



National
Qualifications
2026

X810/75/11

Business Management

FRIDAY, 24 APRIL

9:00 AM – 11:00 AM

Total marks — 90

SECTION 1 — 40 marks

Attempt BOTH questions.

SECTION 2 — 50 marks

Attempt ALL questions.

Write your answers clearly in the answer booklet provided. In the answer booklet you must clearly identify the question number you are attempting.

Use **blue** or **black** ink.

You may use a calculator.

You must leave your answer booklet on your desk; if you do not, you could lose all the marks for this paper.



* X 8 1 0 7 5 1 1 *

SECTION 1 — 40 marks
Attempt BOTH questions

GRO Coffee Ltd

GRO was founded in 2015 in the heart of Ayrshire. It now has two coffee bars, the original Irvine café and the more recently opened café in Ayr. GRO's all-day menu offers drinks, sandwiches, hot food and cakes from its in-house bakery.

GRO

GRO is always looking for ways to improve. It focuses on offering organic and high-quality products. GRO creates a welcoming atmosphere for customers by having attractive décor, providing big comfy couches and offering free WiFi. GRO also contributes to the wider community through charitable donations and has even built outdoor sensory gardens for a local primary school.

Quality is important to GRO so it chooses to work with the best local suppliers to source the finest ingredients for the products on its menus. The environment is also at the heart of its drive for perfection and continual improvement. Therefore, it uses low-energy equipment in both of its cafés and minimal, recyclable packaging in its takeaway service.

Due to its success, GRO plans to open a third café in Ardrossan.

Exhibit 1: Extract from GRO's website

GRO

- HOME
- LOCATIONS
- ABOUT
- OUR MENU
- BAKERY
- FAQ
- CONTACT
- VOUCHERS

[See Menu](#)[f](#)[@](#)

Careers

We are looking for awesome people to join our team:

- Managers
- Chefs
- Bakers
- and Front of House

We offer great rates of pay! If you are interested apply below.

[Apply Now](#)



The following questions are based on the case study. You will need to make use of knowledge and understanding you have gained while studying the course.

- | | | |
|--------|--|---|
| 1. (a) | From the case study, identify 3 ways that GRO is ethical and environmentally friendly. | 3 |
| (b) | (i) Using Exhibit 1 , identify the stage of recruitment used by GRO. | 1 |
| | (ii) Describe 2 other stages in the recruitment process that GRO could use. | 2 |
| (c) | From the case study, describe the interest of GRO's stakeholders. | 4 |
| (d) | Describe sources of finance that GRO could use to expand. | 4 |
| (e) | Using the case study, identify 2 methods that GRO uses to provide customer satisfaction. | 2 |
| (f) | Explain the factors that could affect GRO's choice of a new location. | 4 |

[Turn over



ReUse Golf Balls (RGB) is a private limited company founded in 2020 with an idea to recycle and sell used golf balls. It started off with a small inventory of 5,000 used golf balls which were donated. After selling these, it gained exposure in the local newspaper for donating a portion of its sales to a local children's charity. Since then, it has expanded, selling 100,000 golf balls in just over a year. It now has 5 employees and works with over 100 suppliers who donate or sell used golf balls to RGB. However, sourcing a steady supply of used golf balls to keep appropriate inventory levels is an ongoing challenge.

The owners try to keep the promotion of the business light-hearted, using social media platforms such as Instagram to post reels. The business offers free delivery for purchases over £50.

RGB is committed to providing a quality product. Each golf ball is carefully washed, sorted and graded using a combination of well-maintained machinery and hand inspection. Trained staff categorise golf balls into four performance grades based on their condition.

Exhibit 1: Extract from social media



Exhibit 2: Golf ball quality grading system

	
Grade	Condition
Mint	Like new
Grade A	Very good
Grade B	Playable but scuffed
Grade C	Major blemishes but good for practice

The following questions are based on the case study. You will need to make use of knowledge and understanding you have gained while studying the course.

- | | | |
|--------|--|---|
| 2. (a) | From the case study, identify 3 methods ReUse Golf Balls use to promote its business. | 3 |
| (b) | Discuss the costs and benefits of ReUse Golf Balls ensuring a quality product. | 5 |
| (c) | Using the case study, explain the internal factors influencing ReUse Golf Balls. | 2 |
| (d) | Describe the features of the type of organisation that ReUse Golf Balls operates as. | 4 |
| (e) | Outline the risks to ReUse Golf Balls of understocking. | 4 |
| (f) | Using the case study, identify 2 expenses that would appear on ReUse Golf Balls' income statement. | 2 |

[Turn over

SECTION 2 — 50 marks
Attempt ALL questions

- 3. (a) (i) Distinguish between the primary sector and the tertiary sector of industry. 1
- (ii) Describe **one** other sector of industry. 1
- (b) Explain the influence of external factors on an organisation. 4
- (c) Describe **2** objectives of a public sector organisation. 2
- (d) Outline **2** factors of production. 2

4. (a)

Income statement for Creative Arts Ltd for period ending 31 December 2025	
	£
Sales revenue	250,000
Cost of sales	140,000
Gross profit	A

- (i) Using the income statement above, calculate the missing figure (A). 1
- (ii) Describe **2** ways a business could improve its gross profit. 2
- (b) Draw and label a break-even chart. 4
- (c) Describe the use of technology in the finance department. 3

[Turn over

		MARKS
5.	(a) (i) Describe a suitable method of production for a soft drinks manufacturer.	1
	(ii) Explain the costs and benefits of the method described in (a)(i).	3
	(b) Justify the use of computerised inventory control.	3
	(c) Outline 3 factors influencing an organisation's choice of supplier.	3
6.	(a) (i) Identify 2 methods of industrial action.	2
	(ii) Describe the effects of industrial action.	3
	(b) Describe 3 features of the Health and Safety at Work Act.	3
	(c) Outline how each of the following technologies could be used in the human resources department:	
	• email	
	• e-diary.	2
7.	(a) (i) Define the term branding.	1
	(ii) Describe one advantage and one disadvantage of branding.	2
	(b) (i) Discuss advantages and disadvantages of focus groups as a method of market research.	3
	(ii) Compare desk and field research.	2
	(c) Place is an element of the marketing mix.	
	Describe 2 other elements of the marketing mix.	2

[END OF QUESTION PAPER]

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Section 1 Question 1 – Case Study – Logo, information and website screenshot are adapted from www.grocoffee.co.uk.

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Section 1 Question 2 – Case Study – Logo, information and extract from social media are adapted from www.reusegolfballs.com. Reproduced by permission of ReUse Golf Balls.