

Candidate Name	Centre Number	Candidate Number



OXFORD CAMBRIDGE AND RSA EXAMINATIONS
General Certificate of Secondary Education

BUSINESS STUDIES B (1952)
BUSINESS ORGANISATION
HIGHER TIER

2321/2

Tuesday **21 JUNE 2005** Afternoon 1 hour 15 minutes

No additional materials are required.
Candidates answer on the question paper.

TIME 1 hour 15 minutes

INSTRUCTIONS TO CANDIDATES

Write your name, Centre number and candidate number in the spaces at the top of this page.

Answer **all** questions.

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

The spaces should be sufficient for your answers but if you require more space use the lined pages at the end of the booklet and number your answers carefully.

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 in marking your answer to the question marked with an asterisk (*).

FOR EXAMINER'S USE	
Question 1	
Question 2	
Question 3	
Question 4	
TOTAL	

This question paper consists of 8 printed pages and 4 lined pages.

Question 1

M J Bushnell Ltd is a leading soft drinks manufacturer. It operates in the private sector.

(a) What is meant by the private sector?

.....[1]

(b) Mark Bushnell, Managing Director, has recently appointed Joanna Jones as Marketing Manager.

(i) State and explain **one** task that Joanna might carry out in her role as **manager** of the marketing department.

.....
.....
.....[2]

(ii) An organisation chart shows the relationship between the Managing Director and all the staff.

Explain the relationship between the Managing Director and the Marketing Manager in a typical business.

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.....[2]

(iii) Mark and Joanna have offices next to each other.

Explain how they could communicate effectively with each other.

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.....
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.....
.....
.....[4]

(c) Mark has asked Joanna to look at the pricing policy used by M J Bushnell Ltd and to recommend which pricing method it should use for its soft drinks.

(i) Explain **two** suitable methods of setting prices for M J Bushnell's soft drinks.

1. Method

Explanation

.....

.....

2. Method

Explanation

.....

.....[4]

*(ii) Recommend which of these methods M J Bushnell Ltd should use. Give reasons for your recommendation.

Recommendation

Reasons

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.....[5+2]

[Total : 20]

QWC

2 Newsound plc is a new small company producing sound systems including amplifiers and speakers. It has hired Sara Quinlan, a business consultant, for advice.

(a) Explain **two** business objectives Sara might identify as being relevant for Newsound plc.

- 1.
.....
.....
- 2.
.....
.....[4]

(b) Sara has suggested that Newsound plc should adopt a Just in Time [JIT] method of stock control.

(i) Explain what is meant by a Just in Time method of stock control.
.....
.....
.....[2]

(ii) Explain how a Just in Time method of stock control could help improve the cash flow of a business such as Newsound plc.
.....
.....
.....[2]

(c) Newsound plc uses batch production methods to produce its sound systems.

Explain **two** advantages to Newsound plc of using batch production.

- 1.
.....
.....
- 2.
.....
.....[4]

(d) Businesses use both on-the-job and off-the-job training for their workers.

Choose a business you have studied.

Name of business

Discuss whether on-the-job or off-the-job training is the most suitable method of training its workers.

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.....[6]

[Total : 18]

- 3 Richard Taylor is the Treasurer of the AEBE, an educational charity. He has drawn up its budget for the coming financial year. This is shown in Fig. 1.

Budget for September 2005 to August 2006	
Income	£
Membership subscriptions	<input type="text"/>
Sales of, and advertising in, the AEBE magazine	20 000
Income from conferences	25 000
Other income	5 000
<i>TOTAL INCOME</i>	<i>130 000</i>
Expenditure	£
Cost of running the office and staff salaries	60 000
Cost of providing services to members	30 000
Production costs of the AEBE magazine	30 000
Other costs	10 000
<i>TOTAL EXPENDITURE</i>	<i>130 000</i>
Surplus/deficit	<input type="text"/>

Fig. 1

- (a) Explain **one** reason why organisations draw up a budget each year.

.....

[2]

- (b) (i) Using Fig. 1, calculate the value of membership subscriptions. Show your working.

.....
[1]

- (ii) Explain why the value of the surplus/deficit might be appropriate for a charity.

.....

[2]

