

INTERNATIONAL GCSE **BUSINESS**

9225/1

Paper 1 Influences of operations and human resources on
business activity

Mark scheme

November 2024

Version: 1.0 Final



2 4 B Y 9 2 2 5 / 1 / M S

Mark schemes are prepared by the Lead Assessment Writer and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation events which all associates participate in and is the scheme which was used by them in this examination. The standardisation process ensures that the mark scheme covers the students' responses to questions and that every associate understands and applies it in the same correct way. As preparation for standardisation each associate analyses a number of students' scripts. Alternative answers not already covered by the mark scheme are discussed and legislated for. If, after the standardisation process, associates encounter unusual answers which have not been raised they are required to refer these to the Lead Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of students' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

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Level of response marking instructions

Level of response mark schemes are broken down into levels, each of which has a descriptor. The descriptor for the level shows the average performance for the level. There are marks in each level.

Before you apply the mark scheme to a student's answer read through the answer and annotate it (as instructed) to show the qualities that are being looked for. You can then apply the mark scheme.

Step 1 Determine a level

Start at the lowest level of the mark scheme and use it as a ladder to see whether the answer meets the descriptor for that level. The descriptor for the level indicates the different qualities that might be seen in the student's answer for that level. If it meets the lowest level then go to the next one and decide if it meets this level, and so on, until you have a match between the level descriptor and the answer. With practice and familiarity you will find that for better answers you will be able to quickly skip through the lower levels of the mark scheme.

When assigning a level you should look at the overall quality of the answer and not look to pick holes in small and specific parts of the answer where the student has not performed quite as well as the rest. If the answer covers different aspects of different levels of the mark scheme you should use a best fit approach for defining the level and then use the variability of the response to help decide the mark within the level, ie if the response is predominantly level 3 with a small amount of level 4 material it would be placed in level 3 but be awarded a mark near the top of the level because of the level 4 content.

Step 2 Determine a mark

Once you have assigned a level you need to decide on the mark. The descriptors on how to allocate marks can help with this. The exemplar materials used during standardisation will help. There will be an answer in the standardising materials which will correspond with each level of the mark scheme. This answer will have been awarded a mark by the Lead Examiner. You can compare the student's answer with the example to determine if it is the same standard, better or worse than the example. You can then use this to allocate a mark for the answer based on the Lead Examiner's mark on the example.

You may well need to read back through the answer as you apply the mark scheme to clarify points and assure yourself that the level and the mark are appropriate.

Indicative content in the mark scheme is provided as a guide for examiners. It is not intended to be exhaustive and you must credit other valid points. Students do not have to cover all of the points mentioned in the Indicative content to reach the highest level of the mark scheme.

An answer which contains nothing of relevance to the question must be awarded no marks.

Marking guidance

- Read the response as a whole; follow the flow of reasoning as a whole.
- Remember that the indicative content provides possible lines of argument but there may be others that are equally valid. Be willing to credit other lines of argument.
- Annotate the script as you read using the annotations for application, analysis and evaluation shown below.
- Refer back to the standardisation scripts and guidance to help you benchmark. Marking must be in line with the standard agreed at standardisation. Refer back to standardisation scripts regularly.
- Summarise your findings briefly at the end of the response. This will help you decide on the overall level and is helpful for others to understand the mark given. Make sure the comments fit with the level awarded.
- Within your comment put the level awarded, eg L4, and any further explanation of that decision, needed most commonly where performance has varied across the answer.
- If in doubt about an approach contact your Team Leader, so that we can ensure we have a standardised approach across all marking.
- Be positive in your marking. Look to reward what is there.

Standard annotations:

Annotation	Skill being evidenced
Uses context	AO2 – application to context
Analysed in depth	AO3 – analysis
Partial analysis	
Simplistic analysis	
Evaluation fully justified	AO4 – evaluation
Evaluation with some justification	
Evaluation with limited justification	
Evaluation with no justification	

Section A

Total for this section: 15 marks

Question	Part	Marking guidance	Total marks
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01		Allowing staff time off for religious holidays is an example of... Answer: D (ethical considerations.)	1 AO1=1
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Question	Part	Marking guidance	Total marks
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02		If the US dollar rises in value against the Chinese currency, which one of the following is true? Answer: D (Demand for Chinese products in America will rise.)	1 AO1=1
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Question	Part	Marking guidance	Total marks
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03		Which one of the following is not a major section in a business plan? Answer: D (Opportunity cost)	1 AO1=1
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Question	Part	Marking guidance	Total marks
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04		Which one of the following is likely to be an objective of a not-for-profit organisation? Answer: A (Help local communities)	1 AO1=1
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Question	Part	Marking guidance	Total marks
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05		Which one of these would cause a direct increase in a business' variable costs? Answer: B (Inflation)	1 AO1=1
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Question	Part	Marking guidance	Total marks
06		Explain what is meant by a market. One mark for a partial explanation, second mark for adding some valid detail to the explanation. Possible answers include: • a market is a convenient place for people to meet (in person or online) to buy and sell goods and services • a market is anywhere that buyers and sellers meet to exchange goods or services.	2 AO1=2

Question	Part	Marking guidance	Total marks
07		Explain one benefit for a business of health and safety laws. One mark for a partial explanation, second mark for adding some valid detail to the explanation. Possible answers include: • fewer accidents should occur • employees may feel safer at work. Specimen response: Health and safety law should mean fewer accidents (1) which should increase efficiency as work will stop less often (1).	2 AO1=2

Question	Part	Marking guidance	Total marks
08		Explain why the amount of competition is important when choosing a business location. One mark for a partial explanation, second mark for adding some valid detail to the explanation. Possible answers include: • in some cases it is wise to locate away from competitors so that possible customers are not distracted by rival businesses • in other markets, it is sensible to locate near to competitors in an area with a reputation for that type of product. Specimen response: Nearby competitors may attract customers (1) so locating away from competitors may help boost customer numbers (1).	2 AO1=2

Question	Part	Marking guidance	Total marks
09		Explain two effects on a business of an increase in levels of employment in its local area. One mark for an effect, second mark for adding some valid detail to the explanation (apply twice). Possible answers include: • average income levels should rise, potentially leading to an increase in demand • recruiting staff may be harder as fewer people will be actively seeking a job. Specimen response: Increased employment means more people have jobs and average incomes should rise (1) which may mean more demand for the business' products (1).	4 AO1=4

Section B

Total for this section: 39 marks

Question	Part	Marking guidance	Total marks
10	1	Explain two benefits to Sura's business of providing good customer service. One mark for identifying a benefit, one mark for a valid explanation with some relevance to context, one mark for clear reference to context (apply twice). Possible answers include: • customer loyalty – as a new business returning customers will be important as she has not had time to build up a wide customer base • customers may pay higher prices – which will enable her to make a profit on a low output • Sura seems to be trying to create an image of very high quality – and excellent customer service will help to reinforce this image for the business. Specimen response: Sura's business will ensure customer satisfaction (1) because excellent customer service should leave each customer delighted with their plate (1) which should ensure they are happy to order from her young business again (1).	6 AO1=2 AO2=4

Question	Part	Marking guidance	Total marks
10	2	Analyse why Sura has chosen to use job production. Possible answers include: • keeps initial costs low – the business is only two years old so money may still be tight • allows products to be personalised to a customer's order which is the basis of her business model • job production is likely to be more interesting to her – something that may be important as this was a hobby turned into a business. Specimen response: Sura may have chosen job production because it allows each of her plates to be custom-made to suit a customer's order (L1). In this way she can satisfy each customer's precise needs, which means they are more likely to choose to use her business (L2). This may enable her to charge a relatively high price. That will allow her to make a satisfactory profit, even with a relatively low output, as it is only her producing the plates (L3).	6 AO2=2 AO3=4

Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. Due to the greater number of marks available for AO3, answers at level 3 will have a greater depth of analysis (AO3) but may show similar levels of application of knowledge and understanding (AO2) to a level 2 answer.

Level	Marks	Descriptor
3	5–6 AO3x2	Detailed analysis of topics based on the context • Business areas are analysed in depth. • Applies knowledge and understanding to the context sufficiently, throughout the answer.
2	3–4 AO3 AO2	Sound analysis of topics based on the context • Business areas are partially analysed. • Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	Basic analysis of topics based on the context • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

Question	Part	Marking guidance	Total marks
10	3	Analyse how Sura's business benefits from having an effective recruitment process. Possible answers include: • keeps costs low by reducing the staff turnover – money is scarce when expanding a business and extra recruitment costs to replace weak employees will be a financial burden she cannot afford • motivated and skilled staff will be needed – if she is to meet her aim of providing excellent customer service, especially in the processes that the new employee will handle. Specimen response: An effective recruitment and selection process can ensure Sura finds the best potential employee (L1). This should ensure that the new staff member is enthusiastic and motivated to learn how to do the job well (L2). This should help to ensure that the despatch of products – which Sura feels is critical to the business' success, is done to the best possible standard. This should improve customer loyalty which will be vital to a small business such as Sura's (L3).	6 AO2=2 AO3=4

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1	1–2 AO3 AO2	Basic analysis of topics based on the context • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

Question	Part	Marking guidance	Total marks
10	4	Using Item B, explain why Sura provided induction training for the assistant. One mark for some understanding without context, one mark for explanation with some reference to context, one mark for clear reference to context. Possible answers include: • induction training is offered to new staff when they first join a business • in this case Sura has high expectations of the despatch process, so it is vital that the employee understands how Sura wants the job to be done. Specimen response: Induction means training provided when a new person joins a business (1). This can help the employee to understand a business' own policies (1) such as Sura's special approach to sending out customer orders (1).	3 AO1=1 AO2=2

Question	Part	Marking guidance	Total marks
10	5	Use Item B and Table 1 to explain one economy of scale and one diseconomy of scale that Sura's business might have. One mark for some understanding of economies/diseconomies without context, one mark for explanation with some reference to context, one mark for clear reference to context. Possible answers include: • economies of scale are factors leading to a reduction in cost per unit as a result of an increase in the size of a business • diseconomies of scale are factors leading to an increase in the cost per unit of a business as a result of an increase in size • having grown her business, specialisation can now occur with Sura specialising in plate making and her employee becoming much more skilled in packaging and despatch as well as social media marketing • even by adding just one employee, communication will be harder as Sura has to explain what needs to be done – which could result in errors, as shown in the table, though these could be caused by poor motivation, which may also be a sign of diseconomies of scale. Specimen response: Diseconomies of scale are problems caused by growing (1) which lead to an increase in unit cost, eg communication (1). As Sura moves from one person to two people, communication problems may occur as the business has grown (1).	6 AO1=2 AO2=4

Question	Part	Marking guidance	Total marks
10	6	Sura has now noticed some problems. Her assistant is not very motivated by the marketing tasks and is taking too long to send out packages. Sura is considering offering a financial bonus to the assistant, focused on improving the assistant's productivity. Using information from Items A and B and Table 1: - analyse the advantages and disadvantages of offering the assistant a financial bonus - use your analysis to recommend whether Sura should use financial motivation methods for her assistant. Possible answers include: Advantages: - employee would earn more by working better – this is likely to matter to the employee whose pay is unlikely to be high - incentivising faster work should bring despatch times down – this would prevent damaging Sura's reputation for excellent customer service and should improve the employee's marketing performance, perhaps boosting sales enough to help cover the extra cost - working faster should reduce the cost involved in packaging each unit as the employee will be able to complete more per hour. Disadvantages: - the quality of work done by the employee may suffer if they rush in order to receive their financial reward – this could be a huge problem for a business that prides itself on great packaging - Table 1 shows there is already a growing problem with postage errors – and this could get much worse if the employee is rushing their work. Possible themes for evaluation: - if customers are content to wait for their products, it may be better to avoid the financial incentive which could lead to more errors. If, however, customers are complaining about slow delivery, this could work to speed things up and reduce these complaints - other, non-financial methods of motivating the employee could be effective in tackling both the problem of speed and quality of work simultaneously - ultimately, if employee performance improves sufficiently to cover the cost of the financial incentives, this would be a wise choice.	12 AO2=4 AO3=8

Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. Due to the greater number of marks available for AO3, answers at level 3 will have a greater depth of analysis (AO3) but may show similar levels of application of knowledge and understanding (AO2) to a level 2 answer.

Level	Marks	Descriptor
4	10–12 AO3 AO3 AO2	Detailed analysis and evaluation of topics based on the context - Coherent line of reasoning followed, which is sustained, relevant and substantiated. There is a focused conclusion that is fully justified and follows clearly from the analysis. - Business areas are analysed in depth. - Knowledge and understanding is detailed and appropriately applied within context.
3	7–9 AO3 AO3 AO2	Sound analysis and evaluation - Coherent line of reasoning given and the conclusion is appropriate and related to the preceding analysis. - Business areas are partially analysed. - Knowledge and understanding is detailed and appropriately applied within context.
2	4–6 AO3 AO3 AO2	Limited attempt made to analyse the topics based on the context - Evidence of some line of reasoning, with a conclusion that has limited justification. - Analysis of business areas is simplistic. - Some knowledge and understanding is applied within context.
1	1–3 AO3 AO3 AO2	Basic evaluation of topics but without any real support or analysis - A conclusion is present but without any reasoned support. - No discernible or relevant analysis. - A clear attempt to apply knowledge and understanding, but context may be lacking.
0	0	Nothing worthy of credit.

Section C

Total for this section: 36 marks

Question	Part	Marking guidance	Total marks
11	1	Explain one way ZR could measure the quality of output in its factories. One mark for identifying a way, one mark for a valid explanation with some relevance to context, one mark for clear reference to context. Possible answers include: • reject rate – finished trainers deemed unsuitable for sales after production • number of customer complaints • quantity of wasted materials. Specimen response: Faulty shoes (1). Counting the percentage of finished products that are substandard (1) would help to ensure that consumers don't receive trainers with broken shoe laces (1).	3 AO1=1 AO2=2

Question	Part	Marking guidance	Total marks
11	2	Analyse how regular training can motivate ZR's production workers. Possible answers include: - improving staff skills will make them feel a sense of growth/achievement - staff may be more motivated if they feel better able to do their jobs - workers will feel the company values them if it is investing in training them. Specimen response: Regular training should help to improve the skills of staff making the trainers as they receive instruction on how to do their job (L1). This should mean that they feel more confident in their ability to produce faultless shoes, which is especially important with quality as a priority for ZR (L2). This is likely to allow them to gain an increased sense of job satisfaction and may attract praise from supervisors which will also be motivating (L3).	6 AO2=2 AO3=4

Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. Due to the greater number of marks available for AO3, answers at level 3 will have a greater depth of analysis (AO3) but may show similar levels of application of knowledge and understanding (AO2) to a level 2 answer.

Level	Marks	Descriptor
3	5–6 AO3x2	Detailed analysis of topics based on the context - Business areas are analysed in depth. - Applies knowledge and understanding to the context sufficiently, throughout the answer.
2	3–4 AO3 AO2	Sound analysis of topics based on the context - Business areas are partially analysed. - Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	Basic analysis of topics based on the context - Analysis of business areas is simplistic. - Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

Question	Part	Marking guidance	Total marks
11	3	Explain one benefit and one drawback of having a tall organisational structure for the business. One mark for identifying a benefit/drawback of tall structure without context, one mark for explanation with some relevance to context, one mark for clear reference to context (apply twice). Possible answers include: Benefits: - allows staff to be monitored closely to help prevent mistakes. Quality is a priority - with just five staff to supervise, supervisors should be able to build a close relationship with their subordinates - offers greater opportunities for promotion – enabling workers to move to the role of supervisor and beyond. Drawbacks: - higher wage bill with more people in managerial/supervisory roles – perhaps causing the loss made by ZR - staff may feel over-supervised leading to high staff turnover – again pushing up costs at a time the company has been making a loss. Specimen response: A tall structure is likely to mean narrow spans of control (1). This may demotivate staff as they feel watched too closely and they could leave, forcing extra costs of recruitment (1) which would be a particular problem for the business as it is making a loss (1).	6 AO1=2 AO2=4

Question	Part	Marking guidance	Total marks
11	4	Calculate the business' average unit cost last year. Show your calculations. Total costs = \$240m + \$360m = \$600m (1 mark) Divided by 12 million (1 mark) (OFR) Equals average cost = \$50 (1 mark) If no valid calculations, award one mark for knowledge of unit cost formula (total cost / output). Allow 3 marks for correct answer even without any working shown.	3 AO1=1 AO2=2

Question	Part	Marking guidance	Total marks
11	5	Analyse how ZR benefits from globalisation. Possible answers include: • huge number of potential customers – selling in over 100 countries • can locate factories in areas with cheap wages – helps to reduce the cost of their trainers • economies of sale are likely with such a large output – helping to drive down ZR's costs. Specimen response: Globalisation allows ZR to sell its product in many countries across the world, giving access to many millions of customers (L1). As it sells in over 100 countries, there is scope to grow the business to a huge size which can allow ZR to gain economies of scale (L2). If ZR can increase sales revenue, while enjoying the unit cost reductions that economies of scale can bring, it can boost its profit (L3).	6 AO2=2 AO3=4

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2	3–4 AO3 AO2	Sound analysis of topics based on the context • Business areas are partially analysed. • Applies knowledge and understanding to the context sufficiently, in most areas.
1	1–2 AO3 AO2	Basic analysis of topics based on the context • Analysis of business areas is simplistic. • Knowledge and understanding is applied to the context, but may be fragmented.
0	0	Nothing worthy of credit.

Question	Part	Marking guidance	Total marks
11	6	ZR's directors are considering changing their stock management to a just in time (JIT) system. Using information from Items C and D and Table 2: - analyse the advantages and disadvantages of ZR using just in time (JIT) - use your analysis to recommend whether ZR should change to just in time (JIT) stock management. Possible answers include: Advantages: - less chance of unsold stock when fashions change - reduces the need for the expensive warehouses therefore reducing fixed costs. Disadvantages: - the business currently has problems finding reliable suppliers, which becomes even more of a problem with no buffer stock - good communication is vital with just in time (JIT) however ZR currently have communication problems - ZR is likely to lose its bulk buy discount thus forcing variable costs up. Possible themes for evaluation: - several of ZR's current problems would be intensified if just in time (JIT) were adopted - however, the directors' worry about high fixed costs may be eased – perhaps at a cost of higher variable costs. Therefore, the decision may depend on how much fixed costs fall weighed against how much variable costs rise - implementing just in time (JIT) across 20 locations will represent a major challenge, not least in the requirement to move to a more decentralised approach.	12 AO2=4 AO3=8

Examiners are reminded that AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. More weight should therefore be given to AO3 than AO2.

Level	Marks	Descriptor
4	10–12 AO3 AO3 AO2	Detailed analysis and evaluation of topics based on the context - Coherent line of reasoning followed, which is sustained, relevant and substantiated. There is a focused conclusion that is fully justified and follows clearly from the analysis. - Business areas are analysed in depth. - Knowledge and understanding is detailed and appropriately applied within context.
3	7–9 AO3 AO3 AO2	Sound analysis and evaluation - Coherent line of reasoning given and the conclusion is appropriate and related to the preceding analysis. - Business areas are partially analysed. - Knowledge and understanding is detailed and appropriately applied within context.
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1	1–3 AO3 AO3 AO2	Basic evaluation of topics but without any real support or analysis - A conclusion is present but without any reasoned support. - No discernible or relevant analysis. - A clear attempt to apply knowledge and understanding, but context may be lacking.
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