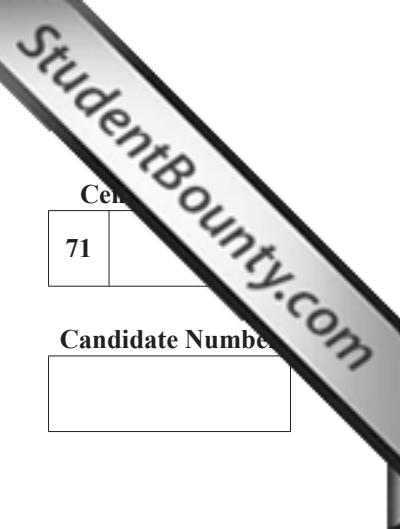




Rewarding Learning

General Certificate of Secondary Education

2009



Centre Number

71	
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Candidate Number

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Business Studies

Paper 1
Higher Tier

[G1203]



TUESDAY 26 MAY, AFTERNOON

TIME

1 hour 30 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

There should be enough space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this booklet.

Answer **all three** questions.

This paper is accompanied by a case study. You must **not** use your own annotated copy of this case study.

INFORMATION FOR CANDIDATES

The total mark for this paper is 79, including a maximum of 4 marks for quality of written communication.

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

For Examiner's use only	
Question Number	Marks
1	
2	
3	
QWC	

Total Marks	
--------------------	--

1 (a) (i) Which type of economic system exists in The United Kingdom and Ireland?

_____ [1]

(ii) Outline **two** features of this type of economic system.

_____ [4]

(b) (i) Suggest **one** suitable aim for Hastings Hotels Group and show how this aim might affect the business.

_____ [4]

Examiner Only	
Marks	Remark

(ii) Explain how ethical and moral issues might impact on the business aims of Hastings Hotels Group.

[4]

(c) Select a functional area from the Organisation Chart, **Fig. 2** on page 4 of the Case Study, and explain the duties and responsibilities which might be involved in that functional area.

[3]

Examiner Only	
Marks	Remark

(d) (i) Outline **two** factors which might have influenced the growth of Hastings Hotels Group.

_____ [4]

(ii) Identify and explain the type of integration which has taken place at Hastings Hotels Group. Use examples to support your answer.

_____ [5]

Examiner Only	
Marks	Remark

2 (a) Use the Case Study to show how Hastings Hotels Group has made use of **two** factors of production.

1. _____

_____ [2]

2. _____

_____ [2]

(b) Discuss the impact of ICT on communications for Hastings Hotels Group.

_____ [4]

Examiner Only	
Marks	Remark

(c) (i) The Hastings Hotels Group uses Job Descriptions and Contracts of Employment. Name and explain **one** other document involved in the recruitment process.

[3]

(ii) Discuss **two** factors that might influence the choice of recruitment methods used by Hastings Hotels Group.

[4]

Examiner Only	
Marks	Remark

(d) Apart from interview, recommend and evaluate **one** suitable method of selection which Hastings Hotels Group might use.

[5]

(e) Assess the importance of training, from an employee's viewpoint.

[5]

Examiner Only	
Marks	Remark

3 (a) (i) Define the term “financial economies of scale”.

[2]

(ii) Show how Hastings Hotels Group might have benefited from financial economies of scale.

[4]

(b) (i) Explain how Hastings Hotels Group might use market-led pricing.

[4]

Examiner Only	
Marks	Remark

- (ii) Suggest and justify **one** other pricing strategy that Hastings Hotels Group might use.

[3]

- (c) Analyse **three** ways in which Hastings Hotels Group has segmented its market.

[6]

Examiner Only	
Marks	Remark

(d) Show how the Trade Descriptions Act might affect business activity in the hotels.

[6]

Examiner Only	
Marks	Remark
Quality of written communication	

THIS IS THE END OF THE QUESTION PAPER



Rewarding Learning

General Certificate of Secondary Education

2009

Business Studies

Case Study
for use with
Paper 1

Foundation Tier and Higher Tier

[G1201] [G1203]

TUESDAY 26 MAY, AFTERNOON



G1201G1203

You must use **this** clean copy of the Case Study in the examination and not your own annotated copy.

HASTINGS HOTELS GROUP LIMITED



Hastings Hotels Group Logos and Map

Fig. 1

Background

Founded over thirty years ago by the Hastings family, the Hastings Hotels Group is Northern Ireland's premier hotel group.

Originally the family owned thirteen bars. Dr William Hastings started work in his family firm at the age of eighteen years. By the late 1950s he had established bottling facilities at each outlet and, as the business continued to grow, he decided that a central store would be more efficient. He purchased a facility at Lord Street in East Belfast for £5,000 and named it the Sandown Bottling Company. It was intended to supply only the group bars.

Soon the small bottling business had outgrown the premises in Lord Street. A similar, but larger, operation called the Bridge End Bottling Company (owned by the Irish Whiskey Company) found itself in the same situation with premises too small for its operations. Driven by the need to expand, the two companies merged their operations and formed the Ravenhill Bottling Company. William Hastings and Bill O'Hara (Managing Director of the Irish Whiskey Company) owned 50% each. Continued growth and success saw the company become the first ever bottler of Carlsberg Beer outside Copenhagen – this led other international firms to allow the Ravenhill Bottling Company to bottle their brands. Eventually the business sold out to Bass. A few years later the bars were also sold.

The hotel industry was beginning to grow steadily and it was evident that Northern Ireland did not have enough bedrooms for the growing tourist industry. With no real strategy, but having the instinct to make a profit, to change direction from the pub trade, and to increase and improve business at every opportunity, Dr Hastings started to buy hotels.

Purchase and Takeover of Hotels

The first hotel which Dr Hastings established was the Stormont Hotel, situated on the outskirts of Belfast. It was converted from a large house into a ten bedroom unit. Today it is a four-star hotel, with 110 bedrooms and large conference facilities.

In 1968 Dr Hastings took over the Ballygally Castle Hotel which is situated near Larne on the beautiful Antrim Coast road. At that time the hotel had 20 bedrooms. Today it is a four-star hotel with 44 bedrooms and conference facilities.

In 1969 the magnificent Culloden Hotel, situated in Cultra, was purchased and taken over. It was then a small 13 bedroom hotel. Today it is a five-star hotel with 105 bedrooms, conference facilities, luxurious spa facilities and large private grounds.

In 1971 the Slieve Donard Hotel in Newcastle was bought as part of a group of six hotels (five were later sold off). Today it is a four-star hotel, with 178 bedrooms and conference and spa facilities, set on the coast and in the foothills of the Mourne Mountains.

In 1973 the Everglades Hotel was bought. Today it is a four-star hotel with 61 bedrooms and a purpose-built conference and exhibition centre. It is the only Hastings hotel in the North West of the Province.

In 1994 the Europa Hotel became part of the Group after it went into receivership and was offered for sale. Today, this Belfast city centre four-star hotel has 275 de luxe bedrooms which include 89 superior suites, 56 executive bedrooms, four junior suites and one presidential suite.

Today the Hastings Hotels Group has a portfolio of six hotels across Northern Ireland, offering guests an impressive choice of venues – from city-based hotels, to hotels set amongst breathtaking scenery or beside world famous golf courses – all with luxury accommodation, gourmet dining and outstanding service.

Structure

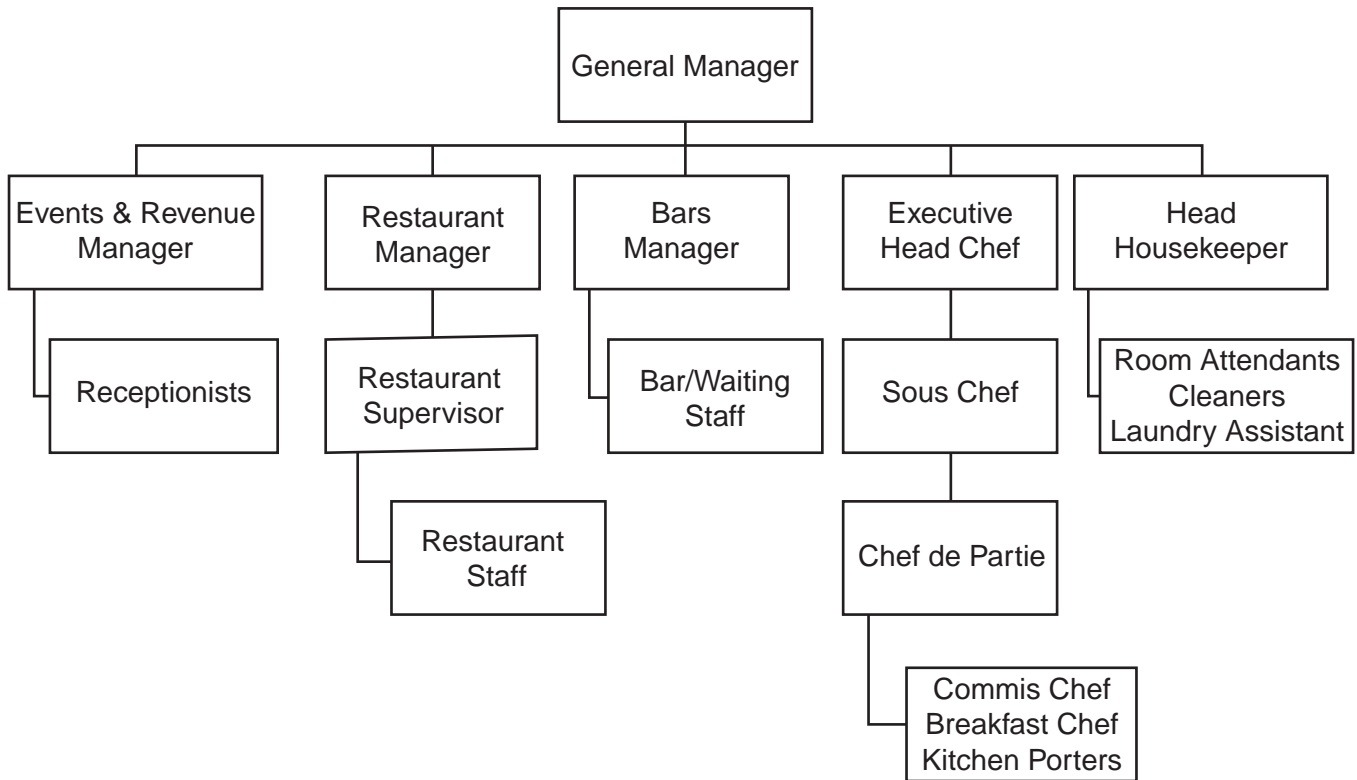
The Hastings Hotels Group's management structure is hierarchical with policy and major decisions being made in Head Office (based in the Stormont Hotel). Each hotel has a General Manager who is responsible for the day-to-day running of that hotel and ensuring that company policies and procedures are met.



Head Office Organisation Chart

Fig. 2

BALLYGALLY CASTLE



Ballygally Castle Hotel Organisation Chart

Fig. 3

Recruitment

The six hotels employ a total of 610 full-time staff and 300 part-time staff. The advertisement for, and recruitment of, all staff are the responsibility of Head Office.

The Human Resources Manager at Head Office draws up the advertisements. They are then placed in local papers, in the careers section of the hotel website and in www.nijobs.com. More senior positions are advertised in the Belfast Telegraph Jobfinder and sometimes in a UK hospitality magazine called The Caterer. More recently, the Human Resources Manager visited Poland with a Recruitment Consultant to recruit spa therapists.

The Human Resources Manager then liaises with the appropriate General Manager and Section Head to form an interview panel. The interview takes place at the relevant hotel and the Human Resources Manager from Head Office travels to that location.



JOB DESCRIPTION

Job Title: Sous Chef (2nd Chef)

Department:

Location:

Reports to:

Purpose of Role

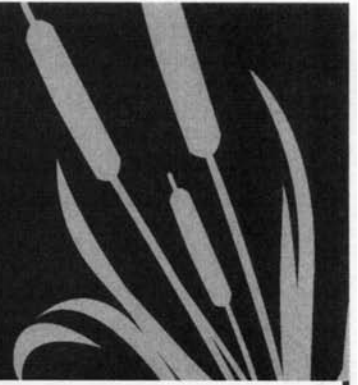
To assist with the management of the kitchen for the greatest enjoyment of the guests and maximum profit contribution to the hotel.

Key Tasks

1. To take responsibility for the effective leadership of the kitchen employees in the absence of the Executive Head Chef, to ensure the efficient operation of the kitchen and the delivery of Hastings product and service standards.
2. To promote and contribute to a harmonious working environment where all employees are treated with respect and dignity.
3. To ensure quality standards and procedures are fully understood, implemented and regularly reviewed, and that formal and informal feedback is used to ensure continual improvement.
4. To ensure company policies relating to stock control and stock ordering are implemented and monitored, taking appropriate action to resolve problems.
5. To ensure all kitchen employees receive appropriate training, coaching and development to provide effective and efficient service in line with Hastings standards.
6. To maintain effective communication and relationships with other hotel departments, suppliers and agencies to maintain an effective operation and ensure guest satisfaction.
7. To ensure the kitchen area, fixtures and equipment are properly maintained and presented to Hastings standards.
8. To ensure the security of kitchen and storage areas is maintained at all times.
9. To ensure a safe environment is maintained in compliance with health, safety, fire, hygiene and security legislation and company policies and procedures.
10. To seek and continuously develop knowledge relating to the industry sector and competitor activity, to provide input into future plans and activities, and so maintain and enhance market position.
11. To ensure the hotel's compliance with all matters relating to food hygiene regulations, environmental health laws and all other relevant legislation.

Job Description for a Sous Chef

Fig. 4



The Everglades Hotel, one of the North West's leading 4 star hotels, is currently looking to recruit a:

SOUS CHEF

Applicants with imagination and flair must have at least 3 years' experience working in a high quality food service operation. Candidates must have suitable catering qualifications and a food hygiene certificate.

For further information and application forms, please contact the HR Manager by telephone or e-mail or visit the careers section of our website

www.hastingshotels.com

Closing date for applications:
5 October

**Everglades Hotel, Prehen Road,
Londonderry BT47 2NH**



Job advertisement for Sous Chef

Fig. 5

Training

The staff of the different hotels is recognised as an important resource and motivation and training are key elements in the success of the company.

All training is carried out in-house and full use is made of on-the-job training. Staff may gain NVQ qualifications and some members of staff have been trained as assessors. This gives the company the opportunity to develop training courses relevant to its needs, helping it to gain competitive advantage.

Branding

Until recently the hotels were branded under the parent brand “Hastings” but the company has now developed a new branding strategy. Working with a leading advertising and design agency, AV Browne, a comprehensive brand audit was carried out to assess the current brand position. The original oval logo of Hastings had been created so that it would be recognisable as a family of logos. Taking into consideration changes in the market, it was decided to develop an individual logo for each hotel. These logos would then be further supported with the parent logo of Hastings. The new individual logos would convey to the customers that each hotel is an independent, unique, upmarket experience.

This proved to be a massive undertaking. The relatively simple task of redesigning the logos impacted on every single piece of print, stationery, brochures, signage, advertising, website, uniforms, badges, pencils, pens, towels and the rubber ducks which are given to each guest who stays in the hotels. The new brands have helped to create a stronger and more confident sales and marketing message to all potential and existing customers. Each hotel is marketed separately so that the Group appeals to different market segments.

Customers receive a bi-annual magazine – “Crown” – to inform them of developments, special offers and up-to-date hotel news. A rubber duck is placed in each hotel room and the customers are encouraged to take the ducks home and then send in pictures of the duck on its travels.



Are We Quackers?

According to popular belief - No! Then why are we happy to see over £4000 worth of little yellow ducks disappear from our hotels' bathrooms every year? It's simple, we believe that these little executive stress ducks create a great marketing profile for Hastings Hotels. These little ducks have been a regular feature in Hastings Hotels bathrooms since 1990. The initial concept was introduced when Marketing Director, **Julie Maguire** read an article in the Observer on Sunday newspaper which indicated that having a rubber duck in your bath can greatly relieve the tensions and stresses of everyday life, especially if you are a busy executive!

Everyone now loves the little yellow ducks, and we don't mind if guests take them home with them. So next time you're tempted to pop one in your luggage, don't worry, we have no intention of '**quacking down**' on you!

Although our little ducks are home birds, it seems that even after 12 years of bobbing around in hotel baths, hiding in guests' luggage and languishing in comfort at guests homes, the little ducks still like to travel. In fact it's amazing how far around the world they've managed to migrate!

We at **CROWN** would like you to send us photographs of you with your Hastings duck in unusual or exotic locations around the world, and the best of these will win a luxury weekend for two at the Hastings Hotel of their choice!

Please send your photos to:

Duck Competition,
Hastings Hotels, PO Box 1066,
Belfast BT15 1NL or email them to
meandmyduck@hastingshotels.com

We'll put the best of the flock on the website and publish a selection in the next issue of Crown.

Inside this bumper 24 page Issue

Elephant Room opens	3
The Culloden Hotel has all the answers	8
Celebrity Clipboard	10 & 11
Enjoy the Festive Season at Hastings Hotels.....	12 & 13
Discovery Tours, Fun & Adventure with The National Trust	18
Careers Fair for Hospitality Industry 2002	21
Winning Lifetime Customers at Hastings Hotels	23



Front page from Crown Magazine

Fig. 6

Pricing

The hotels use a number of pricing policies which differ from hotel to hotel and are influenced by demand, competition and time of year.

Use the website to complete the following information: (www.hastingshotels.com)

Hotel	Grade	Price pps 2 nights b&b	Price pps 2 nights b&b
		2008	2009
Culloden	*****	£165	£160
Stormont	****	£120	£120
Europa	****	£130	£130
Slieve Donard	****	£150	£150
Everglades	****	£100	£100
Ballygally Castle	****	£100	£100

Rates quoted are inclusive of two nights' bed and full Irish breakfast, tax and also subject to availability.

Leisure Weekend Breaks

Fig. 7

Bookings may be made in person, by telephone, by fax or on-line.

Each hotel in the group has a unique character and offers the guest something different. Each offers a wide range of facilities from bed and breakfast accommodation and short breaks, to evening meals or Sunday lunches. Each hotel also can cater for various functions from Christmas meals to formal dinners, fund raising events, weddings and conferences.

ROOM SPECIFICATIONS



		RIVER ROOM	1625 ROOM	DUNGEON ROOM
SIZES	Total Area	146.5m ²	61.8m ²	46m ²
	Room Size	15.1m x 9.7m	6m x 10.3m	7.3m x 6.3m
	Room Height	3.1m	2.8m	2.2m
	Entrance Width	2.2m	0.75m	0.86m
MEETINGS	Theatre Style	Up to 200	Up to 40	Up to 30
	U-Shape	Up to 40	Up to 25	Up to 20
	Boardroom	N/A	Up to 28	Up to 20
	Classroom	Up to 80	Up to 20	Up to 15
CONFERENCE / RECEPTION	Cocktail	Up to 150	Up to 36	Up to 30
	Informal	Up to 150	Up to 40	Up to 30
DINNER DANCE / DINING WEDDING / FORMAL *	Circular	Up to 140	Up to 36	Up to 30
	Long Tables	Up to 150	Up to 40	Up to 30
FEATURES	Soundproof	X	✓	✓
	Air Conditioning	✓	X	X
	Blackout	X	X	✓
	Wheelchair Access	✓	X	✓

PARKING

COMPLIMENTARY CAR PARKING FOR 50 CARS OPPOSITE THE HOTEL
100 Further Spaces Adjacent to Hotel

* Please Note - the Dungeon Room & 1625 Room are not suitable for Dinner Dances / Formals



Ballygally Castle, Coast Road, Ballygally, County Antrim, BT40 2QZ

T. +44 (0) 28 2858 1066 F. +44 (0) 28 2858 3681 E. conf@bgc.hastingshotels.com W. www.hastingshotels.com

Room Specification – Ballygally Castle Hotel

Fig. 8



**TREAT YOURSELF OR SOMEONE
SPECIAL TO A MAGNIFICENT
PINK AFTERNOON TEA.**

**IN AID OF THE ULSTER CANCER FOUNDATION'S
BREAST CANCER APPEAL.**

Our Pink Afternoon Tea includes a selection of delicious sandwiches, savouries, pastries, cakes and scones, a choice of speciality teas and coffees, and a glass of pink champagne cocktail.

Available for parties of two or more, you can enjoy a Pink Afternoon Tea any day of the week from 2.30 - 5pm.

Simply contact the hotel and give 24 hours notice.

£25 PER PERSON

With £5 from each tea sold helping support the Ulster Cancer Foundation services for women with breast cancer.


www.hastingshotels.com

Flyer advertising afternoon tea in the Culloden Hotel

Fig. 9

The Future

To maintain its strength in an increasingly competitive marketplace, the Hastings Hotels Group has been looking to the future. It has recently achieved four-star status for the Ballygally Castle Hotel, has recently completed extensive renovations to the Slieve Donard Hotel and a large extension will shortly be completed at the flagship Culloden Hotel.

With experienced management – conscious of the aspirations of its workforce – an owner and chairman who is still closely involved with the running of the company, the future remains bright for the Hastings Group.