

FOR OFFICIAL USE

--	--	--	--	--	--

**F**

KU DM

Total

--	--

**4200/401**

NATIONAL QUALIFICATIONS 2010  
 FRIDAY, 14 MAY  
 9.00 AM – 10.00 AM

**BUSINESS  
 MANAGEMENT  
 STANDARD GRADE**  
 Foundation Level

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

Full name of centre

Town

Forenames

Surname

Date of birth

Day Month Year

--	--	--	--	--	--

Scottish candidate number

--	--	--	--	--	--	--	--	--	--

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.



1.


## STAGECOACH GROUP

*greener smarter travel*

Brian Souter and Ann Gloag founded the Stagecoach Group.

The company operates a range of luxury buses called the **Goldline**.

Stagecoach plan to spend £4.5 m upgrading 29 buses for the Fife – Edinburgh route.



**Source: The Daily Mail, 30 October 2007**

(a) A business owned by 2 people is known as:

	Tick (✓) the correct answer
Sole Trader	<input type="checkbox"/>
Partnership	<input type="checkbox"/>

1

(b) Brian Souter and Ann Gloag are examples of Scottish entrepreneurs. Describe the role of an entrepreneur.

---



---



---

1

(c) Suggest 2 ways Goldline could attract passengers onto their buses.

1 \_\_\_\_\_

---

2 \_\_\_\_\_

---

2

Marks

KU	DM
----	----

1. (continued)

(d) Stagecoach plan to invest £4.5 m on new buses.

Suggest **one** source of finance for a large company like Stagecoach.





1

(e) Identify the **Factors of Production** used by Stagecoach.

Use the following word bank.

<b>Land</b>	<b>Labour</b>	<b>Capital</b>	<b>Enterprise</b>
-------------	---------------	----------------	-------------------

The first one has been done for you.

Stagecoach	Factor of Production
 Brian Souter	<b>Enterprise</b>
 Bus Driver	
 Buses	
 Site of new Bus Station	

3

2.

**Mary's Meals**

This Scottish charity feeds 300,000 children daily in Africa, Eastern Europe, Asia and Latin America.

Food is provided at school to encourage children to learn.



Source: [www.marysmeals.org](http://www.marysmeals.org)

(a) Suggest **2 different** aims of a charity like Mary's Meals.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

(b) Suggest **2** fund-raising events to raise money for Mary's Meals.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

**2. (continued)**

(c) Mary's Meals is an example of a charity.

Identify which of the following 2 organisations are also charities.


	<b>Tick (✓) the 2 correct answers</b>
 <p style="font-size: small;">In aid of <b>BBC</b> <b>Children in Need</b> <small>© BBC 2007 Reg. charity England &amp; Wales no. 802052 and Scotland no. SC029537</small></p>	
Children in Need	
	
Tesco	
	
National Health Service	
	
Oxfam	

2

**[Turn over**

3.

Shell reports largest profit ever earned by UK firm.



**Source: Radio Scotland, 31 January 2008**

(a) Identify the correct calculation of profit.

	Tick (✓) the correct answer
Sales – Costs = Profit	<input type="checkbox"/>
Sales + Costs = Profit	<input type="checkbox"/>
Costs – Sales = Profit	<input type="checkbox"/>

1

(b) Other than profit, give 2 ways of measuring success.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

(c) Shell sells oil to provide energy.  
Identify 2 stakeholders of Shell.

	Tick (✓) the 2 correct answers
Customers of Shell	<input type="checkbox"/>
Other oil manufacturers	<input type="checkbox"/>
Shell employees	<input type="checkbox"/>
Wind farm owners	<input type="checkbox"/>

2

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

4.



Rockstar North is one of the world's leading video game developers and is based in Edinburgh.

It has been so successful that Sony's top selling Playstation computer game was invented by Rockstar North.

**Source: The Sunday Times, 27 April 2008**

(a) A computer game is an example of a:

<b>Tick (✓) the correct answer</b>	
Good	
Service	

(b) Suggest **2** reasons why game developers need to keep up-to-date.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

1

2



Marks 

KU	DM
----	----

4. (continued)

(c) Sony sells lots of different computer games.

Suggest 2 reasons why Sony sells more than one type of game.



1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

[Turn over

Marks

KU	DM
----	----

5.

**Sweet taste of success**

Alexander Grant was an Edinburgh baker. In 1839 he invented the famous digestive biscuit for the Scottish manufacturer McVitie & Price.



170 years later the chocolate covered version was voted the nations' favourite biscuit in an online poll for OnePoll.com.

**Source: Adapted from The Daily Mail, 14 June 2008**

(a) Other than an online poll, suggest **2** methods of carrying out market research.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

2



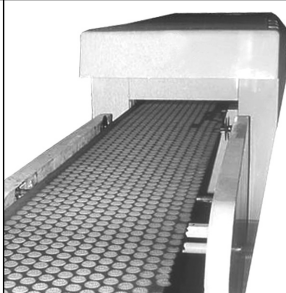
(b) Suggest **2** reasons why the chocolate digestive biscuit is such a success.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

2

5. (continued)

(c) Study pictures A, B and C below.

Picture A	Picture B	Picture C
		
Chocolate, oatmeal, flour, water and labour	Chocolate digestive biscuit	Baking the raw materials

From the pictures above complete the table to identify the 3 stages of production.

Stages of Production	Picture A, B or C
Input	
Process	
Output	

3

(d) The Scottish firm McVitie & Price merged with McFarlane & Lang to become United Biscuits.

Suggest **one** reason for the firms merging.

\_\_\_\_\_

\_\_\_\_\_

1

(e) Suggest **2** different ways of advertising chocolate digestive biscuits.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

Marks 

KU	DM
----	----

6.



Kirriemuir based company Hi-Fli Banners and Flags Limited have introduced an Employee of the Month Scheme to reward staff.

They also plan to recruit more staff as demand for banners and flags increases.

**Source: adapted from Kirriemuir Herald, 27 March 2008**

- (a) Other than Employee of the Month, suggest **2** other ways of rewarding staff for hard work.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

- (b) Place the following recruitment and selection steps in the correct order.

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

<i>Steps</i>	<i>Order</i>
Send out letters of acceptance/rejection	
Candidates are interviewed	
Job is advertised	1
Read Application Forms	
Send out Application Forms	

4

- (c) Name the **Functional Area** responsible for recruitment and selection.

\_\_\_\_\_

1

Marks	KU	DM
2		
1		
1		

**6. (continued)**

(d) An Application Form may be completed when applying for a job.

Suggest **2** different pieces of information which might be included in an Application Form.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

(e) An Application Form is an example of:

	Tick (✓) the correct answer
Verbal communication	
Written communication	

(f) Other than an Application Form, identify **one** document which is used in the recruitment and selection process.

\_\_\_\_\_

\_\_\_\_\_

**[Turn over**

Marks 

KU	DM
----	----

7.

From David Beckham's famous missed penalty ball in Euro 2004 to Jamie Oliver's scooter . . . ebay has it all for sale.



The World's Online Marketplace has 200 million registered users worldwide and at any one time there are 10 million items for sale.

Source: Sunday Mail, 13 January 2008

(a) The people who advertise their products on ebay are:

	<b>Tick (✓) the correct answer</b>
Buyers	
Sellers	

1

(b) Suggest **one** reason for the success of ebay.

---



---

1

(c) E-mail can be used to keep track of bids on ebay.  
Suggest **one** piece of hardware necessary to receive e-mail.

---







---

1

7. (continued)

(d) Identify a suitable software application to complete the following business tasks.

**Give a different software application for each task.**

Business Task	Software Application
Produce a business letter 	
Make calculations and produce a graph 	
Store names and addresses 	
Produce a flyer 	

4

(e) Give **one** problem of using ICT in business.

---




---

1

**[Turn over**

Marks	KU	DM
2		
2		
1		

8.




Orkney

Orkney is made up of over 70 islands 10 miles off the coast of Caithness.

The main town on the islands is Kirkwall and this is where the famous Orkney Cheese is manufactured and sold by McLelland and Son.

Rises in the price of milk and electricity are increasing production costs says Orkney Cheese Chairman Marcus Wood.



**ORKNEY  
CHEESE**

**Source: The Press and Journal, 22 June 2008**

(a) Other than milk and electricity, suggest **2** possible costs in making Orkney Cheese.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

2

(b) Suggest **2** ways Orkney Cheese could reduce costs.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

2

(c) Suggest what could happen if a business does not cover its costs.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1



Marks **KU** **DM**

**8. (continued)**

- (d) The Orkney Cheese Company Ltd started in Kirkwall on 1 July 1946.  
Identify **2** possible reasons for choosing a location.

	Tick (✓) the 2 correct answers
Close to raw materials	
Far from labour	
No suitable premises	
Government Grants	

2

[END OF QUESTION PAPER]

## ACKNOWLEDGEMENTS

Question 1—Stagecoach logo and photographs are reproduced by kind permission of Stagecoach Group plc.

Question 2—Logo, photograph and information are taken from **www.marysmeals.org**. Reproduced by kind permission of Mary's Meals.

Question 2(c)—Tesco logo is reproduced by kind permission of Tesco Stores Limited.

Question 2(c)—The Oxfam logo on Page 5, is reproduced with the permission of Oxfam GB, Oxfam House, John Smith Drive, Crowley, Oxford OX24 2JY, UK **www.oxfam.org.uk**. Oxfam GB does not necessarily endorse any text or activities that accompany the material.

Question 2(c)—Pudsey Bear logo. Permission is being sought from BBC Children in Need.

Question 3—Shell logo is reproduced by kind permission of Shell International Limited.

Question 4—Rockstar North logo. Permission is being sought from Rockstar North.

Question 4(c)—Photograph of Sony computer games. Permission is being sought from Sony Computer Entertainment Europe.

Question 5—Photographs of McVities Digestive and Plain Chocolate Digestives biscuits are reproduced by kind permission of United Biscuits (UK) Ltd.

Question 6—Hi-Fli Banners & Flags logo is reproduced by kind permission of Hi-Fli Banners & Flags Ltd.

Question 7—Screenshot of an eBay webpage is reproduced by kind permission of eBay International AG.

Question 7—Article is adapted from “Jamie makes 2.4m from his front room” by Graeme Lennox, from *The Sunday Mail*, 13 January 2008. Reproduced by permission of Scottish Daily Record and Sunday Mail Ltd.

Question 8—Orkney Cheese logo is reproduced by kind permission of The Orkney Cheese Company.

**[BLANK PAGE]**

**[BLANK PAGE]**