



Knowledge/Skills guidance for BS marking 2016 December (Mock 2)

Note. This grid is for guidance only and must be used in conjunction with the mark plan.

More detail on the approach to marking can be found in Chapter 1 of the Study Manual.

Q1 Palladium Printing Ltd	Knowledge	Skills
1.1 Evaluation of the competitive forces in the UK printing industry using Porter's Five Forces	<ul style="list-style-type: none"> • Generic knowledge of Porter's Five Forces model 	Application of Porter's Five Forces model to the scenario: <ul style="list-style-type: none"> • Power of suppliers (e.g. key external suppliers are paper manufacturers) • Threat of substitutes (e.g. electronic communication) • Power of customers (e.g. 14,000 printers increases customer negotiating power) • Threat of entry (e.g. low differentiation of output) • Competitive rivalry (e.g. high due to exit barriers, industry demand has fallen)
1.2 Analyse and explain the performance of PP between 1 January 20X0 to 30 June 20X2		<ul style="list-style-type: none"> • Uses the financial and operating data in the scenario as the basis for comment Consideration given to PP's: <ul style="list-style-type: none"> • Overall performance • Printing revenues • Operating profit • Costs
1.3 Draft a letter explaining the benefits to the university of using PP to produce the mini-prospectuses	<ul style="list-style-type: none"> • Uses appropriate letter format • Adopts a professional, business tone • Appropriately concludes letter 	<ul style="list-style-type: none"> • Focuses on the benefits to Southern University Benefits might include: <ul style="list-style-type: none"> • Cost benefits • Marketing benefits • Environmental benefits • Client service benefits

Q1 Palladium Printing Ltd	Knowledge	Skills
<p>1.4 (a) Determine the break-even price per mini-prospectus</p> <p>(b) Factors to consider in closing the graphic design section</p>	<ul style="list-style-type: none"> • Knowledge of how to determine the break-even price 	<ul style="list-style-type: none"> • Appropriate calculation of break-even price per mini-prospectus <p>Practical points might include:</p> <ul style="list-style-type: none"> • Considers the interdependency between graphic design revenues and printing revenues • Graphic design team only appears to be covering employee costs. Supporting workings. • Variable costs impact on financial viability • Should retain graphic design if other printing work is won as a result of PP providing a combined offering • Provides a balanced conclusion
Q2 Flambard Foods plc	Knowledge	Skills
<p>2.1 (a) Value chain diagram</p> <p>(b) Explains the FF value chain and how it creates value</p>	<ul style="list-style-type: none"> • Understanding of the value chain model • Generic understanding of value creation 	<ul style="list-style-type: none"> • Use the correct value chain model headings • Appropriately applies the value chain model to the scenario detail • Provides an overview of how the value chain model works in relation to value creation <p>Discusses how FF's value chain is creating value. Comments might include:</p> <ul style="list-style-type: none"> • Low labour and material costs indicate FF is pursuing a least cost strategy • FF should therefore focus on those activities which reduce costs • FF should use the value chain analysis to identify those activities which increase costs • Value chain can be extended to the whole supply chain e.g. suppliers

Q2 Flambard Foods plc	Knowledge	Skills
<p>2.2 Factors for board consideration in entering the chilled ready-meal market</p>	<ul style="list-style-type: none"> • Generic understanding of Ansoff's matrix • Identifies that this strategy equates to product development 	<p>Comments in respect of FF entering the chilled ready-meal market might include:</p> <p>Favourable factors:</p> <ul style="list-style-type: none"> • Higher margins • Growing market • Common suppliers • Common customers • Common production facilities • Distribution <p>Unfavourable factors:</p> <ul style="list-style-type: none"> • Capital investment • Core competences • Brand confusion • Displace capacity • Sales displacement • Competitive market • Floor space displacement • Inventory management
<p>2.3 Description of the market research that FF should undertake</p>	<ul style="list-style-type: none"> • Generic understanding of the types of market research (desk, field research) 	<ul style="list-style-type: none"> • Provides a brief outline of market research and the those activities involved (e.g. gathering, recording, analysing information) • Comments on 4Ps of marketing in relation to the introduction of the three types of meal suggested by Brendan • Explains the key features of desk research and applies this to FF • Explains the key features of field research and applies this to FF

Q3 Keeler Kinetics plc	Knowledge	Skills
3.1 Prepare a Balanced Scorecard for KK and explain why the four perspectives are important to KK and why the KPIs are important in performance monitoring	<ul style="list-style-type: none"> • Generic understanding of the Balanced Scorecard headings 	<ul style="list-style-type: none"> • Provides a Balanced Scorecard covering the four perspectives in relation to KK • Explains the importance of each perspective to KK in light of the scenario detail • Explains the importance of the KPIs to KK in light of the scenario detail
3.2 Assessment of the ethical implications	<ul style="list-style-type: none"> • Consideration of legality • Use of ethical language (transparency, effect, fairness) 	<p>Discussions might include:</p> <ul style="list-style-type: none"> • Ethics are moral principles • Professional bodies have ethical codes • Ethics at an individual level (Jack) and corporate level (KK) • Legality of the situation • Consideration of the Institute of Business Ethics three tests (transparency, effect, fairness) • Balanced conclusion