Cook and Serve Ltd was set up as a local food shop 10 years ago. It employs 15 employees to make and sell a small range of high quality frozen handmade meals. The meals taste and appear like homemade food. The meals are expensive, but customers are prepared to pay high prices rather than drive to the nearest supermarket where the ready meals are of lower quality.

Cook and Serve Ltd uses batch production to make the meals. This means that the work can lack variety. The supermarket has recently introduced its own range of high quality meals. This has not yet resulted in Cook and Serve Ltd losing customers, although it is worried that it must remain competitive. It has, however, lost several hourly paid staff who have been attracted by the higher wages, bonuses and other non-monetary beneﬁts being offered by the supermarket.

Cook and Serve Ltd is aware that its current workers, many of whom are local, say that they like working for them. The company is, however, ﬁnding it difﬁcult to replace workers who have left as it cannot afford to pay high wages.

(a) List two possible non-monetary or fringe benefits that Cook and Serve Ltd could offer its staff.

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2 ..............................................................................................................................................................................................

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(2 marks)

(b) Describe two ways in which Cook and Serve Ltd could try to remain competitive.

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(4 marks)

(c) Several hourly paid staff have left Cook and Serve Ltd to work at the supermarket. Recommend the best methods that Cook and Serve Ltd could use to prevent any more staff from leaving.

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(9 marks)