

Tuesday 10 June 2014 – Morning

GCSE APPLIED BUSINESS

A243/01 Working in Business

Candidates answer on the Question Paper.

OCR supplied materials:

None

Other materials required:

A calculator may be used

Duration: 1 hour 30 minutes



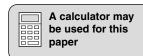
Candidate forename				Candidate surname			
Centre number				Candidate nu	ımber		

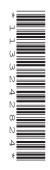
INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer all the questions.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do **not** write in the bar codes.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **80**.
- Your Quality of Written Communication will be assessed in questions marked with an asterisk (*).
- This document consists of 16 pages. Any blank pages are indicated.





SCHAPP is owned by Billy Schappes and it creates mobile phone applications (apps). Billy's business specialises in producing apps which help GCSE and A Level students to revise for examinations. Billy employs students, who work from home, to develop the apps. He organises his business into teams of three in a matrix organisational structure according to the subject and the level of examination.

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1	Ret	er to Text 1.						
	(a)	Complete the fo	•		•	l structures	s by choosing	the
		completed	effectively	manager	specialist	task	team	
Α	mati	rix organisational	structure requi	res a	to wor	k together	for a particula	ar
		They	will only work to	ogether until the	job is		An advantage	of
th	nis str	ructure is that the	group has a wid	e range of	ski	lls. A disad	vantage is that	it
ta	ıkes t	ime for the group	to work	togeth	er.			
	(b)	Explain why a m	atrix is the best	type of organisa	tional structure	for SCHAF	PP.	[5]

.....[3]

As the students who develop the apps for *SCHAPP* work from their own homes, Billy Schappes uses ICT as the only form of communication with the employees. The main forms of ICT which he uses are:

- mobile phone text message
- email
- video conferencing/web cam.

2 Refer to Text 2.

From the list in **Text 2**, choose **one** form of ICT communication which Billy Schappes could use in each of the following situations. State **one** advantage and **one** disadvantage of each form of communication which you have chosen. A **different** form of ICT communication must be used for each situation.

Sending the requirements for the content of a business studies app to an employee of

SCHAPP.

Form of ICT communication

Advantage

Disadvantage

Checking the progress of an existing task being created by an employee of SCHAPP.

Form of ICT communication

Advantage

Disadvantage

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[6]

Billy Schappes completes all the financial tasks for SCHAPP. Billy's financial tasks today are to:

- calculate the pay of an employee. The employee's details are:
 - Selina Hughes
 - Employee Number 27
 - Project 1 took 12 hours
 - Project 2 took 10 hours
 - Hourly rate £7.00
- create the SCHAPP cash-flow forecast for July to December 2014
- calculate the break-even point for a proposed revision app for GCSE Physical Education.

3 Refer to Text 3.

- (a) Using the information in **Text 3**, complete the **unshaded** boxes in the payslip of Selina Hughes which is below. The following parts need to be completed:
 - employee name and number
 - hours worked and hourly rate of pay
 - gross pay
 - net pay.

SCHAPP PAYSLIP SCHAPP							
Tax date: 10/	06/2014	Employee N	lame:		Employ	ee No:	
Nat Ins No:	Hours	Rate	Gross Pay	Total Deduct	ions	Net Pay	
AB123456C				£45	5.00		

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ı	4	1

(b)	Selina Hughes has had £45.00 deducted from her gross pay. State two examples of deductions
	which could be made from an employee's gross pay.

Deduction 1	
Deduction 2	

[2]

(c) Complete the **unshaded** boxes in the following cash-flow forecast for *SCHAPP* for July to December 2014.

SCHAPP Cash-Flow Forecast July to December 2014							
	July	August	September	October	November	December	
Income	£	£	£	£	£	£	
GCSE Revision Apps	100	20	400	500	1000	1100	
AS Revision Apps	50	20		550	950	1150	
A Level Revision Apps	55	10	300	600	1100	1050	
Total income	205	50	1100	1650	3050	3300	
Expenditure							
Wages	960	1400	700	600	500	400	
Utilities	40	40	50	50	60	60	
Billy's salary	500	500	500	500	500	2000	
Other costs	100	100	100	100	100	100	
Total expenditure	1600	2040	1350	1250	1160		
Income – Expenditure	-1395		-250	400	1890	740	
Opening Balance	2000	605	-1385		-1235	655	
Closing Balance	605	-1385		-1235	655	1395	

[5]

(d)	Billy Schappes needs to decide whether or not to create a new app. Explain how a complecash-flow forecast could help the decision-making process at <i>SCHAPP</i> .	eted [4]

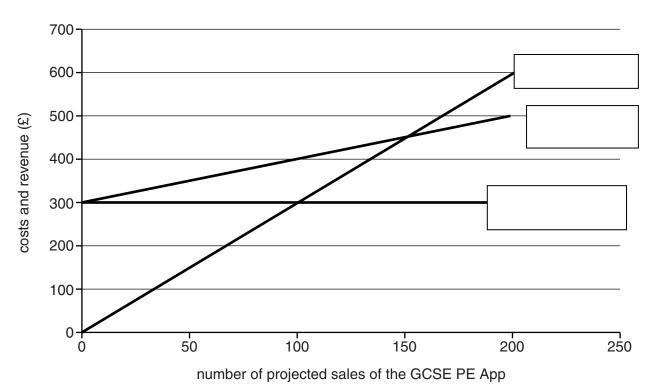
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(e) Billy Schappes is considering whether to develop a new app for GCSE Physical Education (PE). It is intended that this new app will sell at £3.00. He is creating a break-even chart for this proposed new app.

Complete the break-even chart by labelling the:

- fixed costs line
- total costs line
- sales revenue line
- break-even point.

Break-even chart for the GCSE PE App



- (f) Using the information and the formula given below, calculate the break-even point for the GCSE PE app.
 - The fixed costs are given on the break-even chart in part e.
 - The variable costs per app are now £1.25.
 - The selling price of the GCSE PE app is **now** £2.50 per app.

	Break-Even Point for the GCSE PE Ap	p
Break-even point =	Fixed costs	
	(Price of PE App – Variable cost per app sold)	
You must show your	workings:	
Break-even point =	PE apps solo	I

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[3]

(Evaluate the usefulness of break-even analysis to Billy when deciding whether or relevelop the new GCSE PE app.
•	
•	
•	
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•	
•	

Billy needs to know if selling apps to help examination revision at university or college would be good for *SCHAPP*. His first task is to complete some primary (field) market research. Billy sent a questionnaire to *SCHAPP*'s existing A Level customers to obtain information. The following are some of the results of this primary market research.

 Do you think that the A level apps you bought from SCHAPP have helped you to achieve higher grades?

Yes 75% No 25% 2) On which device would you use the apps?

phoneMP3 playercomputer5%

3) Would you use apps when you are revising for examinations at university or college?

Yes 60% No 40% 4) Which of the following subject apps do you think you would be most likely to use at university or college?

Mathematics	21%
English Literature	20%
History	6%
Geography	5%
Engineering	3%
Other subjects	45%

4 Refer to Text 4.

(a)	What is the purpose of market research?			
	[2			
	•			

(b) Billy Schappes has used an email questionnaire for his primary (field) market research.

Identify three other types of primary market research.

1	
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2

3

(c)	Billy Schappes is also thinking about using secondary (desk) market research to help make his decision about producing examination revision apps for university or college students.						
	Identify three different types of secondary market research.						
	1						
	2						
	3	 [3]					
(d)*	Do you think that <i>SCHAPP</i> should expand its business to include university and college appuse the information in Text 4 and any other information to justify your recommendation.	s? [8]					

(e)	Explain why the Internet would be the best method of promoting the university or college examination revision apps.
	[4]

5

SCHAPP has become much busier and Billy now realises that he cannot effectively manage all of the app developers on his own. He, therefore, wants to appoint an App Development Manager. The new manager, as with the developers, will work from their own home.

Refer to Text 5.				
(a)	Explain two skills which the new App Development Manager would require.			
	Skill 1			
	Skill 2			
	[4]			
(b)	Explain two personal qualities which the new App Development Manager would require.			
	Personal quality 1			
	Personal quality 2			

Billy Schappes thinks that, in addition to selling apps, selling examination practice questions in a booklet would be a good idea. He would use another business to print the booklets which would be for each of the subjects and levels available as apps.

6*	Ref	er '	to T	ext	6
u	110	CI	LUI	CVI	u.

Recommend which method of production would be the most appropriate for printing the examination practice question booklets. Give reasons for your recommendation, explaining why you did not recommend other methods of production. [8]

END OF QUESTION PAPER

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