



SURNAME: Thomas

12 Pages

1. Please give the information requested in the boxes below.
2. Enter your name in the space provided to the right, fold over and seal down (using the label provided) to hide your name.
3. The answers must be legibly written. The Examiners can either ignore illegible script or have it typed and the expense of typing charged to the candidate.
4. Write your answers in ink.
5. Begin each answer on a fresh page. Do all rough work in the answer book and cross it through.
6. No part of this book is to be torn out; it must be handed in complete.
7. If more books than one are used, fasten them together using the tags available from the invigilator(s).
8. **Every book must be handed in. In no circumstances may answer books, used or unused, be taken out of the examination venue.**

1	Student Number	~~PH010043184~~ 1603513/1
2	Title of Examination Paper	Management Innovation Sustainability
3	Module Code	GOAC5004-003
4	Date and Time of Examination	16-05-18 11:00
5	Examination Venue	Main hall Gower College
6	Seat Number	23
7	Number of Answer Books handed in	1

[illegible]

(Gweler yr ochr arall am y fersiwn Cymraeg)

Q1 Start value 30,000.

a) End value $30,000 \times .25 = 7500$

$$30,000 - 7500 = 22,500$$

$$22,500 \div 3 = 7500 \text{ per year.}$$

£7500 Depreciation ✓ per year. ✓

b) (Start - End) x depreciation factor.

$$30,000 - 7500 = 22,500$$

$$\text{Year 1 } 22500 \times .25 = 5625, \quad 22500 - 5625 = 16,875.$$

$$\text{Year 2 } 16,875 \times .25 = 4218.75, \quad 16,875 - 4218.75 = 12,656.25.$$

$$\text{Year 3. } 12,656.25 \times .25 = 3164.06, \quad 12,656.25 - 3164.06 = 9492.19$$

c) Straight line - Advantage: Easy to use and spreads the depreciation evenly over life of asset.
Disadvantage: Not very good for assets that lose lots of value at the beginning.

Reducing balance: Advantage: Gives a more accurate account of the depreciation and at what stage the value is lost.

Disadvantage: Can not be worked out without a depreciation factor.

For this example as a sole trader starting a new business I would recommend using the straight line method because it is easier to use and will spread the depreciation evenly over the 3 years which will make business comparisons easier for each year.

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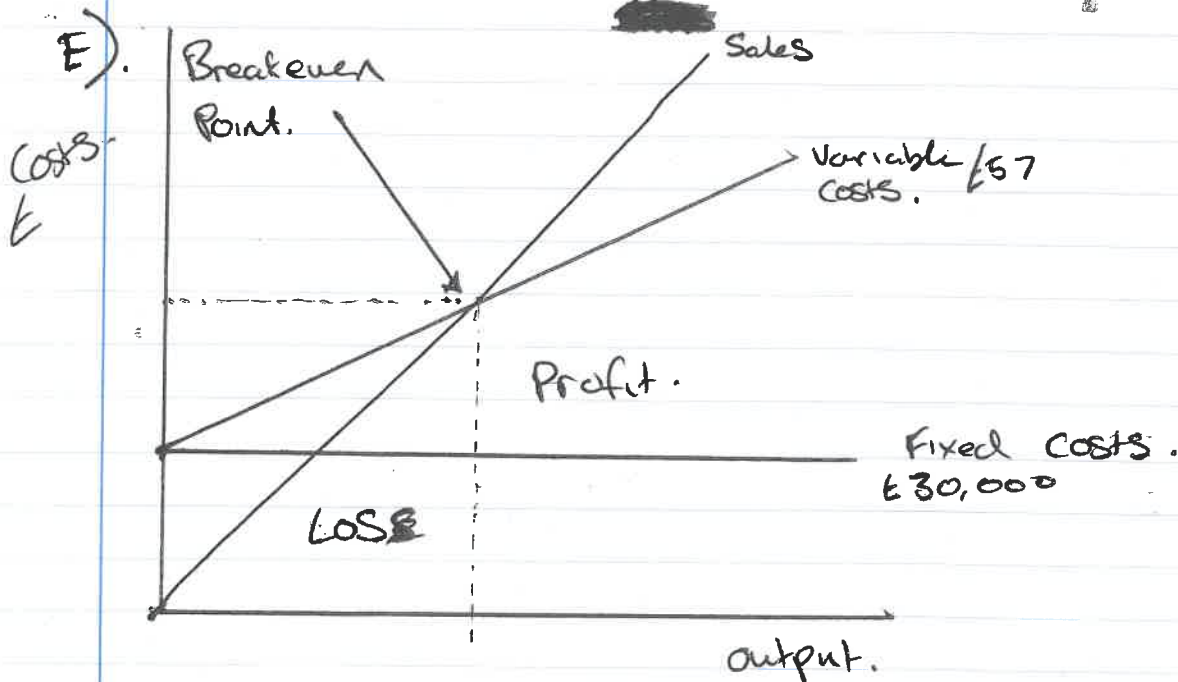
Q1

D) Fixed Costs.

Selling price per unit - variable costs per unit.

$$\frac{30,000}{75 - 57} = 1666.\bar{6} \text{ tyres} \quad \text{or} \quad 7.002 \text{ months}$$

$$= 1667 \quad \text{or} \quad 8 \text{ rounded up.}$$



Q2

- A) - Good Communication - Explain the need for change and make sure everyone knows exactly what's happening.
- Explain the benefits of change - let employees know how they will benefit from any changes.
 - Provide any training/learning needed for the changes to make it easier for employees to make the changes.
 - Explain why the change is needed. Let everyone know why it is needed and why it is important for the change to be successful.

- Step by Step plan of how the change should happen.
- regular updates of how the change is improving the company.
- Pass benefits onto employees - if there's a big financial gain for the company then give employees a bonus for making the change happen.

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- 3)
- Lack of communication from management
 - fail to get influential people ~~on board~~ with the change.
 - not sticking to agreements made.
 - used 'change' for bad experiences such as job losses in the past.
 - Action plan - no set plan how the change will happen or fail to follow the action plan.
 - no benefit for the employees to change.
 - Lack of understanding about how to perform the new role.

66

(17) of

24.

a)

Location	x	y	Demand	$x \times D$	$y \times D$
1	87	18	86	7482	1548
2	74	33	74	5476	2442
3	12	75	92	1104	6900
4	94	18	22	2068	396
Customer 1	52	31	87	4524	2697
Customer 2	36	87	96	3456	8352
Customer 3	24	63	64	1536	4032
Customer 4	16	71	53	848	3763
Customer 5	38	52	79	3002	4108
Total			653	29,496	34,238

$$\text{Ideal 'x'} = 29,496 \div 653 = 45.17$$

$$\text{Ideal 'y'} = 34,238 \div 653 = 52.43$$

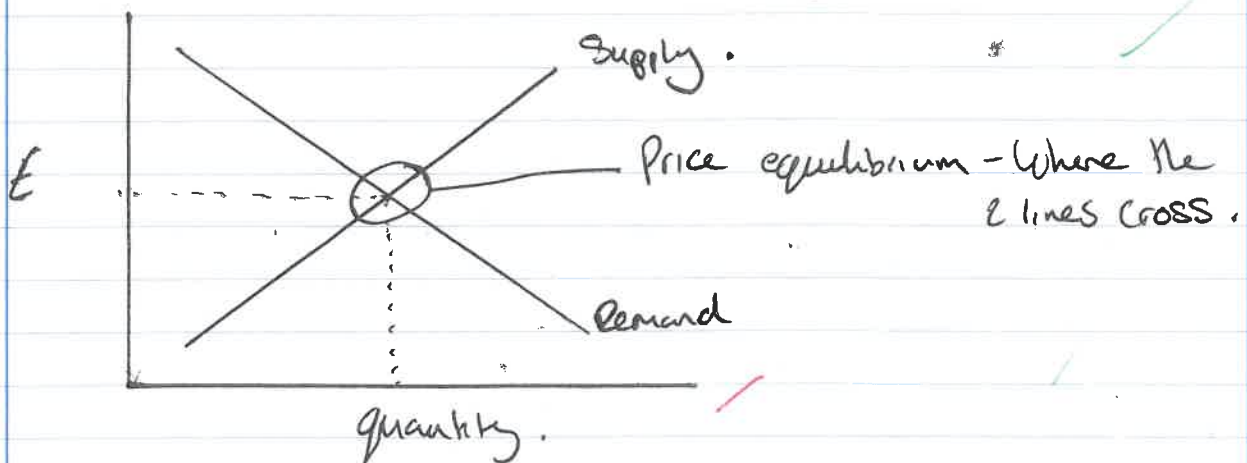
B). Increased Competition

- Environmental regulations
- increasing cost of fuel
- increasing levels of traffic/cars on the road.
- Customer demands - Customers want everything quicker.
- increasing tax
- Customers are more knowledgeable from internet.
- increased technology in vehicles makes them more expensive
- increased threat of illegal immigrants trying to hide in the trailers when traveling around Europe.
- people trying to steal goods from trailers.

Q5.

A). Supply - if a higher amount of goods are supplied the cost/selling price can be higher. ✓

Demand. when the price is increased the demand will fall. ✓



B)

i) If the price for tyres increased it is likely customers would wait to see if the price dropped again before purchasing because these items are not purchased regularly. ✓

ii) If the price of fuel went up customers would still purchase it because ~~it is~~ of the daily need for fuel. ✓

C)

- i) • The cost to make the ~~helmet~~ helmet
• The perceived value of the helmet to the consumer.
• The price of other helmets in the market.

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•
•
•

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C

ii) Three Pricing Strategies to consider would be!

Price plus: ~~this~~ This calculates the cost of the helmet to manufacture and then adds a percentage of profit on top.

Price Skimming: This involves starting with a high price and reducing it gradually to increase sales.

Price penetration: This involves starting with a low price to gain a market share and then increase the price.

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A). There are a lot more electric/hybrid cars being bought now as people have more concern for the environmental impact. ~~Problems~~

Teams use the TV coverage for advertisement

B. PEST.

Political ✓

Social ✓

- new regulations for petrol/diesel engines
- Can give a positive image for the company.
- Government laws can force some of the changes.

People are more aware of environmental impact.
Can increase the sales of electric cars.

Environmental

Technological ✓

- new viewers might be drawn in
- ~~Less~~ carbon foot print.
- Seen to care about environment.

Alternatives to petrol + diesel are more common.
Can be a new challenge for teams.
improves knowledge for road vehicles.

6 c) They should adapt ~~their~~ ~~researches~~ some of these changes whilst keeping their core values.

Being seen as a leader for new technologies can bring new fans and increase the knowledge of electric ~~cars~~ cars which can then be used on road vehicles. ✓

Still need to keep the current fans & sponsors. ✓

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