

Human resources – GCSE Business Paper 1

1. No.1(01.2_01.4, 01.8_01.9)

0 1 . 2

Which of the following is a method of internal recruitment?

[1 mark]

A Advertising at a job centre

☐

B Advertising in a newspaper

☐

C Advertising on a noticeboard in the staffroom

☐

D Advertising with an employment agency

☐

0 1 . 3

Which of the following describes when induction training should take place?

[1 mark]

A When an employee first joins a business

☐

B When an employee leaves a job

☐

C When an employee needs to learn new skills

☐

D When an employee starts using new technology

☐

0 1 . 4

Which of the following is correct for a flat organisational structure?

[1 mark]

A Many levels of hierarchy

☐

B Many opportunities for promotion

☐

C Narrow span of control

☐

D Short chain of command

☐

0 1 . 8 Explain why a business uses delayering.

[2 marks]

0 1 . 9 Explain **one** way a person specification can be used as part of the recruitment process.

[2 marks]

2. No.2(02.1_02.3)

Item A: Luscious Locks by E

Elaine owns her own hair salon called Luscious Locks by E (LLE). The salon has one senior hairdresser and five junior hairdressers.

The senior and most qualified hairdresser is leaving the business at the end of the month. They are leaving because Elaine did not listen to ideas from employees on new hairstyles to offer.

John will be promoted to the senior hairdresser role. He is the most experienced of the junior hairdressers and is frequently fully booked. Customers are charged a premium price for bookings with the senior hairdresser and expect a high level of skill.

John has asked Elaine if the salon would pay for him to go on a college course. He would need to attend the course one afternoon every week for 2 years. The course will be led by a specialist trainer in the latest hair techniques. An alternative would be for John to receive on-the-job training from the current senior hairdresser until they leave the business.

LLE's sales and profits have recently fallen due to the opening of a new salon that offers the latest up-to-date celebrity styles.

0 2 . 1

Explain one benefit to a business of employing workers on a part-time contract.

[2 marks]

0	2	.	2
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Elaine makes all of the decisions in the business. She rarely consults with anyone.

Analyse **one** drawback for LLE of Elaine's management style.

[6 marks]

[illegible]

0	2	.	3
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The college course would allow John to gain an advanced qualification in the latest hairstyling techniques.

Recommend whether Elaine should allow John to attend the college course. Give reasons for your answer.

[9 marks]

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3. No.3(03.4 _ 03.7)

Item D: Bootmills Ltd

Bootmills Ltd sells boots to retailers around the world. 2023 was a very successful year. Profits increased by 43% to £64.3 million. Sales of boots abroad account for 60% of total sales. Half of these are in Europe. Raw materials are sourced in the UK. The variable cost of each pair of boots is £50.

The business has 1300 employees. The average salary is £38 000 a year which is higher than competitors' salaries. Employee turnover is low. In 2023, a profit-sharing bonus of 5% was awarded to all employees who have worked for the business for over 12 months.

Table 1 Exchange rate of the pound to the euro

	November	December	January	February	March
£1 =	1.19 €	1.20 €	1.18 €	1.17 €	1.17 €

0 3 . 4

Explain how **one** financial method of motivation is being used at Bootmills Ltd to motivate employees. You should use the information in **Item D** in your answer.

[4 marks]

Item E: Bootmills Ltd

Bootmills Ltd is the market leader in the UK. To improve profits, Bootmills Ltd must increase sales to China and the USA. However, international markets are highly competitive. Boots are currently sold for an average of £95 to retailers. The variable cost of each pair of boots is £50.

In China, retailers prefer 'face-to-face' meetings with the manufacturer. Chinese retailers are prepared to pay a premium price for British brands. The size of the Chinese boot market is \$79 billion for sales of all brands.

Retailers in the USA have indicated that they are more likely to buy the product if the price can be reduced to £70. The size of the USA boot market is \$99 billion for sales of all brands.

Bootmills Ltd's directors are considering two options.

Introducing flow production.

Boots can be made quickly using a fully automated process. The skilled workforce will be offered jobs elsewhere in the business. There will be an estimated 300 redundancies. Employees have indicated they will strike if this many jobs are lost.

The savings on salaries over 2 years will cover the cost of the new machinery and redundancies. After this, the cost saving can be passed on to customers. The variable costs of production will fall to £20 per pair of boots.

Changing the role of the workforce.

Bootmills Ltd currently has 50 employees who deal with sales over the telephone and email. Thirty of these employees could change to being based abroad in countries such as China and the USA. These employees will meet with the local retailers to:

- show new designs
- take orders
- get feedback on the needs and wants of customers in overseas markets.

These employees will be offered a £10 000 pay rise. The directors are confident many of the existing sales team will be interested in working abroad. This should reduce redundancies.

Recruiting and training for the new role should take 8 months.

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4. No.1(01.4, 01.5, 01.11, 01.12)

0 1 . 4

If an employee changes from full-time employment to job sharing, which of the following is true?

[1 mark]

A They keep their current salary.

☐

B They keep the same job role along with someone else.

☐

C They work their current number of hours each week.

☐

D They work their current start and finish times each day.

☐

0 1 . 5

Which of the following is likely to be an effect of delayering in an organisation?

[1 mark]

A Decrease in delegation.

☐

B Decrease span of control.

☐

C Improved staff communication.

☐

D Improved staff loyalty.

☐

0	1	.11
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Explain what is meant by 'induction training'.

[2 marks]

0	1	.12
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State and explain **two** financial methods of rewarding employees.**[4 marks]**

Method 1

Method 2

5. No.2(02.1 _ 02.6)

0 2

Item A: Xanthe's Tech-Academy

Xanthe's Tech-Academy (XTA) is a company that sells off the job training to other businesses, and courses for individuals to improve their IT skills. It has a reputation for high quality classroom-based IT courses where attendees gain a certificate. It has a very small training facility in the centre of Manchester which only allows for up to 20 individuals to train each day. Courses range in length from one to three days and prices start at £100 per day for attendees. It operates in a competitive market. XTA's customers are locally based. Many of its business customers are cutting back on training to save costs.

Many people are increasingly working from home, and the owner Xanthe is considering expanding the business to target this new market segment. She would like to introduce a new online training course called 'Using Web Conferencing Effectively'. The course will be run by employees working from home and offered in the evenings to anyone in the UK who has access to the internet and a device with a webcam.

Table 1: Costs for new course 'Using Web Conferencing Effectively'

Wages (per hour per trainer)	£15
XTA other costs for running new course (per trainee)	£5

0 2 . 1

Explain what is meant by 'off the job' training.

[2 marks]

0	2	.	2
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Xanthe has set a target to make 200% profit on top of costs each time the new course is run.

Two trainers will run the four-hour course with 30 people attending.

Using **Table 1** calculate the selling price per person.

[5 marks]

[9 marks]

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Item B: Xanthe's Tech-Academy

After the successful expansion into online learning courses, Xanthe has recruited five new employees to help meet demand. Currently XTA has a flat organisational structure, with Xanthe managing all 22 employees.

Xanthe likes to get to know all the employees and uses delegation to give employees greater levels of responsibility. For example, employees have been given responsibility to design new courses. Staff retention is high and XTA has a number of employees who have worked for the business for many years. Customers often comment on the excellent levels of customer service. The five new employees have been trained to a high level, however some mistakes have been made on a course which they were involved with. Xanthe was not working when the mistakes occurred and has received several complaints from customers.

Xanthe is considering adding levels of hierarchy within the business to create a taller organisational structure. This will involve adding the roles shown in the table below. All jobs will be recruited internally and there will be an increased salary for the responsibility.

Table 2: New roles to be created

Roles	Who they will report to	Responsibilities
1 x Assistant manager (classroom courses) 1 x Assistant manager (online courses)	Xanthe	Developing courses. Effectively marketing and selling. Staff training.
1 x Supervisor (classroom courses) 1 x Supervisor (online courses)	Assistant managers	Day to day running of the courses. Stand in for assistant managers when they are absent. Monitor junior staff.

0 2 . 4 Explain one benefit of internal recruitment.

[2 marks]

0 2 . 5 Xanthe uses delegation to give employees greater levels of responsibility.

Analyse **one** benefit to XTA of using delegation to motivate employees.

[6 marks]

0	2	.	6
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Xanthe involves her employees in some decision making but she makes all major decisions herself.

Recommend whether Xanthe should create a taller organisational structure. Give reasons for your choice.

[9 marks]

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6. No.3(03.8)

Item E: NIST cars

Electric cars help with reducing air pollution and there has been an increase in demand for this type of car as there has been growing concern about the environment. Europe has seen a huge rise in sales of electric cars. NIST has one model of electric car called the Folio. The Folio is the UK's market leader. In Europe, however, sales of the Folio model have been disappointing. NIST has now designed a new electric model called the NIST March, which is aimed at the European market and will be produced in its factory in Spain.

The Folio is made in the UK factory which has the highest record for quality standards and efficiency of all NIST factories. Electric engines are made in Europe, which means the engines for the Folio have to be imported into the UK. The fall in the value of the pound has made imports more expensive. Transportation costs for cars sold from the UK in Europe have also risen.

Large cities in the UK are introducing a daily fee for cars entering the city; electric cars are not charged this fee. This has opened up a new possible market to sell electric cars to businesses who will be affected by this daily charge such as taxi companies.

NIST will create an e-commerce website aiming to sell to businesses in the UK. Cars can be ordered in large quantities and can be delivered anywhere in the UK direct to the business customer. Technology will be used to show features of cars using videos with a virtual test drive. The selling price will be lower than in car showrooms if customers order more than one car. Delivery is included in the selling price.

03.8

In the current economic climate, the selling price for a car cannot be increased. To improve profits NIST must sell more cars next year. To increase the number of cars sold NIST will be using these **two** options:

1. Produce the new electric car, the NIST March, at its factory in Spain.
2. Set up an e-commerce website to sell the existing Folio electric car to businesses in the UK.

Analyse the effect of **each** of these **two** options for NIST.

Evaluate which of these **two** options will have the biggest impact on the number of cars sold by NIST.

[12 marks]

9. No.3(03.3_03.7)

03.3

There have been 500 applications received for the team leader's job and the business now needs to shortlist only the most suitable applicants.

Using **Item C**, analyse **one** way the person specification can be used to decide which applicants to invite for an interview.

[6 marks]

Item E: Fone Ltd

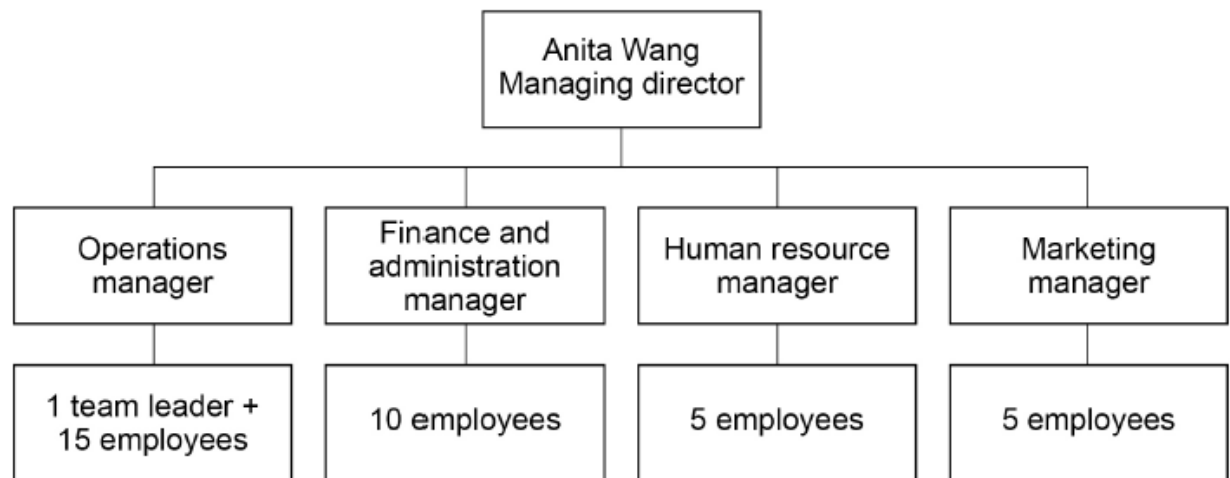
Average unit costs have increased recently at Fone Ltd. Anita feels that low employee productivity is the reason for this. To improve productivity, she is considering two options.

Introduce a new lean production technique

- Each department can have a group of up to three employees making suggestions on how to improve the process to lead to higher productivity.
- It will be optional to join these groups.
- Groups can be set up immediately and will have responsibility for reviewing roles and tasks within the department and suggesting changes.
- There will be a bonus of £5000 for each department (to be shared within the department) if they improve productivity in the next three months.

Change the organisational structure and recruit internally for new assistant managers within each department

- Internal recruitment for assistant managers can be completed within a month.
- This will result in a pay rise of £5000 for successful applicants.
- Assistant managers will have the authority to make some decisions and will oversee training.

Figure 1 Current organisational structure of Fone Ltd**Table 3** Information about employees' productivity in each department at Fone Ltd

	Operations	Finance and administration	Human resources	Marketing
Daily hours employees are working productively (maximum = 8 hours)	6	7	7.5	7.7

1. Introduce a new lean production technique to each department.
2. Change the organisational structure and recruit internally for new assistant managers within each department.

Recommend which option **Fone Ltd** should introduce first to improve productivity of all its employees in the short term.

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