

GENERAL CERTIFICATE OF SECONDARY EDUCATION
APPLIED BUSINESS
Business in Action

A241



Candidates answer on the question paper.

OCR supplied materials:
None

Other materials required:

- A calculator may be used

Wednesday 12 January 2011
Morning

Duration: 1 hour 30 minutes



Candidate forename		Candidate surname	
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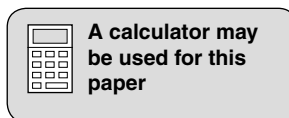
Centre number							Candidate number				
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INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Answer **all** the questions.
- Do **not** write in the bar codes.

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 **80**.
- Your quality of written communication is assessed in questions marked with an asterisk (*).
- This document consists of **16** pages. Any blank pages are indicated.



(ii) Outline **two** disadvantages to Leo of running SOF as a sole trader.

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2:

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..... [4]

3:
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..... [3]

(d) Leo is keen to increase the amount of marketing undertaken by SOF.

State and explain **two** ways in which the use of ICT could help Leo to increase the amount of marketing at SOF.

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2:
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..... [4]

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..... [10]

[Total: 21]

Text 3

Leo is keen to keep all of SOF's different stakeholder groups happy. He works hard both inside and outside the business to try to keep the stakeholder groups happy.

3 Refer to Text 3.

(a) (i) State **three different** stakeholder groups with an interest in SOF.

- 1:
- 2:
- 3: **[3]**

(ii) State and explain **one** possible conflict between the interests of **two** of the groups identified in **part (a)(i)**.

- Name of group 1:
- Name of group 2:
- Conflict:
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- **[2]**

(b) State and explain **two** possible consequences to a business you have studied if it does **not** listen to its stakeholder groups.

- Name of business:
- 1:
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2:
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..... [4]

(c) All businesses need to be mindful of ethics and the need to be sustainable.

(i) State and explain **two** ways in which SOF may act in order to achieve sustainability.

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(ii) Explain the meaning of the term ethics.

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..... [2]

(iii) Other than sustainability, state **three** ways in which a business you have studied can be seen to be operating in an ethical manner.

Name of business:

1:

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2:

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3:

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..... [3]

[Total: 18]

Text 4

The capital to finance SOF has come from both Leo's own savings and from a bank loan. Leo is now thinking of changing SOF's existing business practices by concentrating on one target market. Rather than selling to the general public and businesses in the UK and abroad, he would only sell to businesses based in the UK.

4 Refer to Text 4.

(a) State and explain **two** possible reasons why Leo wants to change SOF's business practices in this way.

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2:

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..... [4]

(b) Other than by changing its target market, explain **two** ways which a business you have studied has changed its existing business practices.

Name of business:

1:

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2:
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..... [4]

(c) The success of SOF will depend on conditions in the economy as a whole.

Draw a line between each term and its correct definition in the diagram below. [4]

Term	Definition
Interest rates	The increase in the price of goods and services measured over a set period of time.
Inflation	The amount of money taken from the general public by the government to spend on public services.
Exchange rates	The cost of borrowing money.
Taxation	The price at which one currency is bought and sold for another.
	The amount spent by the government on public services.

(d)* Leo knows that the following factors within the economy could all affect the success of SOF:

- changes in interest rates;
- changes in inflation;
- changes in exchange rates;
- changes in taxation.

Which of these factors would have the **biggest** impact on SOF? Give reasons for your answer, explaining why the other factors would have less impact.

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[Total: 22]



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