

Economics and Business Educators
2007
Trial Higher School Certificate Examination

BUSINESS STUDIES
MARKING GUIDELINES

Section I

Suggested answers

1. C
2. D
3. B
4. B
5. C
6. D
7. D
8. A
9. C
10. A
11. B
12. A
13. D
14. A
15. B
16. A
17. C
18. A
19. B
20. C

Section II

Question 21 (10 marks)

Jody has managed the personnel department of a large organisation for more than 5 years. Her work mates say she is always thinking ahead and is able to plan her time well. Jody believes in negotiating with her staff to achieve the goals of the department.

(a) Identify TWO skills Jody uses in her management role.

2 marks	<ul style="list-style-type: none">• Identifies TWO relevant skills• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Identifies ONE relevant skill• May include irrelevant or incorrect information

(b) Outline the management theory that Jody applies to her department

3 marks	<ul style="list-style-type: none">• Indicates the main features of the relevant management theory• May relate theory to Jody's situation• Uses relevant business terminology
2 marks	<ul style="list-style-type: none">• Indicates some features of the relevant management theory• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Identifies the relevant management theory• May include irrelevant or incorrect information

(c) Evaluate the importance of effective management in the personnel department.

5 marks	<ul style="list-style-type: none">• Make a judgement in some detail based on criteria as to the importance of effective management in the personnel department• Uses relevant business terminology
4 marks	<ul style="list-style-type: none">• Make a judgement based on criteria as to the importance of effective management in the personnel department• Uses relevant business terminology
3 marks	<ul style="list-style-type: none">• Make a judgement based on limited criteria as to the importance of effective management in the personnel department• Uses some relevant business terminology
2 marks	<ul style="list-style-type: none">• Provides characteristics and features of the importance of effective management in the personnel department• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Makes reference to the importance of effective management in the personnel department• May include irrelevant or incorrect information

Question 22 (5 marks)

The sharemarket is like any other market where buyers and sellers come together for the purposes of exchange. Fruit is bought and sold in a fruit market and shares are bought and sold in the sharemarket.

http://www.asx.com.au/investor/pdf/lesson_2.pdf

(a) Explain the role of the Australian Stock exchange as a primary market.

4 - 5 marks	<ul style="list-style-type: none">• Makes the relationship of the Stock exchange as a primary market evident• May include relevant examples• Uses relevant business terminology
2 – 3 marks	<ul style="list-style-type: none">• Provides some evidence of the Stock exchange as a primary market• May include examples• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• May refer to the stock exchange as a primary market• May include irrelevant or incorrect information

Question 23 (10 marks)

**Grantham Pty Ltd
Cash Flow Balance (\$A)**

	Jan	Feb	March	Apr	May	Jun
Opening Balance	500					
Cash Receipts	8000	6000	6000	6000	4500	4500
Cash Payments	4500	4500	8500	4500	10500	4500

(a) Calculate the opening cash balance for March.

1 mark	<ul style="list-style-type: none"> • \$5 500 is correctly calculated
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(b) Outline the purpose of the cash flow forecast.

2 marks	<ul style="list-style-type: none"> • Sketches in general terms the purpose of the cash flow forecast • May use relevant business terminology
1 mark	<ul style="list-style-type: none"> • Makes reference to the purpose of the cash flow forecast • May include irrelevant or incorrect information

(c) Describe TWO cash flow problems Grantham Pty Ltd could face.

4 marks	<ul style="list-style-type: none"> • Provides characteristics and features of TWO cash flow problems Grantham Pty Ltd could face • Uses relevant business terminology
3 marks	<ul style="list-style-type: none"> • Provides characteristics and features of ONE cash flow problems Grantham Pty Ltd could face and • Refers to a second cash flow problem relevant to Grantham • Uses relevant business terminology
2 marks	<ul style="list-style-type: none"> • Refers to ONE cash flow problems Grantham Pty Ltd could face and • Refers to a second cash flow problem • May use some relevant business terminology
1 mark	<ul style="list-style-type: none"> • Refers to cash flow problems • May include irrelevant or incorrect information

(d) Evaluate a strategy the business could use to address its cash flow problems.

3 marks	<ul style="list-style-type: none">• Clearly determines the value of a strategy the business could use to address its cash flow problems.• May use relevant business terminology
2 marks	<ul style="list-style-type: none">• Determines the value of a strategy the business could use to address its cash flow problems.• Uses some relevant business terminology
1 mark	<ul style="list-style-type: none">• Refers to strategies businesses could use to address cash flow problems.• May include irrelevant or incorrect information

Question 24 (10 marks)

Trung and Simon have developed a method of cheaply powering lawn mowers using solar power. Trung says, “Nobody cuts their grass in the rain, so solar power is right there, whenever you pull the lawnmower out of the shed”. Trung and Simon have developed an adaptor, which they now want to sell.

(a) Identify one part of the market research process Trung and Simon will need to undertake.

1 mark	<ul style="list-style-type: none">• Recognises and names one part of the market research process Trung and Simon will need to undertake
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(b) Propose how Trung and Simon could position this product.

2 marks	<ul style="list-style-type: none">• Puts forward a relevant strategy for consideration or action of how Trung and Simon could position this product• Uses relevant business terminology
1 mark	<ul style="list-style-type: none">• Puts forward an idea of how Trung and Simon could position this product• May include irrelevant or incorrect information

(c) Recommend THREE marketing objectives Trung and Simon would include in their marketing plan.

3 marks	<ul style="list-style-type: none">• Provides clear reasons in favour of THREE marketing objectives Trung and Simon would include in their marketing plan• Uses relevant business terminology
2 marks	<ul style="list-style-type: none">• Provides limited reasons in favour of THREE marketing objectives Trung and Simon would include in their marketing plan• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Provides reasons in favour of ONE or more marketing objectives Trung and Simon would include in their marketing plan• May include irrelevant or incorrect information

(d) Evaluate the main factor influencing potential customers' decisions to buy this new product.

3 - 4 marks	<ul style="list-style-type: none">• Make a judgement based on sound criteria as to the main factor influencing potential customers' decisions to buy this new product• Uses relevant business terminology
1 - 2 marks	<ul style="list-style-type: none">• Make a judgement based on criteria as to a factor influencing potential customers' decisions to buy this new product• Uses relevant business terminology

Question 25 (6 marks)

(a) Identify TWO trends in global trade since World War 2.

1 mark	<ul style="list-style-type: none">• Recognises and names TWO trends in global trade since World War 2
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(b) Explain how manufacturing businesses could use a global web.

2 marks	<ul style="list-style-type: none">• Make the relationship between manufacturing businesses and a global web evident• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Refers to the relationship between businesses and a global web

(c) Analyse the role of hedging in global businesses.

2 marks	<ul style="list-style-type: none">• Identifies clearly the components of hedging in global business and the relationship between them• May use relevant business terminology
1 mark	<ul style="list-style-type: none">• Identifies some components of hedging in global business• May include irrelevant or incorrect information

Section III

Question 26

Criteria	Marks
<ul style="list-style-type: none"> • Provides detailed characteristics and features of the possible limitations of Superdrive Auto’s financial reports • Provides extensively why and/or how new management could help the business to better meet its responsibilities towards suppliers and customers • Identifies several relevant components and the relationship between the ways a prospective buyer of this business could help improve Superdrive Auto’s relationship with its staff • Presents a sustained logical and well-structured business report and clearly communicates using features of a business report with relevant business terminology and concepts 	17 - 20
<ul style="list-style-type: none"> • Provides some characteristics and features of the possible limitations of Superdrive Auto’s financial reports • Provides why and/or how new management could help the business to better meet its responsibilities towards suppliers and customers • Identifies relevant components and the relationship between the ways a prospective buyer of this business could help improve Superdrive Auto’s relationship with its staff • Presents a well-organised business report and uses relevant business terminology and concepts 	13 -16
<ul style="list-style-type: none"> • Provides characteristics and features of the possible limitations of Superdrive Auto’s financial reports • Provides some ways new management could help the business to better meet its responsibilities towards suppliers and customers • Identifies limited components and the relationship between the ways a prospective buyer of this business could help improve Superdrive Auto’s relationship with its staff • Includes features of a business report and uses some business terminology and concepts 	9 – 12
<ul style="list-style-type: none"> • Provides limited characteristics and features of the possible limitations of Superdrive Auto’s financial reports • Provides at least one way new management could help the business to better meet its responsibilities towards suppliers and customers • Identifies limited components of the ways a prospective buyer of this business could help improve Superdrive Auto’s relationship with its staff • Includes some features of a business report and uses basic business terminology 	5 – 8
<ul style="list-style-type: none"> • Refers to limitations of Superdrive Auto’s financial reports • Identifies that new management could help the business to better meet its responsibilities towards suppliers and customers • Makes reference to the ways a prospective buyer of this business could help improve Superdrive Auto’s relationship with its staff • Uses basic business terminology 	1 – 4

Section IV

Question 27

Criteria	Marks
<ul style="list-style-type: none">• Provides comprehensive characteristics and features of the legal influences on global business• Makes a sound judgement based on criteria about the importance of customer and buyer behaviour on marketing by a global business• Clearly supports response with reference to relevant case study/studies• Presents a sustained, logical and well-structured answer and clearly communicates using relevant business terminology and concepts	17 - 20
<ul style="list-style-type: none">• Provides characteristics and features of the legal influences on global business• Provides characteristics and features of customer and buyer behaviour by a global business and makes evident the relationship between customer and buyer behaviour and marketing by a global business• Makes reference to relevant case study/studies• Presents a well-organised answer and uses relevant business terminology and concepts	13 - 16
<ul style="list-style-type: none">• Provides characteristics and features of a few of the legal influences on global business• Provides characteristics and features of customer and buyer behaviour on marketing by a global business• May make reference to relevant case study/studies• Communicates using business terminology and concepts	9 – 12
<ul style="list-style-type: none">• Sketches in general terms some of the legal influences on global business• Sketches in general terms customer and/or buyer behaviour on marketing by a global business• May make reference to relevant case study/studies• Communicates using some business terminology	5 – 8
<ul style="list-style-type: none">• May refer to legal influences• May identify some customer or buyer behaviour• Uses basic business terminology	1 – 4

Question 28

Criteria	Marks
<ul style="list-style-type: none">• Provides comprehensive characteristics and features of social and cultural influences on global business• Makes a sound judgement based on criteria about the importance of the issues that arise for a global business in developing marketing strategies• Clearly supports response with reference to relevant case study/studies• Presents a sustained, logical and well-structured answer and clearly communicates using relevant business terminology and concepts	17 - 20
<ul style="list-style-type: none">• Provides characteristics and features of social and cultural influences on global business• Provides characteristics and features of the issues that arise for a global business in developing marketing strategies• Makes reference to relevant case study/studies• Presents a well-organised answer and uses relevant business terminology and concepts	13 -16
<ul style="list-style-type: none">• Provides characteristics and features of some of the social and cultural influences on global business• Provides characteristics and features of global business when developing marketing strategies• May make reference to relevant case study/studies• Communicates using business terminology and concepts	9 – 12
<ul style="list-style-type: none">• Sketches in general terms some characteristics and features of social and cultural influences on global business• Sketches in general terms some issues that arise for a global business in developing marketing strategies• May make reference to relevant case study/studies• Communicates using some business terminology	5 – 8
<ul style="list-style-type: none">• May refer to social and cultural influences• May identify some marketing strategies• Uses basic business terminology	1 – 4