

**EBE Business Studies Trial HSC Exam 2010**  
**Marking Guidelines**

**Section I Multiple Choice**

Suggested answers

1. A

2. B

3. C

4. C

5. C

6. B

7. C

8. A

9. B

10. D

11. C

12. B

13. A

14. B

15. A

16. C

17. C

18. A

19. D

20. C

## Section II Short Answers

### Question 21

#### Question 21 (a)

Criteria	Marks
<input type="radio"/> Correctly outlines the market research process.	2
<input type="radio"/> Identifies the market research process	1

*Answers could include:*

The market research process follows the steps of determining the information needs, collecting data from primary and secondary sources and then analysing and interpreting data.

#### Question 21 (b)

Criteria	Marks
<input type="radio"/> Gives the general characteristics of ONE form of market research	2
<input type="radio"/> Identifies ONE form of market research	1

*Answers could include:*

One form of market research is primary data involves original research such as collecting data using a focus group or survey.

#### Question 21 (c)

Criteria	Marks
<input type="radio"/> Provides a relevant, clear and concise explanation of ONE promotional strategy relevant to the business	4
<input type="radio"/> Provides a relevant explanation of ONE promotional strategy relevant to the business	3
<input type="radio"/> Sketches in general terms ONE promotional strategy	2
<input type="radio"/> Identifies ONE promotional strategy	1

*Answers could include:*

As Orton's Exclusive Travel Pty Ltd is targeting the wealthy sports fan who are likely to be male a relevant promotional strategy that would be relevant is an advertising campaign featuring Australian Soccerroo stars endorsing the Travel company which could be aired on pay TV Sports channels in the lead up to the World Cup. This could be supported by advertorials in Gourmet Traveller and Weekend Newspapers such as The Australian which is a national magazine.

**Question 22 (a)**

Criteria	Marks
○ Correctly outlines ONE external source of change	2
○ Identifies ONE external source of change	1

*Answers could include:*

Political/legal external influence as the regulators did not approve the deal in time which is beyond the control of general Motors.

**Question 22 (b)**

Criteria	Marks
○ Provides TWO relevant and clear reasons for resistance to change	3
○ Provides general characteristics of ONE reason for resistance to change OR	2
○ Sketches in general terms TWO reasons for resistance to change	
○ Identifies ONE reason for resistance to change	1

*Answers could include:*

- Fear of job loss
- Inertia of managers and/or owners
- Costs involved in purchasing new equipment, reorganising the plant layout, retraining
- Employees not wanting to acquire new skills or fear loss of their current skills

**Question 22 (c)**

Criteria	Marks
○ Draws out the implications of the strategies the managers could adopt to manage the change	5
○ Provides clear and concise explanation of the possible strategies managers could adopt to manage the change	4
○ Provides general characteristics of more than one strategy the managers could adopt	3
○ Provides general characteristics of a strategy the managers could adopt	2
○ Identifies a strategy the managers could adopt	1

*Answers could include:*

- Identify the need for change and establish a formal management information system – this will take time and incur expenses.
- Set achievable goals which are incremental, communicate with the workforce which will take time and may need to be done in work time so loss of production may occur. Resources will be needed to support the change as well as systems and procedures.
- Create a culture of change and use teamwork and/or the use of a change agent within the organisation to manage the change smoothly.
- Use a change model to help manage the change such as Lewin's force field analysis.

**Question 23 (a)**

Criteria	Marks
○ Correctly identifies TWO reasons why Australian businesses have expanded globally	<b>2</b>
○ Correctly identifies ONE reason why Australian businesses have expanded globally	<b>1</b>

*Answers could include:*

- Increase sales by finding new markets
- Gain economies of scale

**Question 23 (b)**

Criteria	Marks
○ Provides TWO relevant, clear, concise and detailed effect of a specific influence on a global business	<b>4</b>
○ Provides TWO relevant, clear and concise effect of a specific influence on a global business	<b>3</b>
○ Provides ONE relevant, clear and concise and detailed effect of a specific influence on a global business	<b>2</b>
Or	
○ Sketches in general terms TWO effects of a specific influence on a global business	
○ Lists at least ONE effect of a specific influence on a global business	<b>1</b>

*Answers could include:*

- A financial influence on a global business is currency fluctuations. An Australian exporter wants to be paid in Australian dollars however if the sale contract is in US\$ and the value of the US\$ depreciates against the A\$, then the exporter is receiving less for the sale of their Australian products.
- Social and Cultural influence such as Religion is an important influence on a global business and employers need to be sensitive to the different needs of their employees across the globe and adjust operations, marketing and employment relations to meet their needs.

## Question 24

### Question 24 (a)

Criteria	Marks
<ul style="list-style-type: none"><li>○ Correctly defines current ratio measures the ability of the business to pay its short term debts by compares the size of the current assets to the size of the current liabilities.</li></ul>	<b>2</b>
<ul style="list-style-type: none"><li>○ The ability of a business to pay its short term debts.</li></ul>	<b>1</b>

### Question 24 (b)

Criteria	Marks
<ul style="list-style-type: none"><li>○ Correctly calculates the current ratio for the business, interprets it and compares it to the industry average</li></ul>	<b>3</b>
<ul style="list-style-type: none"><li>○ Correctly calculates the current ratio for the business and compares it to the industry average</li></ul>	<b>2</b>
<ul style="list-style-type: none"><li>○ Correctly calculates the current ratio for the business</li></ul>	<b>1</b>

*Answers could include:*

- The current ratio is 1.25:1 which means that Joshua's business has \$1.25 of current assets compared to \$1 of current liabilities which means the business is liquid as it has current assets greater than current liabilities. However this is less than the industry average which has current assets three times greater than current liabilities.

**Question 25 (a)**

Criteria	Marks
○ Draws out the implications of reducing industrial conflict in the workplace	<b>5</b>
○ Provides clear and concise explanation of why industrial conflict should be reduced in the workplace	<b>4</b>
○ Provides general reasons why industrial conflict needs to be resolved	<b>3</b>
○ Provides a reason why industrial conflict needs to be resolved	<b>2</b>
○ Identifies a problem with industrial conflict	<b>1</b>

*Answers could include:*

- Industrial conflict has a number of disadvantages for a business such as-
  - Loss of income for employer and employee
  - The business is seen as an unreliable supplier
  - Promotes distrust between stakeholders
  - Loss of productivity
  - Loss of share value
  - Loss of quality in production
- However industrial conflict can also have its benefits such as –
  - Can lead to change which can improve productivity .

**Question 25 (b)**

Criteria	Marks
○	<b>5/6</b>
○ Correct, clear and detailed reasons as to how TWO strategies could reduce conflict	<b>4</b>
○ Correct reasons as to how TWO strategies could reduce conflict	<b>3</b>
○ Gives general characteristics of a strategy to reduce conflict	<b>2</b>
OR	
○ Correct reason as to how ONE strategy could reduce conflict	
○ Identifies a strategy to reduce industrial conflict	<b>1</b>

*Answers could include:*

- Nicky and Tahlia need to establish a dispute resolution process so that grievances can be discussed quickly before they result in industrial conflict.
- They could also establish a committee made up of worker representatives to communicate concerns to Nicky and Tahlia on a regular basis to give workers a greater voice in the workplace.

### Section III Business Report

#### Question 26

#### MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"><li>• Presents a sustained, logical and well-structured answer and clearly communicates in the form of a business report using relevant business terminology and concepts and information provided</li><li>• Sketches in general terms the management skills to be considered as the business moves into the expansion phase</li><li>• Provides reasons in favour of TWO effective employment relations strategies the business needs to consider as staff numbers increase</li><li>• Make a sound judgement based on criteria of the sources of funds available for business growth and purchase of the building next door</li></ul>	17–20
<ul style="list-style-type: none"><li>• Presents a well-organised business report using relevant business terminology and concepts and information provided</li><li>• Sketches in general terms the management skills to be considered as the business moves into the expansion phase</li><li>• Provides reasons in favour of TWO effective employment relations strategies the business needs to consider</li><li>• Make a judgement based on criteria of the sources of funds available for business growth and purchase of the building next door</li></ul>	13–16
<ul style="list-style-type: none"><li>• Includes features of a business report and uses some business terminology and concepts, may refer to information provided</li><li>• Refers to the management skills to be considered as the business moves into the expansion phase</li><li>• Provides characteristics and features of TWO effective employment relations strategies the business needs to consider as staff numbers increase</li><li>• Provides points for and against the sources of funds available for business growth and purchase of the building next door</li></ul>	9–12
<ul style="list-style-type: none"><li>• May include some features of a business report and uses basic business terminology</li><li>• Refers to management skills</li><li>• Sketches in general terms effective employment relations strategies and sources of funding</li></ul>	5–8
<ul style="list-style-type: none"><li>• Uses basic business terminology</li><li>• May mention management skills</li><li>• May make reference to employment relations and business funding</li></ul>	1–4

*Answers could include:*

skills of management

- people skills, strategic thinking, vision, flexibility and adaptability to change, self-managing, teamwork, complex problem-solving and decision-making, ethical and high personal standards

*effective employment relations*

- role of employment relations
- communications systems — grievance procedures, worker participation, team briefings
- rewards — financial, non-financial
- training and development — induction
- flexible working conditions — family-friendly programs
- measures of effectiveness — levels of staff turnover, absenteeism, disputation, quality, benchmarking

sources of funds

- internal — owners' equity, retained profits
- external — short-term borrowing, (overdraft, bank bills), long-term borrowing (mortgage, debentures) leasing, factoring, venture capital, grants

## Section IV Extended response

### Question 27

#### MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"><li>• Presents a sustained, logical and well-structured answer and clearly communicates using relevant business terminology and concepts</li><li>• Clearly supports response with reference to relevant business case study/studies</li><li>• Clearly draws out and relates the implications of the ethical and legal aspects of a business from a marketing and global perspective</li></ul>	17–20
<ul style="list-style-type: none"><li>• Presents a well-organised answer and uses relevant business terminology and concepts</li><li>• Makes reference to relevant business case study/studies</li><li>• Draws out and relates the implications of the ethical and legal aspects of a business from a marketing and global perspective</li></ul>	13–16
<ul style="list-style-type: none"><li>• Communicates using business terminology and concepts</li><li>• May make reference to business case/studies</li><li>• Makes clear the relationship between the ethical and legal aspects of a business from a marketing and global perspective</li></ul>	9–12
<ul style="list-style-type: none"><li>• Communicates using some business terminology</li><li>• May make reference to case/studies</li><li>• Sketches in general terms the ethical and legal aspects of a business</li></ul>	5–8
<ul style="list-style-type: none"><li>• Uses basic business terminology</li><li>• May refer to ethical or legal aspects of a business</li></ul>	1–4

*Answers could include:*

environmentally responsible products

- other issues including creation of needs, impacts of retail developments, suggesting (selling under the guise of research)
- role of consumer laws in dealing with
  - deceptive and misleading advertising
  - price discrimination
  - implied conditions
  - warranties
  - resale price maintenance

ethical practice — tax havens and transfer pricing

- minimum standards of labour
- dumping illegal products
- ecological sustainability.

**Question 28****MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"> <li>• Presents a sustained, logical and well-structured answer and clearly communicates using relevant business terminology and concepts</li> <li>• Clearly supports response with reference to relevant business case study/studies</li> <li>• Clearly draws out and relates the implications of the marketing strategies for a business within the domestic and international business environment</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Presents a well-organised answer and uses relevant business terminology and concepts</li> <li>• Makes reference to relevant business case study/studies</li> <li>• Draws out and relates the implications of the marketing strategies for a business within the domestic and international business environment</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Communicates using business terminology and concepts</li> <li>• May make reference to business case/studies</li> <li>• Makes clear the relationship between the marketing strategies for a business within the domestic and international business environment</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Communicates using some business terminology</li> <li>• May make reference to case/studies</li> <li>• Sketches in general terms the marketing strategies for a business</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Uses basic business terminology</li> <li>• May refer to marketing strategies</li> </ul>	1–4

*Answers could include:*

*developing marketing strategies*

market segmentation and product/service differentiation

- product and service
  - positioning
  - branding
  - packaging
- price including pricing methods — cost, market and competition-based pricing strategies/tactics — skimming, penetration, loss leaders, price points price and quality interaction
- promotion
  - elements of the promotion mix — personal selling, advertising, below-the-line promotions, public relations
  - the communication process including opinion leaders and word of mouth
- place/distribution
  - distribution channels and reasons for intermediaries
  - channel choice including intensive, selective, exclusive
  - physical distribution issues including transport, warehousing, inventory
  - environmental effects on distribution — technology, local government

marketing

- research of market
- global branding— standardisation and differentiation

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