

Mark Scheme (Results)

Summer 2010

GCE

GCE APPLIED BUSINESS STUDIES(6916) Paper 01

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	can lead to conflict - or affect running of the business	
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Question Number	Exemplar Responses	Mark Allocation
<p>1 (c)</p> <p>AO3 MB3 = 4</p>	<ul style="list-style-type: none"> • Tony may feel that he has to work harder as the money is from Meg's father - this could lead to some resentment - as he may feel that the division of labour is not equal - and that Meg could work less hard • Could cause a split/break-up of partnership - as need to repay loan puts financial pressure on the business - the fact the loan is from a family member adds to pressure - and partners cannot agree how to raise money to pay back loan • Meg may feel that she has to work harder - to prove that she is worthy of the loan - as she wants to impress her father - and make sure that the loan is paid back on time • Partners may feel that it is less official than a bank loan - this could result in them not working so hard - as they are not likely to lose assets if loan is not repaid - this could result in the business working less effectively • Business becomes more cost-conscious - as the partners know they must pay back the loan in the time - this means they cut back on quality/quantity of materials used - which could affect quality of work received by customers • Development/expansion of business is restricted - as retained profits are used to pay back loan - rather than invest in new premises/equipment - or to spend on promoting the business • Need to organise finances - to make sure that the loan is paid back the business must save money - and make arrangements for payments - this requires financial planning 	<p>1 mark for each way that running of the business is affected (maximum 3 marks) + 1 mark for developing how running of the business is affected (maximum 3 marks)</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>1 (d)</p> <p>AO2 MB1 = 4</p>	<ul style="list-style-type: none"> • To have x number of customers by the end of the year - this would be a useful measure of their success - and would mean that they are not relying on a small number of customers - which will make the business more stable • To increase market share - as a new business <i>Friendz Graphix</i> is starting with a very low market share - they need to increase market share to grow customer base/produce more income - so that they can pay wages/pay running costs/pay back loan • To care for the local environment - they could make sure that they use as much recycled material/paper as possible - and make sure that their waste is kept tidy - and cycle to work rather 	<p>1 mark for objective + 1 mark for examining how objective works in context (maximum 3 marks)</p> <p>(4 marks)</p>

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Question Number	Exemplar Responses	Mark Allocation
1 (g) AO2 MB2 = 2 MB3 = 2	<p><u>Carphone Warehouse</u> Main aims include selling mobile phones - and signing customers up to their mobile phone service - there is a limit to the number of phones that are bought in the UK each year - and because of the credit crunch phone sales are falling so they need to sign-up customers for line rental which will produce more long-term business</p> <p><u>Tesco</u> The main aims would include maintaining stock levels - so that customers can buy what they want and do not need to shop elsewhere, with a competitor - providing excellent customer service is another aim - this is also done so that customers remain loyal and do not go to competitors</p>	1 mark for stating generic aims (maximum 2 marks) + 1 mark for linking objectives to aims of stated business in context (maximum 3 marks) (4 marks)

Question Number	Indicative content
2 (a) AO1 MB1 = 3 AO2 MB1 = 1 MB2 = 1 MB3 = 1 AO3 MB1 = 1 MB2 = 1 MB3 = 1 AO4 MB1 = 1 MB2 = 1 MB3 = 1 QWC (i - iv)	<p><u>Job description</u></p> <ul style="list-style-type: none"> • The duties and responsibilities of a particular job • Job title • Who employee will be responsible to • Who may be responsible to the job holder • Where job is located • A brief description of what job entails • List of duties and responsibilities • Hours of work • Working conditions • Pay <p><u>Function, to:</u></p> <ul style="list-style-type: none"> • Help business think about what the job involves • Makes it clear to applicants what is expected • Provides a basis for measuring performance • States clearly what duties must be carried out, if there was a dispute <p><u>Person specification</u></p> <ul style="list-style-type: none"> • Details of the characteristics that would be expected of the successful applicant • Skills • Experience • Education/qualifications/training • Personal qualities <p><u>Function, to:</u></p>

		<ul style="list-style-type: none"> • Help decide where to advertise vacancy • Provides a set of standards to measure candidates against • Tells applicants the minimum requirements in terms of their own personal qualifications, experience and attitudes <p>A level 3 response will show some analysis of the different functions performed of job descriptions and person specifications in the recruitment process, and can draw on different sources or examples to support their answer.</p> <p>A level 4 response would have analysed the situation, and can discuss the differences between a job description and a person specification fluently, and can explain how both contribute to the recruitment process and why both are required when recruiting, such as: <i>Recruiting new employees is an important process in any business and needs to be approached in the right way - to help business think about what the job involves - they will then need to draw up a job description that defines the role - this is likely to include information such as the job title - a description of the main duties and responsibilities - who the new employee would report to etc. - this will also help potential employees know what the job entails before they apply - in addition to the job description most good businesses prepare a person specification which sets out details of the type of person that would be most suited to the role - this would include skills - experience - and qualifications - both documents are required for the recruitment process so that the business gets the best person for the job - which will ultimately cut down on recruitment costs and reduce staff turnover.</i></p>
Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 - 3	<p>Candidate shows some knowledge and understanding of what job descriptions and person specifications are, their basic content, and how they are used.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.</p>
Level 2	4 - 6	<p>The candidate applies their knowledge and understanding to show that they understand the different functions performed by job descriptions and person specifications in the recruitment process of a business like <i>Friendz Graphix</i>.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with limited accuracy.</p>
Level 3	7 - 9	<p>Candidate shows some analysis of the different functions performed by job descriptions and person specifications in the recruitment process, and can draw on different sources or examples to support their answer.</p>

		The candidate uses some specialist terms and the response shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy.
Level 4	10 - 12	<p>The candidate has analysed the situation, and can discuss the differences between a job description and a person specification fluently, and can explain how both contribute to the recruitment process and why both are required when recruiting.</p> <p>The candidate uses appropriate specialist terms and the response shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.</p>

Question Number	Exemplar Responses	Mark Allocation
2 (b) AO2 MB1 = 2 MB2 = 2	<ul style="list-style-type: none"> CVs may not be honest/accurate - as they are written by the candidate - who will want to impress - so that they stand a stronger chance of getting the job Application forms make short-listing easier - as data is presented in a consistent format - which will make candidate's attributes easier to identify - making initial comparison easier CVs just give general points - takes time to find specific points - when compared with application forms which do provide specific information - and so are more relevant to the position 	<p>1 mark for basic reasons why (maximum 2 marks) + 1 mark for developing basic reasons (maximum 3 marks)</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
2 (c) AO1 MB1 = 1 MB2 = 1 MB3 = 2	<p><u>Important to employer</u></p> <ul style="list-style-type: none"> Set recognised standards/minimum standards - this helps when recruiting - as candidates without skills can be eliminated at an early stage - which saves time and money as only suitable candidates will be called for interview Raises standards of workforce - could give business an edge over competitors - as overall skills level within business will be raised - demonstrates to shareholders that business is worth investing in Formalises standards which can be used during appraisal - can identify weaknesses/gaps in knowledge - which can be corrected through training/identifies training requirements - which helps motivate employee Be able to check what a qualification is genuine/legal - as it will be on a national database - and will be administered by an awarding body - that itself has national recognition <p><u>Important to employee</u></p> <ul style="list-style-type: none"> Demonstrates level of ability - shows employer what they know/can do - in a form that does not require explanation - as standard of qualification is recognised Provide proof of claimed abilities - rather than relying on verbal claims - which could be viewed sceptically - or not believed Can be used to track/monitor knowledge/skills - which can highlight further education/development - which can lead to higher qualifications - and better paid job Means that knowledge/skills will be recognised in different places - which means that employee is mobile - can seek employment anywhere that qualifications are 	<p>1 mark for demonstrating knowledge of why nationally recognised qualifications are important (maximum 2 marks)</p> <p>1 mark for applying explanation to employer or employee (maximum 3 marks)</p>

	<p>recognised - even in different countries</p> <ul style="list-style-type: none"> Increased job opportunities - higher pay because qualified - more attractive to employers - as nationally recognised qualifications are of a known standard 	(4 marks)
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Question Number	Exemplar Responses	Mark Allocation
<p>2 (d)</p> <p>AO2</p> <p>MB1 = 4</p>	<p>(There are a wide variety of roles in the administration function, the titles of which may vary from business to business) - Please use professional judgement when considering named this)</p> <p><u>The administration function which may vary from business to business, and could include:</u></p> <ul style="list-style-type: none"> dealing with visitors/receiving and welcoming visitors handling mail: receiving/sorting/distributing/dispatching organising and supporting meetings managing manual and electronic information keeping and updating records storing information in folders and filing systems dealing with enquiries/providing information orally and in writing using telephone systems to make, receive and transfer calls. organising travel and accommodation managing own and other people's diaries managing routine financial transactions/processing orders/invoices/expenses. <p><u>King's Dental Practice</u> The receptionist at King's Dental practice has to take all the phone calls - make a note of who is calling in a daybook file on the computer - they need to find out what the caller wants and make a record of this as well - and they need to keep a check on the dentist's diary and make the appointments as required</p> <p><u>ASDA</u> In the ASDA head office each of the managers has a personal assistant their main job is to look after the manager's diary - to make sure that they keep all of their appointments - remind them of any meetings - they also book train tickets for the managers if they need to go to other parts of the country.</p>	<p>1 mark for each day-to-day task associated with administration function</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>2 (e)</p> <p>AO1 MB1 = 2 MB2 = 2</p> <p>AO3 MB1 = 2</p>	<p><u>Interview techniques could include:</u></p> <ul style="list-style-type: none"> • Telephone • Face-to-face • One-to-one • Panel • Group • Selection techniques e.g. role play, aptitude tests, psychometric tests <p><u>John Lewis</u> As part of the initial selection process John Lewis run group interviews – where up to twelve hopefuls are called together to take part in team exercises – the idea is to see how you work as part of a team – team working is very important to John Lewis as they are a partnership and call each of their employees ‘partners’ – during the group interview you have to solve a typical problem that could occur in a John Lewis shop – by observing the group interview the HR manager can see who is most likely to fit in to the John Lewis organisation</p> <p><u>Highlife School</u> At Highlife School all new teacher are required to show that they can teach a class as part of their interview – they have to make a presentation on a topic that interests them – it is watched by the head teacher and by students – after they finish they go back to the headmaster’s office – he then asks the students what they thought of the presentation – the opinion of the students is then included in the overall appraisal of the potential new teacher</p> <p><u>Ashram’s Newsagent</u> Mr Ashram interviews every employee personally – he does this face-to-face - so that he cans see your body language - as well as listen to your answers – in this way he feels he can tell who is going to be best for the job – so far everyone that he has recruited has stayed working for him for a number of years so his face-to-face technique must work well for him</p>	<p>1 mark for interview technique</p> <p>1 mark for describing features of interview technique</p> <p>1 mark for describing interview technique in context (maximum 4 marks)</p> <p>(6 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
3 (a) AO2 MB1 = 4	<p><u>Office administrator</u></p> <ul style="list-style-type: none"> • is an employee and not a partner so may not feel committed • was not in at the start of the business so may feel like an outsider/feels intimidated • will not be tuned-in to the in jokes and office banter • is likely to be paid a salary and not benefit from the partnership arrangements for pay/dividing profits • so they don't look for another job/leave • Local competition may be strong - lots of other businesses are also looking for good office managers - Tony and Meg need to make sure that having recruited a new manager that he stays with <i>Friendz Graphix</i>/is not poached by another business - so need to make the employment package attractive - this would include building-in incentives to motivate the new manager and encourage them to stay <p>(may be answered from a negative point of view i.e. the effects on business of a de-motivated employee)</p>	<p>1 mark for each reason why they need to motivate new office administrator (up to 4 marks) or</p> <p>1 mark for reason why they need to motivate new office administrator + 1 mark for developing reason (maximum 3 marks)</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
3 (b) AO1 MB2 = 2 MB3 = 2	<p>(Question refers to the Working Time Regulations 1998)</p> <p><u>The basic rights and protections that the Regulations provide are:</u></p> <ul style="list-style-type: none"> • a limit of an average of 48 hours a week which a worker can be required to work (though workers can choose to work more if they want to). • a limit of an average of 8 hours work in 24 which nightworkers can be required to work. • a right for night workers to receive free health assessments. • a right to 11 hours rest a day. • a right to a day off each week. • a right to an in-work rest break if the working day is longer than 6 hours. • a right to 4 weeks paid leave per year • employees may only work for a maximum of 13 hours at a time • a 30 minute in - work rest break when working longer than 4 ½ hours <p><u>Rights of young worker under 18 years</u></p> <ul style="list-style-type: none"> • Maximum 40 hours a week • Maximum 8 hours a day • 12 hours of uninterrupted rest in 24 hours • 2 days off each week 	<p>1 mark for stating workers' rights in regulations</p> <p>(4 marks)</p>

	<ul style="list-style-type: none">• cannot work between 10pm and 6am or 11pm and 7am depending on business	
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Question Number	Indicative content
<p>3 (c)</p> <p>A01 MB1 = 2 MB2 = 1</p> <p>A02 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>A03 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>A04 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>QWC (i - iv)</p>	<p><u>Level 1 would cover general issues of being</u></p> <ul style="list-style-type: none"> • Legal, Decent, Honest, Truthful in dealings with customers, suppliers, employees, local community and environmental issues. <p><u>Level 2 would expand on particular ethical issues, such as:</u></p> <p><u>Product/service</u></p> <ul style="list-style-type: none"> • All work will be original • Partners will not infringe others' copyrights/respect intellectual property • They will give a fair day's work for a fair day's pay/charge ie will not 'rip-off' customers • Will observe customer's requests with respect <p><u>Customers</u></p> <ul style="list-style-type: none"> • They will choose customers who trade ethically/have similar ethos to <i>Friendz Graphix</i> • treat customers fairly and honestly • will not overcharge • will respect customer's confidentiality issues eg new products, commercially sensitive information, etc <p><u>Suppliers</u></p> <ul style="list-style-type: none"> • treating suppliers fairly • choosing suppliers that also promote responsible practice, e.g. fair working conditions, • environmental concern, ethical trading <p><u>Employees</u></p> <ul style="list-style-type: none"> • promoting good health • fairness in terms of staff pay and benefits • providing training and development • providing a safe and secure working environment • ensuring diversity and equal opportunities, e.g. through staff training, recruitment and pay policies <p><u>Local community</u></p> <ul style="list-style-type: none"> • engaging with the community to understand its needs • financial investment in local community, e.g. sponsorship, grants, charitable giving • non-financial investment, e.g. encouraging employees to act as volunteers or mentors, providing educational visits and work experience, promoting local groups • social inclusion by providing employment. <p><u>Environmental issues</u></p> <ul style="list-style-type: none"> • waste management • recycling • using sustainable resources • reduction of carbon footprint • avoiding unnecessary energy consumption <p><u>Level 3 would discuss the pros and cons and practicalities of trading ethically, and would include practical examples such as:</u></p>

	<ul style="list-style-type: none"> • Ways of dealing with customers fairly e.g. not 'ripping them off' • Ways of treating suppliers fairly e.g. prompt payment • Ways of treating employees fairly e.g. decent wages and conditions • Ways of supporting the local community e.g. sponsoring local sports team • Ways of protecting the environment e.g. recycling, using low-emission vehicles, etc. <p>A level 4 response will pull together much of the above, and discuss how this will affect <i>Friendz Graphics</i> or how the partners can make sure that they trade ethically in all of their dealings with customers, suppliers, employees, local community and the environment. One way of approaching this could be:</p> <p><i>Ethical trading means that the partners need to think carefully about how they deal with their customers - they could have a fair pricing system so that customers know what they will be charged before they commission Friendz Graphics to do some work - this could be based on a fixed hourly rate that is published - something else they could consider is only using recycled materials and using inks and materials that do not pollute the environment - they could make sure that they only deal with customers who share a similar ethos for fair trading and the protection of the environment - such as turning down work from businesses that do not have a good environmental record - or produce products that cause pollution - another aspect of ethical trading would be to make sure that they buy their coffee from 'fair trade' suppliers - all of this will require monitoring to make sure that the business maintains its ethical standards - they could do this by setting ethical objectives such as recycling all plastic waste materials - conducting an audit every six months - and continually reviewing how well or not the business is achieving its ethical objectives</i></p>	
Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 - 3	<p>Candidate shows some knowledge and understanding of what it means to trade ethically.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.</p>
Level 2	4 - 6	<p>The candidate applies their knowledge and understanding to show that they understand what trading ethically means in the context of a business.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with limited accuracy.</p>
Level 3	7 - 9	<p>The candidate can use examples of ethical trading to show that they understand how a business like <i>Friendz Graphix</i> can make sure that they are trading ethically.</p> <p>The candidate uses some specialist terms and the response shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy.</p>
Level 4	10 - 12	<p>The candidate can discuss fluently how a business like <i>Friendz Graphix</i> can make sure that they are trading ethically, using relevant examples where appropriate.</p> <p>The candidate uses appropriate specialist terms and the response</p>

		shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.
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Question Number	Exemplar Responses	Mark Allocation
<p>3 (d)</p> <p>AO1 MB2 = 2</p> <p>AO3 MB1 = 1</p> <p>AO4 MB1 = 3</p>	<p><u>Esteem needs include:</u></p> <ul style="list-style-type: none"> • Recognition • Praise • Self-respect • Status <p>(may be implied)</p> <p><u>Coca Cola</u></p> <p>At the Coke bottling plant in Wakefield the employees who look after the bottling machines are not called 'machine minders' but engineers - this recognises that they are more important than just making sure that the machines are running - being called an 'engineer' also raises their status in the workforce - the company also encourages their engineers to take evening classes in business qualifications such as GCE Applied Business - once they have achieved this qualification they will feel better about themselves and develop some self-respect - praise is given by the HR team for this kind of achievement which also helps increase the esteem needs of the employees</p> <p><u>New River Industrial Communications</u></p> <p>A team of employees at NRIC wanted to raise money for the Breakthrough Breast Cancer charity - the management encouraged them to take part in the annual 'Moonwalk' and seek sponsorship from customers, suppliers and friends - after much training the team completed the 26 mile walk and raised over £2000 - this generated much praise from other employees, customers and suppliers - as a result their self-respect level was raised - and their status was raised within the industry as a team who actually did what they said they wanted to do, meeting their esteem needs</p>	<p>1 mark for each way (maximum 2 marks)</p> <p>1 mark for description in context (maximum 4 marks)</p> <p>(6 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>3 (e)</p> <p>A01 MB1 = 2</p> <p>A02 MB1 = 2</p>	<p><u>Eateries Fast Food</u> Staff in Eateries restaurants are motivated by being offered promotion if they undertake training - the promotion only usually involves a change in title but this is enough to make the employees feel that they are doing well - this encourages them to work harder - some levels of promotion also mean that they get a paid a bit more, and money is always a good motivator</p> <p><u>Kwicky Mart</u> Staff are motivated by being treated as a team - if the team meets its objectives then they are all rewarded by a night out at a local restaurant, paid for by the business - this means that they all work harder, but together - which makes the business more successful</p>	<p>1 mark for methods of motivation</p> <p>+</p> <p>1 mark for applying method in context of named business (maximum 3 marks)</p> <p>(4 marks)</p>

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