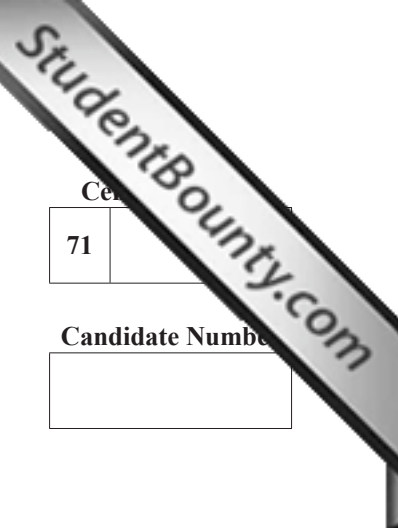




Rewarding Learning

General Certificate of Secondary Education

2010



Centre Number	
71	
Candidate Number	

Business Studies

Paper 1
Foundation Tier

[G1201]



G1201

MONDAY 7 JUNE, MORNING

TIME

1 hour 30 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

There should be enough space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this booklet.

Answer **all three** questions.

This paper is accompanied by a case study. You must **not** use your own annotated copy of this case study.

INFORMATION FOR CANDIDATES

The total mark for this paper is 79, including a maximum of 4 marks for quality of written communication.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

For Examiner's use only	
Question Number	Marks
1	
2	
3	
QWC	

Total Marks	
--------------------	--

(c) Show how Fun and Games Ltd uses any **two** factors of production.

[4]

Refer to the organisation chart on Page 3 of the Case Study.

(d) (i) What is the span of control for the Finance Director?

[1]

(ii) Suggest and explain **two** responsibilities the Finance Director might have.

1. _____

2. _____

[4]

Examiner Only	
Marks	Remark

[Turn over

(e) (i) Fun and Games Ltd carries out appraisal by interview. Suggest **one** other method of carrying out appraisal.

_____ [1]

(ii) Explain **two** reasons why appraisal might be useful to the **employees** in Fun and Games Ltd.

1. _____

_____ [2]

2. _____

_____ [2]

Examiner Only	
Marks	Remark

2 (a) Suggest the most suitable method of recruitment that could be used for the Store Manager. Give **one** reason to support your answer.

[3]

(b) Outline **two** ways Fun and Games Ltd can ensure fairness in the selection of the new Store Manager.

1. _____

[2]

2. _____

[2]

Examiner Only	
Marks	Remark

(c) (i) Refer to the flow diagram on recruitment and selection on Page 4 of the Case Study.

What is the main purpose of a job description?

_____ [2]

(ii) Suggest **two** items that might be included in a job description.

1. _____

2. _____ [2]

(d) Explain **two** reasons why the **employees** in Fun and Games Ltd like to receive training.

1. _____

_____ [2]

2. _____

_____ [2]

Examiner Only	
Marks	Remark

- (e) (i)** Identify from the case study **one** non-financial method of motivation used by Fun and Games Ltd.

_____ [1]

- (ii)** Fun and Games Ltd is considering paying commission on sales as another method of motivation. Suggest **one** benefit and **one** drawback of this method for the **employer**.

Benefit _____

Drawback _____

_____ [4]

- (f) (i)** When should the new Store Manager receive a Contract of Employment?

_____ [1]

- (ii)** List **four** items that should be included in a Contract of Employment.

1. _____

2. _____

3. _____

4. _____ [4]

Examiner Only

Marks Remark

[Turn over

THIS IS THE END OF THE QUESTION PAPER



Rewarding Learning

General Certificate of Secondary Education

2010

Business Studies

Case Study
for use with
Paper 1

Foundation Tier and Higher Tier

[G1201] [G1203]

MONDAY 7 JUNE, MORNING

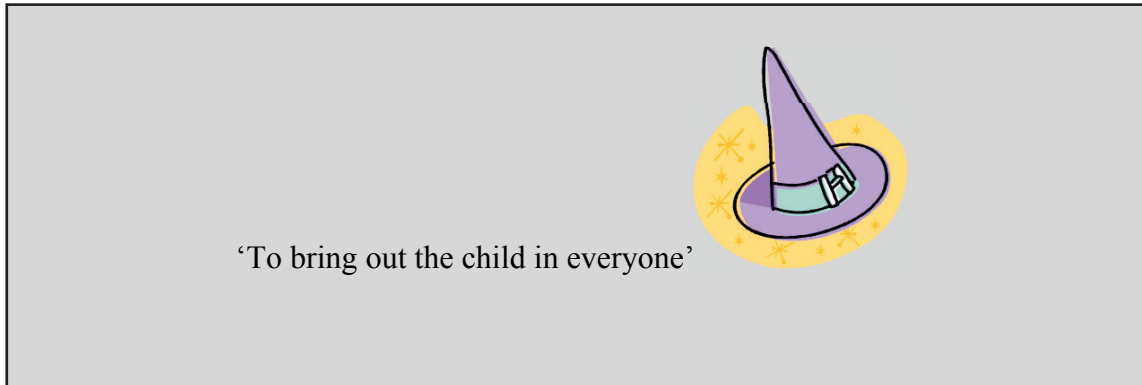


G1201G1203

You must use **this** clean copy of the Case Study in the examination and not your own annotated copy.

Fun and Games Ltd

Mission statement:



Founded in 1979, "Fun and Games" was set up as a partnership by Mr Bennett and his partner Mr Black. On setting up the business they both contributed equal amounts of start up capital and each received the same amount of profit. They formalised the set up of the business by drawing up a Deed of Partnership.

The business was very popular as not only did it provide a wide range of toys and accessories but also specialised in costumes and fancy dress. The first five years saw a rapid growth in sales. By 1989 it became a private limited company and was then called Fun and Games Ltd. By the year 2000 it had opened three other branches throughout Northern Ireland.

Extract from Memorandum/Articles of Association:

Memorandum/Articles of Association

Fun and Games Limited
15 Festive Road
Puddlehill
Northern Ireland

Aim: To sell and distribute toys and costumes for children of all ages

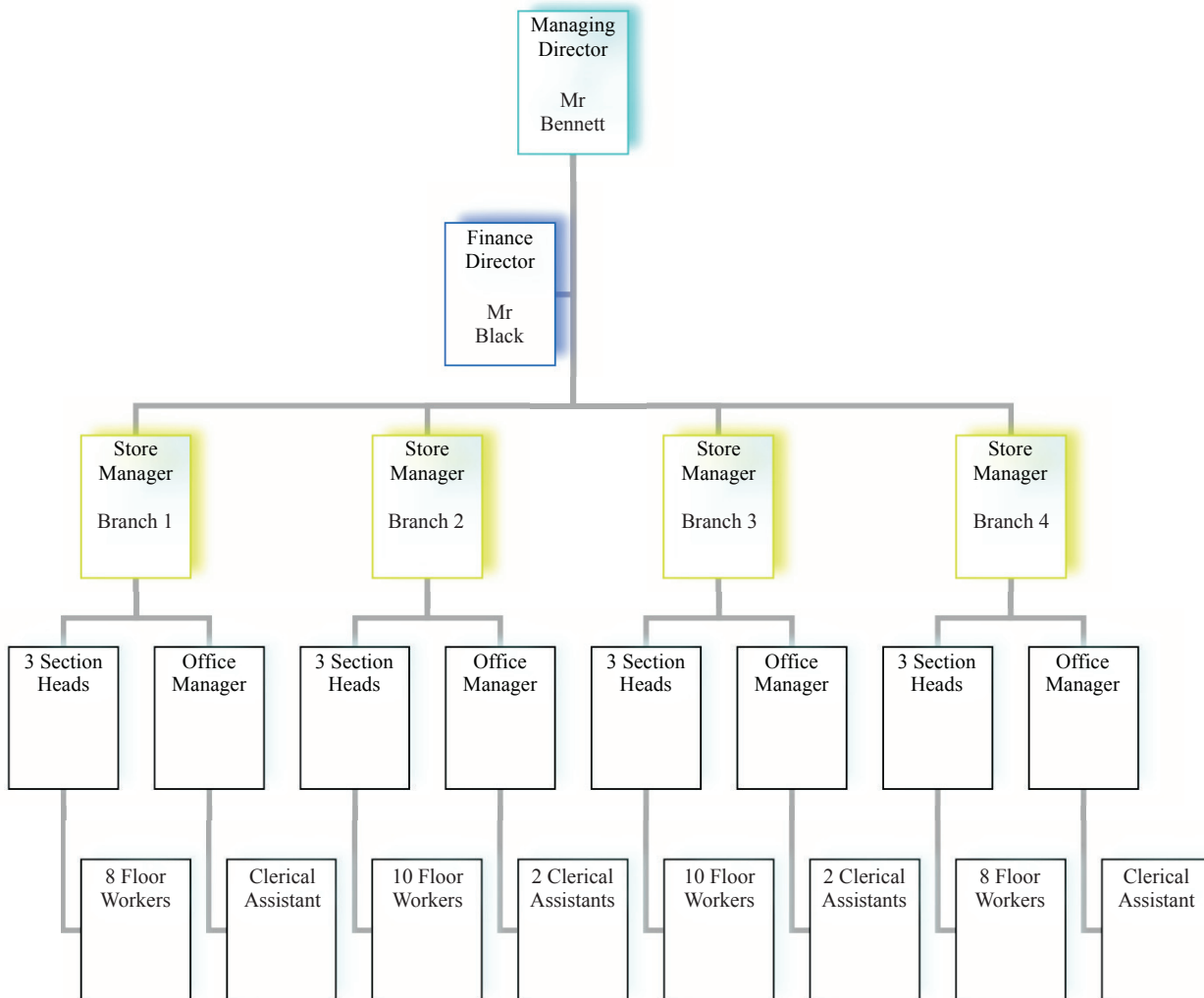
Capital value: £50 000

Liability clause: The shareholders of this company have limited liability

Association clause: Mr Bennett and Mr Black wish to establish Fun and Games as a private limited company

Fun and Games Ltd now employs just over 60 people and has a hierarchical structure. Mr Bennett and Mr Black are the only shareholders. Each shop (four in total) has a Store Manager who reports directly to the owners. They have a monthly Board Meeting and communicate daily via email. Each Manager has to prepare a monthly written report on activities.

Organisation Chart for Fun and Games Ltd

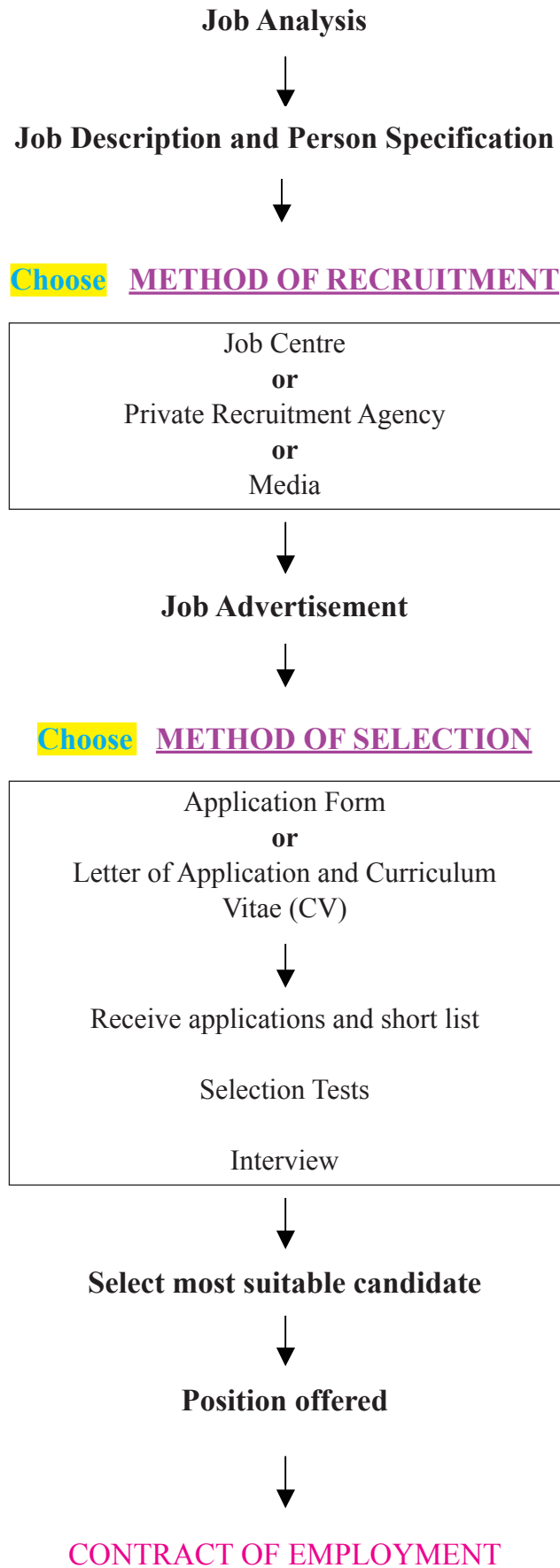


Most employees are employed full-time but some are employed part-time and recently the owners have offered job sharing for employees who wish to avail of it. They pride themselves on paying their employees well and have recently redecorated the staff canteen and installed vending machines for staff use. Each member of staff is also entitled to 10% discount on non-sale items. All staff receive a Christmas bonus.

Appraisal is carried out on a yearly basis. It takes the form of an interview and employees are given the opportunity to express their views and opinions.

Currently one of their managers is moving to Australia and Fun and Games Ltd need to recruit a new manager. The company has decided to carry out a job analysis before compiling the job description, person specification and job advertisement.

A flow diagram to represent the recruitment and selection process at Fun and Games Ltd.



Marketing

Fun and Games Ltd uses newspaper and radio to advertise its products and is currently developing a website. The management hope this will increase sales as they intend to include an online ordering service.

Fun and Games Ltd carries out field research on a yearly basis. It prides itself on ensuring that the products it stocks are what the customer requires. It uses questionnaires to collect the information required and customers are stopped randomly and asked to answer the questions.

Sample questions from recent questionnaire:

4.	How often do you visit Fun and Games Ltd?	
	Once per week	<input type="checkbox"/>
	Fortnightly	<input type="checkbox"/>
	Once per month	<input type="checkbox"/>
	Once every few months	<input type="checkbox"/>
	Other (please specify)	_____
5.	What is your main reason for the visit?	
	To browse	<input type="checkbox"/>
	To buy toys	<input type="checkbox"/>
	To buy fancy dress	<input type="checkbox"/>
	Reputation	<input type="checkbox"/>
	Other (please specify)	_____
6.	Which products do you buy most often?	
	Educational toys	<input type="checkbox"/>
	Pre-school toys	<input type="checkbox"/>
	Activity toys	<input type="checkbox"/>
	Electric toys	<input type="checkbox"/>
	Computers	<input type="checkbox"/>
	Fancy dress costume	<input type="checkbox"/>
7.	Have you seen/heard our advertisements?	
	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>
8.	How would you rate the following: (5 being excellent and 1 poor)	
	Variety of products	<input type="checkbox"/>
	Location	<input type="checkbox"/>
	Staff	<input type="checkbox"/>
	Prices	<input type="checkbox"/>
9.	Would you recommend us to a friend?	
	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

Sample results from questionnaire:

Question 8

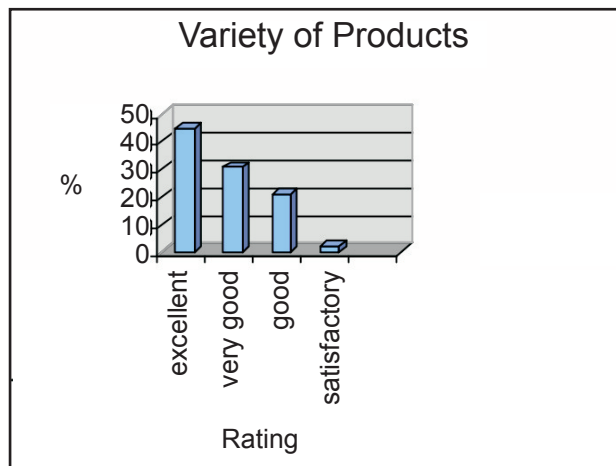


Chart 1

Question 8

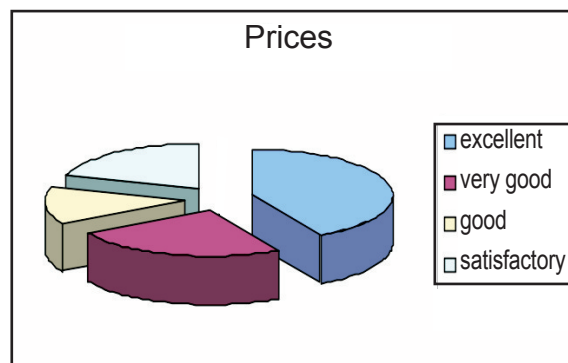


Chart 2

Question 6

Which products do you buy most often?

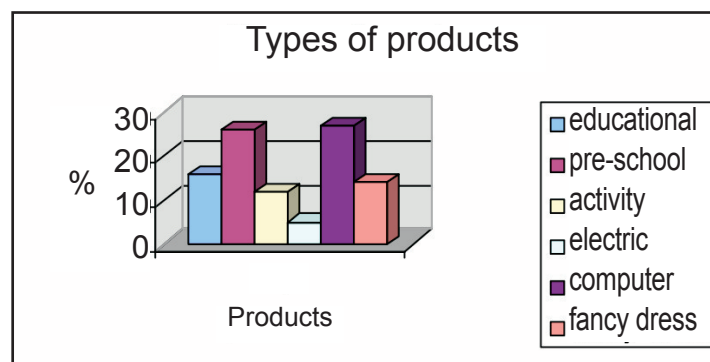


Chart 3

Products

The product range is vast, and toys to suit all age ranges are stocked. The company uses a range of sales promotion techniques as well as regular advertising to increase sales. A range of pricing strategy is also used. The shops stock a vast range of fancy dress costumes and from time to time employ casual staff to dress up in the costumes – they have theme days throughout the year.

Newspaper advertisement



New lines in stock

Fun and Games Ltd

Discover the child in you – visit one of our stores located throughout Northern Ireland

Toys for all ages:

Pre-school, educational, activity, electric, wooden *and many more.....*



Opening hours:

Monday to Wednesday	9.00am to 6.00pm
Thursday to Saturday	9.00am to 9.00pm
Sunday	1.00pm to 6.00pm

Fancy dress specialists:
Superheroes, cartoon characters, characters from history etc.

Children and adult sizes available – huge range in stock

BUY one GET one free on selected items



Online ordering available soon

Future plans:

Mr Bennett and Mr Black are pleased with the success of their business and the organic growth that has taken place. They are currently considering an option to buy over another toy shop that has two branches in Dublin and at present are considering their financial options.

