

BUSINESS MANAGEMENT

Unit 3

Targeted Evaluation Task for School-assessed Coursework 1



2019 Set of 2 Structured Questions on Business Foundations for Outcome 1

SOLUTIONS & RESPONSE GUIDE

Question 1

a.

Jonty's business is a sole trader.

1 mark

1 mark for correct identification

b.

Responses could refer to:

- Make a profit
- Increase market share
- Fulfil a market and/or social need

For example, one explanation could be:

One objective of Jonty's business is to make a profit. This means having money left over after expenses are subtracted from revenue. For example, Jonty may set a profit target of \$150,000 a year so he has enough funds to keep investing in the business.

4 marks

2 marks for each explanation of an objective, must include a description and then an extra point of detail. (x2)

c.

One area of management responsibility is human resources. This is the area of a business which oversees the staffing side of the business. For example, this area looks at how to motivate, train, hire and dismiss staff. This area would be important for Jonty because he has several staff at the business he owns, so he needs to make sure that the staff are fully trained in the automotive side of the business and are motivated to complete their best work. Having adequately trained staff is likely to help Jonty run a more successful car mechanics as the staff are more likely to be able to do a better job servicing the cars.

4 marks

2 marks for description of one area, including an extra point of detail.

2 marks for appropriate justification of this area, linked to the case study and running a successful business.

d.

Stakeholders are those individuals or groups that have an interest or stake in the business operations.

1 mark

1 mark for an accurate definition

Question 2

a.

Celia is an autocratic manager.

1 mark

1 mark for correct identification

b.

An advantage of Celia being an autocratic manager is that staff that are inexperienced or are low skilled may appreciate the clear and specific directions, which makes it easier for the staff to effectively undertake their duties. However, a disadvantage of this style for Celia is that those staff who are quite experienced or who would like an input into how the business is running, may feel undervalued and therefore be less motivated to work hard for Celia.

Another advantage for Celia is that decision making is relatively quick. Celia makes the decision with no consultation, so the process can occur very quickly. However, a disadvantage of this autocratic style is that she may not always make the best decisions as she has no other input to bounce ideas off and make a better and more well-rounded decision.

Overall, the autocratic management style is perhaps not appropriate for Celia because generally in businesses today, staff are looking for greater involvement in the business and want to be more empowered. Coupled with the lack of motivation for some staff, this makes this style not appropriate.

5 marks

5 marks overall for describing benefits and limitations of the autocratic style and an overall assessment on whether it is appropriate for Celia. This would include 2 marks for strengths, 2 marks for weaknesses and 1 mark for an overall assessment.

c.

One skill that Celia would need as an autocratic manager is decision-making skills. This is the ability to choose a course of action from various alternatives. This would be important as she is the only person making the decisions, so she needs to be highly skilled at it.

Another skill Celia will require is to be able to communicate effectively. This is the ability to convey messages, so the intended audience understands the communication. As she is always providing clear and specific directives to staff, she needs to be able to effectively convey her thoughts in a way that can be easily understood by her staff.

4 marks

2 marks for accurate explanation of each skill for Celia (making sure to link specifically to Celia). (x2)