

FOR OFFICIAL USE

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	KU	DM
Total		

4200/401

NATIONAL
QUALIFICATIONS
2011

WEDNESDAY, 25 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

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.



1.

Entrepreneur Competition

Michelle Mone OBE is looking for strong leaders in a Dragons' Den type competition to attract new entrepreneurs.

Three successful entrepreneurs will win a shop unit at the Wellgate Shopping Centre in Dundee worth up to £250,000.



(a) A leader who listens to staff is:

	Tick (✓) the correct answer
a Democratic leader	
an Autocratic leader	

1

(b) Other than strong leadership, identify **2** roles of an entrepreneur.

1 _____

2 _____

2

(c) One way for a business to measure success is the number of customers. Suggest **2** other ways of measuring success.

1 _____

2 _____

2

<i>Marks</i>	KU	DM
2		
2		

1. (continued)

(d) Suggest **2** ways in which Michelle Mone OBE could communicate with the new entrepreneurs.

1 _____

2 _____

(e) The entrepreneurs will complete a Business Plan when starting up.
Give **2** headings which might appear in a Business Plan.

Heading 1 _____

Heading 2 _____

[Turn over

2.

Dream about setting up your own business?

Sisters Fleur and Abi did just that when they started a porridge-in-a-pot company called "grasshopper".



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

	Tick (✓) the correct answer
Sole Trader	
Partnership	

1

(b) Fleur and Abi use organic ingredients.

Suggest 2 other ways of improving the porridge.


1 _____

2 _____

2

2. (continued)

Study the Cash Budget below for grasshopper porridge-in-a-pot.

	Month 1	Month 2	Month 3
	£	£	£
Opening Balance	0	-30,000	-55,000
Income	5,000	25,000	155,000
	5,000	-5,000	100,000
Expenditure	35,000	50,000	75,000
Closing Balance	-£30,000	-£55,000	£25,000

(c) From the Cash Budget above, identify the most successful month:

	Tick (✓) the correct answer
Month 1	<input type="checkbox"/>
Month 2	<input type="checkbox"/>
Month 3	<input type="checkbox"/>



1

(d) Identify **one** possible effect of poor cash flow.


1

[Turn over

Marks

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3.

<p>Wimbledon is the oldest and most famous tennis tournament in the world.</p> <p>Over £12.5 million in prize money is awarded to players.</p>	
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(a) Suggest **3** ways in which sports like tennis, or football, can raise money.

1 _____

2 _____

3 _____

3

(b) A tennis score board is an example of which type of communication:

	Tick (✓) the correct answer
Visual	
Oral	



1

Marks

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3	

3. (continued)

(c) Other than celebrity endorsement, identify **3** ways in which a clothing company could advertise its products.

1	_____

2	_____

3	_____

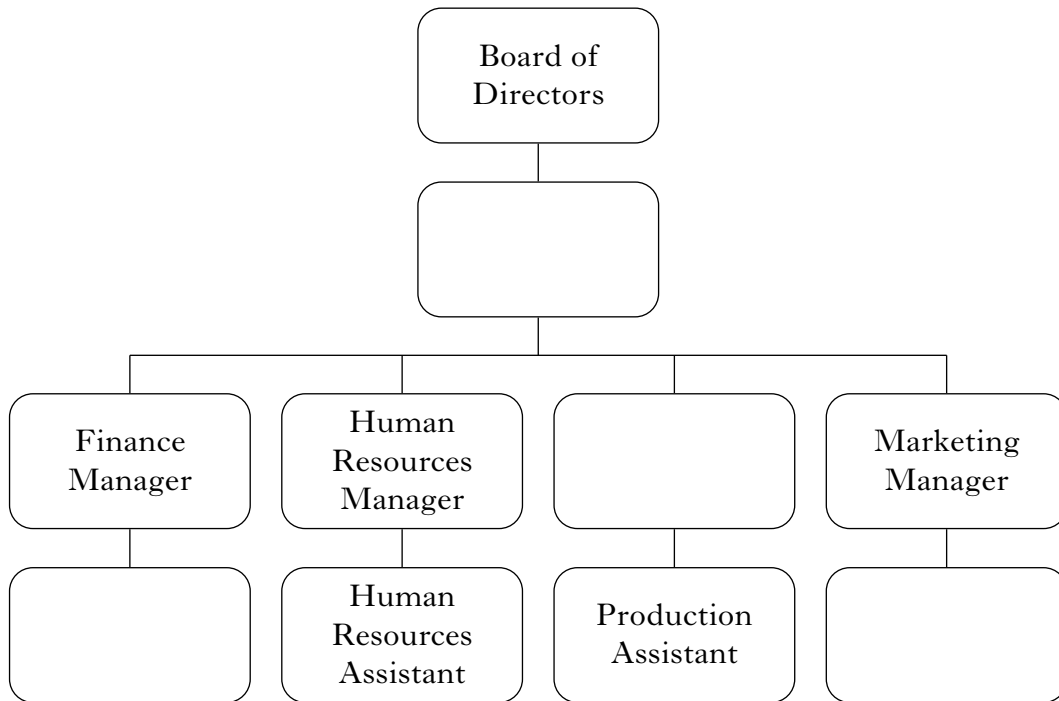
3

[Turn over

4.



The chart below shows the organisation structure of Alba Knitwear Ltd in the Scottish Borders.



(a) Place each of the following job titles in the appropriate box in the organisation chart above.

- | | |
|------------------------------|---------------------------|
| Accounts Assistant | Managing Director |
| Advertising Assistant | Operations Manager |

Marks	KU	DM
1		
1		
1		
2		
1		

4. (continued)

(b) Identify from the chart **2** employees who have the same level of responsibility.

(c) Give **one** task carried out by the Human Resources Assistant.

(d) Name the training provided to **new** employees.

(e) Alba Knitwear Ltd is a small business.
Identify **2** features of a small business.

1 _____

2 _____

(f) Alba Knitwear Ltd operates in the following sector:

	Tick (✓) the correct answer
Public Sector	
Private Sector	
Voluntary Sector	

1

[Turn over

Marks

KU	DM
----	----

5.

Six months after closing their high street stores, Woolworths was trading again, this time online.

(a) Suggest 2 reasons why Woolworths trades online.

1 _____

2 _____

2

(b) Identify **one** piece of hardware necessary to view an Internet website.

1

(c) Suggest 2 pieces of information Woolworths.co.uk could put on their website.

1 _____

2 _____

2

Marks	Marks	
	KU	DM
2		
1		

5. (continued)

(d) Describe **2** problems of using an Internet website to sell goods.

Problem 1 _____

Problem 2 _____

(e) Woolworths.co.uk uses online surveys to make decisions.


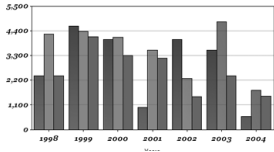

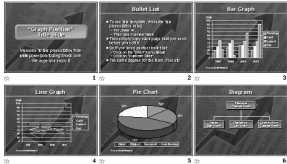
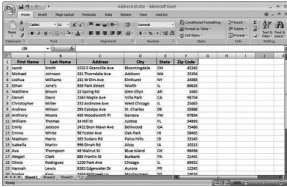
Online surveys are an example of:

	Tick (✓) the correct answer
Primary information	
Secondary information	

[Turn over

6. Suggest a suitable software application that can be used to carry out the following tasks.

Suggest a different software application for each task.

Task	Software application
<p>Prepare a business letter.</p> 	
<p>Carry out calculations and display information in a graph.</p> 	
<p>Produce professional looking business cards.</p> 	
<p>Prepare slides to show at a meeting.</p> 	
<p>Store and sort names and addresses.</p> 	

Marks	KU	DM
1		
2		
1		
3		

7.



Strathmore is one of the fastest growing water brands in the UK.

(a) Suggest a way in which Strathmore Spring might grow.

(b) Identify **2** factors that determine the price of Strathmore Spring.

1 _____

2 _____

(c) When the price for a product falls demand tends to:

	Tick (✓) the correct answer
Rise	
Fall	

(d) **Price** is one of the 4 elements of the Marketing Mix (4 Ps).

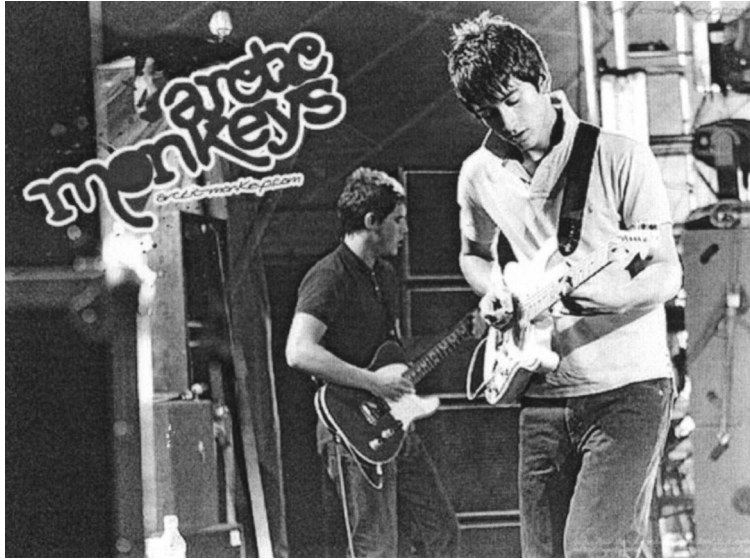
Name the other **3** elements.

	Marketing Mix (4 Ps)
1	Price
2	
3	
4	

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8.



The band Arctic Monkeys gave a live concert at Glasgow's SECC.

(a) A concert is an example of a:

	Tick (✓) the correct answer
Good	
Service	

1

(b) Fans can buy Arctic Monkeys' music at the concert.

Suggest **2** other places the Arctic Monkeys could sell their music.

1 _____

2 _____

2

Marks

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8. (continued)

(c) Suggest a reason why the members of the Arctic Monkeys formed a group.









1

[Turn over for Question 9 on Page sixteen

9. Match the types of business with the examples shown below.

Public Limited Company	Government Organisation	Private Limited Company
Sole Trader	Partnership	Charity

Use each type of business only once.
The first one has been done for you.

Example	Type of Business
Andrzej Kowalski Window cleaner 	Sole Trader
BBC Broadcasting 	
Boots plc 	
Mary's Meals feeding children in Africa 	
Sarah Jones & Tom Smyth Accountants 	
Baxters Ltd 	

5

[END OF QUESTION PAPER]

ACKNOWLEDGEMENTS

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