



2012 Business Management

Standard Grade – Foundation

Finalised Marking Instructions

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QUESTION 1		KU	DM						
(a)	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: center;">Tick (✓) the correct answer</td> </tr> <tr> <td>a good</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>a service</td> <td></td> </tr> </table>		Tick (✓) the correct answer	a good	✓	a service		1	
	Tick (✓) the correct answer								
a good	✓								
a service									
(b)	<ul style="list-style-type: none"> • To be your own boss. • To make more money/profit. • To make a hobby into a business. • Because you're unemployed. • You've come up with an idea. • Help the community. • Social Responsibility. <p>Accept any 1</p>	1							
(c)	<ul style="list-style-type: none"> • Profit. • Sales/number of customers. • Reputation. • Size. • Customer loyalty. • Customer feedback. <p>Accept any 2</p>	2							

		KU	DM										
(d)	<ul style="list-style-type: none"> • Supermarkets (accept different names of supermarkets) – one mark each. • Online/Internet website. • Cash 'n Carry. • Mail order/catalogues. • Accept direct selling. • TV sales. • (Farmers') markets. • (Specialist/Deli) shops. • Restaurants. • Events. • Sell to trade. • Vending Machines. • Schools. • Restaurants. • Events. • Sell to trade. • Vending Machines. • Schools. <p>Accept any 3</p> <p>Accept any 3 different types of shops.</p>		3										
(e)	<table border="1"> <thead> <tr> <th>Acquamara</th> <th>Factor of Production</th> </tr> </thead> <tbody> <tr> <td>Factory Worker</td> <td style="text-align: center;">Labour</td> </tr> <tr> <td>Andy Inglis</td> <td style="text-align: center;">Enterprise</td> </tr> <tr> <td>Bottling Machinery</td> <td style="text-align: center;">Capital</td> </tr> <tr> <td>Sea Water</td> <td style="text-align: center;">Land</td> </tr> </tbody> </table>	Acquamara	Factor of Production	Factory Worker	Labour	Andy Inglis	Enterprise	Bottling Machinery	Capital	Sea Water	Land	4	
Acquamara	Factor of Production												
Factory Worker	Labour												
Andy Inglis	Enterprise												
Bottling Machinery	Capital												
Sea Water	Land												

QUESTION 2		KU	DM						
(a)	<ul style="list-style-type: none"> • (Change/lower) price. • Advertising – accept other forms of promotion as separate points. • Quality. • Sell in more places. • Alter products. • Increased range. • Lower costs. <p>Accept any 2</p>		2						
(b)	<ul style="list-style-type: none"> • Face-to-face interview. • Telephone interviews. • Reference/text books. • Online questionnaire. • Hall test. • Postal survey. • Focus group/consumer panel. • Competitor information. <p>Accept questionnaire/survey on its own-only one mark. Accept desk and field as 2 separate suggestions. Accept primary and secondary as 2 separate suggestions.</p> <p>Accept any 2</p>		2						
(c)	<table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td style="text-align: center;">Picture A</td> <td style="text-align: center;">Output</td> </tr> <tr> <td style="text-align: center;">Picture B</td> <td style="text-align: center;">Input</td> </tr> <tr> <td style="text-align: center;">Picture C</td> <td style="text-align: center;">Process</td> </tr> </tbody> </table>	Picture A	Output	Picture B	Input	Picture C	Process		3
Picture A	Output								
Picture B	Input								
Picture C	Process								
(d)	<ul style="list-style-type: none"> • Production or Operation. 	1							

			KU	DM						
(e)	(i)	<table border="1"> <tr> <td></td> <td>Tick (✓) the correct answer</td> </tr> <tr> <td>a merger</td> <td></td> </tr> <tr> <td>a takeover</td> <td>✓</td> </tr> </table>		Tick (✓) the correct answer	a merger		a takeover	✓	1	
	Tick (✓) the correct answer									
a merger										
a takeover	✓									
	(ii)	<ul style="list-style-type: none"> • Reduce competition. • More assets. • (Economies of scale). • Increase profit. • More customers/sales. • More well known/improved reputation. <p>Do not accept 'bigger company'.</p> <p>Accept any 1</p>	1							

QUESTION 3		KU	DM						
(a)	<table border="1"> <tr> <td></td> <td>Tick (✓) the correct answer</td> </tr> <tr> <td>sales fall</td> <td>✓</td> </tr> <tr> <td>sales rise</td> <td></td> </tr> </table>		Tick (✓) the correct answer	sales fall	✓	sales rise		1	
	Tick (✓) the correct answer								
sales fall	✓								
sales rise									
(b)	<ul style="list-style-type: none"> • Accept recession/lack of income. • Poor cash-flow. • Competition. • Poor management. • No demand/customers. • Price too high. <p>Accept any 1</p>	1							
(c)	<ul style="list-style-type: none"> • Few employees/less than 50. • Limited sales. • Few outlets. • Sole trader. • Unlimited liability. • Easier to manage/communicate. • Local. <p>Accept any 1</p>	1							

QUESTION 4		KU	DM								
(a)	<table border="1"> <thead> <tr> <th></th> <th>Tick (✓) the correct answer</th> </tr> </thead> <tbody> <tr> <td>Sole trader</td> <td></td> </tr> <tr> <td>Partnership</td> <td></td> </tr> <tr> <td>Private Limited Company</td> <td>✓</td> </tr> </tbody> </table>		Tick (✓) the correct answer	Sole trader		Partnership		Private Limited Company	✓	1	
	Tick (✓) the correct answer										
Sole trader											
Partnership											
Private Limited Company	✓										
(b)	<ul style="list-style-type: none"> • Bank (loan). • Bank overdraft. • Redundancy money. • Partner. • Selling shares. • Debentures. • Venture capitalist. • EU. • Family (or friends). • PSYBT. • Retained profits/personal savings. <p>DO NOT accept lottery. Accept loan on it's own.</p> <p>Accept any 2</p>	2									
(c)	<ul style="list-style-type: none"> • TV. • Radio. • Newspaper. • Internet websites (accept all forms separately). • Billboards/posters. • Magazines. • Airports. • Transport. • Text/SMS. • E-mail. • Direct mail/junk mail. • Product/celebrity endorsement. <p>Accept any 3</p>		3								

		KU	DM												
(d)	<ul style="list-style-type: none"> Marketing. 	1													
(e)	<table border="1"> <thead> <tr> <th>Definition</th> <th>Flexible working</th> </tr> </thead> <tbody> <tr> <td>Working 'nine-to-five' 5 days a week.</td> <td>Full-time</td> </tr> <tr> <td>The employee chooses when to start and finish work provided they are in the workplace during core time.</td> <td>Flexitime</td> </tr> <tr> <td>Employment is for a short period.</td> <td>Temporary</td> </tr> <tr> <td>A job is shared with someone else.</td> <td>Job sharing</td> </tr> <tr> <td>Where an employee works fewer hours than a full-time worker.</td> <td>Part-time</td> </tr> </tbody> </table>	Definition	Flexible working	Working 'nine-to-five' 5 days a week.	Full-time	The employee chooses when to start and finish work provided they are in the workplace during core time.	Flexitime	Employment is for a short period.	Temporary	A job is shared with someone else.	Job sharing	Where an employee works fewer hours than a full-time worker.	Part-time	5	
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(a)	<table border="1"> <thead> <tr> <th></th> <th>Tick (✓) the 2 correct answers</th> </tr> </thead> <tbody> <tr> <td>Bad roads</td> <td></td> </tr> <tr> <td>Good sports facilities</td> <td>✓</td> </tr> <tr> <td>Shortage of workers</td> <td></td> </tr> <tr> <td>Government grants</td> <td>✓</td> </tr> </tbody> </table>		Tick (✓) the 2 correct answers	Bad roads		Good sports facilities	✓	Shortage of workers		Government grants	✓		2		
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Loudspeaker announcing the next race.	Oral														
(c)	<p>(i)</p> <ul style="list-style-type: none"> • Hours. • Closing date. • Qualities and/or skills required. • Training. • How to apply/contact details. • Duties of job. • Location of post. • Length of contract. • Job description. • Person specification. <p>DO NOT accept wages or salary.</p> <p>Accept any 2</p>		2												
	<p>(ii)</p> <ul style="list-style-type: none"> • No access. • Viruses. • Crashing/technical problems. <p>Accept any 1</p>	1													

		KU	DM
(d)	<ul style="list-style-type: none"> • Driving licence/good driver. • Trustworthy. • (Could be specific eg language skills, like sport, fit, confident etc.) <p>Accept any 2</p>		2
(e)	<ul style="list-style-type: none"> • HRM/Human Resources/Personnel/Human Relations. 	1	
(f)	<ul style="list-style-type: none"> • Raise awareness. • Help others. • Raise funds. • Change laws. <p>Accept any 1</p>	1	

QUESTION 6		KU	DM										
(a)	<ul style="list-style-type: none"> Sell more. Opening more outlets/larger premises/more factories. Diversify. Accept merger and takeover as 2 separate points. Accept internal and external as 2 separate points. E-commerce. More employees. Accept all methods of integration if given. <p>DO NOT accept advertising.</p>	2											
(b)	<ul style="list-style-type: none"> Language. Time differences. Cultural differences. Technical problems. <p>Accept any 1</p>		1										
(c)	<table border="1"> <thead> <tr> <th>Task</th> <th>ICT</th> </tr> </thead> <tbody> <tr> <td>Contact Sales Representative overseas.</td> <td>Mobile phone</td> </tr> <tr> <td>Inform customers worldwide about a new flavour of ice cream.</td> <td>Internet website</td> </tr> <tr> <td>Have a meeting with Company Directors in other parts of the world without travelling.</td> <td>Video conferencing</td> </tr> <tr> <td>Urgently send a copy of a sales report from Scotland to China.</td> <td>Fax machine</td> </tr> </tbody> </table>	Task	ICT	Contact Sales Representative overseas.	Mobile phone	Inform customers worldwide about a new flavour of ice cream.	Internet website	Have a meeting with Company Directors in other parts of the world without travelling.	Video conferencing	Urgently send a copy of a sales report from Scotland to China.	Fax machine		4
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Have a meeting with Company Directors in other parts of the world without travelling.	Video conferencing												
Urgently send a copy of a sales report from Scotland to China.	Fax machine												
(d)	<ul style="list-style-type: none"> Quicker than Quicker to do Quicker than post. Can reach a wide audience. Record is kept. Saves paper/eco friendly. Communicate with several people at once. Reduces the need to travel. 	1											

		KU	DM
(e)	<ul style="list-style-type: none"> • Redundancies/sack people. • Use machines rather than people. • Change suppliers/get a discount. • Make sure suggestion is not increasing revenue. • Turn off machinery/conserve energy. • Solar energy. • Recycle. • Less packaging. <p>DO NOT accept reduce electricity on its own.</p>		2
(f)	<ul style="list-style-type: none"> • Finance. 	1	

[END OF MARKING INSTRUCTIONS]