CAMBRIDGE
International Education

Cambridge International AS & A Level

BUSINESS **9609/13**

Paper 1 Short Answer/Essay **October/November 2024**

MARK SCHEME

Maximum Mark: 40

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2024 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

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PUBLISHED

Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptions for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

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GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

Social Science-Specific Marking Principles (for point-based marking)

1 Components using point-based marking:

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

a DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
b DO credit alternative answers/examples which are not written in the mark scheme if they are correct
c DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g., State two reasons …).
d DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
e DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
f DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e., polluted/not polluted).
g DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g., Corrasion/Corrosion)

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2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

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9609 Business Studies – Paper 1 Annotations

Annotation	Description	Use
	Tick	Indicates a point which is relevant and rewardable.
	Cross	Indicates a point which is inaccurate/irrelevant and not rewardable.
K	Knowledge	Indicates knowledge and understanding of the concepts and issues relating to the question.
APP	Application	Indicates where application is made to an appropriate business context.
AN	Analysis	Indicates where the answer has demonstrated analysis – questions 4, 5a, 5b, 6a and 6b.
EVAL	Evaluation	Indicates where the answer has demonstrated evaluation – (Section B Part (b) questions only).
BOD	Benefit of doubt	Used when the benefit of the doubt is given in order to reward a response.
NAQ	Not answered question	Used when the answer or parts of the answer are not answering the question asked.
TV	Too vague	Used when parts of the answer are considered to be too vague.
SEEN	Noted but no credit given	Indicates that content has been recognised but not rewarded.
REP	Repetition	Indicates where content has been repeated.
L1	Level 1	Indicates a Level 1 point is made.

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Annotation	Description	Use
	Level 2	Indicates a Level 2 point is made.
	Level 3	Indicates a Level 3 point is made.
	Off Page Comment	**Used to view PE comments on Practice Scripts only** – displayed at the bottom of the screen when clicking the comments button/toggle.

Guidance on using levels-based mark schemes

Marking of work should be positive, rewarding achievement where possible, but clearly differentiating across the whole range of marks, where appropriate.

The examiner should look at the work and then make a judgement about which level statement is the best fit. In practice, work does not always match one level statement precisely so a judgement may need to be made between two or more level statements.

Once a best-fit level statement has been identified, use the following guidance to decide on a specific mark:

- If the candidate's work **convincingly** meets the level statement, award the highest mark.
- If the candidate's work **adequately** meets the level statement, award the most appropriate mark in the middle of the range.
- If the candidate's work **just** meets the level statement, award the lowest mark.
- L1, L2 etc. must be clearly annotated on the response at the point where the level is achieved.

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Assessment objectives

AO1 Knowledge and understanding

Demonstrate knowledge and understanding of business concepts, terms and theories.

AO2 Application

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

AO3 Analysis

Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

AO4 Evaluation

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

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Mark Grids for Section A

Used for Q1(a), Q2(a) and Q3(a)

Two marks in total can be awarded for these questions. Ticks (✔) are used to show where the candidate has been given these marks.

AO1 Knowledge and understanding	**Marks**	
Knowledge of the term that demonstrates a clear understanding of the term.	**2**	Indicated by 2 ✔ ✔ where appropriate in the answer
Knowledge of the term that demonstrates a partial understanding of the term.	**1**	Indicated by 1 ✔ where appropriate in the answer
No creditable response.	**0**	

Used for Q1(b), Q2(b) and Q3(b)

Three marks in total can be awarded for these questions. Ticks (✔) are used to show where the candidate has been given these marks.

AO1 Knowledge and understanding **1 mark**	**AO2 Application** **2 marks**
	2 marks Developed application of **one** relevant point to a business context. Indicated by a further ✔ where appropriate in the answer
1 mark Knowledge of **one** relevant point is used to answer the question. Indicated by 1 ✔ where appropriate in the answer	**1 mark** Limited application of **one** relevant point to a business context. Indicated by 1 ✔ where appropriate in the answer
0 marks No creditable response.	**0 marks** No creditable response.

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Question	Answer	Marks
1(a)	**Define the term *labour turnover*.** **Indicative content** Responses may include: **AO1 Knowledge and understanding** Clear understanding of the term *labour turnover* is worth 2 marks. • The rate at which employees are leaving an organisation … during a specified period (2) **or** • Number of employees leaving during a period, divided by the average number of employees during that period, multiplied by 100 (formula) (2). Partial understanding of the term is worth 1 mark. • When employees leave a business Accept all valid responses.	**2**

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Question	Answer	Marks
1(b)	**Explain <u>one</u> implication for a business of having a low rate of labour turnover.** **Indicative content** Responses may include: **AO1 Knowledge and understanding** 1 mark for identifying **one** implication of low labour turnover • Reduces cost of employee replacements + • Fewer interruptions in production process • Motivated/contented employees • Work culture likely to be supportive • Expertise and experience retained *Implication could be negative.* • Lack of new ideas, creative/innovative activity • High-cost employees **AO2 Application** 2 marks for **developed** application/explanation of the implication given 1 mark for **limited** application/explanation of the implication given The implications for a business with a low rate of labour turnover include: – • Costs of replacing labour is small + • Reduced loss in production time in training new employees • Morale of workforce may remain high – less stress on remaining staff if few leave • Knowledge and expertise is retained in the business • Customer service standards maintained with consistency of staff • Training costs and time saved	**3**

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Question	Answer	Marks
1(b)	The implications above are all positive and may be experienced as a result of a positive working environment. However, there may be some negative implications: – • There may be some significant underlying problems in the business that need addressing - • Low labour turnover may mean that poor performers are retained and this may affect morale • The cost of employees may be very high, with many long-serving and senior employees earning high wages/salaries • The labour force may lack new ideas – little creativity and innovation • There may be few promotion opportunities with some leaving the business • Existing staff may not have appropriate skills Accept all valid responses.	

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Question	Answer	Marks
2(a)	**Define the term *product differentiation.***	**2**
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding	
	Clear understanding of the term *product differentiation* is worth 2 marks.	
	• Making your product stand out from the competition … provides a competitive advantage or USP (2)	
	Partial understanding of the term *product differentiation* is worth 1 mark.	
	• Making your product stand out from the competition (1) • Provide a competitive advantage or USP (1)	
	Accept all valid responses.	

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Question	Answer	Marks
2(b)	**Explain <u>one</u> reason why product development might be important for a business.** **Indicative content** Responses may include: ***Note:*** *Textbooks suggest that `product development` means further development of existing products in a product portfolio* ***as well as*** *the development of new products.* **AO1 Knowledge and understanding** 1 mark for identifying **one** reason. • Keep up with competition • Exploit new markets/increase existing ones • Allows use of new technology • New products more appealing to customers/ more profitable • Important to be agile, respond to market research findings and market trends • Can extend the profitable life of a product.	**3**

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Question	Answer	Marks
2(b)	**AO2 Application** 2 marks for **developed** application/explanation of **one** reason 1 mark for **limited** application/explanation of **one** reason The reasons for the importance of product development include: – • The need to respond to competitive products and initiatives and win new business • Sell more to existing customers – increase the value offer • Reduce costs associated with current products and services • Produce new products and improve existing products in order to enter new markets • Businesses need to innovate or die • Support business growth – diversification and increased range of products/services • Respond to changing customer/market expectations, trends and fashions • Exploit new technology opportunities-increase sales and profits • May lead to important extension strategies. Accept all valid responses.	

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Question	Answer	Marks
3(a)	**Define the term *government grant.***	**2**
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding	
	Clear understanding of the term *government grant* is worth 2 marks.	
	• Money given by government to a business … which normally does not need to be paid back or to fund a project or operation such as job stimulation/initiative (2)	
	Partial understanding of the term *government grant* is worth 1 mark.	
	• Money given by government to a business (1)	
	Accept all valid responses.	

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Question	Answer	Marks
3(b)	**Explain <u>one</u> advantage of using retained earnings as a source of business finance.** **Indicative content** **AO1 Knowledge and understanding** 1 mark for identifying **one** advantage • Provides a healthy pool of working capital – to purchase assets/invest – or to pay off debts • Internal funds quicker to organise and access • Internal control of business not affected • Avoids business debt • Reduced costs/no interest payments. **AO2 Application** 2 marks for **developed** application/explanation of **one** advantage 1 mark for **limited** application/explanation of **one** advantage. The advantages of using retained earnings as a source of finance include: • May be readily available and may be substantial if accumulated over time • Cheap source of finance – unlike loans no interest payments or fees to pay • Flexible source of finance – no conditions as to how to use – can use for R&D or update equipment or hire more staff • Fast source of finance – no waiting for lenders to process a request • Ideal for urgent/emergency funding. Accept all valid responses.	**3**

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Question	Answer	Marks
4	**Analyse <u>one</u> likely impact on a business of outsourcing its production process.** ***Note:*** *No marks can be awarded if a relevant impact is not given.* **Indicative content** Responses may include: **AO1 Knowledge and understanding** 1 mark for giving **one** likely impact • Likely to lead to production cost savings • But could lead to increased production costs • Allows a business to exploit its core skills • Take advantage of production skills and expertise elsewhere • Could lose control of the production process-reduced quality – inconsistent delivery • May damage the reputation of the business • May attract criticism from pressure groups • May mean internal redundancies **AO2 Application** 2 marks for **developed** application/explanation of the chosen impact 1 mark for **limited** application/explanation of the chosen impact • Outsourcing offers a number of advantages to a business – notably the possibility of lower costs – due to lower labour rates – increased efficiency • Outsourcing also offers a business the opportunity to concentrate on its core competences, which may not include its production process	**4**

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Question	Answer	Marks
4	• Outsourcing production can mean increased production costs • Could mean reputational damage if production quality suffers. • Could attract criticism from pressure groups. **AO3 Analysis** 2 marks for **developed** analysis of the chosen impact 1 mark for **limited** analysis of the chosen impact • Outsourcing the production process allows a business to enjoy significant reductions in the cost of production – especially with lower labour and land costs (depending on the selection of an appropriate outsource business) • Expensive capital investment in specialised technology is avoided-allowing focus on other activities-marketing, product design. • Allows a renewed focus on the core business – manufacturing/production can be time-consuming and high maintenance – a new focus on corporate aims and objectives • Outsource for the expertise and technology of a production process, which may not be in-house but is available with outsource companies • Outsourcing may provide more time for innovation and flexibility – opportunity to better meet changing business and commercial conditions Outsourcing may however impact on a business in a negative way: – • Control of the production process is lost – outsource company may slow the production time – language and cultural barriers • Outsourcing may lead to a reduction in quality – poor working practices – exploitation of labour • Outsourcing to a specialist production company may mean a substantial increase in production costs • Impact on in-house employees – jobs lost – fear for the future – morale reduced • Customers may have concerns and move to other businesses – ethical concerns • Outsourcing company may go out of business • There may be risks to privacy – intellectual capital – data protection Accept all valid responses.	

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Question	Answer	Marks
5(a)	**Analyse <u>two</u> reasons why a business might choose to grow internally (organically).** There are 8 marks in total for Q5(a) – 4 marks for each of the **two** reasons given: 1 mark for K 1 mark for APP 2 marks for AN **Indicative content** ***Note:*** *This question does not mention alternatives to internal growth or ask for comparisons between internal and external growth though such an answer approach is acceptable and rewardable.* *Some candidates may simply analyse why a business may seek to grow (through building an additional factory, opening up another shop, or operating in an additional different market) and make little reference to internal or organic growth issues. This approach is also acceptable and rewardable.* Responses may include: **AO1 Knowledge and understanding** 1 mark for giving ONE reason K • Reduces risk/ threat of poor mergers/alliances • Not subject to external contingencies • Business culture and morale retained • Preference to remain local/national • Avoid potential high costs involved with external growth	**8**

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Question	Answer	Marks
5(a)	**AO2 Application** 1 mark for application of **one** reason APP • The risk to a business is lower – own values and operations are retained • No necessity to seek strategic alliances or wait for the acceptable merger – business focus is maintained • Risk of culture clash with another business is avoided – less disruption to workers – business morale • Avoidance of significant merger/acquisition financial costs – external growth can be very expensive **AO3 Analysis** 2 marks for **developed** analysis of **one** reason **L2** AN 1 mark for **limited** analysis of **one** reason **L1** AN • Internal growth is relatively inexpensive – lower investment required – retained profits used rather than additional loans or shares • Internal growth relies on the strengths of the business, built up over the years – building on brand reputation, best-selling products, loyal employees – evolution rather than revolution reduces business risks • Internal growth is easier to control and manage – owners and managers retain total control of business operations and do not face unknown factors resulting from a merger/acquisition • Internal corporate culture is maintained – organic growth allows work culture and management style to remain and avoids possible problems associated with integration with other businesses • Maintains healthy gearing position – internal growth often funded from equity – either retained profits or issuing shares to investors – external debt is avoided – providing financial stability and solvency • Internal growth ensures continuity – focus of the business on pre-established policies is maintained – management and workers on the same page • Existing owners and managers may have limited ambition – limited internal growth may be seen as sufficient Accept all valid responses.	

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Question	Answer	Marks
5(b)	**'Even a friendly merger between two social media companies may not be successful ` Evaluate this view.** There are 12 marks for Q5(b): 2 marks for K 2 marks for APP 2 marks for AN 6 marks for EVAL **Indicative content** Responses may include: **AO1 Knowledge and understanding** 2 marks for **developed** knowledge **L2** K 1 mark for **limited** knowledge **L1** K • Merger/takeover is the acquisition of the shares and assets of another company by a business in order to form a new legal entity • Friendly mergers result when owners and directors of both companies are in agreement • Hostile mergers occur when one company acquires a target company without the consent of the target company • Social media companies are interactive technologies that facilitate the sharing of information, ideas, interests or other forms of expression through virtual communities and networks	**12**

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Question	Answer	Marks
5(b)	**AO2 Application** 2 marks for **developed** application **L2** APP 1 mark for **limited** application **L1** APP • A significant proportion of mergers (friendly and hostile) fail to meet objectives – shareholder value and competitive advantage not achieved • Friendly mergers more likely to achieve objectives – most mergers are friendly but 60–70% fail to realise expectations • Social media companies merge in order to achieve the advantages of any other merger – external growth, exploit common capabilities and competences, produce economies of scale, gain more efficiencies, bring more connectivity and utility to the service – e.g. merger of Facebook and WhatsApp in 2014 • The high rate of mergers failure to meet objectives suggests a number of fundamental weaknesses associated with the planning and operation of mergers **AO3 Analysis** 2 marks for **developed** analysis **L2** AN 1 mark for **limited** analysis **L1** AN • Insufficient due diligence and poor pre-merger negotiation – critical performance information may not be disclosed from either company – assumptions made about the future of the new business may be wrong • Synergies may be overestimated – revenue increases and cost reduction aims are often not achieved – implementation priorities not set – growth trajectory of the merger may be uncertain • Lack of cultural fit – there is an inability to recognise and manage the cultural differences between the merged businesses – change management is poor • Poor top management of the integration of the two companies into the newly-formed business – post-merger integration is not led/managed effectively – the absence of a new strategic plan to secure the anticipated advantages of the merger – poor communication between the merged companies – no sense of urgency for changes needed – empire building more important than integration • External factors may reduce the anticipated success of the merged business – the competition make take advantage of any merger disruption or uncertainty – there may be technological innovations that undermine the reasons for the merger – external factors such as a worldwide pandemic are factors outside of business managers' control	

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Question	Answer	Marks
5(b)	**AO2 Application** 2 marks for **developed** application **L2** APP 1 mark for **limited** application **L1** APP • chocolate manufacturer – may give named examples, brands or foods, could refer to specific parts of the process. The manufacturer could undertake backward vertical integration with a supplier of cacao beans. Packaging is not application unless explained in relation to chocolate – it can apply to any manufacturer **AO3 Analysis** 2 marks for **developed** application **L2** AN 1 mark for **limited** application **L1** AN • horizontal integration is good for increasing market share by combining sales of both businesses, whilst getting rid of a competitor • mergers can bring together complementary ideas and techniques to aid product development e.g., new chocolate recipe • external growth is good for entering new markets where the other business is already established and successful • external growth is a quick method of expansion as all factories, equipment and employees are already in place • takeover may be too expensive for a business aiming for quick profit maximisation or a small business • internal growth is less expensive and may appeal more to a smaller business • depending on what the objectives are it is possible to achieve them without growth e.g., motivating/training workers for profit maximisation • a new business may focus on survival and then slower internal growth building on their success	

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>5(b)</td><td>

AO4 Evaluation

6 marks for evaluation EVAL

<table>
<tr><td>Developed/Supported judgement in context</td><td>L3 EVAL</td><td>6 marks</td></tr>
<tr><td>Developed/Reasonable evaluative comments in context</td><td>L3 EVAL</td><td>5 marks</td></tr>
<tr><td>Developed/Supported judgement without context</td><td>L2 EVAL</td><td>4 marks</td></tr>
<tr><td>Developed/Reasonable evaluative comments without context</td><td>L2 EVAL</td><td>3 marks</td></tr>
<tr><td>Limited supported judgement</td><td>L1 EVAL</td><td>2 marks</td></tr>
<tr><td>An attempt to balance the arguments/Weak attempt at evaluative comments</td><td>L1 EVAL</td><td>1 mark</td></tr>
</table>

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Question	Answer	Marks
6(a)	**Analyse <u>two</u> reasons why a business might use external recruitment.** There are 8 marks in total for Q5(a) – 4 marks for each of the **two** reasons given: 1 mark for K 1 mark for APP 2 marks for AN **Indicative content** Responses may include: **AO1 Knowledge and understanding** 1 mark for giving **one** reason K • Acquire external expertise/experience • Cheaper in the long term – saves training costs • There is an internal skill gap that needs filling • The external pool of relevant employees is large • To shake up and change the internal working culture – new ideas **AO2 Application** 1 mark for application of one reason APP • External recruitment offers an alternative to a business as it seeks to develop its employees into an effective workforce • External recruitment is often used to complement internal recruitment – it provides advantages to a business that may not be available using only internal recruitment	**8**

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Question	Answer	Marks
6(a)	**AO3 Analysis** 2 marks for **developed** analysis of **one** reason **L2** AN 1 mark for **limited** analysis of **one** reason **L1** AN • External recruitment may be used to bring new ideas, new perspectives into the business – to support plans, to become more competitive • External recruitment may be used to import new skills and expertise into the business – to meet the demands of changing technologies, customer expectations – stay competitive • External recruitment may mean access to a larger pool of prospective employees – the internal workforce may need refreshing and motivating • A business may have a policy of equality and diversity – this may require external recruitment • A business may need to recruit new managers and leaders as employees retire and/or leave – internal employees may not be ready for promotion • External recruitment may be used to remove complacency – recruit experienced change managers to implement change and invigorate the organisation Accept all valid responses.	

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Question	Answer	Marks
6(b)	**Evaluate whether the contribution of the managers in a new hospital will have the most influence on its performance.** There are 12 marks for Q6(b): 2 marks for K 2 marks for APP 2 marks for AN 6 marks for EVAL **Indicative content** Responses may include: **AO1 Knowledge and understanding** 2 marks for **developed** knowledge **L2** K 1 mark for **limited** knowledge **L1** K • Business managers are employed to oversee and develop the operational and business procedures within a business – duties include setting objectives, making plans, giving direction to the organisation • Specific business manager roles have been set out by theorists such as Fayol and Mintzberg • Business performance is concerned with and measured by such factors as – profitability/efficient resource utilisation, customer/client satisfaction, organisational sustainability, and quality of product/service provision • Hospitals are organisations that have a responsibility to effectively allocate resources in order to provide healthcare to patients who may require specialist medical support – treat and make sick patients more healthy	**12**

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Question	Answer	Marks
6(b)	**AO2 Application** 2 marks for **developed** application **L2** APP 1 mark for **limited** application **L1** APP • Managers can provide purpose and a sense of direction to any business • Managers may be general managers or more specialist managers – such as finance managers or HR managers and will make a specific and professional contribution to a business • Business managers are internal stakeholders and will normally take account of the views and concerns of other internal and external stakeholders when carrying out their responsibilities • A new hospital may provide specific opportunities for managers in pursuit of effective performance – opportunities to develop a rich organisational culture, to establish strong financial budgets and parameters, to invest in cutting edge technology and expertise/experience, and establish best practice medical and management processes **AO3 Analysis** 2 marks for **developed** analysis **L2** AN 1 mark for **limited** analysis **L1** AN The ways in which managers can contribute to the performance of a hospital include the following: • Develop operational and corporate goals for the organisation – provide a vision and set of objectives designed to deliver strong healthcare outcomes • Design appropriate organisational structure and operational processes – which are supportive of the organisational and project objectives • Recruit the appropriate levels and skills of the workforce – professional staff and support staff – nurses, doctors, porters and cleaners • Create an organisational culture that is appropriate for a hospital – a motivating work environment that supports emergency requirements as well as more controlled working processes • Provide the appropriate management styles suited to the demands of hospital work – democratic, autocratic, paternal, and *laisse-faire* may all be relevant given different demands and situations • Provide an appropriate system of financial control – ensure that resources are available and that budgets and financial objectives are followed	

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>6(b)</td><td>

- Ensure that there is an appropriate organisation-patient-customer relationship – consider the possible contribution of CRM
- Design and maintain appropriate communication systems in the hospital – efficient spread of information between departments and between the hospital and all its stakeholders
- Maintain a momentum for high quality performance – including a culture that rewards performance and provides stability for all staff

AO4 Evaluation

6 marks for evaluation EVAL

<table>
<tr><td>Developed/Supported judgement in context</td><td>L3 EVAL</td><td>6 marks</td></tr>
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</table>

A judgement/decision is made in relation to the view that managers in a new hospital will have the most influence on its performance.
Such judgements may be made at any point in the essay, not just in a concluding section

- The contribution that managers can make to a hospital, analysed above, is of course, dependent on manager skills and expertise – ineffective managers can reduce the performance of a hospital and get in the way of professional and support staff
- A judgement might be made that if managers are competent at corporate and departmental levels, they can significantly influence hospital performance – they take vital and appropriate decisions and create working environments that produce high quality care

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Question	Answer	Marks
6(b)	• It might be suggested that managers having the most influence can be said to be a generalisation that overvalues the potential contribution of managers in a hospital, and underestimates the contribution of other factors of production – it can be argued that the professional health specialists in a hospital have at least the same, or possibly more, influence – the cutting edge technology in the hospital is also critical to health care outcomes • Also, the reference to 'managers' needs further consideration – there are general and specialist managers – corporate, departmental, project managers – each category of manager can make contributions to performance or, indeed, hinder quality performance Accept all valid responses.	

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Mark Grids for Section B

Used for Q5(a) and Q6(a)

Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 4 marks
2			**3–4 marks** **Developed analysis** • Developed analysis that identifies connections between causes, impacts and/or consequences of **two** points. • Developed analysis that identifies connections between causes, impacts and/or consequences of **one** point.
1	**1–2 marks** • Knowledge of **two** relevant points is used to answer the question. • Knowledge of **one** relevant point is used to answer the question.	**1–2 marks** • Application of **two** relevant points to a business context. • Application of **one** relevant point to a business context.	**1–2 marks** **Limited analysis** • Limited analysis that identifies connections between causes, impacts and/or consequences of **two** points. • Limited analysis that identifies connections between causes, impacts and/or consequences of **one** point.
0	**0 marks** No creditable response.	**0 marks** No creditable response.	**0 marks** No creditable response.

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Mark Grids for Section B

Used for Q5(b) and Q6(b)

Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 2 marks	AO4 Evaluation 6 marks
3				**5–6 marks** **Developed evaluation in context** • A developed judgement/conclusion is made in the business context. • Developed evaluative comments which balance some key arguments in the business context.
2	**2 marks** **Developed knowledge** of relevant key term(s) and/or factor(s) is used to answer the question.	**2 marks** **Developed application** of relevant point(s) to the business context.	**2 marks** **Developed analysis** that identifies connections between causes, impacts and/or consequences.	**3–4 marks** **Developed evaluation** • A developed judgement/conclusion is made. • Developed evaluative comments which balance some key arguments.
1	**1 mark** **Limited knowledge** of relevant key term(s) and/or factor(s) is used to answer the question.	**1 mark** **Limited application** of relevant point(s) to the business context.	**1 mark** **Limited analysis** that identifies connections between causes, impacts and/or consequences.	**1–2 marks** **Limited evaluation** • A judgement/conclusion is made with limited supporting comment/evidence. • An attempt is made to balance the arguments.
0	**0 marks** No creditable response.	**0 marks** No creditable response.	**0 marks** No creditable response.	**0 marks** No creditable response.

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