

OCR

Oxford Cambridge and RSA

Wednesday 24 May 2017 – 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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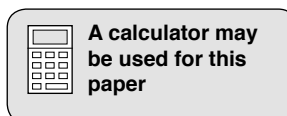
Centre number						Candidate number				
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INSTRUCTIONS TO CANDIDATES

- 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 Gary Jones opened Jones Fried Chicken (JFC) as a sole trader in 2010. It sells fried food direct to the public.

(a) (i) State and explain **one** advantage and **one** disadvantage to Gary of operating the business as a sole trader.

Advantage

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Disadvantage

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[4]

(ii) Choosing from the list below, tick (✓) **one** box to correctly identify the tax Gary will pay on the profit made by JFC.

Tax	(Tick ✓)
Corporation tax	
Distribution tax	
Income tax	

[1]

(b) Under Gary's leadership the business has grown and has changed its form of ownership to a private limited company. JFC Ltd now has eight shops and employs 40 people.

(i) Identify one reason why Gary might have changed the form of ownership of JFC Ltd to a private limited company.

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..... [1]

(ii) Explain **two** benefits to JFC Ltd of growing in size.

Benefit 1

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Benefit 2

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[4]

- (iii) Gary believes JFC Ltd is successful because he makes all the decisions without consulting his employees. He has found it difficult to pass responsibility to his workers and often argues with anyone who has ideas or suggestions about how the business should be run.

Evaluate whether or not Gary should continue with this leadership style. In your answer you should refer to advantages and disadvantages of his current leadership style.

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[6]

(d) JFC Ltd needs to recruit a new employee to help serving food.

(i) Fig. 2 is a list of requirements JFC Ltd has for the job and the person being recruited.

For each requirement, tick (✓) one box to correctly identify whether that requirement should be included in a job description or a person specification.

Requirement	Job description	Person specification
The person must serve food to the customer		
The person has to have good communication skills		
The person will report to the shop manager		

Fig. 2

[3]

(ii) Using information provided by the applicants on their application forms and CVs, Gary produced a shortlist of the final four candidates.

Recommend **one** method of selection that he should use to choose which of the shortlisted candidates to employ. Explain your choice.

Method of selection

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Explanation

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[2]

(e) Read the following newspaper headline and answer the question which follows.

Workers and employers continue to debate the merits of paying an hourly rate or a fixed salary

Each of JFC Ltd's employees is currently paid a fixed salary for a fixed number of hours. The company is now considering making their working hours flexible, and paying these workers by the hour.

Recommend which of these payment methods, '**fixed salary**' or '**by the hour**', JFC Ltd should use. Give reasons for your recommendation, explaining why you rejected the other choice.

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[5]

2 Microcomponent Trading plc (MT plc) makes a variety of computer components to sell around the world.

(a) (i) 'The objectives of MT plc are different to the objectives of a social enterprise'.

Explain why this statement may be true.

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..... [2]

(ii) One advantage of MT plc being a plc is that the business has continuity. Explain the term 'continuity'.

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..... [2]

(b) MT plc has many functional areas in its organisation. One such area is Human Resources.

Explain **one** possible way in which the Human Resources functional area contributes to the operation of MT plc.

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..... [3]

(c) MT plc has many stakeholders, including shareholders and local residents.

Explain why these two stakeholders may be in conflict with each other.

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..... [2]

(d) MT plc is part of the manufacturing sector. Employment in this sector has decreased significantly since 1970.

Explain **two** reasons why employment in this sector has significantly decreased.

Reason 1

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Reason 2

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[4]

- (e) MT plc has a range of legal requirements relating to employment, such as the Equality Act.

Analyse the benefits to MT plc of complying with employment laws.

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..... [3]

- (f) All of MT plc’s employees are members of a national trade union. Trade unions are one type of pressure group.

- (i) Why might a trade union be regarded as a ‘pressure group’?

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..... [2]

- (ii) State and explain **one** way in which employees might benefit from being members of a trade union.

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..... [2]

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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