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**BUSINESS**

**9609/21**

Paper 2 Data Response

**October/November 2017**

MARK SCHEME

Maximum Mark: 60

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**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 2017 series for most Cambridge IGCSE<sup>®</sup>, Cambridge International A and AS Level components and some Cambridge O Level components.

Question	Answer	Marks																							
1(a)(i)	<p data-bbox="316 248 751 282"><b>Define the term 'brand' (line 2).</b></p> <table border="1" data-bbox="316 315 1315 517"> <thead> <tr> <th data-bbox="316 315 1086 365">Knowledge</th> <th data-bbox="1086 315 1315 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 365 1086 414">A correct definition</td> <td data-bbox="1086 365 1315 414">2</td> </tr> <tr> <td data-bbox="316 414 1086 463">A partial, vague or unfocused definition</td> <td data-bbox="1086 414 1315 463">1</td> </tr> <tr> <td data-bbox="316 463 1086 517">No creditable content</td> <td data-bbox="1086 463 1315 517">0</td> </tr> </tbody> </table> <p data-bbox="316 551 722 584">A correct definition will contain:</p> <ul data-bbox="316 589 1305 656" style="list-style-type: none"> <li data-bbox="316 589 927 622">• A brand is a name, term, design or symbol</li> <li data-bbox="316 622 1305 656">• Distinguishes one seller's product from those of others/makes it unique.</li> </ul> <table border="1" data-bbox="316 689 1315 1207"> <thead> <tr> <th data-bbox="316 689 855 739">Exemplar</th> <th data-bbox="855 689 1007 739">Marks</th> <th data-bbox="1007 689 1315 739">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 739 855 824">A brand-name differentiates a product from similar products</td> <td data-bbox="855 739 1007 824">2</td> <td data-bbox="1007 739 1315 824">A correct definition</td> </tr> <tr> <td data-bbox="316 824 855 943">A brand is a name/symbol/design that differentiates a product from similar products.</td> <td data-bbox="855 824 1007 943">2</td> <td data-bbox="1007 824 1315 943">A correct definition</td> </tr> <tr> <td data-bbox="316 943 855 1126">A brand is a name/image/logo</td> <td data-bbox="855 943 1007 1126">1</td> <td data-bbox="1007 943 1315 1126">Vague as brands could also differentiate products with names/images/logos</td> </tr> <tr> <td data-bbox="316 1126 855 1207">Distinguishes one product from another.</td> <td data-bbox="855 1126 1007 1207">1</td> <td data-bbox="1007 1126 1315 1207">Other factors could also do this</td> </tr> </tbody> </table>	Knowledge	Marks	A correct definition	2	A partial, vague or unfocused definition	1	No creditable content	0	Exemplar	Marks	Rationale	A brand-name differentiates a product from similar products	2	A correct definition	A brand is a name/symbol/design that differentiates a product from similar products.	2	A correct definition	A brand is a name/image/logo	1	Vague as brands could also differentiate products with names/images/logos	Distinguishes one product from another.	1	Other factors could also do this	2
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1(a)(ii)	<p><b>Briefly explain the term ‘labour turnover’ (lines 11–12).</b></p> <p>Award one mark for each point of explanation:</p> <table border="1" data-bbox="316 383 1313 533"> <tr> <td data-bbox="316 383 395 432"><b>C</b></td> <td data-bbox="395 383 1161 432">Percentage/proportion or formula</td> <td data-bbox="1161 383 1313 432">1 mark</td> </tr> <tr> <td data-bbox="316 432 395 481"><b>B</b></td> <td data-bbox="395 432 1161 481">per year/time period (this could be in the formula)</td> <td data-bbox="1161 432 1313 481">1 mark</td> </tr> <tr> <td data-bbox="316 481 395 533"><b>A</b></td> <td data-bbox="395 481 1161 533">Employees/workforce that leave</td> <td data-bbox="1161 481 1313 533">1 mark</td> </tr> </table> <p><b>Content</b> The proportion/percentage/rate of a firm's workforce/employees that leave during a certain time period.</p> $\frac{\text{Number employees who left in a given time period}}{\text{Total number of employees}} \times 100$ <table border="1" data-bbox="316 819 1313 1473"> <thead> <tr> <th data-bbox="316 819 922 875">Exemplar</th> <th data-bbox="922 819 1050 875">Marks</th> <th data-bbox="1050 819 1313 875">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 875 922 958">The percentage of a firm's workforce that leave in a year</td> <td data-bbox="922 875 1050 958">3</td> <td data-bbox="1050 875 1313 958">Points from A, B and C</td> </tr> <tr> <td data-bbox="316 958 922 1059"><math>\frac{\text{Number employees who left in a year}}{\text{Total employees}} \times 100</math></td> <td data-bbox="922 958 1050 1059">3</td> <td data-bbox="1050 958 1313 1059">Formula covering all three points</td> </tr> <tr> <td data-bbox="316 1059 922 1160"><math>\frac{\text{Number employees who left}}{\text{Total employees}} \times 100</math></td> <td data-bbox="922 1059 1050 1160">2</td> <td data-bbox="1050 1059 1313 1160">Formula missing the B point</td> </tr> <tr> <td data-bbox="316 1160 922 1211">Number of employees that leave per year.</td> <td data-bbox="922 1160 1050 1211">2</td> <td data-bbox="1050 1160 1313 1211">A and B points</td> </tr> <tr> <td data-bbox="316 1211 922 1361">percentage leaving</td> <td data-bbox="922 1211 1050 1361">1</td> <td data-bbox="1050 1211 1313 1361">Does not refer to workforce/employees so a C point only</td> </tr> <tr> <td data-bbox="316 1361 922 1473">Numbers of employees that leave</td> <td data-bbox="922 1361 1050 1473">1</td> <td data-bbox="1050 1361 1313 1473">Does not explain 'turnover' so point from A only</td> </tr> </tbody> </table>	<b>C</b>	Percentage/proportion or formula	1 mark	<b>B</b>	per year/time period (this could be in the formula)	1 mark	<b>A</b>	Employees/workforce that leave	1 mark	Exemplar	Marks	Rationale	The percentage of a firm's workforce that leave in a year	3	Points from A, B and C	$\frac{\text{Number employees who left in a year}}{\text{Total employees}} \times 100$	3	Formula covering all three points	$\frac{\text{Number employees who left}}{\text{Total employees}} \times 100$	2	Formula missing the B point	Number of employees that leave per year.	2	A and B points	percentage leaving	1	Does not refer to workforce/employees so a C point only	Numbers of employees that leave	1	Does not explain 'turnover' so point from A only	3
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1(b)(i)	<p><b>Refer to Fig. 1. Identify the size of:</b></p> <ul style="list-style-type: none"> <li>• <b>Maximum inventory level</b></li> <li>• <b>Buffer inventory level</b></li> <li>• <b>Re-order quantity</b></li> </ul> <table border="1" data-bbox="316 432 1313 680"> <thead> <tr> <th data-bbox="316 432 469 481">Marks</th> <th data-bbox="469 432 1313 481">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 481 469 530">3</td> <td data-bbox="469 481 1313 530">Correct calculation of three figures</td> </tr> <tr> <td data-bbox="316 530 469 580">2</td> <td data-bbox="469 530 1313 580">Correct identification of two figures</td> </tr> <tr> <td data-bbox="316 580 469 629">1</td> <td data-bbox="469 580 1313 629">Correct identification of one figure</td> </tr> <tr> <td data-bbox="316 629 469 680">0</td> <td data-bbox="469 629 1313 680">No creditable content</td> </tr> </tbody> </table> <p><i>No own figure rule applicable</i></p> <p>Answers:</p> <ul style="list-style-type: none"> <li>• Maximum inventory level      <b>60 000</b> (1 mark)</li> <li>• Buffer inventory level          <b>10 000</b> (1 mark)</li> <li>• Re-order quantity                <b>50 000</b> (1 mark)</li> </ul> <p><b>Allow 60, 10, 50</b> <b>Note: Reward if you are confident that they have identified the correct figures</b></p>	Marks	Rationale	3	Correct calculation of three figures	2	Correct identification of two figures	1	Correct identification of one figure	0	No creditable content	<b>3</b>
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Question	Answer				Marks	
1(c)	<b>Analyse two disadvantages to RBP of holding a high level of inventory</b>					
	<b>Level</b>	<b>Knowledge and Application (4 marks)</b>	<b>Marks</b>	<b>Analysis (4 marks)</b>	<b>Marks</b>	
	2	Shows knowledge of holding a high level of inventory <b>in context</b>	4	Good analysis of <b>two (or more)</b> disadvantages of holding a high level of inventory <b>in context</b>	4	
			3	Good analysis of <b>one</b> disadvantage of holding a high level of inventory <b>in context</b>	3	
	1	Shows knowledge of inventory and/or knowledge of holding a high level of inventory	1–2	Limited analysis of <b>two (or more)</b> disadvantages of holding a high level of inventory	2	
					Limited analysis of <b>one</b> disadvantage of holding a high level of inventory	1
	0	No creditable content				
	<i>A non-contextual answer can only be awarded a maximum of 2 + 2 = 4</i>					
	<i>Limited analysis in context: Marks limited to 4 + 2 = 6</i>					
	<i>Analysis of only one disadvantage in context: Marks limited to 3 + 3 = 6</i>					
<b>Content</b>						
Answers could include:						
<ul style="list-style-type: none"> <li>• Cost of storing the stock (i.e. warehousing, insurance etc.)</li> <li>• Possibility of stock becoming obsolete – new designs, materials etc.</li> <li>• Possibility of demand changing – colours, fashions etc.</li> <li>• Cash tied up inventory – opportunity cost</li> </ul>						
<b>Examples of knowledge of holding a high level of inventory</b>		<b>Examples of application/context</b>		<b>Examples of possible analysis</b>		
High cost of holding stock		RBP produces large items (travel bags) and keep them in a warehouse next to the factory		Will increase the cost of each bag produced and decrease the profit of the business.		
ARA						

Question	Answer				Marks	
1(d)	<b>Evaluate the importance to RBP of Maya having a high level of emotional intelligence.</b>				<b>11</b>	
<b>Knowledge and Application (4 marks)</b>		<b>Marks</b>	<b>Analysis and Evaluation (7 marks)</b>			<b>Marks</b>
			A justified evaluation based on argument(s) of the importance of emotional intelligence <b>in context</b>			7
			Developed evaluation based on argument(s) of the importance of emotional intelligence <b>in context</b>			6
			An evaluative statement based on argument(s) of the importance of emotional intelligence <b>in context</b>			5
Shows understanding of emotional intelligence <b>in context</b>		3–4	Argument (two-sided) about the importance of emotional intelligence <b>in context</b>			4
			Argument (one-sided) about the importance of emotional intelligence <b>in context</b>			3
Shows knowledge of emotional intelligence		1–2	Limited analysis of emotional intelligence			1–2
<i>Justification can come from looking at the importance <b>and/or</b> importance of other qualities/leadership style required in a leader/manager or importance of training of workers/providing adequate resources</i>						

Question	Answer	Marks
1(d)	<p>Answers could include: Emotional intelligence is the ability to recognise your own and other people's emotions, to discriminate between different feelings and identify them appropriately, and to use emotional information to guide thinking and behaviour. Importance in motivating employees, increasing productivity, reducing absenteeism and turnover.</p> <ul style="list-style-type: none"> <li>• 100 workers who will need to be motivated and led and this may require emotional intelligence, especially since the workers are skilled and therefore not easily replaced.</li> <li>• RBP has high levels of absenteeism and labour turnover – Maya will need to resolve the underlying issues if she is to make the factory more productive</li> <li>• The previous manager was sacked due to lack of productivity. If this is to be solved Maya will need to be able to motivate the workers</li> <li>• However, the productivity issue may not be due to a lack of emotional intelligence from the previous manager, but there may be a more important reasons, such as poor training, equipment etc...</li> <li>• The factory may need a more authoritarian approach to increase productivity</li> </ul>	

An example of how an answer could develop and how it should be annotated.

K	APP	AN	ANAN (one sided)	EVAL
Emotional intelligence is recognising your own and other people's emotions. (K)	Maya needs to understand the emotions of the 100 workers so that she can tackle the productivity issues. (APP)	By understanding their emotions, Maya can make changes to the factory, which may increase the workers motivation. (AN)	This could lead to better productivity and hit the production targets. (ANAN)	Overall Maya having high levels of emotional intelligence is likely to be important, as it will help her understand the issues of the workforce that she manages. (EVAL – statement)
	The factory has high levels of absenteeism and labour turnover. (APP)	The workers may be absent and leaving RBP because of poor working conditions in the factory. This issue requires action from Maya not an understanding of their emotions. (AN)	<b>ANAN (two-sided)</b> Without better conditions the workers are unlikely to improve their absenteeism and turnover and therefore RBP will not have improved productivity and hit the targets. (ANAN)	However, it depends upon why the productivity levels are low. If the main issue was the disagreement between the previous manager and the workforce then it is likely to be very important. (EVAL – developed)  However, this is unlikely to be the only issue and Maya will need more than just emotional intelligence to hit the production targets for RBP. (EVAL – justified)



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2(b)(i)	<p><b>Refer to Table 1 and any other relevant information. Calculate the forecast closing balance at the end of Month 2.</b></p> <table border="1"> <thead> <tr> <th>Marks</th> <th>Rationale</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>Correct answer (with or without working or \$)</td> </tr> <tr> <td>2</td> <td>Correct calculation of net cashflow for both months (can be one calculation or two)</td> </tr> <tr> <td>1</td> <td>Formula <b>or</b> one correct calculation of net cashflow; i.e. cash inflow-cash outflow (can be month 1 or month 2)</td> </tr> <tr> <td>0</td> <td>No creditable content</td> </tr> </tbody> </table> <p><b>Formula:</b> Opening balance + net cash flow (Cash inflow – cash outflow)</p> <p><b>Calculations:</b>            Opening balance      \$10 000            Cash inflow            \$40 000            Cash outflow            \$35 000            Closing balance        <b>\$15 000 (3 marks for correct answer)</b></p> <p>Common incorrect answers</p> <table border="1"> <thead> <tr> <th>Answer</th> <th>Marks</th> <th>Rationale</th> </tr> </thead> <tbody> <tr> <td>M1 \$20 000 – \$25 000 = –\$5000 (1) M2 \$20 000 – \$10 000 = \$10 000 (1) Answer = <b>\$5000</b></td> <td>2</td> <td>Missed off opening balance</td> </tr> <tr> <td><b>\$5000</b> (no working)</td> <td>0</td> <td>No idea where the figure came from so no marks</td> </tr> <tr> <td>10 000 + 20 000 – 10 000 = <b>20 000</b></td> <td>1</td> <td>Some understanding with opening balance but cash inflow and outflow for month 2 only</td> </tr> <tr> <td>20 000 – 10 000 = <b>10 000</b></td> <td>1</td> <td>No opening balance and cash inflow and outflow for month 2 only</td> </tr> <tr> <td><b>10 000</b></td> <td>0</td> <td>No working</td> </tr> <tr> <td>Correct formula</td> <td>1</td> <td>Correct formula</td> </tr> </tbody> </table>	Marks	Rationale	3	Correct answer (with or without working or \$)	2	Correct calculation of net cashflow for both months (can be one calculation or two)	1	Formula <b>or</b> one correct calculation of net cashflow; i.e. cash inflow-cash outflow (can be month 1 or month 2)	0	No creditable content	Answer	Marks	Rationale	M1 \$20 000 – \$25 000 = –\$5000 (1) M2 \$20 000 – \$10 000 = \$10 000 (1) Answer = <b>\$5000</b>	2	Missed off opening balance	<b>\$5000</b> (no working)	0	No idea where the figure came from so no marks	10 000 + 20 000 – 10 000 = <b>20 000</b>	1	Some understanding with opening balance but cash inflow and outflow for month 2 only	20 000 – 10 000 = <b>10 000</b>	1	No opening balance and cash inflow and outflow for month 2 only	<b>10 000</b>	0	No working	Correct formula	1	Correct formula	3
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2(b)(ii)	<p data-bbox="316 248 1225 282"><b>Explain one benefit for Palesh of producing a cash flow forecast.</b></p> <table border="1" data-bbox="316 315 1315 667"> <thead> <tr> <th data-bbox="316 315 491 365">Level</th> <th data-bbox="491 315 1155 365">Knowledge and Application</th> <th data-bbox="1155 315 1315 365">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 365 491 450">2b (APPAPP)</td> <td data-bbox="491 365 1155 450">Explanation of one benefit of cash flow forecasting used <b>in context</b></td> <td data-bbox="1155 365 1315 450">3</td> </tr> <tr> <td data-bbox="316 450 491 535">2a (APP)</td> <td data-bbox="491 450 1155 535">Identification of one benefit of cash flow forecasting <b>in context</b></td> <td data-bbox="1155 450 1315 535">2</td> </tr> <tr> <td data-bbox="316 535 491 620">1a (K)</td> <td data-bbox="491 535 1155 620">Identification of one benefit of cash flow forecasting</td> <td data-bbox="1155 535 1315 620">1</td> </tr> <tr> <td data-bbox="316 620 491 667">0</td> <td data-bbox="491 620 1155 667">No creditable content</td> <td data-bbox="1155 620 1315 667">0</td> </tr> </tbody> </table> <p data-bbox="316 701 1246 768"><i>Correct use of an incorrect answer to 1bi should be fully rewarded (own figure rule – OFR)</i></p> <p data-bbox="316 801 432 835"><b>Content</b></p> <p data-bbox="316 835 619 869">Answers could include:</p> <ul data-bbox="316 875 1267 1122" style="list-style-type: none"> <li>• <b>Palesh can show the cash flow forecast to CW to help get the franchise</b></li> <li>• One of the major causes of new business failure is poor cash flow. A cash flow forecast will help Palesh to foresee any potential problems such as not having enough cash to pay wages</li> <li>• Allows Palesh to see when he may need extra finance</li> <li>• May help Palesh to get external finance if required</li> </ul> <p data-bbox="316 1160 1278 1227"><b>Note: a positive cashflow does not mean profit will be made – do not reward this confusion in an answer.</b></p>	Level	Knowledge and Application	Marks	2b (APPAPP)	Explanation of one benefit of cash flow forecasting used <b>in context</b>	3	2a (APP)	Identification of one benefit of cash flow forecasting <b>in context</b>	2	1a (K)	Identification of one benefit of cash flow forecasting	1	0	No creditable content	0	<b>4</b>
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Question	Answer				Marks
2(c)	<b>Analyse one advantage and one disadvantage to Palesh of how he carried out his market research.</b>				<b>8</b>
	<b>Level</b>	<b>Knowledge and Application (4 marks)</b>	<b>Marks</b>	<b>Analysis (4 marks)</b>	<b>Marks</b>
	2	Shows understanding of market research techniques in context	3–4	Good analysis of one (or more) advantage(s) <b>AND</b> one (or more) disadvantage(s) of market research techniques <b>in context</b>	4
				Good analysis of one (or more) advantage(s) <b>OR</b> one (or more) disadvantage(s) of market research techniques <b>in context</b>	3
	1	Shows knowledge of market research techniques	1–2	Limited analysis of one (or more) advantage(s) <b>AND</b> one (or more) disadvantage(s) of market research techniques	2
				Limited analysis of one (or more) advantage(s) <b>OR</b> one (or more) disadvantage(s) of market research techniques	1
	<i>Limited analysis in context: Marks limited to 4+2=6</i>				
	Answers could include: Advantages <ul style="list-style-type: none"> <li>• Quick – reduces costs to Palesh</li> <li>• This is primary research which can be more up-to-date than secondary</li> <li>• Cheaper than other methods that may require more preparation time</li> <li>• Focused on the local area where Palesh is planning to set up his business</li> </ul>				

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2(c)	Disadvantages <ul style="list-style-type: none"> <li>• Choose random – surely Palesh is only interested in people who have cars</li> <li>• On high street – is this the best place to sample people who might want to use a car wash?</li> <li>• Limited questions – e.g. could have asked what time of day might use the car wash</li> </ul>																																		
2(d)	<b>Recommend how Palesh could motivate his employees.</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="320 589 636 703">Knowledge and Application (4 marks)</th> <th data-bbox="636 589 772 703">Marks</th> <th data-bbox="772 589 1176 703">Analysis and Evaluation (7 marks)</th> <th data-bbox="1176 589 1310 703">Marks</th> </tr> </thead> <tbody> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 703 1176 889">A justified recommendation for for Palesh based on the given argument(s) of one or more motivation methods <b>in context</b></td> <td data-bbox="1176 703 1310 889" style="text-align: center;">7</td> </tr> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 889 1176 1106">A developed recommendation for Palesh based on the given argument(s) of one or more motivation methods <b>in context</b></td> <td data-bbox="1176 889 1310 1106" style="text-align: center;">6</td> </tr> <tr> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> <td data-bbox="772 1106 1176 1292">An evaluative statement/ recommendation based on the given argument(s) of one or more motivation methods <b>in context</b></td> <td data-bbox="1176 1106 1310 1292" style="text-align: center;">5</td> </tr> <tr> <td data-bbox="320 1292 636 1525" rowspan="2">Shows knowledge of motivation methods <b>in context</b></td> <td data-bbox="636 1292 772 1525" rowspan="2" style="text-align: center;">3–4</td> <td data-bbox="772 1292 1176 1406">Argument (two-sided) based on one or more motivation methods <b>in context</b></td> <td data-bbox="1176 1292 1310 1406" style="text-align: center;">4</td> </tr> <tr> <td data-bbox="772 1406 1176 1525">Argument (one-sided) based on one or more motivation methods <b>in context</b></td> <td data-bbox="1176 1406 1310 1525" style="text-align: center;">3</td> </tr> <tr> <td data-bbox="320 1525 636 1639">Shows knowledge of motivation/motivation methods</td> <td data-bbox="636 1525 772 1639" style="text-align: center;">1–2</td> <td data-bbox="772 1525 1176 1639">Limited analysis of one or more motivation methods</td> <td data-bbox="1176 1525 1310 1639" style="text-align: center;">1–2</td> </tr> <tr> <td colspan="4" data-bbox="320 1639 1310 1695" style="text-align: center;">No creditable content</td> </tr> </tbody> </table>				Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks			A justified recommendation for for Palesh based on the given argument(s) of one or more motivation methods <b>in context</b>	7			A developed recommendation for Palesh based on the given argument(s) of one or more motivation methods <b>in context</b>	6			An evaluative statement/ recommendation based on the given argument(s) of one or more motivation methods <b>in context</b>	5	Shows knowledge of motivation methods <b>in context</b>	3–4	Argument (two-sided) based on one or more motivation methods <b>in context</b>	4	Argument (one-sided) based on one or more motivation methods <b>in context</b>	3	Shows knowledge of motivation/motivation methods	1–2	Limited analysis of one or more motivation methods	1–2	No creditable content				<b>11</b>
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2(d)	<p><b>Content:</b> Answers could include:</p> <ul style="list-style-type: none"> <li>• Payment methods are unlikely to be in context as Palesh has already stated he must pay a low wage. Commission/bonus or piece rate could be viable options as both of these keep costs linked to revenue. Alternatively, fringe benefits (such as free car washing) could be an option.</li> <li>• Job rotation – there may be some way of moving employees around the different jobs to stop them becoming demotivated</li> <li>• Job enlargement – there may be some additional responsibilities (such as a supervisor role) that Palesh could utilise</li> <li>• Job enrichment – unlikely to be much scope, but it may be possible to allow employees to decide on certain aspects of their role</li> <li>• Team working</li> <li>• Quality circles</li> <li>• Target setting – This may work as a motivational tool as long as there are enough cars to maintain the targets (could be linked to bonus or profit sharing scheme)</li> <li>• Delegation</li> <li>• Empowerment</li> <li>• Participation – Allowing workers to participate in decisions about the business may be a useful form of motivation, especially in a new business</li> </ul>	

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2(d) An example of how an answer could develop and how it should be annotated.				
K	APP	AN	ANAN (one sided)	EVAL
<p>Motivation methods are used to inspire staff to work harder. (K)</p> <p>Motivation methods could be financial and non-financial. (K)</p>	<p>CW is labour intensive so it is important that Palesh finds ways to motivate staff. (APP)</p>	<p>If Palesh uses a method such as allowing workers to participate in decision making they will feel part of the business and work harder to make it a success. (AN)</p>	<p>Less absenteeism would mean higher productivity and they would be able to wash more cars. (ANAN)</p>	<p>However, not all workers are motivated by the same methods so Palesh might need to use more than one non-financial method of motivation. (EVAL – statement)</p> <p>As car washing can be boring some workers might be motivated by more interesting work such as extra responsibilities maybe as supervisors or by changing roles during a shift so not always being the person who cleans inside cars (EVAL – developed)</p> <p>However, if Palesh was to ask some to take on extra responsibilities he might have to offer higher pay and this might not be possible as it would raise costs so Palesh might have to consider less costly motivation methods such as team working where the team can decide how they will complete the necessary tasks. This would fit in with Palesh’s cost concerns. (EVAL – justified)</p>
	<p>The best methods would be non-financial as Palesh wants to keep costs low. (APP)</p>	<p>This will mean that they are less likely to take unnecessary days off work. (AN)</p>	<p><b>ANAN (two-sided)</b></p> <p>Working conditions mean that employees work outside and they will get wet which could make them feel miserable and more likely to take days off or leave the job which could result in a bad reputation for CW. (ANAN)</p>	