
BUSINESS

9609/21

Paper 2 Data Response

October/November 2017

MARK SCHEME

Maximum Mark: 60

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2017 series for most Cambridge IGCSE[®], Cambridge International A and AS Level components and some Cambridge O Level components.

Question	Answer	Marks																							
1(a)(i)	<p data-bbox="316 248 751 282">Define the term ‘brand’ (line 2).</p> <table border="1" data-bbox="316 315 1315 517"> <thead> <tr> <th data-bbox="316 315 1086 365">Knowledge</th> <th data-bbox="1086 315 1315 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 365 1086 414">A correct definition</td> <td data-bbox="1086 365 1315 414">2</td> </tr> <tr> <td data-bbox="316 414 1086 463">A partial, vague or unfocused definition</td> <td data-bbox="1086 414 1315 463">1</td> </tr> <tr> <td data-bbox="316 463 1086 517">No creditable content</td> <td data-bbox="1086 463 1315 517">0</td> </tr> </tbody> </table> <p data-bbox="316 551 722 584">A correct definition will contain:</p> <ul data-bbox="316 584 1305 656" style="list-style-type: none"> <li data-bbox="316 584 927 618">• A brand is a name, term, design or symbol <li data-bbox="316 618 1305 656">• Distinguishes one seller’s product from those of others/makes it unique. <table border="1" data-bbox="316 689 1315 1207"> <thead> <tr> <th data-bbox="316 689 855 739">Exemplar</th> <th data-bbox="855 689 1008 739">Marks</th> <th data-bbox="1008 689 1315 739">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 739 855 824">A brand-name differentiates a product from similar products</td> <td data-bbox="855 739 1008 824">2</td> <td data-bbox="1008 739 1315 824">A correct definition</td> </tr> <tr> <td data-bbox="316 824 855 943">A brand is a name/symbol/design that differentiates a product from similar products.</td> <td data-bbox="855 824 1008 943">2</td> <td data-bbox="1008 824 1315 943">A correct definition</td> </tr> <tr> <td data-bbox="316 943 855 1126">A brand is a name/image/logo</td> <td data-bbox="855 943 1008 1126">1</td> <td data-bbox="1008 943 1315 1126">Vague as brands could also differentiate products with names/images/logos</td> </tr> <tr> <td data-bbox="316 1126 855 1207">Distinguishes one product from another.</td> <td data-bbox="855 1126 1008 1207">1</td> <td data-bbox="1008 1126 1315 1207">Other factors could also do this</td> </tr> </tbody> </table>	Knowledge	Marks	A correct definition	2	A partial, vague or unfocused definition	1	No creditable content	0	Exemplar	Marks	Rationale	A brand-name differentiates a product from similar products	2	A correct definition	A brand is a name/symbol/design that differentiates a product from similar products.	2	A correct definition	A brand is a name/image/logo	1	Vague as brands could also differentiate products with names/images/logos	Distinguishes one product from another.	1	Other factors could also do this	2
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1(a)(ii)	<p>Briefly explain the term ‘labour turnover’ (lines 11–12).</p> <p>Award one mark for each point of explanation:</p> <table border="1" data-bbox="316 383 1315 533"> <tbody> <tr> <td data-bbox="316 383 395 432">C</td> <td data-bbox="395 383 1161 432">Percentage/proportion or formula</td> <td data-bbox="1161 383 1315 432">1 mark</td> </tr> <tr> <td data-bbox="316 432 395 481">B</td> <td data-bbox="395 432 1161 481">per year/time period (this could be in the formula)</td> <td data-bbox="1161 432 1315 481">1 mark</td> </tr> <tr> <td data-bbox="316 481 395 533">A</td> <td data-bbox="395 481 1161 533">Employees/workforce that leave</td> <td data-bbox="1161 481 1315 533">1 mark</td> </tr> </tbody> </table> <p>Content The proportion/percentage/rate of a firm's workforce/employees that leave during a certain time period.</p> $\frac{\text{Number employees who left in a given time period}}{\text{Total number of employees}} \times 100$ <table border="1" data-bbox="316 819 1315 1473"> <thead> <tr> <th data-bbox="316 819 922 869">Exemplar</th> <th data-bbox="922 819 1050 869">Marks</th> <th data-bbox="1050 819 1315 869">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 869 922 954">The percentage of a firm's workforce that leave in a year</td> <td data-bbox="922 869 1050 954">3</td> <td data-bbox="1050 869 1315 954">Points from A, B and C</td> </tr> <tr> <td data-bbox="316 954 922 1055">$\frac{\text{Number employees who left in a year}}{\text{Total employees}} \times 100$</td> <td data-bbox="922 954 1050 1055">3</td> <td data-bbox="1050 954 1315 1055">Formula covering all three points</td> </tr> <tr> <td data-bbox="316 1055 922 1155">$\frac{\text{Number employees who left}}{\text{Total employees}} \times 100$</td> <td data-bbox="922 1055 1050 1155">2</td> <td data-bbox="1050 1055 1315 1155">Formula missing the B point</td> </tr> <tr> <td data-bbox="316 1155 922 1205">Number of employees that leave per year.</td> <td data-bbox="922 1155 1050 1205">2</td> <td data-bbox="1050 1155 1315 1205">A and B points</td> </tr> <tr> <td data-bbox="316 1205 922 1357">percentage leaving</td> <td data-bbox="922 1205 1050 1357">1</td> <td data-bbox="1050 1205 1315 1357">Does not refer to workforce/employees so a C point only</td> </tr> <tr> <td data-bbox="316 1357 922 1473">Numbers of employees that leave</td> <td data-bbox="922 1357 1050 1473">1</td> <td data-bbox="1050 1357 1315 1473">Does not explain 'turnover' so point from A only</td> </tr> </tbody> </table>	C	Percentage/proportion or formula	1 mark	B	per year/time period (this could be in the formula)	1 mark	A	Employees/workforce that leave	1 mark	Exemplar	Marks	Rationale	The percentage of a firm's workforce that leave in a year	3	Points from A, B and C	$\frac{\text{Number employees who left in a year}}{\text{Total employees}} \times 100$	3	Formula covering all three points	$\frac{\text{Number employees who left}}{\text{Total employees}} \times 100$	2	Formula missing the B point	Number of employees that leave per year.	2	A and B points	percentage leaving	1	Does not refer to workforce/employees so a C point only	Numbers of employees that leave	1	Does not explain 'turnover' so point from A only	3
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1(b)(i)	<p>Refer to Fig. 1. Identify the size of:</p> <ul style="list-style-type: none"> • Maximum inventory level • Buffer inventory level • Re-order quantity <table border="1" data-bbox="316 432 1315 680"> <thead> <tr> <th data-bbox="316 432 469 481">Marks</th> <th data-bbox="469 432 1315 481">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 481 469 530">3</td> <td data-bbox="469 481 1315 530">Correct calculation of three figures</td> </tr> <tr> <td data-bbox="316 530 469 580">2</td> <td data-bbox="469 530 1315 580">Correct identification of two figures</td> </tr> <tr> <td data-bbox="316 580 469 629">1</td> <td data-bbox="469 580 1315 629">Correct identification of one figure</td> </tr> <tr> <td data-bbox="316 629 469 680">0</td> <td data-bbox="469 629 1315 680">No creditable content</td> </tr> </tbody> </table> <p><i>No own figure rule applicable</i></p> <p>Answers:</p> <ul style="list-style-type: none"> • Maximum inventory level 60 000 (1 mark) • Buffer inventory level 10 000 (1 mark) • Re-order quantity 50 000 (1 mark) <p>Allow 60, 10, 50 Note: Reward if you are confident that they have identified the correct figures</p>	Marks	Rationale	3	Correct calculation of three figures	2	Correct identification of two figures	1	Correct identification of one figure	0	No creditable content	3
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1(b)(ii)	<p data-bbox="316 248 1182 282">Explain one possible use of an inventory control chart to RBP</p> <table border="1" data-bbox="316 315 1315 667"> <thead> <tr> <th data-bbox="316 315 501 365">Level</th> <th data-bbox="501 315 1166 365">Knowledge and Application</th> <th data-bbox="1166 315 1315 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 365 501 450">2b (APP+APP)</td> <td data-bbox="501 365 1166 450">Shows understanding of a use of an inventory control chart in context</td> <td data-bbox="1166 365 1315 450">3</td> </tr> <tr> <td data-bbox="316 450 501 535">2a (APP)</td> <td data-bbox="501 450 1166 535">Identification of a use of an inventory control chart in context</td> <td data-bbox="1166 450 1315 535">2</td> </tr> <tr> <td data-bbox="316 535 501 620">1 (K)</td> <td data-bbox="501 535 1166 620">Identification of a use of an inventory control chart</td> <td data-bbox="1166 535 1315 620">1</td> </tr> <tr> <td data-bbox="316 620 501 667">0</td> <td data-bbox="501 620 1166 667">No creditable content</td> <td data-bbox="1166 620 1315 667">0</td> </tr> </tbody> </table> <p data-bbox="316 701 1291 768"><i>Correct use of an incorrect answer to 1(b)(i) should be fully rewarded (own figure rule –OFR).</i></p> <p data-bbox="316 770 1270 866"><i>Note: identification of a figure ONLY would not gain any marks as marks have been awarded in the previous question – the answer must identify a USE</i></p> <p data-bbox="316 904 429 936">Content</p> <p data-bbox="316 940 603 972">Answers may include:</p> <ul data-bbox="316 974 1307 1111" style="list-style-type: none"> • Can be used to make sure RBP do not run out of stock – v important as shops require quick response • Can analyse the lead time required for re-orders • Can make sure RBP do not hold too much stock <p data-bbox="316 1146 592 1178">Context may include:</p> <ul data-bbox="316 1180 1267 1350" style="list-style-type: none"> • RBP known for reliability • Retailers require a fast response • RPB holds high levels of inventory to ensure a fast response to retail orders • Respond to orders within 48 hours 	Level	Knowledge and Application	Marks	2b (APP+APP)	Shows understanding of a use of an inventory control chart in context	3	2a (APP)	Identification of a use of an inventory control chart in context	2	1 (K)	Identification of a use of an inventory control chart	1	0	No creditable content	0	3
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0	No creditable content	0															

Question	Answer				Marks	
1(c)	Analyse two disadvantages to RBP of holding a high level of inventory					
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks	
	2	Shows knowledge of holding a high level of inventory in context	4	Good analysis of two (or more) disadvantages of holding a high level of inventory in context	4	
			3	Good analysis of one disadvantage of holding a high level of inventory in context	3	
	1	Shows knowledge of inventory and/or knowledge of holding a high level of inventory	1–2	Limited analysis of two (or more) disadvantages of holding a high level of inventory	2	
				Limited analysis of one disadvantage of holding a high level of inventory	1	
	0	No creditable content				
	<i>A non-contextual answer can only be awarded a maximum of 2 + 2 = 4</i>					
	<i>Limited analysis in context: Marks limited to 4 + 2 = 6</i>					
	<i>Analysis of only one disadvantage in context: Marks limited to 3 + 3 = 6</i>					
Content						
Answers could include:						
<ul style="list-style-type: none"> • Cost of storing the stock (i.e. warehousing, insurance etc.) • Possibility of stock becoming obsolete – new designs, materials etc. • Possibility of demand changing – colours, fashions etc. • Cash tied up inventory – opportunity cost 						
Examples of knowledge of holding a high level of inventory		Examples of application/context		Examples of possible analysis		
High cost of holding stock		RBP produces large items (travel bags) and keep them in a warehouse next to the factory		Will increase the cost of each bag produced and decrease the profit of the business.		
ARA						

Question	Answer				Marks	
1(d)	Evaluate the importance to RBP of Maya having a high level of emotional intelligence.				11	
Knowledge and Application (4 marks)		Marks	Analysis and Evaluation (7 marks)			Marks
			A justified evaluation based on argument(s) of the importance of emotional intelligence in context			7
			Developed evaluation based on argument(s) of the importance of emotional intelligence in context			6
			An evaluative statement based on argument(s) of the importance of emotional intelligence in context			5
Shows understanding of emotional intelligence in context		3–4	Argument (two-sided) about the importance of emotional intelligence in context			4
			Argument (one-sided) about the importance of emotional intelligence in context			3
Shows knowledge of emotional intelligence		1–2	Limited analysis of emotional intelligence			1–2
<i>Justification can come from looking at the importance and/or importance of other qualities/leadership style required in a leader/manager or importance of training of workers/providing adequate resources</i>						

Question	Answer	Marks
1(d)	<p>Answers could include:</p> <p>Emotional intelligence is the ability to recognise your own and other people's emotions, to discriminate between different feelings and identify them appropriately, and to use emotional information to guide thinking and behaviour. Importance in motivating employees, increasing productivity, reducing absenteeism and turnover.</p> <ul style="list-style-type: none"> • 100 workers who will need to be motivated and led and this may require emotional intelligence, especially since the workers are skilled and therefore not easily replaced. • RBP has high levels of absenteeism and labour turnover – Maya will need to resolve the underlying issues if she is to make the factory more productive • The previous manager was sacked due to lack of productivity. If this is to be solved Maya will need to be able to motivate the workers • However, the productivity issue may not be due to a lack of emotional intelligence from the previous manager, but there may be a more important reasons, such as poor training, equipment etc... • The factory may need a more authoritarian approach to increase productivity 	

An example of how an answer could develop and how it should be annotated.

K	APP	AN	ANAN (one sided)	EVAL
Emotional intelligence is recognising your own and other people's emotions. (K)	Maya needs to understand the emotions of the 100 workers so that she can tackle the productivity issues. (APP)	By understanding their emotions, Maya can make changes to the factory, which may increase the workers motivation. (AN)	This could lead to better productivity and hit the production targets. (ANAN)	Overall Maya having high levels of emotional intelligence is likely to be important, as it will help her understand the issues of the workforce that she manages. (EVAL – statement)
	The factory has high levels of absenteeism and labour turnover. (APP)	The workers may be absent and leaving RBP because of poor working conditions in the factory. This issue requires action from Maya not an understanding of their emotions. (AN)	ANAN (two-sided) Without better conditions the workers are unlikely to improve their absenteeism and turnover and therefore RBP will not have improved productivity and hit the targets. (ANAN)	However, it depends upon why the productivity levels are low. If the main issue was the disagreement between the previous manager and the workforce then it is likely to be very important. (EVAL – developed) However, this is unlikely to be the only issue and Maya will need more than just emotional intelligence to hit the production targets for RBP. (EVAL – justified)

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2(a)(i)	<p>Define the term ‘franchise’. (line 1)</p> <table border="1" data-bbox="323 315 1310 517"> <thead> <tr> <th data-bbox="323 315 1158 365">Knowledge</th> <th data-bbox="1158 315 1310 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="323 365 1158 414">A correct definition</td> <td data-bbox="1158 365 1310 414">2</td> </tr> <tr> <td data-bbox="323 414 1158 463">A partial, vague or unfocused definition</td> <td data-bbox="1158 414 1310 463">1</td> </tr> <tr> <td data-bbox="323 463 1158 517">No creditable content</td> <td data-bbox="1158 463 1310 517">0</td> </tr> </tbody> </table> <p>A correct definition will contain: What the franchisee gains (i.e. use of name/logo/trading system/operations system etc...) What the franchisor gains (i.e. royalties/license fee/percentage of profits/sales etc...)</p> <table border="1" data-bbox="323 752 1310 1153"> <thead> <tr> <th data-bbox="323 752 855 801">Exemplar</th> <th data-bbox="855 752 1007 801">Marks</th> <th data-bbox="1007 752 1310 801">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="323 801 855 954">A business that pays a licence fee/royalties to use the logo and trading systems of an existing business</td> <td data-bbox="855 801 1007 954">2</td> <td data-bbox="1007 801 1310 954">Correct definition</td> </tr> <tr> <td data-bbox="323 954 855 1070">A business that uses the logo and trading systems of another business</td> <td data-bbox="855 954 1007 1070">1</td> <td data-bbox="1007 954 1310 1070">Partial definition but no sense of a payment/licensing</td> </tr> <tr> <td data-bbox="323 1070 855 1153">A business that uses the name of another business</td> <td data-bbox="855 1070 1007 1153">1</td> <td data-bbox="1007 1070 1310 1153">Partial definition</td> </tr> </tbody> </table>	Knowledge	Marks	A correct definition	2	A partial, vague or unfocused definition	1	No creditable content	0	Exemplar	Marks	Rationale	A business that pays a licence fee/royalties to use the logo and trading systems of an existing business	2	Correct definition	A business that uses the logo and trading systems of another business	1	Partial definition but no sense of a payment/licensing	A business that uses the name of another business	1	Partial definition	2
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2(a)(ii)	<p>Briefly explain the term ‘entrepreneur’ (line 2).</p> <p>Award one mark for each point of explanation:</p> <table border="1" data-bbox="316 383 1316 636"> <tbody> <tr> <td data-bbox="316 383 395 499">C</td> <td data-bbox="395 383 1163 499">Example of a quality, i.e. qualities required by an entrepreneur; innovation, self-motivation, creativity, multi- skilled, leadership, confidence.</td> <td data-bbox="1163 383 1316 499">1 mark</td> </tr> <tr> <td data-bbox="316 499 395 584">B</td> <td data-bbox="395 499 1163 584">Makes the decisions/runs/manages/leads a business venture/owns/starts a business</td> <td data-bbox="1163 499 1316 584">1 mark</td> </tr> <tr> <td data-bbox="316 584 395 636">A</td> <td data-bbox="395 584 1163 636">Takes the risk</td> <td data-bbox="1163 584 1316 636">1 mark</td> </tr> </tbody> </table> <p>Content</p> <p>Someone who takes the financial risk of starting and managing a new venture. Qualities may include innovation, self-motivation, multi-skilled, leadership, confidence, risk taking. .</p> <table border="1" data-bbox="316 869 1316 1444"> <thead> <tr> <th data-bbox="316 869 855 922">Exemplar</th> <th data-bbox="855 869 1007 922">Marks</th> <th data-bbox="1007 869 1316 922">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 922 855 1077">An entrepreneur takes the risk of starting a business and makes the decisions, An entrepreneur should be confident</td> <td data-bbox="855 922 1007 1077">3</td> <td data-bbox="1007 922 1316 1077">All three elements</td> </tr> <tr> <td data-bbox="316 1077 855 1193">Someone who makes decisions about the factors of production, takes risks and comes up with creative ideas.</td> <td data-bbox="855 1077 1007 1193">3</td> <td data-bbox="1007 1077 1316 1193">All three elements</td> </tr> <tr> <td data-bbox="316 1193 855 1310">Someone who takes the financial risk of starting and managing a new venture.</td> <td data-bbox="855 1193 1007 1310">2</td> <td data-bbox="1007 1193 1316 1310">A and B only</td> </tr> <tr> <td data-bbox="316 1310 855 1395">Someone who takes the risks in a business</td> <td data-bbox="855 1310 1007 1395">1</td> <td data-bbox="1007 1310 1316 1395">A only</td> </tr> <tr> <td data-bbox="316 1395 855 1444">Running a business</td> <td data-bbox="855 1395 1007 1444">1</td> <td data-bbox="1007 1395 1316 1444">B only</td> </tr> </tbody> </table>	C	Example of a quality, i.e. qualities required by an entrepreneur; innovation, self-motivation, creativity, multi- skilled, leadership, confidence.	1 mark	B	Makes the decisions/runs/manages/leads a business venture/owns/starts a business	1 mark	A	Takes the risk	1 mark	Exemplar	Marks	Rationale	An entrepreneur takes the risk of starting a business and makes the decisions, An entrepreneur should be confident	3	All three elements	Someone who makes decisions about the factors of production, takes risks and comes up with creative ideas.	3	All three elements	Someone who takes the financial risk of starting and managing a new venture.	2	A and B only	Someone who takes the risks in a business	1	A only	Running a business	1	B only	3
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2(b)(i)	<p>Refer to Table 1 and any other relevant information. Calculate the forecast closing balance at the end of Month 2.</p> <table border="1" data-bbox="316 349 1313 667"> <thead> <tr> <th>Marks</th> <th>Rationale</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>Correct answer (with or without working or \$)</td> </tr> <tr> <td>2</td> <td>Correct calculation of net cashflow for both months (can be one calculation or two)</td> </tr> <tr> <td>1</td> <td>Formula or one correct calculation of net cashflow; i.e. cash inflow-cash outflow (can be month 1 or month 2)</td> </tr> <tr> <td>0</td> <td>No creditable content</td> </tr> </tbody> </table> <p>Formula: Opening balance + net cash flow (Cash inflow – cash outflow)</p> <p>Calculations: Opening balance \$10 000 Cash inflow \$40 000 Cash outflow \$35 000 Closing balance \$15 000 (3 marks for correct answer)</p> <p>Common incorrect answers</p> <table border="1" data-bbox="316 1070 1313 1823"> <thead> <tr> <th>Answer</th> <th>Marks</th> <th>Rationale</th> </tr> </thead> <tbody> <tr> <td>M1 \$20 000 – \$25 000 = –\$5000 (1) M2 \$20 000 – \$10 000 = \$10 000 (1) Answer = \$5000</td> <td>2</td> <td>Missed off opening balance</td> </tr> <tr> <td>\$5000 (no working)</td> <td>0</td> <td>No idea where the figure came from so no marks</td> </tr> <tr> <td>10 000 + 20 000 – 10 000 = 20 000</td> <td>1</td> <td>Some understanding with opening balance but cash inflow and outflow for month 2 only</td> </tr> <tr> <td>20 000 – 10 000 = 10 000</td> <td>1</td> <td>No opening balance and cash inflow and outflow for month 2 only</td> </tr> <tr> <td>10 000</td> <td>0</td> <td>No working</td> </tr> <tr> <td>Correct formula</td> <td>1</td> <td>Correct formula</td> </tr> </tbody> </table>	Marks	Rationale	3	Correct answer (with or without working or \$)	2	Correct calculation of net cashflow for both months (can be one calculation or two)	1	Formula or one correct calculation of net cashflow; i.e. cash inflow-cash outflow (can be month 1 or month 2)	0	No creditable content	Answer	Marks	Rationale	M1 \$20 000 – \$25 000 = –\$5000 (1) M2 \$20 000 – \$10 000 = \$10 000 (1) Answer = \$5000	2	Missed off opening balance	\$5000 (no working)	0	No idea where the figure came from so no marks	10 000 + 20 000 – 10 000 = 20 000	1	Some understanding with opening balance but cash inflow and outflow for month 2 only	20 000 – 10 000 = 10 000	1	No opening balance and cash inflow and outflow for month 2 only	10 000	0	No working	Correct formula	1	Correct formula	3
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2(b)(ii)	<p data-bbox="316 248 1225 282">Explain one benefit for Palesh of producing a cash flow forecast.</p> <table border="1" data-bbox="316 315 1315 667"> <thead> <tr> <th data-bbox="316 315 491 365">Level</th> <th data-bbox="491 315 1155 365">Knowledge and Application</th> <th data-bbox="1155 315 1315 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 365 491 450">2b (APPAPP)</td> <td data-bbox="491 365 1155 450">Explanation of one benefit of cash flow forecasting used in context</td> <td data-bbox="1155 365 1315 450">3</td> </tr> <tr> <td data-bbox="316 450 491 535">2a (APP)</td> <td data-bbox="491 450 1155 535">Identification of one benefit of cash flow forecasting in context</td> <td data-bbox="1155 450 1315 535">2</td> </tr> <tr> <td data-bbox="316 535 491 620">1a (K)</td> <td data-bbox="491 535 1155 620">Identification of one benefit of cash flow forecasting</td> <td data-bbox="1155 535 1315 620">1</td> </tr> <tr> <td data-bbox="316 620 491 667">0</td> <td data-bbox="491 620 1155 667">No creditable content</td> <td data-bbox="1155 620 1315 667">0</td> </tr> </tbody> </table> <p data-bbox="316 701 1249 768"><i>Correct use of an incorrect answer to 1bi should be fully rewarded (own figure rule – OFR)</i></p> <p data-bbox="316 801 432 835">Content</p> <p data-bbox="316 835 619 869">Answers could include:</p> <ul data-bbox="316 875 1270 1126" style="list-style-type: none"> • Palesh can show the cash flow forecast to CW to help get the franchise • One of the major causes of new business failure is poor cash flow. A cash flow forecast will help Palesh to foresee any potential problems such as not having enough cash to pay wages • Allows Palesh to see when he may need extra finance • May help Palesh to get external finance if required <p data-bbox="316 1160 1281 1227">Note: a positive cashflow does not mean profit will be made – do not reward this confusion in an answer.</p>	Level	Knowledge and Application	Marks	2b (APPAPP)	Explanation of one benefit of cash flow forecasting used in context	3	2a (APP)	Identification of one benefit of cash flow forecasting in context	2	1a (K)	Identification of one benefit of cash flow forecasting	1	0	No creditable content	0	4
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2(c)	Analyse one advantage and one disadvantage to Palesh of how he carried out his market research.				8
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks
	2	Shows understanding of market research techniques in context	3–4	Good analysis of one (or more) advantage(s) AND one (or more) disadvantage(s) of market research techniques in context	4
				Good analysis of one (or more) advantage(s) OR one (or more) disadvantage(s) of market research techniques in context	3
	1	Shows knowledge of market research techniques	1–2	Limited analysis of one (or more) advantage(s) AND one (or more) disadvantage(s) of market research techniques	2
				Limited analysis of one (or more) advantage(s) OR one (or more) disadvantage(s) of market research techniques	1
	<i>Limited analysis in context: Marks limited to 4+2=6</i>				
	Answers could include: Advantages <ul style="list-style-type: none"> • Quick – reduces costs to Palesh • This is primary research which can be more up-to-date than secondary • Cheaper than other methods that may require more preparation time • Focused on the local area where Palesh is planning to set up his business 				

Question	Answer				Marks																														
2(c)	Disadvantages <ul style="list-style-type: none"> • Choose random – surely Palesh is only interested in people who have cars • On high street – is this the best place to sample people who might want to use a car wash? • Limited questions – e.g. could have asked what time of day might use the car wash 																																		
2(d)	Recommend how Palesh could motivate his employees. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="320 589 636 703">Knowledge and Application (4 marks)</th> <th data-bbox="636 589 772 703">Marks</th> <th data-bbox="772 589 1176 703">Analysis and Evaluation (7 marks)</th> <th data-bbox="1176 589 1310 703">Marks</th> </tr> </thead> <tbody> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 703 1176 889">A justified recommendation for Palesh based on the given argument(s) of one or more motivation methods in context</td> <td data-bbox="1176 703 1310 889" style="text-align: center;">7</td> </tr> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 889 1176 1106">A developed recommendation for Palesh based on the given argument(s) of one or more motivation methods in context</td> <td data-bbox="1176 889 1310 1106" style="text-align: center;">6</td> </tr> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 1106 1176 1292">An evaluative statement/ recommendation based on the given argument(s) of one or more motivation methods in context</td> <td data-bbox="1176 1106 1310 1292" style="text-align: center;">5</td> </tr> <tr> <td data-bbox="320 1292 636 1525" rowspan="2">Shows knowledge of motivation methods in context</td> <td data-bbox="636 1292 772 1525" rowspan="2" style="text-align: center;">3–4</td> <td data-bbox="772 1292 1176 1411">Argument (two-sided) based on one or more motivation methods in context</td> <td data-bbox="1176 1292 1310 1411" style="text-align: center;">4</td> </tr> <tr> <td data-bbox="772 1411 1176 1525">Argument (one-sided) based on one or more motivation methods in context</td> <td data-bbox="1176 1411 1310 1525" style="text-align: center;">3</td> </tr> <tr> <td data-bbox="320 1525 636 1644">Shows knowledge of motivation/motivation methods</td> <td data-bbox="636 1525 772 1644" style="text-align: center;">1–2</td> <td data-bbox="772 1525 1176 1644">Limited analysis of one or more motivation methods</td> <td data-bbox="1176 1525 1310 1644" style="text-align: center;">1–2</td> </tr> <tr> <td colspan="4" data-bbox="320 1644 1310 1695" style="text-align: center;">No creditable content</td> </tr> </tbody> </table>				Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks			A justified recommendation for Palesh based on the given argument(s) of one or more motivation methods in context	7			A developed recommendation for Palesh based on the given argument(s) of one or more motivation methods in context	6			An evaluative statement/ recommendation based on the given argument(s) of one or more motivation methods in context	5	Shows knowledge of motivation methods in context	3–4	Argument (two-sided) based on one or more motivation methods in context	4	Argument (one-sided) based on one or more motivation methods in context	3	Shows knowledge of motivation/motivation methods	1–2	Limited analysis of one or more motivation methods	1–2	No creditable content				11
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2(d)	<p>Content: Answers could include:</p> <ul style="list-style-type: none"> • Payment methods are unlikely to be in context as Palesh has already stated he must pay a low wage. Commission/bonus or piece rate could be viable options as both of these keep costs linked to revenue. Alternatively, fringe benefits (such as free car washing) could be an option. • Job rotation – there may be some way of moving employees around the different jobs to stop them becoming demotivated • Job enlargement – there may be some additional responsibilities (such as a supervisor role) that Palesh could utilise • Job enrichment – unlikely to be much scope, but it may be possible to allow employees to decide on certain aspects of their role • Team working • Quality circles • Target setting – This may work as a motivational tool as long as there are enough cars to maintain the targets (could be linked to bonus or profit sharing scheme) • Delegation • Empowerment • Participation – Allowing workers to participate in decisions about the business may be a useful form of motivation, especially in a new business 	

Question	Answer			Marks
2(d) An example of how an answer could develop and how it should be annotated.				
K	APP	AN	ANAN (one sided)	EVAL
<p>Motivation methods are used to inspire staff to work harder. (K)</p> <p>Motivation methods could be financial and non-financial. (K)</p>	<p>CW is labour intensive so it is important that Palesh finds ways to motivate staff. (APP)</p>	<p>If Palesh uses a method such as allowing workers to participate in decision making they will feel part of the business and work harder to make it a success. (AN)</p>	<p>Less absenteeism would mean higher productivity and they would be able to wash more cars. (ANAN)</p>	<p>However, not all workers are motivated by the same methods so Palesh might need to use more than one non-financial method of motivation. (EVAL – statement)</p> <p>As car washing can be boring some workers might be motivated by more interesting work such as extra responsibilities maybe as supervisors or by changing roles during a shift so not always being the person who cleans inside cars (EVAL – developed)</p> <p>However, if Palesh was to ask some to take on extra responsibilities he might have to offer higher pay and this might not be possible as it would raise costs so Palesh might have to consider less costly motivation methods such as team working where the team can decide how they will complete the necessary tasks. This would fit in with Palesh’s cost concerns. (EVAL – justified)</p>
	<p>The best methods would be non-financial as Palesh wants to keep costs low. (APP)</p>	<p>This will mean that they are less likely to take unnecessary days off work. (AN)</p>	<p>ANAN (two-sided)</p> <p>Working conditions mean that employees work outside and they will get wet which could make them feel miserable and more likely to take days off or leave the job which could result in a bad reputation for CW. (ANAN)</p>	