

Surname		Other Names	
Centre Number		Candidate Number	
Candidate Signature			

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General Certificate of Secondary Education
June 2004



**BUSINESS STUDIES SPECIFICATION B
Foundation Tier
Paper 3**

3133/3F

F

Monday 28 June 2004 1.30 pm to 2.45 pm

No additional materials are required.
You may use a calculator.

Time allowed: 1 hour 15 minutes

Instructions

- Use blue or black ink or ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions in the spaces provided.
- Do all rough work in this book. Cross through any work you do not want marked.
- If you need additional space, you should continue your answers at the end of this book, indicating clearly which question you are answering.

Information

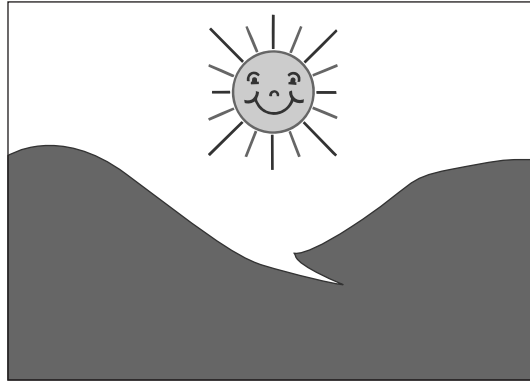
- The maximum mark for this paper is 105.
- Mark allocations are shown in brackets.
- You should use examples wherever appropriate to support your explanations or arguments.
- You will be awarded up to 5 marks for the quality of your written communication, including spelling, punctuation and grammar.

For Examiner's Use			
Number	Mark	Number	Mark
1			
2			
Total (Column 1)	→		
Total (Column 2)	→		
Quality of Written Communication			
TOTAL			
Examiner's Initials			

Answer **all** questions in the spaces provided.

1

Lower Valley Ltd



Lower Valley Ltd is a large company producing yogurt and yogurt drinks from its modern factory. It employs approximately 2200 people in total, who work over two shifts. The first shift runs from 6am until 2pm and the second shift from 2pm until 10pm.

The work is unskilled but well paid for the local area. Lower Valley Ltd has a high turnover of staff and the majority of workers have been employed for less than a year. The management style adopted by the supervisors is autocratic and there are few opportunities for promotion.

William Shore, the Human Resources Manager, feels that the turnover of staff is not a problem. At their last monthly meeting, William discussed staffing with Nicole Smith, the Production Manager.

Nicole:

Over the next six months, we are adding an extra night shift to increase production. This will mean increasing our workforce by 1100 people.

William:

We have no problem in recruiting staff because we pay so well.

(a) What is meant by the term *shift working*?

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(2 marks)

(b) Explain the problems that the high turnover of staff might cause Lower Valley Ltd.

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(9 marks)

QUESTION 1 CONTINUES ON THE NEXT PAGE

Turn over ▶

(d) Describe **two** ways in which Lower Valley Ltd could increase the motivation of its production workers.

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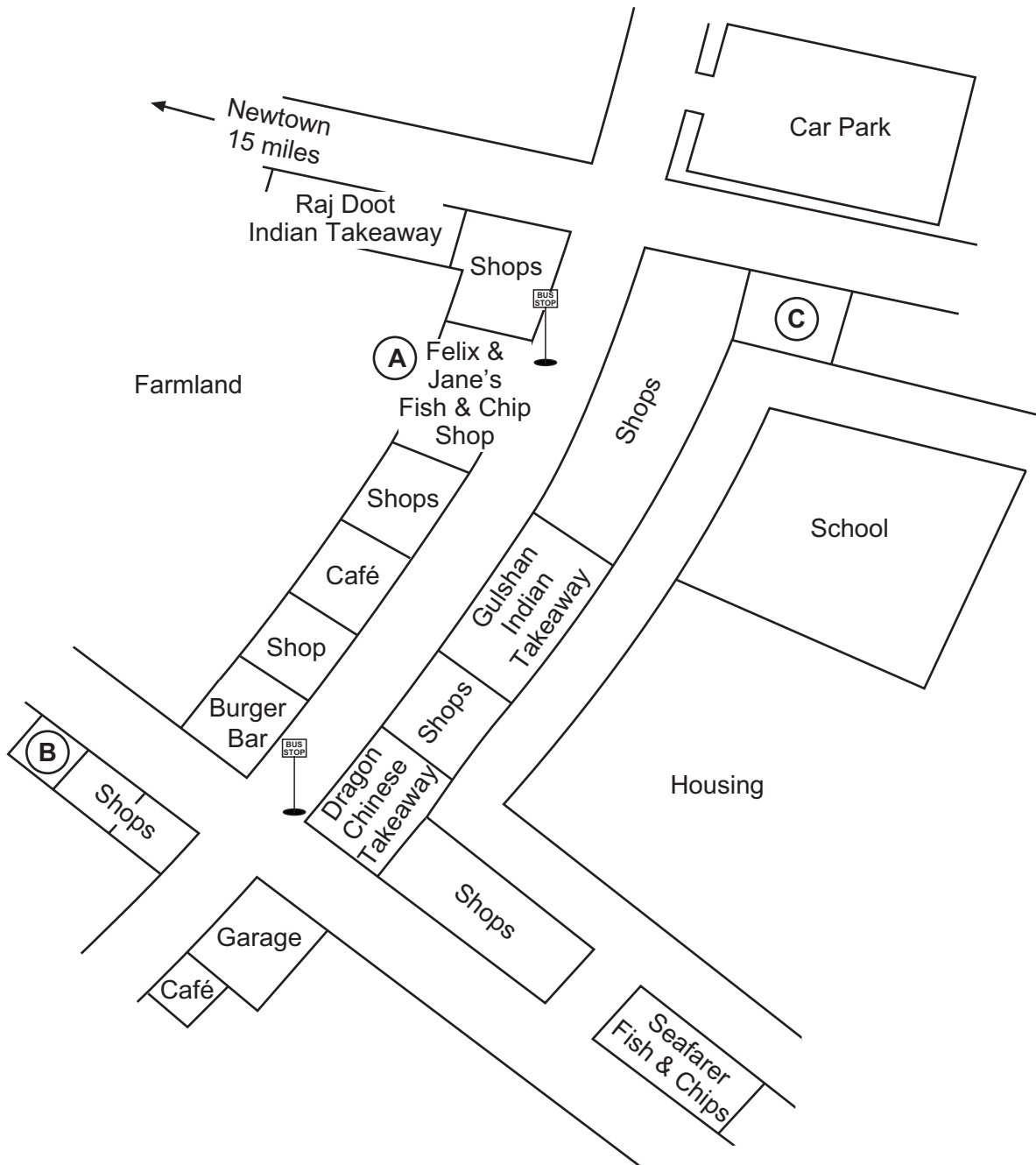
(9 marks)

QUESTION 1 CONTINUES ON THE NEXT PAGE

Turn over ▶

2

Felix and Jane Keep are partners in a small fish and chip shop in the centre of Altown. The town has a population of around 8000 people and is 15 miles from Newtown, the nearest other town. It is surrounded by farmland and villages.



Recently, a well-known chain of burger bars has opened an outlet in the town. The opening attracted a lot of publicity both on local radio and in newspapers. For its opening, the burger bar invited a well-known celebrity to cut the ribbon and sign autographs.

Since the opening of the burger bar, Felix and Jane have been very worried by how few customers they are getting. In order to continue with their business, Felix and Jane feel that they will need to change their marketing mix.

(a) What is meant by the term *marketing mix*?

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(4 marks)

QUESTION 2 CONTINUES ON THE NEXT PAGE

Turn over ►

(b) **Look at the map showing the centre of Altown.** When Felix and Jane were choosing a location for their fish and chip shop, they were able to choose between sites **A, B** or **C**.

Discuss the advantages and disadvantages of **each** of these sites and explain why you think they chose Site **A**.

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(12 marks)

(d) If Felix and Jane were to buy a mobile fish and chip van, they would need to raise £12 000. To raise this money they could:

- obtain a bank loan;
- find a further partner to join the business.

Discuss the advantages and disadvantages of **each** of these options.

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(8 marks)

- (e) Felix and Jane also decided that they could target schoolchildren by placing their mobile van outside the local secondary school at lunchtime. Mrs Clarke, a parent, has written to the headteacher to complain about this plan. Explain why you think Mrs Clarke might be concerned.

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(8 marks)

END OF QUESTIONS

