

Surname	Centre Number	Candidate Number
First name(s)		2



GCE AS

B510U20-1



TUESDAY, 7 JUNE 2022 – MORNING

BUSINESS – AS component 2
Business Functions

2 hours

For Examiner's use only		
Question	Maximum Mark	Mark Awarded
1.	18	
2.	22	
3.	15	
4 or 5 or 6	25	
Total	80	

ADDITIONAL MATERIALS

A calculator.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen.

Write your name, centre number and candidate number in the spaces at the top of this page.

Answer **all** questions in Section A.

Answer **one** question from Section B.

Write your answers in the spaces provided in this booklet.

If you run out of space, use the continuation pages at the back of the booklet, taking care to number the question(s) correctly.

You are advised to spend no more than 80 minutes on Section A.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question.

You are reminded of the necessity for good English and orderly presentation in your answers.

SECTION A

Answer **all** questions from this section.

1. Workforce performance at Tuff Plate Ltd

Tuff Plate Ltd is a manufacturer of steel parts that are used in recycling crushers. Employees at Tuff Plate undertake a number of job roles including; operating drilling and cutting machines, welding and delivering finished parts to recycling centres across Europe. The human resource department keeps a record of **labour productivity**, **labour turnover** and **absenteeism** rates for the workforce.

In 2020, Tuff Plate Ltd employed an average of 60 workers throughout the year who produced a total yearly output of 3120 hardened steel parts. During 2020, 3 workers left the business.

In 2021, Tuff Plate Ltd employed an average of 58 workers throughout the year who produced a total yearly output of 3422 hardened steel parts. During 2021, 2 workers left the business.

The human resource manager has provided industry average workforce performance data:

	2020 – 2021 industry average
Labour productivity	54 hardened steel parts
Labour turnover	4.15%

The human resource manager is keen to improve the motivation levels of the workforce and is considering financial motivational techniques.

(a) State what is meant by the term *absenteeism*.

[2]

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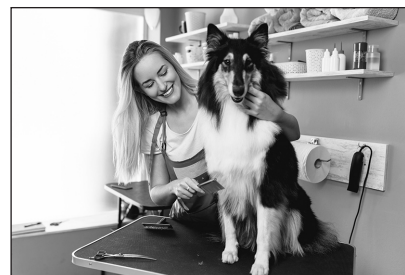
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3. Do I grow my business?

For the past six months Neve has run her own sole trader dog walking business. Due to recent customer feedback she is now considering expanding and offering a pet grooming service alongside her current dog walking business. Neve understands that in order to offer this service she will need to rent a small premises that is accessible for customers, acquire various pet grooming equipment, and employ an additional part-time worker.

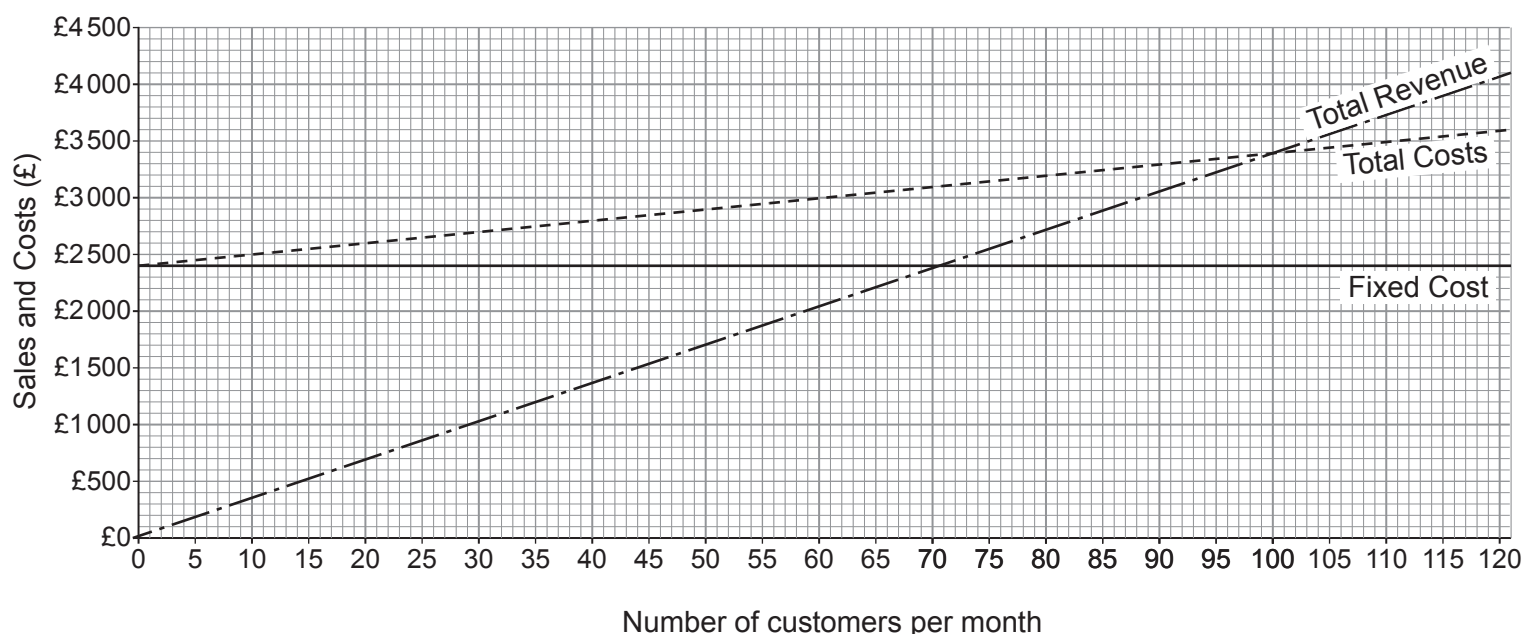


Neve has prepared the following financial information for her potential pet grooming service idea. The information is based on a small sample of her current customers' feedback and secondary market research.

Extract 1: Predicted costs and sales research for Neve's pet grooming service idea

Fixed costs per month	£2400
Variable cost per unit	£10
Average selling price	£34
Average number of customers per month	121 customers

Extract 2: Predicted monthly break even graph for Neve's pet grooming service idea



SECTION B

Answer **one** question from this section.

Either,

4. Production – How shall we approach it?

- (a) Describe the different types of production methods which might be used by a business manufacturing budget products compared to one that produces premium products. [10]
- (b) “Lean production techniques should be implemented in all businesses.” Discuss this statement. [15]

Or,

5. Working relations

- (a) Describe the possible conflicts between employers and employees that could occur within public sector organisations such as the NHS, police and schools. [10]
- (b) Evaluate the impact of equal opportunity legislation on businesses and their employees. [15]

Or,

6. Marketing for the future

- (a) Describe the different extension strategies that might be used by producers of ice cream. [10]
- (b) “Businesses that use new technology within their marketing will benefit all stakeholders.” Discuss this statement. [15]

