

X234/301

NATIONAL
QUALIFICATIONS
2010

MONDAY, 17 MAY
9.00 AM – 11.30 AM

BUSINESS
MANAGEMENT
HIGHER

Candidates should attempt **all** questions in Section **One** and **two** questions from Section **Two**.

Read all the questions carefully.

100 marks are allocated to this paper.

50 marks for Section **One** and

50 marks for Section **Two**.

Answers are to be written in the answer book provided.



SECTION ONE

This section should take you approximately 1 hour 15 minutes.

Due to copyright restrictions the Case Study and Question 1 have been removed.

QUESTIONS**Answer ALL the questions.**

1. This question has been removed due to copyright restrictions.
 2. (a) Describe the role of the Human Resource department in employee relations. **5**
(b) Explain the effects that poor employee relations could have on an organisation. **4**
 3. Discuss the advantages and disadvantages of customer grouping. **4**
 4. Describe the factors that would result in a quality decision being made. **4**
 5. Describe and justify **4** methods of direct selling that could be used by an organisation. (A different justification must be used to support each description.) **8**
 6. Explain the reasons why some organisations produce a mission statement. **3**
 7. (a) Compare the objectives of a private sector organisation with those of a public sector organisation. **4**
(b) Describe the different interests **5** stakeholders may have in an organisation. **5**
 8. Describe the main features of a matrix structure. **3**
- (40)**

[END OF SECTION ONE]

SECTION TWO

This section should take you approximately 1 hour 15 minutes.

Answer TWO questions.

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|----|-----|---|-------------|
| 1. | (a) | Describe 5 factors an organisation might take into account before choosing a supplier of raw materials. | 5 |
| | (b) | Discuss the advantages and disadvantages of empowering staff within an organisation. | 6 |
| | (c) | Describe the main characteristics of high quality information. | 5 |
| | (d) | Explain the role of the Finance department in an organisation. | 4 |
| | (e) | Describe the factors an organisation would take into account before choosing a channel of distribution. | 5 |
| | | | (25) |
| 2. | (a) | Discuss the effects of ICT on an organisation. | 5 |
| | (b) | Discuss the advantages and disadvantages of using a structured decision making model. | 7 |
| | (c) | Appraisal has identified poor performance for a member of staff.
Describe the actions that a manager could take to improve the employee's performance. | 4 |
| | (d) | Describe a selection process that an organisation could use to ensure it employs the best workers. | 4 |
| | (e) | Many companies are now classed as multinationals.
Explain the advantages and disadvantages of operating as a multinational. | 5 |
| | | | (25) |
| 3. | (a) | Describe the reasons why organisations focus on research and development. | 4 |
| | (b) | Describe the benefits to an organisation of staff training. | 5 |
| | (c) | Explain how various methods of extending a product's life cycle can increase sales. | 6 |
| | (d) | Describe the advantages and disadvantages of methods of physical distribution that a producer could use to get their product to consumers. | 5 |
| | (e) | Discuss the effects of becoming part of a franchise. | 5 |
| | | | (25) |

[Turn over

SECTION TWO (continued)

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|----|-----|---|-------------|
| 4. | (a) | Describe 4 different sources of long term finance available to a private limited company. | 4 |
| | (b) | (i) Describe accounting ratios managers could use. | 6 |
| | | (ii) Explain the limitations of using accounting ratios. | 5 |
| | (c) | Describe 4 different sales promotions that could be carried out by a retailer. | 4 |
| | (d) | Describe the uses of ICT in decision making. | 6 |
| | | | (25) |
| 5. | (a) | (i) A manager decides to grant a worker's request to have a week's holiday.
Identify and justify this type of decision. | 2 |
| | | (ii) Describe 2 other types of decisions and give an example of each. | 4 |
| | (b) | (i) Describe different methods organisations can use to develop a corporate culture. | 4 |
| | | (ii) Explain the advantages to an organisation of having a strong corporate culture. | 4 |
| | (c) | Distinguish between job production and flow production. | 5 |
| | (d) | Organisations use various forms of advertising media to bring their products to the attention of consumers.
Describe and justify different forms of advertising media. | 6 |
| | | | (25) |

[END OF SECTION TWO]

[END OF QUESTION PAPER]

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