



Coimisiún na Scrúduithe Stáit
State Examinations Commission

Leaving Certificate Examination 2025

Business – Higher Level

Sections 2 and 3

Thursday 12 June Morning 9:30 - 12:30

Candidates are required to answer:

The Applied Business Question in Section 2 AND

Four questions from Section 3 as follows:

One question from **Part 1**

One question from **Part 2**

And any other **Two** questions

All questions in Section 3 carry equal marks.

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This is a compulsory 80 mark question based on Units 2, 3 and 4.

Write your answers in the answerbook containing **Section 1**

Inis Bia

Inis Bia was founded by Trisha Owens in 2020. Trisha was a chef in a restaurant and noticed a change in consumer tastes. Trisha made the decision to set up her own business after she was made redundant. She opted to convert her shed into a mini factory to start producing healthy readymade meals. Inis Bia's products became popular. Trisha decided to move to a commercial premises as her products were now being sold nationwide.



As Inis Bia grew, the business was faced with challenges. There was an issue as a large customer went into liquidation and failed to pay their outstanding invoices. The consistency of the meals was also a problem as Inis Bia had to change vegetable suppliers to meet with the increased demand. The variation in the consistency of the product caused Inis Bia to miss out on a major contract with a UK multiple. The business was trying to ensure production kept up with large orders from Irish supermarkets. Trisha was struggling to keep accurate records and was worried the business was overspending. She knew she would need to expand the product range offered by Inis Bia in order to stay ahead of competitors. Trisha knew she needed to recruit more staff.

To facilitate the expansion, Trisha appointed Michael Walsh as Human Resources manager. Michael was responsible for ensuring Inis Bia sourced the correct numbers of talented employees to achieve the expansion plans. They advertised positions on recruitment websites and in national and local newspapers. He introduced a 'buddy system' where each new member of staff were partnered with an existing employee to learn more about the different aspects of the business. Employees also now meet with the Human Resources manager on a regular basis. Incentives have also been introduced such as a loyalty payment for employees who remain at the business for more than three years. Employees were also educated on the fundamentals of teamwork at a recent workshop. An employee was recently appointed as project leader to expand, improve and develop the vegan range of products Inis Bia offer.

- (A) Outline the entrepreneurial skills/characteristics displayed by Trisha. Refer to the text in your answer. (20)
- (B) (i) Evaluate the effectiveness of the types of management control in place at Inis Bia. Refer to the text in your answer.
- (ii) Recommend how one type of control could be improved at Inis Bia. (30)
- (C) Describe the functions of human resource management (HRM) at Inis Bia. Refer to the text in your answer. (30)

Section 3

240 marks

Write your answers in the Answerbook containing **Section 1**

Answer **Four** questions from **Section 3** as follows:

One question from **Part 1**

One question from **Part 2**

and any other **Two** questions

All questions carry 60 marks.

Part 1 People in Business/Business Environment

Question 1

People in Business

Read the information supplied and answer the questions which follow.

(A) Illustrate your understanding of the following essential elements of a valid contract.

Consideration Capacity to Contract Consent to Contract Legality of form. (20)

(B)

Health unions to ballot members for industrial action over staff shortages



Adapted from rte.ie

Explain, using examples, the different types of industrial action. (20)

(C)

71 year old bar worker awarded €30,000 for age discrimination.

Adapted from newstalk.com

(i) Define discrimination as set out in the Employment Equality Act 1998/2015.

(ii) List **four** grounds other than age and sexual orientation on which discrimination is outlawed under this act. (20)

Question 2

Domestic Environment

(A) Illustrate your understanding of the following types of business organisations.

Partnership Sole Trader Franchise Public Limited Company (20)

(B) Recent Central Statistics Office figures show the country's unemployment rate stood at just 4.1% in November 2024 - signalling an economy which remains at full employment.

Adapted from cso.ie

Discuss the benefits **and** challenges of increasing employment for Irish businesses. (20)

(C) **Hospitality, tourism and retail firms hold Dublin protest**



Adapted from rte.ie

Outline how the Irish government could create a positive climate for business. Use examples to support your answer. (20)

Question 3**International Environment**

- (A) (i) Describe, with examples the difference between a directive and a regulation as forms of law in the European Union (EU).
- (ii) Explain the impact of an established EU directive on Irish businesses. (20)

- (B) Outline the global marketing mix for a product of your choice. (20)

(C)

The goal of the World Trade Organisation (WTO) is to ensure that trade flows as smoothly and freely as possible. Adapted from wto.org

Illustrate the following barriers to free trade that can exist between countries.

Embargo Quota Subsidy Tariff (20)

(A) Illustrate each method of terminating a contract named below.

Performance Frustration Breach of contract Agreement (20)

(B)

A tech firm that admitted unfairly dismissing its Irish founder has been ordered to pay him a record €464,000 awards package by the Workplace Relations Commission (WRC).

Adapted from the Irish Times

Explain, using an example, the grounds for dismissal that are deemed to be fair under the terms of the Unfair Dismissals Act 1977/2015. (20)

(C) (i) Explain the term a competitive relationship.

(ii) Explain the benefits to a business of competitive relationships between;

- two suppliers
- two employees

(20)

Part 2 Enterprise

Question 5

Managing

Read the information supplied and answer the questions which follow.

"The single biggest problem in communication is the illusion that it has taken place." —
George Bernard Shaw

- (A) Discuss the factors to consider when choosing an effective communication medium. (20)
- (B) Conduct a SWOT analysis for a business of your choice. (20)
- (C) (i) Outline the implications of a manager adopting McGregor's Theory X approach to management.
- (ii) Explain the factors that influence a manager to adopt a Theory X approach to management. (20)

Question 6**Managing**

Read the information supplied and answer the questions which follow.

The Royal Oak Hotel is a venue for evening functions such as Debs balls in the local area. There is also a restaurant and leisure centre in the hotel. They have requested a letter from their insurance provider, Super Insurance LTD, outlining the types of insurance they recommend a hotel should have in place.

(A) Outline the different types of insurance that The Royal Oak Hotel should have in place. (20)

(B) Discuss the strategies used to manage change in a business. (20)

(C) Read the information supplied and answer the questions which follow.

Gemma is a manager at The Royal Oak Hotel and earns a gross annual salary of €55,000. Her employer provides her with a Benefit in Kind worth €20,000. This is treated as income for tax purposes and is taxed accordingly.

| PAYE | |
|---|---|
| 20% on the first €44,000 | 40% on the balance of her gross income. |
| Tax Credits | |
| Single person Tax Credit €1,875 Employee Tax Credit €2,000 | |
| USC | |
| 0.5% on the first €12,012 2% on the next €9,281 3% on the balance | |
| PRSI | |
| 4% of her gross income | |

Calculate each of the following for Gemma. (show your workings)

(i) The PAYE which Gemma has to pay

(ii) The total amount of USC paid.

(iii) The total amount of PRSI paid

(iv) Gemma's net annual take-home pay. (20)

Read the information supplied and answer the questions which follow.

Glanbia acquired The Optimum Nutrition brand in 2008. This was part of a shift in focus towards consumer nutrition products.



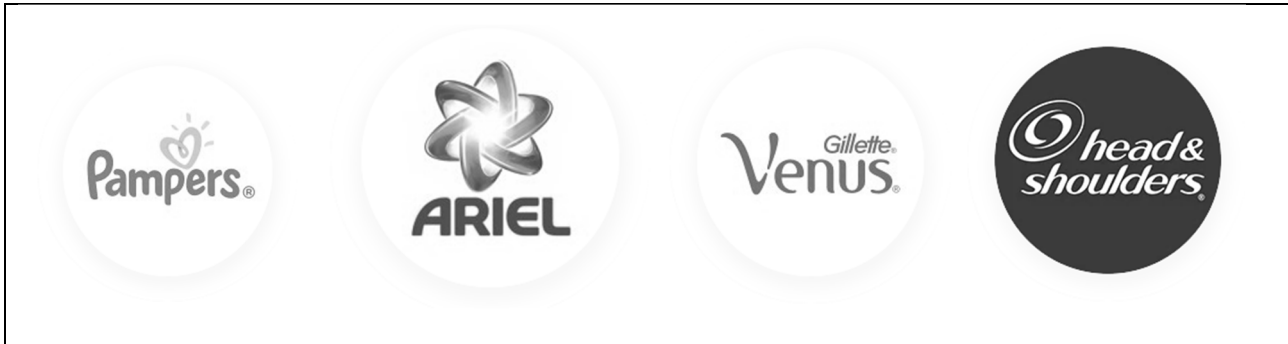
(A) Discuss the advantages **and** disadvantages of an acquisition (takeover) as a method of business expansion. (20)

(B) Illustrate **four** stages, apart from launch, that Glanbia may use for developing a new product. (20)

(C)

Anthem Transport Ltd is a large courier business with operations in Ireland. They purchased a small regional courier which has an aging fleet and outdated I.T. system.

Discuss how Anthem Transport Ltd could use different medium-term sources of finance for their medium-term needs. (20)



Proctor and Gamble's (P&G) brands include Pampers, Ariel, Gillette and Head & Shoulders.

- (A) (i) Explain the term product portfolio.
 (ii) Illustrate the different methods of market segmentation used by businesses such as Proctor and Gamble. (20)

- (B) Describe the reasons why a business conducts market research. (15)

- (C) P&G have provided the following information for their new product line.

| | |
|-------------------------|---------------|
| Forecast Output (Sales) | 200,000 units |
| Selling Price per unit | €10 |
| Fixed Costs | €600,000 |
| Variable Costs per unit | €5 |

Illustrate the following by means of a breakeven chart:

- (i) Breakeven point
 (ii) Margin of safety at the forecast output
 (iii) Profit at forecast output. (25)

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