

2 (a) Define the term *employee morale*. [2]

(b) Explain **one** method of paying employees. [3]

1 The Research Agency (TRA)

TRA is a quaternary sector business. It is the market leader in providing social media data to food manufacturers in country F. TRA’s market has grown by 40% over the last year.

DF is a multinational business that specialises in non-alcoholic drinks. DF has asked TRA for data about a new bottle of water with pod attachments. The pods give a fruity flavour which is combined with sparkling water. TRA has sampled 8000 potential consumers on social media to identify their favourite fruity flavour (see Fig. 1.1). 5

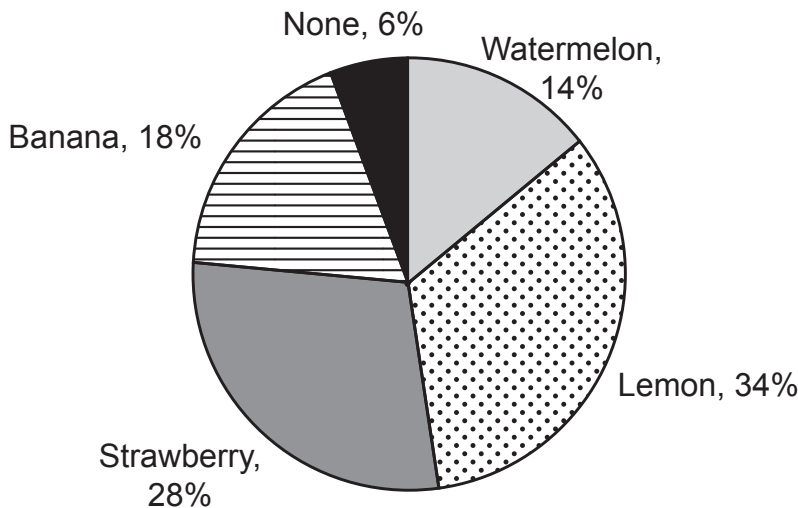


Fig. 1.1 Data about consumer flavour preferences for DF

TRA employs 65 researchers. Since 2020, all of these employees work from home. They are provided with all the necessary IT equipment and a high-speed internet connection. However, motivation is poor, and this has led to high labour turnover. The Human Resource Director has received some feedback from employees. Fig. 1.2 shows some of this feedback. 10

- I hate being so isolated – I never get to speak to any other employees.
 - I have to use my own electricity, and the cost has doubled in the last two years.
 - I know some employees are not working very hard, but they get paid the same as me. It’s not fair!
- 15

Fig. 1.2 summary of feedback from employees at TRA

- (a) (i) Identify **one** stage of the transformational process.

[1]

(ii) Explain the term *multinational business*.

[3]

(b) (i) Refer to Fig 1.1 and other information. Calculate the combined total number of potential consumers who would prefer lemon or strawberry flavoured water.

[3]

(ii) Explain **one** reason why TRA uses sampling.

[3]

(c) Refer to Fig 1.1 and other information. Analyse **two** reasons why the data collected for DF may not be reliable.

[8]

(d) Evaluate the most effective way for TRA to improve the motivation of the home working employees.

[12]
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1 (a) Define the term *job enrichment*. [2]

(b) Explain **one** disadvantage to a business of using empowerment to motivate employees. [3]

1 (a) Define the term *motivation*. [2]

(b) Explain **one** benefit to a business of motivated employees. [3]

2 Personalised Blankets (PB)

Kaia left university with a degree in textile design. Using her entrepreneurial qualities, Kaia set up PB as a sole trader. Her current objective is to break even.

Kaia uses job production to make blankets which are personalised with a picture. Each customer logs into the PB website and chooses the size of blanket. The customer then uploads a picture that they want printed onto the blanket.

5

Many of Kaia’s customers buy the blankets as gifts for special occasions.

Kaia has employed a social media influencer to promote her blankets. The influencer will be paid a salary of \$250 a week and a 5% commission on revenue that comes directly from the influencer. Fig 2.1 shows the revenue that came directly from the social media influencer in February.

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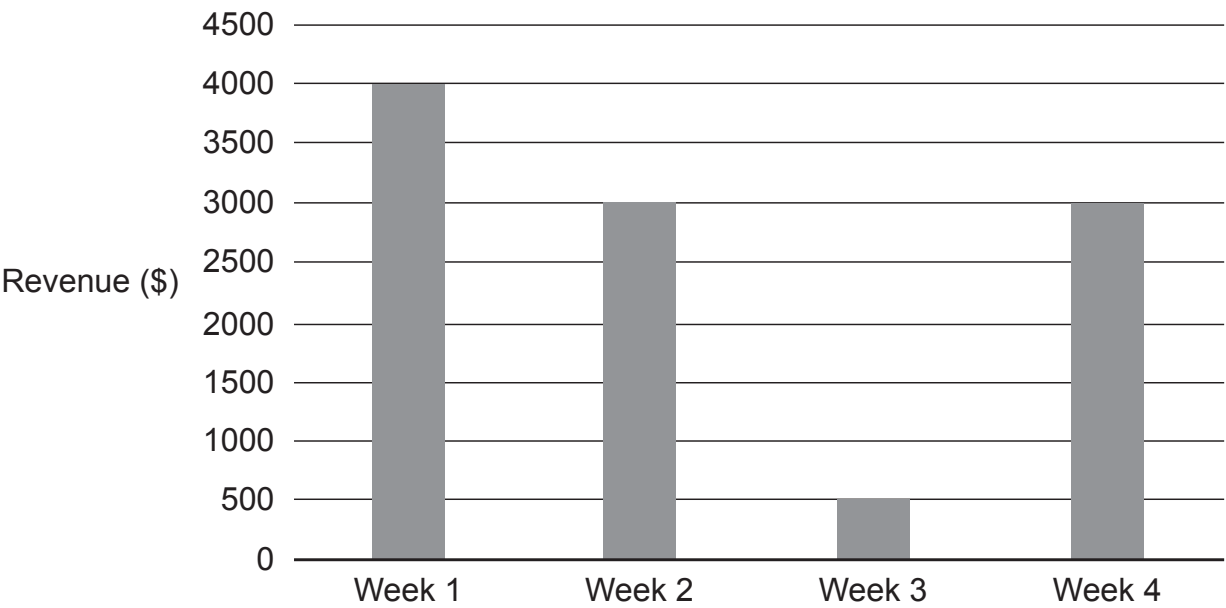


Fig. 2.1 Revenue directly from the social media influencer in February

Kaia would like to relocate PB to larger premises. She is applying for external sources of finance, and she has written a five-year business plan to support her applications.

- (a) (i) Identify **one** external source of finance.

[1]
- (ii) Explain the term *business plan*.

[3]
- (b) (i) Refer to Fig. 2.1 and other information. Calculate the total payment to the social media influencer in February.

[3]
- (ii) Explain **one** disadvantage to Kaia of using a commission payment method.

[3]
- (c) Analyse **one** advantage and **one** disadvantage to Kaia of using job production.

[8]
- (d) Evaluate the most likely reason for Kaia’s objectives to change over the next five years.

[12]

6 (a) Analyse **two** possible disadvantages to a business of using performance-related pay to motivate its employees. [8]

(b) 'The most important role of human resource management (HRM) in a fast food restaurant is to maintain a high level of employee morale and welfare.'

Evaluate this view. [12]