

Surname	Centre Number	Candidate Number
First name(s)		2



GCE AS

B510U20-1



FRIDAY, 26 MAY 2023 – AFTERNOON

BUSINESS – AS component 2
Business Functions

2 hours

For Examiner's use only			
	Question	Maximum Mark	Mark Awarded
Section A	1.	22	
	2.	18	
	3.	15	
Section B	4 or 5 or 6	25	
	Total	80	

ADDITIONAL MATERIALS

A calculator.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen. Do not use gel pen or correction fluid.

You may use a pencil for graphs and diagrams only.

Write your name, centre number and candidate number in the spaces at the top of this page.

Answer **all** questions in Section A.

Answer **one** question from Section B.

Write your answers in the spaces provided in this booklet. If you run out of space, use the additional page(s) at the back of the booklet, taking care to number the question(s) correctly.

You are advised to spend no more than 80 minutes on Section A.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question.

You are reminded of the necessity for good English and orderly presentation in your answers.



JUN23B510U20101

SECTION A

Answer **all** questions from this section.

1. Hot-desking – hot or not?

In today’s constantly changing environment, businesses need to remain competitive. The introduction of flexible working practices is one way businesses are trying to achieve this. **Hot-desking** is one method of flexible working that has increased in popularity.

However, research shows that businesses can lose almost two weeks’ worth of output a year from their workforce as a result of failing to implement a successful hot-desking management system. It showed that employees who work 220 days per year spend an average of 18 minutes per day searching for a desk to work on. Implementing a structured hot-desking system whereby employees can pre-book their desk would remove this wasted time altogether.

Other concerns regarding hot-desking include; disagreements between employees and a lack of team bonding as employees book desks based on their availability rather than sitting continuously near the same team of people.

(a) State what is meant by the term hot-desking. [2]

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(b) Using the data above, calculate how many working hours per year are lost due to employees searching for desks to work on. [2]

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(c) Explain **two** ways in which new technology has allowed businesses to use flexible working practices. [4]

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(d) Consider whether the introduction of hot-desking is beneficial for employers and employees. [4]

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Maximum Windows Ltd sells and installs windows and conservatories. It offers flexible working practices such as hot-desking and wants to recruit another sales worker.

The company is looking to produce a **job description** and **person specification** for the vacancy. The vacancy will involve filing, record keeping, and visiting potential customers' homes to sell windows and conservatories. The business is looking for someone who has a minimum of 5 GCSEs including at least grade 4 in Maths and English, who has good communication skills and is computer literate. However, previous experience of sales is not necessary. The successful applicant is expected to work 35 hours per week and will get paid £12 per hour.

- (e) With reference to Maximum Windows Ltd's vacancy, describe the difference between a job description and a person specification. [4]

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2. Competitive airlines

easyJet and Ryanair are two of Europe's biggest and most well-known budget airlines. They focus on low costs so that they can offer low prices to their customers. Together they carry more than 200 million passengers per year. Within this industry, **benchmarking** is a common approach used by airlines to improve their levels of quality.

Table 1 below compares passenger numbers between the two airlines (March 2019).

	easyJet	Ryanair
Number of aircrafts	331	455
Average number of passengers per day	242 000 passengers per day	357 000 passengers per day
Maximum passenger capacity per day	260 495 passengers per day	(ii)
Average capacity utilisation per day	(i)	95%

Source: <https://www.airtravelgenius.com/easyjet-vs-ryanair/>

(a) Define the meaning of the term benchmarking.

[2]

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(b) Using **Table 1** calculate:

(i) easyJet's average capacity utilisation per day. Present your answer to one decimal place.

[2]

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3. Always Coca Cola?

Coca Cola achieved an average net profit of \$7 bn per year between 2014 and 2016. However, in recent years, Coca Cola has been negatively affected by changing customer attitudes and the introduction of a UK sugar tax in April 2018. This tax meant that all soft drinks containing a certain amount of sugar would face higher prices. For many years, Coca Cola’s most successful product was its Classic Coca Cola brand, however, due to these changes, this product had become less popular.

In response to this, Coca Cola re-focused its marketing efforts on low sugar varieties, such as Diet Coke, and introducing new flavours such as exotic mango in 2018. Coca Cola experienced an instant boost in sales after the re-launch and Diet Coke sales outpaced Classic Coca Cola sales for the first time. Coca Cola certainly experienced a change in the product life cycle of two of its most successful products over this period.

At the end of 2018 Coca Cola achieved an overall total sales revenue of \$31.85 bn, with cost of sales of \$11.77 bn, and expenses of \$13.65 bn.

Coca Cola income statement data adapted from: <https://www.stock-analysis-on.net/NYSE/Company/Coca-Cola-Co/Financial-Statement/Income-Statement>
<https://www.macrotrends.net/stocks/charts/KO/coca-cola/net-income>

- (a) (i) Complete the table below by constructing Coca Cola’s income statement for 2018. [3]

	\$ bn
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Gross Profit
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Net Profit

- (ii) With reference to the completed income statement, assess Coca Cola’s financial performance for 2018. [2]

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SECTION B

Answer **one** question from this section.

Either,

4. The importance of workers

- (a) Describe the different organisational structures that could be used within a creative business such as a magazine publisher or a fashion designer. [10]
- (b) 'Business success is more dependent on workforce performance than operations management.' Discuss. [15]

Or,

5. The management of cash

- (a) Describe the difference between revenue, cash flow and profits for a seasonal business. [10]
- (b) Evaluate how different stakeholders may be affected by the strategies used by businesses to solve cash flow problems. [15]

Or,

6. Market knowledge

- (a) Describe the likely marketing mix for a business that is regarded as a monopoly. [10]
- (b) Evaluate the importance of market research to business survival. [15]



Answer the question from Section B using the following pages

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Examiner
only

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