

1(a)	Define the term <i>mission statement</i>. Indicative content Responses may include: AO1 Knowledge and understanding Clear understanding (2 marks) - A business statement/sentence/document (1) that sets out the purpose/goals/aims/values of a business (1), an example is often given – 'To be carbon neutral by 2030' (1) Partial understanding (1 mark) - What a business stands for (1) - The goals/values of a business (1) Accept all valid responses.
1(b)	Explain <u>one</u> disadvantage to a business of having corporate social responsibility (CSR) as a business objective. There are 3 marks for this question – 1 mark for knowledge and understanding and 2 marks for application/explanation Indicative content Responses may include: AO1 Knowledge and understanding – 1 mark for identifying one disadvantage of CSR as a business objective - May add to business costs - May reduce profits - May result in stakeholder conflict - Business operations more transparent - Business may be deflected from bottom line objective - Competitors may take advantage AO2 Application 2 marks for a developed [APP] of one disadvantage of CSR as a business objective 1 mark for a limited [APP] of one disadvantage of CSR as a business objective - CSR objectives may well involve additional costs for a business – profit not the sole objective. - CSR objectives may well mean stakeholder conflicts – shareholders concern for maximum dividends versus management commitment to ethical suppliers. - CSR businesses are in the public eye and likely to be scrutinised for all that they do – subject to criticism over the smallest acts or operations. - CSR implies more accountability and responsibility and requires sustainable actions – rather than 'window dressing' PR campaigns. - Sustainable resources may be more expensive - CSR companies may lose sight of their fundamental commercial/economic role as business organisation Accept all valid responses.

Marks	Answer	
	AO2 Application - The objectives of a business may include survival, growth, market domination, profit and the pursuit of any of these may well involve ethical dilemmas. - Ethical decisions will be required when pressures or demands develop which suggest that business performance can be improved through unethical actions. AO3 Analysis - A business may decide not to engage in unethical practices such as employing child labour, using inferior raw materials, engaging in questionable advertising or promotion activities. - A business could reject cheap production methods that pollute the environment and add to social costs. - A business could decide to be more responsible and avoid locating in countries with low inferior employment conditions. - A business could avoid supplying or promoting products that might damage health. - A business could avoid exploiting suppliers and develop strong, more trusting partnerships. - A business could subscribe to corporate socially responsible practices and objectives. - Such ethical decisions and practices will likely build and maintain a positive reputation and prevent financial and legal problems. - A commitment to ethical business activities will enrich the business culture and encourage more productive relations between customers, managers, and employees. Accept all valid responses.	1
	AO1	2
	AO2	2
	AO3	2