3 SBL is a fast food restaurant which sells 900 chicken burgers each week. It has 14 employees. The owner, Vicki, provides her employees with training but does not currently use delegation. She is preparing a break-even chart to help calculate SBL's margin of safety. A partially completed break-even chart is shown in Fig. 3.1. Vicki wants to know how an economic recession might affect her business.

Break-even chart for SBL

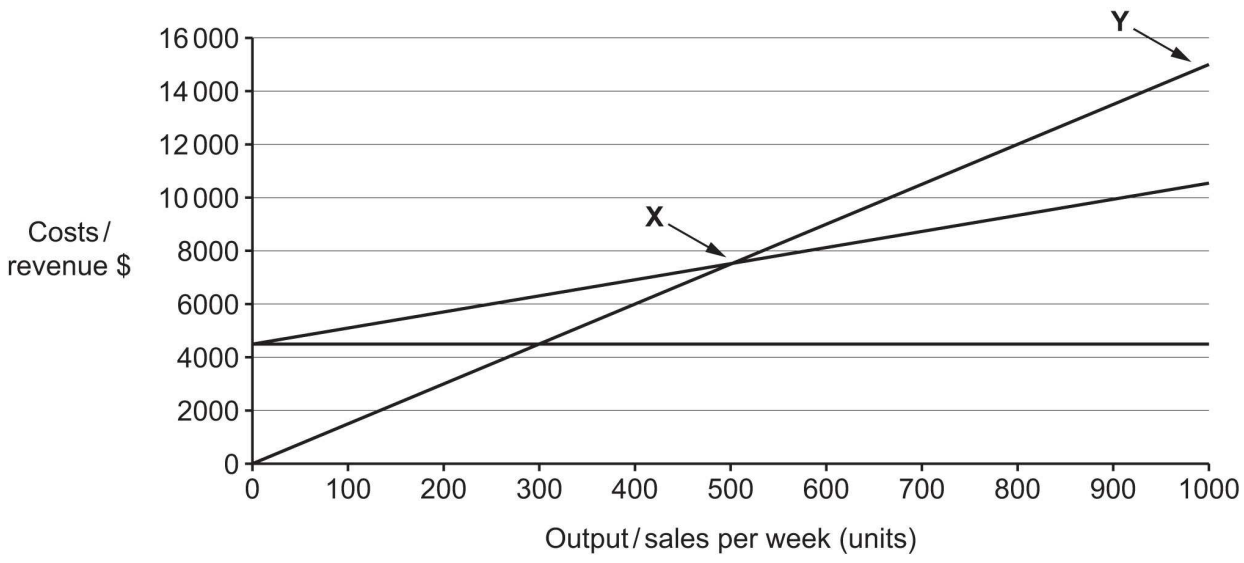

Fig. 3.1

(a) Identify **X** and **Y**.

X: .....

.....

Y: .....

..... [2]

(b) Define 'margin of safety'.

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..... [2]

(c) Outline **two** advantages of Vicki delegating tasks to her employees.

Advantage 1: .....

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Advantage 2: .....

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..... [4]

(d) Explain **two** possible effects an economic recession might have on Vicki's business.

Effect 1: .....

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Explanation: .....

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Effect 2: .....

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Explanation: .....

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..... [6]

(e) Explain **two** methods of training a business might use. Which is likely to be the best method for a service business to use? Justify your answer.

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..... [6]