



General Certificate of Secondary Education  
2012

Centre Number

71

Candidate Number

## Business and Communication Systems

### Unit 2: The Business Environment

[GBC21]

FRIDAY 22 JUNE, MORNING



#### TIME

1 hour.

#### INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

Answer **all three** questions.

There should be enough space for your answers.

If you do require more space, you may complete your answers on the extra lined pages at the back of this booklet.

#### INFORMATION FOR CANDIDATES

The total mark for this paper is 75.

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

Quality of written communication will be assessed in questions **2(e)** and **3(d)**.

For Examiner's  
use only

Question Number	Marks
1	
2	
3	

Total Marks	
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1 Archie L Gamble has started an insurance business called ACE Insurers. The business covers both the commercial and private insurance sectors. Recently Archie has encouraged some employees to work from home, providing telephone quotes for customers, enabling a faster and more efficient service with greater flexibility in “after hours” quotes. There has been substantial investment in ICT over the last few years.

(a) Identify and explain **two** ways in which the increased use of ICT may impact on ACE Insurers.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

(b) Explain the difference between **risk** and **reward** in relation to this business.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [2]

(c) Explain **two** ways that ACE Insurers may remain ahead of its competitors.

1. \_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_ [4]

Examiner Only	
Marks	Remark

(d) ACE Insurers plans to hold personal details of their customers.

(i) Identify the Act that ACE Insurers must comply with.

\_\_\_\_\_ [1]

(ii) Identify and describe **two** principles of this Act that could apply to ACE Insurers.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

(e) ACE Insurers needs to recruit another member of staff for the office.

(i) Identify and explain **two** methods of recruitment that ACE Insurers could use.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

Examiner Only	
Marks	Remark

(ii) Identify and describe **two** pieces of information that will appear on the payslip of a new staff member.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

(iii) ACE Insurers uses BACS to pay their employees. Explain what is meant by the term BACS.

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\_\_\_\_\_ [3]

Examiner Only	
Marks	Remark

2 John Rankin owns a plumbing business, JR Plumbing. He employs five plumbers and two clerical staff.

(a) What type of business ownership is JR Plumbing?

\_\_\_\_\_ [1]

(b) A feature of this type of business ownership is unlimited liability. Explain what this means to JR Plumbing.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ [2]

(c) Apart from unlimited liability, explain **one** advantage and **one** disadvantage of this type of business ownership to JR Plumbing.

Advantage: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

Disadvantage: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_ [4]

Examiner Only	
Marks	Remark

(d) In order to achieve greater efficiency John Rankin intends to improve communication within the business.

(i) Explain what is meant by “internal communication”.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [2]

(ii) Identify and explain **two** types of internal communication that JR Plumbing could use.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

(iii) JR Plumbing is in the process of creating a database of all their suppliers. Explain **one** advantage and **one** disadvantage of using a database to JR Plumbing.

Advantage: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Disadvantage: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

Examiner Only	
Marks	Remark

(e) Analyse the advantages and disadvantages of e-business to JR Plumbing.

Advantages: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Disadvantages: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[8]

Examiner Only	
Marks	Remark

3 Ronan is starting a new electrical installation business called Romac Electrical Contractors, providing all types of electrical work for both domestic and commercial customers. Ronan intends to carry out research to find potential customers.

(a) Identify and explain **two** market research methods that Ronan could use.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

(b) (i) Explain the difference between **random** and **quota sampling**.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [2]

(ii) Identify and explain **two** elements of the marketing mix which Romac Electrical Contractors should consider.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [4]

Examiner Only	
Marks	Remark

(c) Identify and explain **three** reasons for staff training at Romac Electrical Contractors.

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ [6]

Examiner Only	
Marks	Remark

(d) Evaluate on-the-job training and off-the-job training and justify the most appropriate method of training for Romac Electrical Contractors.

On-the-job training \_\_\_\_\_

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Off-the-job training \_\_\_\_\_

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Most appropriate method of training and justification \_\_\_\_\_

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[8]

Examiner Only	
Marks	Remark







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**THIS IS THE END OF THE QUESTION PAPER**

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