

Mark Scheme (Results)

Summer 2016

Pearson Edexcel GCE Applied
Business (6916)

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Publications Code 6916_01_1606_MS

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.
- Mark schemes will indicate within the table where, and which strands of QWC, are being assessed. The strands are as follows:
 - i) ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear*
 - ii) select and use a form and style of writing appropriate to purpose and to complex subject matter*
 - iii) organise information clearly and coherently, using specialist vocabulary when appropriate.*

| Question Number | Answer | Mark |
|--|---|---|
| 1 (c) AO1 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Non-profit objectives could include:</u> <ul style="list-style-type: none"> • have zero accidents in the workplace • caring for the environment • to recycle materials/recycling • be available to customers at all times • use social media to communicate with customers • work life balance • to give the business a good reputation/improve the reputation <u>Outline could be in the form of:</u> <ul style="list-style-type: none"> • Have zero accidents in the workplace – make sure that tools and equipments are stored safely – and used as intended – and that all cables are kept clear of where employees or customers walk to avoid trip hazards | 1 mark for non-profit objective 1 mark outline (maximum 3 marks) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|--|---|--|
| 1 (d) AO2 MB3 = 2 AO3 MB1 = 1 MB2 = 1 MB3 = 2 | <ul style="list-style-type: none"> • <u>Customers</u> will be an influence because Chloe will need to produce items which meet the needs of the customers – and Jack will need to identify/target customers to sell them the items produced by <i>Retro Alliance</i> – customers will need to agree to the price • <u>The solicitor</u> they use for the Deed of Partnership - could give them advice on legal matters - such as consumer protection legislation • <u>Suppliers of old furniture</u> – suppliers influence could include making the items they buy available in the first place - and depend on the price Chloe and Jack are willing to pay the items - how much they pay would influence Chloe and Jack's profitability | 1 mark for naming external stakeholders (maximum 2 marks) 2 marks for discussing influence (1+2) x 2 (6) |

| Question Number | Exemplar Responses | Mark Allocation |
|--|---|--|
| 1 (e) AO3 MB1 = 2 MB2 = 2 | <u>Chloe's role:</u> <u>Production</u> <ul style="list-style-type: none"> Up-cycling/restoration – without this items would remain unwanted/unsalable old junk Decoration – unless decoration was attractive to target market/customers they would not sell <u>Jack's role:</u> <u>Sales</u> <ul style="list-style-type: none"> Communication with customers - matching items to customers' needs, which will ultimately result in income/profit Agreeing selling price with Chloe – makes sure that items are priced to sell and bear a profit/mark up on production cost | 2 marks for how each contributes to the success of the business (2 + 2) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|--|--|--|
| 1 (f) AO1 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Tesco</u> <u>Retail organisation</u> <ul style="list-style-type: none"> Tesco have adopted a hierarchical organisational structure - because it is a large business with many outlets – each outlet having a range of departments - and many employees at different levels <u>Smashing Windows</u> <u>Window cleaners</u> <ul style="list-style-type: none"> This business has a flat organisational structure - it employs six people – they all report direct to the owner, Martin – who organises their rounds and gives instruction direct to each person Accept answers which have a drawn organisational structure, reward with 'outline' marks according to detail provided. | 1 mark for naming organisational structure 1 mark for outline (maximum 3 marks) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|---|--|---|
| <p>1 (g)</p> <p>AO2</p> <p>MB1 = 2</p> <p>MB2 = 2</p> <p>MB3 = 2</p> | <p><u>McDonalds</u> <u>Fast food outlet</u></p> <ul style="list-style-type: none"> The manager has to make sure that the branch is opened up each day – and that sufficient staff are available to cover the shifts – they must make sure that each employee is clear about their individual tasks/targets – they will forecast/plan the requirements for food – and place orders to make sure that the branch does not run out – they have overall responsibility for making sure that the branch runs smoothly/stays legal/serves customers as required/meets sales targets/makes a profit <p><u>Crown Paints</u> <u>Manufacturing decorating materials</u></p> <ul style="list-style-type: none"> The marketing manager at Crown is responsible for all communication with consumers/customers – they have a budget for advertising – which they must plan to target the right consumers – and maximise its effect – they also plan all promotional activity – and look after the public relations function | <p>1 mark for each activity</p> <p>(6)</p> |

Total for Question 1 – 30 marks

| Question Number | | Indicative Content |
|-----------------|------------|--|
| *2 (a) | | <p>In a partnership both partners usually contribute finance for start-up costs – or for other capital purchases made by the partnership – there is usually a balance between the partners - in the situation described Jack is using his own personal money – to buy the van, which means that the van will be owned by him alone - and not be a joint asset of the partnership - this means that there is an imbalance in the way the business is being financed – jack is putting considerably more into the business than Chloe – this could cause friction or resentment – particularly if there is any disagreement over the running costs – as he is paying for the van, Jack will own it and will be able to make all the decisions about how it is used – this could lead to disagreement if Chloe want to use it for one thing and jack wants to use it for something else – such disagreement could lead to resentment and blame – if the business starts to have problems – ultimately Jack could take his van and leave Chloe without any transport – funding and money issues are often the start of problems in a partnership – and both Chloe and Jack need to trust each other for the business to succeed – Jack will need to reassure Chloe that although the van is his – they will both be able to make use of it – to the mutual benefit of the partnership.</p> |
| QWC | | |
| Level | Mark | Descriptor |
| | 0 | No rewardable material. |
| 1 | 1-3 | <p>Candidate shows some knowledge and understanding of issues to do with the method of funding and how funding/money issues could affect a partnership, although this may be expressed in general terms.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation. Spelling punctuation and the rules of grammar are used with limited accuracy.</p> |
| 2 | 4-6 | <p>The candidate applies their knowledge and understanding of the method of funding and how funding/money issues could affect a partnership in more applied terms.</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> |
| 3 | 7-9 | <p>The candidate considers how the method of funding and how funding/money issues could affect a partnership, they may note the advantages and disadvantages of this method.</p> <p>The candidate uses more specialist terms than L2 and the</p> |

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|---|--------------|--|
| | | response shows increased focus and organisation. Spelling, punctuation and the rules of grammar are used with more accuracy than L2. |
| 4 | 10-12 | <p>The candidate has assessed the situation thoroughly. In addition to describing how the funding/money issues could affect a partnership, they can outline how problems for the partnership could be avoided.</p> <p>The candidate uses specialist terms consistently 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) AO1 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Interview process:</u> <ul style="list-style-type: none"> • Offer/set date for interview • Candidate agrees/finalises date for interview • Meet applicant • Ask questions concerning previous experience • Answer questions raised by applicant • Discuss interest in job offered • Confirm terms and conditions/pay/working hours/working practices • Confirm suitability with each other (Chloe and Jack)/make sure that applicant will fit in with business/ethos • Check availability/notice period for current employ • Check credentials/driving licence/driving record at any stage • Aptitude/driving test at any stage • Confirm next steps e.g. offer job/turn down applicant/'we'll let you know' | <p>1 mark for each step in the interview process</p> <p>(4)</p> |

| Question Number | Exemplar Responses | Mark Allocation |
|--|---|---|
| 2 (c) AO4 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Examples of legal responsibilities towards new driver:</u> <ul style="list-style-type: none"> • Provide contract of employment/comply with employment regulations • Provide a healthy and safe • Limit working hours to within working time regulations • Pay fair wages/at or above legal • To not discriminate in any way • Make sure that driver and vehicle are insured <u>Outline of legal responsibility could be in the form of:</u> <ul style="list-style-type: none"> • Chloe and Jack must provide a contract of employment – this must be given to the new driver within 2 months of starting work – it will include the job description – and the terms and conditions of employment | 1 mark for legal responsibility 1 mark for points of development of legal responsibility (maximum 3 marks) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|--|---|---|
| 2 (d) AO1 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Piccollino Pizza</u> <u>Make pizzas and deliver to customers' homes</u> <ul style="list-style-type: none"> • This business always needs more delivery motorcycle riders – because they have a high turnover of staff – because the wages are low – and the pressure to make delivery to meet a timed delivery target means that they have to drive fast/dangerously to meet target <u>ASDA</u> <u>Food, drink, clothing and household goods retailer</u> <ul style="list-style-type: none"> • The main reason that ASDA need to recruit employees is to staff new branches – this business has a planned programme of new store openings – each new store needs to have staff to fill shelves - and deal with customers | 1 mark for main reason 1 mark for outline of main reason (maximum 3 marks) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|---|---|---|
| <p>2 (e)</p> <p>AO2 MB1 = 1 MB2 = 1 MB3 = 2</p> <p>AO3 MB1 = 2</p> | <p><u>Examples of areas covered by consumer protection legislation could include:</u></p> <ul style="list-style-type: none"> • Distance selling • Faulty/unsafe products • Food safety • False advertising/trade description • Purchasing through credit • Advertising standards • Weights and measures • Sale and supply of goods and services • Food handling and hygiene • Unfair trading <p><u>Outline of legal responsibility could be in the form of:</u> <u>Drury's Department Store</u> <u>Retailer</u></p> <ul style="list-style-type: none"> • Under the unfair trading- which is designed to protect consumers from being misled - Drury's has to make sure that everything it says in its advertising is correct - so when they say that their bed linen is 100% cotton - it must be 100% cotton - so that its customers actually receive what they think they are buying <p>Note: Health & Safety, data protection and employment related legislation should not be given marks</p> | <p>1 mark for example of area of consumer protection legislation</p> <p>1 mark for explaining example given</p> <p>1 mark for how business is affected by example given (maximum 4 marks)</p> <p>(6)</p> |

Total for Question 2 – 30marks

| Question Number | | Indicative Content |
|----------------------------------|------------|--|
| * 3 (a) QWC | | A job description gives details of the duties and responsibilities associated with a particular job and will usually include – job title – who the employee is responsible to – where the job is located – a brief description of what the job entails – the duties and responsibilities – hours of work – details of pay and working conditions – in contrast a person specification gives details of the characteristics that would be expected of the successful applicants, including – skills and experience – education/qualifications/training – personal qualities – the job description is used more for informing potential applicants what the job is all about – the person specification may also give applicants and indication of the type of person that is being sought – but is used more during the selection process when deciding on who to appoint, - especially if there is a choice of people with similar qualifications and experience – each document is different – and each plays a different role – so it is important to produce both document when planning recruitment – and when selecting employees – in this way employers are less likely to make the wrong decision – and will avoid the cost of recruiting the wrong person or having to go through the recruitment process a second time because the first person appointed was not right for the job or the business. |
| Level | Mark | Descriptor |
| | 0 | No rewardable material. |
| 1 | 1-3 | Candidate shows some knowledge and understanding of a job description and a person specification, some roles may be noted although they may be expressed in general terms. The candidate uses everyday language and the response lacks clarity and organisation. Spelling punctuation and the rules of grammar are used with limited accuracy. |
| 2 | 4-6 | The candidate applies their knowledge and understanding to show that they can differentiate the roles performed by a job description and a person specification; at this level the answer may be descriptive of each document rather than written as a comparison. 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. |
| 3 | 7-9 | <p>The candidate considers the differences between a job description and a person specification and can start to discuss the different roles that each document performs in the recruitment and selection process.</p> <p>The candidate uses more specialist terms than L2 and the response shows increased focus and organisation. Spelling, punctuation and the rules of grammar are used with more accuracy than L2.</p> |
| 4 | 10-12 | <p>The candidate demonstrates a thorough understanding of the different roles of a job description and a person specification and can discuss, with accuracy, these different roles and how each document is used.</p> <p>The candidate uses specialist terms consistently 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 |
|--|---|---|
| 3 (b) AO1 MB2 = 2 MB3 = 2 | <u>Motivational theories could include:</u> <ul style="list-style-type: none"> • F. W. Taylor • Elton Mayo • Douglas McGregor • Abraham Maslow • Others <u>Answer could be in the form of:</u> <ul style="list-style-type: none"> • If the management know about Abraham Maslow and his Hierarchy of Needs – they will make sure that employees are paid a decent wage, so that they can fulfil their psychological and security needs – they will make sure that employees feel part of the team, to satisfy belongingness – they will give regular appraisal, for recognition of achievements, to boost esteem | 1 mark for naming a motivational theory 1 mark for outlining theory 2 marks for how named theory influences management of employees (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|--|---|---|
| 3 (c) AO2 MB1 = 1 MB2 = 1 MB3 = 2 | <u>Reasons could include:</u> <ul style="list-style-type: none"> • To retain driver/reduce risk of driver leaving • To keep driver happy in their work • To make driver feel part of the team as the driver is often a lone/remote worker • To encourage good performance/initiative/positive feedback from customers • To minimise costs involved in recruiting a new driver • To maintain high levels of customer service <u>Answer could be in the form of:</u> <ul style="list-style-type: none"> • Having recruited a new driver the business will not want them to leave – as this will involve them in extra cost of recruiting another driver – and could result in letting down customers if a driver is not available – as well as the trouble of repeating the recruitment process | 1 mark for reasons (maximum 2 marks) 1 mark for explaining reasons (maximum 3 marks) (4) |

| Question Number | Exemplar Responses | Mark Allocation |
|---|--|---|
| <p>3 (d)</p> <p>AO1</p> <p>MB1 = 1</p> <p>MB2 = 1</p> <p>MB3 = 2</p> | <p><u>Google</u> <u>Search engine and IT business leader</u></p> <ul style="list-style-type: none"> At Google the employees have access to fresh food in the workplace 24/7 – this means that employees can keep healthy by eating the right food – do not have to leave the workplace to get food – and it means that they are less likely to want to leave the business as they will lose this benefit <p><u>McDonalds</u> <u>Fast food and restaurants</u></p> <ul style="list-style-type: none"> At McDonalds the working conditions are often hot and busy so employees get tired quickly – but the pressure to serve customers remains – so many branches will have a rest room where employees can rest and regain a bit of energy – so that they become less inclined to leave the job | <p>1 mark for example</p> <p>1 mark for outlining example (maximum 3 marks)</p> <p>(4)</p> |

| Question Number | Exemplar Responses | Mark Allocation |
|---|--|--|
| <p>3 (e)</p> <p>AO2</p> <p>MB1 = 2</p> <p>MB2 = 2</p> <p>MB3 = 2</p> | <p><u>Waitrose Supermarket</u></p> <ul style="list-style-type: none"> Waitrose employees are treated as 'partners' just like in its parent company the John Lewis Partnership – they are incentivised to work hard/give good customer service by offering every employee an annual bonus – which is based on how much profit the business makes in a given financial year – the profit will rise or fall depending on how well the employees encourage customers to buy more goods – or to up-sell by encouraging customers to buy more expensive goods – because every employee will get a bonus, everyone is incentivised <p><u>County Dairy Door-to-door milk delivery service</u></p> <ul style="list-style-type: none"> County Dairy have a team who deliver milk door-to-door to customers – each member of the team is told that they will receive £50.00 for every new customer they sign up and stays with the business for six months – this encourages members of the team to take more interest in the work – and give good customer service - rather than just delivering milk – as they will benefit financially for every new customer they recruit | <p>1 mark for example of financial incentive (maximum 2 marks)</p> <p>1 mark for point of how the business makes use of financial incentives (Maximum 5 marks)</p> <p>(6)</p> |

Total for Question 3 – 30 marks

Total for Paper – 90 marks