## Solutions

Marking: **K** = knowledge, **App** = applying it to the business in the case, **An** = analysis (explaining causes and effects step by step), **Ev** = evaluation (a judgement with reasons, for this business). In calculations, **M1** is for the method and **A1** for the answer. Longer answers are marked in levels: the top level needs analysis applied to the business **and** a justified judgement.

Each answer shows the steps, then the **result**.

**2.1**

- $22/200 \times 100$
- **11**%

**2.2**

- $345/(50 \times 230) \times 100$
- **3**%

**2.3**

- recruitment: attracting people to apply for a job, e.g. by advertising (K)
- selection: choosing the best person from the applicants, e.g. by interviews or tests (K)

**3.1**

- each new worker must be recruited and trained, which costs money (K)
- new staff take time to learn the job, so output and service quality fall (An)
- remaining staff may lose motivation, and the business may get a poor reputation as an employer (An)

**3.2**

Any two, each explained (2 marks each):

- staff are called in only when needed, so wage costs match the number of guests (K, An)
- the hotel can cope with busy seasons and quiet periods without paying idle staff (K, An)
- it is easy to change staff numbers quickly (K, An)

**3.3**

(a) leavers $0.35 \times 400 = 140$; $140 \times 3000 = \$\mathbf{420\,000}$

(b) any two, each analysed (3 marks each):

- better pay or bonuses, so staff are less likely to leave for other jobs (K, App, An)
- more varied work, such as job rotation, so the job is less boring (K, App, An)
- better managers who listen and give praise, so staff feel valued (K, App, An)
- flexible hours, helping staff with family or study (K, App, An)

Levels: **top** (5–6) two points, each analysed step by step and applied to this business; **middle** (3–4) analysis of one point, or two points with little development; **bottom** (1–2) relevant points, little explanation.

(c) points to include:

- training gives staff skills and confidence, so they cope better with difficult calls and may stay (An)
- it shows the business values staff (An)
- but trained staff may leave for better-paid jobs elsewhere, taking the training with them (An)
- the cause may be low pay or stressful targets, which training does not fix (App)
- cutting turnover from 35% to 20% would save $60 \times 3000 = \$180\,000$ a year, so other changes may be worth more (App)
- judgement: training helps, but the best approach first finds out why staff leave (e.g. exit interviews) and deals with that cause (Ev)

Levels: **top** (6–8) analysis applied to this business, and a justified judgement that answers the question; **middle** (3–5) some analysis applied to the business; judgement weak or missing; **bottom** (1–2) relevant points, little explanation or application.