



2014 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. *You can do this by posting a question on the Marking Team forum or by e-mailing/phoning the e-marker Helpline.*
- (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

Question		Expected Answer(s)	Max Mark	Additional Guidance										
1	(a)	<table border="1"> <thead> <tr> <th><i>Stage</i></th> <th><i>Description</i></th> </tr> </thead> <tbody> <tr> <td>Introduction</td> <td> <ul style="list-style-type: none"> Product is launched Sales are low </td> </tr> <tr> <td>Growth</td> <td> <ul style="list-style-type: none"> Sales increase steadily Customer awareness grows </td> </tr> <tr> <td>Maturity</td> <td> <ul style="list-style-type: none"> Sales reach their peak </td> </tr> <tr> <td>Decline</td> <td> <ul style="list-style-type: none"> Customer popularity falls Sales reduce </td> </tr> </tbody> </table> <p>1 mark each correct statement about each stage</p>	<i>Stage</i>	<i>Description</i>	Introduction	<ul style="list-style-type: none"> Product is launched Sales are low 	Growth	<ul style="list-style-type: none"> Sales increase steadily Customer awareness grows 	Maturity	<ul style="list-style-type: none"> Sales reach their peak 	Decline	<ul style="list-style-type: none"> Customer popularity falls Sales reduce 	4	
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	(b)	<ul style="list-style-type: none"> To diversify/spread risks To reach new market segments To extend the life cycle To increase profits To grow <p>1 mark each suitable reason</p>	2											
	(c)	<p>Method 1 – Field research/Primary Internal Description – The collection of primary information First hand Within the organisation</p> <p>Method 2 – Desk research/Secondary External Description – The collection of secondary information Second hand Outwith the organisation</p> <p>1 mark for each identification – max 2 1 mark each description – max 2</p>	4											

Question		Expected Answer(s)	Max Mark	Additional Guidance												
2	(a)	<ul style="list-style-type: none"> Using references Assessment centres Testing/Hands on (max – 1) Application forms Curriculum Vitae Trial period Phone interviews <p>1 mark each method of selection</p>	2													
	(b)	<p>Piece Rate – workers are paid for each item that they produce.</p> <p>Group Bonus – an additional payment made to workers when a group meets targets set by the organisation.</p> <p>1 mark each description</p>	2													
3	(a)	<p>(i)</p> <ul style="list-style-type: none"> Shareholder Employees Suppliers Inland revenue Bank <p>1 mark each identification</p>	2													
		<p>(ii)</p> <table border="1"> <thead> <tr> <th>Stakeholder</th> <th>Interest of Stakeholder</th> </tr> </thead> <tbody> <tr> <td>Shareholder</td> <td>Interested in the profits of the business</td> </tr> <tr> <td>Employees</td> <td>Interested in job security/fair wages</td> </tr> <tr> <td>Suppliers</td> <td>Interested in payment for goods</td> </tr> <tr> <td>Inland revenue</td> <td>Interested in profits/taxes</td> </tr> <tr> <td>Bank</td> <td>Interested in the ability to repay loans</td> </tr> </tbody> </table> <p>1 mark each interest</p>	Stakeholder	Interest of Stakeholder	Shareholder	Interested in the profits of the business	Employees	Interested in job security/fair wages	Suppliers	Interested in payment for goods	Inland revenue	Interested in profits/taxes	Bank	Interested in the ability to repay loans	2	
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3	(b)	<p>Primary sector – businesses that are involved in getting raw materials from land and sea, eg farming, mining, fishing.</p> <p>Tertiary sector – businesses that provide services to people eg hospitals, hotels, taxi firms, etc.</p> <p>1 mark each description – max 2 1 mark each example – max 2</p>	4	
4		<ul style="list-style-type: none"> • Create a website • To sell goods online • To complete market research • To advertise goods • To find out information • Communication/Send e-mails/Webcam • To purchase goods from suppliers • Online banking • Recruit staff <p>1 mark each reasonable suggestion</p>	3	

[END OF SECTION ONE]

Section 2

Question		Expected Answer(s)	Max Mark	Additional Guidance								
1	(a)	<ul style="list-style-type: none"> Owned by shareholders Owned by family/friends Shares sold privately Known as Ltd Limited Liability <p>Any other reasonable response – 1 mark each</p>	2									
	(b)	<table border="1"> <thead> <tr> <th><i>Description</i></th> <th><i>Source of Finance</i></th> </tr> </thead> <tbody> <tr> <td>Borrowing specifically for the purpose of buying property.</td> <td>Mortgage</td> </tr> <tr> <td>Money received from the Government that does not need to be repaid.</td> <td>Grant</td> </tr> </tbody> </table> <p>1 mark each correct identification</p>	<i>Description</i>	<i>Source of Finance</i>	Borrowing specifically for the purpose of buying property.	Mortgage	Money received from the Government that does not need to be repaid.	Grant	2	Do not accept loan		
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	(b)	<ul style="list-style-type: none"> Measuring costs and expenditure Keeping records of the staff Identifying business opportunities <p>1 mark per description</p>	2									
4	(a)	<ul style="list-style-type: none"> Written Numerical Pictorial Oral <p>1 mark per identification</p>	2									
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6			<ul style="list-style-type: none"> Data Protection Act Equality Act Health & Safety At Work Act <p>1 mark for a suitable piece of legislation</p>	2	Date not required If “old” acts (eg Race Relations Act) max – 1, unless mark already awarded for Equality Act in which case treat as repetition.									

[END OF MARKING INSTRUCTIONS]