

Write your name here

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Other names

**Edexcel
Principal Learning**

Centre Number

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Candidate Number

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Business, Administration and Finance

Level 3

Unit 8: Responding to Change in Business

Thursday 14 June 2012 – Morning

Time: 1 hour

Paper Reference

BA308/01

You do not need any other materials.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided
– *there may be more space than you need.*

Information

- The total mark for this paper is 50.
- The marks for **each** question are shown in brackets
– *use this as a guide as to how much time to spend on each question.*

Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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PEARSON

Answer ALL questions.

Some questions must be answered with a cross ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1 Which **one** of the following is an environmental factor that will impact on a business?

A	Changes in taxation	<input type="checkbox"/>
B	Changing lifestyles	<input type="checkbox"/>
C	Changes in mechanisation	<input type="checkbox"/>
D	Changes in the use of energy	<input type="checkbox"/>

(Total for Question 1 = 1 mark)

2 Which **one** of the following is an external cause of change?

A	The level of inflation	<input type="checkbox"/>
B	Skills and creativity of the workforce	<input type="checkbox"/>
C	Changes in management	<input type="checkbox"/>
D	Customer feedback	<input type="checkbox"/>

(Total for Question 2 = 1 mark)

3 Which **one** of the following is **most likely** to arise due to competition from developing countries?

A	A decrease in tariffs	<input type="checkbox"/>
B	A reduction in recycling	<input type="checkbox"/>
C	Population movements	<input type="checkbox"/>
D	Relocation of manufacturing	<input type="checkbox"/>

(Total for Question 3 = 1 mark)



4 Economic growth is **most likely** to have which **one** of the following effects on an economy?

A	A reduction in the use of natural resources	<input type="checkbox"/>
B	An increase in the level of unemployment	<input type="checkbox"/>
C	A reduction in corporation tax	<input type="checkbox"/>
D	An increase in the supply of goods	<input type="checkbox"/>

(Total for Question 4 = 1 mark)

5 A change in consumer law is **most likely** to include controls over which **one** of the following?

A	Wearing protective clothing at work	<input type="checkbox"/>
B	Falsely advertising the benefits of a product	<input type="checkbox"/>
C	The provision of maternity leave	<input type="checkbox"/>
D	Placing quotas on products entering the EU	<input type="checkbox"/>

(Total for Question 5 = 1 mark)



Read the information below and then answer the questions that follow.

In 2006 German sportswear company Adidas merged with US company Reebok. This consolidated its position as the world's second largest sportswear provider behind Nike. The merger allowed Adidas greater access to the US market. However, it also provided a challenge to the Adidas management due to the different attitudes to work of US and German workers. Further problems that arose due to the merger included:

- Adverse foreign exchange rate changes when converting US Dollars to Euros
- The threat of the US Government stepping in to stop a merger that could lead to monopoly powers

As the effects of the 2006 merger became clearer it was obvious that the cultures of Adidas and Reebok showed a number of other differences.

Reebok

Reebok was thought to be market led, basing its decisions on the needs of the market.

Its employees were more entrepreneurial and prepared to take risk within the workplace. There was greater delegation giving more authority to each employee. Employees were motivated through having a high degree of independence.

Adidas

The Adidas culture was more product led, with high quality of product development seen as essential. There was close control of the workforce with heavy supervision. Employees were used to having specific job responsibilities and were motivated by working in teams.

Some business analysts believed that problems might arise due to a clash of cultures between the two companies.



6 (a) Adidas is affected by the external environment.

Describe how changes in exchange rates might affect multi-national companies such as Adidas.

(3)

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(b) As a result of the merger, Reebok has been required to implement Adidas's management style.

Describe **two** ways these cultural changes at work may affect Reebok employees.

(6)

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(Total for Question 6 = 9 marks)



Adidas was severely affected by the grip of global recession in 2009. It saw a slump in annual profits of 96%. Its Reebok division actually made a loss. As a result, it announced cost-cutting measures of £100 million. These included the closure of regional offices and some retail stores.

Adidas followed standard procedures for redundancy. It looked to avoid uncertainty, assist the process of change by providing fair treatment to its workers. When making workers redundant it looked at key areas including skills and qualifications, standard of work performance, attendance and disciplinary records.

8 Quality, productivity and customer satisfaction data can be used to measure the impact and implementation of change on employees within an organisation.

(a) Outline **two** benefits to an organisation of using this type of data to measure the impact of change on its employees.

(4)

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