft HRM approach?		Explain in less than 200 words Herzberg’s two factor theory and how it relates to motivation.							
Some companies, such as those operating in the tourism industry require a more seasonal workforce. What steps could a business take to achieve this? _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ _____	ANALYSING HUMAN RESOURCE PERFORMANCE	Create a mind-map to highlight the factors that should be taken into consideration when developing a HR plan. 		Annotate the mind-map below with ways that a business could increase employee engagement and motivation.  		What is meant by performance-related pay (PRP)?				
	What is meant by the term ‘labour productivity’? What is the formula?	Define ‘job design’	What is meant by the term ‘job enrichment’ and how can this be achieved?	What is ‘empowerment’? Give one way a business can empower their employees.	Give one advantage and one disadvantage of piece rate.	What are ‘appraisals’?	Do you think employee welfare is important? Why?	Give one consequence of an unmotivated workforce.		
	If the total labour cost and number of units in the production run is known, how is the unit labour cost calculated?	What are the advantages to a business offering more flexible working options?	‘Well designed jobs are key to the success of all organisations’. To what extent do you agree with this statement? _____ _____ _____ _____ _____ _____ _____ _____ _____	State three ways that an employer can enrich a job. What did Hackman and Oldham’s model say?						
How is labour turnover calculated? 		What is ‘organisational structure’?			What is a layer/level of hierarchy?	What is meant by the term ‘span of control’?	What is a ‘chain of command’?			
What is training and why is it important in an organisation? Use an example in your answer. _____ _____ _____ _____ _____ _____ _____ _____ _____	What would a high labour turnover suggest about a business? State three points.	What is meant by ‘delegation’ and why is this key in business?	What is the difference between a ‘flat’ and ‘wide’ organisational structure?		Do you think it is important for employees to be part of the decision-making process in an organisation?			What is communication?		
	What are the advantages to holding on to, or ‘retaining’ staff? State three points.	What is meant by ‘centralisation’ ?		What is meant by ‘decentralisation’ and what benefits does it bring?	Define the following: Redundancy: Dismissal: Redeployment:		What does the organisation ACAS do?		What is arbitration?	What is conciliation?