



*Rewarding Learning*

**ADVANCED SUBSIDIARY (AS)  
General Certificate of Education**

---

## **Business Studies**

Assessment Unit AS 1

*assessing*

Introduction to Business

**[SBU11]**

---

# **Assessment**

**MARK  
SCHEME**

## **General Marking Instructions**

### ***Introduction***

The main purpose of the mark scheme is to ensure that examinations are marked accurately, consistently and fairly. The mark scheme provides examiners with an indication of the nature and range of candidates' responses likely to be worthy of credit. It also sets out the criteria which they should apply in allocating marks to candidates' responses.

### ***Assessment objectives***

Below are the assessment objectives for GCE Business Studies.

Candidates should be able to:

- AO1** Demonstrate knowledge of terms, concepts, theories, methods and models to show an understanding of how individuals and organisations are affected by and respond to business issues.
- AO2** Apply knowledge and understanding to various business contexts to show how individuals and organisations are affected by and respond to issues.
- AO3** Analyse issues within a business, showing an understanding of the impact on individuals and organisations of external and internal influences.
- AO4** Evaluate quantitative and qualitative information to make informed judgements and propose evidence-based solutions to business issues.

### ***Quality of candidates' responses***

In marking the examination papers, examiners should be looking for a quality of response reflecting the level of maturity which may reasonably be expected of a 17 or 18-year-old which is the age at which the majority of candidates sit their GCE examinations.

### ***Flexibility in marking***

Mark schemes are not intended to be totally prescriptive. No mark scheme can cover all the responses which candidates may produce. In the event of unanticipated answers, examiners are expected to use their professional judgement to assess the validity of answers. If an answer is particularly problematic, then examiners should seek the guidance of the Supervising Examiner.

### ***Positive marking***

Examiners are encouraged to be positive in their marking, giving appropriate credit for what candidates know, understand and can do rather than penalising candidates for errors or omissions. Examiners should make use of the whole of the available mark range for any particular question and be prepared to award full marks for a response which is as good as might reasonably be expected of a 17 or 18-year-old GCE candidate.

### ***Awarding zero marks***

Marks should only be awarded for valid responses and no marks should be awarded for an answer which is completely incorrect or inappropriate.

### ***Marking Calculations***

In marking answers involving calculations, examiners should apply the 'own figure rule' so that candidates are not penalised more than once for a computational error. To avoid a candidate being penalised, marks can be awarded where correct conclusions or inferences are made from their incorrect calculations.

### **Types of mark schemes**

Mark schemes for tasks or questions which require candidates to respond in extended written form are marked on the basis of levels of response which take account of the quality of written communication.

Other questions which require only short answers are marked on a point for point basis with marks awarded for each valid piece of information provided.

### **Levels of response**

In deciding which level of response to award, examiners should look for the 'best fit' bearing in mind that weakness in one area may be compensated for by strength in another. In deciding which mark within a particular level to award to any response, examiners are expected to use their professional judgement.

The following guidance is provided to assist examiners.

- **Threshold performance:** Response which just merits inclusion in the level and should be awarded a mark at or near the bottom of the range.
- **Intermediate performance:** Response which clearly merits inclusion in the level and should be awarded a mark at or near the middle of the range.
- **High performance:** Response which fully satisfies the level description and should be awarded a mark at or near the top of the range.

### **Quality of written communication**

Quality of written communication is taken into account in assessing candidates' responses to all tasks and questions that require them to respond in extended written form. These tasks and questions are marked on the basis of levels of response. The description for each level of response includes reference to the quality of written communication.

For conciseness, quality of written communication is distinguished within levels of response as follows:

Level 1: Quality of written communication is basic.

Level 2: Quality of written communication is satisfactory.

Level 3: Quality of written communication is good.

Level 4: Quality of written communication is excellent.

In interpreting these level descriptions, examiners should refer to the more detailed guidance provided below:

**Level 1 (Basic):** The candidate makes only a basic selection and use of an appropriate form and style of writing. The organisation of material may lack clarity and coherence. There is little use of specialist vocabulary. Presentation, spelling, punctuation and grammar may be such that intended meaning is not clear.

**Level 2 (Satisfactory):** The candidate makes a satisfactory selection and use of an appropriate form and style of writing. Relevant material is organised with some degree of clarity and coherence. There is some use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are satisfactory enough to make meaning clear.

**Level 3 (Good):** The candidate makes a good selection and use of an appropriate form and style of writing. Relevant material is organised with good clarity and coherence. There is good use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are sufficiently competent to make meaning clear.

**Level 4 (Excellent):** The candidate successfully selects and uses the most appropriate form and style of writing. Relevant material is organised with a high degree of clarity and coherence. There is widespread and accurate use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of a sufficiently high standard to make meaning very clear.

## 1 (a) (AO1, AO2)

Explain how Harry's paternalistic leadership style impacts on the motivation of SW Hotel's staff. [4]

**Paternalistic leadership** is a managerial approach that involves a dominant authority figure who acts as a patriarch or matriarch and treats employees and partners as though they are members of a large, extended family. In exchange, the **leader** expects loyalty and trust from employees, as well as obedience.

**Application:**

- Harry's aim is to develop trust and loyalty through acting on the needs, wants and wellbeing of his staff but still require all staff to carry out his demands without question.
- He feels that an autocratic style of leadership require his staff to carry out his demands without question and this would necessitate high levels of supervision with little or no care for needs and opinions of his staff.
- Harry promotes himself as a father figure and his staff are his children.
- He takes a tough but fair approach to decision making. His paternalistic approach has the added benefit of achieving greater staff motivation, as staff potentially feel more valued and cared for leading to lower staff turnover and greater productivity.

**Marking:**

- Good, accurate knowledge of how Harry's paternalistic leadership style impacts on the motivation of SW Hotel's staff. [2]
- Basic knowledge of how Harry's paternalistic leadership style impacts on the motivation of SW Hotel's staff. [1]
- Good use of relevant source material of how Harry's paternalistic leadership style impacts on the motivation of SW Hotel's staff. [2]
- Limited use of relevant source material to support detailed explanation of how Harry's paternalistic leadership style impacts on the motivation of SW Hotel's staff. [1]
- Answers not worthy of credit. [0]

## (b) (AO1, AO2, AO3)

Calculate the percentage change in the price paid per room from 2019 to 2020. You must show your workings and state your answer to the nearest whole number. [2]

- (i) 2020 price paid was £90.16  
2019 price paid was £77.95

Difference is £12.21

$$\frac{£12.21}{£77.95} \times 100 = \mathbf{15.66\% = 16\%}$$

**Marking:**

- statement of correct figures (12.21/77.95) [2]
- statement of correct answer **16%** [2]
- statement of correct answer but not rounded to nearest whole [1]
- statement of correct workings but incorrect answer [1]
- statement of incorrect answer and incorrect calculation [0]

(ii) Analyse **two** factors which might influence the demand for hotel accommodation at SW Hotel.

[6]

AVAILABLE  
MARKS

Factor	Influence the Demand for Hotel Accommodation
Change in Disposable Income	Changing levels of consumer disposable income, e.g. context of a pandemic
Tastes and Fashions	Waterfront Hall extension for meetings, conventions and exhibitions
Advertising/Promotion	Recently voted best place to visit and explore by Lonely Planet

**Marking:**

**Level 3 ([5]–[6])**

An excellent response demonstrates:

- Well-focused and sound analysis of **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Comprehensive and relevant, accurate knowledge and understanding of **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Thorough and detailed use of relevant source material to analyse **two** factors which might influence the demand for hotel accommodation at SW Hotel.

**Level 2 ([3]–[4])**

A good response demonstrates:

- Focused analysis of up to **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Good, accurate knowledge and understanding of up to **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Good use of relevant source material to analyse up to **two** factors which might influence the demand for hotel accommodation at SW hotel.

**Level 1 ([1]–[2])**

A basic response demonstrates:

- Basic analysis of up to **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Basic knowledge and understanding of up to **two** factors which might influence the demand for hotel accommodation at SW Hotel.
- Limited use of relevant source material to analyse up to **two** factors which might influence the demand for hotel accommodation at SW Hotel.

Answers not worthy of credit **[0]** marks.

[6]

(c) (AO1, AO2, AO3)

Analyse **three** non-monetary methods of motivation employed by SW Hotel to increase its staff productivity. [10]

- SW Hotel carries out annual quality circles – they identify areas to improve within each department of the hotel. The hotel management team is aware that staff lack motivation due to the nature of hotel work, e.g. working unsociable hours in the hotel industry.
- SW Hotel are keenly aware that staff are more willing to work at hotels which offer better comfortable working conditions. SW Hotel's kitchen offers a clean air-conditioned environment with a well-lit kitchen and up to date kitchen equipment.
- SW Hotel believe that improved communications are key to their motivational programs. The staff are made aware of ongoing events through its intranet and weekly newspaper, giving all staff feeling a greater sense of belonging and value to SW Hotel.
- Greater job satisfaction, the employees should be a lot more productive in the hotel. They will take a lot more pride in the quality and cleanliness of the hotel, e.g. customer service will be of a much higher standard.
- Team-working – employees are told about training events via the internet or the weekly bulletins.

**Marking:**

**Level 3 ([8]–[10])**

An excellent response demonstrates:

- Well-focused and sound analysis of three non-monetary methods of motivation for SW Hotel.
- Comprehensive and relevant, accurate knowledge and understanding of three non-monetary methods of motivation for SW Hotel.
- Thorough and detailed use of relevant source material to analyse three non-monetary methods of motivation for SW Hotel.
- An excellent quality of written communication.

**Level 2 ([4]–[7])**

A good response demonstrates:

- Focused analysis of up to three non-monetary methods of motivation for SW Hotel.
- Good, accurate knowledge and understanding of up to three non-monetary methods of motivation for SW Hotel.
- Good use of relevant source material to analyse up to three benefits of non-monetary methods of motivation for SW Hotel.
- A good quality of written communication.

**Level 1 ([1]–[3])**

A basic response demonstrates:

- Basic analysis of up to three non-monetary methods of motivation for SW Hotel.
- Basic knowledge and understanding of up to three non-monetary methods of motivation for SW Hotel.
- Limited use of relevant source material to analyse one, two or three benefits of non-monetary methods of motivation for SW Hotel.
- A basic quality of written communication.

Answers not worthy of credit [0] marks. [10]

AVAILABLE  
MARKS

- The question requires an analysis of non-monetary methods of motivation for SW Hotel. Any additional factors discussed will not attract any marks.

**(d)** (AO1, AO2, AO3, AO4)

Evaluate a partnership as an appropriate type of ownership of SW Hotel for both Robert Smith and Harry Wilson. [18]

- SW Hotel, owned by Robert Smith and Harry Wilson, trades as a partnership and is located in Belfast City Centre. The hotel was purchased for £5 million with £500,000 coming from each partner and bank mortgage of £4 million.
- The 25 year mortgage was authorised on the understanding that both partners gave personal undertakings that the mortgage would be repaid fully even if the hotel goes into liquidation.
- On advice from their solicitor they signed a Partnership Deed. The Deed states that both partners invest £500,000 each, each working partner will receive salaries of £50,000 per annum, and all future net profits will be divided equally between both partners.
- Future partners can buy in to the Hotel but Partnership Deed must be reviewed.
- Greater specialisation, Harry manages hotel.
- Share losses, if SW Hotel makes a loss of profits then each share that risk.
- Clear roles and responsibilities – better management.
- Easy formation, Partnership Deed.
- Each partner brings in more capital, £500,000 each.
- Unlimited liability, If SW Hotel goes into bankruptcy then each partner must pay off bank mortgage irrespective of their own personal situation.
- Share of profits and losses.
- Disagreements can arise and possible ineffective leadership and efficiency.
- A deed of partnership is not required by law but very important when issues arise regarding share of profits and other issues.
- Harder to access finance without personal guarantees.
- Additional Capital is limited to the two partners only.

Final judgement – the partnership appears to be working at the minute, but as time goes on and as the growth of SW Hotel continues they may consider a second hotel then a different type of ownership is required, possibly limited companies.

**Marking:**

**Level 4 ([14]–[18])**

An excellent response demonstrates:

- Comprehensive and relevant, accurate knowledge and understanding, and detailed evaluation of partnership as an appropriate type of ownership of SW Hotel.
- Highly appropriate, clear and logical judgement of the appropriateness of a partnership for SW Hotel.
- Thorough use of relevant source material to address partnership as appropriate for SW Hotel.
- An excellent quality of written communication.

**Level 3 ([10]–[13])**

A good response demonstrates:

- Sound, good, accurate knowledge and understanding, and evaluation of partnership as an appropriate type of ownership of SW Hotel.
- An appropriate, clear and logical judgement of partnership as an appropriate type of ownership of SW Hotel.
- Good use of relevant source material to evaluate partnership as an appropriate type of ownership of SW Hotel.
- A good quality of written communication.

**Level 2 ([6]–[9])**

A satisfactory response demonstrates:

- Satisfactory knowledge and understanding and evaluation of partnership as an appropriate type of ownership of SW Hotel for both Robert Smith and Harry Wilson.
- A suitable, appropriate judgement on how beneficial a partnership is as an appropriate type of ownership of SW Hotel.
- A satisfactory quality of written communication.

**Level 1 ([1]–[5])**

A basic response demonstrates:

- Basic knowledge and understanding, with unfocused evaluation of partnership as an appropriate type of ownership of SW Hotel.
- Basic or no judgement based on limited analysis of partnership as an appropriate type of ownership of SW Hotel.
- Limited use of relevant source material to address partnership as an appropriate type of ownership of SW Hotel.
- A basic quality of written communication.

Answers not worthy of credit **[0]** marks.

[18]

40

AVAILABLE  
MARKS

## 2 (a) (AO1, AO2)

Explain the main feature of Sarah's Restaurant operating as a social enterprise. [4]

- Sarah operates her restaurant as a social enterprise whose main aim is maximised profits with a substantial annual donation going to the local homeless organisation charities, Shelter NI and the Simon Community for the Homeless.
- Sarah believes that by operating as a social enterprise she will make a difference in tackling local social problems, improving people's life chances and provide training and employment opportunities for those marginalised from the workforce, especially the homeless.

**Marking:**

- Good, accurate knowledge and detailed explanation of the main feature of Sarah's social enterprise restaurant. [2]
- Basic knowledge and explanation of the main feature of Sarah's social enterprise restaurant. [1]
- Good use of relevant source material to support detailed explanation of the main feature of Sarah's social enterprise restaurant. [2]
- Limited use of relevant source material to support detailed explanation of the main feature of Sarah's social enterprise restaurant. [1]
- Answers not worthy of credit. [0]

## (b) (AO1, AO2, AO3)

Analyse **two** on-the-job training methods that Sarah uses to develop her staff. [8]

- Sarah believes that her employees are the public face of her restaurant and therefore must be thoroughly trained for their job. Training gives her staff confidence to know they are acting in the best interests of the restaurant. Sarah's staff training schemes include ongoing on-the-job training and off-the-job training for all employees.
- Sarah's on-the-job training includes role-playing interactions with customers, staff quizzes to drill staff on their knowledge of the menu (and potential allergens in the recipes) and familiarity with any new digital technology such as entering orders onto their smart tablet.
- Even after her employees are proficient at their jobs, Sarah schedules regular on-the-job training sessions as she believes it's about keeping their skills sharp as changes in the industry is constant.
- Ongoing on-the-job training also keeps her employees current with changing food legislation.

**Marking:****Level 3 ([6]–[8])**

An excellent response demonstrates:

- Well-focused and sound use of **two** on-the-job training methods that Sarah uses to develop her staff.
- Comprehensive and relevant, accurate knowledge and understanding of **two** on-the-job training methods that Sarah uses to develop her staff.
- Thorough and detailed use of **two** on-the-job training methods that Sarah uses to develop her staff.

**Level 2 ([3]–[5])**

A good response demonstrates:

- Focused analysis of up to **two** on-the-job training methods that Sarah uses to develop her staff.
- Good, accurate knowledge and understanding of up to **two** on-the-job training methods that Sarah uses to develop her staff.
- Good application of up to **two** on-the-job training methods that Sarah uses to develop her staff.

**Level 1 ([1]–[2])**

A basic response demonstrates:

- Basic analysis of up to **two** on-the-job training methods that Sarah uses to develop her staff.
- Basic knowledge and understanding of disadvantages of up to **two** on-the-job training methods that Sarah uses to develop her staff.

Answers not worthy of credit **[0]** marks. [8]

**(c) (AO1, AO2, AO3)**

Analyse **three** of Sarah's approaches to adding value aimed at improving her restaurant's efficiency. [10]

- Sarah makes sure her restaurant is operating as efficiently as possible and employs value-added services to improve its efficiency. Sarah invests in digital technology which touches every aspect of the dining experience for both the customer and restaurateur.
- Her restaurant is affected by the increasing popularity of blogs and social media. Her patrons are able to talk about their experience in her restaurant online immediately, which spreads priceless publicity or potentially harmful reviews.
- Sarah has multiple long range wireless terminals in her restaurant which allow her customers to pay their bill at their table. This value added service allows her staff to cater for other guests while a customer is completing their payment.
- Sarah's software allows for the integration of kitchen and restaurant staff to use the same system to place a customer's order on a smart tablet, as well as allowing the customer to make their payment on the same smart tablet. This additional value added service removed the many time delays and communication problems of past systems.

**Marking:****Level 3 ([8]–[10])**

An excellent response demonstrates:

- Well-focused and sound discussion of **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Comprehensive and relevant, accurate knowledge and understanding of **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Thorough and detailed use of relevant source material to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- An excellent quality of written communication.

**Level 2 ([4]–[7])**

A good response demonstrates:

- Focused discussion of up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Good, accurate knowledge and understanding of up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Good use of relevant source material to discuss up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- A good quality of written communication.

**Level 1 ([1]–[3])**

A basic response demonstrates:

- Basic discussion of up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Basic knowledge and understanding of up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- Limited use of relevant source material to discuss up to **three** of Sarah's approaches to adding value to increase her restaurant's efficiency.
- A basic quality of written communication.

Answers not worthy of credit **[0]** marks.

[10]

The question requires a discussion of **three** of Sarah's approaches to adding value to increase her restaurant's efficiency. Any additional reasons discussed will not attract any marks.

**(d) (AO1, AO2, AO3, AO4)**

Evaluate Sarah's need for a quality policy to ensure the long-term survival of her restaurant. [18]

- Sarah implemented her Restaurant Quality Policy to provide assurance to her valued clients.
- Her quality aim is for her restaurant to exceed her customers' expectations by providing superior food quality and exceptional service.
- Quality is a vital measure for Sarah and it is critical to her restaurant's long-time survival and reputation of her restaurant.
- Her quality policy requires that her restaurant undergoes continuous standard internal checks and audits so that all meals leaving the kitchen are of the highest quality and free from defects.
- If Sarah's quality checks are carried out poorly then the detrimental outcome is substandard meals.
- As part of her quality policy Sarah uses mystery shoppers to check a whole range of quality criteria including level and speed of customer service, restaurant cleanliness and food quality.
- Costs are reduced because of less wastage of food and a better quality menu.
- A quality policy can improve employee motivation, they will have clear targets in the café and this will improve their motivation.
- It can give the restaurant a good image in the community.
- Having a quality policy can ensure that customers receive good customer service.
- There will be consistency in the restaurant, the quality of food and beverage will always be to a high standard.
- There will be fewer complaints from customers.

- It will take a lot of time from Sarah in order to draw up the policy and implement it.
- It will cost a lot of money to train the staff properly in training, on-the-job training may be good enough.
- If the quality targets are not met it can be quite demotivating for the staff in the restaurant.

**Marking:**

**Level 4 ([14]–[18])**

An excellent response demonstrates:

- Comprehensive and relevant, accurate knowledge and understanding, and detailed evaluation of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- Highly appropriate, clear and logical judgement of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- Thorough use of relevant source material to address the use of quality control to improve the long-term survival of Sarah’s restaurant.
- An excellent quality of written communication.

**Level 3 ([10]–[13])**

A good response demonstrates:

- Sound, good, accurate knowledge and understanding, and evaluation of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- An appropriate, clear and logical judgement of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- Good use of relevant source material of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- A good quality of written communication.

**Level 2 ([6]–[9])**

A satisfactory response demonstrates:

- Satisfactory knowledge and understanding and application of the use of quality control to improve the long-term survival of Sarah’s restaurant.
- A suitable, appropriate judgement on the use of quality control to improve the long-term survival of Sarah’s restaurant.
- A satisfactory quality of written communication.

**Level 1 ([1]–[5])**

A basic response demonstrates:

- Basic knowledge and understanding, with unfocused evaluation of Sarah’s need for a quality policy to improve the long-term survival of her restaurant.
- Basic or no judgement based on limited analysis of the use of quality control to improve the long-term survival of Sarah’s restaurant.
- Limited use of relevant source material of how the use of quality control to improve the long-term survival of Sarah’s restaurant.
- A basic quality of written communication.

Answers not worthy of credit **[0]** marks.

[18]

**Total**

**AVAILABLE  
MARKS**

40

**80**