



Edexcel A-level Business exam practice answers

How your exams are marked

Questions worth 1 or 2 marks test your knowledge. Aspects of definitions will earn a mark each. These answers show these as a [1] for each aspect that would earn a mark.

Questions worth 3 to 12 marks which contain the command word 'analyse' or 'explain why' will earn marks for each of three skills: Knowledge, Application of knowledge, and Analysis of the question. These answers indicate how these skills can be shown for each question.

Questions worth 10 or more marks expecting a judgement (e.g. command words will include evaluate, to what extent, discuss, or may simply ask you to recommend a course of action) test four skills: Knowledge, Application, Analysis and Evaluation (your ability to make a supported judgement). These are marked using a levels of response grid — this asks the examiner to judge how well you have shown all four skills in your response. Top level answers will:

- 'show accurate and thorough understanding throughout, using the business context'
- 'use well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s)'
- 'use information well to support judgements, showing a full awareness of the validity and significance of competing arguments/factors'.

As a guide:

- For questions worth 10–14 marks, develop two arguments fully before making a judgement.
- For questions worth more than 14 marks, develop three arguments before making a judgement.

These answers will indicate points on which valid arguments can be developed and suggest typical ways to demonstrate all relevant skills for the question asked.

Mark scheme for 20 mark questions

Level	Mark	Descriptor
	0	A completely inaccurate response.
1	1–4	Isolated elements of knowledge and understanding. Weak or no relevant application of business examples. An argument may be attempted, but will be generic and fail to connect causes and/or consequences.
2	5–8	Elements of knowledge and understanding, which are applied



		<p>to the business example.</p> <p>Arguments and chains of reasoning are presented, but connections between causes and/or consequences are incomplete. Attempts to address the question.</p> <p>A comparison or judgement may be attempted, but it will not successfully show an awareness of the key features of business behaviour or business situation.</p>
3	9–14	<p>Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.</p> <p>Uses developed chains of reasoning, so that causes and/or consequences are complete, showing an understanding of the question.</p> <p>Arguments are well developed.</p> <p>Quantitative and/or qualitative information is introduced in an attempt to support judgements, a partial awareness of the validity and/or significance of competing arguments and may lead to a conclusion.</p>
4	15–20	<p>Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.</p> <p>Uses well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s).</p> <p>Arguments are fully developed.</p> <p>Quantitative and/or qualitative information is/are used well to support judgements. A full awareness of the validity and significance of competing arguments/factors, leading to balanced comparisons, judgements and an effective conclusion that proposes a solution and/or recommendations.</p>

20: Global industries and companies (multinational corporations)

- 1 Agree because: (20)
- Safety concerns can arise as powerful multinationals fail to maintain appropriate safety standards.
 - Short-term mineral extraction highlights the power imbalance between governments of less developed countries and the powerful multinationals .



- The marketing expertise and budgets of multinationals can erode local cultures.
- Multinationals have the ability to 'bully' host governments through a mix of bribery by promises of infrastructure development and job creation, etc.
- In the fields of tax and mergers and acquisitions, there is very limited overarching internationally agreed regulation to curb the activities of multinationals.

Potential counterbalance:

- Pressure can be brought to bear on multinationals by pressure groups.
- The use of social media can also represent a curb on the worst excesses of multinationals.

2

Likely positives may include:

(20)

- Job creation.
- FDI flows can bring valuable capital into the country.
- Sharing technology and expertise can help an economy to develop further.
- Multinationals can bring extra business for local suppliers.

Negatives could include:

- The use of transfer pricing by multinationals can reduce the tax revenues received by host countries.
- If multinationals are not committed to the country in the long term, they may not provide lasting benefits.

Evaluation is likely to consider the level of commitment to the host country by the multinational.

Also worthy of consideration is the extent to which the multinational uses their own staff to the exclusion of local employees.