

Business

Specimen answers – Marking Scheme

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Summer 2017 Eduqas AS Component 2:

4 (a)	Describe the types of new technology that might be used in marketing a chain of hotels such as Travelodge, Premier Inn or Holiday Inn. [10]	
Band	AO1	AO2
	6 marks	4 marks
3	<p>5-6 marks</p> <p>Excellent understanding of the new technology used in marketing.</p> <p>At least two types of technology will be included.</p> <p>Clear understanding of at least two key features of new technology used in marketing.</p>	
2	<p>3-4 marks</p> <p>Good understanding of the new technology used in marketing.</p> <p>At least two types of technology will be included.</p> <p>The candidate outlines key features of at least one new type of technology.</p>	<p>3-4 marks</p> <p>The candidate applies key methods of marketing using new technology to the context of a chain of hotels.</p> <p>Good understanding of how and why a chain of hotels might use new technology for their marketing.</p> <p>There is direct and clear reference to hotels to support points.</p>
1	<p>1-2 marks</p> <p>Limited understanding of one or two types of new technology used in marketing.</p> <p>A basic identification or description is offered.</p>	<p>1-2 marks</p> <p>The candidate attempts limited application of marketing using new technology to the context of a chain of hotels.</p> <p>Suggestions of methods of using new technology for marketing are generic and may not be applicable to a chain of hotels.</p>
0	<p>0 marks</p> <p>No knowledge or understanding of new technology in marketing.</p>	<p>0 marks</p> <p>No application of marketing using new technology to the context of a chain of hotels.</p>

Indicative content:

New technology used in marketing includes digital media, social media, e-tailing and m-commerce. A chain of hotels would make great use of this.

Digital media

- The chain could advertise on the internet e.g. pop up advertisements on web pages for complementary services e.g. travel, car hire.
- The chain could pay to advertise on search engines such as Google and Bing.
- They may email offers to prospective/past customers.

Social media

- The chain may have social media pages e.g. Facebook.
- They may put adverts on YouTube.
- They may advertise around the blogs of celebrities or people relevant to the segment of the market they are targeting e.g. families during school holiday times, couples on Valentine's Day.
- They may create adverts which they hope will go viral on YouTube.

E-tailing

- The chain may make it easy to book on-line.
- They may have a website showing pictures of the hotels and lots of information prospective guests might need.
- They may take bookings through websites such as booking.com, Trip Advisor etc.

M-commerce

- The chain may make it possible to book rooms from wireless handheld devices (tablets or mobile phones).
- They may have specific websites for this or apps.
- They may provide information about rooms, the hotels, prices, restaurants etc.
- They may make it easy to contact the individual hotels by having email links or telephone links.
- They can contact prospective or past customers with details of special offers.

Database

- Hotel chains could keep a database of prospective or past customers so that they can be targeted with promotions, etc.

Any other relevant suggestion.

Summer 2017 Eduqas A Level Component 2:

5	Discuss the non-financial measures that Next plc might use in order to evaluate its performance.				[14]
Band	AO1	AO2	AO3	AO4	
	2 marks	4 marks	4 marks	4 marks	
3		4 marks Excellent application of non-financial measures to Next plc There is consistently direct and clear reference to Next plc Information in the data is used in development	4 marks Excellent analysis of non-financial measures to Next plc The analysis is detailed, with logical chains of reasoning The candidate includes well-reasoned developments that fully explain why non-financial measures are useful to judge performance	4 marks An excellent, critical and detailed evaluation of non-financial measures to Next plc is given The evaluation is well balanced and will focus on the key issues Clear reference to the context is given to support judgement Relevant judgements are made with qualifying statements used to build and argument A holistic evaluation may be offered with an overall conclusion	
2	2 marks Good understanding of non-financial measures The candidate makes reference to and understands at least 2 non-financial measures	2-3 marks Good application of non-financial measures to Next plc There is some direct reference to Next plc and/or the data	2-3 marks Good analysis of non-financial measures to Next plc The candidate explains why non-financial measures are useful to judge performance The analysis may be unbalanced	2-3 marks Good evaluation of non-financial measures to Next plc The candidate makes partial judgements, with some attempt to support their evaluation The answer may contain a brief conclusion	
1	1 mark Limited understanding of non-financial measures The candidate only refers to one or 2 non-financial measures Understanding is superficial	1 mark Limited application of non-financial measures to Next plc The candidate response is mainly theoretical with limited use of examples from the data	1 mark Limited analysis of non-financial measures to Next plc The candidate briefly explains why non-financial measures are useful to judge performance	1 mark Limited evaluation of non-financial measures to Next plc Unsupported judgements are made	
0	0 marks No understanding of non-financial measures	0 marks No application of non-financial measures to Next plc	0 marks No analysis of non-financial measures to Next plc	0 marks No evaluation of non-financial measures to Next plc	

Indicative content:

- Non-financial measures include such things as: sales records and targets, customer attitude surveys, employee attitude surveys, the market share of the business, the productivity of the workforce, quality and the company's environmental record.
- Next plc will constantly monitor its sales figures to see which items are selling well and which ones are staying on the shelves. It might use the Boston matrix to do this kind of analysis.
- Next plc will be very concerned about the attitude of its customers and will carry out regular surveys to find out what the customers like about the company and its products and what it can improve. Its customer relations department will monitor complaints and returns to see if there are any lessons that can be learnt. However, customer surveys are not always reliable, there is the possibility of bias in questions or of customers saying what they think the questioner wants to hear rather than being truthful.
- Employee attitude surveys: As Next plc is a retail business it will want to keep its employees, both full and part-time, highly motivated, especially those that are dealing directly with the public. The HR department will conduct interviews and appraisals to find out if staff are happy. It is unlikely that staff will be completely honest in these interviews as they will not want the management to think that they are being negative. May be especially important if high labour turnover in the past. Can also be used to understand the business's needs, and to judge the reaction to change.
- The company will be keen to increase its market share. It will keep a close eye on the level of success achieved by its competitors. Whilst it may be good to increase market share, this can often be done in the short term by lowering prices but the long term effects may be less positive.
- Next plc will be keen to monitor productivity, especially in the factories that it owns as this is a key way of controlling costs and increasing profits. Increases in productivity are usually a good thing but it may affect labour relations in a negative way if not carried out sensitively.
- The company states that it takes CSR seriously and it will monitor such things as energy use and waste in order to try to minimise the environmental impact of the company's activities. This is a good thing but it might lead to extra expense.

Credit any other valid point.

Summer 2017 WJEC Unit 4:

3 (b)	Evaluate the impact of increasingly flexible working patterns on employees and employers in Wales. [20]		
Band	AO1	AO3	AO4
	4 marks	8 marks	8 marks
3		<p>6-8 marks</p> <p>An excellent analysis of the importance of increasingly flexible working patterns.</p> <p>Key issues for both sides of the debate are discussed in detail.</p> <p>The analysis will be well balanced, well-developed and with a clear line of argument.</p>	<p>6-8 marks</p> <p>An excellent level of evaluation outlining the significance of increasingly flexible working patterns.</p> <p>The evaluation is balanced and detailed and will focus on the key issues.</p> <p>The evaluation provides a broad range of arguments on both sides of the debate.</p> <p>Clear judgements are made with supporting statements to build an argument.</p> <p>A holistic evaluation will be offered with an overall conclusion.</p>
2		<p>3-5 marks</p> <p>A good level of analysis of the importance of increasingly flexible working patterns.</p> <p>A number of key issues are analysed.</p> <p>The analysis may be uneven, with some well-developed ideas and others where the development is more limited.</p>	<p>3-5 marks</p> <p>A good level of evaluation outlining the significance of increasingly flexible working patterns.</p> <p>The evaluation will include most of the key issues.</p> <p>Judgements are made with some attempt to support statements and build arguments.</p> <p>A brief conclusion will be offered.</p>
1	<p>1-2 marks</p> <p>Limited understanding of increasingly flexible working patterns.</p> <p>A limited number of flexible working patterns.</p>	<p>1-2 marks</p> <p>Limited analysis of the importance of increasingly flexible working patterns.</p> <p>A limited number of issues are analysed.</p> <p>The analysis may focus on one side of the argument.</p>	<p>1-2 marks</p> <p>Limited evaluation outlining the significance of increasingly flexible working patterns.</p> <p>The evaluation will include some of the key issues but with limited development.</p> <p>Judgements are superficial and unsupported.</p> <p>Evaluation will be uneven and focus on one side of the argument.</p>
0	<p>0 marks</p> <p>No understanding of flexible working patterns.</p>	<p>0 marks</p> <p>No analysis of increasingly flexible working patterns.</p>	<p>0 marks</p> <p>No evaluation of increasingly flexible working patterns.</p>

Indicative content:

Impact of changes on employers:

- Flexible hours may reduce labour turnover and absenteeism. If employees can work flexibly around other activities such as childcare they may be less likely to leave leading to an experienced (and present) staff. This will increase productivity.
- Home working may be of benefit to employers as this reduces the need to provide office space and equipment for staff. Hot-desking may be employed more effectively leading to lower fixed costs as smaller less expensive offices may be acceptable.
- Part time and temporary employees can be used to cover peak periods. This will lead to an overall reduction in the staffing bill and higher capacity utilisation as staff are only present when required. Zero hours contracts are a more extreme version of this situation when staff are only asked to attend work, and be paid, when demand dictates an increase in the supply of labour.
- Job sharing may also be used as a method to maintain staff within the work place. Should, for example, a member of staff cover reception in the morning and another member of staff take over in the afternoon, this will cause no disadvantage to the business. However, in management positions, it is likely that this may lead to inconsistency and missed information in decision making. Inevitably, this could reduce efficiency.
- Multi-skilling may be a great aid to improving efficiency in the workplace. In an engineering company such as Toyota in Deeside it is likely that mechanical engineers are also trained to undertake basic electrical work. This will speed up their response in dealing with mechanical faults as there will be no need to wait for an electrician to make a connection or wire a simple plug. However, it may be that some employees attempt to carry out work in which they have not been fully trained. This may endanger other employees.

Impact of changes on employees.

- Flexible hours may enable employees to carry out other activities around their work. Therefore, this will improve the work life balance of employees.
- Home working can be beneficial as this will reduce commuter times to busy cities such as Cardiff. As a result, the employee is able to spend more time being productive at work.
- Part-time work may be suitable for employees who have another central life interest. This will allow employees to carry out their other activity whilst still remaining in employment.
- Temporary work in holiday locations such as Conwy or Barry Island may be an ideal opportunity for casual employees such as students. This will allow employees to earn some income whilst on a break from their main activity such as college or university study. These skills could be useful in future longer term employment.
- Multi-skilling may be motivating to some employees as this enables them to carry out a range of activities during their working day.
- Zero hours contracts can be convenient for those who do not rely on a steady income. However, for employees needing to pay regular bills this can lead to increased stress due to the inability to achieve a consistent level of income.
- Hot-desking may be an imposition to staff. Without a base, the employee's feeling of routine is disrupted. As a result this can cause dissatisfaction for employees.

Credit any other valid argument.

Summer 2017 Edugas AS Component 1:

Q2 (b)	Evaluate the importance of SMEs, such as Ranjit's business, to the UK economy. [6]	
Band	AO3	AO4
	3 marks	3 marks
3	<p>3 marks</p> <p>Excellent analysis of how SMEs are important to the UK economy.</p> <p>A clear understanding of the impact of SMEs on the UK economy.</p>	<p>3 marks</p> <p>An excellent well-balanced evaluation of how SMEs are important to the UK economy.</p> <p>The evaluation focuses on the key issues and context to support their arguments.</p> <p>Clear supported judgements are made.</p> <p>May include a brief conclusion.</p>
2	<p>2 marks</p> <p>Good analysis of how SMEs are important to the UK economy.</p> <p>The candidate has some understanding of the impact of SMEs on the UK economy.</p>	<p>2 marks</p> <p>A good evaluation of how SMEs are important to the UK economy.</p> <p>The evaluation will include some key issues.</p> <p>An attempt is made to make supported judgements.</p>
1	<p>1 mark</p> <p>Limited analysis of how SMEs are important to the UK economy.</p> <p>The candidate demonstrates a superficial understanding of SMEs.</p>	<p>1 mark</p> <p>A limited evaluation of how SMEs are important to the UK economy.</p> <p>The answer lacks detail with limited development.</p> <p>Judgements are superficial and unsupported.</p>
0	<p>0 marks</p> <p>No analysis of how SMEs are important to the UK economy.</p>	<p>0 marks</p> <p>No evaluation of how SMEs are important to the UK economy.</p>

Indicative content:

- SMEs create jobs – businesses require a number of employees to help run and operate the business. These people pay tax and spend income on other products and services which goes into the economy.
- Critical to the UK economy as they make up 67% of the UK private sector jobs and contribute 50% of GDP – accept approximates.
- SMEs create demand for products which in turn creates more jobs and other businesses.
- SMEs buy products and services from other businesses in order to produce finished goods thus helping to generate wealth in the economy both locally and nationally.
- SMEs pay tax to the government – these businesses are required to pay business and corporation tax. This goes to the government to pay for things such as hospitals, police and schools.
- SMEs introduce new technology and innovation to the market – they come up with new technologies, create new products and provide new services for people in the UK and abroad.
- SMEs stimulate the economy by instilling confidence in people – having a healthy economy makes people more confident to invest.
- SMEs help to create competition which is good for the consumer and growth.
- Encourages exports and investments in the UK.

However:

- SMEs are small scale and more likely to fail in times of recession and hardship. Many SMEs fail.
- Smaller budgets – do not have funds to compete with larger organisations to put into R&D, advanced technology, marketing and promotions which may affect the SMEs ability to offer high quality solutions to customers.
- Less recognition and harder to compete with larger businesses and big profits.
- Harder to raise finance.
- Do not obtain economies of scale as larger businesses do.

Accept any other relevant point.

Summer 2017 WJEC Unit 2:

Q 3 5	Explain what is meant by an autocratic leadership style and consider what impact such a management style might have had on the employees of Cross Roads Transport Ltd.				[8]
Band	AO1	AO2	AO3	AO4	
	1 marks	2 marks	2 marks	3 marks	
3				3 marks Excellent evaluation of the impact that the autocratic leadership style had upon the employees. An overall conclusion is drawn. Judgements are made.	
2		2 marks Good application in relation to staff at Cross Roads Ltd.	2 marks Good analysis of the possible impact of an autocratic leadership style on employees.	2 marks Good evaluation of the impact that the autocratic leadership style had upon the employees.	
1	1 mark Limited understanding of what constitutes an autocratic leadership style.	1 mark Limited application in relation to staff at Cross Roads Ltd.	1 mark Limited analysis of the possible impact of an autocratic leadership style on employees.	1 mark Limited evaluation of the impact that the autocratic leadership style had upon the employees.	
0	0 marks No knowledge is demonstrated.	0 marks No application undertaken.	0 marks No analysis undertaken.	0 marks No evaluation is evident.	

Indicative content:

- An autocratic leadership style is one where the leader makes all decisions independently.
- Autocratic leaders set objectives, allocate tasks and insist upon staff being obedient.
- Communication is top-down and feedback is discouraged. Consultation with subordinates is minimal.
- High levels of supervision normally characterise businesses that are led autocratically.
- The impact of such a leadership style is often negative and leads to poor motivation in the work force. Staff at Cross Roads *do what they have to and little more*.
- The high labour turnover and absenteeism figures are indicative of poorly motivated staff.
- Lack of training amongst departmental managers suggests that the leaders do not want staff who offer ideas or bring about innovation – again typical of an autocratic environment. The text states: - *extremely difficult to get them to open up and offer an opinion as to what the problems of the business might be*.
- The overall impact seems to be that staff are an underutilised resource.
- However, the business has survived since 1960, so it is unlikely that all staff have been dissatisfied with their employment.
- Many of the delivery drivers and fitters have been employed at Cross Roads for a long time – suggesting that the leadership style did not negatively impact upon them as much as others in the organisation.
- Not all workers want to be given responsibility and are content to take orders and carry out the tasks that they are confident in undertaking. Those who may be seeking jobs elsewhere are doing so reluctantly – indicating that management style is not a demotivating issue for them.
- People are individuals and react to leadership styles in different ways. The impact upon workers will vary according to their perception of the situation in which they find themselves. In general, it is fair to say that autocratic leaders have a demotivating impact upon the workforce.