



*Rewarding Learning*

**ADVANCED  
General Certificate of Education  
January 2012**

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## **Business Studies**

Assessment Unit A2 2

*assessing*

The Changing Business Environment

**[AT221]**

**WEDNESDAY 1 FEBRUARY, MORNING**

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**MARK  
SCHEME**

**AO1: Demonstrate knowledge and understanding of concepts and issues relating to the report.**

AVAILABLE  
MARKS

<b>Level 0</b>	<b>[0]</b>	No knowledge and understanding.
<b>Level 1</b>	<b>[1]–[4]</b>	Little knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes limited use of specialist terms.
<b>Level 2</b>	<b>[5]–[8]</b>	Some knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes satisfactory use of specialist terms when appropriate.
<b>Level 3</b>	<b>[9]–[12]</b>	Good knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes good use of specialist terms when appropriate.
<b>Level 4</b>	<b>[13]–[16]</b>	Excellent knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes excellent use of specialist terms when appropriate.

Candidates cannot achieve the top band if the report is not in an appropriate format.

Report format should be:

**Title** – Entering the Chinese Market – the Way Forward for Finn Ltd?

**Aim** – The aim of the report is to examine the main issues related to the strategic direction of Finn Ltd, analyse the issues associated with importing from and exporting to the Chinese market, discuss possible impacts on Finn Ltd and draw appropriate conclusions as to whether this proposed strategy is in the best interests of Finn Ltd.

**Introduction** – Should set the scene by briefly describing the current situation relating to Finn Ltd and explain how the report intends to achieve its aims.

**Analysis/Discussion** – This section should highlight the issues involved in the proposed strategy. Issues and implications should be discussed here and connections made between theory and stimulus material. Candidates should evaluate the advantages and disadvantages of the proposed strategy.

**Conclusions/Evaluation** – A final judgement on whether Finn Ltd should enter the Chinese market should be arrived at and recommendations should be made to the management team of Finn Ltd based on evidence generated.

Knowledge and understanding demonstrated in this report might include: globalisation, emerging markets, international trade, economic growth, exchange rates, trade barriers, marketing mix, government policy objectives, competition, business ethics and corporate social responsibility.

**AO2: Apply knowledge and understanding to problems and issues relating to the report.**

AVAILABLE  
MARKS

<b>Level 0</b>	<b>[0]</b>	No evidence that knowledge and initial understanding has been applied.
<b>Level 1</b>	<b>[1]–[6]</b>	Little evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[7]–[11]</b>	Some evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[12]–[16]</b>	Good evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. The answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[17]–[21]</b>	Comprehensive evidence that excellent knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. The answer is organised in a clear and coherent manner.

Candidates should draw on information presented in the case study. They must apply their knowledge and understanding to select that information relevant in order to analyse the issues and impacts associated with the proposed strategy and evaluate whether this strategy is in the best interests of Finn Ltd. They must also apply their knowledge and understanding to consider recommendations for the management of Finn Ltd.

Information selected might include evidence relating to Finn Ltd, financial data, exchange rates and the economy, ethical issues relating to the sourcing of timber, corporate social responsibility, competition and international trade.

**AO3: Analyse problems, issues and situations relating to the report.**

AVAILABLE  
MARKS

<b>Level 0</b>	<b>[0]</b>	No analysis of the problems, issues and situations.
<b>Level 1</b>	<b>[1]–[5]</b>	Little analysis of the problems, issues and situations relevant to the report. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[6]–[10]</b>	Some analysis of the problems, issues and situations relevant to the report. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[11]–[15]</b>	Good analysis of the problems, issues and situations relevant to the report. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the question. The answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[16]–[19]</b>	Comprehensive analysis of the problems, issues and situations relevant to the report. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. The answer is organised in a clear and coherent manner.

Candidates must analyse the selected information in order to gain a full awareness of the extent of the issues faced by Finn Ltd. They should proceed to discuss the impacts of the proposed strategy of entering the Chinese market. Information selected and analysed should include:

- negative impacts of entering the Chinese market – unfamiliarity with specific market/industry; high cost of carrying out research; marketing costs; pricing for exchange rate movements; possible damage to reputation and corporate image of Finn Ltd plc in obtaining supplies from ethically unproven sources;
- positive impacts of entering the Chinese market – opportunity of expanding Finn Ltd and thereby increasing profits; build upon expertise in international trade, storage and transport; possible savings available in terms of staffing; economies of scale in terms of expertise and technology; and ability to utilise spare production capacity.

**AO4: Evaluate, distinguish between and assess appropriateness of fact and opinion, and judge information from a variety of sources.**

AVAILABLE  
MARKS

<b>Level 0</b>	<b>[0]</b>	No evaluation of the evidence.
<b>Level 1</b>	<b>[1]–[6]</b>	Little evaluation of all the evidence to arrive at reasoned and valid conclusions. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[7]–[12]</b>	Some evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[13]–[18]</b>	Good evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. The answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[19]–[24]</b>	Comprehensive evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. The answer is organised in a clear and coherent manner.

Candidates should draw conclusions, based on their analysis of the issues regarding whether Finn Ltd should enter the Chinese market. They must use different sources from the case study and be able to show that they know the difference between fact and opinions. In the evaluation they must show both the positive and negative sides of impacts considered and they must make a final judgement regarding the option the management team should follow. In reaching their judgement candidates should recognise the advantages and disadvantages to Finn Ltd. Candidates should also make realistic recommendations for the attention of the management team of Finn Ltd. [80]

**Total**

80

**80**