



National  
Qualifications  
2016

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# **Business Management**

## **Advanced Higher**

### **Finalised Marking Instructions**

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## General Marking Principles for Advanced Higher Business Management

*This information is provided to help you understand the general principles you must apply when marking candidate responses to questions in this paper. These principles must be read in conjunction with the specific Marking Instructions for each question. The marking schemes are written to assist in determining the 'minimal acceptable answer' rather than listing every possible correct and incorrect answer.*

- (a) Marks for each candidate response must always be assigned in line with these General Marking Principles and the Detailed Marking Instructions for this assessment.
- (b) Marking should always be positive. This means that, for each candidate response, marks are accumulated for the demonstration of relevant skills, knowledge and understanding: they are not deducted from a maximum on the basis of errors or omissions.
- (c) If a specific candidate response does not seem to be covered by either the principles or detailed Marking Instructions, and you are uncertain how to assess it, you must seek guidance from your Team Leader.
- (d) For each candidate response, the following provides an overview of the marking principles. Refer to the Detailed Marking Instructions for further guidance on how these principles should be applied.

Marks will be awarded as follows for:

(i) Questions that ask candidates to “**Describe ...**”

Candidates must make relevant factual points, which may be characteristics and/or features, as appropriate to the question asked. These points may relate to a concept, process or situation.

Candidates may provide straightforward points or a smaller number of developed points, or a combination of these.

Up to the total mark allocation for this question:

- **1 mark** should be given for each relevant factual point.
- **1 mark** should be given for any further development of a relevant point, including exemplification when appropriate.

(ii) Questions that ask candidates to “**Explain...**”

Candidates must make accurate relevant points that relate cause and effect and/or make the relationships clear. These points may relate to a concept, process or situation.

Candidates may provide a number of straightforward points of explanation or a smaller number of developed points, or a combination of these.

Up to the total mark allocation for this question:

- **1 mark** should be given for each relevant point of explanation.
- **1 mark** should be given for a further development of a relevant point, including exemplification when appropriate.

(iii) Questions that ask candidates to “**Compare ...**”

Candidates must demonstrate knowledge and understanding of the similarities and/or differences between things, methods or choices, for example. The relevant comparison points could include theoretical concepts.

Up to the total mark allocation for this question:

- 1 mark should be given for each accurate point of comparison.

(iv) Questions that ask candidates to “**Discuss ...**”

Candidates must make a number of points that communicate issues, ideas, or information about a given topic or context that will make a case for and/or against. It is not always necessary to give both sides of the debate in responses.

Up to the total mark allocation for this question:

- 1 mark should be given for each accurate point of knowledge that is clearly relevant.
- 1 mark should be given for any further development of a relevant point, including exemplification or a conclusion when appropriate.

(v) Questions that ask candidates to “**Analyse ...**”

Candidates must demonstrate the ability to identify/describe/explain relevant parts, and the relationship between the parts and/or the whole. Candidates should be able to draw out and relate any implications and/or analyse data.

Up to the total mark allocation for this paper:

- 1 mark should be given for each accurate point of analysis
- 1 mark should be given for any further development of a relevant point, including exemplification when appropriate.

(vi) Questions that ask candidates to “**Evaluate ...**”

Candidates must demonstrate the ability to make a reasoned judgement in terms of the effectiveness or usefulness of something based on criteria. Candidates should be able to determine the value of something within context.

Up to the total mark allocation for this question

- 1 mark should be given for each accurate point of evaluation
- 1 mark should be given for any further development of a relevant point, including exemplification when appropriate.

(vii) Questions that ask candidates to “**Explore ...**”

Candidates must demonstrate the ability to carry out a detailed examination or enquiry, or follow a process in order to find out something.

Up to the total mark allocation for this question:

- 1 mark should be given for each accurate point
- 1 mark should be given for any further development of a relevant point, including exemplification when appropriate.

## Detailed Marking Instructions for each question

### SECTION 1

Question	Expected Answer(s)	Max Mark	Additional Guidance
1	<p>Responses could include the following:</p> <p><b>BENEFITS</b></p> <ul style="list-style-type: none"> <li>• <u>Sky has secured its position as Europe's leading home entertainment company</u> which strengthens the firm's position in the market over rival entertainment companies</li> <li>• <u>FDI into Europe provides a platform for further growth into other European countries</u> which can allow them to increase market share <ul style="list-style-type: none"> <li>◦ Gives Sky access to resources, such as the host country telephone lines/broadband network, for launching products in the future</li> </ul> </li> <li>• <u>Room for growth in the home country (UK) is limited</u> for Sky so it allows continued growth</li> <li>• <u>Expansion into Europe gives Sky access to 97 million households</u> which could increase sales <ul style="list-style-type: none"> <li>◦ <u>60 million households have yet to subscribe to pay TV</u> and Sky will aim to penetrate these households to establish an advantage and gain brand loyalty for the future</li> </ul> </li> <li>• An expected <u>£200 million in yearly savings</u> from the integrated company will improve Sky's reserves</li> <li>• <u>Combining IT</u>, jointly buying programmes and sharing suppliers will allow Sky to monitor and provide consistent quality across the brand <ul style="list-style-type: none"> <li>◦ Staff are more transferable to other subsidiaries using the same system meaning Sky will retain a core workforce</li> </ul> </li> <li>• Combined <u>budget for £4.6 billion</u> for programming can be used for research and development to give Sky a competitive edge over rivals by producing the best content that viewers want to see</li> <li>• Both companies are in the EU so easy to transfer staff and capital between Sky companies</li> <li>• Having a 57.4% stake in Sky Deutschland gives it overall control.</li> </ul>	8	<p>Candidates' responses should be based on the information from the case study.</p> <p>Candidates are required to consider at least <b>one</b> cost and <b>one</b> benefit to gain full marks.</p> <p>Max 7 marks if only costs or only benefits.</p> <p><b>1 mark</b> for each valid explanation. <b>1 mark</b> for a development point.</p> <p>A maximum of <b>4 marks</b> to candidates who make general points, without relating them to the Sky case study.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
	<p><b>COSTS</b></p> <ul style="list-style-type: none"> <li>• <u>Sky Italia cost £2.45 billion and Sky Deutschland cost £4.44 billion</u> which is a heavy investment <ul style="list-style-type: none"> <li>◦ This could lead to debt for Sky if these subsidiaries are not profitable in the long run</li> </ul> </li> <li>• <u>Paying for TV is culturally less popular in Europe</u> so Sky's return is less likely to match that of its operations in UK and Ireland</li> <li>• <u>Exchange rate uncertainty</u> requires Sky to set appropriate pricing based on the demographic and strength of the currency else it may have lower profit margins on services</li> <li>• <u>Language difference means some content is not transferable</u> so Sky cannot exploit economies of scale from some products across all its operating countries</li> <li>• Different Government regulators require Sky to invest in appropriate training/compliance measures</li> <li>• A 57.4% stake in Sky Deutschland may make decision making slow as will have to consider who owns remaining stake.</li> </ul>		

Question	Expected Answer(s)	Max Mark	Additional Guidance
2	<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p><b>DRIVERS</b></p> <p>Allows customers to access best of Sky's content →</p> <p>Growth opportunity into 13 million homes that don't yet take a pay TV service in the UK →</p> <p>Availability of significantly cheaper services →</p> <p>Increase in the number of 'cord cutters' →</p> <p>Continued pressure on UK household budgets →</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Customers switching to contract-free options →</p> </div> <div style="width: 35%; text-align: center;"> <p><b>EQUILIBRIUM</b></p> </div> <div style="width: 30%;"> <p><b>RESISTORS</b></p> <p>Requires heavy investment ←</p> <p>Prevalence of piracy online ←</p> <p>Risk of existing customers cancelling their long-term contract if Sky offer a cheaper online service ←</p> <p>Broadband must be stable and fast for NOW TV to work ←</p> </div> </div> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p style="text-align: center;"><b>ASSETS FOR CHANGE</b></p> <p style="text-align: center;">Strong brand in the UK, strong expertise in the entertainment market, £865 million profit for the year in 2014 2nd biggest internet provider; 11.5 million customers already</p> </div> <p><b>DRIVERS</b></p> <ul style="list-style-type: none"> <li>• <u>Growth opportunity into 13 million homes</u> not currently paying for TV services - this could lead to a large increase of sales for Sky             <ul style="list-style-type: none"> <li>○ Increase in market share will give Sky a stronger position in the UK to compete</li> </ul> </li> <li>• <u>Availability of cheaper services</u> - if Sky does not lower its prices to compete it will lose customers to rivals who are already gaining a strong foothold in the UK market</li> <li>• <u>Increase in 'cord cutters'</u> - can lead to long term cash flow problems/income loss if Sky do not react</li> <li>• <u>Continued pressure on UK household budgets</u> - if people cannot afford a Sky TV contract they may cancel pay TV altogether and opt for online entertainment</li> </ul>	8	<p>Candidates' responses should be based on the information from the case study.</p> <p>Up to 4 marks for force field diagram: 1 mark for 2 correct drivers; 2 correct resistors; 1 mark for 1 correct asset for change and 1 mark for differing arrows.</p> <p>1 mark for each point of analysis.</p> <p>Up to a maximum of 5 marks for analysis of any individual drivers, resistors and assets for change.</p> <p>A maximum of 1 mark for an overall evaluation.</p> <p>A maximum of 6 marks if there is no diagram.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
	<p><b>RESISTORS</b></p> <ul style="list-style-type: none"> <li>• <u>Requires continued investment</u> - long term development costs to the network and for online content could lead to debt if NOW TV is not successful</li> <li>• <u>Increase of piracy online</u> - if this continues to become a popular way of watching TV shows it will negatively impact the number of customers subscribing to NOW TV <ul style="list-style-type: none"> <li>○ It is very difficult for private firms to regulate the internet for piracy</li> <li>○ Legal action is highly expensive if Sky pursue piracy</li> </ul> </li> <li>• <u>Risk of existing customers cancelling their contract and switching to the contract-free option</u> - by creating a cheaper product offering similar content Sky risk cannibalising its own market</li> <li>• Broadband must be stable and fast for NOW TV to work - this may make the product limited in certain geographical areas</li> <li>• If customers cannot stream/watch in HD format they may stick with satellite Sky TV packages which generate greater income for Sky</li> </ul> <p><b>ASSETS FOR CHANGE</b></p> <ul style="list-style-type: none"> <li>• Sky has declared a profit for the year of £865 million in 2014 which suggests it can afford to invest in the online media market</li> <li>• Sky's expertise in the entertainment market can be used to reduce the risk of failure</li> <li>• <u>Sky's strong brand in the UK</u> may persuade customers to go with Sky over rivals such as Netflix</li> <li>• Sky is the second largest broadband provider in the UK/5 million broadband customers - customers may be loyal to Sky if it provides more than one product to the household</li> </ul> <p><b>OVERALL EVALUATION</b></p> <ul style="list-style-type: none"> <li>• It is clear Sky must react to the shift towards cheaper online media or else risk losing out to rival firms such as Netflix</li> <li>• The main resistors - piracy and customers cancelling their TV contracts for contract-free services - are out of Sky's control and therefore Sky made the right decision to launch NOW TV</li> </ul>		

Question	Expected Answer(s)	Max Mark	Additional Guidance
3	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <u>Sky uses a ‘multi-product strategy’</u> which reduces the risk of failure should one product decline <ul style="list-style-type: none"> <li>○ Multiple products/content/businesses increase Sky’s market share</li> <li>○ Investing in a diverse range of content/(channels) allows Sky to better compete with rivals</li> </ul> </li> <li>• Sky generates sales/income from multiple streams eg its Sky TV and Sky Broadband markets</li> <li>• Sky Media sells advertising space which exposes Sky’s brand to over 90% of the population each week</li> <li>• <u>Sky Vision sells its channels to third-party pay TV providers</u> which builds positive business relationships with other TV providers firms internationally</li> <li>• The Sky brand is used across all products making it instantly recognisable <ul style="list-style-type: none"> <li>○ It will be easier for Sky to launch new products (such as NOW TV) using the well-established brand</li> <li>○ Customers can develop loyalty to the Sky brand and their return custom improves cash flow</li> </ul> </li> <li>• <u>Sky divides its UK operations into 3 categories</u> allows Sky to better target different customer’s needs which can improve their satisfaction eg NOW TV is a low-cost option making it more affordable <ul style="list-style-type: none"> <li>○ allow for staff in these areas to build up expertise</li> </ul> </li> <li>• <u>Sky consumer business sells more products to customers using bundle deals</u> maximising revenue per customer</li> </ul>	4	<p>Candidates’ responses should be based on the information from the case study.</p> <p><b>1 mark</b> for each valid point.  <b>1 mark</b> for a development point.</p> <p>A maximum of <b>2 marks</b> to candidates who make general points, without relating them to the Sky case study.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
4	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <u>Sky Academy offers scholarships and graduate programmes</u> which may attract high quality candidates to work for Sky <ul style="list-style-type: none"> <li>◦ <u>Sky ‘mentors’ are world-class athletes</u> and David Beckham is the Ambassador - celebrity endorsement will promote Sky with the fan base of the athletes/David Beckham</li> <li>◦ <u>105,000 young people took part in 2014</u> - this raises Sky’s profile with young people who may be more likely to choose Sky over a rival in later life as a media provider</li> </ul> </li> <li>• <u>“Viewing for all” makes its entertainment accessible for all</u> by providing customers with subtitling and audio description services which means they are more likely to continue their contract with Sky as the products are accessible <ul style="list-style-type: none"> <li>◦ This can lead to greater sales for Sky from disabled viewers</li> <li>◦ However only 22% of programmes have audio description which limits choice for blind users</li> </ul> </li> <li>• Sky Rainforest Rescue promotes Sky’s ethical practice which improves its reputation <ul style="list-style-type: none"> <li>◦ <u>Sky’s matching ‘pound for pound’</u> will increase Sky’s outgoings as the charity grows</li> </ul> </li> <li>• Greener travel is encouraging staff to cycle to work which shows Sky is promoting a healthy lifestyle for its employees <ul style="list-style-type: none"> <li>◦ May reduce traffic congestion for the local communities in which Sky operates</li> </ul> </li> <li>• Video-conferencing saves Sky paying for any travel and accommodation expenses which it may have otherwise incurred <ul style="list-style-type: none"> <li>◦ Staff do not need to be away from their families leading to a better work/life balance</li> </ul> </li> <li>• Employee charity sees <u>Sky match donations up to £300</u> which encourages staff to give back to the community knowing their input is doubled by their employer; makes brand name more visible in community so generates trust <ul style="list-style-type: none"> <li>◦ Volunteering days can help retain a core workforce as staff may feel loyal knowing Sky are supporting the communities it operates in</li> </ul> </li> <li>• <u>Sky has reduced emissions by 40%</u> which may help it gain tax relief and government support in the future or avoid emission fines/charges</li> <li>• Sky can use its ranking in the Carbon Performance Leadership Index as a promotion tool which can attract future investment from shareholders</li> <li>• <u>Reduction in electricity and gas usage</u> will save Sky in overhead and operating expenditure</li> <li>• <u>Switching 70% of its van fleet to efficient models</u> will cut down travel costs</li> <li>• Speed reporting promotes better fuel efficiency</li> <li>• Customers who recycle their Sky devices are rewarded which can encourage brand loyalty</li> </ul>	8	<p>Candidates’ responses should be based on the information from the case study.</p> <p><b>1 mark</b> for each valid point.  <b>1 mark</b> for a development point.</p> <p>Accept discussion points relating to any of Sky’s stakeholders.</p> <p>Accept any other suitable response.</p> <p>Max 4 general marks not related to Sky.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
5	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <b>Total revenue</b> has increased by over £1 billion from 2011 to 2014 <ul style="list-style-type: none"> <li>○ This suggests that Sky has built a strong customer base</li> <li>○ This shows Sky continues to generate new customers in its home market</li> </ul> </li> <li>• <b>Retail and wholesale subscriptions</b> have increased from £5,794 million in 2011 to £6,677 million in 2014 <ul style="list-style-type: none"> <li>○ This suggests Sky is good at keeping customers on subscriptions and attracting new customers</li> </ul> </li> <li>• <b>Advertising</b> is a stable source of revenue over the years <ul style="list-style-type: none"> <li>○ This shows Sky's commercial business is driving sales effectively</li> </ul> </li> <li>• <b>Installation, hardware and services</b> is decreasing over the years <ul style="list-style-type: none"> <li>○ Suggests improvements in technology and better reliability</li> </ul> </li> <li>• <b>Total expenditure</b> has increased from £5,524 million in 2011 to £6,471 million in 2014 <ul style="list-style-type: none"> <li>○ This suggests Sky has had to increase its investment into network development</li> </ul> </li> <li>• <b>Profit for the year</b> increased from 2011 to 2013 but fell in 2014 <ul style="list-style-type: none"> <li>○ Despite the increase in revenue which suggests Sky's decision making has been costly in 2014/expenditure has risen</li> </ul> </li> <li>• <b>Dividends per share</b> shows the return for shareholders is improving over the years <ul style="list-style-type: none"> <li>○ This shows investors that Sky is a potentially good investment</li> </ul> </li> <li>• <b>Average number of (full-time) staff</b> has increased by almost 5,000 over the years 2011-2014 - showing that Sky is expanding its operations successfully</li> <li>• <b>Number of compulsory redundancies</b> more than doubled in 2014 suggesting it could be trying to cut costs <ul style="list-style-type: none"> <li>○ This suggests Sky had to make cuts to staffing due to overcapacity</li> </ul> </li> <li>• <b>Employee engagement score</b> increased from 2011 to 2013 but fell by 6% in 2014 - could be due to redundancies.</li> </ul>	6	<p>Candidates' responses should be based on the information from the case study.</p> <p><b>1 mark</b> for each valid point.  <b>1 mark</b> for a development point.</p> <p>A maximum of <b>3 marks</b> to candidates who make general points, without relating them to the Sky case study.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
6	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <u>Huge choice of learning resources which can be tailored to the employee's job role</u> - this makes the training more relevant to the job and therefore more valuable</li> <li>• <u>Ability to apply at any time</u> encourages employees to train more regularly <ul style="list-style-type: none"> <li>○ May motivate employees as they can choose when to train and therefore feel valued but less face-to-face contact (using VLE) might de-motivate staff</li> </ul> </li> <li>• <u>Access to online courses develops their skillset in different areas</u> makes employees more equipped for internal promotion opportunities</li> <li>• <u>Online portfolio allowing tracking of development</u> can be used by management to better monitor and review staff during appraisals <ul style="list-style-type: none"> <li>○ From this management can suggest courses on the VLE to the employee to develop them further and improve Sky's workforce</li> </ul> </li> <li>• <u>Streamlined training programmes across the firm</u> is possible on the VLE which equips staff with skills across Sky's product range <ul style="list-style-type: none"> <li>○ Makes the workforce more flexible</li> <li>○ Most customers getting their issues resolved in one call can reduce frustration and complaints</li> </ul> </li> <li>• <u>Reducing face-to-face training time</u> means some employees may not engage with the training as effectively as they do not benefit from the personal contact/dislike screen-based learning</li> <li>• <u>The VLE is saving Sky around £2.7 million annually</u> which may be reinvested in other ways to support staff</li> </ul>	6	<p>Candidates' responses should be based on the information from the case study.</p> <p><b>1 mark</b> for each valid point.  <b>1 mark</b> for a development point.</p> <p>A maximum of <b>3 marks</b> to candidates who make general points, without relating them to the Sky case study.</p> <p>Watch for generic training benefits without linking points to the use of Sky's VLE.</p> <p>Accept any other suitable response.</p>

## SECTION 2

Question	Expected Answer(s)	Max Mark	Additional Guidance
7	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• Classical MGT viewed organisation as a machine and tried to make it efficient</li> <li>• Suggested workers were motivated by money</li> <li>• Suggested there was a best way to perform tasks to maximise workers' efficiency</li> <li>• That managers should manage and workers should work</li> <li>• Aimed to achieve standardisation by dividing jobs into small tasks</li> <li>• Classical management is still used in manufacturing industries which standardise processes to remove inefficiencies/limit waste and reduce costs               <ul style="list-style-type: none"> <li>○ Standardisation is used today by many large multinational firms to ensure customers receive a consistent experience from any outlet eg McDonalds</li> </ul> </li> <li>• Division of labour can maximise output by using resources efficiently and is used by many labour intensive production facilities               <ul style="list-style-type: none"> <li>○ However most firms today encourage flexibility in the workforce and allow staff to multi-skill as specialisation can be boring and repetitive</li> </ul> </li> <li>• The concepts of Gilbreth's motion study are still used today in industries such as engineering to measure the time taken to do tasks so that unnecessary steps are removed               <ul style="list-style-type: none"> <li>○ From this work planning and productivity budgets can be set effectively</li> <li>○ Appropriate for low skilled jobs which are highly measurable eg scanning items through an electronic till in a supermarket                   <ul style="list-style-type: none"> <li>▪ Therefore not used for professions, such as teaching and nursing</li> </ul> </li> </ul> </li> <li>• Piece rate payment is still used in industries which require a quick rate of output               <ul style="list-style-type: none"> <li>○ Financial incentives are still used as a primary motivator, in many industries, such as bonuses, piecemeal incentive and commission</li> <li>○ However most employees today are not only motivated by money, as they were mostly in Taylor's day, when financial times were harder</li> </ul> </li> </ul>	10	<p>1 mark for each valid point. 1 mark for a development point.</p> <p>Up to a maximum of 5 marks may be awarded for descriptions of a classical approach.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
	<ul style="list-style-type: none"> <li>• A classical hierarchy is still seen in traditional/large organisations today as it provides accountability in the workplace               <ul style="list-style-type: none"> <li>○ In a classical hierarchy, upward communication was discouraged and this is no longer the case today due to the increasing emphasis on positive employee relations</li> <li>○ Limited empowerment and involvement prevents employees contributing good ideas</li> </ul> </li> <li>• Classical approaches were based around factory work so are not appropriate in some industries such as the creative sectors</li> </ul> <p>Use job description and person specification to make sure the correct person is recruited</p>		

Question		Expected Answer(s)	Max Mark	Additional Guidance
8	(a)	<ul style="list-style-type: none"> <li>• Free movement of goods promoting trade between countries</li> <li>• Free movement of workers prevents shortages               <ul style="list-style-type: none"> <li>◦ Encourages a flexible workforce</li> <li>◦ Allows countries to capitalise on the skills of others</li> </ul> </li> <li>• Becoming collectively more powerful compared to individual economies</li> <li>• Can increase competitiveness against Western and Chinese organisations</li> <li>• To promote regional peace and stability</li> <li>• To improve the standards of living within the member countries</li> <li>• To improve infrastructure between/within the countries</li> <li>• Accelerate economic growth</li> <li>• Political stability as chair of ASEAN rotates round each country annually</li> <li>• Social progress/cultural development</li> <li>• Promote active collaboration and mutual assistance</li> <li>• To promote Asian studies</li> <li>• To attract foreign investment</li> </ul>	6	1 mark per description 1 mark per development
	(b)	<ul style="list-style-type: none"> <li>• Traditionally low wages (relative to western wages) has allowed Chinese organisations to have lower operating costs/be more competitive</li> <li>• Steady reduction in transport costs due to mega-tankers has reduced costs/increased profitability/expansion</li> <li>• Increased demand for products worldwide has increased the disposable income of Chinese workers which stimulates domestic demand</li> <li>• Increased investment in western banks/manufacturing has provided more money domestically to expand</li> <li>• Growing economy means the government can afford to invest in manufacturing</li> <li>• The large population means there is an abundance of labour               <ul style="list-style-type: none"> <li>◦ Lots of the population are moving from countryside to cities</li> </ul> </li> <li>• Labour is skilled in engineering/production</li> <li>• Advancement in technology/automation</li> <li>• China is a leading economy for R&amp;D in production methods</li> <li>• Growing middle class - as wealth grows so does demand for goods</li> <li>• Growing links with the west leads to more exports</li> </ul>	4	1 mark per analysis 1 mark per development <b>Max 2 marks for general points about Chinese production</b>

Question		Expected Answer(s)	Max Mark	Additional Guidance
9	(a)	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <b>Forming</b> - the team first comes together; the purpose/task is set <ul style="list-style-type: none"> <li>○ Driven by the leader</li> <li>○ Vocal members may dominate</li> </ul> </li> <li>• <b>Storming</b> - power struggles arise; conflict between team members can occur <ul style="list-style-type: none"> <li>○ Factions and sub-groups may form</li> <li>○ Requires a strong leader to manage disputes</li> </ul> </li> <li>• <b>Norming</b> - disputes settled; roles are confirmed; tasks are distributed appropriately <ul style="list-style-type: none"> <li>○ Members begin to listen</li> <li>○ Norms (work methods/culture) begin to form</li> </ul> </li> <li>• <b>Performing</b> - the team is working well together <ul style="list-style-type: none"> <li>○ Members are more supportive to one another</li> <li>○ Increase in empowerment</li> <li>○ Operating on a high level of trust</li> </ul> </li> <li>• <b>Adjourning</b> - the purpose/task is complete and the group disbands</li> <li>• <b>Mourning</b> - the team reforms for a new purpose (or members leave) and the team may return to the storming stage</li> </ul>	6	<p>1 mark for each valid description. 1 mark for a development point.</p> <p>Accept any other suitable response.</p> <p>Minimum 2 stages described/developed to gain full marks.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
(b)	<ul style="list-style-type: none"> <li>• <b>Forming</b> groups may be confused until the task and rules are clarified which can slow the productivity of the team <ul style="list-style-type: none"> <li>○ Vocal members tend to dominate which can lead to some members feeling undervalued and therefore not contribute</li> <li>○ Team members may be highly ambitious to prove themselves so work hard</li> </ul> </li> <li>• <b>Storming</b> groups will experience power struggles/conflict which detracts from the progress of a project or target <ul style="list-style-type: none"> <li>○ Lack of trust within the team which means communication can break down</li> <li>○ Members may become frustrated with arguments and therefore lose motivation</li> <li>○ Difficult to manage which can increase the stress of the team leader</li> </ul> </li> <li>• <b>Norming</b> groups are more likely to come to an agreement which can mean faster decision making with less dispute <ul style="list-style-type: none"> <li>○ Cooperation develops so members feel secure in expressing their views which can improve creativity/innovation</li> <li>○ Specialisation can improve quality and output if roles are appropriately allocated</li> </ul> </li> <li>• <b>Performing</b> groups benefit from members being empowered which leads to better motivation towards the task <ul style="list-style-type: none"> <li>○ Leadership is less involved in operational tasks therefore saves time for planning and quality assurance of the task</li> </ul> </li> </ul> <p>Adjourning...</p> <p>Mourning...</p>	4	<p>1 mark for each valid explanation. 1 mark for a development point.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
10 (a)	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• <b>Recruiting and selecting</b> - advertisements must refrain from gender/age bias terminology <ul style="list-style-type: none"> <li>○ When selecting employees, interviewers must ensure all questions and actions do not contravene legislation</li> </ul> </li> <li>• <b>Leave and time off</b> - special leave for gender reassignment must be given <ul style="list-style-type: none"> <li>○ Denying time off for disability related medical appointments is discrimination</li> </ul> </li> <li>• <b>Training and promotion</b> - denying a suitable candidate a promotion opportunity because they have a disabled parent who they care for is discrimination by association</li> <li>• <b>Dismissal</b> - cannot force an employee to retire as this is age discrimination <ul style="list-style-type: none"> <li>○ Cannot dismiss someone because they have complained about being harassed</li> </ul> </li> <li>• <b>Working practices</b> - a change to longer shifts may indirectly discriminate disabled workers</li> <li>• <b>Uniform policy</b> - religious requirements should be considered in relation to the employee's ability to do the requirements of the job</li> <li>• <b>Pregnancy and maternity leave</b> - allow time off for pregnancy related medical appointments, staff absence means less productivity. <ul style="list-style-type: none"> <li>○ It is illegal for an employee to ask a female customer to leave the premises because she is breastfeeding</li> </ul> </li> <li>• <b>Pay and benefits</b> - it is illegal to have secret pay clauses so pay scales should be transparent</li> <li>• <b>Grievances and disciplinary</b> - a formal disciplinary procedure should be used to standardise the treatment of employees</li> </ul>	6	<p>1 mark for each valid point. 1 mark for a development point.</p> <p>Up to a maximum of 5 marks may be awarded for any one area.</p> <p>Accept any other suitable response.</p>

Question	Expected Answer(s)	Max Mark	Additional Guidance
(b)	<p>Responses could include the following:</p> <ul style="list-style-type: none"> <li>• Objective justification - if there is a legitimate aim eg to maintain the health and safety of customers and staff</li> <li>• Exceptions exist depending on the firm's requirements eg if the Act requires unreasonable cost or the service provision of the firm is greatly impacted</li> <li>• Positive action - applicants can be chosen due to protected characteristic if the firm considers this characteristic to be underrepresented in the workplace</li> <li>• Occupational requirement - when a candidate is chosen because a particular characteristic is needed eg employing a female actress to play the female lead</li> <li>• No material difference - for a case to be upheld discrimination must relate to a protected characteristic</li> <li>• A religious school is exempt from the requirement not to discriminate on grounds of religion or belief in relation to admissions</li> <li>• Exceptions regarding age exist with regard to concessions and salary eg minimum wage</li> <li>• If the action would result in another law being broken</li> <li>• For purposes of national security - do not employ people who could be open to blackmail</li> </ul>	4	<p><b>1 mark</b> for each valid description.  <b>1 mark</b> for a development point.</p> <p><b>Up to a maximum of 3 marks</b> may be awarded for describing any one exception.</p> <p>Accept any other suitable response.</p>

[END OF MARKING INSTRUCTIONS]