

4200/31/01

NATIONAL WEDNESDAY, 30 MAY
QUALIFICATIONS 1.00 PM – 2.30 PM
2012

BUSINESS
MANAGEMENT
STANDARD GRADE
Credit Level

- 1 Read each question carefully.
- 2 Attempt **all** the questions.
- 3 All answers are to be written in the answer book provided.



[BLANK PAGE]

1.



Although much smaller than many of its better known rivals, The National Caledonian Bank Group plc (NCB) has grown through internal and external growth. The even smaller Scotia Bank became part of the Group after a take-over.


NCB was one of the first banks in Scotland to offer full internet banking service to customers.

NCB announced job losses from insurance businesses owned by the Group. This included office closures in Oban, Inverness and Elgin as NCB tries to cut costs in the business.

- | | | |
|-----|---|---|
| (a) | (i) Name the method of integration that took place when NCB took over Scotia Bank. | 1 |
| | (ii) Give one advantage and one disadvantage to NCB of this takeover. | 2 |
| (b) | (i) Give one advantage and one disadvantage of internet banking to customers. | 2 |
| | (ii) NCB store data on their customers. Suggest 3 ways in which NCB can ensure they comply with the Data Protection Act. | 3 |
| (c) | Describe social and economic costs of the closure of the insurance offices. | 2 |
| (d) | (i) Other than job losses through branch closures, suggest 2 ways the business could cut costs. | 2 |
| | (ii) Suggest 2 ways in which NCB can ensure that customers are satisfied with the service the bank provides. | 2 |

[Turn over

2.



The image shows a graph titled 'Product Life Cycle' with 'Sales' on the vertical axis and 'Time' on the horizontal axis. A bell-shaped curve represents the sales over time, with three vertical dashed lines marking different stages. To the right of the graph are several Sony products: a mobile phone, a BRAVIA TV, a PSP game console, a VAIO laptop, and a camcorder. Below the products is the Sony Pictures Television logo.

Sony are a multinational company. They manufacture a range of electronic products, including games consoles, laptop computers and TVs. Sony are also involved in the entertainment industry.

Competition is fierce in these markets and Sony are constantly producing new products and services to attract customers. This means that they have products at all stages of the Product Life Cycle.

- (a) (i) Name and describe **2** stages of the Product Life Cycle. 4
- (ii) Suggest and justify how altering the “Product” and “Price” elements of the Marketing Mix could extend the Product Life Cycle of a Sony Laptop. 4
- (b) Sony is a multinational business. Describe **2** benefits of being a multinational business. 2
- (c) Other than “competition”—identify and describe **2** external factors that could affect the success of Sony’s products. 4
- (d) Suggest and justify an appropriate promotion strategy for the following Sony products. A different strategy and justification must be given for each product:
- Sony PSP hand-held game console;
 - Sony Camcorder;
 - Sony-Ericsson mobile phone. 6

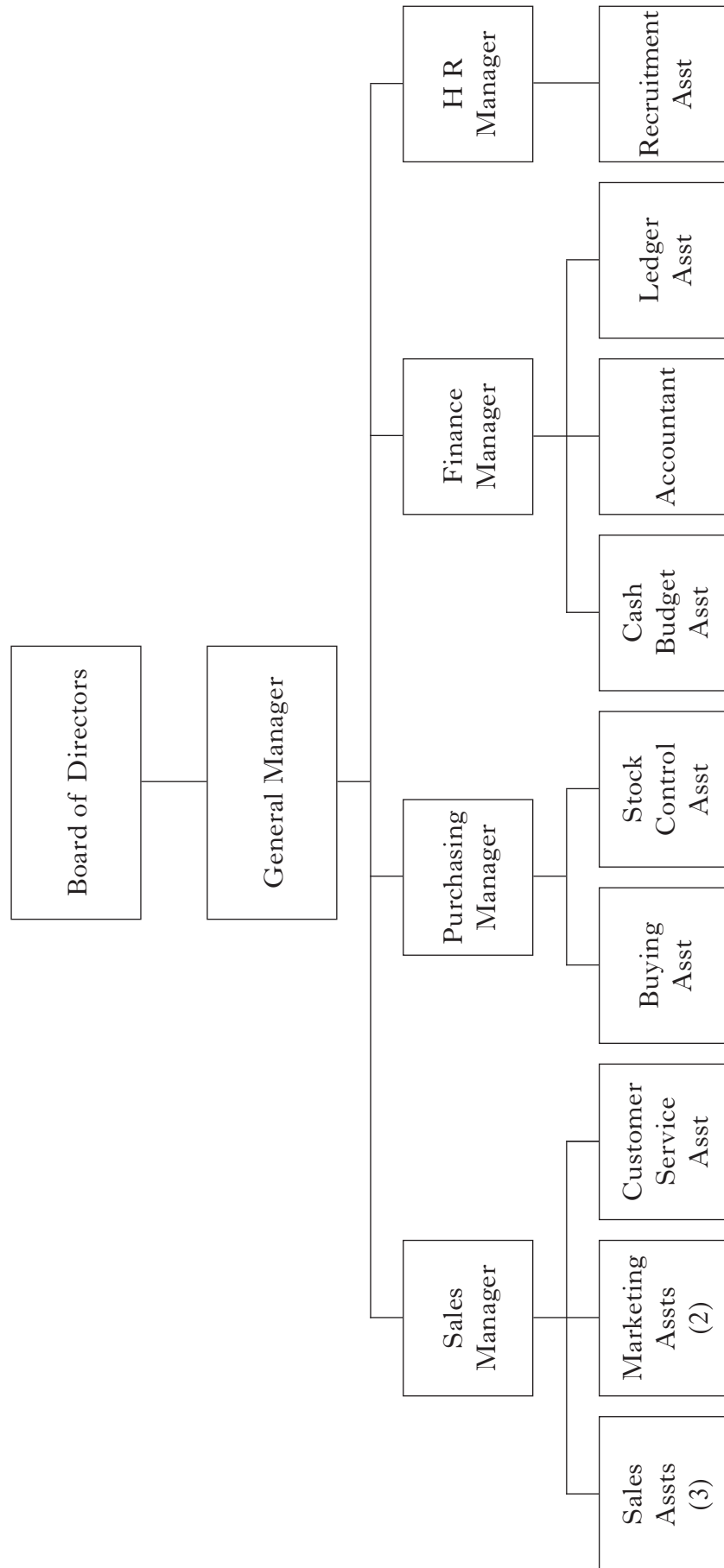
3.



- (a) Children 1st is a charity which operates in the Voluntary Sector. Identify and describe the **2** other Sectors of the Economy. 4
- (b) Describe how the aims of a charity, such as Children 1st, might differ from those of a business, such as Sony. 2
- (c) Suggest a reason why people may choose to work for a charity like Children 1st. 1
- (d) Suggest **2** problems Children 1st may have in recruiting employees. 2

[Turn over

4. Scottish Highland Dress Ltd pride themselves on making “Scotland’s Finest Kilts”. Study the organisation chart of the business and answer the following questions.



4. (continued)

- | | KU | DM |
|---|----------|----------|
| (a) (i) Identify the manager who has the widest span of control. | | 1 |
| (ii) Identify 2 employees who have a Line Relationship with the General Manager. | | 2 |
| (b) Describe the role of a manager in an organisation. | 4 | |
| (c) Describe 2 criteria a Purchasing Assistant would look for when choosing a supplier. | 2 | |
| (d) Describe the following 2 quality measures that can be used in a business to ensure the highest quality kilts are made: | | |
| • Quality Circles; | | |
| • Benchmarking. | | 2 |

[Turn over for Question 5 on *Page eight*

5.

THE PRINCE'S
SCOTTISH YOUTH
BUSINESS TRUST

Youth Business
Scotland

Young Entrepreneur Training Course

TOP TIPS FOR BUSINESS START UP	
MARKETING	FINANCE
1 Select Target Market	1 Arrange finance
2 Do Market Research	2 Prepare Cash Budget
3 Choose method of promotion	3 Apply for EU grants

- (a) Suggest **3** ways in which young entrepreneurs can conduct Primary Market Research. 3
- (b) Give **2** reasons for preparing a Cash Budget. 2
- (c) Suggest **3** possible causes of a Cash Budget Deficit for a business. 3
- (d) (i) Other than gaining grants, describe **2** benefits of trading in the EU. 2
- (ii) Other than Prince's Trust Youth Business Scotland, suggest and justify another source of advice for young entrepreneurs. 2
- (e) Give **2** examples of each of the following sources of information used in a business: 4
- Internal;
 - External.

[END OF QUESTION PAPER]

ACKNOWLEDGEMENTS

Question 1 replaced as permission to reproduce logos for RBS and associated companies refused by copyright owner The Royal Bank of Scotland plc

Question 2—Sony logo and products. Reproduced by kind permission of Sony UK Ltd.

Question 3—Screenshot of Children 1st website. Reproduced by kind permission of Children 1st.

Question 8—Logo of The Prince's Trust Youth Business Scotland. Reproduced by kind permission of Youth Business Scotland.