

1. The employment minister in country C has been looking at some employment data, as shown in Figure 1. He said, 'We used to be a country known for growing sugar. Now it's all manufacturing of specialized goods, hotels, and shops.'

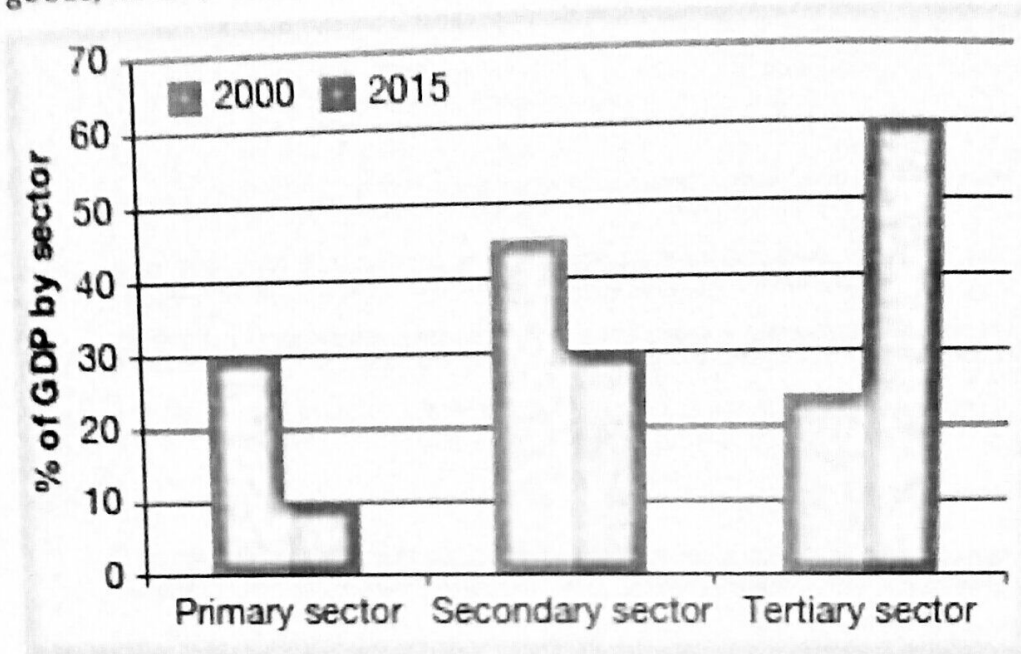


Fig: 1

Figure 1 Country C percentage of Gross Domestic Product (GDP) by sector.

GDP has risen from \$500m in 2000 to \$700m in 2015.

NSN in Country C makes a range of luxury cars. The Finance Director knows that for every decision he makes, there will be an opportunity cost. The Finance Director is looking for ways to increase added value. The owner of the business, Jack, believes that specialization of labour brings many benefits to the business and its workers.

- a. Define Opportunity Cost?

[2]

- b. Identify any two businesses NSN might use from the tertiary sector.

Business 1:

Business 2:

[2]

c. Explain two ways that NSN could increase added value.

Way 1:

.....

Explanation:

.....

Way 2:

.....

Explanation:

..... [4]

d. Explain two reasons for the change shown by the data in Fig 1.

Change 1:

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Reason:

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.....

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Change 2:

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Reason:

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..... [6]

2. The Fine Olive business is a Greek olive-grower that produces and markets its own high-quality olives and olive oil. The business was started by Mimis Manolas in 2009 after he was made redundant from his job working as a civil servant. He was able to buy the small farm and the equipment required from money loaned to him by his parents. He also needed to obtain a bank loan, which required a detailed business plan.

a. Identify any two reasons why it is important to draft a business plan.

Reason 1:

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Reason 2:

..... [2]

b. Identify any two reasons why some businesses fail.

Reason 1:

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Reason 2:

..... [2]

c. Explain two characteristics that have made Mimis Manolas a successful entrepreneur.

Characteristic 1:

.....

Explanation:

.....

Characteristic 2:

.....

Explanation:

..... [4]

d. Identify two stakeholders in Minis Manolas new business. Explain why each stakeholder is interested in his business.

Stakeholder 1:

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Explanation:

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.....

.....

Stakeholder 2:

.....

Explanation:

.....

.....

..... [6]

Asian Cuisine runs a chain of exclusive restaurants across Asia. It has reputation for high quality service and top quality food. Mal, the Human Resources Manager, is increasingly concerned about the high level of labour turnover. 'Not another head chef leaving – I seem to be preparing job descriptions and job specifications all the time!'

a. Define 'motivation'.

.....
..... [2]

b. Identify two features found in a person specification for a head chef.

Feature 1:
.....

Feature 2:
..... [2]

c. Explain how a job description will help Asian Cuisine in recruiting a head Chef.

Advantage 1:
.....

Explanation:
.....

Advantage 2:
.....

Explanation:
..... [4]

4. GKK makes plastic bottles for a range of products from food to chemicals. GKK's Organisational structure is wide with a short chain of command which allows for delegation. The Managing Director has a laissez Faire leadership Style. There has been an increase in customer complaints and employees think internal communication needs to be improved.

a. Define 'Chain of command'.

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..... [2]

b. Identify two reasons why GKK employees might want to join a trade Union.

Reason 1:
.....

Reason 2:
..... [2]

c. Explain two advantages to a business of having a short Chain of command.

Advantage 1:
.....

Explanation:
.....

Advantage 2:
.....

Explanation:
..... [4]

d. Explain one advantage and one disadvantage of the managing director's leadership style to GKK.

Advantage:

Explanation:

Disadvantage:

Explanation:

[6]

e. Explain two possible ways GKK could try to improve internal communication. Justify which way GKK should use.

[6]