



Rewarding Learning
ADVANCED SUBSIDIARY (AS)
General Certificate of Education
2009

Business Studies

Assessment Unit AS 1

assessing

Module 1: Objectives and
The Business Environment

[AST11]

WEDNESDAY 10 JUNE, MORNING



TIME

1 hour.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number on the Answer Booklet provided.
Answer **both** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 50. Quality of written communication will be assessed in **all** questions.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

ADVICE TO CANDIDATES

You are advised to take account of the marks for each part question in allocating the available examination time.

1 Study the information below and answer the questions that follow.

Business Size

As part of a project during her work placement with Invest NI, university student Caroline Melly was asked to investigate small firms in the Craigavon Borough Council area. Her mentor, Karen Mortimer, also asked her to quantify the number of these firms in the primary, secondary and tertiary sectors.

Caroline found the task more difficult than she expected. She discovered that there was only limited information available. Often she was forced to get data from sources such as the Borough Council offices and the Chamber of Commerce. In addition, Caroline spent considerable time contacting individual businesses to gather relevant information. In her interim report to Karen, Caroline stated that some businesses were small in certain aspects but large in others, depending upon how they were measured.

Although the focus of her investigation was on small firms, Caroline noted that several multinational businesses had chosen to locate in the area. She considered that there would be both advantages and disadvantages of such businesses locating in Northern Ireland.

- (a) Explain **three** ways that Caroline might have used to measure the size of businesses. [10]
- (b) Discuss the impact on the local economy of a multinational business locating in Northern Ireland. [15]

- 2 Study the information below and answer the questions that follow.

The Decision-making Process

White's, a business originally started by John White as a corner shop in Lisburn, has grown over the past 30 years into a diversified organisation with outlets and interests in several local towns and villages. White's employs over 80 staff in areas as diverse as supermarkets, petrol stations, off-licences, oil distribution and commercial rental properties.

John's daughter Leanne has just completed a Business Studies degree and since the age of sixteen has worked part-time in most areas of the business, holding responsibilities at different levels. Her father's diminishing role in the business means that Leanne has had to take responsibility for more and more decisions. Her studies have made Leanne aware of the importance of having an effective decision-making process in the business.

Some of the staff have been with the business for many years and have gained invaluable experience in specific functional areas and with particular customer groups. However, Leanne is aware that many decisions are currently taken on an individual basis, by herself or other managers. She is considering whether it would be better for key decisions within White's to be made by groups rather than individuals.

- (a) Explain **three** different types of decisions that are made in a business such as White's. [10]
- (b) Discuss the advantages and disadvantages of introducing group decision-making within White's. [15]

THIS IS THE END OF THE QUESTION PAPER

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