2 FLD is a furniture retailer. It has 460 shops and 20 000 employees. Internal recruitment is used when recruiting new shop managers. The Managing Director wants to know whether job rotation is the best method of motivation for a large business to use. The Finance Director is reviewing FLD's income statement. An extract is shown in Table 2.1. She is concerned that FLD's gross profit is decreasing.

Table 2.1

Extract from FLD's income statement for year ending April 2025 ($ million)	
Revenue	400
Gross profit	200
Expenses	60
Profit	140

(a) Define 'profit'.

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..... [2]

(b) Identify **two** expenses a business might have.

Expense 1: .....

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Expense 2: .....

..... [2]

(c) Outline **two** possible reasons why FLD's gross profit is decreasing.

Reason 1: .....

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Reason 2: .....

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..... [4]

(d) Explain **two** advantages to FLD of using internal recruitment when recruiting new managers.

Advantage 1: .....

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Explanation: .....

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Advantage 2: .....

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Explanation: .....

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..... [6]

(e) Do you think job rotation is the best method for a large business to use to motivate its employees? Justify your answer.

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..... [6]