

WJEC CPD 2011
A2 Business Studies
BS4

Candidate: Wendy

Question number	Mark	Chief Examiner mark
1	5	
2a	4	
2b	6	
3a	5	
3b	0	
3c	5	
4	7	
6	15	
Total	47	

$$\frac{47}{60} = 78\% = \text{Grade B}$$

1 ~~Marketing is a large department in a business.~~
~~It is.~~

A Marketing plan is a route of action mapped out to promote a product. Business's will plan the marketing so that it hits the right target market.

An advantage to a marketing plan is that everybody in that department has a clear plan to follow. They know how the business wants to market the product.

This could save a lot of time as all the workers will have a clear understanding. Another advantage is that with a plan it means that most areas will be covered. This is because a business with a detailed plan will have covered all areas they need to. This is good as it will make the marketing more effective which could save the business money in the long run as they may not have to ~~market~~ do marketing as much.

A disadvantage to a marketing plan is that it may restrict people from thinking outside the box when it comes to new ideas. If the plan limits them to only a few ideas then it may prevent a really good effective idea from working. The workers may be so focused on sticking to the plan that they may fail to market the product well. Another disadvantage is that if the plan is not good then it starts the whole marketing process off badly. The workers will have to follow this plan. This could result in bad promotion of the product. If the plan is adaptable to change then this problem

will not be so bad. ✓

2a. There would be no profit on this order.

The variable costs and labour would be
 $£6.00 \times 4000 = 24000$

The ^{contribution} fixed costs would be £2.50.

This means that the total contribution would be

$£2.50 \times 4000 = \underline{\underline{£10000}}$. ✓

2b. Highlights Ltd should find out how much this order contributes to the total fixed cost of the business. If the percentage is high then they should take the order if low then perhaps not. They should also look to see how much time and capacity the order will take up in the factory. If the order takes a long time and uses up a lot of workers then they should not do it as there is no profit to be made on the good. If the order just takes up some spare stock then it would be a useful order to have. If the order goes well and there is promise to open up more orders ~~it may~~ at a higher price then it could be a good idea as it brings in new demand for the business.

In conclusion to this if there are long term benefits to the order such

⑤

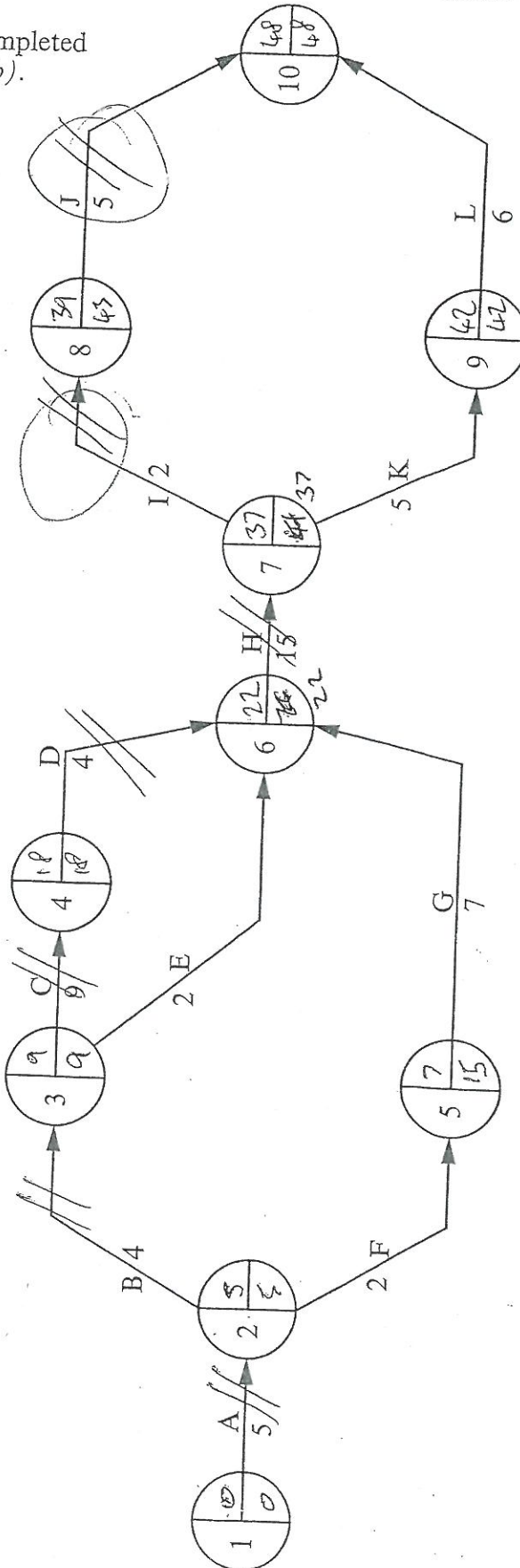
④

Centre Number

Candidate's Name (in full)

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Network diagram to be completed for Questions 3(a) and 3(b).



(a) 5
(b) 0

as future orders then the business should go for the order as it outweighs the short-term negative of no profits.

3a. On sheet

3b. On sheet

3c. A critical path analysis will save a lot of time for Moore LTD. This is because they can have parts of the manufacturing process going on at the same time. This will mean they can take more ~~orders~~ orders and produce more goods as it does not take them as long to do. This will mean that they could get more profit as there will be more sales.

On the other hand it may not be useful because if there is a problem with the machinery and a process is delayed then it could force the whole path to change. If it is not adaptable then it will not save time.

For a good which has lots of processes like Moore LTD's is then it is beneficial as it cuts down the waiting time for the next process to begin.

In conclusion to this I think that if the critical path can adapt to change when something happens in the shop it will be very beneficial to them in the long-run as it will save time and money.

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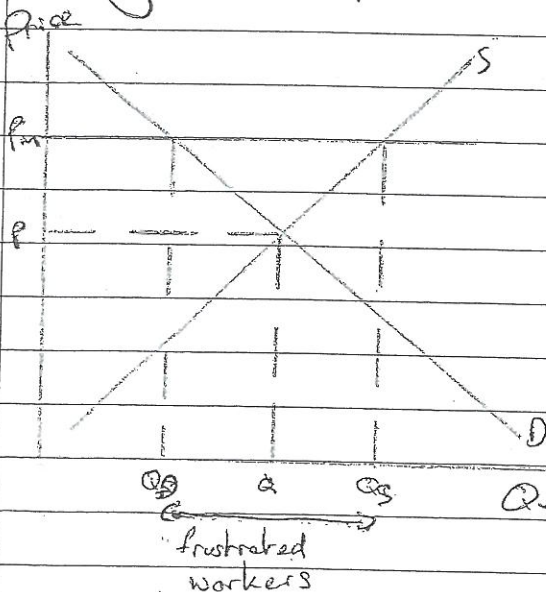
5

4. The minimum wage is the lowest amount a business can pay an employee per hour. This prevents them from being exploited and working for pay a lot lower.

The advantages to the employees is that they will get more money per hour. As it is increased every year it means that inflation does not reduce their real earnings eg. real.

Another benefit is that it gives them an incentive to work. If the pay was lower they may settle for a life of living on benefits rather than working. The extra income gives them the desire to work.

On the other hand there are disadvantages to it. When the wage is increased businesses do not want to hire as many workers as it is more expensive as the diagram explains.



The diagram shows that workers from Q_1 to Q_2 lose their jobs. Also with the increase more people want the job but that just leaves more frustrated workers without a job.

In conclusion to this I think that the minimum wage has more advantages

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then disadvantages. Workers do not get exploited in the UK which can only be good. The impacts of the minimum wage only affect a small proportion of UK workers as most work for more than minimum wage.

6 The government is the public sector in an economy. They provide public goods such as street lighting and also merit goods such as the NHS.

Private companies produce goods and services to make a profit, the government does it for the welfare of the UK citizens. This means that the government provide the good for a cheaper price if not free. For example if a private company owned the NHS which is a service not as many people would use it. It would not be provided by the tax payer. The person who needed healthcare ~~what~~ would have to pay for it. This would not work as many people can not afford medical treatment.

If the government was not in the economy then it would be a more efficient one. This is because businesses trying to make money would do anything they can to save money. The resources would not be wasted as much as they are with the government.

The government is a big provider of jobs. If the government was not needed in the economy then a lot of jobs would be lost. This would be bad as the unemployment rate would go up.

If the government privatised many of their companies then it would mean they would have to set up regulatory bodies. This is because they would still need to be in control of the prices of many goods and services such as oil, gas and congestion charges. This would cause large unnecessary costs to the government.

The whole welfare state of the UK would be lost. This is because the private firms would be worried about profit not consumer welfare.

If businesses provided all goods and services they would most likely be better than the government does. This is because the private firms will be able to be competing with other firms. This means that they will want the goods to be great as it will give them consumer loyalty.

In conclusion to this statement I do not agree with it to much extent. In the short-term prices will rise as private companies will want higher profits. In the long-term unemployment and inflation will rise as the government

Question
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and the private companies make cutbacks
to save money.

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