



**General Certificate of Education**

# **Business Studies**

**Unit 4: The Business Environment and  
Managing Change**

## **Specimen Mark Scheme**

**for 2009 and 2010**

**Specimen mark scheme for examinations in June 2009 and  
June 2010 onwards**

This mark scheme uses the [new numbering system](#)

The specimen assessment materials are provided to give centres a reasonable idea of the general shape and character of the planned question papers and mark schemes in advance of the first operational exams.

Further copies of this Mark Scheme are available to download from the AQA Website: [www.aqa.org.uk](http://www.aqa.org.uk)

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Set and published by the Assessment and Qualifications Alliance.

	<b>Assessment Objectives</b>
	The Assessment Objectives represent those qualities which can be demonstrated in candidates' work and which can be measured for the purposes of assessment.
<b>A01</b>	Demonstrate knowledge and understanding of the specified content.
<b>A02</b>	Apply knowledge and critical understanding to problems and issues arising from both familiar and unfamiliar situations.
<b>A03</b>	Analyse problems, issues and situations.
<b>A04</b>	Evaluate, distinguish between and assess appropriateness of fact and opinion, and judge information from a variety of sources.
<b>Quality of Written Communication</b>	<p>The GCE Qualification Criteria require GCE specifications which require candidates to produce written material in English to:</p> <ul style="list-style-type: none"> <li>• ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear</li> <li>• select and use a form and style of writing appropriate to purpose and to complex subject matter</li> <li>• organise information clearly and coherently, using specialist vocabulary when appropriate.</li> </ul> <p>In this specification QWC will be assessed in all units by embedding QWC in Assessment Objective 4 (A04).</p>

**Question 01**

**Total for this question: 40 marks**

With reference to **Articles A** and **B** above **and** your own research, discuss the view that global expansion is inevitably unethical. (40 marks)

**Relevant answers might include the following:**

- may be unethical – can lead to poor treatment of staff, exploitation of local resources, repatriation of funds to domestic economies
- businesses operating globally may bully suppliers, may impact adversely on local environment, may interfere with political power in a region, may lead to job losses domestically, may have to trade off demands of different stakeholder groups such as shareholders and employees.
- in the case of Nike, the pay rates offered seemed significantly different for US workers and workers overseas
- the record profits may be seen as unfair given the low wages paid abroad
- on the other hand, the benefits of lower costs would have helped many stakeholders such as investors, head office staff and customers (thanks to more research and development).

**However:**

- global operations can bring jobs, investment and growth
- depends on attitude of the company, eg how does it treat staff? What are its pay and conditions like? How do these compare to other regions? Is there investment in the community?
- simply operating globally is not unethical – after all it may bring jobs, investment and a higher standard of living. However, it may be perceived as unethical if rewards are shared unfairly and if countries abroad are treated very differently from domestic markets (ie different rules or values seem to apply)
- could question the use of the word “unethically”, will vary from business to business
- over time may change, eg Nike has done a great deal in recent years to build a reputation as being socially responsible.

**Question 02**

**Total for this question: 40 marks**

With reference to **Article C** above **and** your own research, to what extent is the multi-local approach to operating in global markets the right strategy for all organisations? (40 marks)

**Relevant answers might include the following:**

- importance of meeting local needs, eg to meet customer needs more closely; could gain competitive advantage
- in some cases may want to overcome, eg the American image – better to be seen through local brands. The association of Coca Cola with the United States will not always work in its favour
- possibly reduces risk of having more separate operations.

**But:**

- too much decentralisation may lead to loss of consistency and control
- may seek economies of scale through single global approach, may depend on the benefits of economies of scale through single global approach, may depend on the benefits of economies of scale versus gains from meeting customer needs more effectively
- may depend on the business sector, eg local adaptation more feasible in some sectors than others; political climate; society's view of global corporations may depend upon in which markets a business is operating, eg may operate in a limited number of similar regions where adaptation is not so crucial
- in soft drinks recipes, the ways of marketing them may have to be adapted to local markets.

**Section A mark scheme**

	<b>Content 8 marks</b>	<b>Application 8 marks</b>	<b>Analysis 10 marks</b>
<b>Level 3</b>	<b>8–6 marks</b> Good understanding of relevant factors	<b>8–6 marks</b> Good application	<b>10–7 marks</b> Good analysis
<b>Level 2</b>	<b>5–4 marks</b> Reasonable understanding of relevant factors	<b>5–4 marks</b> Reasonable application	<b>6–4 marks</b> Reasonable analysis
<b>Level 1</b>	<b>3–1 marks</b> Limited understanding of relevant factors	<b>3–1 marks</b> Limited application	<b>3–1 marks</b> Limited analysis

**For Evaluation**, you should award marks using the grid below.

**Note:** Evaluation also assesses candidates' quality of written communication. When deciding on the level to be awarded, consider the degree to which the candidate orders and communicates his/her ideas.

<b>Level</b>	<b>Descriptor</b>	<b>Marks</b>
<b>E3</b>	Good judgement. Ideas are communicated using a logical structure, with some appropriate use of technical terms. There are occasional errors in accepted conventions of written communications.	14–11
<b>E2</b>	Reasonable judgement. Ideas are communicated with some structure evident with occasional use of technical terms. There are some errors in accepted conventions of written communications.	10–6
<b>E1</b>	Limited judgement. Ideas are communicated in a simplistic way with limited use of technical terms. There are noticeable errors in accepted conventions of written communications.	5–1

**Question 03**

**Total for this question: 40 marks**

<p>“The key to successful business today is leadership.” To what extent do you agree with this view? (40 marks)</p>
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**Relevant answers might include the following:**

- role of leadership is setting a vision/mission of organisation
- significance of transformational leadership
- motivational effects
- teambuilding effects
- role of leaders in setting/changing the culture
- role of leaders in bringing about change.

**But:**

- may be fighting against the culture
- resources may be an issue/constraint
- may be more important with the growing significance and awareness of people as a resource
- may question whether leadership is enough, eg in adverse economic conditions, relative to role of stakeholders, role of competition
- may depend on the organisation and the conditions, eg role may be more significant in times of crisis
- may consider eg Mulally at Ford, Leahy at Tesco, at Marks and Spencer
- may consider that it is not necessarily a question of one leader but leadership throughout the organisation and at all levels
- may consider the significance of “today”, is leadership becoming more important?

**Question 04**

**Total for this question: 40 marks**

“The ability of an organisation to adapt to change in its external environment is the key to its long-term success.” Discuss this view. (40 marks)

**Relevant answers might include the following:**

- importance of flexibility, eg flexible organisational structure and a lean organisation
- importance of the rate of change in many business environments creating opportunities and threats
- need to adjust or be left behind, eg Kodak and traditional film, Lego and traditional children’s toys
- importance of market strengths and competences to changing market conditions for an effective strategy (eg SWOT analysis)
- could consider eg Nokia and ability to change its shape; McDonald’s adapting to new social trends etc
- could argue some markets less volatile than others but ability to foresee change and adapt to it likely to be very important
- in some cases it may be the organisation generates change rather than adapts to it, eg changing/creating the market (YouTube, MySpace).



**Question 05**

**Total for this question: 40 marks**

“I have the simple but strong belief: how you gather, manage, and use information will determine whether you win or lose.” Bill Gates, Chairman of Microsoft.

To what extent does information management determine the success of a business nowadays? (40 marks)

**Relevant answers might include the following:**

- information management and importance in helping organisations understand the external environment and the internal environment and matching the two
- sharing information so do not have to reinvent the wheel
- having information so making better decisions
- providing information so people are empowered and there is more transparency
- need to understand customers, own strengths, changes in the market
- poor information management can lead to slow decision making, poor decision making and therefore missed opportunities.

With Microsoft very important with such a large organisation operating in many different fast changing markets; information is the lifeblood. However, also used to good competitive effect by many others such as Tesco and Amazon. Answers do not have to be limited to Microsoft.

### Marking Grids for Essays

	<b>Content 8 marks</b>	<b>Application 8 marks</b>	<b>Analysis 10 marks</b>
<b>Level 3</b>	<b>8–6 marks</b> Good understanding of relevant factors	<b>8–6 marks</b> Good application	<b>10–7 marks</b> Good analysis
<b>Level 2</b>	<b>5–4 marks</b> Reasonable understanding of factors	<b>5–4 marks</b> Reasonable application	<b>6–4 marks</b> Reasonable analysis
<b>Level 1</b>	<b>3–1 marks</b> Limited understanding of relevant factors	<b>3–1 marks</b> Limited application	<b>3–1 marks</b> Limited analysis

**For Evaluation**, you should award marks using the grid below.

**Note:** Evaluation also assesses candidates' quality of written communication. When deciding on the level to be awarded, consider the degree to which the candidate orders and communicates his/her ideas.

<b>Level</b>	<b>Descriptor</b>	<b>Marks</b>
<b>E3</b>	Good judgement. Ideas are communicated using a logical structure, with some appropriate use of technical terms. There are occasional errors in accepted conventions of written communications.	14–10
<b>E2</b>	Reasonable judgement. Ideas are communicated with some structure evident with occasional use of technical terms. There are some errors in accepted conventions of written communications.	9–5
<b>E1</b>	Limited judgement. Ideas are communicated in a simplistic way with limited use of technical terms. There are noticeable errors in accepted conventions of written communications.	4–1

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**Unit 4 Specimen Assessment Grid**

<b>Questions</b>	<b>AO1 Content</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4 Evaluation</b>	<b>Total</b>
Q1 and Q2	8	8	10	14	20
Essay	8	8	10	14	40
<b>Total</b>	<b>16</b>	<b>16</b>	<b>20</b>	<b>28</b>	<b>80</b>