

OCR

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

Other materials required:

- Calculators may be used

Duration: 1 hour



Candidate forename		Candidate surname	
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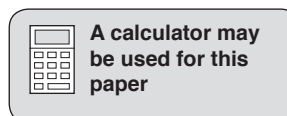
Centre number						Candidate number				
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INSTRUCTIONS TO CANDIDATES

- 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. 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.



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.

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.....
.....
.....[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.

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[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

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.....
.....

Factor 2

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[4]

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

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..... [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.

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..... [3]

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

Explain how this may affect HSS.

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..... [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

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.....

Disadvantage

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[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

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.....
.....
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Advantage 2

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[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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[4]

(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.

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[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.

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[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).

A large rectangular area with a solid vertical line on the left side and horizontal dotted lines across the rest of the page, providing space for writing answers.



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