

**ADVANCED GCE
APPLIED BUSINESS**

Unit 18: Managing Risk in the Workplace

F257

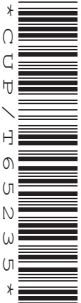
Candidates answer on the question paper

OCR Supplied Materials:
None

Other Materials Required:
None

**Tuesday 16 June 2009
Afternoon**

Duration: 2 hours



Candidate Forename		Candidate Surname	
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Centre Number						Candidate Number				
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INSTRUCTIONS TO CANDIDATES

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do **not** write in the bar codes.
- Write your answer to each question in the space provided.

INFORMATION FOR CANDIDATES

- The number of marks for each question is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **100**.
- The quality of written communication will be taken into account in marking your answer to the question marked with an asterisk (*).
- This document consists of **16** pages. Any blank pages are indicated.

Examiner's Use Only:			
1			
2			
3			
4			
Total			

Text 1

Sudsworth's Beauty Soaps (*SBS*) is a manufacturer of toiletry products. The company has operated within this market for 20 years. During this time, its product range has developed from scented bars of soap to shower gel, shampoos and conditioners. The toiletries are mid-priced items available through British supermarket chains.

Over recent years production costs in Britain have made profit margins very slim. "We are going to have to change our strategy", said Bert, the Finance Director of *SBS* at a recent board meeting. "We are not making enough profit on our sales. The supermarkets are buying at lower prices and the cost of labour in Britain just keeps going up. I suggest we relocate production to Asia and take advantage of cheaper land, labour and the more lenient labour laws," he continued.

"I'm not so sure", interjected Ernie, the Human Resources Manager. "The unions will kick up a fuss. They are already threatening strike action over the new three shift system we have introduced in order to operate the factory 24 hours a day." Bert butted in, "Anyone can do the shop floor work. We will get temporary staff if they go on strike." Ernie continued, however, "We need staff who are trained to carry out the work safely. We are already having enough problems running the British factory smoothly. Deadlines are already tight and we can't afford any disruption – especially when we are still getting the workers used to the new shift system. I'm sure there will be all sorts of problems if the manufacturing plant was moved so far away. I know the labour will be cheaper but will other costs make it worth while? Anyway, you know we have to pay a late fee if we don't supply the supermarkets on time." Bert thought, then said, "OK, so we are going to have to think about the risk management implications but it is definitely worth consideration."

1 Refer to Text 1.

(a) What is meant by the term 'risk management'?

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..... [2]

(b) Explain **two** ways in which a strike may affect the smooth running of a business.

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SBS changed from a two shift to a three shift system.

(c) Explain **two** possible issues *SBS* would have considered before making this change.

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Text 2

Work in the soap room is physically demanding for its workers. The shop floor work involves carrying heavy drums of chemicals from the warehouse 50 metres away, climbing a flight of stairs and tipping them, in the required quantities, into a mixing vat (see Fig. 1). Strong fumes from the detergent fill the air and workers do not like the way the dust from the chemicals gets into their hair, clothes and skin. More worryingly, one of the longest serving workers, Geoff, has recently been on long term sickness due to a persistent chest infection. He tried to blame *SBS* for his poor health, saying that he had been at risk from prolonged exposure to airborne chemicals for many years. However, *SBS* is adamant it has fulfilled its duty of care by providing Geoff with specialist clothing in line with government guidelines in order to minimise any risk to health.

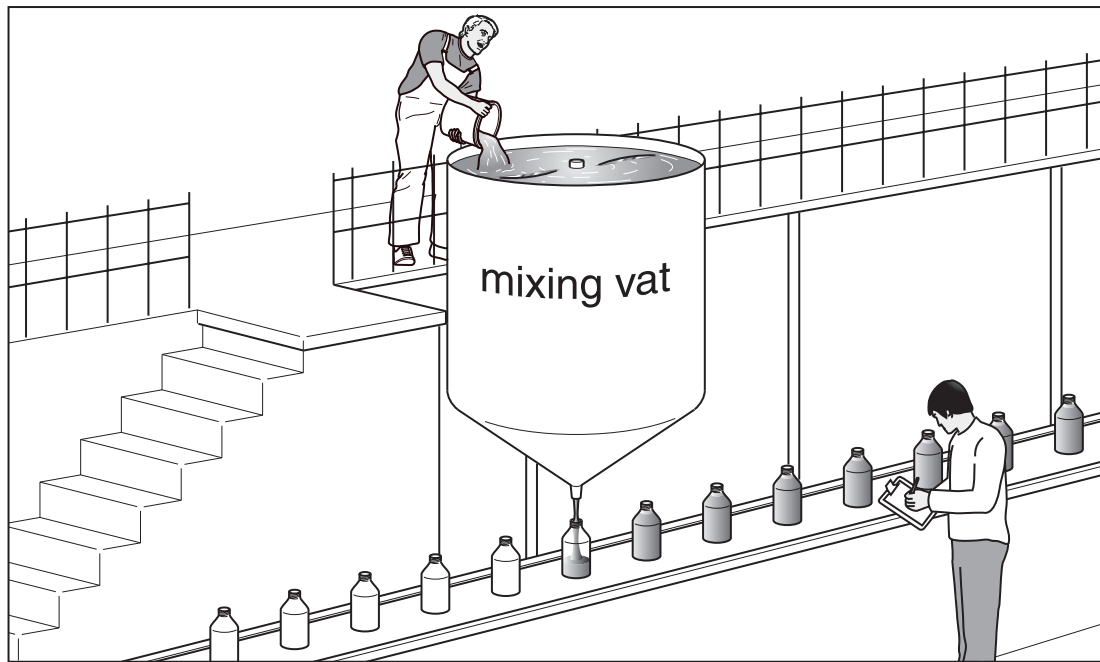


Fig. 1

2 Refer to Text 2.

(a) In the context of health and safety, what is meant by the term 'risk'?

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(b) Give **three** main features of the Manual Operations Handling Regulations (1992).

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(c) Explain **two** possible workplace health and safety risks which may occur at SBS.

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(d) Explain **three** possible methods which *SBS* could take to minimise risks on the shop floor.

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[Total: 20]

Text 3

Phil, a shop floor shift manager, was concerned about the conditions of work on the shop floor and decided to carry out a risk assessment. He went down to the shop floor and observed the activities of one of the workers. Sam, a production worker, carried heavy chemical drums up the steps and poured their contents into the mixing vat. As usual, dust flew everywhere as the chemicals were poured. The blades of the mixer went around as Sam watched the mixture turn liquid and a consistent colour. Once the colour was even, Sam pressed a button and the mixer started pumping out measured amounts of liquid into bottles on the production line below. Phil watched as the bottles filled up and lids were put on the bottles by workers on the line. As the bottles moved along the conveyor belt they were put into boxes by workers at the end of the production line ready for distribution to the supermarkets.

Phil considered all that he had seen and decided that some of the workforce's grumbles about conditions may be justified. He decided that if the conditions of work improved, the complaints might stop and productivity may even increase. He went to his office to think about how this could be done.

3 Refer to Text 3.

(a) Explain **three** problems *SBS* may encounter if it does not attempt to minimise risks on the factory floor.

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(b) Explain **two** ways in which **on-the-job** training may be of benefit to *SBS*.

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(c*) Evaluate the extent to which good working conditions are important to *SBS*.

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Text 4

As Phil sat in his office considering how to improve working conditions for the shop floor workers, he started by drawing up a risk assessment for shop floor activities. He was concerned about a number of issues (**see Fig. 2**).

Type of risk	Level of risk (High, Mid, Low)	Extent of risk (High, Mid, Low)
Injury from manually handling weight (drums)	Low	Mid
Airborne chemical particles causing irritation to eyes	Mid	Mid
Lack of hand rail on steps creating risk of falling	Mid	High

Fig. 2

Phil was just moving on to draw up contingency plans for what to do in the event of an accident, when a loud alarm disturbed his thoughts. Looking from his window to the shop floor below, he saw that Sam must have lost his footing whilst going up the steps to the mixing vat. Sam had fallen onto the conveyor belt knocking bottles everywhere and was travelling the length of the factory much to the amusement of the conveyor belt operators. When Sam finally got off the conveyor belt in the bottle packing area he was complaining of a sore back and sprained wrist. As there was no health and safety representative on this shift, he was given a lift to hospital by one of the delivery drivers.

4 Refer to Text 4.

(a) Identify the **five** stages of a risk assessment.

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As a result of Sam’s accident, there is a threat that production might have to stop for 48 hours.

(b) Explain **two** ways in which a contingency plan would help *SBS* in this situation.

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