

**ADVANCED GCE
BUSINESS STUDIES**
People in Organisations

F295/RB

RESOURCE BOOKLET

**To be given to candidates at the start
of the examination.**

**Monday 24 January 2011
Afternoon**

Duration: 2 hours



INSTRUCTIONS TO CANDIDATES

- The information required to answer questions 1–6 is contained within this resource booklet.
- Do not hand this resource booklet in at the end of the examination. It is not needed by the Examiner.

INFORMATION FOR CANDIDATES

- This document consists of 4 pages. Any blank pages are indicated.

INSTRUCTION TO EXAMS OFFICER / INVIGILATOR

- Do not send this resource booklet for marking; it should be retained in the centre or destroyed.

Morris Department Store (MDS)

Albert Morris founded the Morris Department Store (MDS) in 1950. It is located in the centre of a city in the South West of England. Today, it is run by his two sons, Chris and David, and his daughter, Georgina, who are the only directors. The department store consists of 15 departments which range from ladies fashion to children's toys. There is a superb restaurant that seats over 150 people and overlooks the river which runs through the city. MDS's typical customer is elderly and mainly female. 5

Chris, the eldest son, tries hard to carry on the traditions established by his father. He is very reluctant to introduce change and has an old-fashioned way when it comes to how the employees should be treated. He likes all staff to address him as 'sir' rather than Mr Morris and is very formal when speaking to them. All employees are called by their surnames! 10

David, who is less formal in his approach is also resistant to change. He does not like anything too modern; something which Georgina finds most frustrating.

Georgina is dynamic and is always on the lookout for the next trend or change in fashion and likes to be innovative, especially when it comes to her shop displays and how she treats the staff. Unlike her brothers, she calls the employees by their first name and they call her Georgina. 15

MDS has found trading difficult over the last few years as out-of-town stores, supermarkets and the national chain stores have eroded its market. Younger consumers increasingly prefer to shop away from the city centre and like the convenience of easy parking and a wide range of modern shops. With this in mind, Georgina wants to introduce a new range of products which includes the latest perfumes and after-shaves, along with a 'pamper bar', which would consist of a nail bar where women could have their nails painted as well as a tanning salon. 20

Georgina also envisages a new department aimed at men which sells the latest 'techno' gadgets such as 'sat-navs' and palm top computers and which would be located on the same floor as, and next to, the 'pamper bar'.

At the last monthly board meeting, Georgina suggested that the new departments are the way forward and would help the business to be more competitive. She also suggested that it would offer an opportunity to give some of the staff a greater amount of responsibility. Employees could apply for the new posts of manager of the 'pamper bar' and of the gadget department. At the same time the new posts might help to reduce the rising level of absenteeism, especially amongst the younger employees. She has already suggested that there should be someone to manage each of the existing departments. 25 30

Another point Georgina raised at the board meeting was how the firm is organised. 'MDS relies on the three of us managing all 15 departments; neither of you know some of the employees' names, so how can you hope to get the best out of them? Just look at our organisational structure!' (see Figs. 1 and 2.) 35

Fig. 1

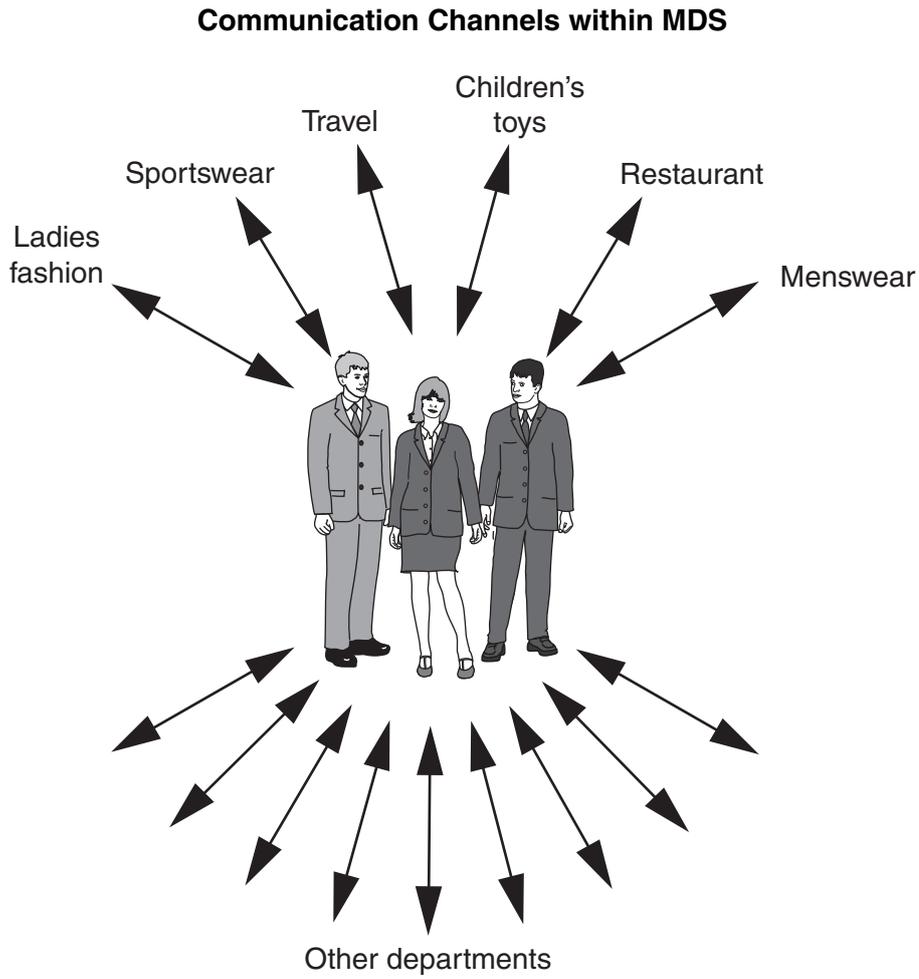
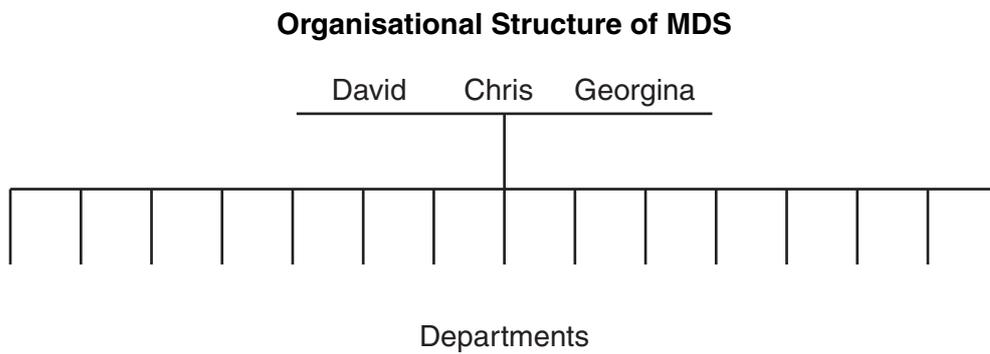


Fig. 2



David, however, was more concerned about the attendance record and high absenteeism of the younger employees and how it is affecting the business (see Table 1).

Table 1
Employee Data for MDS – December 2010

Group	Number of employees	Total number of days absence for each group
Male employees under 40	22	27
Female employees under 40	26	23
Total employees under 40	48	50
Employees 40 and over	15	7

David had, on numerous occasions, raised the issue and wanted to employ a greater number of older workers, preferably well over 40 years of age, who would be reliable and more suited to the image he wanted MDS to maintain. Georgina was eager to restate her point of view; suggesting that older people would not understand about 'sat-navs', palm tops, i-pods and tanning salons.

40

Chris was quick to argue with Georgina suggesting that more training would be needed if the younger members of staff were given responsibility. However, Georgina stated that if David got his way training would still be needed and it would, therefore, just be a question of what sort of training would be needed.

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