6. Business and its environment (A Level)

Starter Quiz · 课前小测

A-Level Business   Name: ____________   Score: ______

1. During a recession, most businesses experience:
   - ☐ falling demand and lower sales
   - ☐ rising demand
   - ☐ higher profits
   - ☐ labour shortages
2. A rise in the tax on company profits is likely to:
   - ☐ reduce the profit a firm keeps
   - ☐ increase the profit a firm keeps
   - ☐ raise consumer spending
   - ☐ lower the firm's costs
3. In a SWOT analysis, opportunities and threats are:
   - ☐ external factors
   - ☐ internal factors
   - ☐ always financial
   - ☐ the same as strengths
4. A rise in interest rates is likely to:
   - ☐ reduce consumer spending and borrowing
   - ☐ increase borrowing
   - ☐ raise demand
   - ☐ lower the firm's costs
5. Which letters of PESTLE are correctly matched? (Select all that apply.)
   - ☐ P = Political
   - ☐ E = Economic
   - ☐ L = Legal
   - ☐ T = Taxation

   Tick every correct option.
6. Which are INTERNAL factors in SWOT? (Select all that apply.)
   - ☐ strengths

   - ☐ weaknesses
   - ☐ opportunities
   - ☐ threats

   Tick every correct option.
7. A stronger domestic currency makes a firm's exports:
   - ☐ more expensive abroad
   - ☐ cheaper abroad
   - ☐ unchanged in price
   - ☐ tax-free
8. Inflation tends to raise a firm's costs and reduce customers' real spending power.

   ☐ True ☐ False
9. PESTLE factors are part of the external environment that a firm cannot directly control.

   ☐ True ☐ False
10. A SWOT analysis is only useful if the business acts on its findings.

    ☐ True ☐ False

A-Level Business

1. **falling demand and lower sales**

   A recession cuts demand and sales for most firms.

2. **reduce the profit a firm keeps**

   Higher profit tax leaves the firm with less.

3. **external factors**

   Opportunities and threats are external; strengths and weaknesses are internal.

4. **reduce consumer spending and borrowing**

   Dearer borrowing cuts spending and demand.

5. **P = Political; E = Economic; L = Legal**

   T stands for Technological, not Taxation.

6. **strengths; weaknesses**

   Strengths and weaknesses are internal; opportunities and threats are external.

7. **more expensive abroad**

   A strong currency raises the foreign price of exports.

8. **True**

   Both effects squeeze the business.

9. **True**

   Firms can anticipate and adapt, but not control them.

10. **True**

    Analysis without action changes nothing.