U1.07 - Print & Cut Flashcards

Cut along the card edges. Each card shows the question on top and the answer underneath.

CARD 1

What four economic factors are covered in U1.07?

Inflation, interest rates, labour availability and unemployment.

CARD 2

What is inflation?

A general rise in prices over time that reduces purchasing power.

CARD 3

How can inflation affect business performance?

Costs may rise while consumers cut non-essential spending.

CARD 4

Inflation: how can it affect HR, Finance, Marketing and Operations?

HR: wage pressure | Finance: lower profit/cash flow | Marketing: raise prices/value deals | Operations: cut waste/switch inputs

CARD 5

What are interest rates?

The cost of borrowing money and the return earned on savings.

CARD 6

How can higher interest rates affect businesses?

Loan costs rise and consumer spending may fall.

CARD 7

Why can higher interest rates reduce sales?

Households may have less disposable income after larger loan repayments.

CARD 8

Interest rates: how can they affect HR, Finance, Marketing and Operations?

HR: slower hiring | Finance: higher repayments | Marketing: more promotions | Operations: delay investment

U1.07 - Print & Cut Flashcards

Cut along the card edges. Each card shows the question on top and the answer underneath.

CARD 9

What is labour availability?

How easy it is to find workers with the required skills and experience.

CARD 10

How can a labour shortage affect a business?

Wages and recruitment costs may rise while output or service falls.

CARD 11

Labour availability: how can it affect HR, Finance, Marketing and Operations?

HR: higher pay/training | Finance: higher labour costs | Marketing: manage expectations | Operations: lower capacity

CARD 12

What is unemployment?

The share of the labour force without work but actively seeking and available for work.

CARD 13

How can high unemployment affect demand?

Households may cut discretionary spending, reducing business sales.

CARD 14

How can high unemployment affect recruitment?

More people may apply for jobs, making hiring easier.

CARD 15

Unemployment: how can it affect HR, Finance, Marketing and Operations?

HR: hiring easier when high | Finance: revenue may fall | Marketing: more value deals | Operations: reduce output/hours

CARD 16

How can low unemployment affect businesses?

Demand may be stronger, but staff can be harder and more costly to recruit.