

**Pearson LCCI
Level 3 Certificate in Business
Administration (VRQ)**

Model Answers
Series 4 2013 (ASE20072)

Level 3 Certificate in Business Administration

Series 4 2013

How to use this booklet

Model Answers have been developed to offer additional information and guidance to Centres, teachers and candidates as they prepare for LCCI International Qualifications.

- (1) Model Answers – summary of the main points that the Chief Examiner expected to see in the answers to each question in the examination paper, plus a fully worked example or sample answer (where applicable)

Teachers and candidates should find this booklet an invaluable teaching tool and an aid to success.

Pearson provides Model Answers to help candidates gain a general understanding of the standard required. The general standard of model answers is one that would achieve a Distinction grade. Pearson accepts that candidates may offer other answers that could be equally valid.

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LCCI IQ SERIES 4 EXAMINATION 2013
BUSINESS ADMINISTRATION
LEVEL 3
MARKING SCHEME

DISTINCTION MARK 75%
MERIT MARK 60%
PASS MARK 50%

TOTAL 100 MARKS

Question 1

Syllabus Topic 3 Communication in Business Organisations
(3.2.1), (3.2.2), (3.2.3), (3.2.4)
Syllabus Topic 1 Internal Organisational Environment (1.1.3)
Syllabus Topic 4 Planning, Organising and Supporting Meetings (4.5.2)

- (a) (i) 1 mark for recognising and including the information regarding the visit of Joel Astarita (AC3.2.2).
1 mark for stating the correct date of the meeting (exactly a week ago from the examination date) (AC3.2.2).
- (ii) 1 mark for choosing to use a letter as the form of written communication (NB: Accept email) (AC3.2.1).
1 mark for the correct layout of the document as shown in the Appendix in the syllabus. (Additional details to complete this document can be included.) (If an email is used, include email addresses and date) (AC3.2.3).
1 mark each for the correct tone and vocabulary in the letter - includes using vocabulary relating to the specific purpose of the communication e.g. in this scenario thank Joel Astarita for his visit and suggestions for moving the business forward (AC3.2.3).
- (iii) 1 mark for spelling 'Astarita' correctly.
1 mark for non-inclusion of irrelevant information i.e. 'Joel has been with the bank five years' (AC3.2.4).
- (b) 1 mark for each correct reason given for sending a letter i.e. a letter is an external document and this is a formal communication/can be filed for future reference. *Email acceptable with valid reasons* (email messages are sent and received immediately and can be accessed from a range of locations) (AC3.2.1).

(2 marks)

- (c) Describe **five** key business objectives Peter Swinnard might consider introducing to ensure his company becomes competitive again (AC1.1.3)
- Diversify (1) introduce an additional range of products e.g. paper bags (1)
 - Survival (1) cut costs e.g. staff (1)
 - Innovation (1) make better use of technology/add value to present products (1)
 - Improve public image (1) introduce an advertising campaign promoting products and company more widely (1) ensure customer service is excellent (1) there is clear signage to the company (1) the outside of the company buildings are clean, tidy and attractive (1)
 - Increase market share (1) rebrand products/change packaging/look at competition (1)
 - Improving customer service (1) e.g. better delivery dates (1)
 - Having environmental targets (1) recycling / reduce emissions (1)
 - Produce quality goods (1) so as to remain competitive (1)

(5 x 2 marks)

Question 1 continued

- (d) (i) Identify **three** potential risks associated with inviting customers to the premises (AC4.5.2)
- Physical injury to customers
 - Damage to machinery
 - Theft of equipment
 - Leakage of confidential information
 - Possible loss of reputation if the event does not come up to expectations/is poorly run
 - Overcrowding

(3 marks)

- (ii) Explain how risks can be minimised before customers visit the premises to see the business in operation (AC2.4.1).
- Conduct a risk analysis (1) so that the value of a risk related to customers visiting the premises and a potential hazard can be determined (1)
 - Issue information sheet to all those attending the event (1) regarding safety during the event (1)
 - Have protective eye goggles/ear muffers available (1) should these be required when visiting certain parts of the factory (1)
 - Confidential information should be locked in cabinets (1) employ a clear desk policy (1)
 - Ensure premises are prepared for the visit (1) machinery in good working order/premises clean and tidy (1)

(2 marks)

(Total 25 marks)

Question 2

Syllabus Topic 3 Communication in Business Organisations (3.1.1)

Syllabus Topic 4 Planning, Organising and Supporting Meetings (4.3.1), (4.3.4), (4.4.1)

- (a) Explain how a Board Meeting (a formal meeting) is different from an Executive Committee Meeting (an informal meeting) (AC4.3.1)
- Formal procedures will be followed during a Board Meeting (1) procedures will be less formal at an Executive Committee Meeting (1)
 - Board Meetings are prescribed by law to make strategic decisions, e.g. regarding capital expenditure (1) Executive Committee Meetings operate at an organisational level putting the strategic decisions into operation (1)

(Any 2 x 2 marks)

- (b) Jenny is worried about the terminology used in Board Meetings. Explain **five only** of the following terms: Quorum, Standing Orders, Motion, Point of Order, Abstain, Adjournment, Consensus, Casting Vote (AC4.3.4)
- Quorum - minimum number of members required to be at a meeting as specified in the regulations or constitution (1) for the meeting to proceed legitimately (1)
 - Standing Orders - rules that govern how meetings should be run (1) usually found in the Articles of Association/,e.g. what makes up a quorum (1)
 - Motion - a formal statement usually involving some proposed action (1) put to the meeting for discussion (1)
 - Point of Order - proceedings may be interrupted to explain/correct a point/formal complaint to the chairperson (1) that a speaker is being irrelevant/repetitive/exceeding the prescribed time/speaking out of turn/violating standing orders (1)
 - Abstention - a member refrains from voting (1) either in favour or against a motion (1)
 - Adjournment - meeting is carried over until a later date (1) if a meeting is running out of time (1)
 - Consensus - agreement by majority decision (1) no formal vote is taken (1)
 - Casting Vote - if votes are equally divided (1) the chairperson may use a personal vote so that a decision can be reached (1)

(Any 5 x 2 marks)

- (c) Describe **three** duties Jenny will have to undertake during the meeting (AC4.4.1)
- Welcome members to the meeting and circulate attendance register and ensure everyone signs it/record late arrivals(1) direct them to refreshments/boardroom (1)
 - Ensure members have the required paperwork (1) and writing materials/distribute additional documents if required (1)
 - Provide information as requested (1) directions to facilities/cloakroom (1)
 - Explain emergency procedures (1) should fire alarm be activated (1)
 - Take the minutes of the meeting (1) clarify/confirm any unclear points with the chairperson (1)
 - Assist the chairperson (1) additional paperwork/time constraints (1)

(Any 3 x 2 marks)

- (d) Identify **five** ways the Chairperson can ensure the objectives of the meeting will be met (AC3.1.1)
- Plan the meeting in advance
 - Follow the agenda
 - Set time limits for each topic
 - Keep the discussion relevant to the required agenda items
 - Ensure participants speak through the chair
 - Ensure all members have an opportunity to participate
 - Summarise key decisions/state agreement reached

(Any 5 x 1 mark)

(Total 25 marks)

Question 3

Syllabus Topic 1 Internal Organisational Environment (1.1.4)

Syllabus Topic 2 Managing the Work of a Team (2.2.2), (2.4.2)

Syllabus Topic 4 Planning, Organising and Supporting Meetings and Events (4.2.4)

- (a) Identify **five** ways a company such as Russell Fraser can support the local community (AC1.1.4)
- Company to donate money to local charities
 - Give staff the opportunity of payroll giving to local charities
 - Provide work placements for students from local colleges and schools
 - Financially support local students in their studies at university
 - Encourage local enterprise schemes in schools/colleges
 - Sponsor local sports teams e.g. equipment/kit
 - Improve infrastructure
 - Buy supplies/products from local businesses
- (5 x 1 mark)
- (b) Explain **three** reasons why it is important that the team of Area Sales Representatives is involved in setting team targets (AC2.2.2)
- Team members will take ownership of the targets they set (1) and are likely to work together to achieve the targets (1)
 - Team members will feel involved (1) which will encourage team unity (1)
 - Area Sales Representatives know their job and their customers and are the best placed people for target setting (1) which would need to be in line with company objectives (1)
 - Help motivate the team (1) keener to achieve the targets (1)
- (3 x 2 marks)
- (c) Explain **five** ways the work of the Area Sales Representatives can be assessed (AC2.4.2)
- Feedback from companies have visited (1) client surveys could be used/suggestions or complaints (1)
 - Team leaders/management review sales figures to assess quality (1) compliance with codes of practice (1)
 - Checking that documentation has been completed correctly (1) sufficient information on orders/correct pricing/discounts offered/special promotions (1)
 - Accompanied sales visits by a manager (1) ensuring procedures are followed correctly (1)
 - Checking order books to see sales achieved/numbers of new customers (1) targets met/exceeded (1)
- (5 x 2 marks)
- (d) Describe the information the Area Sales Representatives will need from you before attending the monthly meetings (AC4.2.4)
- Confirmation of date and time (1) they may have to rearrange appointments (1)
 - Paperwork/agenda has been sent in good time (1) to enable preparation for the meeting (1)
 - Parking places arranged (1) if the car park is full it will be necessary for them to park away from the company and time might be wasted (1)
 - Accommodation arrangements have been confirmed (1) ensuring any special requests have been considered e.g. wifi access/transport/refreshments/presentation equipment (1)
 - Sales reports
- (Any 2 x 2 marks)
- (Total 25 marks)**

Question 4

Syllabus Topic 2 Managing the Work of a Team (2.2.4)

Syllabus Topic 3 Communication in Business Organisations (3.1.3)

Syllabus Topic 5 Information Management in Business Organisations (5.2.3)

- (a) Identify **five** problems that might occur with the information systems at Data Solutions.
Explain how each problem can be solved (AC5.2.3)
- Operators may have insufficient knowledge of systems (1) provide training (1)
 - Systems may not be secure (1) set passwords (1)
 - Access control is insufficient (1) lock rooms/restrict access to rooms/access codes/swipe card entry (1)
 - System breakdown/loss of data due to natural disasters (1) ensure backup facilities in place (1)
 - Viruses/hackers (1) ensure equipment has virus detectors/firewalls (1)
- (Any 5 x 2 marks)
- (b) (i) Identify **three** personal development goals that might be included in a personal development plan (AC2.2.4)
- Effective and efficient work performance
 - Learn time management skills
 - Improve/update computer knowledge/training courses
 - Communicate effectively with colleagues
 - Work towards promotion to team leader
 - Develop new skills
- (Any 3 x 1 marks)
- (ii) Explain **three** ways you can support team members in achieving their personal development goals (AC2.2.4)
- Involve team members in relevant work (1) team members will be productive if they are able to use their experience and skills (1)
 - Provide constructive feedback (1) suggest areas of improvement/provide encouragement/praise (1)
 - Offer training (1) updated software packages/time management courses (1)
 - Provide a positive atmosphere (1) develop strategies that will assist in establishing positive and productive working relationships (1)
 - Mentoring/work shadowing (1) to see how the job should be done (1)
 - Progress meetings (1) to discuss/monitor personal development plans (1)
- (Any 3 x 2 marks)
- (c) Explain the importance of listening to everyone in the team (AC3.1.3)
- It is important to listen to everyone so that the best outcome on how to do the work can be made (1) teams will include members who have a variety of different experiences/ideas/expertise (1)
 - Positive working atmosphere can be achieved (1) leading to higher productivity (1)
 - When all team members contribute to discussions, ownership of outcomes will develop (1) motivation will be high/team members will feel involved (1) (1)
- (3 x 2 marks)
- (Total 25 marks)**

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