



GCE AS MARKING SCHEME

SUMMER 2025

**AS
BUSINESS - UNIT 2
BUSINESS FUNCTIONS
2510U20-1**

About this marking scheme

The purpose of this marking scheme is to provide teachers, learners, and other interested parties, with an understanding of the assessment criteria used to assess this specific assessment.

This marking scheme reflects the criteria by which this assessment was marked in a live series and was finalised following detailed discussion at an examiners' conference. A team of qualified examiners were trained specifically in the application of this marking scheme. The aim of the conference was to ensure that the marking scheme was interpreted and applied in the same way by all examiners. It may not be possible, or appropriate, to capture every variation that a candidate may present in their responses within this marking scheme. However, during the training conference, examiners were guided in using their professional judgement to credit alternative valid responses as instructed by the document, and through reviewing exemplar responses.

Without the benefit of participation in the examiners' conference, teachers, learners and other users, may have different views on certain matters of detail or interpretation. Therefore, it is strongly recommended that this marking scheme is used alongside other guidance, such as published exemplar materials or Guidance for Teaching. This marking scheme is final and will not be changed, unless in the event that a clear error is identified, as it reflects the criteria used to assess candidate responses during the live series.

GENERAL MARKING GUIDANCE

Positive Marking

It should be remembered that learners are writing under examination conditions and credit should be given for what the learner writes, rather than adopting the approach of penalising him/her for any omissions. It should be possible for a very good response to achieve full marks and a very poor one to achieve zero marks. Marks should not be deducted for a less than perfect answer if it satisfies the criteria of the mark scheme, nor should marks be added as a consolation where they are not merited.

For each question there is a list of indicative content which suggest the range of business concepts, theory, issues and arguments which might be included in learners' answers. This is not intended to be exhaustive and learners do not have to include all the indicative content to reach the highest level of the mark scheme.

The level based mark schemes sub-divide the total mark to allocate to individual assessment objectives. These are shown in bands in the mark scheme. For each assessment objective a descriptor will indicate the different skills and qualities at the appropriate level. Learner's responses to questions are assessed against the relevant individual assessment objectives and they may achieve different bands within a single question. A mark will be awarded for each assessment objective targeted in the question and then totalled to give an overall mark for the question.

WJEC GCE AS BUSINESS

UNIT 2 - BUSINESS FUNCTIONS

SUMMER 2025 MARK SCHEME

1. 1. Explain the relationship between the product life cycle and cash flow. [6]		
Band	AO1 3 marks	AO3 3 marks
3	3 marks Excellent understanding of the product life cycle stages. At least three stages clearly understood.	3 marks Excellent explanation of the relationship between the product life cycle and cash flow. Both negative and positive cash flow needs to be explained with reasoning.
2	2 marks Good understanding of the product life cycle stages. Some understanding of at least three stages.	2 marks Good explanation of the relationship between the product life cycle and cash flow. Reference to negative and/or positive cash flow with some explanation.
1	1 mark Limited understanding of the product life cycle stages. At least two stages identified.	1 mark Limited explanation of the relationship between the product life cycle and cash flow. Some reference to negative and/or positive cash flow with some explanation. Superficial explanation.
0	0 marks No valid knowledge.	0 marks No valid explanation.

Indicative content:

- **Research and development** is the first stage of the product life cycle. This is where a business has a research team looking into possible new ideas and products. This can be very expensive for the business. No income is made at this stage as there is no revenue coming into the business but costs of researching and developing the product is high. The cash flow is therefore negative.
- **Introduction/Launch** is the point when the actual product is launched. Businesses at this stage spend a lot of money in order to create awareness. The cash flow at this stage would continue to be negative as a lot of money has been spent on advertising and distribution at the introduction to raise awareness of the product and to get the public to notice the product.
- **Growth** is when, if the product succeeds, sales will grow rapidly. Due to the rapid increase in sales and even though the business still advertises, the product starts to move into profitability. The cash flow therefore turns positive during growth as revenue increases rapidly. Research and Development cost are covered.
- **Maturity** is the point where sales reach a peak. Growth of sales begins to slow as market saturation is approached.

- **Saturation**-Sales are kept going by those who are late to adopt new products. This stage will last longer than the earlier stages. This is where the most revenue is taken in for the longest period of time. This is where the cash flow reaches its peak but also at the point of saturation starts to decline. To stop the revenue and the product going down at the point of saturation maybe the business could conduct an extension strategy e.g. give the product a new identity and maybe a new advertising campaign.
- **Decline** is the final stage of the product life cycle where sales, cash flow and profits decline. Cashflow will remain positive at this phase, it is often the case that business accept their failure to extend the product life cycle and finally exit the market
- **Extension Strategy**-In order for cashflow to remain as high as possible for as long as possible a business may develop adjust the marketing mix. There will be a cost implication when developing new products.

Credit any other valid point.

2. 1. Outline the leadership theory of F. Fiedler (1976).

[4]

AO1 - 4 marks

Award 1 mark for each correct statement about the theory of F. Fiedler (1976)

Indicative content:

- Fiedler devised a way of helping people decide what type of leader they are in order to help them become more effective.
- He realised that most people are effective in some situations but not in others.
- Two interacting or 'contingent' factors
- The first factor is the personality of the leaders.
- The second factor is the amount of control and influence which the situation provides leaders over their group's behaviour, the task and the outcome. (situational control).
- Fiedler devised a questionnaire about the person they would least like to work with.
- This was known as 'The Least Preferred Co-worker (LPC) Scale'. This scale was used to identify two types of leadership style.
- A high score of 64 or more indicated a high LPC person; such a person is called **relationship-motivated**. A score of 57 or below indicated a low LPC person. This type of individual is called **task-motivated**.
- The high LPC leader sees other people as relatively pleasant, industrious or sincere.
- The low LPC person, who sees their co-worker in negative terms, is determined to get the job done and believes that a poor co-worker is bad in almost every possible respect.
- **Relationship-orientated** leaders (high LPC) are most effective in less extreme circumstances. That is, in situations that are neither favourable nor unfavourable or situations that are only moderately favourable or moderately unfavourable.
- **Task-orientated** leaders are most effective when facing a situation that is either extremely favourable or extremely unfavourable. In the case of an extremely favourable situation, they are effective:
 - when there is enormous trust, respect and confidence;
 - when the task is very clear;
 - when followers accept the leader's power without question.
- In an extremely unfavourable situation, they are effective:
 - when trust and respect do not exist;
 - when the challenge people face is vague and undefined;
 - when the atmosphere is anarchic or even rebellious (for example, an emergency or crisis).
- Fiedler did not believe that leaders were very good at changing or even adapting their style, making it difficult for leaders to alter their approach to suit changing circumstances.

Credit any other valid point.

2. 2. To what extent do you agree with the view that leadership is the key factor that impacts the success of a business? [10]		
Band	AO3 4 marks	AO4 6 marks
3	4 marks Excellent analysis of the impact leadership has on the success of a business. The analysis is detailed with developed lines of reasoning.	5-6 marks Excellent evaluation of the impact leadership has on the success of a business. Balanced and supported judgements made. A conclusion may be offered.
2	2-3 marks Good analysis of the impact leadership has on the success of a business. The analysis has some lines of reasoning.	3-4 marks Good evaluation of the impact leadership has on the success of a business. Clear judgements. May be unbalanced.
1	1 mark Limited analysis of the impact leadership has on the success of a business. Superficial or generic analysis.	1-2 marks Limited evaluation of the impact leadership has on the success of a business. Superficial judgements. One-sided.
0	0 marks No valid analysis.	0 marks No valid evaluation.

- Maximum of 2 AO3 marks and 3 AO4 marks if only includes the impact of leadership styles

Indicative content:

- Being a good leader involves getting people to understand and believe in your **vision to work with you to achieve your goals**.
- Leaders may perform similar functions to managers, but in addition they also **inspire** and **motivate** the workforce, they consider long-term strategy, the challenges facing the business and how to overcome them.
- Because leaders need to lead and fulfil a number of challenging roles, a leader needs to have a number of **characteristics** that will help them lead their business. These might include the following:
intellectual skills; interpersonal skills; realistic aspirations; vision; communicative skills; creativity; innovation; commitment; identify and respond to changes.
- It is unlikely that any leader will have all of these characteristics - indeed no single one of these characteristics is essential for a leader to be successful. A good leader is the one that adapts to the needs of the employees through **identifying problems and creating solutions**.
- Appropriate **delegation** builds satisfaction. Knowing when and how to delegate is an important leadership skill. Keeping a company productive involves minute-by-minute assessment of what needs to be done and by whom. Trusting employees is a big part

of this. Allowing an employee to take initiative leads to greater satisfaction with the work and promotes self-motivation. The theory goes that employee empowerment should be fostered by business owners, supervisors, team leaders and managers as long as the employee's skill set is up to par. Delegating responsibility changes the day-to-day activities, so an assessment should be made to figure out the best course for the company.

- **Employee treatment** boosts or harms morale. Doing right by employees isn't just ethically correct but sponsors productivity. Good leadership in business lessens the effects of stress. Leaders who listen to concerns and get ahead of problems tend to retain employees. The result is clear; happy people perform better at work.
- When leadership is poor and staff are unhappy, the ripple effect is a high staff turnover which ultimately costs the business money.
- Although leadership is definitely a critical factor for business success, problems encountered along the way are inevitable.
- Having a vision and goals is critical to any business success. However, it is not sufficient for the leader only to have a certain vision and not communicate it down to the workers to be accomplished. This problem can act as a domino effect and lead to many others, such as lack of motivation of the workers.
- Also, any business strategy should reflect its mission statement which is also the role of a leader. If either the strategy is not well developed or it ineffectively expresses the mission statement and fails to meet the wants and needs of the customer, a business can be sure to experience problems.

Evaluation may refer to other factors that will impact the success of a business.

Examples include:

- Marketing Mix
- Motivation/Workforce
- Location
- External environment

Credit any other valid point.

3. 1. Evaluate the impact of equal opportunities on employers and employees. [8]			
Band	AO1 2 marks	AO3 2 marks	AO4 4 marks
3			4 marks Excellent evaluation of the impact of equal opportunities on the employers and employees. The evaluation is balanced and includes most of the key issues. The learner makes judgements to support their evaluation.
2	2 marks Good understanding of equal opportunities. Reference to at least 1 equal opportunity characteristics.	2 marks Good analysis of the impact of equal opportunities on the employers and employees. The analysis is developed.	2-3 marks Good evaluation of the impact of equal opportunities on employers and/or employees. 3 marks - employers and employees. The evaluation will include some of the key issues. Unbalanced. Judgements may be made with an attempt to support their evaluation.
1	1 mark Limited understanding of equal opportunities.	1 mark Limited analysis of the impact of equal opportunities on the employers and/or employees. An attempt is made to provide development and explanations may be brief.	1 mark Limited evaluation of the impact of equal opportunities on the employers and/or employees. Superficial judgements. One-sided.
0	0 marks No valid understanding.	0 marks No valid analysis.	0 marks No valid evaluation.

Indicative content:

The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society. It is against the law to discriminate against anyone because of:

- age; (Employment Equality (Age) Regulations 2006)
- being or becoming a transsexual person;
- being married or in a civil partnership;
- being pregnant or having a child;
- disability; (Disability Discrimination Act 1995)
- race including colour, nationality, ethnic or national origin; (Race Relations Act 1976)
- religion, belief or lack of religion/belief;
- sex; (Equal Pay Act 1970; Sex Discrimination Act 1975)
- sexual orientation (Employment Equality (Sexual Orientation) Regulations 2003)

Employees:

- Employees are more committed to working hard when they know that they have equal opportunities for advancement and there are no barriers to job progression.
- Knowing that they are evaluated solely on their on-the-job performance and measurable merits empowers employees and encourages them to do their best.

However,

- More competition for jobs as the pool of applicants is much wider.
- Due to the equal pay act, some businesses see an increase in cost and may not employ as many staff.

Employers:

- Diversity in the workforce is key to competing in a global market. Diverse workers bring ambition, fresh perspectives and creative problem solving to the workforce that can take the company in new directions.
- Businesses who follow workplace equality philosophies and implement regulations to uphold these philosophies are able to show their beliefs and compliance to the public. This may **improve the reputation** of the business, which could translate to more sales.
- May attract better learners
- The benefits of diversity in a workforce include protection from **discrimination lawsuits**. When a business is able to achieve and maintain workplace equality, complaints, grievances and litigation due to alleged violations of these regulations are less likely, although not always entirely preventable.

However,

- Employers have to make accommodations to give everyone a fair chance. The extra facilities needed can be expensive, such as if the employer has to purchase a more costly ergonomic desk for someone in a wheelchair.
- Having a diversified portfolio of employees may result in a loss of the organisations unique culture.
- Production may need to be reorganised to include more flexible hours, job rotation or even job sharing due to individual circumstances.
- There may be extra wage costs e.g. paying women equal wages to men will raise the total wage bill.

Credit any other valid point.

4. 1. Describe the distribution channel used by CS Clothing.

[2]

AO2 - 2 marks

Award **1** mark for limited application to CS Clothing

Award **2** marks for good application to CS Clothing

Indicative content:

- CS Clothing is a small, high-end garment manufacturing business that sells all items of clothing **to small, independent clothes shops** in towns across Wales.(1) who then sell it to the customer / consumer. (1)
- Manufacturer-Retailer-Customer (Modern approach). (1)
- This means that the small, independent retailers act as a **middleman** between CS Clothing and the customers.(1)

4. 2. Outline other suitable distribution channels that CS Clothing could use in the future.

[4]

AO1 - 2 marks

AO2 - 2 marks

Award **1** mark for each suitable distribution channel that CS Clothing could use in the future (max 2 marks)

Award **1** mark for each distribution channel applied to CS Clothing. (max 2 marks)

Indicative content:

Direct selling - manufacturer to consumer (retailing) - would be a suitable distribution channel that CS Clothing could use in the future. AO1

- CS Clothing could set up a **high-end**, professional website to sell its clothing directly to customers. It could expand their market outside Wales. AO2
- Selling through its own shop or through a shop AO1, in its factory in **Swansea**, would allow CS Clothing to keep more of the profits and attract customers through competitive prices and convenience. AO2
- CS Clothing could use an agent who would seek further possible businesses to stock and sell its range of clothing. Agents could negotiate with **high end** retailers in England
- CS clothing could sell their clothes to a wholesaler (traditional method).AO1-This would mean increasing their production/capacity as currently they are a small business AO2

Credit any other valid point.

4. 3. Explain why small businesses continue to survive. [6]		
Band	AO1 3 marks	AO3 3 marks
3	3 marks Excellent knowledge and understanding of why small businesses continue to survive. Key reasons identified.	3 marks Excellent explanation of why small businesses continue to survive. Explanation is well-developed.
2	2 marks Good knowledge of why small businesses continue to survive. Identifies some of the key reasons that need to be considered.	2 marks Good explanation of why small businesses continue to survive. The explanation is developed.
1	1 mark Limited knowledge of why small businesses continue to survive. Identifies at least one reason.	1 mark Limited explanation of why small businesses continue to survive. Some development.
0	0 marks No valid knowledge.	0 marks No valid explanation.

Indicative content:

There are a number of possible reasons for their success:

- They seem better able to deal with fluctuations in demand. In this case it seems that flexibility is the key.
- Target market size - sometimes the potential sales are suited to small businesses, for example dog grooming services or kennels.
- Quality of service and product - often it is this added value aspect of the business that justifies the higher prices charged.
- The customer service provided is likely to be more personal and may meet the needs of the customer better.
- Customer loyalty - even in the modern retailing environment there are customers that remain loyal to local shops and service providers.
- Niche markets - sometimes the segment the small business is targeting is just too small to be worthwhile to big businesses.
- Small businesses are able to utilise the use of new technology such as e-commerce/M-commerce and sales through social media. This widens their market.

Credit any other valid point.

4. 4. With reference to the proposed percentage increase in wages and rent, calculate:

- the new monthly cost of wages [2]
- the new annual cost of the rent [2]

AO2 - 4 marks

The new monthly cost of wages:

Award **1** mark for $£22\,500 \times 0.05\% = £1\,125$

Award **1** mark for $£1\,125 + £22\,500 = \textbf{£23\,625}$

Award **2** marks if only the correct answer is given

The new annual cost of the rent:

Award **1** mark for $£1\,250 \times 0.03\% = £37.50 = £1\,287.50$

Award **1** mark for $£1\,287.50 \times 12 = \textbf{£15\,450}$

Award **2** marks if only the correct answer is given

Deduct **1** mark if no £.

4. 5. Using both qualitative and quantitative data, evaluate ways in which CS Clothing may improve its cash flow. [12]				
Band	AO1 1 mark	AO2 4 marks	AO3 3 marks	AO4 4 marks
3		4 marks Excellent application to CS Clothing. There is direct and clear reference to the qualitative and quantitative data.	3 marks Excellent analysis of the ways in which CS Clothing may improve its cash flow. The learner develops their analysis of the ways in which CS Clothing may improve its cash flow fully, using both qualitative and quantitative data. Lines of reasoning are clear.	4 marks Excellent evaluation the ways in which CS Clothing may improve its cash flow, using both qualitative and quantitative data. The evaluation is balanced and detailed. Clear judgements are made with supporting statements to build an argument.
2		2-3 marks Good application to CS Clothing' qualitative and/or quantitative data. Top mark band for quantitative and qualitative data.	2 marks Good analysis of the ways in which CS Clothing may improve its cash flow. Analysis of either qualitative and/or quantitative data.	2-3 marks Good evaluation of the ways in which CS Clothing may achieve an improved cash flow. Evaluation of either qualitative and/or quantitative data. Unbalanced. Top mark band for quantitative and qualitative.
1	1 mark Knowledge of improving cash flow.	1 mark Limited application to CS Clothing. Some reference to CS Clothing.	1 mark Limited analysis of a/the way(s) in which CS Clothing may achieve an improved cash flow.	1 mark Limited evaluation of a/the way(s) in which CS Clothing may achieve an improved cash flow. One-sided.
0	0 marks No valid knowledge.	0 marks No valid application.	0 marks No valid analysis.	0 marks No valid evaluation.

Indicative content:

Increase revenue:

- The business could try to **increase prices**, but this is likely to reduce demand. Also, as CS Clothing manufactures high-end products, the prices are already likely to be premium.
- **Increase methods of distribution** - Cori Stephens could approach new small, independent shops to sell to or could approach larger retailers. CS Clothing could possibly sell directly also through a website which would need establishing or their own shop in order to increase revenue; but in the short run, this will increase costs and worsen the cash flow situation.
- **Reduce prices** - This encourages more people to buy from CS clothing and increase market size. However, if demand does not increase significantly revenue would decrease. It could change the perception of the CS clothing being a premium brand.
- **Increasing advertising expenditure** - This may increase brand awareness and therefore demand. However, this is an increase in cost and any advertising campaign may be unsuccessful.

Reduce costs:

- **Wages** - are often a major cost. Reducing staff will cut costs but will impact on output or service provided. CS Clothing employs 15 workers at a monthly cost of £22 500. Cori Stephens has promised the workers a 5% increase in wages which will increase the monthly cost of wages to £23 625. This will put more strain on CS Clothing's cash flow and Cori Stephens should reconsider his decision. However, if the increased wages is not given to the employees, it may result in a lack of motivation which may increase labour turnover and staff absenteeism.
- **Rent** - CS Clothing operates from a rented factory on an industrial estate on the outskirts of Swansea at a monthly cost of £1 250. As the landlord of the factory has demanded a 3% increase in the rent, this will increase the monthly rent to £1 287.50 which increases the yearly rent to £15 450, an increase of £450. Even though this increase is not as significant as the wage increase, Cori Stephens should **renegotiate** the increase in the rent with the landlord and possibly **look for cheaper** locations. However, the cost of relocating can be expensive in the short-term and the time taken to move to another factory would mean lost production.
- **Cori Stephens draws** £3 000 from the business every month as his personal salary, he could possibly look at reducing this amount before looking at reducing staffing. However, if Cori Stephens reduces his drawings, this will reduce his standard of living as his spending power decreases.
- Looking for **cheaper suppliers** makes sense, but there could be an impact on quality. As CS Clothing produces high-end garments, the decreased quality may impact the exclusive image of CS Clothing which could affect its sales.
- **Delay payment** - if CS Clothing has creditors, then delaying payment will improve immediate cash flow. However, the impact could mean delayed deliveries, interest charges on debts, as well as demand for cash on delivery for future supplies. supplier May affect the relationship between CS clothing and suppliers, which may impact the availability of high-quality materials.
- **Extra funding** - A short-term solution could be a new injection of capital from Cori Stephens or perhaps a business loan. However, if cash flow is predicted to be poor, then loans become unlikely. Outside investors could possibly be interested but are unlikely to act quickly and will want a share of the business. An overdraft is possible if CS Clothing has a good account management history with the bank.
- **Operate a JIT method of production** - as finished stock is kept in the warehouse ready for when an order is received, implementing JIT will mean that there is less stock kept which will decrease costs and will mean that the warehouse space could be used more productively. However, if one of the small, independent retailers request more products at short notice, CS Clothing may be unable to fulfil the order.
- **Chase debtors** - Independent fashion shops often pay late. Therefore, Cori could stop allowing this or not supply to these shops. This could reduce the number of outlets he sells to.

Credit any other valid point.

5. 1. With reference to the data, state one above the line and one below the line advertising strategy used by Vodafone.	[2]
AO2 - 2 marks Award 1 mark for correct above the line method of advertising Award 1 mark for correct below the line method of advertising Indicative content: - Above the line advertising - spending almost £15 million on newspaper advertising. - Below the line advertising - existing customers are offered 15% discount when purchasing additional plans or existing customers are offered a £25 Amazon voucher for introducing a friend to join Vodafone. Credit any other valid point.	

5. 2. Explain the importance of branding to Vodafone.				[8]
Band	AO1 3 marks	AO2 2 marks	AO3 3 marks	
3	3 marks Excellent understanding of the importance of branding. Clear understanding of the importance of branding.		3 marks Excellent explanation of the importance of branding. The learner fully develops their explanation of the importance of branding.	
2	2 marks Good understanding of the importance of branding. Identifies some of the key reasons for the importance of branding.	2 marks Good application to Vodafone. Clear and consistent reference to Vodafone throughout.	2 marks Good explanation of the importance of branding. The explanation is developed.	
1	1 mark Limited understanding of the importance of branding. Brief/underdeveloped understanding of the importance of branding.	1 mark Limited application to Vodafone. The response is mainly theoretical with brief reference to Vodafone.	1 mark Limited explanation of the importance of branding. Superficial or generic explanation.	
0	0 marks No valid understanding.	0 marks No valid application.	0 marks No valid explanation.	

Indicative content:

- Brands make the product desirable
- Brands are important for customers because they represent attributes, values, benefits and personality.
- Brands can offer long-term profitability to businesses due to brand loyalty.
- Brands allow a business to increase their prices to customers.

- As Vodafone is the third largest mobile network in the UK, with 17.3 million customers after EE and O2, the Vodafone brand is important to create **increased consumer loyalty**.
 - Brands differentiate from competitors - This is important when competition is intense with EE and O2 especially in markets where there is otherwise little differentiation and products are marked by their similarities rather than their differences. According to an independent study, Vodafone was voted the second-best network provider after EE based on features such as reliability, accessibility and speed. This has allowed Vodafone to stand out from its competitors.

- To give Vodafone greater control over pricing strategies.
- To increase the value of Vodafone - brand values are often higher than other asset values of a business.
- Brand identity makes recognition of Vodafone's products easier, making purchase more likely, hence the 17.3 million customers in the UK.
- Vodafone is a global brand as its products and services are recognized worldwide. As a global brand, Vodafone can use the same, or at least a very similar, marketing strategy to promote the brand everywhere it is offered, regardless of the country or region. This helps Vodafone ensure that the brand's values are presented in a consistent manner in all markets.
- Vodafone will be able to offer other existing and new products and services under the Vodafone brand for example home internet.
- Will allow Vodafone to maintain and improve their 18.6% market share.

Credit any other valid point.

5. 3. Apart from home working, suggest and describe two other methods of flexible working practices that a business can adopt. [4]

AO1 - 4 marks

Award **1** mark for each correct method of flexible working identified. (maximum 2 marks)
Award **1** mark for correct definition / description of the identified method of flexible working. (maximum 2 marks)

Indicative content:

- **Flexible hours:** A worker on flexible hours has an agreed number of working hours. These are made up of core hours which must be worked - the remainder of the contracted hours can be worked on a flexible basis. This can work well for parents who may need to collect children from school.
- **Part-time employment:** Involves employees working fewer hours than a full time employee in the same organisation, typically less than 35 hours a week. During busy periods, part-time workers are employed to meet the needs of the employer.
- **Temporary employment:** Employment for a specific period of time with an end date to the contract, for example six months to cover maternity leave.
- **Job-sharing:** Job-sharing means that two people share the same job, often on a fifty-fifty split. Job-sharing often lets professional workers continue in employment, when otherwise they may have had to take a career break.
- **Multi-skilling:** This involves businesses training their workforce to be able to work effectively across a wide range of tasks. This offers a greater degree of flexibility
- **Zero-hours contracts:** This type of contract means that an employee is not guaranteed any work. This provides employers with total flexibility. If the employer is busy, those on zero-hours contracts may find that they are on nearly full-time hours and vice-versa.
- **Hot-desking:** Hot-desking means that an employee has no fixed work space within an office environment. Hot-desking cuts down the need for office.

Credit any other valid point.

5. 4. Evaluate the impact of home working on Vodafone and its employees. [10]			
Band	AO2 3 marks	AO3 3 marks	AO4 4 marks
3	3 marks Excellent application to Vodafone. Clear and consistent reference to Vodafone throughout.	3 marks Excellent analysis of the impact of home working on Vodafone and its employees. Lines of reasoning are clear.	4 marks Excellent evaluation of the impact of home working on Vodafone and its employees. Balanced evaluation. Clear judgements are made with supporting statements to build the argument.
2	2 marks Good application to Vodafone. Clear reference to Vodafone.	2 marks Good analysis of the impact of home working on Vodafone and/or its employees.	2-3 marks Good evaluation of the impact of home working on Vodafone and/or its employees 3 marks for Vodafone and its employees. Evaluation may be one-sided but well-developed.
1	1 mark Limited application to Vodafone.	1 mark Limited analysis of the impact of home working on Vodafone and/or its employees. Underdeveloped points are made.	1 mark Limited evaluation of the impact of home working on Vodafone and/or its employees. Evaluation is limited and likely to be one-sided.
0	0 marks No valid application.	0 marks No valid analysis.	0 marks No valid evaluation.

Indicative content:

Possible benefits of home working to Vodafone:

- Vodafone's own technology enabled it to adopt flexible working practices such as home working. For example, in 2020, **2 300** call centre employees worked from home, Vodafone provided them each with a new laptop and headset to be able to continue their productivity from home. This has enabled Vodafone to make **cost savings** for example less office / call centre space needed. This will make Vodafone more efficient and competitive.
- Vodafone can expand their workforce quicker in response to a rise in demand for their product or service when allowing its workforce to work from home as office space is not required.
- Decreases labour turnover, decreases absenteeism, increases loyalty, productivity and staff morale.

Possible benefits of home working to employees:

- Vodafone employees can benefit from time and cost saved and the stress of commuting.
- Employees praise both flexible scheduling and the ability to work from home as two great perks which improves staff well-being and motivation.
- Employees are given the autonomy to work around their work-life balance which means that Vodafone employees feel valued.

Possible drawbacks to Vodafone of home working:

- It may be argued that employees working from home may not carry out their work to the same standard as those who work in the office. This may damage the company's reputation and result in the loss of customers.
- Communicating with a workforce which works largely from home can be an issue and the benefits of teamwork may be lost, may result in less innovation.
- Increase in costs as 2300 workers have been provided with equipment to allow them to work from home.
- Due to an increase in anxiety amongst staff, Vodafone has provided wellbeing support and online training for its employees to develop new skills and to support line managers to manage their teams effectively when working from home. This will come at a cost to Vodafone.
- Difficult to monitor individual staff productivity effectively.

Possible drawback to employees of homeworking:

- Recent reports have found that many workers are putting in longer hours, taking fewer sick days and suffering increased anxiety due to working from home
- Employees might feel isolated due to fewer social interactions that could negatively impact mental health.
- Prolonged periods of sitting at home and lack of exercise could negatively impact physical health.
- Employees might find it stressful to have their work environment in their home.
- Promotional opportunities might be reduced as relationships between employees and managers are more difficult to form.
- Distractions at home for example household chores or family members can affect focus and may make tasks take longer to complete.

Credit any other valid point.