

Business Higher

Reading

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SAMPLE PAPER 1

Time 1 hour

INSTRUCTIONS TO CANDIDATES

Do not open this question paper until you are told to do so.

Write your name, centre number and candidate number on your answer sheet if they are not already there.

Read the instructions for each part of the paper carefully.

Answer all the questions.

Read the instructions on the answer sheet.

Mark your answers on the answer sheet. Use a pencil.

You **must** complete the answer sheet within the time limit.

At the end of the test, hand in both this question paper and your answer sheet.

INFORMATION FOR CANDIDATES

There are 52 questions in this paper.

Each question carries one mark.

PART ONE

Questions 1 – 8

- Look at the statements below and at the five extracts from an article on the opposite page about organisations which outsource (OWOs) – those which give contracts for some of their activities to be run by managed service suppliers (MSSs).
- Which article (**A, B, C, D** or **E**) does each statement **1 – 8** refer to?
- For each sentence **1 – 8**, mark one letter **A, B, C, D** or **E** on your Answer Sheet.
- You will need to use some of these letters more than once.

Example:

0 There are signs that some MSSs are moving into foreign markets.

0	A	B	C	D	E
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 1** There is a risk that outsourcing too many operations could weaken an OWO.
- 2** OWOs are finding that they need to adapt their management methods as a result of the increased outsourcing they commission.
- 3** There are different ways of assessing the total financial worth of outsourced business.
- 4** There may be improvements for an OWO's staff when it outsources services.
- 5** Despite their success in business terms, MSSs may not be high profile.
- 6** OWO's may not have consistent policies with regard to MSSs.
- 7** It's possible for the majority of an OWO's activities to be contracted to MSSs.
- 8** Outsourcing is affecting the way performance is measured in some areas of business.

A

Basic activities such as catering, cleaning and security were often the first to be contracted-out as both the private and public sectors yielded to the 1990s philosophy of concentrating on core activities. As a result of outsourcing, many canteens have lost their institutional atmosphere and resemble high-street retail outlets, boosting both the range of products and facilities for workers and the MSSs' turnover. Profits from the growing UK outsourcing market are helping the biggest catering MSSs to expand overseas as the industry develops a global dimension.

B

Estimates of the scope and value of managed service supplying vary according to the definitions used of what activities are included or excluded in calculations. Although some MSSs are large – for example, the Alfis Group is, with 200,000 employees, one of the ten biggest private sector employers in Europe – they enjoy little of the public name-recognition of the OWOs for whom they work. At the same time, in fields such as IT and research, OWOs now outsource not only non-core activities but also those where they believe specialist MSSs can bring additional expertise.

C

The growth of outsourcing means that a number of MSSs are finding themselves drawn into the established managerial thinking of their OWOs to a point where their reputation becomes dependent on the OWOs performance – in both positive and negative ways. This and other consequences of growth are generating calls from MSSs for both the private sector and governments to think more strategically about their relationships with MSSs, rather than on a disjointed contract-by-contract basis.

D

There are signs that the spread of contracting out to MSSs is impacting on the way OWOs are run, generating a need for high-level staff who will be skilled at negotiating and handling relationships with partner organisations rather than simply giving internal directions. Meanwhile, MSSs face unique employment and recruitment issues – the workforces of large OWOs contracted services consist of staff inherited from dozens of organisations in both the public and private sectors.

E

The growth in outsourcing has coincided – and may continue to coincide - with increasing interest in the concept of the virtual organisation – one which chooses to outsource almost everything so that it can concentrate on handling relationships with its clients. However, a recent report warns that the notion of virtual organisations must be balanced against the negative possibility of 'hollow' organisations, left with only a 'fragile shell remaining'. The report also expresses concern that some large MSSs have 'gradually taken control of significant parts of public sector activities', changing the basis on which the success or otherwise of those activities is assessed.

PART TWO

Questions 9 – 14

- Read this text taken from an article about how companies' decision-making can go wrong.
- Choose the best sentence from the opposite page to fill each of the gaps.
- For each gap **9 – 14**, mark one letter (**A – H**) on your Answer Sheet.
- Do not use any letter more than once.
- There is an example at the beginning, **(0)**.

Bad business decisions are easy to make

Those who make disastrous business decisions generally exhibit two characteristic types of behaviour. First they make a selective interpretation of the evidence when deciding to go ahead with a project. **(0)** ... H

How do such bad decisions come about? One reason is that the people in control are determined to make their mark by doing something dramatic. **(9)** Once the leader has decided to put his or her name to a project, many in the organisation believe it politic to support it too, whatever their private doubts.**(10)** These doubters know that such a perception will cloud their future careers. The desire to agree with the boss is typical of committees, with group members often taking collective decisions that they would not have taken individually. They look around the table, see their colleagues nodding in agreement and suppress their own doubts. If all these intelligent people believe this is the right thing to do, they think to themselves, perhaps it is. It rarely occurs to committee members that all their colleagues have made the same dubious calculation.

Responsible managers usually ask to see the evidence before reaching a decision. **(11)** Even those who consider all the evidence, good and bad, fail to take account of the fact that expert predictions are often wrong. The reason for this is that feedback is only effective if it is received quickly and often; and senior executives rarely become the experts they claim to be, because they make too few big decisions to learn much from them. So when it becomes clear that disaster looms, many executives insist on pressing ahead regardless. **(12)** The repercussions of doing so can be daunting.

So what can be done to prevent companies making bad decisions? **(13)** Another is to delegate the decision on whether or not to continue to people who are not in the thick of the decision-making, such as the non-executive directors. **(14)** But they shouldn't expect any gratitude: people who have made huge mistakes are not going to say 'Thank you, we should have paid attention to you in the first place.'

- A** It would be far better, though, if dissidents in the organisation raised their doubts beforehand, and were listened to.
- B** They want to be recognised as having changed the company in a way that history will remember.
- C** This is not to argue that companies should never attempt anything brave or risky.
- D** Too much money has been spent and too many reputations are at stake to think about stopping at this stage.
- E** One solution is to set targets for a project and to agree in advance to abandon it if these are not met.
- F** After all, people who persistently point to potential pitfalls are seen as negative and disloyal.
- G** But they often rely only on those parts of it that support their case.
- H** Coupled with this, they insist that the failure was someone else's fault.

PART THREE

Questions 15 – 20

- Read the following extract from an article about incompetent employees, and the questions on the opposite page.
- For each question **15 – 20**, mark one letter **A, B, C** or **D** on your Answer Sheet, for the answer you choose.

Every organisation has its share of employees-from-hell: the lazy, deluded, hypochondriac under-performers. They are difficult to manage and miserable to work with. Their productivity is low and their ability to poison staff morale high. They are, alas, always well-entrenched and management-resistant. Interestingly, their numbers in any organisation have more to do with management's refusal to deal with the situation rather than with poor selection. That is, their existence in the organisation is nearly always due to a long line of weak managers who have declined to tackle the problem.

Traditionally, there are three classic ineffective ways of dealing with the incompetent. The first is to ignore the problem, hoping that it will go away. Rather than confront laziness or serious absenteeism, the manager gives the employee less work to do. This inevitably leads to frustration on the part of the good hardworking staff who see the problem employee getting away with it.

The second approach, which has traditionally been the most favoured, is to pass them on. There is usually a part of any business where people believe the poor performer can do no damage. Alternatively, poor performers can be moved to another branch in the dreariest part of town, or to another town, or even to another country. A clever variant of this tactic is to herd all the incompetent employees into one part of the company that is then sold off or privatised.

There is a third approach which is to promote the incompetent. This sounds bizarre and exceedingly stupid but is not infrequently adopted. The idea is that, although these posts are quite senior and well-paid, the actual jobs are fairly pointless ones in which incompetent people can hide without doing any serious damage. The employee is thus confirmed in his or her delusions of competence.

All three of these strategies are the result of not dealing with the problem early on. Many managers find dealing with incompetence very difficult. The scenario that all managers hate is as follows: show a subordinate a low mark on their appraisal form. The employee first wants the behaviour defined; then wants an example of when this behaviour occurred; then argues about how this incident occurred and how typical it was. The net result is a row about the past and frustration on the part of both.

A different and more successful method is the problem-solving approach. This insists that one still shows the low score but, rather than attempting to explain it, one describes what needs to be done differently to achieve a higher score. The emphasis is on the future not the past; on a clear description of the desirable behaviour, not the incompetent behaviour. The touchy or sensitive employee normally responds to this reasonably well. Nevertheless, there are those who cannot, or will not, respond to good management. They may be unable to do the job due to not having the ability to learn ever-changing tasks fast enough. They may be distracted by problems at home or more likely they have been managed very poorly in the past.

There is really only a very limited number of things that can be done with the really incompetent. Buy them out, which may be the best solution for all concerned; raise the game by making sure they are given ever higher but reachable targets. A final strategy is to insist that they have an annual psychological test where a disinterested outside consultant does a motivation analysis and has the power to recommend that they be let go – not encouraged to go to another part of the organisation, but into the bracing waters of the job market.

- 15 What criticism does the writer make of managers in the first paragraph?
- A They lose interest in the issue of incompetent employees.
 - B They fail to take a firm line with inefficient employees.
 - C They have little idea of what is really required of their staff.
 - D They often make bad decisions when choosing new staff.
- 16 What is the effect of the first of the methods suggested for dealing with incompetent staff?
- A It has only a short term effect on the problem.
 - B It means that better workers will not have to work so hard.
 - C It makes good workers aware that problems are being dealt with.
 - D It sends a negative message to those who do their job well.
- 17 In both the second and third ineffective methods of dealing with incompetent employees, the managers' aim is to
- A have all of the incompetent staff working in the same part of the company.
 - B improve the attitude of the incompetent staff to work by giving them promotion.
 - C put the incompetent staff in a situation where they can do as little harm as possible.
 - D make the work so unattractive that the incompetent staff want to leave.
- 18 The writer says in the fifth paragraph that employees who are given a low mark on their appraisal form will
- A demand a detailed explanation of what they have done wrong.
 - B claim that special circumstances have had an effect on their work.
 - C deny that their work has been in any way unsatisfactory.
 - D argue that they find the work they have had to do frustrating.
- 19 In the sixth paragraph the writer says that when talking to an incompetent employee a manager should
- A make no reference to the most recent appraisal mark.
 - B compare the work of the employee with that of more efficient workers.
 - C make clear what will happen if performance does not improve.
 - D explain to the employee how he or she can gain a better appraisal mark.
- 20 What does the writer suggest as a way to deal with incompetent employees who fail to respond even to a problem-solving approach?
- A Set them targets which it would be impossible to attain.
 - B Give them a test designed to identify their strengths.
 - C Pay them a sum of money to leave the company.
 - D Get an outside consultant to find them another job.

PART FOUR

Questions 21 – 30

- Read the article below about life coaching – regular meetings between a business person and a neutral consultant to discuss work-related problems.
- Choose the correct word to fill each gap from **A, B, C** or **D** on the opposite page.
- For each question **21 – 30**, mark one letter (**A, B, C** or **D**) on your Answer Sheet.
- There is an example at the beginning, **(0)**.

WHY I FOUND A LIFE COACH

Anyone who has ever**(0)**..... into a self-improvement book has probably learned that such books do not hold the**(21)**..... of personal happiness. Having read too many of them without success, I was**(22)**..... to staying vaguely dissatisfied for the rest of my life. But when I**(23)**..... a newspaper article about a new kind of consultant, called a life coach, I became curious, and decided to learn more.

I was looking for a more personal way to**(24)**..... my life: I'd achieved my material goals before**(25)**..... the support of a coach, but professional challenges, long hours and not having someone neutral to talk to were putting my work and relationships at**(26)**..... . I realised I needed to learn how to deal with problems before they occurred.

My life coach is very good at asking me**(27)**..... questions which help me to discover what I'm dissatisfied with in my life, and to understand who I am. It's good to have someone you can trust and respect to**(28)**..... things over with.

I sometimes pick topics in**(29)**..... of our discussions, such as situations at work, or conflicts between me and colleagues, though I don't always**(30)**..... an agenda. And I know that everything I say to my coach is in the strictest confidence. I'm far better at tackling difficult situations now, and best of all, I feel much more at ease with my life.

Example

A glanced **B** seen **C** inspected **D** looked

0	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D
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21 **A** solution **B** answer **C** key **D** secret

22 **A** patient **B** resigned **C** tolerant **D** contented

23 **A** found out **B** came across **C** ran into **D** met with

24 **A** evaluate **B** account **C** estimate **D** reckon

25 **A** appointing **B** signing **C** registering **D** enlisting

26 **A** danger **B** hazard **C** risk **D** peril

27 **A** examining **B** probing **C** exploring **D** investigating

28 **A** talk **B** discuss **C** say **D** tell

29 **A** preparation **B** readiness **C** precaution **D** anticipation

30 **A** set **B** put **C** place **D** hold

PART FIVE

Questions 31 – 40

- Read the article below about working abroad.
- For each question **31 – 40**, write one word in CAPITAL LETTERS on your Answer Sheet.
- There is an example at the beginning, **(0)**.

Example

WORKING ABROAD

An increasing number of people are finding**(0)**..... necessary to spend at least part of their working life abroad. An international career used to be something people opted into from choice, but**(31)**..... many it has now become a requirement of staying in work. You do not have to be working in a huge multi-national corporation to find**(32)**..... being asked to work abroad. Companies that not so**(33)**..... years ago reserved foreign travel for directors, are now sending middle managers and even new recruits on projects overseas.

The characteristics of international travel will vary widely. For some people it will mean that they will occasionally have to spend a**(34)**..... days in a foreign city, while for others it will mean that they will constantly be moving from**(35)**..... country to another until they eventually lose touch with**(36)**..... original national identity.

The growing demand for people with the skills and experience to work in cross-national contexts places a premium on those who have developed the skills to enable them to rise to that challenge.**(37)**..... is needed is flexibility and adaptability, both of**(38)**..... arise from a state of mind rather than from innate ability. Teamworking skills are also important and**(39)**..... is the ability to communicate effectively, especially**(40)**..... long distances, via new communications technologies, such as videoconferencing and teleconferencing.

An international career requires a variety of skills. The time to begin preparing for such a career is now.

PART SIX

Questions 41 – 52

- Read the text below about writing good covering letters.
- In most of the lines **41 – 52** there is one extra word. It is either grammatically incorrect or does not fit in with the sense of the text. Some lines, however, are correct.
- If a line is correct, write **CORRECT** on your Answer Sheet.
- If there is an extra word in the line, write **the extra word** in CAPITAL LETTERS on your answer sheet.
- The exercise begins with two examples, **(0)** and **(00)**.

Examples

0	C	O	R	R	E	C	T
00	Y	O	U				

Don't get "filed in the bin"

0 When you're applying for a job, what can you do to ensure that your
00 covering letter doesn't just get 'filed' in the rubbish bin? Firstly, you
41 always remember that the purpose of a covering letter is there to
42 complement for your CV. This means it should flesh out and explain
43 clearly through any points that the CV alone doesn't deal with and that
44 therefore might otherwise be missed out by prospective employers.
45 For example, if you're looking to change in industries, then your letter
46 ought to explain them why you want to make the move, what your
47 motivation is, and what you hope to achieve. If your CV shows that you
48 don't hold a relevant qualification that the job ad has specified it (say,
49 a university degree or a vocational diploma), so you'll need to explain
50 why you should still be considered. It's not easy, and often writing the
51 letter can take twice as long as writing your CV. But because to some
52 extent that is how it should be: a CV is a formal, with structured document
that simply imparts information, whereas a letter is your chance to make an
impression.

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