



2013 Business Management

Intermediate 1

Finalised Marking Instructions

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Part One: General Marking Principles for Business Management Intermediate 1

This information is provided to help you understand the general principles you must apply when marking candidate responses to questions in this Paper. These principles must be read in conjunction with the specific Marking Instructions for each question.

- (a)** Marks for each candidate response must always be assigned in line with these general marking principles and the specific Marking Instructions for the relevant question. If a specific candidate response does not seem to be covered by either the principles or detailed Marking Instructions, and you are uncertain how to assess it, you must seek guidance from your Team Leader/Principal Assessor.
- (b)** Marking should always be positive ie, marks should be awarded for what is correct and not deducted for errors or omissions.

GENERAL MARKING ADVICE: Business Management Intermediate 1

The marking schemes are written to assist in determining the “minimal acceptable answer” rather than listing every possible correct and incorrect answer. The following notes are offered to support Markers in making judgements on candidates’ evidence, and apply to marking both end of unit assessments and course assessments.

Part Two: Marking Instructions for each Question

Section 1 Solutions

Question	Expected Answer/s	Max Mark	Additional Guidance
1	<ul style="list-style-type: none"> Improves productivity Improves accuracy Improves communication Decreases labour costs Devices can connect to each other <p>One mark each reasonable answer</p>	2	
2	<p><i>On the Job</i> – training that takes place at the employee’s normal place of work</p> <p><i>Induction Training</i> – training to introduce new employees to the workplace</p> <p>One mark each reasonable description</p>	2	
2	<ul style="list-style-type: none"> Financial cost Loss of output/working time lost Cost of cover staff <p>One mark each reasonable cost</p>	2	
3	<p><u>Advantages</u></p> <ul style="list-style-type: none"> Greater capital available Responsibilities can be shared Increased specialisation Easy to set up Liability shared <p><u>Disadvantages</u></p> <ul style="list-style-type: none"> Profit shared Unlimited liability Disagreements may occur Decision making can be difficult If a partner leaves, it can upset the running of the business One might leave the other to do the work <p>One mark each reasonable response Max 2 for advantages Max 2 for disadvantages</p>	4	
3	<p>b i</p> <ul style="list-style-type: none"> Bank Loan Owner’s Investment Government Grant Mortgage Any other reasonable source suitable for a partnership <p>One mark each reasonable source</p>	2	

Question			Expected Answer/s			Max Mark	Additional Guidance
3	b	ii	Method	Advantage	Disadvantage	4	Accept consequential errors
			Bank Loan	Repay in installments	Interest must be paid		
			Owner's Investment	No interest charges	Risk of losing investment if business fails		
			Government Grant	Does not require to be repaid	Can take quite a while to obtain		
			Mortgage	Can raise large amounts	Premises are used as security		
			One mark each reasonable response max 2 for advantages/max 2 for disadvantages Watch for repetition - answers must be different				
3	c		<ul style="list-style-type: none"> • Sole Trader – owned and controlled by one person • Private Limited Company (LTD) – owned by shareholders/shares are sold privately • Public Limited Company - owned by shareholders/shares are sold on stock market • Public Sector Organisation – owned and controlled by the Government • Voluntary Organisation – run and managed by volunteers eg youth club <p>One mark each reasonable identification One mark each reasonable description</p>	2	Do not accept Private Sector		

Question		Expected Answer/s	Max Mark	Additional Guidance						
4	a	<ul style="list-style-type: none"> Tertiary Sector <p>One mark for identification</p>	1							
4	b	<table border="1"> <thead> <tr> <th>Description</th> <th>Example</th> </tr> </thead> <tbody> <tr> <td>Primary sector is businesses involved in the extraction of raw materials from land and sea</td> <td> <ul style="list-style-type: none"> Farming Fishing Coal Mining etc </td> </tr> <tr> <td>Secondary sector is businesses involved in the manufacturing of goods</td> <td> <ul style="list-style-type: none"> Car manufacturer Building firms etc </td> </tr> </tbody> </table>	Description	Example	Primary sector is businesses involved in the extraction of raw materials from land and sea	<ul style="list-style-type: none"> Farming Fishing Coal Mining etc 	Secondary sector is businesses involved in the manufacturing of goods	<ul style="list-style-type: none"> Car manufacturer Building firms etc 	4	<p>No consequentiality for description mark</p> <p>* If example given, can gain this mark if matches description</p>
Description	Example									
Primary sector is businesses involved in the extraction of raw materials from land and sea	<ul style="list-style-type: none"> Farming Fishing Coal Mining etc 									
Secondary sector is businesses involved in the manufacturing of goods	<ul style="list-style-type: none"> Car manufacturer Building firms etc 									
		<p>One mark each suitable description – max 2</p> <p>One mark each suitable example – max 2</p>								
4	c	<ul style="list-style-type: none"> Increase profits/make money Survival Growth etc Good reputation <p>One mark for any suitable objective of a partnership</p>	2	Not to provide a quality service/satisfy customers						

Total 25 Marks

*** Label must match description**

[END OF SECTION ONE]

Section Two Solutions

Question		Expected Answer/s	Max Mark	Additional Guidance
1	a	<ul style="list-style-type: none"> • Target larger market • Sell 24 hours/7 days • Reduce overheads • Collect customer information • Less inconvenience for customer <p>One mark each suitable reason</p>	2	
1	b	<ul style="list-style-type: none"> • Graphical • Numerical • Written • Oral • Pictorial • Qualitative • Quantitative <p>One mark each type of information</p>	2	Do not accept examples of types of information
2	a	<p>Label Stock Control Label</p> <p>Level (ii) Re-order Level</p> <p>Level (iii) Minimum Stock Level</p> <p>One mark each label correctly identified</p>	2	
2	b	<ul style="list-style-type: none"> • Job production is when a business produces one off items • Batch production is when a business produces sets/groups of identical products • Flow production is when a business mass produces identical items <p>One mark for correct description of any method of production</p>	2	Label must match description

Question		Expected Answer/s	Max Mark	Additional Guidance
3	a	<p>Annie Stewart (Owner)</p> <ul style="list-style-type: none"> To monitor business performance To make decisions To identify business opportunities To measure costs To measure profit/turnover To check on employee absence <p>Employees</p> <ul style="list-style-type: none"> To check profits Check job security To check salary payments To contact customers To find out more about the business <p>One mark for any correct use Watch for repetition</p>	2	
3	b	<ul style="list-style-type: none"> race sex age disability sexual orientation gender reassignment religion/belief marriage/civil partnership pregnancy/maternity <p>One mark each identification of protected characteristic</p>	2	
3	c	<ul style="list-style-type: none"> Temporary Contract – employee’s contract will stop after an agreed amount of time Works Councils – a group made up of equal numbers of employees and managers to discuss changes which are to be introduced into the work place. <p>One mark for correct description of each term</p>	2	

Question		Expected Answer/s			Max Mark	Additional Guidance	
4		<ul style="list-style-type: none"> Field research is the process of collecting first-hand (primary) information eg interview, postal survey Desk research is the process of using information that already exists (secondary) eg newspapers, government statistics, internet. <p>One mark for correct description of each method – max 2 One mark for each example – max 2</p>			4	No consequentiality, <u>but</u> if a complete flip, can award example mark	
5	a	<ul style="list-style-type: none"> Trading Account – shows the gross profit Cash Budget – forecasts the money coming in (receipts) and out (payments) of a business <p>One mark for correct description of each statement</p>			2		
5	b	<ul style="list-style-type: none"> Profit & Loss Account Balance Sheet Cash Flow Statement <p>One mark for correct identification of statement</p>			1		
6	a & b	<i>Functional Area</i>	<i>Software Package</i>	<i>Task</i>	4		
		Marketing	Ms Publisher/DTP MS Word/Word processing	Produce posters Produce brochures Produce business cards			
		Human Resources	MS access/ databases MS Excel MS PowerPoint	Produce job descriptions etc Store staff records Produce presentations for staff training			
		<p>One mark for correct identification of software package – max 2 One mark for correct use (must relate to functional area) – max 2</p>					

Total 25 marks

[END OF MARKING INSTRUCTIONS]