

ADVANCED GCE
BUSINESS STUDIES
Business Production
F296

Candidates answer on the Question Paper

OCR Supplied Materials:

- Resource Booklet

Other Materials Required:

- Calculators may be used

Monday 25 January 2010**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.
- The information required to answer questions 1–6 is contained within the Resource Booklet.
- 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, however additional paper may be used if necessary.

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**.
- The quality of your written communication will be taken into account when marking your answers to questions labelled with an asterisk (*).
- This document consists of **12** pages. Any blank pages are indicated.



**A calculator may
be used for this
paper**

2

Answer all questions.

- 1 Analyse **two** ways in which production decisions at Café Black will impact on other departments.

- [6]

- 2*** Evaluate the implications for Café Black of implementing a system of Total Quality Management (TQM).

[13]

. [13]

- 3** Analyse **two** operational benefits to Café Black of having locally sourced components.

[6]

- [6]

- 4*** Discuss the extent to which Café Black might gain from “specialisation and the division of skilled labour” (line 20).

[13]

. [13]

- 5 The table below shows the cost of producing CN17 coffee machines.

Coffee machine 'shell' cost	£995 per unit
Pipework & electrical component costs	£1,770 per unit
Direct labour	£4,000 per unit

Calculate the contribution each CN17 coffee machine makes to the overheads and profit of Café Black if it sells at its standard price.

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Answer: [4]

- 6*** The cost of delivering 60 CN17 machines to *Green Bean* would be £4,750. Considering production and other issues, should Café Black accept the order from *Green Bean*? Justify your answer.

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