
2024 HSC Business Studies Marking Guidelines

Section I

Multiple-choice Answer Key

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

Section II

Question 21 (a)

Criteria	Marks
<ul style="list-style-type: none"> Provides an explanation of the interdependence between operations and ONE other business function for this business 	3
<ul style="list-style-type: none"> Demonstrates some understanding of the interdependence between operations and ONE other business function for this business 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

The operations department is dependent on the finance department who would need to provide a source of funds to pay for employee overtime and an increase in electricity, fabric etc. Finance is guided by the operations department's product specifications as this is what will determine the cost/finance required.

Answers could include:

Human Resources
Marketing

Question 21 (b)

Criteria	Marks
<ul style="list-style-type: none"> Provides an explanation of how each product will affect inventory management 	3
<ul style="list-style-type: none"> Demonstrates some understanding of how product/s will affect inventory management 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

Air conditioners are a bulky item and take considerable warehouse space to store at greater expense. Baby formula needs a FIFO or JIT inventory system, as it is a perishable item.

Question 21 (c)

Criteria	Marks
• Provides a discussion of the implications of visibility (customer contact) for this business	4
• Demonstrates a sound understanding of the implications of visibility (customer contact) for this business	3
• Demonstrates some understanding of visibility (customer contact) on this business	2
• Provides some relevant information	1

Sample answer:

If customers are able to choose their own toppings and flavours they are more likely to provide feedback on their favourite flavour and topping combinations. They may return to the store for repeat purchases which will lead to an increase in sales. However, this will come at a cost to the business as this will require a variety of ingredients and an increase in time required to make each item.

Question 22 (a)

Criteria	Marks
• Outlines the relationship between ONE stakeholder and the human resources function of this business	2
• Provides some relevant information	1

Sample answer:

The employee is a stakeholder who has an interest in the business, as they receive a wage or salary for the work that they complete. They rely on job security and being treated fairly whilst at work.

Answers could include:

Employers, employer associations, unions, government organisations, society

Question 22 (b)

Criteria	Marks
<ul style="list-style-type: none"> Provides an explanation of how this business exhibits corporate social responsibility in the management of employees 	3
<ul style="list-style-type: none"> Demonstrates some understanding of how this business exhibits corporate social responsibility in the management of employees 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

This business is ethical because it values its employees and includes them in the decision-making process, offering flexible working conditions. The effect of this is a boost in employee morale as they feel valued.

Question 22 (c)

Criteria	Marks
<ul style="list-style-type: none"> Provides a thorough justification of the importance of maintenance in human resource management for this business 	5
<ul style="list-style-type: none"> Provides a sound justification of the importance of maintenance in human resource management for this business 	4
<ul style="list-style-type: none"> Demonstrates a sound understanding of the importance of maintenance of employees for this business 	3
<ul style="list-style-type: none"> Demonstrates some understanding of the maintenance of employees 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

Maintenance in HRM through effective rewards systems, including flexible working conditions, attract and retain highly skilled and talented employees, fostering motivation and loyalty. This should maintain a positive work culture, enhancing productivity, reducing turnover, and ultimately, reducing the costs associated with training new staff.

Question 23 (a)

Criteria	Marks
• Outlines how marketing of this business relies on a human resources department	2
• Provides some relevant information	1

Sample answer:

For this piano-teaching business to advertise and market itself as having highly skilled staff it will need to rely on the human resources department to hire teachers quickly, who are knowledgeable with the required skills.

Question 23 (b)

Criteria	Marks
• Demonstrates a thorough understanding of how economic factors influence customers choosing this business	4
• Demonstrates a sound understanding of how economic factors influence customers choosing this business	3
• Demonstrates some understanding of economic factors and/or customer choice	2
• Provides some relevant information	1

Sample answer:

Economic forces will influence a customer's willingness and ability to spend. An economic downturn will reduce disposable income and customers may not choose piano lessons or elect a cheaper alternative. In a downturn, consumers will forego spending on non-essential goods/services and spend their income on essential items such as food and housing. A booming economy may see consumer optimism, more job security and/or rising incomes allowing them to seek quality options.

Answers could include:

Interest rate levels, unemployment, Inflation

Question 23 (c)

Criteria	Marks
<ul style="list-style-type: none"> Proposes TWO relevant ways segmentation can be used by this business to continue its growth 	4
<ul style="list-style-type: none"> Proposes TWO ways segmentation can be used by this business 	3
<ul style="list-style-type: none"> Proposes ONE way segmentation can be used by this business OR <ul style="list-style-type: none"> Identifies TWO segmentation methods 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

This business could divide the total market into smaller segments so it can target its service to them more effectively and increase sales. For example, it could divide by demographics and advertise and tailor the service and price to a particular income level and social class. It could also segment by psychographic characteristics and appeal to aspirational pianists who may want to increase their skills and satisfy their personal interest.

Answers could include:

Geographic, behavioural

Question 24 (a) (i)

Criteria	Marks
<ul style="list-style-type: none"> Calculates the correct current ratio and shows working 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

Current assets = (Cash at bank + accounts receivable + inventory) ÷ (Overdraft + Accounts payable)

$$= (\$5000 + \$20000 + \$5000) \div (\$9000 + \$11000)$$

$$= \$30000 \div \$20000$$

$$= 1.5$$

$$= 1.5 : 1$$

Question 24 (a) (ii)

Criteria	Marks
• Provides a thorough explanation of the influence of ONE financial institution on the financial management of this business	4
• Provides a sound explanation of the influence of ONE financial institution on the financial management of this business	3
• Demonstrates some understanding of the influence on financial management	2
• Provides some relevant information	1

Sample answer:

This business is highly geared and a financial institution, such as a bank, may not be willing to lend additional finance because they pose a risk, which restricts the business's ability to achieve growth. Banks may increase interest rates, which will increase the business's financial commitments and affect its liquidity and capacity to repay existing debt.

Answers could include:

- Australian Securities Exchange
- Finance companies
- Investment banks
- Superannuation funds.

Question 24 (b)

Criteria	Marks
• Provides an explanation of how offering discounts for early payments can improve cash flow and reduce working capital	4
• Demonstrates a sound understanding of how offering discounts for early payments can improve cash flow and/or reduce working capital	3
• Demonstrates some understanding of discounts for early payments and/or working capital	2
• Provides some relevant information	1

Sample answer:

Discounts for early payments is a strategy that allows businesses to increase their cash flow in the short term. This leads to the business accessing funds faster than if it were to wait for a full payment by the original due date. This strategy will not improve the current ratio because the current assets will decrease by the discount offered. The discount offered will reduce the revenue collected and will reduce the current cash available for working capital.

Section III

Question 25

Criteria	Marks
<ul style="list-style-type: none"> Comprehensively describes the product differentiation strategy for this business Comprehensively discusses the current acquisition process of this business Comprehensively recommends appropriate human resource strategies 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"> Thoroughly describes the product differentiation strategy for this business Discusses the current acquisition process of this business Recommends appropriate human resource strategies Makes sound use of the information provided, demonstrating knowledge and understanding relevant to the question Presents a logical and cohesive business report using relevant business terminology and concepts 	13–16
<ul style="list-style-type: none"> Describes a product differentiation strategy for this business Describes the current acquisition process for this business Recommends human resource strategy(ies) 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"> Outlines a product differentiation strategy Makes a statement about the acquisition process Makes a statement about possible human resource strategy(ies) May include 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 marketing and/or human resources Uses basic business terminology 	1–4

Answers could include:

Marketing strategies

- Marketing segmentation, product/service differentiation and positioning
- Place/distribution – distribution channels
- Price and quality interaction
- Products – goods and/or services
 - branding
 - packaging.

Acquisition process

- Identifying staffing needs
- Recruitment
- Selection.

Human resources strategies

- Leadership style
- Job design – general or specific tasks
- Recruitment – internal or external, general or specific skills
- Training and development – current or future skills
- Rewards – monetary and non-monetary, individual or group, performance pay.

Section IV

Question 26

Criteria	Marks
<ul style="list-style-type: none"> • Demonstrates a comprehensive understanding of how financial strategies affect objectives of financial management • 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"> • Demonstrates a sound understanding of how financial strategies affect objectives of financial management • 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"> • Demonstrates some understanding of how financial strategies affect objectives of financial management • Makes reference to case study/studies and contemporary business issues • Communicates using business terminology and concepts 	9–12
<ul style="list-style-type: none"> • Describes some aspects of financial strategies and/or financial objectives • 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 financial strategies and/or financial objectives • May identify case study/studies • Uses basic business terminology and/or concepts 	1–4

Answers could include:

Objectives of financial management:

- Profitability, growth, efficiency, liquidity, solvency
- Short term and long term.

Financial management strategies:

- Cash flow management
 - cash flow statements
 - distribution of payments, discounts for early payment, factoring
- Working capital management
 - control of current assets – cash, receivables, inventories
 - control of current liabilities – payables, loans, overdrafts
 - strategies – leasing, sale and lease back
- Profitability management
 - cost controls – fixed and variable, cost centres, expense minimisation
 - revenue controls – marketing objectives

- Global financial management
 - exchange rates
 - interest rates
 - methods of international payment – payment in advance, letter of credit, clean payment, bill of exchange
 - hedging
 - derivatives.

Question 27

Criteria	Marks
<ul style="list-style-type: none"> • Demonstrates a comprehensive understanding of how operations strategies affect corporate social responsibility • 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"> • Demonstrates a sound understanding of how operations strategies affect corporate social responsibility • 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"> • Demonstrates a sound understanding of operations strategies and/or corporate social responsibility • Makes reference to case study/studies and contemporary business issues • Communicates using business terminology and concepts 	9–12
<ul style="list-style-type: none"> • Describes some aspects of operations strategies and/or corporate social responsibility • 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 strategies and/or corporate social responsibility • May identify case study/studies • Uses basic business terminology and/or concepts 	1–4

Answers could include:

Any operations strategy that affects CSR:

- Quality management
- Technology
- Outsourcing
- Inventory management
- Supply chain management
- Global factors
 - global sourcing
 - economies of scale
 - scanning and learning
 - research and development
- New product or service design and development.

Corporate social responsibility:

- The difference between legal compliance and ethical responsibility
- Environmental sustainability and social responsibility.

2024 HSC Business Studies Mapping Grid

Section I

Question	Marks	Content	Syllabus outcomes
1	1	Human resources – influences – stakeholders pg 26	H2
2	1	Operations – influences – legal regulations pg 20	H2
3	1	Human resources – processes – development pg 26	H4
4	1	Marketing – strategies – pricing pg 22	H5
5	1	Human resources – effectiveness – indicators pg 26	H6
6	1	Operations – influences pg 20	H2
7	1	Operations – role – goods and/or services in different industries pg 20	H4
8	1	Human resources – processes – separation pg 26	H4
9	1	Operations – role – strategic role of operations management pg 20	H5, H8
10	1	Finance – processes – financial ratios – efficiency-expense ratio pg 24	H10
11	1	Marketing – influences – ethical – suggesting pg 22	H3
12	1	Human resources – influences – legal – other employment contracts pg 26	H2, H4
13	1	Marketing – influences – factors influences customer choice pg 22	H2, H4
14	1	Finance – processes – monitoring and controlling – cash flow statement pg 24	H10
15	1	Finance – influences – financial institutions – Australian Securities Exchange pg 24	H2
16	1	Marketing – strategies – global marketing – global branding pg 22	H4, H5
17	1	Finance – processes – ethical issues related to financial reports pg 24	H3, H10
18	1	Operations – processes – transformation processes – sequencing and scheduling pg 20	H4
19	1	Finance – influences – external sources of finance – new issue shares pg 24	H4, H5
20	1	Marketing – marketing strategies pg 22	H5, H10

Section II

Question	Marks	Content	Syllabus outcomes
21 (a)	3	Operations – role – interdependence pg 20	H1
21 (b)	3	Operations – strategies – inventory management pg 20	H2, H8
21 (c)	4	Operations – processes – the influence of variation in visibility (customer contact) pg 20	H8
22 (a)	2	Human resources – influences – stakeholders pg 26	H3
22 (b)	3	Human resources – influences – ethics and corporate social responsibility pg 26	H3, H8
22 (c)	5	Human resources – processes – maintenance pg 26	H5, H6
23 (a)	2	Marketing – role – interdependence with other key business functions pg 21	H6
23 (b)	4	Marketing – influences – factors influencing customer choices-economic pg 22	H1, H8
23 (c)	4	Marketing – strategies – market segmentation pg 22	H5, H8
24 (a)	2	Finance – processes – financial ratios – liquidity – current ratio pg 24	H10
24 (b)	4	Finance – influences – financial institutions pg 24	H2, H5, H6
24 (c)	4	Finance – strategies – cash flow management – discounts for early payment pg 24	H5, H10

Section III

Question	Marks	Content	Syllabus outcomes
25	20	Marketing – strategies – market segmentation, product/service differentiation and positioning pg 22 Human resources – processes – acquisition pg 26 Human resources – strategies pg 26	H2, H5, H8, H9

Section IV

Question	Marks	Content	Syllabus outcomes
26	20	Finance – role 23, strategies pg 24	H2, H5, H6, H7, H9
27	20	Operations – influences – strategies pg 20	H1, H2, H3, H5, H7, H9