2027.M56S2

2027L033G1ES2

Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination
Sample 2

Business

Ordinary Level

2 hours 30 minutes

300 marks

Examination Number

Date of Birth

For example, 3rd February 2005 is entered as 03 02 05

Centre Stamp

Instructions

There are **five** questions in this paper.

Question 1	90 marks
Questions 2 to 5	70 marks each

Answer **Question 1** and any **three other** questions.

Write your Examination Number and your Date of Birth in the boxes on the front cover.

Write your answers in blue or black pen. You may use pencil for sketches, graphs and diagrams only.

Write your answers in the spaces provided in this booklet. There is additional space at the end of question one and at the back of the booklet. Label any such extra work clearly with the question number and part.

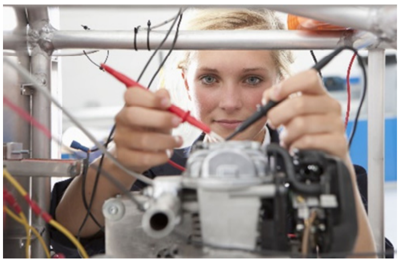
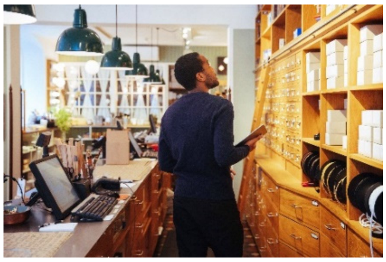
This examination booklet will be scanned and your work will be presented to an examiner on screen. Anything that you write outside of the answer areas may not be seen by the examiner.

Question 1 is compulsory. Answer all parts.

Question 1 **The Business World** **(90 marks)**

PJ Maher, an electrical contractor, employs six qualified electricians. He has recently expanded his business model. He saw an opportunity to source his own electrical materials for a better price and to also act as a wholesaler to other electricians around the area. This additional business complements his existing electrical contracting business.

PJ has built a state-of-the-art showroom and warehouse on his premises with an impressive display of light fittings and other materials. He is happy for electricians to bring potential customers to the showroom so that they can view the range of products.

PJ has a strong credit-rating, and after much thought, decided to fund this expansion using a combination of retained earnings and a long-term loan. He created a Business Plan that not only helped him secure loan approval but also enabled him to identify potential business challenges. He later used this plan to apply for the Feasibility Study Grant from his Local Enterprise Office but was disappointed to learn that his business did not meet the criteria. However, this setback did not deter him.

PJ decided to lease a van for deliveries. One of his employees, Wojciech, had recently requested to reduce his physical workload and working hours for health reasons. After considering this request, PJ proposed that Wojciech take on the role of driving the van and handling morning deliveries. Wojciech was satisfied with the suggestion and is happy in his new position.

PJ is pleased that the business is currently doing well and reaching all targets on schedule.

(a) List **three** stakeholders that may be impacted by the recent growth of PJ's business.

1
2
3

(b) PJ displays many of the competencies associated with innovators.
Identify **one** of those competencies and outline its importance when starting or expanding a business.

Competency:
Importance:

(c) Explain how PJ's business plan contributed to his success so far.

(d) PJ realised that he didn't have the time or knowledge to run the wholesale section efficiently by himself.

He hired a manager, Jean, to run this section of the business and she in turn hired three new employees who would report directly to her. She sent them to a local training centre where they learned about customer care. An expert also came to PJ's premises to demonstrate how to use the tills and the stock control system.

Jean encouraged the employees to consider enrolling in a Level 6 (QQI) People Management course if they were interested in pursuing a supervisory role in the future.

(i) Name and explain **two** different types of training that may be offered to employees.

Name:
Explain:
Name:
Explain:

(ii) Outline **one** reason why ongoing training and professional development of employees is an important aspect of human capital management.

(e) PJ is committed to Corporate Wellness.

(i) Identify evidence of this in his business.

(ii) Outline **one** benefit to a business of maintaining a focus on wellbeing in the workplace.

(f) Insurance is one strategy PJ could use to manage risk.
Outline **three** suitable types of insurance that PJ should consider to protect his business from potential risks.

1
2
3

(g) PJ has been researching the Circular Economy Innovation Grant Scheme (CEIGS) and is planning to apply for this grant.

Indicate whether each of the following examples would help contribute to the circular economy, by putting a tick (✓) in the correct box.

Examples	Yes	No
Provide a service for customers where they can leave used or end-of-life electrical items at his premises for recycling.		
Sell energy efficient bulbs, even though they tend to be more expensive.		
Change his packaging from recyclable cardboard to single-use plastic cartons in order to save money.		

Additional space for answers to Question 1.
Label each part clearly.

Answer any three questions from questions 2, 3, 4 or 5.
Each question carries 70 marks.

Question 2 **(70 marks)**

(a) Fill in the blanks by using the correct words from the list below.
(one word does not apply)

illegal	European	businesses

Shadow economy activity involves ________________ or individuals engaging in ________________ transactions by acting out of line with legislation or government reporting requirements.

(b) 78% of consumers manage money or payments using mobile devices.

Fintech is the use of technology to deliver financial services and products to consumers.

Outline **one** benefit and **one** challenge of fintech for consumers.

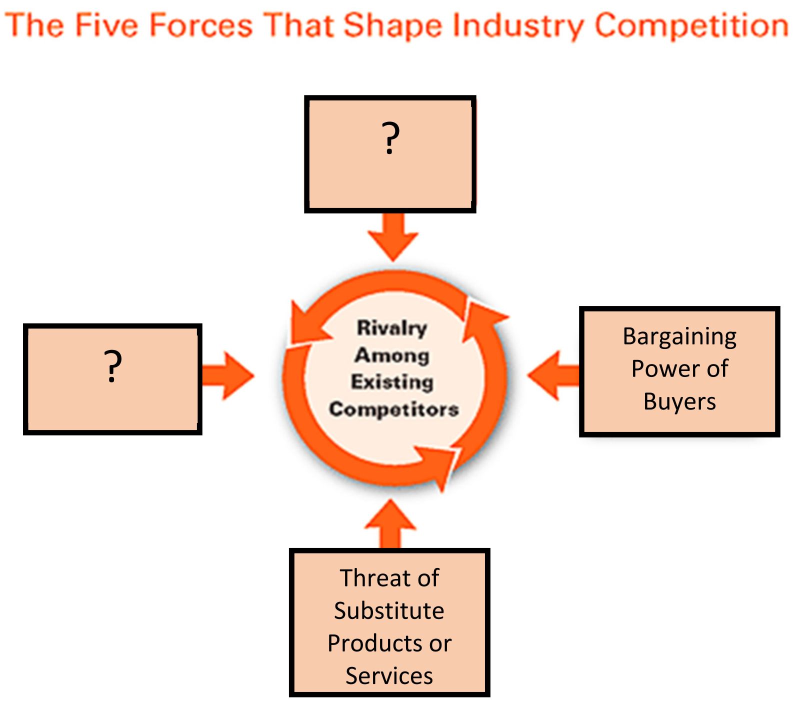
Benefit:
Challenge:

(c) Below are three economic indicators. Choose **one** of these and explain how it may impact on business development and growth in Ireland.

- Inflation
- Employment/Unemployment Rates
- Interest Rates

Indicator:
Explanation (how it may impact business development and growth in Ireland):

(d) **Porter's Five Forces Model**.



Name the **two** forces missing from the diagram. Write your answers in the space below.

(e) 70% of employees in a small business have asked to move to a hybrid working model that would allow them to work from home two days per week.

Their manager would like to implement this change but is unsure if it would be best for the organisation as a whole.

To help them decide, they construct a **Force Field Analysis**.

Indicate whether each of the following statements is a driving force or a restraining force, by putting a tick (✓) in the correct box.

FORCE FIELD ANALYSIS

Moving to a hybrid working model …	**Driving Force**	**Restraining Force**
may result in employees feeling isolated		
may bring about a higher likelihood of confidentiality breaches		
may lead to difficulty in monitoring employee productivity		
would fulfil an element of the Corporate Wellness Programme		

(f) Based on current employment legislation, list **four** grounds under which discrimination is illegal.

1	
2	
3	
4	

(g)

(i) Identify the intended target market for the game advertised above.

Justify your answer.

Target market:
Justify:

(ii) The marketing mix should be strongly influenced by the target market.

Outline **two** ways the target market for a product or service might influence the Promotion element of the marketing mix.

1
2

Question 3 **(70 marks)**

(a) (i) Fill in the remaining Five P's of the marketing mix. (Two have been completed for you.)

(ii) A **STEEPLE Analysis** may be used to gain an understanding of the impact of external factors on a business.
Write the name of the element from the list below beside the factor that best matches it. (Two have been completed for you.)

Social	Technological	~~Economic~~	Environmental	~~Political~~	Legal	Ethical

Factors	Name of element
Taxation/government spending/trade policies/government stability.	***Political***
Lifestyle changes/income distribution/fashion/trends.	
Carbon footprint/threats from natural events/waste disposal.	
Changes in IT and internet capability and range/new inventions.	
Inflation rates/exchange rates/consumer confidence and spending power.	***Economic***
Client confidentiality/corporate values/fairness/equality/wellbeing.	
Consumer and employee legislation/corporate governance.	

(b) **Enterprise Ireland invested €24 million in start-ups in 2023**

Enterprise Ireland is a state agency that supports the development and growth of Irish businesses.

(i) Name **one** other state agency that supports business and enterprise in Ireland.

(ii) Explain how the investment of €24 million supports new business start-ups in Ireland.

(c) In April 2024, RTE News reported that the Communications Workers' Union (CWU) threatened industrial action at the courier company DPD Ireland.

"The union has accused the company of refusing to engage with workers at its Clare depot regarding union recognition."

CWU threatens industrial action at DPD Ireland

By Brian O'Donovan
Work & Technology Correspondent RTÉ NEWS

(i) Do employees in Ireland have the right to join a trade union?
Indicate your answer by putting a tick (✓) in the correct box.

Yes ☐ No ☐

(ii) Outline **two** ways that trade unions support employees in the workplace.

1
2

(d) The British rock band, Coldplay, has taken several initiatives to reduce their direct carbon emissions.

The band introduced power bikes and kinetic dance floors so that concert goers could help to power the event and become part of a sustainability experience.

Outline **three** benefits to Coldplay of incorporating sustainability initiatives into their business planning.

1
2
3

(e)

EU membership transformed life in Ireland over past 50 years

Outline **two** benefits of Ireland's EU membership for Irish businesses.

1
2

Question 4 **(70 marks)**

(a) Cashflow Forecast Analysis.

Examine the cashflow forecast for the Lakeview Inn and answer the questions that follow.

CASHFLOW FORECAST LAKEVIEW INN 2025					
	JAN	**FEB**	**MAR**	**APR**	**TOTAL**
RECEIPTS	**€**	**€**	**€**	**€**	**€**
Room Sales	18,000	23,000	22,000	30,000	**93,000**
Food and Beverage Sales	8,000	10,000	11,000	15,000	**44,000**
Other	5,000	6,000	5,500	8,000	**24,500**
TOTAL RECEIPTS	**31,000**	**39,000**	**38,500**	**53,000**	**161,500**
PAYMENTS					
Purchases	14,000	18,000	16,500	22,000	**70,500**
Wages	10,500	13,000	11,500	16,000	**51,000**
Equipment Purchase	-	-	36,000	-	**36,000**
Other	4,000	6,000	3,000	6,000	**19,000**
TOTAL PAYMENTS	**28,500**	**37,000**	**67,000**	**44,000**	**176,500**
NET CASH	**2,500**	**2,000**	**(28,500)**	**9,000**	**(15,000)**
OPENING CASH	**500**	**3,000**	**5,000**	**(23,500)**	**500**
CLOSING CASH	**3,000**	**5,000**	**(23,500)**	**(14,500)**	**(14,500)**

(i) Which month is expected to have the highest closing cash surplus?

(ii) In which months is a closing cash deficit expected?

(iii) According to the forecast, what is identified as the main reason for this deficit?

(iv) Outline **two** pieces of advice you would offer the manager of the Lakeview Inn on how to better manage their finances to prevent this deficit.

1
2

(b) A staff member at the Lakeview Inn shows you their weekly payslip. They are concerned that changes in the national budget announcement by the government will affect their net pay.
Advise the staff member on how the following changes may impact their net pay. Give a reason for your answer.

Budget Measure	**Impact on Net Pay**
Increase in personal tax credits	Impact:
	Reason:
Increase in USC rate	Impact:
	Reason:

(c) The owner of the Lakeview Inn is currently operating as a sole trader but is considering changing to a private limited company.

Outline **two** reasons for changing from sole trader to a private limited company.

1
2

The owner of the Lakeview Inn is planning to host team-building events for local organisations. They believe that there is a demand for such a service and that they have the perfect venue close to the lake for both indoor and outdoor activities.

(d) Outline **two** benefits that teamwork brings to an organisation.

1
2

(e) Many businesses regretted not having contingency plans in place when Storm Eowyn hit Ireland in January 2025.

Explain the term contingency planning.

(f) Discuss **one** factor that should be considered when developing a contingency plan.

Question 5 **(70 marks)**

(a)

PlayStation

Ken Kutaragi, an engineer in Sony, initially met resistance within the company for his idea to create a gaming console to rival Nintendo and Sega.
He eventually convinced Sony to fund the project and Sony PlayStation saw instant success when it launched in 1994.

Indicate your answer by placing a tick (✓) in the correct box.

The above text is an example of:

Entrepreneurship	☐
A circular economy	☐
Intrapreneurship	☐

(b) Consider the following situation:

You purchased a games console from a local retailer. However, when you tried to play a game, some of the controller functions were not working.

(i) Based on current consumer legislation, explain **two** forms of redress to remedy this situation.

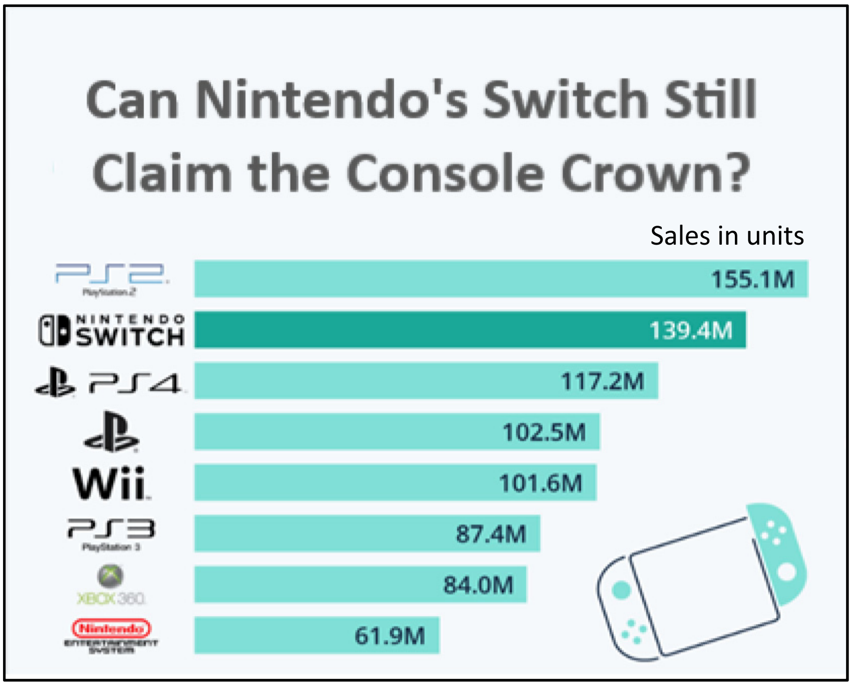
1
2

(ii) Do you have the same consumer rights when you purchase items from outside the EU?

Indicate your answer by putting a tick (✓) in the correct box.

Yes ☐ No ☐

(c)



(i) How many more units did the PS2 sell compared to the PS4?

Workings:	Answer:

(ii) Analyse **two** benefits of using non-verbal communication (such as a bar chart) for a business.

Benefit 1:
Benefit 2:

(d) In the following table, column 1 is a list of research topics and column 2 is a list of websites as sources of information.

	Column 1: RESEARCH TOPIC		Column 2: SOURCE OF INFORMATION
1	My holiday entitlements as an employee.	**A**	www.cso.ie
2	My consumer rights in relation to faulty goods.	**B**	www.workplacerelations.ie
3	The main sources of revenue for the European Union.	**C**	www.ccpc.ie
4	Personal tax credits available for workers in Ireland.	**D**	www.european-union.europa.eu
5	The most recent monthly unemployment rate for Ireland.	**E**	www.revenue.ie

(i) Match the two lists by placing the letter of the most suitable source of information under the number of the relevant research topic below.
(One has been completed for you.)

RESEARCH TOPIC	**1**	**2**	**3**	**4**	**5**
SOURCE OF INFORMATION	B				

(ii) Having completed online research, identify **two** reasons why it is important to verify your findings.

1
2

(e) According to the employment website, Indeed.ie, when conducted successfully, an employee appraisal can lead to a more motivated and dedicated workforce.

(i) Explain the term employee appraisal.

(ii) Describe how an effective employee appraisal process could lead to a more motivated and productive workforce.

Additional writing space.
Label all work clearly with the question number and part.

Additional writing space.
Label all work clearly with the question number and part.

Acknowledgements.

Images

Pg. 3:	Stock images, Microsoft Word, Office 365.
Pg. 10:	www.centralbank.ie
Pg. 11:	Harvard Business Review Magazine.
Pg. 12:	Stock images, Microsoft Word, Office 365.
Pg. 13:	https://www.smythstoys.com/
Pg. 14:	State Examinations Commission
Pg. 15:	https://www.rte.ie/news/business/2024/0514/1448947-enterprise-ireland-invested-24-million-in-start-ups/
Pg. 16:	https://www.rte.ie/news/business/2024/0418/1444249-cwu-threatens-industrial-action-at-dpd-ireland/
Pg. 17:	https://coldplay.com/emissions-update/
Pg. 18:	https://www.rte.ie/news/2023/0101/1344093-eu-50-years-ireland/
Pg. 19:	State Examinations Commission
Pg. 23:	https://www.playstation.com/en-ie/
Pg. 25:	https://www.statista.com/chart/18903/video-game-console-sales/

Text

Pg. 10:	https://www.centralbank.ie/docs/default-source/publications/discussion-papers/discussion-paper-7/mabs-response-to-dp7.pdf?sfvrsn=2
Pg. 16:	https://www.rte.ie/news/business/2024/0418/1444249-cwu-threatens-industrial-action-at-dpd-ireland/
Pg. 17:	https://coldplay.com/emissions-update/
Pg. 23:	https://forummagazine.org/6-famous-examples-of-intrapreneurship/

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Leaving Certificate Examination – Ordinary Level

Business

Sample 2

2 hours 30 minutes