

# 2022 HSC Business Studies Marking Guidelines

## Section I

### Multiple-choice Answer Key

Question	Answer
1	B
2	C
3	C
4	B
5	D
6	A
7	C
8	A
9	D
10	D
11	C / D
12	C
13	C
14	D
15	A
16	B
17	B
18	D
19	C
20	A

## Section II

### Question 21 (a)

Criteria	Marks
<ul style="list-style-type: none"> <li>• Sketches in general terms a performance objective relevant to the business</li> </ul>	2
<ul style="list-style-type: none"> <li>• Identifies an objective for this business</li> </ul>	1

**Sample answer:**

- Dependability would be a key performance objective for this business as customers expect consistency. They want their burgers to be served in the same timeframe, be the same size, temperature and taste each time they purchase one.

**Answers could include:**

- Quality, speed, dependability, flexibility, customisation, cost.

### Question 21 (b)

Criteria	Marks
<ul style="list-style-type: none"> <li>• Provides reasons in favour of an appropriate inventory management strategy for the business</li> </ul>	3
<ul style="list-style-type: none"> <li>• Provides a reason in favour of an appropriate inventory management strategy for the business</li> </ul>	2
<ul style="list-style-type: none"> <li>• Makes a relevant statement about inventory management</li> </ul>	1

**Sample answer:**

Just-in-time would be an effective inventory method as it would allow the business to take advantage of fresh produce as it arrives. This would also save them storage space and the costs associated with this.

**Answers could include:**

- Last in first out
- First in first out.

### Question 21 (c)

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides detailed similarities and/or differences about the efficiency and profitability of each layout</li> </ul>	4
<ul style="list-style-type: none"> <li>Provides some similarities and/or differences about efficiency and profitability of each layout</li> </ul>	3
<ul style="list-style-type: none"> <li>Provides similarities and/or differences about efficiency and/or profitability of the layouts</li> </ul>	2
<ul style="list-style-type: none"> <li>Provides relevant information about process layout</li> </ul>	1

**Sample answer:**

The layout of option 2 allows employees to make a finished burger efficiently as the process to make burgers is sequential. In comparison, option 1's narrow kitchen layout requires employees to go back and forth between work stations to make the burger which could lead to accidents and time lost, causing it to be more inefficient. Option 1 has more tables which could seat more customers and therefore increase profitability compared to option 2 which has fewer tables for dine-in customers, therefore it is unable to maximise profitability.

### Question 22 (a)

Criteria	Marks
<ul style="list-style-type: none"> <li>Sketches in general terms the effect an increase in the minimum wage has on business</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a general statement about minimum wage</li> </ul>	1

**Sample answer:**

An increase in the minimum wage is likely to increase on-costs for businesses. This may lead to businesses passing these costs on to consumers or it may reduce profitability as business expenses rise.

### Question 22 (b)

Criteria	Marks
<ul style="list-style-type: none"> <li>Sketches in general terms how minimum employment standards protect employees using examples</li> </ul>	3
<ul style="list-style-type: none"> <li>Sketches in general terms how minimum employment standards protect employees and may provide example(s)</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a relevant statement about minimum employment standards</li> </ul>	1

**Sample answer:**

Minimum employment standards include eleven legally mandated standards that provide basic protections for all employees. The minimum standards outline basic employee rights in the workplace, regardless of the type of employment contract. For example, all full-time workers are provided with the right to four weeks annual leave and a paid day off on public holidays.

### Question 22 (c)

Criteria	Marks
• Provides the ways performance appraisals are beneficial to employers	3
• Provides a way performance appraisals are beneficial to employers	2
• Makes a relevant statement about performance appraisals	1

**Sample answer:**

Performance appraisals can be developmental or administrative. They allow employers to provide feedback to employees about their performance and can be used to identify their training and development needs. They can also be used to reward and incentivise employees for high performance.

### Question 22 (d)

Criteria	Marks
• Provides why and/or how an induction program for new employees is important	3
• Provides characteristics and features of the induction process for new employees	2
• Makes a relevant statement about induction	1

**Sample answer:**

The induction process introduces new employees to the workplace. Induction can enhance employee understanding of workplace culture, policies and procedures, allowing them to make a significant contribution to the business from the outset of their employment enhancing employee competence, providing a positive attitude to the job and the business.

### Question 23 (a)

Criteria	Marks
<ul style="list-style-type: none"> <li>Correctly calculates the efficiency of the business</li> </ul>	1

**Sample answer:**

Total expenses ÷ total sales  
 = \$600 000 ÷ 1 500 000  
 = 40% (or 0.4 : 1)

### Question 23 (b)

Criteria	Marks
<ul style="list-style-type: none"> <li>Clearly shows the relationship between the expense ratio and the business' efficiency</li> </ul>	3
<ul style="list-style-type: none"> <li>Provides characteristics and features of the expense ratio and business' efficiency</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a relevant statement about the expense ratio or efficiency</li> </ul>	1

**Sample answer:**

Efficiency is a measure of the ability of a business to use its resources effectively. The gifts and homewares business are currently spending \$0.40 in expenses for every \$1 of sales. The lower this expense ratio is, the more efficient the business is. If this business can reduce their indirect costs and maintain or increase sales, they demonstrate that they are able to use resources effectively and improve their profitability.

### Question 23 (c)

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides a reason for gearing being an important consideration for the lender to this business</li> </ul>	3
<ul style="list-style-type: none"> <li>Demonstrates an understanding of a reason the level of gearing is an important consideration</li> </ul>	2
<ul style="list-style-type: none"> <li>Provides some relevant information about gearing</li> </ul>	1

**Sample answer:**

Gearing refers to the ability of a business to meet its financial obligations in the longer term. It can help the lender to this business understand their risk and determine the ability of the business to meet its loan repayments, helping them decide whether to lend the business money, or not. In this case the business gearing would indicate they can repay their debt.

### Question 23 (d)

Criteria	Marks
• Using financial information, clearly provides reasons why the business should use debt finance to acquire the two new stores	4
• Provides reasons why the business should use debt finance to acquire the two new stores	3
• Sketches in general terms a reason for the business using debt finance	2
• Makes a relevant statement about debt and/or finance	1

**Sample answer:**

The gifts and homewares business should use debt finance to purchase their new stores because of the relatively low interest rate of 4% they can access. Currently with a \$500 000 net profit and potential for this to increase due to the new stores they will be able to meet their increased debt obligations. Debt finance also allows the business to access the money relatively quickly and as the borrowed money is forecast to create increased profits, it seems like an appropriate decision. Additionally, there is no loss of ownership in the family-owned business.

### Question 24 (a)

Criteria	Marks
• Sketches in general terms one promotion strategy to launch the new product range	2
• Identifies a promotion strategy	1

**Sample answer:**

The business could use advertising via television or social media to launch their new product range. This would alert potential customers to their new products using different media.

### Question 24 (b)

Criteria	Marks
• Demonstrates a clear understanding of the way the business will know the marketing plan has been successful	3
• Demonstrates an understanding of the way the business will know the marketing plan has been successful	2
• Makes a relevant statement about the marketing plan	1

**Sample answer:**

In the marketing plan, the business would have developed a financial forecast that included the cost and potential sales of the new product range. The business could monitor and control the marketing plan, comparing actual with planned results in terms of sales and market share to determine the success of their new product range.

### Question 24 (c)

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides reasons why the business should adopt the marketing approach instead of the selling approach</li> </ul>	4
<ul style="list-style-type: none"> <li>Provides a reason why the business should adopt the marketing approach instead of the selling approach</li> </ul>	3
<ul style="list-style-type: none"> <li>Sketches in general terms the marketing approach and/or the selling approach</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a relevant statement</li> </ul>	1

**Sample answer:**

The business should adopt the marketing approach instead of the selling approach as the selling approach is focused mostly on selling due to increased competition and it often neglects the needs of the customer.

By using the marketing approach the business can find out what the customer wants and can satisfy their needs. This is usually achieved through market research and finding out customer needs and wants prior to introducing new products into a market.

## Section III

### Question 25

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides a detailed description of product and branding strategies that the company could use to expand into global markets</li> <li>Provides detailed reasons in favour of a channel choice for the company</li> <li>Draws out and relates the implications of global financial management strategies for the company</li> <li>Applies the information provided, demonstrating extensive knowledge and understanding relevant to the question</li> <li>Presents a sustained, logical and cohesive business report integrating relevant business terminology and concepts</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Provides a description of product and branding strategies that the company could use to expand into global markets</li> <li>Provides some reasons in favour of a channel choice for the company</li> <li>Makes evident the impact of global financial management strategies for the company</li> <li>Uses the information provided, demonstrating knowledge and understanding relevant to the question</li> <li>Presents a logical and cohesive business report using relevant business terminology and concepts</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Outlines a product and/or branding strategy that the company could use</li> <li>Provides a description of channel choice for the company</li> <li>Provides a description of a global financial management strategy/ies</li> <li>Makes some use of the information provided</li> <li>Includes features of a business report and uses some business terminology and concepts</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Outlines a product and/or branding strategy</li> <li>Outlines a channel choice</li> <li>Indicates a feature of a financial management strategy</li> <li>May include some features of a business report and uses some basic business terminology</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Refers to marketing and/or finance</li> <li>Uses basic business terminology</li> </ul>	1–4

**Answers could include:**

- Product strategies
  - branding
  - packaging
- Global branding/standardisation
- Channel choice
  - intensive
  - selective
  - exclusive
- Global financial management strategies

- exchange rates
- interest rates
- methods of international payment
- hedging
- derivatives.

## Section IV

### Question 26

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides a detailed explanation of the importance to a business of having human resource strategies that reduce workplace disputes and increase worker satisfaction</li> <li>Integrates relevant case study/studies and contemporary business issues</li> <li>Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Provides a sound explanation of the importance to a business of having human resource strategies that reduce workplace disputes and increase worker satisfaction</li> <li>Uses relevant case study/studies and contemporary business issues</li> <li>Presents a logical and cohesive response using relevant business terminology and concepts</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Describes the importance to a business of having human resource strategies that reduce workplace disputes and increase worker satisfaction</li> <li>May make reference to case study/studies and contemporary business issues</li> <li>Communicates using business terminology and concepts</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Makes some reference to human resources strategies that are important to levels of disputation and/or worker satisfaction</li> <li>May make limited reference to case study/studies and/or contemporary business issues</li> <li>Communicates using some business terminology and concepts</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Makes limited reference to human resource strategies</li> <li>May identify case study/studies</li> <li>Uses basic business terminology</li> </ul>	1–4

#### **Answers could include:**

Strategies in human resource management

- leadership style
- job design – general or specific tasks
- recruitment – internal or external, general or specific skills
- training and development – current and future skills
- performance management – developmental or administrative
- rewards – monetary and non-monetary, individual or group, performance pay
- global – costs, skills, supply
- workplace disputes – resolution – negotiation, mediation, grievance procedures, involvement of courts and tribunals

## Question 27

Criteria	Marks
<ul style="list-style-type: none"> <li>Provides a detailed explanation of why operation processes are important in maintaining a competitive advantage</li> <li>Integrates relevant case study/studies and contemporary business issues</li> <li>Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Provides a sound explanation of why operation processes are important in maintaining a competitive advantage</li> <li>Uses relevant case study/studies and contemporary business issues</li> <li>Presents a logical and cohesive response using relevant business terminology and concepts</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Describes why operation processes and/or strategies are important in maintaining a competitive advantage</li> <li>May make reference to case study/studies and contemporary business issues</li> <li>Communicates using business terminology and concepts</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Makes some reference to operations processes and/or strategies and/or competitive advantage</li> <li>May make limited reference to case study/studies and/or contemporary business issues</li> <li>Communicates using some business terminology and concepts</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Makes limited reference to operations</li> <li>May identify case study/studies</li> <li>Uses basic business terminology</li> </ul>	1–4

### **Answers could include:**

Operations processes

- Inputs
  - Transformed resources (materials, information, customers)
  - Transforming resources (facilities and human resources)
- Transformation processes
  - The influence of volume, variety, variation in demand and visibility (customer contact)
  - Sequencing and scheduling – Gantt charts, critical path analysis
  - Technology, task design and process layout
  - Monitoring, control and improvement
- Outputs
  - Customer service
  - Warranties

A variety of sustained competitive advantage factors could be considered. Examples could include:

- cheaper inputs
- increased volume
- improved cost leadership
- improved good/service differentiation

- economies of scale
- improved technology
- increased quality, speed, dependability, flexibility, customisation
- increased profitability.

# 2022 HSC Business Studies Mapping Grid

## Section I

Question	Marks	Content	Syllabus outcomes
1	1	Marketing – economic influences	H2
2	1	Human resources processes – separation	H4
3	1	Marketing processes – market research	H8
4	1	Operations influences – quality expectations	H2, H5
5	1	Marketing strategies – segmentation	H5
6	1	Human resource strategies – reward	H3
7	1	Operations strategies – global sourcing	H5
8	1	Human resource effectiveness indicators – accidents	H6
9	1	Human resource strategies – workplace disputes	H2, H5
10	1	Operations influences – legal	H3
11	1	Marketing processes – product life cycle	H2, H5
12	1	Operations role – goods/service differentiation	H5
13	1	Financial influences – global market influences	H1, H2
14	1	Financial influences – government	H2
15	1	Operations strategies – logistics	H8
16	1	Marketing strategies – pricing	H5
17	1	Role of marketing – types of markets	H1, H8
18	1	Financial management strategies – working capital	H2, H5
19	1	Finance, operations and human resources – interdependence	H5, H8
20	1	Financial management processes – financial ratios	H10

## Section II

Question	Marks	Content	Syllabus outcomes
21 (a)	2	Operations strategies – performance objectives	H5, H8
21 (b)	3	Operations strategies – inventory management	H6, H8
21 (c)	4	Operations processes – (transformation) process layout	H8
22 (a)	2	Human resource influences – legal	H2
22 (b)	3	Human resource influences – legal	H2
22 (c)	3	Human resources strategies – performance management	H5, H6
22 (d)	3	Human resource processes – acquisition	H3, H4
23 (a)	1	Financial management processes – efficiency	H4, H10
23 (b)	3	Financial processes – efficiency	H4
23 (c)	3	Financial processes – gearing	H2
23 (d)	4	Financial influences – debt	H5, H6
24 (a)	2	Marketing strategies	H4
24 (b)	3	Marketing processes – monitoring and controlling	H6

Question	Marks	Content	Syllabus outcomes
24 (c)	4	Role of marketing	H1

**Section III**

Question	Marks	Content	Syllabus outcomes
25	20	Marketing and finance <ul style="list-style-type: none"> <li>– product strategies</li> <li>– global marketing</li> <li>– place, distribution, channel choice</li> <li>– global financial management strategies</li> </ul>	H1, H2, H4, H6, H7, H8, H9

**Section IV**

Question	Marks	Content	Syllabus outcomes
26	20	Human resource strategies and effectiveness of HR management	H3, H6, H9
27	20	Operations processes and competitive advantage	H4, H5, H6, H9