

Tuesday 21 May 2013 – Morning

GCSE BUSINESS STUDIES

A292/01 Business and People

Candidates answer on the Question Paper.

OCR supplied materials:

None

Other materials required:

- Calculators may be used.

Duration: 1 hour



Candidate forename		Candidate surname	
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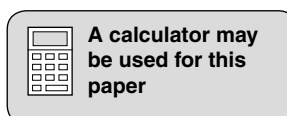
Centre number						Candidate number				
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INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do **not** write in the bar codes.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **60**.
- Your Quality of Written Communication will be assessed in questions marked with an asterisk (*).
- This document consists of **12** pages. Any blank pages are indicated.



Answer **all** questions.

1 Goodchilds is a social enterprise which sells fair trade products, such as bananas, to supermarkets and independent shops.

(a) (i) Choosing from the list below, tick (✓) **one** box to correctly identify the statement which is a feature of a social enterprise.

Statement	Tick (✓)
A social enterprise aims to maximise earnings for shareholders.	
A social enterprise is always owned by one person.	
A social enterprise has ethical values central to its business practices.	

[1]

(ii) Explain how Goodchilds depends on other businesses in:

- the same sector of the economy

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- a different sector of the economy

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[4]

(b) (i) Explain **one** likely objective of a social enterprise such as Goodchilds.

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[2]

(ii) Goodchilds is in competition with some public limited companies.

Explain **one** likely objective of a public limited company.

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..... [2]

(c) (i) The table below shows some examples of communication used by Goodchilds. Tick (✓) **one** box next to each example of communication to show whether it is an example of internal communication or external communication.

Communication methods within Goodchilds

Example of Communication	Internal Communication (✓)	External Communication (✓)
The Human Resources Manager discussing a staffing matter with the Managing Director.		
The Sales Manager telling customers about discounts.		
The employees discussing with their manager ways to improve efficiency.		

[3]

(ii) Good communication is an important aspect of business success. However, many businesses are not good at communicating with their customers.

Explain **two** possible effects on Goodchilds of having poor communication with its customers.

1

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2

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[4]

(d) Goodchilds has many functional areas in its organisation. One such area is Human Resources.

(i) Explain **one** possible way in which the Human Resources functional area contributes to the running of Goodchilds.

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..... [2]

(ii)* Goodchilds needs a new Marketing Manager. It is going to recruit **externally**.

Explain whether this is a good way to recruit a new Marketing Manager. You should refer to both the **advantages** and **disadvantages** of external recruitment in your answer.

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..... [6]

(e) For all new employees, Goodchilds uses both **on-the-job** and **off-the-job** training.

(i) Explain **one** advantage to a business such as Goodchilds of providing **on-the-job** training.

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..... [2]

(ii) Explain **two** reasons why all new employees at Goodchilds need some form of training.

1

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.....

2

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..... [4]

2 Stones Ltd is a large private limited company which makes and fits kitchens throughout the United Kingdom (UK).

(a) (i) From the list below, tick (✓) **one** box which is a feature of a private limited company.

Feature	Tick (✓)
Shares can be sold on the stock exchange	
Income tax must be paid on profit	
The owners have limited liability	

[1]

(ii) Unlike a sole proprietor, a private limited company has **continuity**.

Explain what is meant by the term 'continuity'.

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..... [2]

(iii) Explain **one** way in which Stones Ltd may **allocate its profit**.

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..... [2]

(iv) Explain **one** reason why businesses such as Stones Ltd exist.

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..... [2]

(b) Stones Ltd has a number of objectives which include:

- providing an excellent service
- making a profit.

Explain how these two objectives may be in conflict with each other.

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..... [3]

Question 2 continues on page 8

(c) Fig. 1 below shows the change in the level of UK employment in the primary, secondary and tertiary sectors between 1990 and 2012.

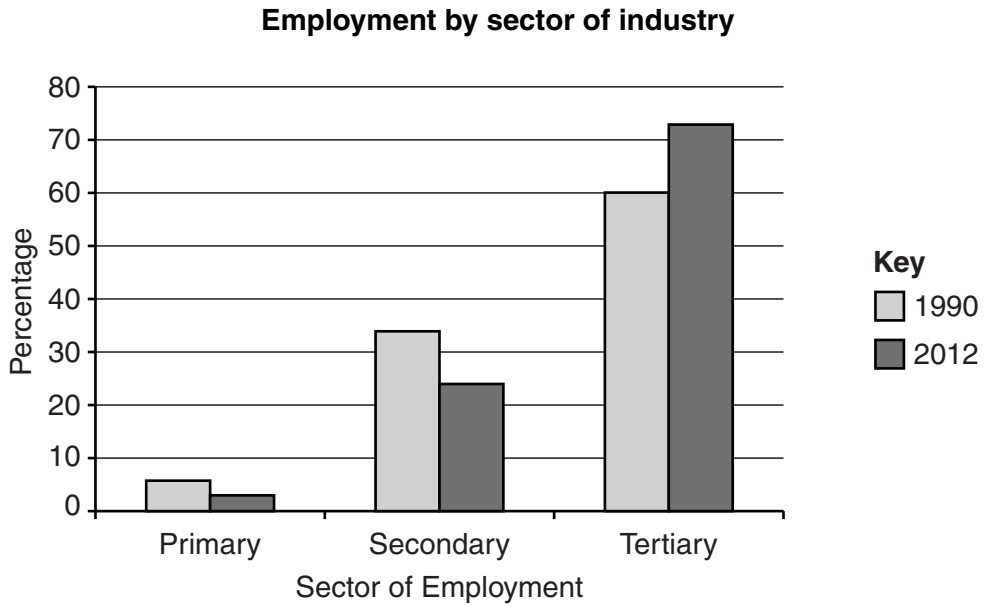


Fig. 1

(i) Using the information in Fig. 1, state which sector had the **highest** percentage of employment in 2012.

..... [1]

(ii) Explain **two** possible reasons for the change in **secondary sector** employment between 1990 to 2012.

1

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2

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[4]

(d) Daniel is employed by Stones Ltd to fit kitchens. Stones Ltd pays Daniel using a piece rate system.

Explain **one** advantage and **one** disadvantage to **Stones Ltd** of paying Daniel using a piece rate system.

Advantage

Disadvantage

[4]

(e)* Stones Ltd has to follow a range of legal requirements such as the Working Time Directive (WTD).

Discuss how the WTD may affect businesses such as Stones Ltd.

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[4]

- (f) The government gives money to Stones Ltd as the company promotes **life long learning** for its employees.

Explain the meaning of the term 'life long learning'.

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..... [2]

- (g) Fig. 2 below shows information regarding one of Stones Ltd's suppliers, Delightful Kitchens Partners, and another possible local supplier, Kitchen Units Ltd, which Stones Ltd **does not use**.

Local kitchen suppliers

	Delightful Kitchens Partners	Kitchen Units Ltd
Price of identical kitchen units	£500 per kitchen	£600 per kitchen

Fig. 2

Delightful Kitchens Partners has just informed Stones Ltd that it has filed for **bankruptcy**.

- (i) Explain the meaning of the term 'bankruptcy'.

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..... [2]

- (ii) Using Fig. 2, explain how the bankruptcy of Delightful Kitchens Partners may affect Stones Ltd.

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..... [3]

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