

OXFORD

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INTERNATIONAL GCSE

BUSINESS

9225/1

Paper 1 Influences of Operations and Human Resources on
Business Activity

Mark scheme

November 2020

Version: 1.0 Final Mark Scheme

20BY9225/1/MS

Mark schemes are prepared by the Lead Assessment Writer and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation events which all associates participate in and is the scheme which was used by them in this examination. The standardisation process ensures that the mark scheme covers the students' responses to questions and that every associate understands and applies it in the same correct way. As preparation for standardisation each associate analyses a number of students' scripts. Alternative answers not already covered by the mark scheme are discussed and legislated for. If, after the standardisation process, associates encounter unusual answers which have not been raised they are required to refer these to the Lead Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of students' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

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Level of response marking instructions

Level of response mark schemes are broken down into levels, each of which has a descriptor. The descriptor for the level shows the average performance for the level. There are marks in each level.

Before you apply the mark scheme to a student's answer read through the answer and annotate it (as instructed) to show the qualities that are being looked for. You can then apply the mark scheme.

Step 1 Determine a level

Start at the lowest level of the mark scheme and use it as a ladder to see whether the answer meets the descriptor for that level. The descriptor for the level indicates the different qualities that might be seen in the student's answer for that level. If it meets the lowest level then go to the next one and decide if it meets this level, and so on, until you have a match between the level descriptor and the answer. With practice and familiarity you will find that for better answers you will be able to quickly skip through the lower levels of the mark scheme.

When assigning a level you should look at the overall quality of the answer and not look to pick holes in small and specific parts of the answer where the student has not performed quite as well as the rest. If the answer covers different aspects of different levels of the mark scheme you should use a best fit approach for defining the level and then use the variability of the response to help decide the mark within the level, ie if the response is predominantly level 3 with a small amount of level 4 material it would be placed in level 3 but be awarded a mark near the top of the level because of the level 4 content.

Step 2 Determine a mark

Once you have assigned a level you need to decide on the mark. The descriptors on how to allocate marks can help with this. The exemplar materials used during standardisation will help. There will be an answer in the standardising materials which will correspond with each level of the mark scheme. This answer will have been awarded a mark by the Lead Examiner. You can compare the student's answer with the example to determine if it is the same standard, better or worse than the example. You can then use this to allocate a mark for the answer based on the Lead Examiner's mark on the example.

You may well need to read back through the answer as you apply the mark scheme to clarify points and assure yourself that the level and the mark are appropriate.

Indicative content in the mark scheme is provided as a guide for examiners. It is not intended to be exhaustive and you must credit other valid points. Students do not have to cover all of the points mentioned in the Indicative content to reach the highest level of the mark scheme.

An answer which contains nothing of relevance to the question must be awarded no marks.

Marking guidance

- Read the response as a whole; follow the flow of reasoning as a whole.
- Remember that the indicative content provides possible lines of argument but there may be others that are equally valid. Be willing to credit other lines of argument.
- Annotate the script as you read using the annotations for application, analysis and evaluation shown below.
- Refer back to the standardisation scripts and guidance to help you benchmark. Marking must be in line with the standard agreed at standardisation. Refer back to standardisation scripts regularly.
- Summarise your findings briefly at the end of the response. This will help you decide on the overall level and is helpful for others to understand the mark given. Make sure the comments fit with the level awarded.
- Within your comment put the level awarded, eg L4, and any further explanation of that decision needed most commonly where performance has varied across the answer.
- If in doubt about an approach contact your Team Leader, so that we can ensure we have a standardised approach across all marking.
- Be positive in your marking. Look to reward what is there.

Standard annotations:

Annotation	Skill being evidenced
Uses context	AO2 – application to context
Analysed in depth	AO3 - analysis
Partial analysis	
Simplistic analysis	
Evaluation fully justified	AO4 - evaluation
Evaluation with some justification	
Evaluation with limited justification	
Evaluation with no justification	

Section A

Total for this section: 15 marks

Question	Part	Marking guidance	Total marks
01		When does an employee receive induction training? Answer: D (When they begin to work for a business)	1 AO1=1
02		Which one of the following statements is true? Answer: C (The owners of a limited company can only lose the money they have invested in the business.)	1 AO1=1
03		What is Manager A's span of control? Answer: B (2)	1 AO1=1
04		What term is used to describe an organisational structure where decision-making power is spread out among all levels of the structure? Answer: B (decentralised).	1 AO1=1
05		A business manufactures highly-priced products in India which are then exported and sold in the USA. Which one of the following changes is most likely to lead to an increase in profit for the business? Answer: A (A reduction in the value of the Indian Rupee compared to the US Dollar)	1 AO2=1

<p>06</p>	<p>Explain one way that consumer protection law could affect a restaurant.</p> <p>One mark for identifying an effect, plus one mark for offering some explanation or development</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • Increased costs • Slower production of food • More staff required • Extra equipment needed • More training required for staff. <p>Specimen response Costs may increase (1) because employees need extra training (1)</p>	<p>2</p> <p>AO1=2</p>
<p>07</p>	<p>Explain one way that poor customer service could affect a business.</p> <p>One mark for identifying a valid way, plus one mark for offering some explanation or development.</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • Poor reputation • Reduced sales • Lower levels of repeat purchase <p>Specimen response: If a customer feels they have received poor service they may not go back to the business in the future (1) meaning that the level of repeat purchase falls (1)</p>	<p>2</p> <p>AO1=2</p>

<p>08</p>	<p>Explain one way a car manufacturer could measure the quality of its production</p> <p>One mark for identifying a valid factor, plus one mark for offering some explanation or development. (2)</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • Guarantee claims • Faulty parts delivered • Faults per car • % of cars produced with a fault • Or any other plausible measure. <p>Also accept quality standards, such as ISO, EN or BSI</p> <p>Specimen response: The quality of cars produced can be measured by recording the number of claims/complaints (1) made by customers under any warranty/guarantee (1) – which allows them to have faults fixed for free.</p>	<p>2</p> <p>AO1=2</p>
<p>09</p>	<p>Explain two reasons why quality may suffer if a business expands using franchising.</p> <p>One mark for identifying a valid problem, plus one mark for offering some explanation or development. (2x2)</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • lack of supervision • franchisees and staff feeling unsupported • excessive workload for those managing franchisees • franchisees may not care as passionately about the brand as the franchisor <p>Specimen response: A wider span of control means one manager is responsible for overseeing several franchisees (1). This may allow quality problems to develop or persist within a franchise (1).</p>	<p>4</p> <p>AO1=2 AO2=2</p>

Section B

Total for this section: 75 marks

Question	Part	Marking guidance	Total marks
10	1	<p>Steven started his business to allow him to spend more time with his family. State two other reasons why entrepreneurs start their own business.</p> <p>One mark for each reason identified</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • earn more money • survive (perhaps following redundancy) • be your own boss • pursue an interest • flexible working hours • dissatisfaction with current job • identified a gap in the market • give something to their community. 	<p>2</p> <p>AO1=2</p>
10	2	<p>Identify and explain two benefits to Steven of setting clear business objectives.</p> <p>One mark for identifying a valid benefit, plus one mark for offering some explanation or development, plus one mark for clear use of context (2x3)</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • gives a clear sense of direction • gives a yardstick against which to measure performance • aids decision-making and prioritising • can motivate entrepreneur / employees <p>Specimen response: Steven may find decision-making easier (1). This is because when faced with a choice, he can assess which option best helps him meet his objectives (2) and choose that option. An example could be if approached by a new customer who wants him to do a piece of work that will take a long time, Steven may find it easier to choose to reject the offer if he had an objective of only working 50 hours per week – ensuring he is achieving what he set out to achieve in the first place (3)</p>	<p>6</p> <p>AO1=2 AO2=4</p>

10	3	<p>Using the information from Item B, calculate Steven's net profit for the year</p> <p>200 x \$180 = \$36,000 revenue (1 mark) (200 x \$60) + \$8,000 = \$20,000 Total costs (1 mark) \$36,000 - \$20,000 = \$16,000 profit (1 mark)</p> <p>\$ not needed</p> <p>If no relevant calculations, award 1 for correct formula for profit (TR-TC)</p>	<p>3</p> <p>AO1=1 AO2=2</p>
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10	4	<p>State two of Steven's variable costs</p> <p>1 mark per valid cost identified</p> <p>Answers:</p> <ul style="list-style-type: none"> • wiring • electrical sockets • tape • fuel for van <p>accept other plausible answers for an electrician</p>	<p>2</p> <p>AO2=2</p>
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10	5	<p>Analyse the benefits of effective recruitment when Steven was expanding his business.</p> <p>Possible answers include</p> <ul style="list-style-type: none"> • skilled work – mistakes would damage his reputation • more efficient workers will keep costs per job down • Steven was busy – effective recruitment would reduce the time taken to find the right new staff • staff less likely to leave once employed – meaning Steven does not need to spend time replacing them • finding skilled workers would reduce the need for Steven to provide training <p>Specimen response: Effective recruitment should mean he employs appropriately skilled staff (L1). This would mean that his electricians could produce good quality work keeping customers happy with neat and safe installations (L2). As a result, these customers may recommend Steven’s business to others, providing free promotion for the company (L3)</p>	6 AO2=2 AO3=4
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Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. Due to the greater number of marks available for AO3, answers at level 3 will have a greater depth of analysis (AO3) but may show similar levels of application of knowledge and understanding (AO2) to a level 2 answer.

Level	Marks	Descriptor
3	5–6 AO3 AO2	<p>Detailed analysis of topics based on the context</p> <ul style="list-style-type: none"> • Business areas are analysed in depth. • Applies knowledge and understanding to the context sufficiently, throughout the answer.
2	3–4 AO3 AO2	<p>Sound analysis of topics based on the context</p> <ul style="list-style-type: none"> • Business areas are partially analysed. • Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	<p>Basic analysis of topics based on the context</p> <ul style="list-style-type: none"> • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

10	6	<p>Analyse why the motivation of Steven’s employees may not be as high now as it was in 2017.</p> <p>Possible answers include</p> <ul style="list-style-type: none"> • less personal contact (encouragement) with Steven (the boss) • less closely supervised as spans of control widen • Stephen’s supervisors may not use an effective management style. <p>Accept other plausible answers for a growing business.</p> <p>Specimen response: Steven will spend less time with his employees now there are more of them (1). This may mean they do not feel recognition from Steven and may miss being regularly praised for good work (L2). This recognition for achievement could be one of the things that really motivates them to do their best for Steven’s business (L3)</p>	<p>6</p> <p>AO2=2 AO3=4</p>
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2	3–4 AO3 AO2	<p>Sound analysis of topics based on the context</p> <ul style="list-style-type: none"> • Business areas are partially analysed. • Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	<p>Basic analysis of topics based on the context</p> <ul style="list-style-type: none"> • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

10	7	<p>Analyse the advantages and disadvantages of Steven's new expansion plan and recommend whether he should expand.</p> <p>Possible answers include</p> <p>Benefits:</p> <ul style="list-style-type: none"> • scope to make far more revenue • potential market is larger • more workers mean more jobs can be undertaken. <p>Drawbacks:</p> <ul style="list-style-type: none"> • geographic distance may cause major communication problems • supervision will also be harder if the business is spread more widely • overhead costs may rise • Stephen's time is limited, can he manage 5 supervisors in 2 locations? <p>Possible themes for evaluation</p> <p>The business has been going well – this may well continue Steven set up the business to spend more time with his family. He may be becoming too busy to spend the amount of time he wants with his family.</p>	12 AO2=4 AO3=8
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Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. More weight should therefore be given to AO3 than AO2.

Level	Marks	Descriptor
4	10–12 AO3 AO3 AO2	<p>Detailed analysis and evaluation of topics based on the context</p> <ul style="list-style-type: none"> • Coherent line of reasoning followed, which is sustained, relevant and substantiated. There is a focused conclusion that is fully justified and follows clearly from the analysis. • Business areas are analysed in depth. • Knowledge and understanding is detailed and appropriately applied within context.
3	7–9 AO3 AO3 AO2	<p>Sound analysis and evaluation</p> <ul style="list-style-type: none"> • Coherent line of reasoning given and the conclusion is appropriate and related to the preceding analysis. • Business areas are partially analysed. • Knowledge and understanding is detailed and appropriately applied within context.
2	4–6 AO3 AO3 AO2	<p>Limited attempt made to analyse the topics based on the context</p> <ul style="list-style-type: none"> • Evidence of some line of reasoning, with a conclusion that has limited justification. • Analysis of business areas is simplistic. • Some knowledge and understanding is applied within context.

1	1–3 AO3 AO3 AO2	<p>Basic evaluation of topics but without any real support or analysis</p> <ul style="list-style-type: none"> • A conclusion is present but without any reasoned support. • No discernible or relevant analysis. • A clear attempt to apply knowledge and understanding, but context may be lacking.
0	0	Nothing worthy of credit.

Level	Marks	Descriptor
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Question	Part	Marking guidance	Total marks
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11	1	<p>Explain why MEKO uses digital technology to communicate with customers and suppliers</p> <p>One mark for identifying a reason, plus one mark for offering some explanation or development. Apply this once for customers and once for suppliers (2×2)</p> <p>Possible answers include Customers:</p> <ul style="list-style-type: none"> • can quickly give information on new products • can easily send special offers/promotional information. <p>Suppliers:</p> <ul style="list-style-type: none"> • allows rapid ordering of new stock • ensures problems can be dealt with quickly. <p>Specimen response: Digital communication (a website) can provide up to date information on prices (1). This means that customers can quickly find out about special offers without waiting to receive a brochure or visit a MEKO store(2)</p>	<p>4</p> <p>AO1=2 AO2=2</p>
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11	2	<p>Explain two ways that e-commerce can help MEKO access new markets</p> <p>One mark for identifying a valid benefit, plus one mark for offering some explanation or development. (2×2)</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • national websites can allow the business to sell in a country before they have a 'High Street presence' • product ranges can be easily tailored to suit local tastes • Data collected through a website (cookies) can enable the business to understand consumer needs better in a new market <p>Specimen response: The company could enter a new market by setting up a website without needing to open physical stores (1). This means the cost of entering the market is significantly reduced as town centre locations would be expensive (1).</p>	<p>4</p> <p>AO1=2 AO2=2</p>
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11	3	<p>Identify and explain two reasons why managing stock is very important to MEKO.</p> <p>One mark for identifying a valid benefit, plus one mark for offering some explanation or development, plus one mark for clear use of context (2x3)</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • too little stock can lead to lost sales • too little stock can lead to lost customers • stock must be available in the right styles, in the right sizes and the right colours • this must be managed across all the areas in which they operate • too much stock can mean products ‘go out of fashion’ before they are sold <p>Specimen response: If a customer wants to buy an item which is not available, MEKO will miss out on revenue (1). This matters particularly for MEKO as there will be a choice of sizes and possibly colours for the same garment (2). A ‘lost sale’ means that money spent promoting the product to that customer would have been wasted (3)</p>	<p>6</p> <p>AO1=2 AO2=4</p>
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11	4	<p>Analyse the benefits of acting ethically for MEKO.</p> <p>Possible answers include</p> <ul style="list-style-type: none"> • Good media coverage • Loyal customers • Attracts new customers looking for an ethical option in this market • May make raising finance easier. <p>Specimen response: Behaving in a morally correct way may generate good publicity (L1). If the company is reported as being ethical through recycling textiles, customers may hear about this and choose to start shopping at MEKO (L2). This can increase MEKO's revenue and may also reduce the amount they need to spend on promotion, therefore boosting profit (L3)</p>	<p>6</p> <p>AO2 = 2 AO3 = 4</p>
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3	5–6 AO3 AO2	<p>Detailed analysis of topics based on the context</p> <ul style="list-style-type: none"> • Business areas are analysed in depth. • Applies knowledge and understanding to the context sufficiently, throughout the answer.
2	3–4 AO3 AO2	<p>Sound analysis of topics based on the context</p> <ul style="list-style-type: none"> • Business areas are partially analysed. • Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	<p>Basic analysis of topics based on the context</p> <ul style="list-style-type: none"> • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

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11	5	<p>Analyse how improving sustainability might affect MEKO's profits.</p> <p>Possible answers include</p> <ul style="list-style-type: none"> • sustainable cotton may cost more to buy – reducing profits • producing less wastage may reduce costs – boosting profit • preventing waste/pollution could increase costs of production – reducing profits • the firm may be able to charge a higher price for sustainably produced products – boosting profit. <p>Specimen response: Choosing to buy cotton from sustainable sources may cost more for MEKO (L1). This is because farmers may face greater costs when farming sustainably and so need to charge higher prices (L2). The effect on MEKO's profit would be to reduce profit made per garment unless sustainability allows them to charge more to their customers (L3)</p>	6
			AO1=2 AO2=4

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1	1–2 AO3 AO2	<p>Basic analysis of topics based on the context</p> <ul style="list-style-type: none"> • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
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11	6	<p>Analyse the advantages and disadvantages to MEKO of expanding globally.</p> <p>Recommend whether MEKO should continue to expand into new countries.</p> <p>Possible answers include</p> <p>Benefits:</p> <ul style="list-style-type: none"> • sales growth has been huge (far bigger than Finland or even Europe would have allowed) • this has allowed huge profits – allowing further investment in growth • globalised production facilities are likely to have kept manufacturing costs low. <p>Drawbacks</p> <ul style="list-style-type: none"> • communication is tougher, with language barriers to cope with • different legal frameworks will have complicated regulatory compliance • adapting to different local tastes, cultures and fashions will have necessitated plenty of market research, driving up costs. <p>Possible themes for evaluation:</p> <p>With experience already of successful expansion, it could well be argued that MEKO may be sensible to harness this experience and continue expansion. This expansion may be eased by MEKO's use of digital technology</p> <p>Their expansion has caused problems, as stated in Item G. It is possible that these problems may be intensified if MEKO's organisation is already struggling to cope</p>	12 AO2=4 AO3=8
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3	7–9 AO3 AO3 AO2	<p>Sound analysis and evaluation</p> <ul style="list-style-type: none"> • Coherent line of reasoning given and the conclusion is appropriate and related to the preceding analysis. • Business areas are partially analysed. • Knowledge and understanding is detailed and appropriately applied within context.
2	4–6 AO3 AO3	<p>Limited attempt made to analyse the topics based on the context</p> <ul style="list-style-type: none"> • Evidence of some line of reasoning, with a conclusion that has limited justification. • Analysis of business areas is simplistic. • Some knowledge and understanding is applied within context.

	AO2	
1	1–3 AO3 AO3 AO2	<p>Basic evaluation of topics but without any real support or analysis</p> <ul style="list-style-type: none"> • A conclusion is present but without any reasoned support. • No discernible or relevant analysis. • A clear attempt to apply knowledge and understanding, but context may be lacking.
0	0	Nothing worthy of credit.