Solutions

Marking: **K** knowledge, **App** application to the case, **An** analysis (a developed chain of reasoning), **Ev** evaluation (a justified judgement); calculations earn **M1** for the method and **A1** for the answer.

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

2.1

any two: higher **productivity**; better quality; lower **absence**; lower **labour turnover**; easier recruitment; better customer service

2.2

- $300 + 0.05 \times 4000$
- = $**500**

2.3

- advantage: staff earn more when they **sell more** cars, so they work harder and sales rise (K + An)
- disadvantage: staff may use **pressure** on customers or ignore after-sales service, harming the showroom's reputation; or pay is uncertain, so staff feel insecure (K + An)

3.1

B

3.2

B $(30 \div 200 \times 100)$

3.3

(a)

- the **rate** at which workers **leave** a business and have to be replaced, usually as a percentage of the workforce

(b)

- 1800×0.30
- = $**540**

(c) two signs, each outlined (K + App each):

- high **absence**
- high **labour turnover**: many leave within a year
- poor quality or low output; complaints; lateness

(d) two methods, each explained (K, App, An each):

- **job rotation**: workers move between packing, loading and checking, so the work is less boring
- **teamworking**: teams run a section of the line, meeting social needs (Maslow)
- **training** and promotion chances: workers see a future, so fewer leave
- **praise** / employee of the month: meets esteem needs (Herzberg's motivators)

(e) for: (An)

- output can be **counted** (trays), so pay links directly to effort; fast workers earn more (Taylor); cost per tray is fixed

against: (An)

- workers may rush, so **quality** falls (crushed bread); pay becomes uncertain, so security falls; it does nothing for Herzberg's motivators, and turnover may stay high

decision: (Ev) for example, keep the time rate with a bonus for output and quality, plus job rotation, because the problem is boredom and turnover, which piece rates alone would not fix.

Level 3 (5–6): a justified decision for this business, weighing both sides. Level 2 (3–4): points explained and applied. Level 1 (1–2): points identified.