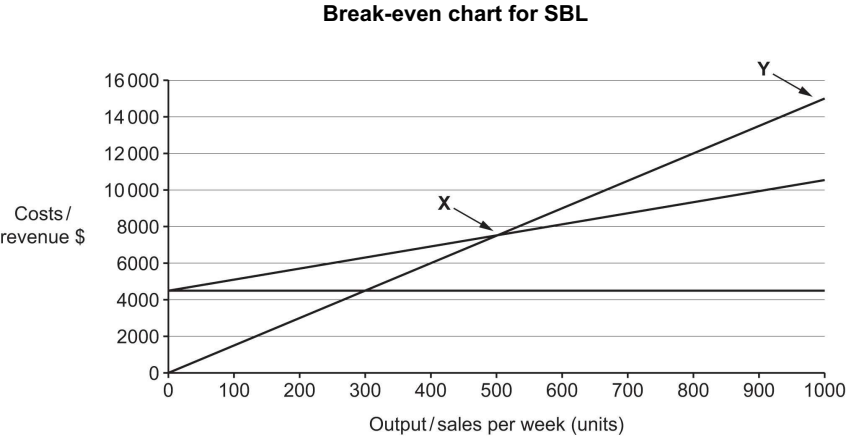


3 SBL is a fast food restaurant which sells 900 chicken burgers each week. It has 14 employees. The owner, Vicki, provides her employees with training but does not currently use delegation. She is preparing a break-even chart to help calculate SBL’s margin of safety. A partially completed break-even chart is shown in Fig. 3.1. Vicki wants to know how an economic recession might affect her business.



**Fig. 3.1**

- (a) Identify X and Y.
- X: .....
- Y: .....
- [2]
- (b) Define 'margin of safety'.
- .....
- .....
- .....
- .....
- [2]

(c) Outline **two** advantages of Vicki delegating tasks to her employees.

Advantage 1: .....

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.....

.....

.....

Advantage 2: .....

.....

.....

.....

.....

[4]

(d) Explain **two** possible effects an economic recession might have on Vicki’s business.

Effect 1: .....

.....

.....

.....

.....

Explanation: .....

.....

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.....

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[6]

This image shows a full page of white paper with horizontal dashed lines, typical of primary school writing paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[6]

[2]

Reason 1: .....

.....

Reason 2: .....

.....

[2]

Employees: .....

.....

.....

.....

.....

Customers: .....

.....

.....

.....

.....

[4]

(d) Explain **two** problems MTL might have when entering a new market in another country.

Problem 1: .....

.....

Explanation: .....

.....

.....

.....

Problem 2: .....

.....

Explanation: .....

.....

.....

..... [6]

(e) Explain **two** methods of promotion a business might use for its products. Which method is likely to be the best for a large business to use? Justify your answer.

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..... [6]