

**BUSINESS AND MANAGEMENT
STANDARD LEVEL
PAPER 1**

Wednesday 8 May 2002 (afternoon)

1 hour 30 minutes

INSTRUCTIONS TO CANDIDATES

- Do not turn over this page until instructed to do so.
- Read the case study carefully and then answer all the questions.

1. (a) Why does Joseph Obeng believe the best growth strategy for *Open Views* is organic growth, rather than going public or merging with other companies? [3 marks]
- (b) Analyse whether small and medium sized firms, such as *Open Views*, have commercial and competitive advantages over multinationals like *McGregor's* and *Blue Sea*. [8 marks]
- (c) Examine *Open Views*' present marketing approach and consider whether this needs reviewing and refining. [6 marks]
2. (a) Explain what is meant by an autocratic manager (line 103). [2 marks]
- (b) Discuss the effectiveness of Joseph Obeng's leadership approach and management style. [4 marks]
- (c) (i) Select **four** monetary and **two** non-monetary incentives that Joseph Obeng and Peter Storm could use to improve the productivity and/or motivation of their staff. [3 marks]
- (ii) Evaluate the likely success of your selected incentives, **either** individually **or** in combination, at *Warm Breezes* and the head office. [5 marks]
3. (a) Calculate the average (mean) room occupancy at *Warm Breezes* for each of the Years 1999 to 2001 (*appendix 4*). [3 marks]
- (b) Assess whether the proposals, put forward by Manjit and Joseph to improve occupancy levels through the year, fit with *Open Views*' target customer profile (*appendix 1*), and whether Joseph is correct to be concerned. [6 marks]
4. (a) Prepare a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis for *Open Views*. [8 marks]
- (b) Using the information from your SWOT analysis, produce a report from Marc Leroux to Joseph and Manjit outlining future operating and growth strategies for the next five years. [12 marks]
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