

2.3.2 Edexcel Business

Edexcel GCSE Business

2.3.2 Working with suppliers (1)

Multiple Choice Question Test Bank

MCQ Test 2

This MCQ test contains 13 questions covering the specification content for 2.3.2: Working with suppliers (1)

Instructions:

- **There are 13 questions in this test.**
- **Your teacher will determine how long you have to complete this test and under what conditions.**
- Only **one** answer per question is allowed for **questions 1-11 inclusive.**
- **Two** answers should be selected for questions **12 and 13.**
- For each answer, completely fill in the circle alongside the appropriate answer(s).
- If you want to change your answer, you must cross out your original answer.
- If you wish to return to an answer previously crossed out, ring the answer you now wish to select.

0 1 Which of the following best describes the term, just in time (JIT) stock control?

- A The stock which a business holds
- B A diagram which shows business stock levels and usage over time
- C A system whereby stock arrives only when it is needed by the business
- D The minimum amount of stock that a business holds at any one time

[1 mark]

0 2 Which of the following is a drawback to a business of using just in time (JIT) stock control?

- A High insurance costs
- B Stock could become out of date or obsolete
- C Storage costs will be high
- D Delays in deliveries could result in idle resources

[1 mark]

0 3 Which of the following businesses is most likely to operate a just in time (JIT) stock control system?

- A Car manufacturer
- B Nationwide footwear retailer
- C Wholesaler of building supplies
- D School uniform retailer

[1 mark]

0 4 Which of the following factors would a café, which prides itself on the sale of ethically sourced products, consider the most important when choosing its suppliers?

- A Cost
- B Delivery
- C Availability
- D Trust

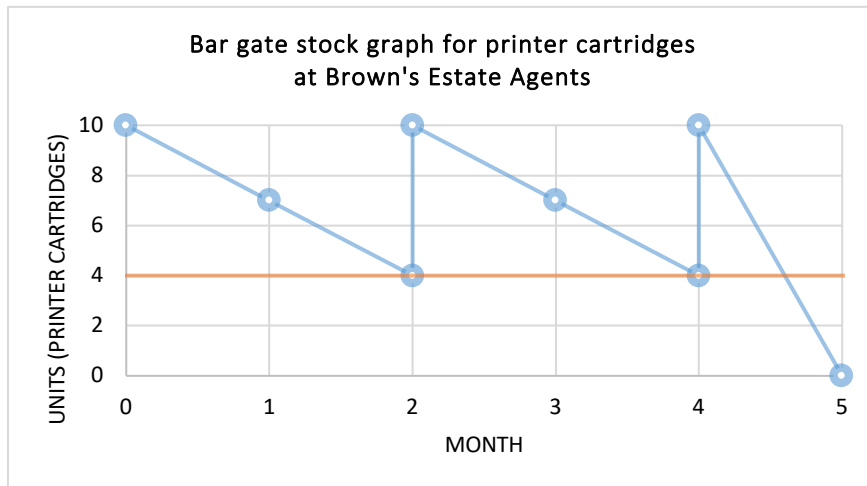
[1 mark]

0 5 Which of the following terms best describes the process of choosing a supplier, agreeing what to buy, at what price and by when?

- A Just in time (JIT) stock control
- B Logistics
- C Stock control
- D Procurement

[1 mark]

0 6 Which of the following statements is true in relation to the bar gate stock graph below?



- A The business experienced a stock out in month one
- B The maximum stock level the business wishes to hold is 4 cartridges
- C The lead time for each delivery is always two months
- D The re-order quantity in month two is 6 cartridges

[1 mark]

0 7 On a bar gate stock graph, which of the following terms describes the size of an order that is delivered to a business at a set moment in time?

- A Maximum stock level
- B Re-order quantity
- C Minimum stock level
- D Re-order level

[1 mark]

0 8 Which of the following job roles would be found within the logistics department for a large supermarket chain?

- A Customer services manager
- B Warehouse manager
- C Retail manager
- D Human resources manager

[1 mark]

0 9 Which of the following areas of business is most likely to be responsible for ensuring customer deliveries arrive on time?

- A Production
- B Sales
- C Customer services
- D Logistics

[1 mark]

1 0 Which of the following terms describes the time difference between a business ordering and receiving stock?

- A Re-order quantity
- B Lead time
- C Buffer stock
- D Re-order level

[1 mark]

1 1 Which of the following best describes the term, logistics? Ensuring the...

- A Correct supplies are ordered, stored and delivered on time
- B Cheapest supplies are purchased
- C Highest quality supplies are purchased and delivered
- D Most reliable supplier is chosen

[1 mark]

1 2 Which **two** of the following are most likely to occur when a business introduces just in time (JIT) stock control?

- A Lower stock holding
- B An increase in obsolete stock
- C More frequent deliveries
- D A build-up of unsold stock
- E Increased storage space is required

[2 marks]

1 3 When choosing a new supplier, which **two** of the following would be the most important factors for a discount supermarket to consider if it is currently experiencing delays in delivery?

- A Quality
- B Cost
- C Reliability
- D Availability
- E Payment terms

[2 marks]

ANSWERS TO THIS MCQ TEST

Q	CORRECT
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1	C
2	D
3	A
4	D
5	D
6	D
7	B
8	B
9	D
10	B
11	A
12	A,C
13	B,C