| Centre No. | | | | | Pape | er Refer | ence | | | Surname | Initial(s) |
|------------------|--|--|---|---|------|----------|------|---|---|-----------|------------|
| Candidate No. | | | 6 | 9 | 1 | 6 | / | 0 | 1 | Signature | |

6916/01 **Edexcel GCE Applied Business**

Unit 1: Investigating People at Work Wednesday 9 January 2008 - Morning Time: 1 hour 30 minutes

| Aaterials required for examination | Items included with question papers |
|------------------------------------|-------------------------------------|
| Nil | Nil |

Instructions to Candidates

In the boxes above, write your centre number, candidate number, your surname, initial(s) and

The paper reference is shown above.

Check that you have the correct question paper.

Answer ALL the questions. Write your answers in the spaces provided in this question paper. Additional answer sheets may be used.

Information for Candidates

The marks for individual questions and the parts of questions are shown in round brackets: e.g. (2). There are 3 questions in this question paper. The total mark for this paper is 90. There are 20 pages in this question paper. Any blank pages are indicated.

Advice to Candidates

You will be assessed on your ability to organise and present information, ideas, descriptions and arguments clearly and logically, including your use of grammar, punctuation and spelling.

W850/R6916/57570 1/1/1/1/8300





Turn over

Total

Examiner's use only

Team Leader's use only

Question Number

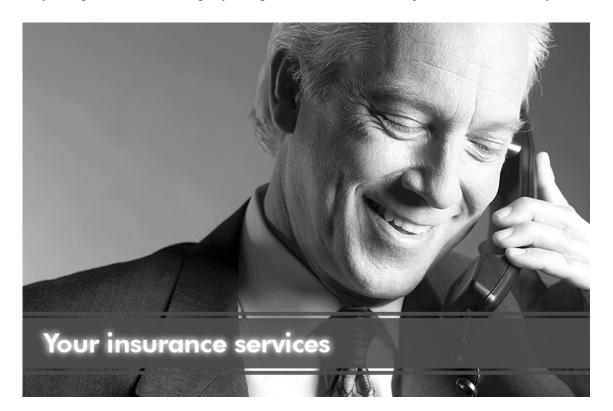
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1. The insurance and pensions company *Wellingley Life plc*, known as *WL*, is located in the town of Wellingley. It is a major employer, with over 300 full-time employees. Employees work in different departments, mainly in 'open-plan' offices. There is also a call centre at the same site. The insurance and pensions industry is labour-intensive and very competitive, with company mergers and takeovers a major feature in recent years.



| (a) | What evidence is there above to suggest that one of WL 's main aims should focus on its survival? |
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| | |
| | (2) |

| L is a public lin | nited company (plc). |
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|) Outline two v | ways that the financing of WL is likely to influence how it operates. |
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| | (4) |
| ome of WI's oin | ns relate directly to its stakeholders. |
| one or WL sam | ins relate directly to its stareholders. |
|) Complete the | e table below, giving an example of a WL business aim for each. The first one has been completed for you. |
|) Complete the | e table below, giving an example of a WL business aim for each |
|) Complete the stakeholder. WL's | e table below, giving an example of a <i>WL</i> business aim for each The first one has been completed for you. WL will create an enjoyable working environment that rewards |
|) Complete the stakeholder. WL's employees WL's | e table below, giving an example of a <i>WL</i> business aim for each The first one has been completed for you. WL will create an enjoyable working environment that rewards |

(4)

The pay structure of WL has the following features.

- Employees receive annual salaries, paid monthly.
- These salaries are at or near to the average for the insurance industry.
- Salaries are structured in bands to reflect the different status and responsibility of employees.
- Within each salary band there is a scale, which employees move up based on length of service.

| (d) | Assess the effectiveness of any two of the above features of WL 's pay structure in motivating its employees. |
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| | (6) |





The directors of WL have the following objectives concerning current employees.

- Maintain labour costs at a consistent level.
- Increase labour productivity by 2% per annum.

| (e) | Examine why the directors might be concerned that WL's existing pay structure does not support each of these objectives. |
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| | maintain labour costs |
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| | increase labour productivity |
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(4)

In the space below, record the details of ONE business that you have studied during your course. Refer to this business when answering question 1(f).

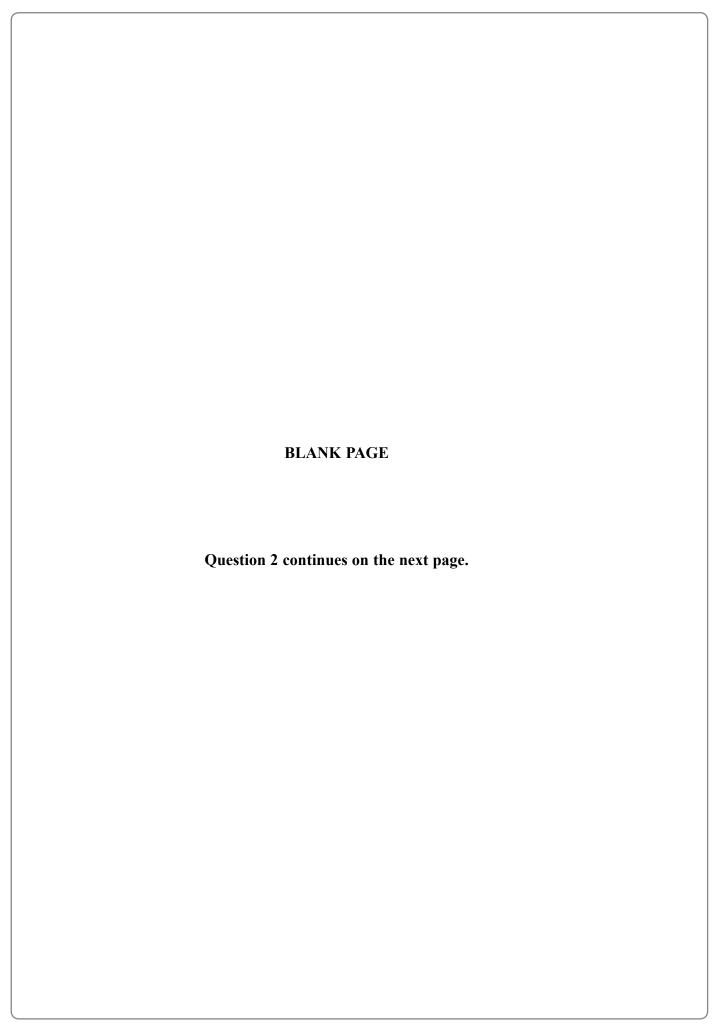
| Name of Business: |
|--|
| Main Activities: |
| |
| Identify two functions (functional areas) from your chosen business. |
| Function 1 |
| Function 2 |
| (f) Demonstrate how these two functions (functional areas) work with each other in contributing to the success of your chosen business. |
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| (4) |

| Name of Business: | |
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| Main Activities: | |
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| ate one responsibility of a manager, super | rvisor or employee in your chosen business. |
| anager, supervisor or employee title | |
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| Analyse how carrying out this responsib business. | pility contributes to the success of your chosen |
| ousiness. | |
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| | (6) |

| The s | pportunity for a career in pensions has arisen with Wellingley Life plc. successful candidate will undergo 12 months training to develop petence in pension administration. Support will be given to obtain the rement Provision Certificate and the Pensions Calculations Diploma. |
|--|--|
| | will need a flexible attitude to work. A minimum of five GCSEs, iding Maths, is required. Experience of administration is desirable. |
| ` / | ing the above information, list two items of information that will appear in the rson specification but not in the job description. |
| | |
| Every N | (2) March, each Head of Department in <i>WL</i> holds a performance appraisal interview |
| vith ind appraisa | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Peads of Department believe that the appraisal process contributes to the efficiency of the way. |
| with ind appraisance of the He of work | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Each Grant Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the all interview, and these targets are linked to financial bonuses. |
| with indappraisa The He of work | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Eads of Department believe that the appraisal process contributes to the efficiency of in <i>WL</i> . Describe how holding appraisal interviews will help contribute to the efficiency |
| with ind appraisa The He of work | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Eads of Department believe that the appraisal process contributes to the efficiency of in <i>WL</i> . Describe how holding appraisal interviews will help contribute to the efficiency |
| with industrial industrial with industrial i | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Eads of Department believe that the appraisal process contributes to the efficiency of in <i>WL</i> . Describe how holding appraisal interviews will help contribute to the efficiency |
| with industrial industrial with industrial i | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Eads of Department believe that the appraisal process contributes to the efficiency of in <i>WL</i> . Describe how holding appraisal interviews will help contribute to the efficiency |
| with ind appraisa The He of work | March, each Head of Department in <i>WL</i> holds a performance appraisal interview dividual employees. Training and other targets are set for the employee during the al interview, and these targets are linked to financial bonuses. Eads of Department believe that the appraisal process contributes to the efficiency of in <i>WL</i> . Describe how holding appraisal interviews will help contribute to the efficiency |

| | (4) |
|-----------|---|
| (111) Out | tline one benefit and one drawback from using the current appraisal interviews method to establish the training needs of <i>WL</i> employees. |
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| Ber | nefit |
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| Describe why WL thinks that off-the-job training is suitable in this situation. |
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In the space below, record the details of ONE business that you have studied during your course. Refer to this business when answering question 2(d).

| | ame of Business: |
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| IV. | Iain Activities: |
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| ele | ect a job role in your chosen business. |
| b | role |
| | Examine two personal qualities that would be looked for in a person carrying out job role. |
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Leave blank In the space below, record the details of ONE business that you have studied during your course. Refer to this business when answering question 2(e). Name of Business: Main Activities: The Employment Equality (Age) Regulations 2006 make it illegal for employers to discriminate against employees, trainees or job seekers because of their age. (e) Analyse the impact of this law on your chosen business. $\mathbf{Q2}$ **(6)** (Total 30 marks)

| | | | Leave blank |
|----|-----|--|----------------|
| 3. | The | call centre at WL has the key aim to 'Continually improve customer service'. | |
| | The | call operators work to strict targets that must be met, including: | |
| | | calls must be answered within three rings calls must be completed within three minutes call operators must deal with both business and domestic customers. | |
| | (a) | Explain how the targets set for call operators to meet might conflict with the call centre's key aim. | |
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| red | undancy for some call operators whilst others may be found different jobs within WL. |
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| (b) | Outline why the possibility of job losses through compulsory redundancy might demotivate some call operators but motivate others. |
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The directors of WL have reviewed the operation of the call centre, and have decided to outsource the work abroad. As a result there will be some job losses through compulsory

(6)

The following article about WL was published recently.

Wellingley Life, one of the UK's largest insurance and pensions companies, has been fined £1.25m for failing to provide compensation to over 11,000 customers who were mis-sold pensions.

Mis-selling occurred as a result of the lack of ethical behaviour, with customers being sold personal pensions by commission-hungry salesmen when these customers would have been better off staying in their employer's scheme.

| (c) Define the term 'ethical behaviour'. |
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| (2) |
| As a result of mis-selling, WL was fined £1.25 million for its unethical behaviour. |
| (d) State two likely business effects on <i>WL</i> as a result of the publicity surrounding its unethical behaviour. |
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| (2) |



The directors of WL now have a Corporate Social Responsibility Policy. The opening statement of this policy is

"As a world leader in financial services, we ensure that we manage our stakeholders' investments and money responsibly, set benchmarks for other financial services businesses to follow, and continue to review and enhance our business principles."

| (e) | List four appropriate areas <i>WL</i> should cover in its Corporate Social Responsibility Policy to meet the promises made in the opening statement. |
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| | (4) |

In the space below, record the details of ONE business that you have studied during your course. Refer to this business when answering question 3(f).

| | Name of Business: Main Activities: | | | | |
|-----|--|--|--|--|--|
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| (f) | How has your chosen business responded to two relevant pieces of consumer protection legislation? | | | | |
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| Name of Business: | | | | | |
|---|-------------------------------|--|--|--|--|
| Main Activities: | | | | | |
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| Discuss the effectiveness of your chosen business | s in retaining its employees. | | | | |
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| | (6) (Total 30 marks) | | | | |



