

FOR OFFICIAL USE

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**F**

KU      DM

Total

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**4200/27/01**

NATIONAL                      WEDNESDAY, 30 MAY  
 QUALIFICATIONS      9.00 AM – 10.00 AM  
 2012

**BUSINESS  
 MANAGEMENT  
 STANDARD GRADE**  
 Foundation Level

**Fill in these boxes and read what is printed below.**

Full name of centre

Town

Forename(s)

Surname

Date of birth

Day      Month      Year

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Scottish candidate number

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Number of seat

1. Read each question carefully.
2. Attempt **all** the questions.
3. All answers are to be written in this answer book.
4. Do **not** write in the margins.
5. Before leaving the examination room you must give this book to the Invigilator. If you do not, you may lose all the marks for this paper.



Marks

	KU	DM
1		
1		
2		
3		

1.

**Andy Inglis sells bottled seawater for cooking.**

Andy gave up a highly paid job to start his own business in the Western Isles. The business is called Acquamara.



(a) Bottled seawater is an example of:

	Tick (✓) the correct answer
a good	
a service	

1

(b) Give **one** reason for starting your own business.

\_\_\_\_\_

\_\_\_\_\_

1

(c) Suggest **2** ways of measuring success for a business.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

(d) Give **3** places Andy Inglis could sell his bottled seawater.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

3 \_\_\_\_\_

\_\_\_\_\_

3

1. (continued)

Marks

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(e) Identify Acquamara's Factors of Production from the pictures and descriptions below.

Use the following word bank.

<b>Land</b>	<b>Labour</b>	<b>Capital</b>	<b>Enterprise</b>
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Acquamara	Factor of Production
 Factory Worker	
 Andy Inglis	
 Bottling Machinery	
 Sea Water	

4

Marks

KU	DM

2.



**Graham's Dairy is the largest independent dairy in Scotland.**

**It plans to stay that way!**

(a) Suggest **2** ways in which Graham's Dairy could compete with other dairies.

1 \_\_\_\_\_  
 \_\_\_\_\_

2 \_\_\_\_\_  
 \_\_\_\_\_

2

(b) Suggest **2** different ways in which Graham's Dairy could carry out market research.

1 \_\_\_\_\_  
 \_\_\_\_\_

2 \_\_\_\_\_  
 \_\_\_\_\_




2

2. (continued)

Marks

KU DM

- (c) Study the pictures below showing the **input**, **process** and **output** system for the production of butter.

Picture A	Picture B	Picture C
		
<b>Finished Product</b>	<b>Raw Materials</b>	<b>Production</b>

Complete the table to identify which picture shows **input**, **process** or **output**.

<b>Picture A</b>	
<b>Picture B</b>	
<b>Picture C</b>	

3

- (d) Name the Functional Area in business responsible for making a product.

\_\_\_\_\_

1

- (e) Graham's Dairies bought over Angus Dairies Ltd.

- (i) When a large business buys a small business this is known as:

	<b>Tick (✓) the correct answer</b>
a Merger	
a Takeover	

1

- (ii) Give **one** advantage of Graham's Dairies buying Angus Dairies Ltd.

\_\_\_\_\_

1

[Turn over

Marks

KU	DM

3.

**Edinburgh businesses feel the effects of recession.**



**The 5-star Glass House hotel closes.**

(a) In an economic recession:

	Tick (✓) the correct answer
sales fall	
sales rise	

1

(b) Describe **one** reason why businesses fail.

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1

(c) The Glass House hotel was an example of a small business.

Identify **one** feature of a small business.

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1

**[Turn over for Question 4 on *Page eight***

Marks 

KU	DM
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4.

Strathmore Woollen Company Ltd received a grant from Angus Council to promote their tartans.



(a) Strathmore Woollen Company Ltd is an example of a:

	Tick (✓) the correct answer
Sole trader	<input type="checkbox"/>
Partnership	<input type="checkbox"/>
Private Limited Company	<input type="checkbox"/>

1

(b) Other than a Council grant, identify 2 other places a business can get finance.

1 \_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
\_\_\_\_\_

2

(c) Suggest 3 different ways Strathmore Woollen Company Ltd could advertise tartans.

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

3

(d) Strathmore Woollen Company Ltd advertise around the world.

Name the Functional Area in business responsible for advertising.

\_\_\_\_\_

1



4. (continued)

Marks

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(e) Strathmore Woollen Company Ltd employ 15 people in their Forfar business. Staff are offered flexible working.

Match the following types of flexible working with the definitions.

<b>Full-time</b>	<b>Temporary</b>	<b>Part-time</b>
<b>Job sharing</b>		<b>Flexitime</b>

Definition	Flexible working
Working “nine-to-five” 5 days a week.	
The employee chooses when to start and finish work provided they are in the workplace during core time.	
Employment is for a short period.	
A job is shared with someone else.	
Where an employee works fewer hours than a full-time worker.	

5

[Turn over

5.



(a) Identify **2** reasons why London was chosen as a location for the Olympics.

	Tick (✓) the 2 correct answers
Bad roads	
Good sports facilities	
Shortage of workers	
Government grants	

2

(b) State whether the following methods of communication are written, oral or visual.

**The first one has been done for you.**

	Written/Oral/Visual
Speech opening the London Games.	Oral
Newspaper article on the Olympic Games.	
Flying the national flag of the medal winners.	
Replay of race on a video screen.	
Loudspeaker announcing the next race.	

4

5. (continued)

Marks

KU	DM

(c) The London Olympics needs volunteers to make the games a success. These vacancies, which included 10,000 volunteer drivers, were advertised on London’s Olympic website.

(i) Suggest **2** pieces of information that could have been contained in the job advertisement.

1 \_\_\_\_\_

2 \_\_\_\_\_

2

(ii) Give **one** disadvantage of using a website to advertise vacancies.

\_\_\_\_\_

1

(d) Name **2** qualities or skills that would be looked for in a volunteer driver for the London Olympics.

1 \_\_\_\_\_

2 \_\_\_\_\_

2

(e) Name the Functional Area in business responsible for recruitment and selection of staff.

\_\_\_\_\_

1

[Turn over

5. (continued)

(f) The Special Olympics is a charity set up for children and adults who are disabled.

Describe one aim of a charity.



Marks

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1	

Marks

KU	DM

6.



**Mackie's ice cream is sold in China for the first time.**

(a) Other than selling abroad, suggest **2** ways that a business can grow.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

(b) Sometimes communicating with customers can be difficult.

Suggest **one** problem Mackie's might have communicating with customers overseas.

\_\_\_\_\_

\_\_\_\_\_

1

**[Turn over**

6. (continued)

Marks

(c) Mackie's uses ICT to communicate.

Match the following examples of ICT with the tasks in the table.

<b>Fax machine</b>	<b>Mobile phone</b>
<b>Internet website</b>	<b>Video conferencing</b>

Use each example only once.

Task	ICT
Contact Sales Representative overseas.	
Inform customers worldwide about a new flavour of ice cream.	
Have a meeting with Company Directors in other parts of the world without travelling.	
Urgently send a copy of a sales report from Scotland to China.	

4

(d) Describe **one** advantage of using ICT to communicate.

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1

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6. (continued)

Marks

KU	DM
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Mackie's uses wind-power to reduce electricity costs in their factory. This saves them money.



(e) Suggest **2** other ways of reducing costs.

1 \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2

(f) Name the Functional Area in business responsible for recording money.

\_\_\_\_\_

1

[END OF QUESTION PAPER]

## ACKNOWLEDGEMENTS

Question 2—Various images relating to Graham's Dairy. Reproduced by kind permission from Graham's the Family Dairy Group Ltd, Airthrey Kerse Farm.

Question 6—Photograph of Mackie's ice cream. Reproduced by kind permission of Mackie's of Scotland.