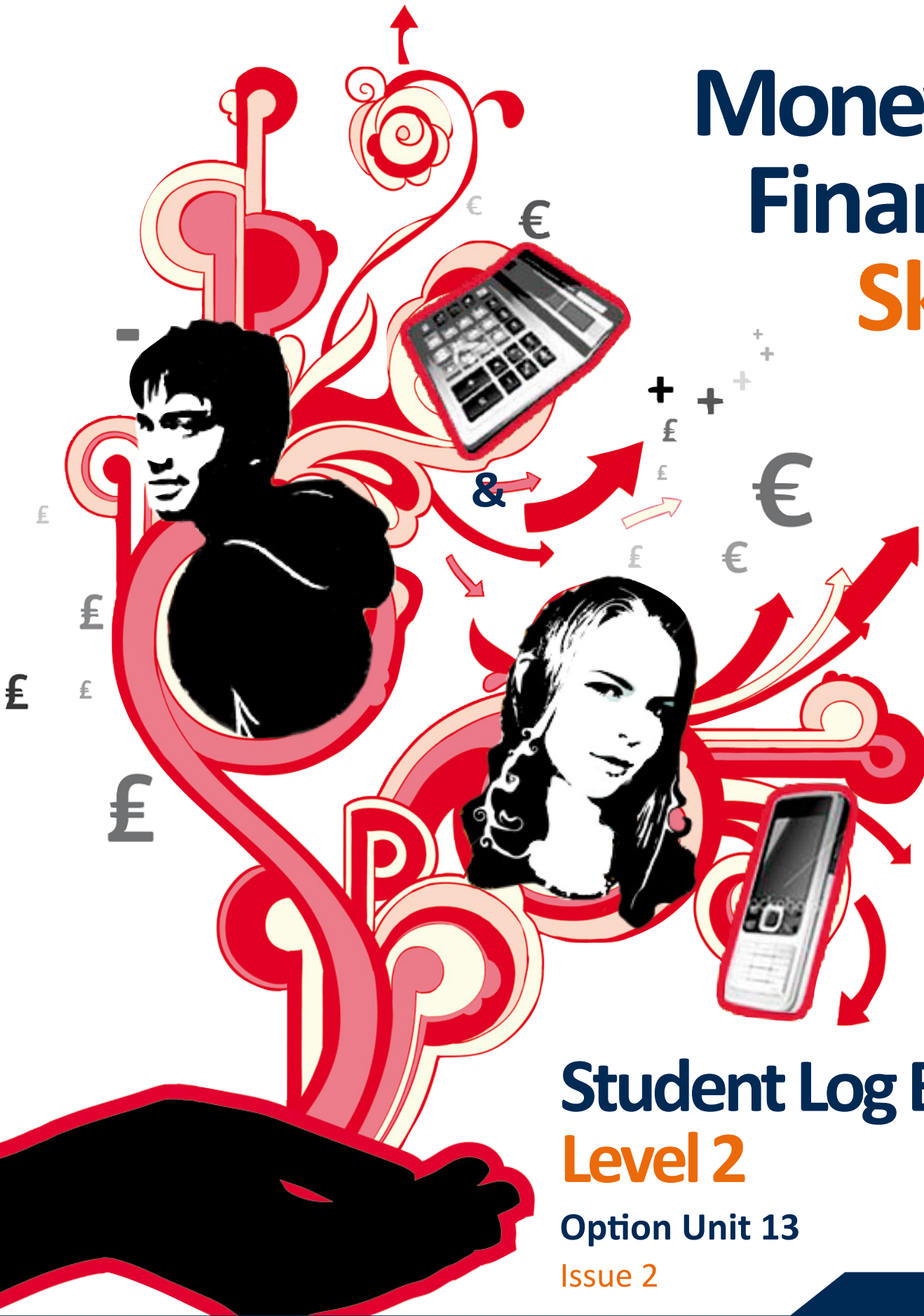


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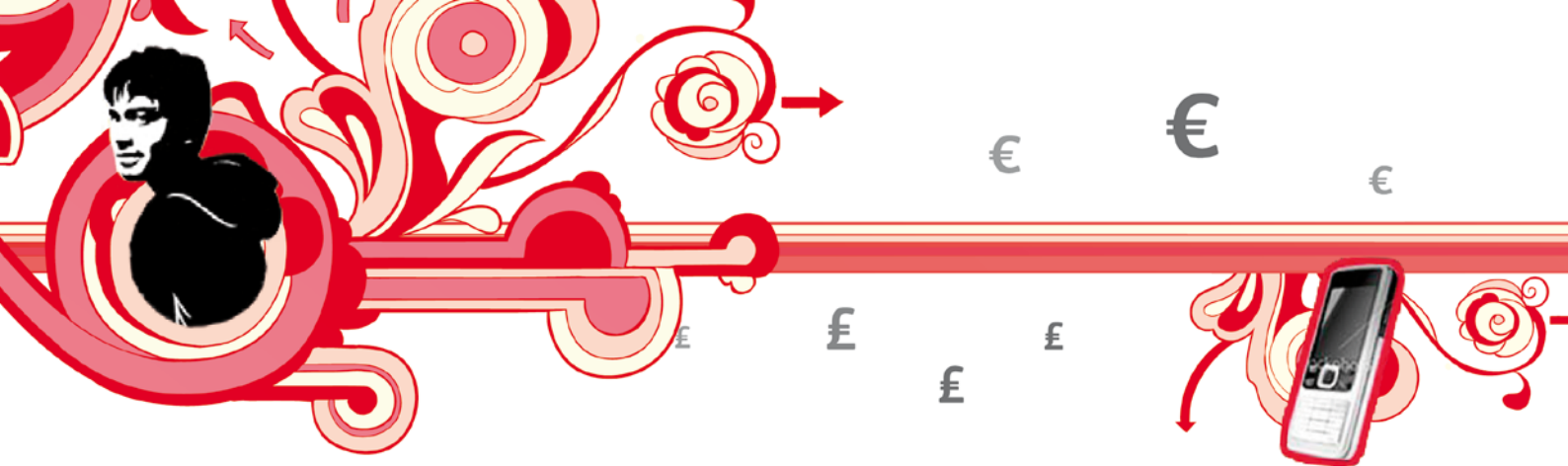
# Money & Finance Skills



## Student Log Book Level 2

Option Unit 13

Issue 2



## Unit 13 - Economic and Business Understanding

Read Nationwide Education Fact sheet - *Business and the Economy* (FC4). Examine the case study below and answer the following questions.

**Use the blank pages at the end of this unit if you run out of space.**

### 13.1 Changes in jobs available

(You may choose another industry to examine the changing patterns of employment.)

#### Case study

Derek is 37 and has worked in the steelmaking industry in Teeside for 20 years. He joined straight from school. The blast furnace is being mothballed (no longer used) and Derek is one of 1,600 people facing the threat of redundancy. The steel works is the major employer in the town and the mothballing will have a major effect on the local economy.

a) Why might the steel workers be losing their jobs? (AC 1.1)

You will need to consider:

- change in demand for different skills
- global employment changes
- rising and falling unemployment.

b) What options might Derek have regarding his future employment? (AC 1.2)

- c) Derek's son, Jake, was hoping to take an apprenticeship at the steel works after his GCSEs. What options has Jake got for learning and employment? (AC 1.2)

## 13.2 Types of business

### Case study

Nita has been making cakes and selling them at farmers' markets and to local shops. The demand for her cakes is increasing. Nita would like to expand her business to produce a wider range of cakes.

- a) What economic factors does Nita need to consider before investing money in expansions to her business? (AC 2.1)

- b) There are different types of business. At the moment, Nita's is a small private business.

Name an example of: (AC 2.1)

- i) a large public business

- ii) a voluntary organisation.

Nita has asked for your help as she does not understand the meaning of some business and economic terms. (AC 2.2)

c) Explain the following terms and what they mean for Nita expanding her business:

i) competition

ii) turnover

iii) profit

iv) cashflow

v) inflation

vi) unemployment

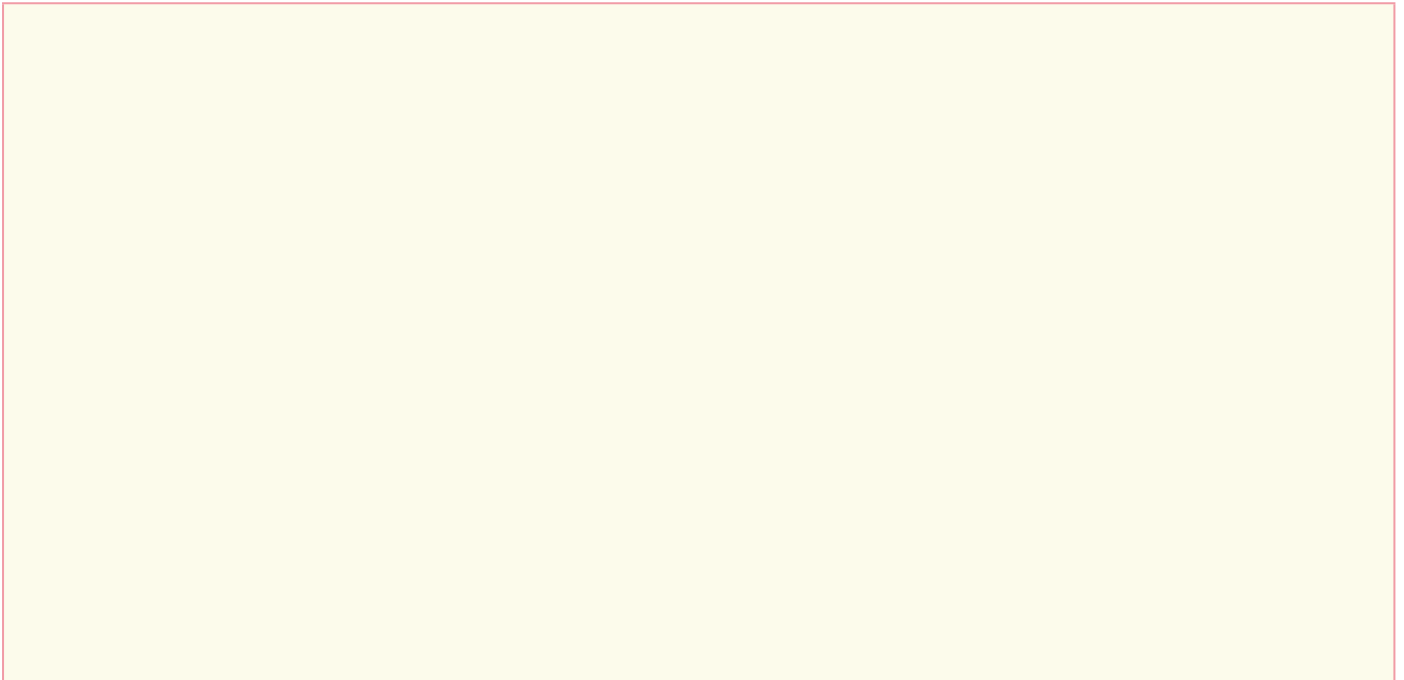
vii) interest rates

viii) productivity

- d) Nita has read in the paper that the Government is cutting the amount of government spending over the next three years. Discuss ways this may help her business and how it may cause her problems.



- e) Nita's supplier of flour has complained that due to the world demand for wheat he is increasing his prices. Discuss what might have caused this, why this might increase his prices and what impact that might have on her business.



f) Nita may need to raise money to expand her business. What could she need this money for? (AC 2.3)

Give four possible uses for the money.

i	
ii	
iii	
iv	

g) Nita decides she wants to buy a new machine that will make large batches of cakes. The machine will cost £5,000, which is almost a years' profit. She doesn't want to wait to save the money, so explain three different ways she could pay for the machine and take delivery now. Include pros and cons of each method to justify your recommendation of the best option.

1.	
2.	
3.	

Recommendation	
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### 3.3 Skills for jobs

Read Nationwide Education Fact sheet – *Careers* (FA5).

There are skills and qualities that are required by all employers and some specific skills and qualities needed for certain jobs. You will need to complete the tables below and on the next page to include:

a) information about skills and qualities needed by **all** employers (AC 3.1)

Skills and qualities for employment	Ways to develop my skills and qualities for employment
<i>eg reliability</i>	<i>Become organised by writing things down</i>

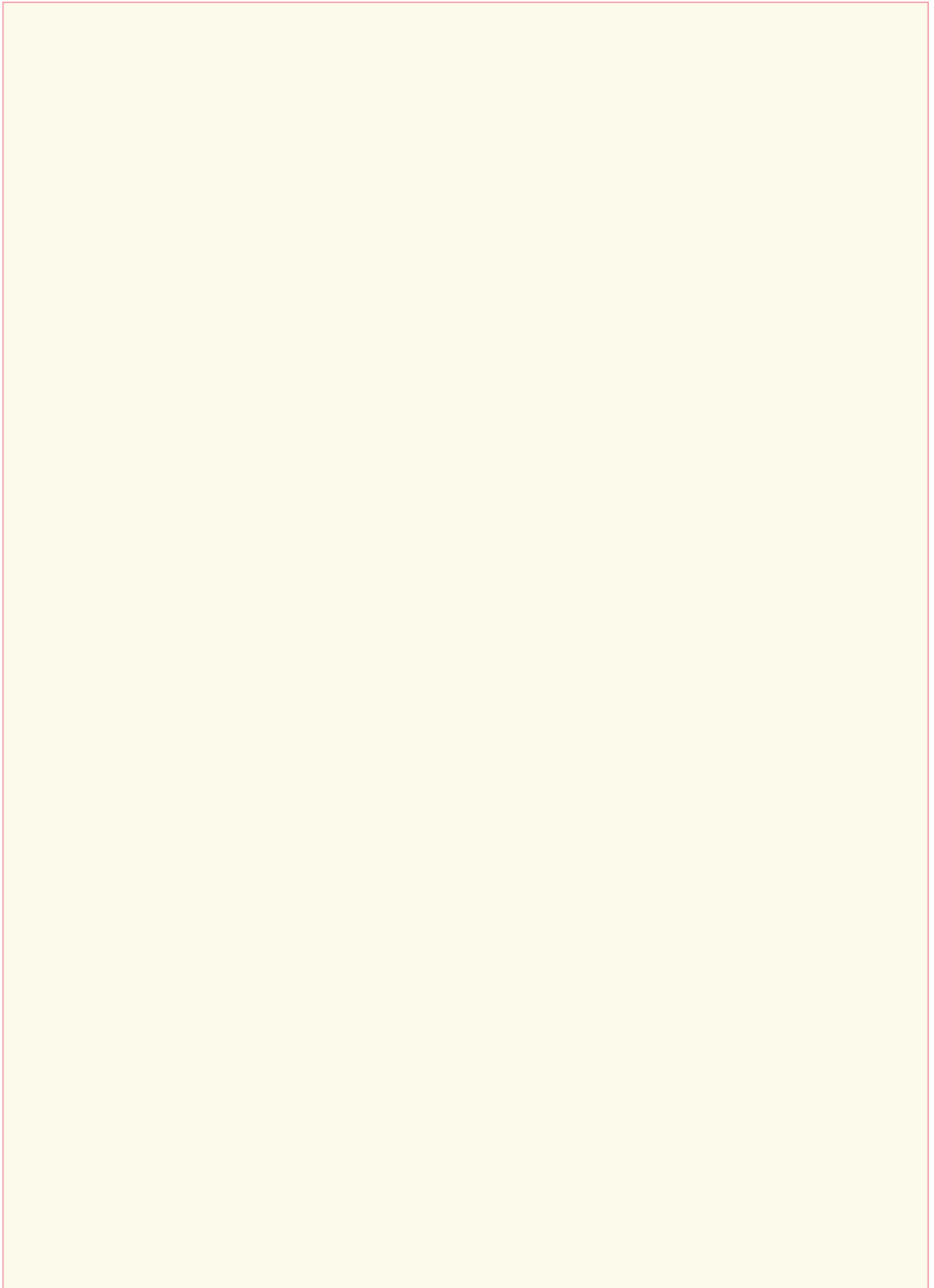
b) information about skills and qualities essential for a specific job (eg fluent foreign language for a translator). (AC 3.2)

Job	
Skills and qualities for this job	Ways to develop my skills and qualities for employment

Now try the Nationwide Education Interactive Game 'Money Matrix' (Game Practice) *Pay Packets*.



**Use this page to continue your assignment. Please include the number of the question or activity you are answering.**



**Use this page to continue your assignment. Please include the number of the question or activity you are answering.**

