

Section C

8.(a) Japanese food supplier
Manpower planning process: (plan to expand)

1. Forecasting manpower demand under the new expansion plan: e.g. estimate the labour demand and quality of the labour
2. Assessing the existing manpower supply: review the exiting manpower supply and their qualifications, to ensure the manpower is fully utilised
3. Comparing the manpower supply and demand: identify manpower shortfall
4. Setting up the action plan: determine the ways to place recruitment advertisements and the selection means, also develop the training strategy

(2 marks for each relevant step in correct sequence, max. 8 marks)

(b) Food Safety
Risk management strategies:

- Risk avoidance: The Japanese food supplier can stop developing the sushi food, so as to avoid the loss due to the food safety problem. However, the sources of revenue will decrease
- Risk assumption: The Japanese food supplier can set aside an amount of money, in order to cover the potential loss due to the food safety problem. However, the amount of cash of the Japanese food supplier will decrease and the capital will be unable to generate other investment returns
- Risk reduction: The Japanese food supplier can purchase an advanced refrigerated cabinet (/ adopt a reliable source of food ingredients), hence, the chance of having food safety problems can decrease
- Risk transfer: The Japanese food supplier can make an agreement with the insurance company. So that, the loss can be transferred to the insurance company if the ingredients deteriorate

(3 marks for each relevant risk management strategy, max. 12 marks)

(3 marks for each relevant differences, max 12 marks)

(1b) Advantages of increasing salary: of all employees

- Reduce the vicious competition between employees and build up a harmonious working environment
- Reduce the administrative costs of assessing employee performance

(2 marks for each relevant advantages of increasing salary, max. 4 marks)

Advantages of distributing the bonus to the marketing staff

- As the distribution of bonus is related to the performance, it can be an effective motivator
- Bonus can give the company flexibility because it is not guaranteed

(2 marks for each relevant advantages of increasing salary, max. 4 marks)

9(a) Coconut Milk Company
 Differences:

	<u>Consumer market</u> (super market)	<u>Business market</u> restaurant
<u>Product</u>	- Smaller capacity - Attach a recipe	- Larger capacity
<u>Price</u>	- Fixed pricing - Promotional discounts	- Bulk discounts
<u>Promotion</u>	- Promotion of restaurant dishes - Promote to restaurant buyers	- Television advertising, newspaper advertising, social networking sites
<u>Place</u>	- Direct delivery to restaurants	- Distributed by supermarket and convenience stores