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Monday 19 June 2017 – Morning**A2 GCE APPLIED BUSINESS****F257/01** Managing Risk in the Workplace

Candidates answer on the Question Paper.

OCR supplied materials:

None

Other materials required:

None

Duration: 2 hoursCandidate
forenameCandidate
surname

Centre number

Candidate number

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. If additional space is required, you should use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.
- Do **not** write in the barcodes.

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 **100**.
- Your quality of written communication will be assessed in the question marked with an asterisk (*).
- This document consists of **20** pages. Any blank pages are indicated.

Neilson Ice Structures

Text 1

In May 2015 Jut Neilson, a long distance lorry driver, was diagnosed with serious heart disease. Unable to continue working as a lorry driver, Jut and his girlfriend considered the future. Together they decided that Jut would set up his own business. How difficult could it be?

Jut's main hobby and primary source of relaxation was ice sculpting. He was a skilled ice sculptor who had won many competitions in his home country of Sweden and in the UK. Jut noticed that in the UK ice sculptures were becoming increasingly popular; especially as display pieces for private celebrations such as weddings and birthdays. Jut decided to set up *Neilson Ice Structures* to make and supply unique ice sculptures to order. Jut invested his lifetime savings of £15 000 into the business and obtained a 5-year business loan of £40 000.

Ice sculpting, with its large blocks of ice, sharp chisels and power tools, can be dangerous. Aware that he had no business training or experience, Jut consulted a health and safety advisor. Jut carefully considered the advice he was given.

Jut located suitable premises for the business. He had the office fitted with L-shaped computer workstations. In the workshop a computer-aided cutting machine and a large walk-in freezer were installed. Office-based employees would use complex software to create designs to customer requirements. Once finalised, the 3-D design would be transmitted to the computer-aided cutting machine in the workshop for cutting in ice.

Jut recruited three office-based and five workshop-based employees. Eager to train his workforce, Jut conducted their induction training himself.

1 Refer to Text 1.

(a) Jut Neilson consulted a health and safety advisor before setting up his business.

(i) Explain **two** likely benefits to *Neilson Ice Structures* of Jut consulting a health and safety advisor.

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[4]

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- (ii) Explain **one** likely drawback to *Neilson Ice Structures* of Jut consulting a health and safety advisor.

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- (b) Explain **one** requirement of the Workplace (Health, Safety and Welfare) Regulations which should be considered when selecting suitable premises for a business.

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- (c) The Health and Safety (Display Screen Equipment) Regulations require employers to ensure that computer workstations for office-based employees meet minimum ergonomic standards.

- (i) State what is meant by the term 'ergonomic'.

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..... [1]

- (ii) Identify **two** pieces of equipment which *Neilson Ice Structures* could provide to its office-based employees to help meet the requirements of the Health and Safety (Display Screen Equipment) Regulations.

1

2 [2]

- (iii) Identify **two physical** health conditions which may be experienced by employees who adopt poor posture at their workstations.

1

2 [2]

4

(d) Jut Neilson trained his workforce himself.

(i) State the main purpose of workforce training.

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..... [1]

(ii) Identify **three** methods which could have been used to provide induction training at *Neilson Ice Structures*.

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(iii) Explain **three** ways in which a well trained workforce could benefit a business.

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Text 2

Workshop-based employees would be required to perform two main tasks:

- load the computer-aided cutting machine with a large block of ice
- hand-finish the ice sculpture by carving its special features and intricate details.

The ice blocks, with a volume of up to 1.5 cubic metres, would be heavy. Two employees would be needed to enter the walk-in freezer and carry out a large block of ice, cut it to size with a chainsaw and return the remainder of the ice back to the freezer. The hand-finishing of the ice sculpture would require chisels and other sharp tools, to be used with skill and precision. Realising that the workshop could be a dangerous workplace, Jut produced a risk assessment.

The business could not afford to purchase its own vehicles. Instead, a temperature-controlled vehicle would be booked each time an ice sculpture was to be delivered. The drivers would work as contractors to *Neilson Ice Structures*. The contract drivers would transport the ice sculpture and *Neilson Ice Structures'* employees (required to display the ice sculpture) to venues nationwide. Deliveries need to be timed to arrive approximately one hour before the event start time. Once displayed an ice sculpture will last about six hours before the more intricate details begin to melt.

The business received its first order in November 2015. It was for an ice sculpture of a life-sized swan to be the centrepiece for a wedding. The customer was very pleased with the ice sculpture. Within months the business was very busy.

In January 2016 Jut was in the office when he heard a loud scream. Finn, a contract driver who had been held up in traffic, had rushed into the workshop to collect an ice sculpture. Attempting to pick up the heavy sculpture by himself he had knocked into Anita, one of *Neilson Ice Structures'* employees. Anita's arm slipped, causing the chainsaw she was operating to cut through her protective glove and into her hand. The cut was deep. It took Anita six weeks to regain the full use of her hand. Anita blames her employer for her injuries and is taking court action against the business.

2 Refer to Text 2.

(a) Explain **one different** responsibility which each of the following stakeholders of *Neilson Ice Structures* has in minimising risk:

- Jut Neilson
- workshop-based employees
- contract drivers.

Jut Neilson:

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workshop-based employees:

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contract drivers:

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[6]

(b) State **three** duties which the Management of Health and Safety at Work Regulations impose on *Neilson Ice Structures*.

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[3]

- (c) The table below shows a partially completed risk assessment for activities based in the workshop.

Complete the **eight** unshaded boxes.

Risk	Who at risk	Potential harm	Likelihood of risk (please circle)	Severity of risk (please circle)	Suggestion to minimise risk
Slipping on some melted ice	Employee	Broken bones	High or Low	Life threatening injury or Mild to moderate injury	Provide non-slip rubber mats
Carrying a heavy block of ice	Employee		High or Low	Life threatening injury or Mild to moderate injury	
Being locked in the freezer overnight	Employee		High or Low	Life threatening injury or Mild to moderate injury	

[8]

(d) Evaluate the extent to which Jut Neilson should be concerned about Anita's proposed court action against the business. **[14]**

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Text 3

Despite Anita's six week absence occurring at a time of high demand, *Neilson Ice Structures* consistently delivered ice sculptures of the highest quality and on time. When necessary the workshop-based employees would stay late at work to make sure that an order was ready for the customer's special event. In addition, the office-based employees worked some weekends to make sure that designs for two large and complex orders – one for a celebrity charity event and one for a mobile phone company's product launch – could be completed on time. The employees understood the importance to each and every customer of the ice sculptures they supplied.

The employees had hoped for a bonus in recognition of their loyalty and the effort they had put in. Jut, however, did not pay them anything extra or even thank them. Jut was far too busy securing orders from customers or dealing with administrative and financial issues. The employees began discussing the possibility of organising a go-slow or a sit-in to make their dissatisfaction known.

3 Refer to Text 3.

- (a) State how a 'go-slow' differs from a 'sit-in'.

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- (b) Explain **three** likely impacts on *Neilson Ice Structures* if its employees were to take industrial action.

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[6]

- (c) Explain **three** factors which might affect the success of any industrial action by *Neilson Ice Structures*' employees.

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[6]

- (d)* Evaluate ways to reduce the risk of industrial action at *Neilson Ice Structures*.

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Text 4

Three months on and industrial relations at *Neilson Ice Structures* are no better. The business is yet to break even and the payments on its business loan are crippling its cash-flow. Jut is struggling to keep up with the demands of running his own business. Dealing with customers takes a lot of Jut's time, but it is nothing in comparison with the number of other tasks that he needs to complete. Jut wishes he had taken a course in how to run a successful business, but he has no free time to do it now. Ice sculpting has turned from his much loved hobby into a constant source of stress.

Jut is feeling the pressure. He and his girlfriend have a large mortgage and a young family to support. In addition, when Jut started the business, he had promised himself that his business would give a substantial sum to charity. This remains important to Jut. He wants to support the heart disease charity that helped him and his girlfriend through difficult times. Despite the business making no profit in its first year of trading, Jut is determined to ensure that the charity receives 25% of all future profits.

Yesterday afternoon Jut received a phone call from Tanya, a successful local businesswoman, whom Jut had met at two previous enterprise events. Tanya is known to be a ruthless businesswoman who puts making profits beyond all else. Would asking Tanya to be his business partner provide a solution to all of his business problems? It might reduce his workload, stop his girlfriend worrying about his health and allow him to spend more time with his children.

4 Refer to Text 4.

- (a) Jut Neilson is suffering from work-related stress.

Identify **two** stress-related **psychological** conditions which Jut may experience.

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[2]

- (b) Jut Neilson is considering changing the form of ownership of the business from a sole trader to a partnership.

- (i) Explain why effective risk management requires strategic planning.

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- (ii) Evaluate potential risks to *Neilson Ice Structures* if Tanya were to become a partner in the business. [14]

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This image shows a full page of primary-ruled paper. It features approximately 20 horizontal dashed lines spaced evenly down the page, providing a guide for handwriting practice. The paper is otherwise blank, with no margins, text, or other markings.

This image shows a full page of white paper with horizontal dashed lines, typical of primary school handwriting practice paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

END OF QUESTION PAPER

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