

Management – Ordinary Level

“Outline two similarities or two differences in managing a household and in managing a business”

(15m) LCOL 2005

The Marks: Two similarities or two differences: 8m + 7m = 15m.

Stating each point = 4m + 4m

Outline (i.e. for further detail) = 4m + 3m

A SAMPLE ANSWER:

Similarities: Any two of the following:

Both must plan activities, organise them, control them, e.g.

Household: shopping, cooking, cleaning etc

Business: Producing, selling etc

Both must manage finance, pay taxes, take out insurance, e.g.

Household: PAYE, house insurance, use bank accounts, pay bills

Business: Collect, arrange insurances on buildings, vans etc., pay bills, use bank accounts etc.

Both must keep records and fill out various forms

Household: records of income received, bills paid etc.

Business, records of money received and paid by the business

OR

Differences: Any two of the following:

Taxes:

Households pay VAT, businesses collect it (for the Government)

Insurance:

Business: must cover a lot more risks than households, e.g. employers liability

Financial Records:

Business must record every euro received or paid by the business;

Households only have to record a few figures e.g. total income earned

Size of operation

Businesses operate on a much bigger scale than households etc.