



Rewarding Learning

ADVANCED SUBSIDIARY (AS)
General Certificate of Education
January 2013

Business Studies

Assessment Unit AS 2

assessing

Managing Business Resources

[AT121]

TUESDAY 22 JANUARY, AFTERNOON



TIME

1 hour 30 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number on the Answer Booklet provided.
Answer **both** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 80.

Quality of written communication will be assessed in question 1 parts (d) and (e) and question 2 parts (d) and (e).

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

ADVICE TO CANDIDATES

You are advised to take account of the marks for each question or part question in allocating the available examination time.

1 Study the information below and answer the questions that follow:

Kellogg's

Kellogg's is one of the most influential and innovative brands in the world, producing more than 40 different cereals with factories in 19 countries. Kellogg's markets the product range in more than 160 countries and employs 26 000 people in its worldwide organisation. With such a global organisation it is essential that Kellogg's continually strives to improve communication between its factories.

Work/life balance

Creating a work environment which allows Kellogg's to deliver consistently strong results is essential to its future. Helping to create a good work/life balance is an essential part of this. Kellogg's has been placed in the *Sunday Times* list of Top 100 Best Companies to Work for. Karen Meehan, European Vice President of Human Resources, comments: "It's our employees that make Kellogg's a special place and we will continue to provide a great workplace environment that encourages career development, work/life balance and empowerment for all employees."

Some of the initiatives run by Kellogg's management include:

- flexitime, home-working, part-time working and job share
- career breaks, parental leave, time off for dependants and maternity and paternity leave
- competitive salaries, personal development planning and study leave
- on-site gyms or subsidised access to local facilities and free annual lifestyle assessments.

Kellogg's management team understand the importance of motivating their staff and offer employees the chance to constantly develop their skills by taking part in regular appraisal schemes. Internal recruitment is often used to fill a wide range of positions within the business. Kellogg's uses a variety of selection processes to ensure the best candidate is chosen for the job. These may include assessment centres, ability tests, personality questionnaires, interviews, group and role play exercises.

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- (a) Explain what is meant by the term "appraisal". Illustrate your answer using an example from the case study. [4]
- (b) Explain two disadvantages to Kellogg's of using interviews as a method of selection. [4]
- (c) Analyse the role of management styles in motivating employees in a company such as Kellogg's. [8]
- (d) Discuss the usefulness of internal recruitment to a business such as Kellogg's. [12]
- (e) Evaluate the impact of technology on communication within an organisation such as Kellogg's. [12]

2 Study the information below and answer the questions that follow:

SJ Mechanics

Samuel Jones runs a successful garage, SJ Mechanics in Belfast. The business has only ten employees, therefore his chain of command is short and his span of control is wide. Due to Samuel being so busy he finds it difficult to ensure that all employees are kept up-to-date with day-to-day issues affecting the business, such as work schedule, customer orders and quotes. He currently uses a notice board as a primary method of communicating this information to his employees.

One of the office employees (Jane) has requested additional training in order for her to prepare the financial accounts of the business. She thinks this is a good idea and has requested one afternoon per week to go to the local college. Samuel thinks on-the-job training might be more cost effective.

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Fig. 1: Summary of key financial data for the year ended 31 December 2012:

Sales Revenue	£425 000
Wages	£200 000
Rent and rates	£25 000
Purchases	£75 000
Opening Inventories	£15 000
Sundry Expenses	£5 000
Closing Inventories	£10 000
Bank	£20 000
Trade Receivables	£15 000
Equipment	£75 000

- (a) Explain the term span of control, using an example to illustrate your answer. [4]
- (b) Show by calculation SJ Mechanics' Gross Profit for the year ended 31st December 2012. [4]
- (c) Analyse the factors that may have influenced Samuel Jones to choose a notice board as his primary method of communication. [8]
- (d) Discuss the advantages and disadvantages of SJ Mechanics using off-the-job training. [12]
- (e) Evaluate the usefulness of final accounts to a business such as SJ Mechanics. [12]

THIS IS THE END OF THE QUESTION PAPER
