

**ADVANCED GCE****BUSINESS STUDIES**

Further People in Organisations

**2876**

Candidates answer on the Answer Booklet

**OCR Supplied Materials:**

- 8 page Answer Booklet

**Other Materials Required:**

- A calculator may be used

**Friday 11 June 2010****Afternoon****Duration:** 1 hour 30 minutes**INSTRUCTIONS TO CANDIDATES**

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the spaces provided on the Answer Booklet.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do **not** write in the bar codes.
- If you use additional sheets of paper, fasten the sheets to the Answer Booklet.

**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**.
- You will be awarded marks for the quality of written communication where an answer requires a piece of extended writing.
- This document consists of **4** pages. Any blank pages are indicated.



**A calculator may  
be used for this  
paper**

### Toddwood Carpentry (TC)

Geoff Todd has 20 years experience working with local firms on building sites doing carpentry and joinery jobs. In 2006 he decided to begin his own carpentry business and started Toddwood Carpentry (TC). TC took on contract work for other firms and the general public. He had no experience of running a business or managing employees, but is an excellent craftsman. At first he took jobs he could do himself. But he soon had so much work that he needed to recruit other craftsmen (plumbers, plasterers, joiners and electricians) to carry out contracts he had secured. One particularly large contract, which Geoff had secured in June 2008, was to repair flood damaged houses in Hull. This had meant that he had to hire 30 staff to meet the needs of the contract. 5

Geoff found some reliable and competent craftsmen through recommendations from personal contacts. Other craftsmen came from recruitment agencies. Some of these, however, turned out to be unreliable, or with limited skills. Geoff had enquired about the cost of advertising in local or regional newspapers, but decided it would be too expensive. For some smaller contracts he tried local job centres. He often found they had nobody suitable because of high levels of local demand for the skills TC required. 10  
15

Geoff has also recently contacted two local further education colleges, getting the details of three students who had just completed carpentry courses. However, Geoff, who had no previous experience of interviewing potential recruits, only briefly chatted to them. He then offered them all jobs, to start the following week.

On Monday morning, at nine o'clock, Rob, Tim and Nat duly arrived at the workshop. Geoff was surprised that they did not have tools, safety boots, or hardhats. Nevertheless, they set off to the loft conversion he was supposed to have started four weeks earlier. For most of the day the three of them watched Geoff working on various tasks or sat around cracking jokes and being a nuisance. The next morning, at eight o'clock, Geoff was ready for work, but there was no sign of Rob, Tim and Nat. An hour later they arrived, laughing and joking. "Where have you been?" Geoff shouted, "And where is your safety gear?" 20  
25

"You didn't say when to get here, or that we needed tools or safety equipment", Tim replied, "so we came at the same time as yesterday."

Things did not improve during the day. Geoff had told them to concentrate on cutting and preparing floorboards. When he went to check their progress he saw two of them throwing sawdust at each other. Tim was smoking and listening to music on his MP3 player. Angrily, Geoff told them to get on with their work. 30

"What about our safety equipment?" Nat said. "If we are hurt it will be all your fault".

"I'll get some after we've finished this job; it's not dangerous here, so you won't need any until the next job at a building site", Geoff told him. "I can't afford to buy any safety equipment at the moment until I've been paid some money from the contract for the houses in Hull, so just make sure that you are all careful". 35

For the next three weeks work on the loft conversion progressed slowly. Rob, Tim and Nat did just enough work to stop Geoff complaining too much, realising his limited management skills enabled them to get away with a lot. Work was often held up because one or more of them arrived late, despite Geoff constantly reminding them about the need to be punctual. 40

One evening, on the way back to the workshop, Tim challenged Geoff about pay. "You said we would get £7 an hour for a 40 hour week. My mate is paid £9 an hour, for a 40 hour week, at Phoenix Woodwork. He gets picked up from home. He also gets a 10% weekly bonus on top

of his basic wage, if his work is of good quality, and time and a half for working eight hours on Saturday. You won't let us work on Saturdays because you told us that's when you play golf. You promised us £20 attendance bonus as well, didn't you". 45

Geoff quickly replied, "No attendance bonus was ever mentioned when I first spoke to you about the job".

When the loft conversion was nearing completion Geoff told them, "I can't pay you this week, as I haven't had anything from my contract in Hull yet. You won't get a bonus anyway, because your work has not been up to my standard". 50

Tim replied that they should get a bonus, which was supposed to be for attendance, and that their work was adequate by their standards. Tim then angrily added, "My dad knows some of the people working on your Hull contract. Most of them are thinking of packing up and coming home because you never manage to tell them what they should be doing next and you don't organise the deliveries of materials properly, so they sit about waiting to start work. Often you send two teams to the same job and no one to another". 55

"One team hasn't been paid for the last four weeks, and another team wasn't paid last week. Some of them found out that you're paying people working on similar houses, in different parts of Hull, different pay rates for the same job. Some get piece-rates, others get hourly rates, and different hourly rates for similar work. Some are getting their lodgings paid for and some have to pay for their own. You don't answer your phone when they try to contact you, and don't bother going there to see how the work is progressing. No wonder you haven't been paid anything for the contract and can't buy us enough safety equipment, or pay us on time." 60 65

Despite knowing that all this was true, Geoff lost his temper and said to Tim, "I'm summarily dismissing you for rudeness, lack of effort and gross misconduct."

"A fine boss you turned out to be", was Tim's response. "You can't expect any of us to work hard when we're not treated properly and aren't paid on time. You will be hearing from a solicitor about this, mate. You have no idea how to run a business and I could write all you know about managing people on a postage stamp!". 70

Answer **all** questions.

- 1 (a) (i) Calculate the maximum gross weekly wage Tim could earn if he was working a 40 hour week, plus eight hours overtime on Saturdays, for Phoenix Woodwork (lines 42–44). [4]
  - (ii) Discuss the possible implications to TC of Geoff's approach to remunerating employees. [16]
- (b) Analyse **two** potential benefits to TC of Geoff's recruitment methods. [6]
- (c) Analyse **two** possible consequences to TC of Geoff's attitude to health and safety issues. [6]
- 2 (a) Evaluate the appropriateness of Geoff's management style. [16]
  - (b) Discuss how communication within TC could be improved. [10]

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