Knox Grammar School

2022
Trial Examination

HSC Business Studies

General Instructions

- Reading time – 5 minutes
- Working time – 3 hours
- Write using a black pen
- Board-approved calculators may be used
- Write your Student Number at the top of the front cover, multiple choice answer sheet and every writing booklet
- Answer the multiple-choice questions on the answer sheet provided

Total marks - 100

Section I
20 marks
Attempt Questions 1-20
Allow about 35 minutes for this section

Section II
40 marks
Attempt Questions 21-24
Allow about 1 hour and 15 minutes for this section

Section III
20 marks
Attempt Question 25
Allow about 35 minutes for this section

Section IV
20 marks
Attempt Question 26 or 27
Allow about 35 minutes for this section

Section I
Multiple Choice (20 marks)

1. One Coal Pty. Ltd. is one of Australia's largest exporters of coal.

   Which market does this business operate in?

   a. Resource
   b. Industrial
   c. Intermediate
   d. Consumer

2. Freeform now make many of its sneakers from recycled material. They widely advertise this fact.

   Which of the following best describes this marketing strategy?

   a. Product differentiation
   b. Ethical influence
   c. Branding
   d. Public relations

3. Why might a business conduct a critical path analysis for a project?

   a. To improve task design
   b. To improve process layout
   c. To assist with monitoring and controlling
   d. To assist with sequencing and scheduling

4. Which of the following strategies could be used in the control of current assets?

   a. Paying loan on time
   b. Seeking a discount for early payment
   c. Leasing
   d. Just-in-time inventory method

5. Which of the following is a financial cost to a business of implementing change?

   a. Retraining staff and redundancies
   b. Inertia of employees
   c. Increased salaries of existing staff
   d. Cost of purchasing from a supplier

6. An employee is treated unfairly because she is pregnant.

   What legislation prohibits this behaviour?

   a. Trade Practices Act 1974 (Cth)
   b. Workplace Gender Equality Act (2012)
   c. Sex Discrimination Act 1984(Cth)
   d. Racial Discrimination Act 1975 (Cth)

7. Which of the following is an example of a threat caused by globalisation to a manufacturing business?

   a. Overseas firms that apply cost leadership principles and undercut the market
   b. A higher degree of capital transfer
   c. Importing raw materials to make their product cheaper
   d. Global sourcing of high-quality labour

Refer to the following information for a business.

Financial ratio	**2021**	**2022**
Expense ratio (total expenses ÷ sales)	22%	25%
Debt to equity (total liabilities ÷ total equity)	0.8:1	0.7:1

8. Which of the following best describes the financial performance and position of this business in 2022?

	Efficiency	**Gearing**
a.	Improved	Improved
b.	Improved	Deteriorated
c.	Deteriorated	Deteriorated
d.	Deteriorated	Improved

9. Which of the following human resource management processes involve job enrichment?

   a. Recruitment
   b. Separation
   c. Development
   d. Maintenance

10. During the restrictions caused by COVID-19, an accounting business kept providing its service by having most staff work from home. The human resources management team kept data on how time was spent online, the number of online meetings and feedback from clients.

    Which of the following best describes this human resource management strategy?

a. Administrative performance management
b. Developmental performance management
c. Quality management
d. Rewards management

11. Which of the following is an entitlement of Australian employees under the National Employment Standards (NES)?

    a. The duty to obey lawful instructions
    b. Permanent employment
    c. Four weeks annual leave per year
    d. Duty to work with skill

12. Pure Aluminium Doors conducts a SWOT analysis of their business.

    Which of the following is an example of a threat?

a. Poor reputation
b. Economic downturn
c. Lack of funding
d. Reliance of outsourcing partner

13. Which is likely to reduce Australia's export volumes to the USA?

a.	The Australian dollar appreciates	There is an expansion in the USA economy
b.	The Australian dollar depreciates	There is an expansion in the USA economy
c.	The Australian dollar appreciates	There is a recession in the USA economy
d.	The Australian dollar depreciates	There is a recession in the USA economy

14. Which plant layout is best used by a manufacturing plant aiming to group machines together based on the function they perform?

    a. Process layout
    b. Product layout
    c. Fixed position layout
    d. Sequenced layout

15. Mt. Olympus is an adventure clothing company who is targeting middle aged individuals seeking adventure.

    Which of the following best identifies the market segmentation approach being used?

    a. Behavioural and Geographic
    b. Geographic and Psychographic
    c. Demographic and Behavioural
    d. Sociocultural and Psychographic

16. Which of the following key performance indicators compares the costs of specific marketing activities with the results from the marketing activities?

    a. Financial forecasts
    b. Sales analysis
    c. Market share analysis
    d. Marketing profitability analysis

17. A business has delivery of computers in January at $500 per unit, February at $650 per unit and March at $800 per unit. Each delivery consists of 1000 units.

    The business sells 2 500 units.

    Which of the following valuation methods would increase the value of inventory on the business' balance sheet?

    a. LIFO
    b. FIFO
    c. Just In Time
    d. Outsourcing

Use the stimulus below to answer Questions 18 and 19

Pure Milk Pty Ltd			
Current Assets	**$**	**Current Liabilities**	**$**
Cash At Bank	20 000	Account Payable	8 000
Inventory	15 000	Overdraft	12 000
Accounts Receivables	15 000		
Non-Current Assets		**Non-Current Liabilities**	
		Bank Loan	25 000
Equipment	25 000		
Cars/Vans	65 000	**Owners' Equity**	
		Capital	?
		Retained Earnings	15 000

18. What is the value of the initial owners' contribution (capital)?

a. $15 000
b. $80 000
c. $45 000
d. $20 0000

19. Pure Milk Pty Ltd sells its remaining inventory for $15 000.

What impact will this have on the balance sheet?

a. An increase in current assets
b. An improvement in current ratio
c. A decrease in current assets
d. No change in current assets

20. A business has a gross profit ratio of 60% (gross profit ÷ sales).

If cost of goods sold were $80 000, what was the value of sales?

a. $200 000
b. $120 000
c. $ 48 000
d. $ 80 000

End of Section I

Section II Short answers **Student Number: …….**

Question 21 (10 marks)

QTC Ltd. company
Balance sheet

Current assets		**Current liabilities**	
Cash	5,000	Overdraft	100,000
Accounts receivable	5,000	Short term loans	50,000
Inventory	150,000	Account payable	540,000
Non-current assets		**Non-current liabilities**	
Buildings	5,000,000	Mortgage	2,000,000
Motor vehicles	250,000		
		Owner's equity	
		Capital	2,720,000
Total assets	5,410,000	**Total Liabilities + OE**	5,410,000

Debt to equity industry average 0.3:1
Debt to equity: total liabilities ÷ total equity

a. Calculate and comment on the debt-to-equity ratio for QTC Ltd. (show all working). **2**

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b. Recommend ONE appropriate financial strategy that could be used to address solvency. **3**

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Question 21 continues

c. Discuss the use of a rights issue as a source of finance for QTC Ltd. **5**

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End of Question 21

Question 22 (10 marks) **Student Number: …….**

VQ is a leading boutique hotel providing high quality accommodation including rooms, restaurants and spa services.

a. Identify ONE transforming resource used in this business. **1**

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b. How does ONE legal regulation influence operations management for this business? **3**

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Question 22 continues

c. Examine the use of TWO quality management strategies that could be used by VQ to achieve operations objectives. **6**

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End of Question 22

Question 23 (10 marks) **Student Number: …….**

a. Distinguish between awards and enterprise agreements in the use of employment contracts. **3**

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Use the following information to answer Question 23(b).

Negotiations regarding the enterprise agreement between Key Airways and the TWU (Transport Workers Union) have been unsuccessful to date. Employees are unhappy with the progress as the pay rise being offered is lower than inflation.

b. Recommend ONE appropriate strategy that could be used to resolve this dispute. **3**

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End of Question 23

Use the following information to answer Question 23(c).

The table below contains data about a business in 2020 and 2021.

	2020	**2021**
Absenteeism per employee	12 days	20 days
Accidents per 1000 employees	22	27
Number of strike days	22	12
Training expenditure per employee	$2200	$700
Staff turnover	12%	7%
Fixed costs	$1,200,000	$1,000,000
Expense ratio (expenses ÷ sales)	22%	12%

c. Using the data, analyse the interdependence between human resources management and profitability management in this business. **4**

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End of Question 23

Question 24 (10 marks) **Student Number: …….**

A café located in the CBD (central business district) of Sydney is currently experiencing a decline in sales due to COVID lockdowns. Economists are forecasting a rapid recovery in economic activity later this year with the removal of lockdowns.

a. Justify the use of an indirect distribution channel to address the decline in sales. **2**

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b. How do economic influences impact marketing strategies used by this business? **4**

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Question 24 continues

c. Evaluate the use of relationship marketing to address the decline in sales for this business. **4**

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End of Question 24

Question 25 (20 marks)

Attempt Question 25
Allow about 35 minutes for this section
Answer the question in a SEPARATE writing booklet.

In your answer you 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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G&W is a successful Australian fast fashion brand offering the latest styles including unique designer collaborations, affordable wardrobe essentials and active wear. G&W is now looking to expand into new markets in Japan and the US.

Manufacturing is currently located in Melbourne and management are reviewing the location of new production facilities as they seek to expand into the new markets.

Management is considering the following:

- strategic role of operations
- the impact of increasing production capacity due to meet the increases in projected sales
- seasonal clothing variations in the new markets and the impact on operations processes
- appropriate mix of global marketing strategies

You have been hired as a consultant to write a report to management. In the report:

- Outline ONE strategic role of operations management for this business.
- Explain how the influence of volume and variation in demand impacts on operations management.
- How can the global marketing strategies of standardisation and customisation be used to successfully launch into the new markets?

End of Question 25

Section IV (20 marks)

Attempt Question 26 or Question 27
Allow about 35 minutes for this section
Answer the question in a SEPARATE writing booklet.

In your answer you 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)

How do financial ratios impact the financial management strategies of a business?

OR

Question 27 (20 marks)

How does the influence of corporate social responsibility impact the human resource strategies of a business?

End of paper

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Section I
Multiple Choice (20 marks)

Section I: Multiple choice

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

Section II Short answers
Question 21 (10 marks)

QTC Ltd. company
Balance sheet

Current assets		**Current liabilities**	
Cash	5,000	Overdraft	100,000
Accounts receivable	5,000	Short term loans	50,000
Inventory	150,000	Account payable	540,000
Non-current assets		**Non-current liabilities**	
Buildings	5,000,000	Mortgage	2,000,000
Motor vehicles	250,000		
		Owner's equity	
		Capital	2,720,000
Total assets	5,410,000	**Total Liabilities + OE**	5,410,000

Debt to equity industry average 0.3:1
Debt to equity: total liabilities ÷ total equity

a. Calculate and comment on the debt-to-equity ratio for QTC Ltd. (show all working). **2**

Criteria	Marks
Correct calculation with working and appropriate comment referencing the industry benchmark	2
Correct calculation with working only/ some relevant information	1

Answers could include:

Total debt (100,000+50,000+540,000+2,000,000) = 2,690,000
OE = 2,720,000
2,690,000/2,720,000 =0.99:1
For every 1$ of equity QTC has 0.99 in debt which is above industry average of 0.3:1 thus places the business at risk of insolvency.

b. Recommend ONE appropriate financial strategy that could be used to address solvency. **3**

Criteria	Marks
Comprehensive reasons in favour of appropriate financial strategy that could be used to assist solvency.	3
Provides reasons in favour of financial strategy that could be used to assist solvency.	2
Limited information on a financial strategy.	1

Answers could include:
As QTC is highly geared it is recommended they utilise a sale and leaseback strategy to address the solvency. If they were to sell the buildings valued at $5,000,000, pay off the mortgage of $2,000,000 this would change the gearing ratio from the current 0.99:1 to 0.25:1 this would address solvency and bring them closer to the industry average. QTC could then lease back the building and pay monthly installments as a result this ensures that QTC can pay its liabilities (current and non-current) as they fall due.

c. Discuss the use of a rights issue as a source of finance for QTC Ltd. **5**

Criteria	Marks
Comprehensively provides advantages and disadvantages of the use of a rights issue as a source of finance for QTC Ltd.	5
Provides advantages and disadvantages of the use of a rights issue as a source of finance for QTC Ltd.	4
Provides some advantages and /or disadvantages of the use of a rights issue as a source of finance.	3
Sketches in general terms the use of a rights issue.	2
Limited information.	1

Answers could include:

QTC should consider the advantages and disadvantages of the use of a rights issue given its current debt to equity ratio is above industry standard (0.99:1 versus 0.3:1).
This is offered to current shareholders to buy new shares in the same company in proportion to the number of shares they currently own to raise additional funds, this is optional.
Key advantages include no shareholder approval required (depending on amount seeking to raise) and easier to obtain finance from existing shareholders who are aware of the business model. Disadvantages could include value of each share will be diluted because of the increased number of shares issued and possible undersubscription and therefore may not raise all the funds required.

Question 22 (10 marks)

VQ is a leading boutique hotel providing high quality accommodation including rooms, restaurants and spa services.

a. Identify ONE transforming resource used in this business. **1**

Criteria	Marks
Correctly identifies one transforming resource used in this business.	1

Answers could include:

- Human resources such as chef, spa centre staff, reception staff
- Facilities such as the spa room, restaurant

b. How does ONE legal regulation influence operations management for this business? **3**

Criteria	Marks
Comprehensively details one legal regulation influence operations management for this business.	3
Details one legal regulation influence on operations management.	2
Limited information/describes legislation	1

Answers could include:
<u>WH&S</u>
Ensure that the work environment is safe

- e.g. safe worksite, environment
- Safe machinery and materials (i.e. no harmful chemicals without appropriate protection)
- Information, training and supervision

<u>Fair Work Act 2009</u>
Employment legislation outlining employee entitlements such as wages and conditions
<u>Federal Environmental and Biodiversity Conservation Act (1999)</u>
Hazardous waste, fuels and chemicals must not enter the environment
Sets in place standards for waste management and influences how and where firms can acquire natural resources for input into the production process. It seeks to ensure that all operations processes have minimal impact on the environment and specifies protected areas free from exploitation.
<u>Competition and Consumer Act (2010)</u>
Goods need to comply with environmental standards – labelling system to inform the consumer
Safety standards – goods must comply with particular performance, composition, contents, methods of manufacture, design, construction, finish or packaging rules, country of manufacture, ingredients

Other legislation relevant to this business:
Public Health Order, Food Act

c. Examine the use of TWO quality management strategies that could be used by VQ to achieve operations objectives. **6**

Criteria	Marks
Comprehensive inquiry into the use of two quality management strategies that could be used by VQ to achieve operations objectives.	6
Provides an inquiry into the use of two quality management strategies that could be used by VQ to achieve operations objectives.	4-5
Describes the use of two quality management strategies that could be used to achieve operations objectives. OR details one quality management strategy that could be used by VQ to achieve operations objectives.	3
Sketches in general terms the use of quality management strategies that could be used.	2
Limited information	1

Answers could include:

- Quality Control, Quality Assurance, Quality Improvement.

Question 23 (10 marks)

a. Distinguish between awards and enterprise agreements in the use of employment contracts. **3**

Criteria	Marks
Comprehensively denotes the differences between awards and enterprise agreements in the use of employment standards.	3
Describes awards and enterprise agreements. (no whereas)	2
Some relevant information.	1

Answers could include:

An award refers to the minimum wages and conditions an employee is entitled to depending on the industry they work in or the job that they do. Whereas, Enterprise agreements are collective agreements at a workplace level (specific to a company or group of companies and their employees) and therefore reflects the specific aspects of that workplace environment. These agreements cover pay, overtime, allowance, hours of work, leave, how the agreement will operate and an expiry date. Must be approved by FWC and pass the BOOT test.

Use the following information to answer Question 23(b).

Negotiations regarding the enterprise agreement between Key Airways and the TWU (Transport Workers Union) have been unsuccessful to date. Employees are unhappy with the progress as the pay rise being offered is lower than inflation.

b. Recommend ONE appropriate strategy that could be used to resolve this dispute. **3**

Criteria	Marks
Provides comprehensive reasons in favour of an appropriate strategy that could be used to resolve this dispute.	3
Provides reason/s in favour of a strategy that could be used to resolve this dispute. OR detailed description of appropriate strategy	2
Some relevant information provided	1

Answers could include:

Appropriate: next step would be mediation process, conciliation, arbitration, courts and tribunals.

Mediation refers to the confidential discussion of issues in a non-threatening environment in the presence of a neutral / objective third party

- Increasingly popular
- Resolving own disputes before escalation to more expensive methods of dispute resolution

Positive implications?

- Removal of bias
- The presence of a third party may lead to a more reasonable negotiation (timely resolution)
- Cost effective when compared to other dispute resolution methods - i.e. arbitration

Involvement of courts
Key Airways could involve the courts or tribunals as a way to escalate and resolve the matter.
Courts - common law hears complaints such as breach of employment contract
Tribunals - less formal than courts; Australian Industrial Relations Commission (AIRC)/Fair Work
How?

- Commission (FWC) hears disputes
- When a dispute has not been resolved through negotiations it may be referred to Fair Work Australia who will appoint a conciliation member to hear both sides of the dispute and help resolve or come to an agreement.
- If conciliation fails, then…
- Arbitration is the process where a third party hears both sides and **makes a legally binding decision**

Reasons in favour:

- Impartial decision making
- Legally binding enforceable
- Resolution

Use the following information to answer Question 23(c).

The table below contains data about a business in 2020 and 2021.

	2020	**2021**
Absenteeism per employee	12 days	20 days
Accidents per 1000 employees	22	27
Number of strike days	22	12
Training expenditure per employee	$2200	$700
Staff turnover	12%	7%
Fixed costs	$1,200,000	$1,000,000
Expense ratio (expenses ÷ sales)	22%	12%

c. Using the data, analyse the interdependence between human resources management and profitability management in this business. **4**

Criteria	Marks
Comprehensively draws out and relates implications of the interdependence between human resources management and profitability management in this business.	4
Draws out and relates implications of the interdependence between human resources management and profitability management in this business.	3
Sketches in general terms the interdependence between human resources management and profitability management.	2
Limited information	1

Relevant areas to address question requirements
Expense ratio has declined (22% to 12%) and training expenditure was reduced which helps with meeting profitability objectives, however the impact on HR means that as training expenses were reduced leading to more accidents (22 to 27) and in the long term…...
The focus on reducing costs (fixed costs decline) and lower E/R must be impacting the number of absences (while number of days striking has declined) absenteeism has increased from 12 days to 20 days again short-term profitability and long-term impacts on profits.
Profitability management strategies of reducing expenses (lower E/R 12%) such as training may assist profit objective but may impact the number of accidents (from 22 to 27) and increase the absenteeism as a result (which will increase business expenses).
Staff turnover rates have been reduced to 7% which means reduced need for recruitment expenses, but staff may be dissatisfied with the changes to training expenses and are taking covert action in the form of absenteeism which has increased (12 to 20 days) which ultimately costs more.

Question 24 (10 marks)

A café located in the CBD (central business district) of Sydney is currently experiencing a decline in sales due to COVID lockdowns. Economists are forecasting a rapid recovery in economic activity later this year with the removal of lockdowns.

a. Justify the use of an indirect distribution channel to address the decline in sales. **2**

Criteria	Marks
Details and supports an argument for the use of an indirect distribution channel to address the decline in sales.	2
Sketches in general terms information on indirect distribution channel.	1

Answers could include:

- Allows more target market segments such as…. to be reached
- Customers increasingly expect products to be available via more than one channel such as Uber Eats, Menulog
- Customer can buy online – convenience – use of existing infrastructure of the service provider.

b. How do economic influences impact marketing strategies used by this business? **4**

Criteria	Marks
Comprehensively details how economic influences impact marketing strategies used by this business.	4
Details how economic influences impact marketing strategies used by this business.	3
Sketches in general terms the economic influences and some link to marketing strategies.	2
Limited information.	1

Content coverage:
The level of employment directly affects the level of spending in an economy, thus impacting consumer choices in regards to discretionary spend.

- During a contraction – characterised by high levels of unemployment leading to lower incomes thus low levels of consumer confidence which creates an environment where consumers more inclined to save rather spend (especially on discretionary goods and services) link to strategy
- During an upswing – characterised by low levels of unemployment leading to higher incomes where consumers feeling confident and thus spend more link to strategy

Response by marketing?
- Pricing, promotions, product strategies link.

c. Evaluate the use of relationship marketing to address the decline in sales for this business. **4**

Criteria	Marks
Comprehensive judgement on the use of relationship marketing to address the decline in sales for this business.	4
Some judgement on the use of relationship marketing to address the decline in sales for this business.	3
Describes the use of relationship marketing.	2
Limited information.	1

Answers could include:

Content coverage:

The aim of relationship marketing is encouraging repeat business by managing relationships and building customer loyalty. It is an effective strategy to encourage repeat business by managing relationships and building customer loyalty

How?

- Loyalty programs, VIP, selective services, personalised promotions
- Customer relationship management (CRM) - tools to communicate with individuals in order to satisfy wants and needs more accurately.

Question 25 (20 marks)

Attempt Question 25
Allow about 35 minutes for this section
Answer the question in a SEPARATE writing booklet.

In your answer you 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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G&W is a successful Australian fast fashion brand offering the latest styles including unique designer collaborations, affordable wardrobe essentials and active wear. G&W is now looking to expand into new markets in Japan and the US.

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- the impact of increasing production capacity due to meet the increases in projected sales
- seasonal clothing variations in the new markets and the impact on operations processes
- appropriate mix of global marketing strategies

You have been hired as a consultant to write a report to management. In the report:

- Outline ONE strategic role of operations management for this business.
- Explain how the influence of volume and variation in demand impacts on operations management.
- How can the global marketing strategies of standardisation and customisation be used to successfully launch into the new markets?

Section III – Question 25

Criteria	Mark
· Comprehensively sketches in general terms ONE strategic role of operations management for this business · • Comprehensively relates cause and effect of the influence of volume and variation in demand on operations management · Comprehensively details how the global marketing strategies of standardisation and customisation can be used to successfully launch into the new markets • 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 ONE strategic role of operations management for this business · • Relates cause and effect of the influence of volume and variation in demand on operations management. · Details how the global marketing strategies of standardisation and customisation can be used to successfully launch into the new markets · Makes some use of the information provided, demonstrating some knowledge and understanding relevant to the question · Presents a logical and cohesive business report using relevant business terminology and concepts	13 - 16
· Provides a basic sketch in general terms ONE strategic role of operations management • Sketches in general terms the influence of volume and variation in demand on operations management. • Provides characteristics and features of global marketing strategies of standardisation and customisation can be used to successfully launch into the new markets · • Includes features of a business report and uses some business terminology and concepts	9 - 12
· Limited information on the strategic role of operations management • Provides a basic sketch in general terms the influence of volume and variation in demand · Sketches in general terms global marketing strategies of standardisation and customisation can be used to successfully launch into the new markets · May include some features of a business report and uses basic business terminology	5 - 8
· Refers to the Operations management · Refers to volume and variation in demand · Refers to global marketing strategies · Uses basic business terminology	1 - 4

Question 26 (20 marks)

How do financial ratios impact the financial management strategies of a business?

Marking criteria	Mark
· Comprehensively details how financial ratios impact financial management strategies for a business. · Applies relevant case study/studies and contemporary business issues · Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts	17 - 20
· Details how financial ratios impact financial management strategies for a business. · Uses relevant case study/studies and contemporary business issues · Presents a logical and cohesive response using relevant business terminology and concepts	13 - 16
· Provides characteristics and features on how financial ratios impact financial management strategies for a business. · May refer to case study/studies and contemporary business issues · Communicates using business terminology and concepts	9 - 12
· Sketches in general terms how financial ratios impact financial management strategies for a business. · May refer to case study/studies and contemporary business issues · Communicates using some business terminology and concepts	5 – 8
· Refers to financial ratios impact financial management strategies for a business. · May identify case study/studies · Uses basic business terminology	1 - 4

Answers could cover:
Financial ratios: Liquidity ratio, gearing ratio, profitability and efficiency ratios.
Linked to:
Financial strategies:
Cash flow management, working capital management, profitability management, global financial management strategies.

Question 27 (20 marks)

How does the influence of corporate social responsibility impact the human resource strategies of a business?

Marking criteria	**Mark**
· Comprehensively details how the influence of corporate social responsibility impacts the human resource strategies of a business · Applies relevant case study/studies and contemporary business issues · Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts	17 - 20
· Details how the influence of corporate social responsibility impacts the human resource strategies of a business. · Uses relevant case study/studies and contemporary business issues · Presents a logical and cohesive response using relevant business terminology and concepts	13 - 16
· Provides characteristics and features on how the influence of corporate social responsibility impacts the human resource strategies of a business · May refer to case study/studies and contemporary business issues · Communicates using business terminology and concepts	9 - 12
· Sketches in general terms on how the influence of corporate social responsibility impacts the human resource strategies of a business · May refer to case study/studies and contemporary business issues · Communicates using some business terminology and concepts	5 – 8
· Refers to the influence of corporate social responsibility impact the human resource strategies of a business. · May identify case study/studies · Uses basic business terminology	1 - 4

Answers could include:
Influence: CSR. Linked to:
Human resource strategies of: Leadership style, job design, recruitment, training and development, performance management, rewards, global and workplace disputes.