

2023 HSC Business Studies Marking Guidelines

Section I

Multiple-choice Answer Key

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

*This question is not suitable for exam preparation.

Section II

Question 21 (a)

Criteria	Marks
<ul style="list-style-type: none"> • Outlines a potential issue this business could face in relation to both cost and quality of outputs 	2
<ul style="list-style-type: none"> • Provides some relevant information 	1

Sample answer:

The business can reduce the costs of inputs when they source globally, cheaper inputs such as rubber, may result in lower quality tyres.

Question 21 (b)

Criteria	Marks
<ul style="list-style-type: none"> • Explains the benefits of achieving economies of scale for both the business and consumers 	3
<ul style="list-style-type: none"> • Describes the benefit(s) of achieving economies of scale for the business and/or consumers 	2
<ul style="list-style-type: none"> • Provides some relevant information 	1

Sample answer:

Economies of scale will provide this business with cost advantages by increasing the volume of its production, allowing the business to lower the price of the finished product. Consumers will benefit from the reduced price and the business will then increase sales and profits in the long term.

Question 21 (c)

Criteria	Marks
<ul style="list-style-type: none"> Provides a thorough explanation of why staff and management in this business might be resistant to this change 	5
<ul style="list-style-type: none"> Provides a sound explanation of why staff and management in this business might be resistant to this change 	4
<ul style="list-style-type: none"> Demonstrates some understanding of why staff and/or management in this business might be resistant to this change 	3
<ul style="list-style-type: none"> Identifies why staff and/or management in this business might be resistant to this change 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

The leading-edge technology purchased would be costly for management. The new technology may also require staff and management to be retrained. This can be expensive for management and staff may be resistant to learning new techniques due to fear or inertia. Fear of job loss may cause resistance to change as staff may feel that processes may become automated and their jobs may become redundant. This also imposes extra costs to the business.

Question 22 (a)

Criteria	Marks
<ul style="list-style-type: none"> Provides the purpose of Equal Employment Opportunity (EEO) legislation 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

It ensures that the best qualified person for the job gets the position and that employers don't hire or reject candidates based on factors such as culture, ethnicity, gender, age etc.

Question 22 (b)

Criteria	Marks
<ul style="list-style-type: none"> Outlines TWO human resource issues found in the advertisement 	3
<ul style="list-style-type: none"> Outlines an issue found in the advertisement 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

Superannuation is a legal requirement that all employees are entitled to under Minimum Standards. Under the *Fair Work Act (2009)* it is illegal to prohibit union membership in Australia. This business has breached these two requirements in their advertisement.

Question 22 (c)

Criteria	Marks
<ul style="list-style-type: none"> Provides a thorough explanation of the social influences that have contributed to the changing labour force participation rates over the 40 years 	5
<ul style="list-style-type: none"> Provides a sound explanation of the social influences that have contributed to the changing labour force participation rates over the 40 years 	4
<ul style="list-style-type: none"> Demonstrates some understanding of the social influences that have contributed to the changing labour force participation rates over the 40 years 	3
<ul style="list-style-type: none"> Demonstrates some understanding of labour force participation and/or social influences 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

As shown in the table, the labour participation rate for females has significantly increased from 44% in 1981 to 62% in 2021 compared to the participation rate for males which has decreased from 78% in 1981 to 71% in 2021. This is due to a number of reasons such as changing gender roles, eg changes in society which supports the increasing participation of women in the workforce and an increase in the acceptance/participation of males in child-rearing duties. This change in social norms has also normalised the completion of higher education for females which has subsequently led to increased employment opportunities.

Answers could include:

- Childcare opportunities
- Changes in government policy
- Workplace flexibility
- Postponement of retirement due to high cost of living.

Question 23 (a)

Criteria	Marks
<ul style="list-style-type: none"> Outlines the current product life cycle stage 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

The cereal manufacturer is in the decline stage of the product life cycle. This is the result of dropping sales and the manufacturer is hoping to renew consumer interest by changing the packaging of its product.

Answers could include:

Post-maturity

Question 23 (b)

Criteria	Marks
• Demonstrates a clear understanding of how the niche market approach could increase sales for this manufacturer	3
• Demonstrates features of a niche market and/or how this approach could increase sales for the manufacturer	2
• Provides some relevant information	1

Sample answer:

A niche market approach would allow the manufacturer to meet the needs of health-conscious customers by offering them a healthy range of cereals such as low sugar or sugar-free cereals. This targeted approach would allow the manufacturer to increase their sales by differentiating their product against competitors, achieve repeat sales and create customer loyalty.

Question 23 (c)

Criteria	Marks
• Provides comprehensive support for the use of ONE global marketing strategy to expand into this global market	5
• Provides sound support for the use of ONE global marketing strategy to expand into this global market	4
• Demonstrates some understanding of the use of ONE global marketing strategy with some reference to this global market	3
• Demonstrates some understanding of global marketing strategy	2
• Provides some relevant information	1

Sample answer:

Customisation is a global marketing strategy whereby a business tailors the marketing mix for a product sold around the world to individual markets. Customisation of packaging by changing the language used on the cereal box also allows a wider range of consumers globally to understand the features of the cereal that they are eating. Customisation is therefore recommended for this cereal manufacturer for its global expansion to allow it to be more profitable in the long term by meeting the wants and needs of customers in unique global markets.

Answer could include:

- Standardisation
- Global branding
- Competitive positioning
- Global pricing.

Question 24 (a)

Criteria	Marks
• Provides the purpose of a cash flow statement	2
• Provides some relevant information	1

Sample answer:

The purpose of a cash flow statement is to identify the inflows and outflows of cash over a period of time.

Question 24 (b)

Criteria	Marks
• Explains a conflict between one short-term and one long-term financial objective	3
• Outlines a conflict between one short-term and one long-term financial objective	2
• Provides some relevant information	1

Sample answer:

There may be a conflict between the short-term financial objective of profitability and the long-term objective of growth. A business entering new markets will require new equipment and more staff. Consequently, this business could initially suffer a short-term financial loss but it may succeed in being more profitable in the long term.

Answers could include:

- Profitability
- Growth
- Efficiency
- Liquidity
- Solvency.

Question 24 (c)

Criteria	Marks
• Provides a detailed explanation of TWO limitations of financial reports	5
• Provides a sound explanation of TWO limitations of financial reports	4
• Demonstrates some limitations of financial reports	3
• Demonstrates some understanding of limitation(s) of financial reports	2
• Provides some relevant information	1

Sample answer:

Valuing assets is the process of estimating how much assets are worth. It is problematic to value assets in a financial report as their value changes over time and the process is subjective. For example, land values tend to increase in value therefore, the balance sheet understates the net value of the business. Capitalising expenses involves the business recording an expense as an asset on the balance sheet rather than an expense in the income statement. This would appear as a higher net income for the business, misleading potential investors.

Answers could include:

- Normalised earnings
- Capitalising expenses
- Valuing assets
- Timing issues
- Debt repayments
- Notes to the financial statements.

Section III

Question 25

Criteria	Marks
<ul style="list-style-type: none"> Provides a comprehensive outline of the challenges including the global factors of costs, skills and supply in relation to recruiting and retaining staff Provides a comprehensive comparison of the use of debt and equity finance Provides a comprehensive recommendation to the business for ONE source of finance to fund the expansion Makes effective use of the information provided, demonstrating extensive knowledge and understanding relevant to the question Presents a sustained, logical and cohesive business report integrating relevant business terminology and concepts 	17–20
<ul style="list-style-type: none"> Provides a substantial outline of the global factors of costs, skill and supply in relation to recruiting and/or retaining staff Provides a clear comparison of the use of debt and equity finance Provides a sound recommendation to the business for ONE source of finance to fund the expansion Makes sound use of the information provided, demonstrating knowledge and understanding relevant to the question Presents a logical and cohesive business report integrating relevant business terminology and concepts 	13–16
<ul style="list-style-type: none"> Provides a sound outline of the global factors of costs and/or skills and/or supply in relation to recruiting and/or retaining staff Provides a sound comparison of debt and equity finance Provides a recommendation to the business for ONE source of finance to fund the expansion Makes use of the information provided, demonstrating some knowledge and understanding relevant to the question Includes features of a business report and uses some business terminology and concepts 	9–12
<ul style="list-style-type: none"> Provides some outline of global costs and/or skills and/or supply Makes a statement about debt and/or equity finance Makes a statement about a possible source of finance Includes some features of a business report and uses some basic business terminology and/or concepts 	5–8
<ul style="list-style-type: none"> Makes some reference to human resource strategies and/or finance Uses basic business terminology 	1–4

Answers could include:

Strategies in human resource management

- Global – costs, skills, supply

- Debt and equity finance
 - advantages and disadvantages of each

Influences on financial management

- Internal sources of finance
 - retained profits
- External sources of finance
 - debt
 - ◇ short-term borrowing (overdraft, commercial bills, factoring), long-term borrowing (mortgage, debentures, unsecured notes, leasing)
 - equity
 - ◇ shares (new issues, rights issues, placements, share purchase plans), private equity.

Section IV

Question 26

Criteria	Marks
<ul style="list-style-type: none"> Makes a detailed and informed judgement of the extent to which influences on marketing affect business success Applies relevant case study/studies and contemporary business issues Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts 	17–20
<ul style="list-style-type: none"> Makes a clear judgement of the extent to which influences on marketing affect business success Uses relevant case study/studies and contemporary business issues Presents a logical and cohesive response using relevant business terminology and concepts 	13–16
<ul style="list-style-type: none"> Makes some judgement of the extent to which influences on marketing affect business success Makes reference to case study/studies and contemporary business issues Communicates using business terminology and concepts 	9–12
<ul style="list-style-type: none"> Makes statements or generalised comment(s) about influences on marketing and/or business success Makes limited reference to case study/studies and/or contemporary business issues Communicates using some business terminology and/or concepts 	5–8
<ul style="list-style-type: none"> Makes limited reference to marketing May identify case study/studies Uses basic business terminology and/or concepts 	1–4

Answers could include:

Influences on marketing

- Factors influencing customer choice
 - psychological, sociocultural, economic, government
- Consumer laws
 - deceptive and misleading advertising
 - price discrimination
 - implied conditions
 - warranties
- Ethical
 - truth, accuracy in good taste in advertising, products that may damage health, engaging in fair competition, suggesting.

Question 27

Criteria	Marks
<ul style="list-style-type: none"> • Makes a detailed and informed judgement of the extent to which influences on operations affect business success • Applies relevant case study/studies and contemporary business issues • Presents a sustained, logical and cohesive response and communicates clearly using relevant business terminology and concepts 	17–20
<ul style="list-style-type: none"> • Makes a clear judgement of the extent to which influences on operations affect business success • Uses relevant case study/studies and contemporary business issues • Presents a logical and cohesive response using relevant business terminology and concepts 	13–16
<ul style="list-style-type: none"> • Makes some judgement of the extent to which influences on operations affect business success • Makes reference to case study/studies and contemporary business issues • Communicates using business terminology and concepts 	9–12
<ul style="list-style-type: none"> • Makes statements or generalised comment(s) about influences on operations and/or business success • Makes limited reference to case study/studies and/or contemporary business issues • Communicates using some business terminology and/or concepts 	5–8
<ul style="list-style-type: none"> • Makes limited reference to operations • May identify case study/studies • Uses basic business terminology and/or concepts 	1–4

Answers could include:

Influences on operations

- Globalisation, technology, quality expectations, cost-based competition, government policies, legal regulation, environmental sustainability
- Corporate social responsibility
 - the difference between legal compliance and ethical responsibility
 - environmental sustainability and social responsibility.

2023 HSC Business Studies Mapping Grid

Section I

Question	Marks	Content	Syllabus outcomes
1	1	Human resources – strategies	H8
2	1	Operations strategies – strategies	H2
3	1	Marketing – strategies	H5
4	1	Human resources – influences	H8
5	1	Marketing – strategies	H2
6	1	Human resources – influences	H2, H5, H8
7	1	Marketing – processes	H4
8	1	Finance – management strategies	H5, H8
9	1	Operations – role of operations management	H2
10	1	Marketing – strategies	H8
11	1	Human resources – influences	H7, H8
12	1	Finance – management strategies	H2, H8
13	1	Marketing – influences	H3
14	1	Finance – management strategies	H2, H8
15	1	Operations – role	H2
16	1	Finance – management strategies	H10
17	1	Operations – processes	H4
18	1	Operations – processes	H4
19	1	Human resources – influences	H2, H3
20	1	Finance – processes	H8, H10

Section II

Question	Marks	Content	Syllabus outcomes
21 (a)	2	Operations – strategies	H7
21 (b)	3	Operations – strategies	H1, H5
21 (c)	5	Operations – strategies	H1, H2, H5
22 (a)	2	Human resources – influences	H3
22 (b)	3	Human resources – influences	H7, H8
22 (c)	5	Human resources – influences	H8
23 (a)	2	Marketing – process	H4
23 (b)	3	Marketing – process	H5
23 (c)	5	Marketing – process	H2, H5, H6
24 (a)	2	Finance – management	H4
24 (b)	3	Finance – management	H5, H6
24 (c)	5	Finance – management	H2

Section III

Question	Marks	Content	Syllabus outcomes
25	20	Finance – source, debt, equity Human resources – global factors	H2, H4, H5, H8

Section IV

Question	Marks	Content	Syllabus outcomes
26	20	Marketing – influences	H1, H2, H3, H8
27	20	Operations – influences	H1, H2, H3, H8