



**BOARD OF STUDIES**  
NEW SOUTH WALES

## **2013 HSC Business Studies Marking Guidelines**

### **Section I**

#### **Multiple-choice Answer Key**

<b>Question</b>	<b>Answer</b>
1	D
2	B
3	C
4	A
5	A
6	B
7	D
8	D
9	C
10	D
11	B
12	C
13	C
14	D
15	A
16	A
17	B
18	A
19	D
20	C

## Section II

### Question 21 (a)

Criteria	Marks
• Provides characteristics and features of employee rewards to show how they can be used to improve business performance, with the use of an appropriate example	4
• Provides characteristics and features of employee rewards which could be used to improve business performance	3
• Sketches in general terms some features of employee rewards	2
• Names an employee reward	1

#### *Sample answer:*

Monetary and non-monetary rewards are used to attract and motivate employees. Generally, motivated employees are more productive and contribute to higher profits. For example, a cash bonus may be used to reward employees for achieving performance targets. This incentive can help boost productivity or output.

### Question 21 (b)

Criteria	Marks
• Identifies issues and provides points for and/or against one dispute resolution method which could be used to resolve workplace conflict	4
• Provides characteristics and features of one dispute resolution method • Provides a point for or a point against this method	3
• Sketches in general terms one dispute resolution method	2
• Names one dispute resolution method	1

#### *Sample answer:*

Negotiation is a method of dispute resolution where the parties involved deal directly with each other to reach an agreement. This method is simple and reduces the need for third parties and may reduce the costs involved. Negotiation may not be successful as employees may feel pressured and so require an impartial third party to reduce possible bias.

[Students may take an alternative approach that, if correct, should be rewarded.]

**Question 22 (a) (i)**

Criteria	Marks
• Sketches in general terms an indicator that can be used to assess the effectiveness of human resources	2
• Makes a general statement about human resources management	1

**Sample answer:**

MK Pty Ltd could use changes in staff turnover as an indicator. This refers to the separation of employees from an employer, both voluntarily and involuntarily. A reduction in the level of staff turnover may indicate worker satisfaction and effective human resource strategies.

**Answers could include:**

Corporate culture, benchmarking key variables, accidents, levels of disputation and worker satisfaction.

**Question 22 (a) (ii)**

Criteria	Marks
• Sketches in general terms an indicator that can be used to assess the effectiveness of human resources	2
• Makes a general statement about human resources management	1

**Sample answer:**

Absenteeism refers to employee absences on an average day. High levels of absenteeism may indicate worker dissatisfaction and poor human resource management at MK Pty Ltd after the takeover.

**Answers could include:**

Corporate culture, benchmarking key variables, accidents, levels of disputation and worker satisfaction.

**Question 22 (b)**

<b>Criteria</b>	<b>Marks</b>
• Identifies issues and provides points for and/or against a source of finance to fund the takeover	4
• Provides characteristics and features of a source of finance • Provides one point in favour or one point against this source of finance to fund the takeover	3
• Sketches in general terms a source of finance	2
• Names a source of finance	1

***Sample answer:***

As the business has low gearing the business should use long-term debt finance. Debt finance provides a relatively quick injection of funds facilitating the takeover allowing for business growth. Debt finance may increase risk due to increased repayments and charges. However, the increased return generated through the business expansion should cover any increase in debt repayments.

***Answers could include:***

- Internal sources of finance – retained profits
- External sources of finance – debt, long-term borrowing (mortgage, debentures, unsecured notes)
- Equity – private equity

[Students may take an alternative approach that, if correct, should be rewarded.]

**Question 23 (a)**

Criteria	Marks
• Sketches in general terms a way that e-commerce can assist Casey with supply chain management	2
• Names a feature of e-commerce OR supply chain management	1

**Sample answer:**

Electronic ordering is one way that e-commerce can assist Casey. By ordering electronically instead of manually, Casey can reduce lead times and get stock faster.

**Question 23 (b)**

Criteria	Marks
• Provides a performance objective and shows how and/or why it relates to the operations function of the business	3
• Sketches in general terms a performance objective	2
• Makes a general statement about performance	1

**Sample answer:**

Being dependable is important for Casey, as he needs to make sure that he always has stock on hand for his customers to buy. He also needs to be open regular hours, so that his customers know that they will be able to buy the products when they need them. If he is not dependable, he will lose sales and customer loyalty.

**Answers could include:**

- Having the highest quality goods and services
- Speed and productivity
- Being dependable and more flexible than competitors
- Efficiency and low cost

**Question 23 (c)**

<b>Criteria</b>	<b>Marks</b>
• Supports a conclusion showing whether supply chain management is important for the business or not	4
• Provides characteristics and features of supply chain management	3
• Sketches in general terms supply chain management	2
• Names a characteristic of supply chain management	1

***Sample answer:***

Supply chain management is important for Casey because it will affect his profits and sales. If Casey does not manage his supply chain well, he may run out of stock and his customers will go elsewhere for their fuel, thus reducing his sales.

He needs to try to minimise cost of his supplies by using cheaper suppliers and trying to reduce the number of suppliers he needs to deal with. This will increase his profits.

[Students may take an alternative approach that, if correct, should be rewarded.]

**Question 24 (a)**

Criteria	Marks
• Provides characteristics and features of an appropriate method which could be used to ensure payment	3
• Sketches in general terms an appropriate method of payment	2
• Names a method of payment	1

**Sample answer:**

A letter of credit is a commitment by the French customer's bank that promises to pay the Australian business for the bicycles when the documents proving shipment of the goods are presented.

**Answers could include:**

- Clean payment
- Bill of exchange – but it should be noted that these all contain some element of risk for an exporter.

**Question 24 (b)**

Criteria	Marks
• Provides characteristics and features of a strategy and demonstrates how the business could use this strategy to protect itself against currency fluctuations	4
• Provides characteristics and features of a strategy that could be used	3
• Sketches in general terms a strategy that could be used	2
• Names a strategy that could be used	1

**Sample answer:**

A business could protect itself by using derivatives to hedge against a currency change. The business could buy a forward exchange contract where it will swap its Australian dollars into a foreign currency at a particular price on a particular day in the future. This means the business has 'locked in' a particular exchange rate and is protected from any future unfavourable exchange fluctuations.

[Students may take an alternative approach that, if correct, should be rewarded.]

**Question 25 (a)**

<b>Criteria</b>	<b>Marks</b>
• Sketches in general terms one appropriate method that could be used by this business to collect data about its target market	2
• Names a method that could be used to collect data	1

***Sample answer:***

Survey – Pat and Robin could gather information by asking a number of people the same questions. These could be about the respondent’s knowledge, attitudes, preferences and buying behaviour.

***Answers could include:***

- Primary data – collected by Pat and Robin to suit their specific needs – eg survey, observational research
- Secondary data that has been collected in the past from either internal or external sources eg ABS data



**Question 25 (b)**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"><li>• Makes a judgement based on criteria of the decision to adopt the niche market approach</li></ul>	6
<ul style="list-style-type: none"><li>• Identifies issues and provides points for and/or against the niche market approach</li></ul>	5
<ul style="list-style-type: none"><li>• Provides characteristics and features of a niche market</li><li>• Provides at least one point for or one point against the niche market approach</li></ul>	4
<ul style="list-style-type: none"><li>• Provides characteristics and features of a niche market</li></ul> OR <ul style="list-style-type: none"><li>• Provides at least one point for or one point against the niche market approach</li></ul>	3
<ul style="list-style-type: none"><li>• Sketches in general terms a niche market</li></ul>	2
<ul style="list-style-type: none"><li>• Identifies a feature of a niche market</li></ul>	1

***Sample answer:***

A niche market has a specific, narrow customer base. Pat and Robin can use their niche marketing approach to avoid direct competition with larger department stores. They can recruit more specialised staff that will have greater product knowledge and stock more specialised equipment that will allow them to gain a competitive advantage. This should help them to gain sales and profits. For this reason the niche market approach would be best for them. The decision to adopt a niche market by Robin and Pat may help them maximise their profits if the niche market is big enough.

[Students may take an alternative approach that, if correct, should be rewarded.]

## Section III

### Question 26

Criteria	Marks
<ul style="list-style-type: none"> <li>• Provides reasons in favour of marketing strategies to address the business problems identified in the hypothetical situation</li> <li>• Provides reasons in favour of financial management strategies to address the business problems identified in the hypothetical situation</li> <li>• Makes effective use of the information provided, demonstrating extensive knowledge and understanding relevant to the question</li> <li>• Presents a sustained, logical and cohesive business report integrating relevant business terminology and concepts</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Provides reasons in favour of marketing strategies, and provides characteristics and features of financial management strategies</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides reasons in favour of financial management strategies, and provides characteristics and features of marketing strategies</li> <li>• Makes some use of the information provided, demonstrating knowledge and understanding of the question</li> <li>• Presents a logical and cohesive business report and uses relevant business terminology and concepts</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Provides characteristics and features of some marketing strategies and sketches in general terms some financial strategies</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides characteristics and features of some financial management strategies and sketches in general terms some marketing strategies</li> <li>• Includes features of a business report and uses some business terminology and concepts</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Sketches in general terms some aspects of marketing AND/OR financial management</li> <li>• May include some features of a business report and uses basic business terminology</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Uses basic business terminology</li> <li>• May make reference to marketing OR financial management</li> </ul>	1–4

***Answers could include:******Marketing strategies:***

- Market segmentation, product/service differentiation and positioning
- Products – goods and/or services
  - branding
  - packaging
- Price including pricing methods – cost, market, competition-based
- Pricing strategies – skimming, penetration, loss leaders, price points.

***Financial management strategies:***

- Cash-flow management
  - cash-flow statements
  - distribution of payments, discounts for early payment, factoring
- Working capital management
  - control of current assets – cash, receivables, inventories
- Profitability management
  - revenue – marketing objectives.

[Students may take an alternative approach, which if correct, should be rewarded.]

## Section IV

### Question 27

Criteria	Marks
<ul style="list-style-type: none"> <li>Makes a judgment (of value, quality, outcomes or results) of strategies that management may use to respond to influences on operations</li> <li>Applies relevant case study/studies and contemporary business issues</li> <li>Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Makes evident the relationship between relevant management strategies and influences on operations</li> <li>Uses relevant case study/studies and contemporary business issues</li> <li>Presents a logical and cohesive response using relevant terminology and concepts</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Provides characteristics and features of management strategies and their influences on operations</li> <li>May make reference to case study/studies and contemporary business issues</li> <li>Communicates using business terminology and concepts</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Makes some reference to management strategies and/or influences on operations</li> <li>May make reference to case study/studies and/or contemporary business issues</li> <li>Communicates using some business terminology and concepts</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Makes limited reference to operations and/or management strategies</li> <li>May identify case study/studies</li> <li>Uses basic business terminology</li> </ul>	1–4

#### **Answers could include:**

##### *Operations strategies:*

- Performance objectives – quality, speed, dependability, flexibility, customisation, cost
- New product or service design and development
- Supply chain management – logistics, e-commerce, global sourcing
- Outsourcing – advantages and disadvantages
- Technology – leading edge, established
- Inventory management – advantages and disadvantages of holding stock, LIFO, FIFO, JIT
- Quality management – control, assurance, improvement
- Overcoming resistance to change – financial costs, purchasing new equipment, redundancy payments, retraining, reorganising plant layout, inertia
- Global factors – global sourcing, economies of scale, scanning and learning, research and development

*Influences:*

- Globalisation, technology, quality expectations, cost-based competition, government policies, legal regulation, environmental sustainability
- Corporate social responsibility

[Students may take an alternative approach, which, if correct, should be rewarded.]

**Question 28**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"><li>• Makes a judgment (of value, quality, outcomes or results) of strategies that management may use to respond to key influences on human resources</li><li>• Applies relevant case study/studies and contemporary business issues</li><li>• Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts</li></ul>	17–20
<ul style="list-style-type: none"><li>• Makes evident the relationship between relevant management strategies and influences on human resources</li><li>• Uses relevant case study/studies and contemporary business issues</li><li>• Presents a logical and cohesive response using relevant terminology and concepts</li></ul>	13–16
<ul style="list-style-type: none"><li>• Provides characteristics and features of management strategies and their influences on human resources</li><li>• May make reference to case study/studies and contemporary business issues</li><li>• Communicates using business terminology and concepts</li></ul>	9–12
<ul style="list-style-type: none"><li>• Makes some reference to management strategies and/or influences on human resources</li><li>• May make reference to case study/studies and/or contemporary business issues</li><li>• Communicates using some business terminology and concepts</li></ul>	5–8
<ul style="list-style-type: none"><li>• Makes limited reference to human resources and/or management strategies</li><li>• May identify case study/studies</li><li>• Uses basic business terminology</li></ul>	1–4

***Answers could include:******Human resources strategies:***

- Leadership style
- Job design – general or specific tasks
- Recruitment – internal or external, general or specific skills
- Training and development – current or future skills
- Performance management – developmental or administrative
- Rewards – monetary and non-monetary, individual or group, performance pay
- Global – costs, skills, supply
- Workplace disputes – resolution – negotiation, mediation, grievance procedures, involvement of courts and tribunals

***Key Influences:***

- Stakeholders – employers, employees, employer associations, unions, government organisations, society
- Legal – the current legal framework
  - The employment contract – common law (rights and obligations of employers and employees), minimum employment standards, minimum wage rates, awards, enterprise agreements, other employment contracts
  - WHS and workers compensation
  - Anti-discrimination and equal employment opportunity
- Economic
- Technological
- Social – changing work patterns, living standards
- Ethics and corporate social responsibility

[Students may take an alternative approach, which, if correct, should be rewarded.]

# Business Studies

## 2013 HSC Examination Mapping Grid

### Section I

Question	Marks	Content	Syllabus outcomes
1	1	Operations	H4
2	1	Marketing	H5
3	1	Human Resources	H4
4	1	Finance	H10
5	1	Operations	H1
6	1	Finance	H6
7	1	Marketing	H2
8	1	Operations	H6
9	1	Marketing	H5
10	1	Finance	H10
11	1	Marketing	H3
12	1	Marketing	H5
13	1	Human Resources	H2
14	1	Operations	H4
15	1	Marketing	H4
16	1	Finance	H6
17	1	Operations	H5
18	1	Operations	H4
19	1	Marketing	H10
20	1	Human Resources	H5

### Section II

Question	Marks	Content	Syllabus outcomes
21 (a)	4	Human Resources - Strategies in human resource management	H4, H5
21 (b)	4	Human Resources – Strategies in human resource management	H2, H6
22 (a) (i)	2	Human Resources – effectiveness of human resource management	H4, H5
22 (a) (ii)	2	Human Resources – effectiveness of human resource management	H4, H5
22 (b)	4	Finance – sources of finance	H2, H6
23 (a)	2	Operations – Operation strategies	H5, H4
23 (b)	3	Operations – Operation strategies	H5, H4
23 (c)	4	Operations – Operation strategies	H2, H6
24 (a)	3	Finance – Global financial management	H4, H5, H6
24 (b)	4	Finance – Global financial management	H4, H6



<b>Question</b>	<b>Marks</b>	<b>Content</b>	<b>Syllabus outcomes</b>
25 (a)	2	Marketing – marketing process	H2, H4
25 (b)	6	Marketing – role of marketing	H2, H6

**Section III**

<b>Question</b>	<b>Marks</b>	<b>Content</b>	<b>Syllabus outcomes</b>
26	20	Finance and Marketing	H2, H4, H5, H6, H8, H9, H10

**Section IV**

<b>Question</b>	<b>Marks</b>	<b>Content</b>	<b>Syllabus outcomes</b>
27	20	Operations	H2, H3, H5, H6, H7, H9
28	20	Human Resources	H2, H3, H5, H6, H7, H9