
Student Number

Barker College

2022 TRIAL HIGHER SCHOOL CERTIFICATE EXAMINATION

Business Studies

Staff Involved:

- JPM *
- LRN
- TJD
- NLM
- JDW
- JLC

AM MONDAY 8th AUGUST
110 copies

General Instructions:

- Reading time – 5 minutes
- Working time – 3 hours
- Write using black pen
- NESA approved calculators may be used

Total marks:
100

Section I – 20 marks (pages 2 - 8)

- Attempt Questions 1 – 20
- Allow about 35 minutes for this section

Section II – 40 marks (pages 9 - 20)

- Attempt Questions 21 - 24
- Allow about 1 hour and 15 minutes for this section

Section III – 20 marks (page 21)

- Attempt Question 25
- Allow about 35 minutes for this section

Section IV – 20 marks (page 22)

- Attempt Question 26 OR Question 27
- Allow about 35 minutes for this section

Section I – Multiple Choice (20 marks)

Attempt Questions 1 – 20

Allow 35 minutes for this section

Use the multiple-choice answer sheet for Questions 1 – 20

Select the alternative A, B, C or D that best answers the question. Fill in the response oval completely.

Sample 2 + 4 = A 2 B 6 C 8 D 9

A ○ B ○ C ○ D ○

If you think you have made a mistake, put a cross through the incorrect answer and fill in the new answer.

A ● B ⊗ C ○ D ○

If you change your mind and have crossed out what you consider to be the correct answer, then indicate this by writing the word *correct* and drawing an arrow as follows.

Correct ↓

A ● B ⊗ C ○ D ○

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1 Which performance objective measures how consistent and reliable a business' products are?

A. Cost
B. Quality
C. Flexibility
D. Dependability

2 A department store introduces a loyalty card that rewards customers for frequent purchases.

What strategy is the business using?

A. Sales approach
B. Market orientation
C. Relationship marketing
D. Public relations

3 What does gearing measure?

A. Liquidity

B. Financial growth

C. Financial efficiency

D. Financial stability

4 A small technology company has decided to use another business to perform their cleaning services.

Which operations strategy is this business using?

A. Outsourcing

B. Quality management

C. Performance objectives

D. Inventory management

5 What is the aim of the Competition and Consumer Act 2010 (Commonwealth)?

A. Provide safety in the workplace

B. Oversee the operation of financial services

C. Protect consumers from unconscionable practices

D. Set minimum work standards across all industries.

6 Which of the following is found on an income statement?

A. Inventory and current liabilities

B. Profit and cost of good sold

C. Cash and owners equity

D. Accounts receivable and interest received

7 The table shows cash flow information for a business.

	Jan	*Feb*	*March*	*April*
Opening balance ($)	3 000			
Cash in ($)	15 000	20 000	12 000	24 000
Cash out ($)	10 000	14 000	18 000	26 000

What is the closing cash balance for March?

A. $18 000

B. $8 000

C. $5 000

D. $12 000

8 Which of the following is a weakness and an opportunity from a situational analysis?

A. High absenteeism and increasing incomes

B. Low gearing and increasing market growth

C. Strong market demand and trusted reputation

D. Increasing economic growth and increasing taxation

9 Why would a business choose to use factoring?

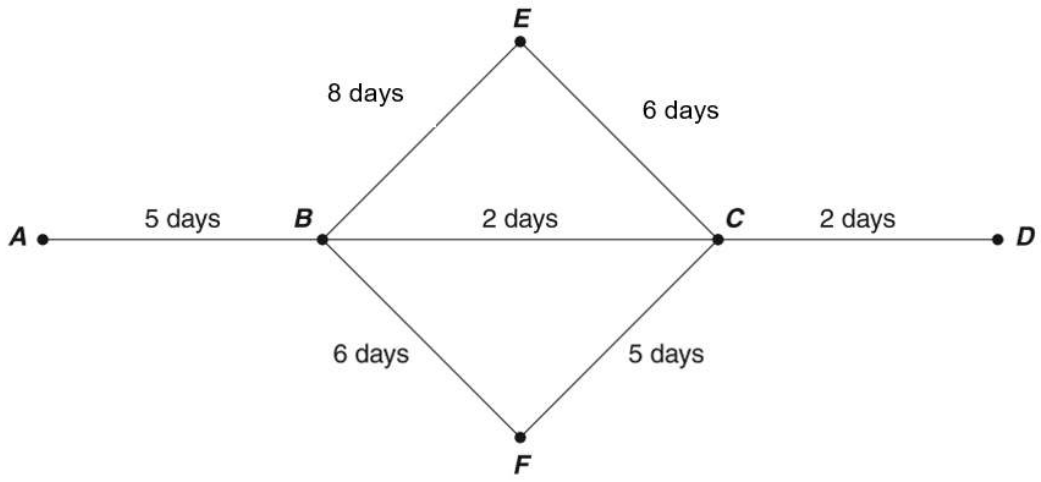
A. To improve cash flow

B. To improve the current ratio

C. To increase owner's equity

D. To improve the expense ratio

10 Refer to the critical path diagram to answer Question 10.



Which is the length of the critical path for this project?

A. 9 days

B. 14 days

C. 18 days

D. 21 days

11 A florist is deciding how much to carry in inventories. They have flexible and reliable suppliers in place and need to reduce insurance and warehousing costs.

Which inventory management method should they use?

A. Last-in-first-out

B. First-in-last-out

C. Just-in-time

D. First-in-first out

12 *Krazy Korn Chips* wants to increase their market coverage and make their products easily available to a wide range of customers.

Which distribution channel should the business choose?

A. Selective

B. Exclusive

C. Intensive

D. Physical distribution

13 The Reserve Bank of Australia has recently been increasing interest rates to reduce inflation.

Which of the following best describes the likely impact on businesses?

A. Higher levels of profitability

B. Decrease in debt repayments

C. Improvement in liquidity levels

D. Increase in expense ratios

Use the following information to answer Question 14.

2021 Revenue Statement for Reggie Inc.	
Sales	$560 000
Cost of Goods Sold	$140 000
Expenses	$250 000

14 Calculate the net profit ratio (net profit ÷ sales) for Reggie Inc.

A. 15%

B. 20%

C. 30%

D. 50%

15 The efficiency of a business can best be determined by which of the following?

A. Gross profit ratio

B. Value of current assets

C. Value of current liabilities

D. Accounts receivable turnover ratio

16 *Bigfoot Hunting Equipment* Pty Ltd exports their product overseas to customers in Europe.

Which of the following methods of payment results in the least amount of financial risk to the business?

A. Payment in advance

B. Clean payment

C. Letter of credit

D. Bill of exchange

17 An Australian business sells their timber furniture in Australia and China. Their furniture sold in China is built to different design standards and styles.

What is this an example of?

A. Global branding

B. Standardisation

C. Customisation

D. Hedging

18 A company undertakes research to develop a new product line and records this as an asset on the balance sheet.

Which of the following best describes the financial limitation of this action taken by the business?

A. Normalised earnings

B. Valuing assets

C. Timing issues

D. Capitalising expenses

Use the following information to answer Question 19 and 20.

Extract of financial data for *NexGen Clothing,* an exporter of men's and women fashion clothing for 2021.

Current assets	$15 000
Non-current assets	$75 000
Current liabilities	$12 000
Non-current liabilities	$40 000
Net Profit	$15 000

Additional information
Financial data for NexGen Clothing 2020:
Debt to equity ratio = 100%
Return on owner's equity ratio = 31%

Industry averages for 2020-2021:
Debt to equity ratio (total liabilities ÷ total equity) = 150%
Return on owner's equity ratio (net profit ÷ owner's equity) = 25%.

19 Which of the following statements is true about gearing for NexGen Clothing in 2021?

A. It is better than the industry average and has improved since 2020
B. It is better than the industry average and has worsened since 2020
C. It is worse than the industry average and has improved since 2020
D. It is worse than the industry average and has worsened since 2020

20 Which of the following statements is true about the owners return on equity?

A. It is better than the industry average and has improved since 2020
B. It is better than the industry average and has worsened since 2020
C. It is worse than the industry average and has improved since 2020
D. It is worse than the industry average and has worsened since 2020

End of Section I

Student Number

2022 TRIAL HIGHER SCHOOL CERTIFICATE EXAMINATION

Business Studies

Section II Answer Booklet

40 marks
Attempt Questions 21–24
Allow about 75 minutes for this section

Instructions

- Answer the questions in the spaces provided. These spaces provide guidance for the expected length of response.
- Extra writing space is provided at the back of this booklet. If you are using this space, clearly indicate which question you are answering.

BLANK PAGE

Student Number

Question 21 (10 marks)

J and K Pty Ltd is a manufacturer and retailer of men's and women's clothing. Management believes their product to be higher quality compared to competitors and have the highest prices in the market.

Recently the business's sales and profitability have declined due to:

- poor customer feedback related to the quality of the clothing
- the lack of market research used to understand consumer decision making
- they are refusing to accept all returns from customers

(a) Identify TWO characteristics of the business's product life cycle position. **2**

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(b) Propose and justify ONE marketing strategy that could be used to improve this business's declining performance. **2**

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Question 21 continues on page 12

Question 21 (continued)

(c) How is this business in breach of consumer laws? **3**

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(d) How is the business's ethical behaviour affecting customer perception? **3**

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End of Question 21

Student Number

Question 22 (10 marks)

Kramer Constructions specialises in building shopping centres in Australia.
The business is being sued for not completing the construction of buildings on time.

Issues of speed and quality have contributed to the business's problems.

To address the problem, the business is faced with having to hire more workers and purchase more tools to get projects finished.

(a) Distinguish between speed and quality objectives. **2**

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(b) How could monitoring and controlling of the operations process contribute to this business' recovery? **4**

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Question 22 continues on page 14

Question 22 (continued)

(c) Explain ONE resistance to change factor that must be overcome by operations management of this business. **4**

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End of Question 22

Student Number

Question 23 (10 marks)

Prestige Smash Pty Ltd is a motor vehicle smash repairer. They have recently expanded into car detailing to capitalise on the growing detailing market. This has created a need to hire five (5) additional staff and they will each need to detail an average of three (3) cars per day to be profitable.

(a) Outline the relationship between productivity and profitability for this business. **2**

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(b) Explain how outsourcing could support the acquisition (recruitment) process for this business. **4**

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Question 23 continues on page 16

Question 23 (continued)

(c) With reference to a business you have studied, explain how corporate culture has contributed to its success. **4**

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End of Question 23

Student Number

Question 24 (10 marks)

Bubs Australia Ltd have developed a trusted reputation in the domestic market for their high-quality baby formula. Global shortages have led to a significant increase in demand from the United States. To increase production and business growth, they need to acquire a larger production facility.

The data shows selected financial data for *Bubs Australia Ltd*.

Ratio	*2020*	*2021*
Liquidity (current assets ÷ current liabilities)	3.00 : 1	4.2 : 1
Solvency (total liabilities ÷ total equity)	190%	330%
Net profitability (net profit ÷ sales)	87%	54%
Expense ratio (expenses ÷ sales)	32%	46%

2021 Industry Averages:
Liquidity: 350%
Solvency: 200%

(a) Interpret and comment on this business's liquidity ratio in 2021. **2**

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Question 24 continues on page 18

Question 24 (continued)

(b) Outline ONE way this business could protect itself from currency fluctuations when exporting its products to the United States. **2**

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(c) With reference to the stimulus, compare the use of a mortgage to a lease in order to finance the new production facility for *Bubs Australia*. **6**

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End of Section II

Student Number

Section II extra writing space

If you use this space, clearly indicate what question you are answering.

Section II extra writing space

If you use this space, clearly indicate what question you are answering.

Section III

20 marks
Allow about 35 minutes for this section
Answer Question 25

Answer this section in the Section III Writing Booklet. Extra writing booklets are available.

Your answer will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
- apply the hypothetical business situation
- communicate using relevant business terminology and concepts
- present a sustained, logical and cohesive response in the form of a business report

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Question 25 (20 marks)

Casual Catering is a commercial catering service that targets medium to large businesses in the Sydney city area. This has enabled the business to maximise their sales revenue.

The business has succeeded by providing high quality food and outstanding service. This has been the result of employing highly trained professional chefs and wait staff.

Since reopening after COVID 19 lockdowns, the business's performance has declined. Management have conducted a review and discovered the following:

Performance indicators	*2019*	*2022*
Staff turnover	10 staff (of 120)	60 staff (of 120)
Absenteeism	5 days	30 days
Sales revenue	$4.8 million	$2.3 million
Gross profit ratio (gross profit ÷ sales)	50%	40%
Expense ratio (total expenses ÷ sales)	20%	30%
Annual cash inflow ($)	$4.8 million	$2.3 million
Annual cash outflow ($)	$2.8 million	$4.2 million

Management has asked you to provide a report on these findings:

- Outline the strategic role of human resource management for this business.
- Explain the interdependence between human resources and financial management for this business.
- Recommend TWO financial strategies the business could adopt to improve its financial performance.

End of Section III

Section IV

20 marks
Allow about 35 minutes for this section
Answer Question 26 or 27

Answer this section in the Section IV Writing Booklet. Extra writing booklets are available.

Your answer will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
- apply relevant business case study/studies and contemporary business issues
- communicate using relevant business terminology and concepts
- present a sustained, logical and cohesive response

Question 26 (20 marks)

Evaluate the impact of marketing influences on the management of a marketing plan.

OR

Question 27 (20 marks)

Evaluate the impact of operations influences on the management of operation processes.

End of Paper

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ANSWER SHEET

Section I – Multiple Choice
Choose the best response and fill in the response oval completely

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

12 Business Studies AT4 Trial
Marking Criteria

Barker
Commercial Studies

Section I

1	2	3	4	5	6	7	8	9	10
D	**C**	**D**	**A**	**C**	**B**	**B**	**A**	**A**	**D**

11	12	13	14	15	16	17	18	19	20
C	**C**	**D**	**C**	**D**	**A**	**C**	**D**	**B**	**A**

Section II

Question 21

(a) Identify TWO characteristics of the business's product life cycle position.

Criteria	Marks
• Sketches in general terms TWO characteristics of the decline stage	2
• Sketches in general terms ONE characteristic of the decline stage	1

Answers could include:

marketing process

- situational analysis – SWOT, product life cycle

(b) Propose and justify ONE marketing strategy that could be used to improve this business's declining performance.

Criteria	Marks
• Outlines ONE appropriate marketing strategy to improve the business' performance	2
• Identifies ONE appropriate marketing strategy to improve the business' performance **OR** outlines ONE marketing strategy	1

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
- promotion

- elements of the promotion mix – advertising, personal selling and relationship marketing, sales promotions, publicity and public relations
- the communication process – opinion leaders, word of mouth

(c) How is this business in breach of consumer laws?

Criteria	Marks
• Relates cause and effect as to how the business has breached consumer law	3
• Sketches in general terms the business' breach of consumer laws	2
• Makes a general statement about consumer laws	1

Answers could include:

influences on marketing

- consumer laws
  - warranties

(d) How is this business's ethical behaviour affecting customer perception?

Criteria	Marks
• Relates cause and effect as to how the business's poor ethical behaviour negatively affects customer perception	3
• Sketches in general terms the business' ethical behaviour OR the impact on customer perception	2
• Makes a general statement about ethical behaviour OR customer perception	1

Answers could include:

influences on marketing

- ethical – truth and accuracy in advertising,

Question 22

(a) Distinguish between speed and quality objectives.

Criteria	Marks
• Clearly notes the differences between the operations objectives of speed and quality	2
• Sketches aspects of operations objectives	1

Answers could include:

operations strategies

- performance objectives – quality, speed, dependability, flexibility, customisation, cost

(b) How could monitoring and controlling of the operations process contribute to this business' recovery?

Criteria	Marks
• Clearly provides HOW monitoring and controlling of operations processes would contribute to the business' recovery.	4
• Clearly provides HOW monitoring and controlling of operations processes would contribute to recovery ONLY. OR • Provides characteristics and features of monitoring and controlling and how they contribute to recovery of the business.	3
• Provides characteristics and features of monitoring and controlling and how they contribute to recovery ONLY. OR • Sketches in general terms monitoring and controlling with reference to business recovery.	2
• Identifies aspects of monitoring and/or controlling.	1

Answers could include:

operations processes

- transformation processes
  - monitoring, control and improvement

(c) Explain ONE resistance to change factor that must be overcome by operations management of this business.

Criteria	Marks
• Provides cause and effect of ONE resistance to change factor that needs to be overcome by the business.	4
• Provides cause and effect of ONE resistance to change factor that needs to be overcome ONLY. OR • Provides characteristics and features of ONE resistance to change factor that needs to be overcome by the business.	3
• Provides characteristics and features of ONE resistance to change factor that needs to be overcome ONLY. OR • Sketches in general terms ONE resistance to change factor with reference to the business.	2
• Sketches in general terms ONE resistance to change factor ONLY. OR • Identifies ONE resistance to change factor	1

Answers could include:

operations strategies

- overcoming resistance to change – financial costs, purchasing new equipment, redundancy payments, retraining, reorganising plant layout, inertia

Question 23

(a) Outline the relationship between productivity and profitability for this business.

Criteria	Marks
• Sketches in general terms a correct relationship between productivity and profitability for the business.	2
• Identifies aspects of a relationship between productivity and profitability.	1

Answers could include:

role of human resource management

- strategic role of human resources
- objectives - productivity (increase), cost (decrease), legal compliance, ethical & social responsibility
- indicators of effectiveness – an overview

(b) Explain how outsourcing could support the acquisition (recruitment) process for this business.

Criteria	Marks
• Provides clear cause and effect of HOW outsourcing can support the acquisition function for the business.	4
• Provides clear cause and effect of HOW outsourcing can support the acquisition function ONLY. OR • Provides characteristics and features of HOW outsourcing can support the acquisition function for the business.	3
• Provides characteristics and features of HOW outsourcing can support the acquisition function ONLY. OR • Sketches in general terms the use of outsourcing and refers to human resources of the business.	2
• Makes a general statement about the use of outsourcing or human resources.	1

Answers could include:

role of human resource management

- outsourcing
- Recruitment: attracting highly skilled, streamlining process of searching process
- Selection: Filtering/shortlisting is more efficient (sometimes done for you)
- Placement: New employee likely to be a better or best fit for the position

Themes:

- Focus on core business
- Obtain a superior specialized service
- Lower costs
- Access to improved technology and infrastructure

(c) With reference to a business you have studied, explain how corporate culture has contributed to its success

Criteria	Marks
• Clearly relates cause and effect of how corporate culture contributes to success AND refers to a business.	4
• Clearly relates cause and effect of how corporate culture contributes to success ONLY. OR • Provides characteristics and features of how corporate culture contributes to success for a business AND refers to a business.	3
• Provides characteristics and features of how corporate culture contributes to success for a business ONLY. OR • Sketches in general terms the how corporate culture contributes to success AND refers to a business.	2
• Makes a general statement about corporate culture and/or a business.	1

Answers could include:

role of human resource management

- objectives - productivity (increase), cost (decrease), legal compliance, ethical & social responsibility
- indicators of effectiveness – an overview

Question 24

(a) Interpret and comment on this business' liquidity ratio in 2021

Criteria	Marks
• Correctly interprets and comments on the business' liquidity ratio in 2021	2
• Correctly interprets or comments on the business' liquidity ratio in 2021	1

Answers could include:

- financial ratios
  - liquidity – current ratio (current assets ÷ current liabilities)

1. Interpret:

The business has $4.20 of current assets for every $1 of current liabilities.

2. Comment: State what it means.

This is higher than the industry average of 350% ($3.50 to $1.00) and an increase on its previous of $3.00 in 2019. This means that it maintains higher current assets and is able to meet its short term debt commitments.

(b) Outline ONE way this business could protect itself from currency fluctuations when exporting its products to the United States.

Criteria	Marks
• Sketches in general terms ONE method the business could use to protect itself from currency fluctuations when exporting its products to the United States.	2
• Identifies aspects of ONE method the business could use to protect itself from currency fluctuations.	1

Answers could include:

Exporting: Protecting itself from appreciations in AUD as this will make their products more expensive.

Importing: Protecting itself from depreciations in AUD as this will make their financial returns (sales revenue/profits) lower upon return to Australia.

- global financial management
  - exchange rates
  - hedging:
    Natural Hedging
  - derivatives:
    Financial Hedging: use of derivatives, forward exchange contracts, options contracts, swap contracts.

(c) With reference to the stimulus, compare the use of a mortgage to a lease in order to finance the new production facility for *Bubs Australia.*

Criteria	Marks
• Provides detailed similarities and differences between a mortgage and a lease to fund the new production facility.	6
• Provides similarities and differences between a mortgage and a lease to fund the new production facility.	5
• Provides some similarities and differences between a lease and a mortgage in relation to funding a new production facility.	4
• Sketches in general terms a mortgage and a lease.	3
• Sketches aspects of mortgage or a lease.	2
• Identifies an aspect of a mortgage or lease.	1

Answers could include:

influences on financial management

- external sources of finance
- debt – short-term borrowing (overdraft, commercial bills, factoring), long-term borrowing (**mortgage**, debentures, unsecured notes, **leasing**)

Question 25 (20 marks)

Casual Catering is a commercial catering service that targets medium to large businesses in the Sydney city area. This has enabled the business to maximise their sales revenue.

The business has succeeded by providing high quality food and outstanding service. This has been attributed to employing highly trained professional chefs and wait staff.

Since reopening after COVID 19 lockdowns, the business's performance has declined. Management have conducted a review and discovered the following:

Performance indicators	*2019*	*2022*
Staff turnover	10 staff (of 120)	60 staff (of 120)
Absenteeism	5 days	30 days
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Annual cash inflow ($)	$4.8 million	$2.3 million
Annual cash outflow ($)	$2.8 million	$4.2 million

Management has asked you to provide a report on these findings:

- Outline the strategic role of human resource management for this business.
- Explain the interdependence between human resources and financial management for this business.
- Recommend TWO financial strategies the business could adopt to improve its financial performance.

Criteria	Marks
• Clearly sketches in general terms the strategic role of HRM for casual catering. • Provides detailed cause and effect of the interdependence between human resources and financial management for casual catering. • Provides detailed reasons in favour of TWO appropriate financial strategies to improve Casual Caterings financial performance. • Makes effective use of the information provided, demonstrating extensive knowledge and understanding relevant to the question • Presents a sustained, logical and cohesive business report integrating relevant business terminology and concepts	17 – 20
• Sketches in general terms the strategic role of HRM for casual catering. • Provides cause and effect of the interdependence between human resources and financial management for casual catering. • Provides reasons in favour of ONE appropriate financial strategy to improve financial performance AND provides characteristics and features of another • Makes some use of the information provided, demonstrating knowledge and understanding relevant to the question • Presents a logical and cohesive business report using relevant business terminology and concepts	13 – 16
• Sketches in general terms the strategic role of HRM • Sketches in general terms the interdependence between human resources and financial management for casual catering. • Provides reasons in favour of ONE appropriate financial strategy to improve performance **AND** sketches aspects of another **OR** • Provides characteristics and features of TWO financial strategies to improve performance for Casual Catering • Uses the information provided, demonstrating some knowledge and understanding relevant to the question • Includes features of a business report and uses basic business terminology and concepts	9 – 12
• Sketches aspects of the role of HRM • Sketches in general terms the interdependence between human resources and financial management for casual catering. • Sketches aspects of marketing strategies • Refers to the information provided and demonstrates some knowledge • May include some features of a business report and uses basic terminology	5 – 8
• Refers to role of HRM • Refers to human resources OR financial management • Refers to financial strategies • Uses basic business terminology	1 - 4
• No relevant information provided.	0

Answers could include:

Question 1

role of human resource management

- strategic role of human resources
- objectives - productivity (increase), cost (decrease), legal compliance, ethical & social responsibility
- indicators of effectiveness
- outsourcing
- human resource functions
- using contractors – domestic, global

Question 2

- interdependence with other key business functions

Question 3

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
  - control of current liabilities – payables, loans, overdrafts
  - strategies – leasing, sale and lease back
- profitability management
  - cost controls – fixed and variable, cost centres, expense minimisation
  - revenue controls – marketing objectives
- global financial management
  - exchange rates
  - interest rates
  - methods of international payment – payment in advance, letter of credit, clean payment, bill of exchange
  - hedging
  - derivatives

Section IV

Question 26

Evaluate the impact of marketing influences on the management of a marketing plan.

Criteria	Marks
• Makes a clear and detailed judgement regarding the impact of marketing influences on the management of marketing processes to achieve short and long-term objectives/goals • Demonstrates extensive knowledge and understanding relevant to the question • Applies the McDonald's case study • Presents a sustained, logical and cohesive response • Communicates clearly using relevant business terminology and concepts	17 – 20
• Makes some judgement regarding the impact of marketing influences on the management of marketing process to achieve short and long-term objectives/goals • Demonstrates thorough knowledge and understanding relevant to the question • Uses the McDonald's case study • Presents a logical and cohesive response • Communicates using relevant business terminology and concepts	13 – 16
• Sketches in general terms the impact of marketing influences on marketing processes to achieve objectives/goals • Demonstrates knowledge and understanding relevant to the question • Refers to the McDonald's case study • Presents a cohesive response • Communicates using relevant business terminology and concepts	9 – 12
• Sketches in general terms marketing influences and/or processes • Demonstrates limited knowledge and understanding • May refer to the McDonald's case study • Communicates using some business terminology and concepts	5 – 8
• Provides general statements regarding marketing influences or processes • May identify a case study • Uses basic business terminology	1 - 4
• No relevant information provided.	0

Answers could include:

role of marketing

- strategic role of marketing goods and services
- establishing market objectives: increasing sales, market share, brand awareness, corporate social responsibility, legal compliance
- interdependence with other key business functions
- production, selling, marketing approaches
- types of markets – resource, industrial, intermediate, consumer, mass, niche

influences on marketing

- factors influencing customer choice – psychological, sociocultural, economic, government
- consumer laws
  - deceptive and misleading advertising
  - price discrimination
  - implied conditions
  - warranties
- ethical – truth, accuracy and good taste in advertising, products that may damage health, engaging in fair competition, sugging

marketing process

- situational analysis – SWOT, product life cycle
- market research
- establishing market objectives
- identifying target markets
- developing marketing strategies
- implementation, monitoring and controlling – developing a financial forecast; comparing actual and planned results, revising the marketing strategy

Question 27

Evaluate the impact of operations influences on the management of operation processes.

Criteria	Marks
• Makes a detailed judgement about the role of operations influences on the management of operations processes used to achieve short-term objectives and long-term goals • Demonstrates extensive knowledge and understanding relevant to the question • Applies the McDonald's case study • Presents a sustained, logical and cohesive response • Communicates clearly using relevant business terminology and concepts	17 – 20
• Makes some judgement regarding the impact of operations influences on operations process to achieve short and long-term objectives/goals • Demonstrates thorough knowledge and understanding relevant to the question • Uses the McDonald's case study • Presents a logical and cohesive response • Communicates using relevant business terminology and concepts	13 – 16
• Sketches in general terms the impact of operations influences on operations processes to achieve objectives/goals • Demonstrates knowledge and understanding relevant to the question • Refers to the McDonald's case study • Presents a cohesive response • Communicates using relevant business terminology and concepts	9 – 12
• Sketches in general terms operations influences and/or processes • Demonstrates limited knowledge and understanding • May refer to the McDonald's case study • Communicates using some business terminology and concepts	5 – 8
• Provides general statements regarding operations influences or processes • May identify a case study • Uses basic business terminology	1 - 4
• No relevant information provided.	0

Answers could include:

role of operations management

- strategic role of operations management – cost leadership, good/service differentiation
- operations objectives - quality, speed, dependability, flexibility, customisation, cost
- goods and/or services in different industries
- interdependence with other key business functions

influences

- globalisation, technology, quality expectations, cost-based competition, government policies, legal regulation, environmental sustainability
- corporate social responsibility
  - the difference between legal compliance and ethical responsibility
  - environmental sustainability and social responsibility

operations processes

- inputs
  - transformed resources (materials, information, customers)
  - transforming resources (human resources, facilities)
- transformation processes
  - the influence of volume, variety, variation in demand and visibility (customer contact)
  - sequencing and scheduling – Gantt charts, critical path analysis
  - technology, task design and process layout

  - monitoring, control and improvement
- outputs
  - customer service
  - warranties