

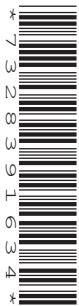


Oxford Cambridge and RSA

Wednesday 23 May 2018 – Morning

GCSE BUSINESS STUDIES

A292/01 Business and People



Candidates answer on the Question Paper.

OCR supplied materials:

None

Duration: 1 hour

Other materials required:

- Calculators may be used



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. 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 **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.



A calculator may
be used for this
paper

Answer **all** questions.

- 1 Horse Support Society (HSS) is a growing medium-sized charity. It makes and sells a range of animal-related products such as saddles in order to support horse welfare.

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

Statement	Tick ✓
A charity is usually a business which operates for its shareholders.	
A charity is usually a business which operates for profit.	
A charity is usually a business which operates not for profit.	

[1]

- (ii) Using an example **other than HSS**, give one reason why charities exist.

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.....
.....
.....
.....

[2]

- (iii) Explain **how** HSS might affect other businesses in its local area.

.....
.....
.....
.....
.....

[2]

- (iv) HSS has many stakeholders. State **two** possible stakeholders and explain why they may have an interest in HSS.

Stakeholder 1

.....

Interest in HSS

.....

.....

Stakeholder 2

.....

Interest in HSS

.....

.....

[4]

- (b) HSS is concerned that it uses ICT less effectively than similar organisations. It is considering introducing one of the following improvements:

giving each employee their own company email address

OR

video conferencing.

Explain the benefits **to HSS** of each of the suggested improvements.

.....

.....

.....

.....

.....

.....

[4]

- (c) The growth of HSS means it needs to relocate.

From the four location factors below, select **two** factors, and explain why they are important to HSS.

Skilled workforce
Grants
Closeness to raw materials
Closeness to transport links

Factor 1

.....

.....

.....

Factor 2

.....

.....

.....

[4]

- (d) HSS' internal organisational structure has changed over time. One further change now being considered is whether to introduce a tall structure as shown in Fig. 1b, as opposed to the current flat structure shown in Fig. 1a.

Fig. 1a Current flat organisational structure

	Managing Director	
	Manager	
Deputy Manager	Deputy Manager	Deputy Manager
2 Workers	3 Workers	2 Workers

Fig. 1b Proposed tall organisational structure

Recommend whether HSS should choose a flat organisational structure or a tall organisational structure. In your answer, explain why you chose one structure, and why you rejected the other structure.

[6]

. [6]

- (e) Every HSS employee has an annual staff appraisal. Explain how annual staff appraisals are important to the operation of **HSS**.

.....

 [2]

- (f) HSS has 3 employees who are paid at the national minimum wage. They are Alessia (aged 40), Kellie (aged 19) and Natalia (aged 17). Natalia is employed as an apprentice saddle maker.

Age	National Minimum Wage per hour Current	National Minimum wage per hour Forecast
25 and over	£7.50	£7.80
18 to 20	£5.60	£5.90
Apprentice	£4.00	£4.70

Fig. 2

Using the data from Fig. 2, explain whether Alessia, Kellie or Natalia would gain the most in percentage terms by the changes shown above. In your answer, you should calculate the percentage change for each employee.

.....

 [3]

- (g) One of the businesses which supplies HSS has closed down.

Explain how this may affect HSS.

.....
.....
.....

[2]

- 2 Passion plc is a multinational company which makes and sells a variety of perfumes, deodorants and other toiletries to customers within the European Union.

- (a) (i) Complete the three sentences below by **crossing out the incorrect box** in each sentence.

Sentence one

On its profits, Passion plc will pay

**INCOME
TAX**

OR

**CORPORATION
TAX**

Sentence two

By making perfumes Passion plc belongs in the

**PRIMARY
SECTOR**

OR

**SECONDARY
SECTOR**

Sentence three

A multinational company such as Passion plc operates in

**ONE
COUNTRY**

OR

**MANY
COUNTRIES**

[3]

- (ii) Using the list below to help you, state and explain **one** advantage and **one** disadvantage of Passion plc being a multinational company.

customers speak a variety of languages
labour costs
number of customers
political issues

Advantage

.....

Disadvantage

.....

[4]

- (b) Passion plc wants to grow and is researching possible types of integration.

- (i) From the list below, link each type of integration to its meaning with a line.

Horizontal	Expansion by joining with another business which operates in a completely different industry
-------------------	--

Diversification	Expansion by joining with another business in the same industry at the same stage of production
------------------------	---

Vertical	Expansion by joining with another business in the same industry but at a different stage of production
-----------------	--

[3]

- (ii) After much research, Passion plc is now considering a **takeover** of an established business called Attraction plc, which also sells perfumes and toiletries.

State and explain **two** advantages to Passion plc of carrying out a takeover of Attraction plc.

Advantage 1

.....
.....
.....
.....

Advantage 2

.....
.....
.....
.....
.....

[4]

- (c) Currently Passion plc employs many part-time workers.

Analyse the benefits to Passion plc of using part-time employees.

.....
.....
.....
.....
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.....
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.....
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.....
.....

[4]

10

- (d)* A significant number of UK employees at Passion plc are members of a particular trade union. This trade union has decided to take industrial action due to Passion plc not giving a pay rise to its employees. The union is proposing:

banning its members from taking on overtime

OR

taking strike action.

If you were a member of this union who worked for Passion plc, recommend which form of industrial action you would choose. Give reasons why you chose this form of action and rejected the other form of action.

[6]

[6]

- (e) The directors at Passion plc recognise that more needs to be done to motivate its employees, other than by giving them a pay rise.

Recommend suitable **non-monetary** methods to motivate the workers at Passion plc. Give reasons for your recommendations.

[6]

[6]

END OF QUESTION PAPER

ADDITIONAL ANSWER SPACE

If additional space is required, you should use the following lined page(s). The question number(s) must be clearly shown in the margin(s).



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