

Exercise walk-through

3.4

Internal Influences on International Business

GAC Business

You must be able to

- define supply chain and supplier dependence
- explain a resilience response to disruption
- distinguish quality assurance from final inspection

1

The method

Method — Build resilience

A firm uses one supplier for an important battery. This **supplier dependence** 供应商依赖 means one delay can stop all production. It can approve a second supplier and keep a small safety stock.

Quality assurance 质量保证 prevents faults through training, standards, and checks during the process. It is more than finding a faulty product at the end.

2

Practice

Practice 2.1 ■ 1 mark

Define a supply chain.

Solution 2.1

Worked steps

- The network moving materials, information, and products from source to customer. **B1**

Practice 2.2 ■ 1 mark

State one risk of supplier dependence.

Solution 2.2

Method: Build resilience — p.4

Worked steps

- A disruption at that supplier can stop or delay the business. **B1**

Practice 2.3 ■ 2 marks

Explain how a second approved supplier can improve resilience.

Solution 2.3

Method: Build resilience — p.4

Worked steps

- The firm has another source if the first supplier fails. **B1**
- This reduces the chance that production stops completely. **A1**

3

Exam-style

Exam-style 3.1 ■ 4 marks

A clothing business has repeated production delays because it relies on one fabric supplier. Recommend one internal control and justify it.

Solution 3.1

Method: Build resilience — p.4

Worked steps

- Approve and use a second fabric supplier. **B1**
- This reduces dependence on the single supplier. **A1**
- The business can continue production if one supplier is delayed. **A1**
- It should check the new supplier meets the required quality standard. **B1**

Exam-style 3.2 ■ 4 marks

Explain why standard operating procedures can support quality when a business opens branches in several countries.

Solution 3.2

Worked steps

- Procedures give each branch a repeatable method for important tasks. **B1**
- Staff receive clear training and expected standards. **A1**
- Customers are more likely to receive consistent quality in each country. **A1**
- This protects the brand's quality promise as it grows. **B1**