



# NCFE Level 3 Applied General in Business and Enterprise (601/8908/3)

Past Paper

To be completed by the examiner			
Question	Mark	Question	Mark
1(a)		3(a)	
1(b)		3(b)	
1(c)		3(c)	
2(a)		4(a)	
2(b)(i)		4(b)	
2(b)(ii)		4(c)	
2(c)		5	
2(d)		6	
TOTAL MARK			

Thursday 28 March 2019

9.00 am–11.00 am

Time allowed: 2 hours

### Learner instructions

- Use black or blue ink.
- Answer **all** questions.
- Read each question carefully.
- You **must** write your responses in the spaces provided.
- You may do rough work in this answer book. Cross through any work you do not wish to be marked.
- All of the work you submit **must** be your own.

### Learner information

- The marks available for each question are shown in brackets.
- The maximum mark for this paper is 91.
- The external assessment is in two parts: **Part A** and **Part B**. You should spend about **85 minutes** on **Section 1** and **35 minutes** on **Section 2**.
- You may use a calculator.

Please complete the details below clearly and in BLOCK CAPITALS.

Learner name \_\_\_\_\_

Centre name \_\_\_\_\_

Learner number

Centre number

**Do not turn over until the invigilator tells you to do so.**  
**Pre-release material for learners**

- The external assessment is based around a business that owns a small chain of three budget hotels
- It is a private limited company
- It sells its services to both individual consumers and businesses

Past Paper





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**2 (a)** Which **one** of the following would **NOT** be classified as a hygiene factor in Herzberg's Theory of Motivation?

**[1 mark]**

- A** Delegating power to employees to make their own decisions
- B** A permanent contract
- C** A reasonable level of pay
- D** Safe working conditions

Answer \_\_\_\_\_

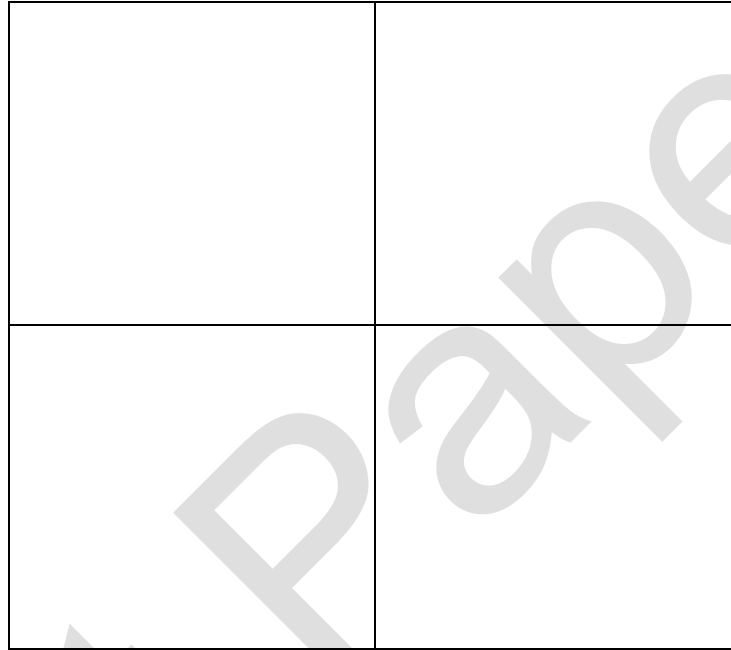
Please turn over for the next question.

**2 (b)** PL hotels are providing low priced hotel rooms of average quality.

Its major rivals in Wales are:

- Hotel Chain A – high price and high quality
- Hotel Chain B – high price and average quality
- Hotel Chain C – low price and low quality

Below is the outline of a market map.



**2 (b) (i)** Label the **two** axes.

**[2 marks]**

**2 (b) (ii)** Place PL and their **three** main rivals in their correct positions on the market map.

**[2 marks]**

**2 (c)**

To improve the availability of fresh bread rolls in its hotels PL has installed automated ovens in their hotel kitchens to produce fresh bread rolls daily.

Explain the impact of this decision on **one** of PL's external stakeholders.

**[3 marks]**

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Past Paper

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**3 (a)** Which **one** of the following is an example of a financial method of motivation used by a business to improve worker performance?

**[1 mark]**

- A** Empowerment
- B** Fringe benefits
- C** Job rotation
- D** Teamwork

Answer \_\_\_\_\_

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Past Paper



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**4 (a)**

Which **one** of the following is the most appropriate method of remuneration if PL wants to encourage its bar staff to increase sales of coffee and pastries?

**[1 mark]**

- A** Commission
- B** Performance related pay
- C** Profit share
- D** Salaries

Answer \_\_\_\_\_

**Please turn over for the next question.**

**4 (b)** PL has produced a forecast of costs for one of its hotels for next year.

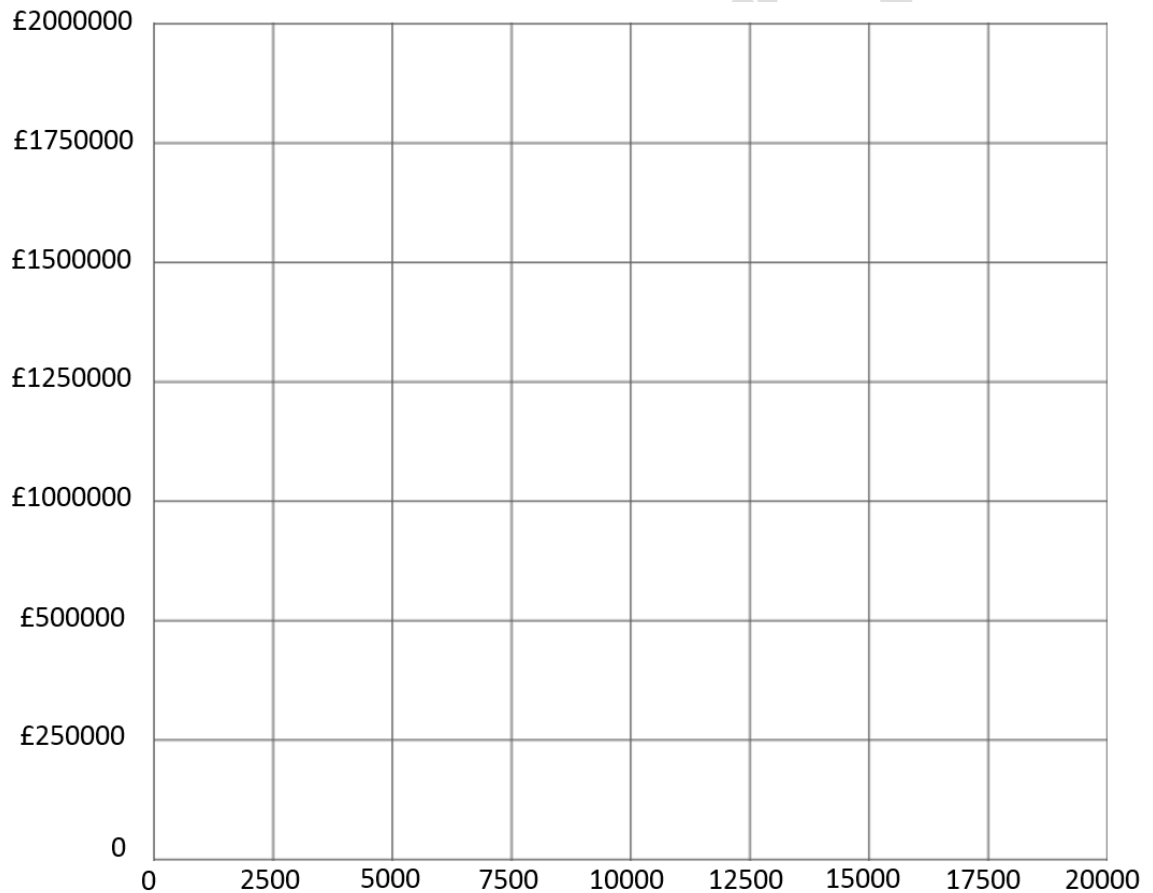
Variable costs per guest per night	£10
Breakfast costs per guest	£10
Fixed costs	£500,000

Each guest will pay £60 per night which includes breakfast.  
The business has forecast this hotel to have 20,000 guests next year.

Use the information above and draw with a ruler, a fully labelled break-even chart.  
Use the blank chart below.

- labels for both axes
- a total cost line (labelled)
- a total fixed cost line (labelled)
- a total revenue line (labelled)

[6 marks]



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Past Paper





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Past Paper

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PL hotels' managers and supervisors are employed on permanent contracts. They receive benefits such as holiday pay, free uniforms and staff discounts. The workforce includes cleaners, receptionists and bar and restaurant staff, the majority of whom are on zero-hour contracts. They have no input into how their shifts are organised or how individual jobs are completed. They do not receive the employment benefits provided to managers and supervisors. Work is task orientated and decisions as to how tasks are completed are made at manager level.

Cleaners, receptionists, and the bar and restaurant staff are in daily contact with guests. Their performance and attitudes affect how guests judge their stay at a PL hotel.

Staff turnover at PL hotels has increased significantly over the past two years. Absenteeism has also risen sharply. Comments from paying guests on social media sites suggest that customer care standards have fallen in PL hotels and queueing time at reception and in the hotel bars and restaurants has increased significantly.

PL's Human Resources (HR) department conducted a survey amongst staff, guaranteeing anonymity. The findings made grim reading for the management. The majority of staff felt that:

- they rarely received feedback on their job performance
- and that their jobs:**
- were monotonous, repetitive and undemanding
  - did not have a defined beginning, middle and end
  - left them feeling their work had little or no "meaning" or significance
  - allowed them no freedom as to how they could accomplish tasks.

Use your knowledge of **Hackman & Oldham's Job Characteristics Model**: Analyse **four** changes (that fit the model) that could be implemented to improve the motivation of PL's cleaners, receptionist, bar and restaurant staff.

For each change suggested make a judgement as to how effective it will be in terms of improving the motivation of PL's cleaners, receptionist, bar and restaurant staff.

**[13 marks]**

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