

Modified Enlarged 24pt
OXFORD CAMBRIDGE AND RSA EXAMINATIONS

Thursday 22 May 2025 – Afternoon

Level 3 Cambridge Technical in Business
05837/05878

Unit 15: Change management
Resource Booklet

Time allowed: 1 hour 30 minutes
plus your additional time allowance

READ INSTRUCTIONS OVERLEAF



INSTRUCTIONS

Use this Resource Booklet to answer ALL the questions.

You can write on this Resource Booklet, but it will NOT be sent for marking.

INFORMATION

The business described in this Resource Booklet is not a real business.

RESOURCE 1

Good Yolk Ltd runs four farms in England. There is one farm located in each of the following regions: East, West, North and South. Each of the farms is similar in size. Within the company the farms are known as East Farm, West Farm, North Farm and South Farm, respectively. Each farm sells eggs to private customers and business customers located in its local area. Their business customers include cafés, restaurants and food manufacturers. Customers can order their eggs using the telephone or via email. Customers can choose to collect their eggs themselves or have them delivered by Good Yolk Ltd. The company uses electric vehicles to deliver its eggs.

Good Yolk Ltd was founded seven years ago by the current Chief Executive Officer, Beth. For years, Good Yolk Ltd has benefited from loyal customers, dedicated employees and satisfactory profits. However inflation has increased by 3% in the last year and, in recent months, new legislation has been introduced to support

higher standards of animal welfare. Both of these factors have greatly increased the operating costs across all four farms. Good Yolk Ltd has also been affected by an increase in competition. Competitors have opened similar farms near to all four of Good Yolk Ltd's farms. With levels of competition being strongest at East Farm and West Farm, the company has found it difficult to recruit experienced and skilled employees for these two farms. In addition, the cost of renting land at East Farm and West Farm has significantly increased. Consequently, the company is no longer performing financially as well as it once was.

Beth has obtained projected profitability figures from her four farm managers. Beth is concerned that East Farm and West Farm are likely to become loss-making in the next few months. As a result, it has been decided that East Farm and West Farm will be closed. North Farm and South Farm will continue to supply eggs within each of their local areas, however Good Yolk Ltd will no longer supply eggs to customers located in the East and the West.

Beth has organised a change management meeting to discuss the change. Below is a summary of the main contributions and thoughts of those who attended this meeting.

Name	Position	Verbal contribution	Unexpressed thought
Ariel	Manager of East Farm	We need to address the rumours that are circulating amongst employees and customers that we are about to close all four locations!	If the company only has two farms it will not require four farm managers! Will I be able to get a new job?
Beth	Chief Executive Officer	I suggest we use social media to tell the customers of East Farm and West Farm that we will no longer be able to supply eggs to them.	It will be upsetting to lose almost half of our employees.

Name	Position	Verbal contribution	Unexpressed thought
Heidi	Head of Human Resources	We should arrange some meetings for our employees to share their questions and concerns with us. It is rare that we manage to get employees together from across the locations.	Last time a change was proposed, Beth showed very poor leadership skills. I am not confident that she can lead this change.
Yuki	Manager of South Farm	We could ask some of the employees at East Farm and West Farm if they would like to relocate and work at South Farm.	This is unlikely to affect my job. I am relieved that South Farm employees have job security.

Name	Position	Verbal contribution	Unexpressed thought
Riley	Manager of North Farm	If inflation rises again then demand for eggs may fall. Would this mean North Farm could be closed next?	I am really pleased that my farm is not being closed. I hope all the employees at West Farm and East Farm can find new jobs.
Sundip	Manager of West Farm	Lots of employees at West Farm are asking us to create a work group so that they can share their concerns. A work group could cause us problems.	I still disagree with the proposed closures, but it seems there is nothing I can do to stop them from happening.

RESOURCE 2

It is now six months since Good Yolk Ltd closed East Farm and West Farm. The company continues to operate South Farm and North Farm. As part of the closure, a total of 20% of the employees from East Farm and West Farm were redeployed across North Farm and South Farm.

Beth has collected some feedback from existing customers and current employees of North Farm and South Farm. A report showing Key Performance Indicators (KPIs) has also been prepared.

Feedback from existing customers of North Farm and South Farm

“Good Yolk Ltd closed two of its locations and I am worried that they will also close the remaining two farms. That is why I am currently investigating the availability of eggs from other producers.” Umi (Restaurant Owner)

“The delivery drivers do not seem as helpful as they used to be. The most recent delivery driver did not even smile.” Felix (Bakery Owner)

“In the last three months the company has increased its prices twice.” Kobe (Private Customer)

“The employees do not seem as committed to product quality and quality checks as they once were. I have returned both of my recent orders as some eggs were cracked.” Dev (Food manufacturer)

Feedback from current employees of North Farm and South Farm

“Some employees are concerned that there will be further closures. I am going to look for a new job as I am worried about being made redundant.” South Farm employee

“Customers from the East and West keep contacting us to try to place orders. They clearly do not understand that we no longer sell to those areas.” South Farm employee

“Some of the restaurants that I deliver to have advised me that they are expecting to see a fall in the demand for eggs as autumn approaches.” North Farm employee

“The equipment in North Farm is not the same as the equipment that I used at East Farm. I do not know how to use it safely.” North Farm employee (redeployed from East Farm)

Key Performance Indicators (KPIs)				
	NORTH FARM		SOUTH FARM	
	<u>Before</u> the farm closures	<u>After</u> the farm closures	<u>Before</u> the farm closures	<u>After</u> the farm closures
Average monthly profit	£18 990	£19 550	£16 520	£18 475
Number of accidents (on average per month)	7	10	8	8
Days of employee absence (on average per month)	24	32	27	36
Percentage of on-time deliveries	94%	91%	94%	91%



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