Cambridge Assessment International Education

# Cambridge IGCSE™

**BUSINESS STUDIES** **0450/13**

Paper 1 Short Answer/Data Response **May/June 2022**

MARK SCHEME

Maximum Mark: 80

**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.

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## 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 descriptors 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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**0450/7115/0986 Business Studies – Paper 1 Annotations**

| Annotation | Description | Use |
|---|---|---|
| **Tick** | Tick | Indicates a point which is relevant and rewardable. |
| **X** | Cross | Indicates a point which is inaccurate/irrelevant and not rewardable. |
| **BOD** | Benefit of doubt | Used when the benefit of the doubt is given in order to reward a response. |
| **TV** | Too vague | Used when parts of the answer are considered to be too vague. |
| **REP** | Repetition | Indicates where content has been repeated. |
| **NAQ** | Not answered question | Used when the answer or parts of the answer are not answering the question asked. |
| **K** | Knowledge | Indicates knowledge and understanding of the concepts and issues relating to the question. |
| **APP** | Application | Indicates appropriate reference to the information in the stem. |
| **AN** | Analysis | Indicates where the answer has demonstrated analysis. |
| **EVAL** | Evaluation | Indicates where the answer has demonstrated evaluation (part (e) questions only). |
| **OFR** | Own figure rule | If a mistake is made in a calculation, and the incorrect figure that results from the mistake is used for subsequent calculations. |
| **SEEN** | Noted but no credit given | Indicates that content has been recognised but not rewarded. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 1(a) | **Define 'pressure group'.**<br><br>Award 2 marks for a full definition. Award 1 mark for a partial definition.<br><br>Groups of people who act together to try to force businesses or governments to adopt certain policies [2]<br>OR<br>Organisation of like-minded people who put pressure on businesses and the government to change their policies to reach a predetermined objective [2]<br>OR<br>A group that campaigns on a range of social causes and tries to influence business behaviour [2]<br>OR<br>People who have a common interest who take action to change / influence business (or government) decisions [2]<br><br>Partial definition e.g. group formed by people with a common interest [1] | **2** | Do not award examples. |
| 1(b) | **Identify <u>two</u> features of batch production.**<br><br>Award 1 mark per feature (max 2).<br><br>Points might include:<br>• Goods produced in sets/groups<br>• Machines need to be reset between batches (frequently)<br>• Lower **unit** costs **<u>than</u>** job production<br>• Large amount of work-in-progress<br>• Flexibility/variety<br>• Machine breakdowns do **not** seriously affect production<br><br>Other appropriate responses should also be credited. | **2** | Only award the first two responses given. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 1(c) | **Outline <u>two</u> factors MTD should consider when deciding on the packaging for its new product.**<br><br>Award 1 mark for each relevant factor (max 2).<br><br>Award 1 mark for each relevant reference to this business (max 2).<br><br>Points might include:<br>• Protection/security for product [k] so no leakage of soap [app]<br>• Carries / what information it needs to include about product [k] such as it took 18 months to develop [app]<br>• Who selling to / attract target market / customers [k] which can help decide the method of promotion [app]<br>• Promotes brand image [k] such as that it is environmentally friendly [app]<br>• Type/quality of materials to use [k] to avoid action from pressure groups [app]<br>• Ease of transport [k]<br>• Ease of storage/display [k]<br>• Whether/how easy it is to use/open [k]<br><br>Other appropriate responses should also be credited. | **4** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• Soap/cleaning products or related words<br>• Environmentally friendly<br>• Sustainable development<br>• 18 months to develop<br>• Pressure groups<br>• (Has to decide) method of promotion<br><br>Other appropriate examples in context can still be credited. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 1(d) | **Explain <u>two</u> possible advantages to MTD of using just-in-time inventory control.**<br><br>Award 1 mark for identification of each relevant advantage (max 2).<br><br>Award 1 mark for each relevant reference to this business (max 2).<br><br>Award 1 mark for each explanation (max 2)<br><br>Points might include:<br>• Less inventory held [k] so less chance of wastage [an] which is important when trying to contribute to sustainable development [app]<br>• Lower insurance costs [k] which will help reduce expenses [an] for this cleaning product [app]<br>• Less warehouse space [k] lower storage costs [an]<br>• Improve working capital [k] as less money tied up in inventory [an] which can used for promotion of the new product [app]<br>• Improve cash flow [k] as finished product can be produced/sold to order so money will come back to the business more quickly [an]<br><br>Other appropriate responses should also be credited. | **6** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• Soap/cleaning products<br>• Environmentally friendly<br>• Develop new products<br>• Batch production<br>• Packaging<br><br>Other appropriate examples in context can still be credited. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 1(e) | **Do you think using social media is the best way for a business to promote a new product? Justify your answer.**<br><br>Award up to 2 marks for identification of relevant points.<br><br>Award up to 2 marks for relevant development of points.<br><br>Award 2 marks for a justified decision as to whether using social media is the best way for a business to promote a new product.<br><br>Points might include:<br>Social media:<br>• Cover wide area / seen by many people [k] leading to additional revenue [an]<br>• **Low** cost method of advertising [k] so fewer cash outflows [an]<br>• Easy/quick to update [k] so can spend time on other tasks [an]<br>• Can target specific groups [k]<br>• No internet access / not everyone uses social media / message 'lost' among many messages on social media [k]<br>• Lack of control over comments [k]<br>• Comments can be altered/hacked/bad reviews [k] could lead to a bad reputation/publicity [an]<br>• Takes time to continually post/monitor messages [k]<br><br>Other methods of promotion could include:<br>• Newspaper [k] as can be referred back to (later) [an]<br>• Specialist magazines [k]<br><br>Other appropriate responses should also be credited. | **6** | This is a general question so there are no marks for application.<br><br>For evaluation to be awarded justification will usually follow on from relevant analysis of points. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 1(e) | Justification might include:<br>Using social media means that more people are likely to see [k] which means more potential revenue [an]. However, a unique product may be more suited to a specialist magazine [k] as it directly targets the intended audience [an]. It may depend on the type of product as if it is a new product then social media may be better as the product may not have much awareness yet therefore a wider area of coverage is likely to be of greater importance. [eval] [eval] | | |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 2(a) | **Define 'revenue'.**<br><br>Award 2 marks for a full definition. Award 1 mark for a partial definition.<br><br>**Money** coming in from selling a product (over a given period of time) [2]<br>OR<br>Amount of **money** a business earns from the sale of its products [2]<br><br>Partial definition e.g. Income of the business [1] | **2** | |
| 2(b) | **Calculate working capital. Show your working.**<br><br>Correct answer: $60 million or 60m [2]<br><br>Correct method but incorrect answer:<br>e.g. Current assets – current liabilities [1] OR $300m – $240m [1]<br><br>If correct answer given, but with no workings shown, award 2 marks.<br><br>Award one mark if $60 m is written as part of the answer but is not given as the final answer. | **2** | $ sign not required but units (m) must be included to gain full marks. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 2(c) | **Outline <u>two</u> advantages of TJM being a private limited company.**<br><br>Award 1 mark for each relevant advantage [max 2].<br><br>Award 1 mark for each relevant reference to this business [max 2].<br><br>Points might include:<br>• Limited liability (for owners) [k] of the 450 shops [app]<br>• Control over who can buy shares [k] for this retailer [app]<br>• Can sell shares (to raise capital) [k] for the 20 shops/expansion [app]<br>• Separate legal identity/incorporated [k]<br>• Continuity [k]<br><br>Other appropriate responses should also be credited. | **4** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• 450 (shops)<br>• 20 new or 470 shops<br>• Food/retailer<br>• $500 million (revenue)<br>• 400 employees<br>• $200 million (profit)<br><br>Other appropriate examples in context can still be credited. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 2(d) | **Explain <u>two</u> possible reasons why profit might be important to TJM.**<br><br>Award 1 mark for identification of each relevant reason (max 2).<br><br>Award 1 mark for each relevant reference to this business (max 2).<br><br>Award 1 mark for each relevant explanation (max 2).<br><br>Points might include:<br>• Provide an (internal) **source of funds** [k] for the private limited company [app] so business has full control over how it is spent / no interest to be pay [an]<br>• Reward for risk-taking [k] as owners invested their money in hope of making a return on investment [an]<br>• Represents return on shareholder investment [k] in this private limited company [app] as otherwise they could invest elsewhere [an]<br>• Measure of success [k] as made a profit of $200m [app]<br>• Attract investors/finance [k]<br>• Needed for **long-term** survival [k]<br>• Can use to pay for unexpected events [k]<br><br>Other appropriate responses should also be credited. | **6** | Note: To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• 450 shops<br>• 20 new or 470 shops/plans to expand<br>• Food/retailer<br>• $200m (profit)<br>• 400 (new jobs)<br>• Private limited company<br><br>Other appropriate examples in context can still be credited.<br><br>Only accept reference to shops as application once unless clearly referring to existing shops and expansion plan. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 2(e) | **Do you think an interview is the best way for a large business to select new employees? Justify your answer.**<br><br>Award up to 2 marks for identification of relevant points.<br><br>Award up to 2 marks for relevant development of points.<br><br>Award 2 marks for a justified decision as to whether an interview is the best way for a large business to select new employees.<br><br>Points might include:<br>Interview:<br>• Able to use in-depth questions/obtain detailed answers [k] allowing them to understand their qualities/personality [an]<br>• Able to read/see body language/facial expressions [k]<br>• Time consuming **to set up/carry out** (multiple interviews) [k] so (Human Resources) manager has less time to focus on other activities [an]<br><br>Other options include:<br>• Skills test [k] shows/proves the person can carry out the required tasks [an] but may not be feasible to perform some activities (as depends on what the job is) [an]<br>• Group situation / role play [k] which allows an opportunity to show interpersonal skills such as communication / leadership qualities / whether person interacts well with others [an] but the actions of others may distort process [an]<br>• Assessment centre/days [k]<br><br>Other appropriate answers should also be credited. | **6** | This is a general question so there are no marks for application.<br><br>For evaluation to be awarded justification will usually follow on from relevant analysis of points. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 2(e) | Justification might include:<br>Interviews mean the business can discuss the candidate's experiences in detail [k] which can allow them to understand their individual qualities [an]. Whereas a group activity [k] offers the opportunity to actually show the individuals' interpersonal skills such as leadership or team qualities [an]. No, I do not think an interview is always the best way as it depends on the job. A group situation is better method as there may be limited value in appointing someone who is good in a 1-to-1 situation if they cannot work as part of team [eval] and in a large business they are likely to have to work closely with many other people. [eval] [eval] | | |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 3(a) | **Identify <u>two</u> reasons why businesses need objectives.**<br><br>Award 1 mark per reason (max 2).<br><br>Points might include:<br>• Provides targets/goals to work towards<br>• Way to measure success/judge/assess performance<br>• Helps decision-making / allocate resources<br><br>Other appropriate responses should also be credited. | **2** | Only award the first two responses given. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 3(b) | **Identify <u>two</u> possible reasons why an owner might want their business to remain small.**<br><br>Award 1 mark per reason (max 2).<br><br>Points might include:<br>• Access/availability/lack of capital (to expand)<br>• Personal preference / owners' choice<br>• Size of the market<br>• Type of industry / need to maintain close employee / customers relationships<br><br>Other appropriate responses should also be credited. | **2** | Only award the first two responses given. |
| 3(c) | **Outline <u>two</u> ways higher taxes might affect Gareth's business.**<br><br>Award 1 mark for each relevant way (max 2).<br><br>Award 1 mark for each relevant reference to this business. (max 2)<br><br>Points might include<br>• Lower demand/sales [k] for car washing [app]<br>• Increased costs / lower profit [k] which may be a problem for a business only started one year ago [app]<br>• May have to increase prices [k] so his price may be above the average of $6.34 [app]<br>• May delay any (future) expansion plans [k]<br><br>Other appropriate responses should also be credited. | **4** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• Car wash<br>• Small business<br>• $6.34<br>• 23% or 77%<br>• One year ago<br>• Government support<br>• Business objectives<br><br>Other appropriate examples in context can still be credited. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 3(d) | **Explain how the data shown in Figure 3.1 and Figure 3.2 could be useful to Gareth.**<br><br>Award 1 mark for identification of each relevant point (max 2).<br><br>Award 1 mark for each relevant reference to this business (max 2).<br><br>Award 1 mark for each relevant explanation (max 2).<br><br>Figure 3.1:<br>• Shows **large** proportion of people owning cars [k] at 77% [app] which can help him calculate the potential size of the market/demand [an]<br>• Shows potential demand/whether there is sufficient customers [k] for car **washing** [app] which could mean higher revenue [an]<br><br>Figure 3.2:<br>• Shows average price people pay for this service [k] at $6.34 [app] which can help him set prices [an]<br>• Help set (suitable)prices [k] at $6.34 [app] allowing him to increase market share/remain competitive [an]<br>• Know how much people might be willing to pay [k]<br><br>Other appropriate responses should also be credited. | **6** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• Small business<br>• $6.34<br>• 23% or 77%<br>• **(Car) wash / washing (cars)**<br><br>Other appropriate examples in context can still be credited. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 3(e) | **Do you think offering financial help, such as grants, is the best way for a government to support business start-ups? Justify your answer.**<br><br>Award up to 2 marks for identification of relevant points.<br><br>Award up to 2 marks for relevant development of points.<br><br>Award 2 marks for a justified decision as to whether offering financial help, such as grants, is the best way for a government to support business start-ups.<br><br>Points might include:<br>Financial support/grants:<br>• Needs funds to buy assets [k] without which it cannot operate [an]<br>• Start-up business is likely to have access to fewer sources of finance [k]<br><br>Other options might include:<br>• Information / support / advice / mentors [k] as a new entrepreneur may lack experience (of running a business) [an] so helps them make better decisions / fewer mistakes [an]<br>• Interest free / low cost loans [k] which will reduce cash outflows [an]<br>• Lower taxes [k] so lower costs [an]<br>• Free/low cost training schemes [k]<br>• Low rent areas [k]<br><br>Other appropriate answers should also be credited.<br><br>Justification might include:<br>A start-up business needs to have enough money to pay creditors [k] as without it could lead to cash flow problems [an]. Another way is to provide a mentor [k] as a new entrepreneur may not have experience of running a business [an]. I think financial help is better due to the limited sources of finance available and banks may be less willing to take the risk of lending money to a start-up business [eval] and without this there is no business [eval]. | **6** | This is a general question so there are no marks for application.<br><br>For evaluation to be awarded justification will usually follow on from relevant analysis of points. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 4(a) | **Define 'external cost'.**<br><br>Award 2 marks for a full definition. Award 1 mark for a partial definition.<br><br>Costs paid for by the rest of society, other than the business, as a result of business activity [2]<br>OR<br>The **negative** impact of a business decision on society [2]<br>OR<br>Costs/disadvantages that fall on third parties that are not directly involved in the production process [2]<br><br>Partial definition e.g. costs society/third party has to pay [1] | **2** | **Do not** award examples as these do not define the term.<br><br>**Do not** award 'harms environment' as this is too vague. |
| 4(b) | **State <u>two</u> responsibilities of a director.**<br><br>Award 1 mark per responsibility (max 2).<br><br>Points might include:<br>• Provide **strategic** direction/guidance<br>• Setting targets<br>• Legal responsibility (to represent business)<br>• Direct and control resources<br>• Prepare **corporate** plan<br>• Take decisions that can affect the **whole** department/company<br>• Protect the interests of shareholders (and other stakeholders)<br><br>Other appropriate responses should also be credited. | **2** | Only award the first two responses given. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 4(c) | **Identify <u>four</u> potential benefits to a country's economy of a multinational company locating there.**<br><br>Award 1 mark per benefit (max 4).<br><br>Points might include:<br>• Jobs **created**<br>• **Increased/new** investment/infrastructure<br>• **Increased/more** exports<br>• **Fewer** imports<br>• Taxes paid to government<br>• **Increased** customer choice/quality<br>• **Improves/increased** competition / lower prices<br>• **Improves country's** reputation<br><br>Other appropriate responses should also be credited. | **4** | Only award the first four responses given. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 4(d) | **Explain <u>one</u> possible effect on BCZ and <u>one</u> possible effect on its employees of the new legal controls that will reduce the maximum number of working hours.**<br><br>Award 1 mark for identification of each relevant effect (max 2).<br><br>Award 1 mark for each relevant reference to this business (max 2).<br><br>Award 1 mark for each relevant explanation (max 2).<br><br>Points might include:<br>Effect on BCZ:<br>• Lower output [k] in the factory [app] so fewer sales/less revenue [an]<br>• May need to recruit more workers [k] to make cement [app] leading to an increase in recruitment/training costs [an]<br>• May encourage BCZ to become more capital intensive [k] which will reduce the number of workers [an]<br>• Lower labour costs (if do not need extra workers) [k]<br><br>Effect on BCZ's employees:<br>• Lower pay [k] as only able to work 35 hours [app] so lower standard of living [an]<br>• Better health / work life balance [k]<br>• May have to look for a second/another job [k]<br><br>Other appropriate responses should also be credited. | **6** | To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.<br><br>The following words are likely to be appropriate for this question:<br>• Cement<br>• Factory<br>• 35 or 45 or 10 hours<br>• 12 countries<br>• External costs<br><br>Other appropriate examples in context can still be credited. |

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| Question | Answer | Marks | Notes |
|---|---|---|---|
| 4(e) | **Do you think it is better for a large manufacturer to use quality assurance rather than quality control? Justify your answer.**<br><br>Award up to 2 marks for identification of relevant points.<br><br>Award up to 2 marks for relevant development of points.<br><br>Award 2 marks for a justified decision as to whether it is better for a large manufacturer to use quality assurance rather than quality control.<br><br>Points might include:<br>Quality assurance:<br>• Tries to eliminate errors at all stages / errors can be spotted **earlier** in process [k] so less money/time spent on rework [an]<br>• Can motivate employees (as have an important role in process) [k] leading to higher output / fewer mistakes [an]<br>• **All** workers need training [k] which increases training costs [an]<br>• Time to train all workers [k] may reduce output (in short term) [an]<br>• Not all workers are interested/able to spot problems [k]<br><br>Quality control:<br>• Need to recruit inspectors to check/test products [k] which will increase recruitment/labour costs [an]<br>• Production does not stop (for checks) [k] so ensures some output is available [an]<br>• Does not check all products (so customers may still receive poor-quality products) [k] damaging reputation [an]<br>• May lead to wasted resources (as only identify problem at end of process) [k] increasing variable costs [an]<br>• Does not encourage all workers to be responsible for quality [k]<br><br>Other appropriate responses should also be credited. | **6** | This is a general question so there are no marks for application.<br><br>For evaluation to be awarded justification will usually follow on from relevant analysis of points.<br><br>Advantages of one method can be presented as disadvantages of the other method but do not award the same point twice as mirror answers are not accepted.<br><br>**Do not award** answers about reputation/sales as [k] as this can apply to both.<br><br>**Do not award** answers which simply discuss why quality is important. |

| Question | Answer | Marks | Notes |
|---|---|---|---|
| 4(e) | Justification might include:<br>Quality assurance means errors can be spotted sooner in the process [k] which reduces the cost of rework [an]. However, using quality control means production does not stop for checks [k] meaning that no output is lost when checking quality [an]. Quality assurance is the better method as although training employees will increase costs, especially for a large manufacturer, the lower levels of wastage should offset the additional cost of training.<br>[eval] [eval] | | |

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