OCR
RECOGNISING ACHIEVEMENT

GCE

Applied Business

Advanced GCE **A2 H426/H626**

Advanced Subsidiary GCE **AS H026/H226**

Report on the Units

January 2009

H026/H226/MS/R/09J

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This report on the Examination provides information on the performance of candidates which it is hoped will be useful to teachers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding of the syllabus content, of the operation of the scheme of assessment and of the application of assessment criteria.

Reports should be read in conjunction with the published question papers and mark schemes for the Examination.

OCR will not enter into any discussion or correspondence in connection with this Report.

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Chief Examiner's Report

Reports by the Principal Examiners/the Principal Moderator for the January 2009 series of the GCE Applied Business assessments follow. It is important that these reports are considered carefully by Centres as they contain specific and targeted advice on how to prepare candidates for assessment in each and every unit of this specification.

Once again the assessment team were privileged to see some very high quality coursework and examination scripts of which both Centres and candidates alike should be extremely proud. Such pieces of work embodied the very philosophy of applied qualifications, directly applying all aspects of the specification to the particular business under consideration. On the other hand some pieces of coursework still tended to be over theoretical, or descriptive (rather than analytical) in nature, stopping the candidates from being able to access the top mark bands. Likewise in the examinations some candidates formed their responses with hardly any reference to the business context, or answered in context but with no attempt at analysing or evaluating the points made, limiting their marks. Centres need to build upon good practice and ensure that **all** Candidates understand the necessity of **applying** all of their work to the business situation under consideration in an **analytical** and **evaluative** manner be it a coursework or externally assessed unit.

Portfolio issues:

Candidates should be encouraged to produce carefully organised and well structured pieces of coursework throughout the qualification. Candidates should use sub-headings (preferably taken from the specification) wherever possible. Such practice not only focuses the candidate's learning but also leads to clearer assessment by the teacher and easier agreement of Centre-awarded marks by the moderating team.

Witness statement proformas are provided in the specification for each of the units that require one. Centres are reminded of the need to include the completed witness statements, together with evidence of candidate presentations (notes, prompt cards, slides etc), in their evidence towards AO2.

The importance of ensuring that candidates have chosen a suitable business/product/proposal before beginning their research cannot be overemphasised. A poor choice at an early stage will lead to difficulties in achieving marks later on. Checking that candidates have made suitable choices is inevitably time consuming for Centres but is likely to prove to be time well spent.

Care should be exercised by Centres when making their choice of optional units. Many of the units demand access to specific information and without which it is impossible for candidates to do themselves justice in the portfolio they submit. Centres must ensure that the required information can be obtained by candidates prior to embarking on the unit.

Examination issues:

The assessment team strive to make the case studies/business contexts provided to candidates as accessible as possible. It is essential that candidates understand the importance of fully utilising the context given to them when formulating their responses in the examination. Without use of context candidates limit themselves to Level 1 marks.

There is pleasing evidence that Centres are now incorporating examination technique, particularly for level of response marked questions, into their schemes of work. It should be noted however that analysis is not simply the stating of advantages/disadvantages in context (this is Level 2). True analysis (Level 3) demands that the implications/knock-on effects of these

advantages/disadvantages are discussed. Likewise evaluation (Level 4) demands more than a decision; it needs a discussion of the rationale behind the decision.

Numerical areas of the specification continue to pose a considerable challenge to candidates. Since numerical analysis is a fundamental skill which underpins the majority of decisions faced by business in the real world, it is essential that candidates are well equipped with these skills. Centres are advised to revisit these areas of the specification frequently in order to build up candidate confidence in preparation for the examinations.

There were still some instances of candidates, sometimes entire Centres, who appeared to lack basic knowledge of whole sections of the specification. It is essential that the specification is covered in its entirety as all aspects of the specification may be assessed.

Specific information for each unit is given in the following reports from the Principal Examiners and the Principal Moderator. Careful reading, taking action where appropriate, should lead to candidates being well prepared for assessment in futures sessions of this Applied Business specification.

Centres may also find the following sources of use to them in helping to build upon good practice:

- past examination papers;
- previous examination series reports;
- individual Centre reports on moderation;
- INSET offered by OCR;
- coursework consultancy service (OCR);
- E-Community – OCR website;
- AS exemplar CD – available from OCR publications;
- teacher assignments for each unit – OCR website.

F242 Understanding the Business Environment

Most candidates appeared well-prepared and well-acquainted with Anita's business. This enabled the majority of candidates to gain good marks for questions on ownership and the options open to Anita regarding the expansion of her business. However, some candidates became slightly confused when discussing the advantages and disadvantages of the two options in question 1(c), while for question 5(c) they focussed on the issue of ownership. There were few questions left unanswered which suggests that the time allocated for this paper was appropriate. A common weakness was candidates' inability to develop their answers in sufficient depth to access the expansion marks. Apart from question 4(b), numerical questions were poorly done this session.

A note for future sessions on what qualifies on Level 3. Candidates will not be awarded Level 3 automatically just for making statements presenting both sides of an argument, e.g., simply stating the advantages and disadvantages of a cash flow forecast. They will be expected to analyse these advantages and disadvantages in order to achieve Level 3; e.g., cash-flow forecasts enable Anita to monitor her inflows/outflows closely so that she can avoid being short of funds (Level 2). They will allow Anita to plan ahead so that she has sufficient funds to purchase clothes to keep her market stall running smoothly (Level 3).

Comments on Individual Questions

1(a) Well answered by most candidates, even though the weaker ones struggled to describe three different ways. A sole trader is still commonly misunderstood as someone working alone, without any employees. Few candidates appeared to know that private limited companies could have one shareholder and, therefore, can be as 'small' as a sole trader.

1(b) A difficult question and only the more able candidates knew the purpose of a deed of partnership. Few scored full marks; the question was often misunderstood as a 'partnership' question.

1(c) Around 50% of candidates achieved Level 4 on this question. Their responses indicated that they were well-prepared for it and the case for Anita entering into a business partnership was well-argued in the main. However, some candidates wasted time by discussing the options open to Anita. Candidates are advised to read the question carefully before attempting it.

2(a) Poorly done with most candidates misinterpreting the rubric. Most responses consisted of text copied almost verbatim from the case study. Very few candidates discussed Sandra Bate's interests as an employee as required by the mark scheme. Sandra's interest in entering into a partnership does not constitute employee interests and was, therefore, not acceptable.

2(b) A difficult question for most candidates on which only the more able ones achieved Level 3. There appeared to be a lot of misunderstanding of the savings Anita makes by paying cash in hand. Many candidates thought that Anita was trying to avoid tax rather than national insurance. Due to this mistake, a good number of candidates were not able to achieve beyond Level 2.

3 Most candidates scored two marks for each reason, the third mark proved to be inaccessible for the majority. There were a lot of repetitions where candidates struggled to suggest three different reasons. Some candidates misunderstood it as an ICT question. Candidates could have suggested three different financial documents which Anita could produce with her financial records, e.g., break-even, cash-flow, profit and loss in order to gain full marks.

4a(i) Most candidates either scored two or four marks. It was pleasing to see that the vast majority of candidates could link these costs to output.

4a(ii) It was evident from the majority of responses that most candidates assumed option 1 to mean having three market stalls in total and calculated the fixed costs accordingly. The question intended for candidates to focus on the two additional stalls which only a small proportion of candidates did. Both assumptions were valid; however, cross-over answers were not allowed, eg, calculate market charges for two days and then Sandra's wages for three days.

4a(iii) In view of the difficulty the majority of candidates appeared to have with this part of the question, full marks have been awarded for the correct use of the break even formula or for writing down the correct formula. Only a handful of candidates who had an in depth knowledge of the contribution method could tackle this question successfully.

4(b) A straightforward question for most candidates with a good number achieving full marks.

4(c) Another straightforward question which most candidates were able to analyse in sufficient depth to access the top marks. However, some candidates still found it difficult to contextualise their answers in relation to the opening of the new shop in Norford. Whilst the mark scheme, this session, did not differentiate between a general response describing why Anita needs to draw up a cash flow forecast in general as opposed to one which specifically applied to the new venture; centres are advised to point out the difference between a general and a specific response to this kind of question in the future.

5(a) Most candidates seemed well-prepared for this question using appropriate examples from the case study. A relatively straightforward question for assessing the higher marks provided the responses were in sufficient depth. Vague, one-word answers were not awarded marks as it was difficult to determine whether candidates understood what a SWOT analysis was as applied to Anita's business. Responses such as 'to expand', 'exchanges rates' should be avoided. One common error was to suggest Anita could open a shop and set up more market stalls as two different opportunities. These were only awarded one mark.

5(b) A good differentiation question which only the stronger candidates could access for more than two marks. Most candidates only showed a basic understanding of why SWOT analysis was essential for businesses and failed to develop their answers to gain the expansion marks.

5(c) Most candidates appeared well-prepared for this question. Both options were generally analysed well and this immediately put candidates into high Level 3. Good examination techniques were demonstrated in most cases where the analysis was followed by a conclusion which was justified. However, most justifications tended to be weak and repetitive. Candidates are advised to work more on their justification in order to access the higher marks in the future. Some candidates failed to achieve Level 4 by suggesting a third option. This did not answer the question and should be discouraged.

F243 The Impact of Customer

General Comments

Although this session's paper was set at the correct level for AS candidates, some responses continue to be disappointing with the standard of answers often being relatively poor. Context continues to be a real issue; with the paper being pre-release, it is difficult to see why the various issues raised in the case have not been prepared in more depth and in their right context. An alarming number of candidates are still not 'contextualising' their answers, limiting their marks in each question to A01 level.

Although nearly all papers were fully completed, answers often appeared rushed and questions regularly appear to not have been read before the candidates embarked on an answer. Again this year, attention to basic examination technique appears not to have been fully evident. This has often resulted in responses being well adrift from the questions set and answers not being framed to link with the mark allocation. Candidates do not always appear to realise that a 12 mark question will need to move through to evaluation. Although there has been some improvement in analysis, candidates are still not getting to grips with the evaluative questions, making statements about how something definitely will (or will not) happen, when they should be using 'may' and to qualify this with discussion about how this might happen or the implications in the long term.

Comments on Individual Questions

1)(a) This question awarded two basic marks regarding specific customer characteristics, it was done well in general and linked to an attribute such as 'Female' or 'Twenty Five' etc. Some candidates wrongly suggested needs or wants as characteristics, eg 'like a brown tan'.

1(b) Most candidates were able to identify one or two reasons, although only the better candidates could order their responses to clearly state and expand on the third, without repetition. Answers were often poorly expressed and difficult to interpret.

1(c) In this standard question, candidates had to analyse the decision to target sixth formers. Candidate responses were well spread but most did well and scored at least Level 3.

2(a) Overall, the majority of candidates were able to state three examples of customer service but struggled to link these to the case. Often candidates wrongly referred to elements of 'product' or 'price' which was not acceptable.

2(b) The responses to this part of the question were generally sound and were taken from the case. Some candidates chose to suggest 'skimming' or 'penetration' but were not backed up with the context necessary.

2(c) Many candidates failed to get to grips here with the application of pricing strategy and opted to bluntly suggest 'to make profit', which without clarification was not awarded. More detail and the link between pricing and customer attraction, retention, etc, was necessary.

3(a) A surprising number of candidates were unable to state and describe research methods in a way that differentiated them. Unqualified references to 'questionnaire' or 'survey' again this year disappointed, as did the absence of context to enable the award of Level 2 marks.

3(b) This part of the question related to the observation method and was general well started but was not always 'contextualised'.

3(c) A large proportion of the candidates on this part of the question took one side of the argument and achieved Level 3. Some were able to evaluate and reach Level 4 but it was disappointing to not see that many candidates had not reflected realistically on the impact of a news article, suggesting 'legal action' etc and also few saw the need for subsequent public relations activity, to recover the position.

4(a) This was a very straightforward question asking for what a taster session was, not its benefits! However, many candidates wrote of the benefits (This was the focus of the next question!) and did not provide the required description.

4(b) Candidates were able to discuss the benefits but many did not 'contextualise' them or explain what those benefits meant overall for The Hot Spot.

4(c) Although many candidates tended to write a good response, some went off track, in a similar way to question 4(a) and began to list the benefits, an element of the next question.

4(d) This part of the question was generally answered to Level 3 with few candidates referring to the relative importance of the loyalty card scheme in increasing numbers at The Hot Spot, the focus of the question.

A/S Principal Moderator's Report

The majority of Centres which submitted work for this moderation session followed OCR procedures, adhered to set deadlines and accurately completed documentation which enabled the moderation process to progress smoothly. However, some Centres did not adhere to the 10 January deadline for the receipt of the completed MS1 by the allocated Moderator and failed to inform OCR or the Moderator of the delay. This did cause difficulty for Moderators in the scheduling of their work. Centres should also note that for entries of 10 candidates or less the portfolios should be sent straight to the Moderator with the MS1 forms. Centres should note that it is their responsibility to forward MS1 forms and candidate work to the allocated Moderator by the set deadlines and, if a sample is required, it must be returned within **three** days of receiving the sample request. Centres should note that failure to meet such deadlines could delay the receipt of results for their candidates.

Centres must ensure that all sections of the Unit Recording Sheet have been completed accurately, including correct total marks for the unit, candidate number and Centre number, teacher comments and the location of evidence, in order to facilitate the moderation process. Centres must also ensure the marks on the MS1 form match the marks on the Unit Recording Sheet for each candidate and each unit.

Assessment

Many Assessors demonstrated good practice by annotating candidate work with assessment criteria references and by giving clear and constructive written feedback. The teacher comments section of the Unit Recording Sheet enabled Assessors to justify the marks awarded for each assessment objective. It was helpful when page numbers were included within the location section of the Unit Recording Sheet. Some Assessors failed to provide written comments or annotate candidate work. In these circumstances it was not clear to the Moderator how assessment decisions had been made. Without this information it is becomes more difficult for the Moderator to confirm the marks awarded to the candidate.

Where assignments had been used, it was most helpful for copies to be submitted with the actual work. This gave a clear indication of the tasks which were given to candidates.

It is the responsibility of Assessors to ensure that each candidate has produced authentic/original evidence. A Centre Authentication Form for Coursework (CCS160) must be signed by the Assessor(s) and must accompany each unit submitted.

Candidates must ensure that any material used from the Internet is correctly attributed. Where material is taken directly from the source, candidates must supplement it with their own explanation, demonstrating their understanding. Where candidate work contains inaccuracies, Assessors should annotate the work to this effect, thus enhancing the candidate's own learning. This also indicates to the Moderator that the work has actually been assessed.

Assessors are reminded that they should make direct reference to the unit specifications when writing assignments and seeking clarification of the type of evidence candidates' are required to include within their portfolios. Assessors are also reminded that they should make reference to the assessment objective amplification grids when assessing candidates work. These can be found with the specifications on pages 49-52.

It was also noted that those Centres which had followed the assignments written by OCR had, on the whole, been able to better structure their candidates work enabling them to access the higher grades. The teaching and learning support materials can be located on the CD produced by OCR or downloaded from the website.

Unit 1: Creating a Marketing Proposal

The banner of the assessment evidence grid requires candidates to produce a marketing proposal to launch a new product or service. Some candidates are still failing to choose suitable products and are often merely trying to re-launch an established product. This ultimately results in candidates only changing, at best, two parts of an already established marketing mix. In some cases the product was actually currently available and the only modifications being specified were a new colour. Centres should check the suitability of candidates' proposed new products/services prior to them completing their initial research. This should help prevent candidates selecting products which are (a) unsuitable or (b) already available on the market.

Assessors are also required to use the witness statement supplied within the OCR specifications to justify the marks awarded for AO2.

The banner states that candidates are required to investigate a medium to large sized business. However, it was noted that the majority of candidates who achieved the highest marks for this unit in previous moderation sessions had focused on small/medium sized businesses which were locally based. This enabled them to conduct relevant research which was used to good advantage throughout their delivery of AO2. These candidates also found it easier to develop their judgements as to the likely success of their marketing proposal.
On reflection, it is now felt that candidates could extend their investigations into smaller local businesses, as long as they are able to gain sufficient information in order to meet all the assessment objectives.

Assessment Objective One

This section, on the whole, was covered well by the majority of candidates sampled. Assessors must remember that this section does not need to be directly related to the selected business and mark band 3 marks can be achieved by the candidate who produces purely theoretical coverage which is considered to be clear and comprehensive. Candidates should be encouraged to use generic examples to help demonstrate breadth and depth of coverage of each section.

It was evident through this series that candidates had a much better understanding of the role functional areas play in supporting marketing activity. There was less evidence of candidates simply explaining the role of each department with no or little linkage to marketing.

Candidates often found the use of a made up scenario, for example the selected business is just about to launch a new product, helped them demonstrate a clear and comprehensive understanding of this section.

Candidates do appear to struggle with the concept of marketing objectives. Coverage of this section was often muddled with the general aims and objectives of a business. Candidates often explain the aims and objectives of their selected businesses under the heading of marketing objectives – which frequently they are not.

Candidates need to demonstrate that they understand marketing objectives are one of the techniques a business will use to achieve its overall aims. For example, the overall aim of a business might be to increase profit by 6% over the next six months. The marketing department would then be set the objective of running an advertising campaign during, say, July and August in order to increase repeat custom of product X by 5%. Alongside this the production department would be set the objective of reducing wastage by 3% throughout the next six months. Both of these objectives would ultimately help the business achieve its initial aim of increasing profit by 6%.

The marketing mix was often covered in detail and fully explained with candidates demonstrating a clear and comprehensive understanding of this section of the assessment objective.

Candidates should be encouraged to use generic examples to demonstrate a clear and comprehensive understanding, enabling them easier access to mark band 3.

Assessment Objective Two

Candidates must include their presentation slides, prompt cards and, where appropriate, the notes used to accompany the presentation. As mentioned above, Assessors are required to complete the witness statement supplied by OCR. The more detailed this evidence is, the easier it is for the Moderator to agree the Centres' marks. It was a surprise to find that some candidates' portfolios still did not contain a witness statement or any other evidence to indicate that the presentation had actually taken place. It then becomes impossible for Moderators to agree the marks awarded for this assessment objective.

In order to achieve mark band 3, candidates' evidence must be clearly targeted to their selected customer and their marketing proposal must be fully substantiated from both primary and secondary research.

Within their presentations, candidates must clearly state what their selected product is, how they will promote it, where they will sell it, and what price they will charge for it. A lot of candidates lost marks because they merely stated what they 'might' do with no reference back to the research undertaken. An example would be –'I will charge 30-50p for my product '. The candidate makes no clear indication of how or why they have come to such a decision. Candidates are also required to change at least three parts of the marketing mix if they decide to develop a product which already has an established marketing mix. Often candidates who had decided to use Cadburys as their selected business just stated they would sponsor Coronation Street. This was often not even backed up with the current audience figures for this programme and, therefore, at best this can only achieve marks within mark band 1. Centres must remind candidates to fully research their proposed methods of promotion. For example if the candidate wishes to promote their new product in a magazine the candidate must state which one. Their decision should relate to who the target audience is for the magazine and also the readership numbers and where possible a link between potential costs and budget available.

A surprising number of candidates failed to investigate the competition as a method of justifying their marketing proposal.

Assessment Objective Three

This assessment objective had a number of inherent problems. Candidates often failed to collect their primary research from the correct target audience. If the new product is aimed at people over the age of 19, the majority of the candidate's primary research should **not** be conducted within the 16-19 age range. Another problem was candidates who had collected vast amounts of secondary research which they then failed to analyse or use.

When analysing their data candidates must make reference to section 1.2.3, Market Research in the What You Need To Learn section of the specification. This clearly sets out the techniques candidates are expected to use in order to complete their statistical analysis. Particular attention is drawn to the fact that candidates are required to use the marketing tools SWOT and PEST. These should be used to draw together the candidate's research. Centres should also note that the Boston Matrix, Ansoffs' Matrix and the product life cycle are **not** requirements of this unit.

Too often candidates' analysis simply involved the production of pie charts and graphs through the use of computer software and then a simple explanation which consisted of the terms 'the majority', 'most people', etc. This type of evidence can, at best, achieve the lower end of mark band 2. Candidates must be encouraged to analyse their research clearly, stating how it will inform the development of their marketing proposal.

Assessment Objective Four

Judgements on the potential success of the marketing proposal were often weak. They lacked the depth required to achieve mark band 3. In order to achieve the higher marks, candidates must consider their proposal making two sided judgements, considering both the possibility of success and failure. This was often lacking within the work of candidates seen at this stage. Candidates should be encouraged to consider the disadvantages and advantages, short term versus long term and the internal and external impact of their proposal on their selected business.

Within this section, candidates need to focus on all of the elements of their marketing proposal. For example, will the price set for the new product meet the needs of their potential consumers; will the suggested promotional campaign reach these people? Too often candidates just focus on the potential success of their product and forget the other three elements of the marketing mix. Candidates should make reference to section 1.2.6, How to Judge Potential Success in the 'What You Need To Learn' section of the specification for guidance.

Unit 2: Recruitment in the Workplace

This unit remains quite a logistical challenge for some Centres. There was evidence of very good practice, but at the other end of the scale very little evidence of candidates' own work. The best portfolios were based on jobs which were realistic for the candidate to apply for. For example, receptionists, clerical positions or part time jobs based in shops. Where inappropriate jobs had been chosen, potential applicants found it very difficult to complete application forms as they did not have the necessary qualifications for the position being interviewed. It was also rather disappointing to witness some candidates failing to take the role play situation seriously and completing application forms with inappropriate information. Centres attention is also drawn to the final paragraph under section 2.2.2, page 21 of the specification. It states ''you will be assessed both on your ability to produce relevant and appropriate recruitment documentation specific to your chosen job role and recruitment documentation relevant to the post(s) advertised by your group peers".

This unit, at times, remained a logistical challenge for the Moderators – often being unable to distinguish between original recruitment documents, candidates' own documents or those of the group. Centres must ensure that candidates clearly label each of their documents. They need to provide a road map for the Moderator – is this document one the candidate produced or the final one which was used by the group for the interviews? It is also recommended that candidates include copies of the original documentation of the selected business so that the Moderator can assess the degree of original and individual work.

Whilst candidates can work in groups to actually perform the interview, they are required to produce individual evidence that they have met the requirements of the assessment grid. This was not the case in some of the candidates' work sampled. There was still evidence of Candidate B designing the job advertisement, and Candidate C designing the person specification, etc. This is not acceptable. Under the sub-heading AO2 there is a flow diagram which illustrates the process candidates should follow if they are (a) working individually or (b) working in a group.

Assessment Objective One

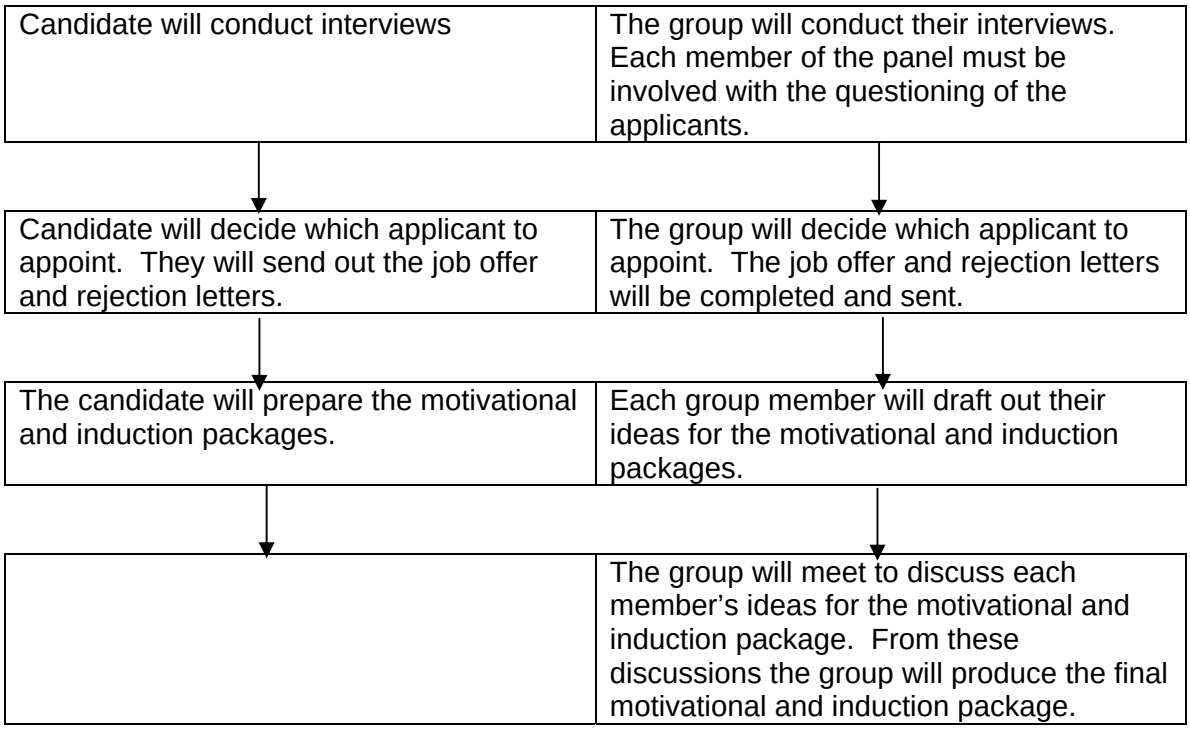
The majority of candidates sampled were able to produce a detailed description of the processes of recruitment and selection. Candidates' coverage of induction was patchy ranging from extremely detailed to pure identification of the topics which would be covered in an induction programme. Candidates' coverage of motivation should focus on section 2.2.5 of the 'What You Need To Learn' section of the specification. They are only required to cover financial and non-financial motivators. Candidates do not need to cover motivational theorists. Coverage of the legal framework tended to focus on the acts at a basic level with very little application as to how these would impact on the recruitment and selection process. This area needs to be developed if candidates are to be awarded marks in the mark band 3 range. Centres should also note that theoretical coverage of section 2.2.1, Job Roles, is not required.

Assessment Objective Two

This assessment objective assesses:

- the candidates' materials produced to recruit and select an individual – including job advertisement, person specification, job description, application form, letters inviting candidates to interview, interview selection documentation;
- the actual interview;
- the motivational package;
- the induction package;
- letters informing successful and non-successful candidates.

Version One **Candidate working alone**	**Version Two** **Candidate working within a group**
Candidate uses results of research conducted in AO3 to design the following documents: • job advertisement • person specification • job description • application form • letters inviting candidates to interview	Candidate uses results of research conducted in AO3 to design the following draft documents • job advertisement • person specification • job description • application form • letters inviting candidates to interview
	All members of the group bring their draft documents to a meeting. At the meeting, the group analyses the good and bad points about each member's documents. From this discussion they go on and design the group documents as outlined above.
The candidate will pass their documents onto the applicants they will be interviewing.	The group will now pass their documents onto the applicants they will be interviewing.
The candidate at this stage may wish to design a short-listing form to help them analyse the quality of their applicants.	The group at this stage may wish to design a short-listing form to help them analyse the quality of their applicants.
Having now received their applications the candidate needs to: • write letters inviting the candidate to an interview • design suitable questions • selection criteria and interview assessment forms • task for the interviewees to undertake (optional) • offer of job and rejection letters	Each member of the group now needs to draft out the following documents: • letters inviting the candidates to an interview • suitable questions • selection criteria and interview assessment forms • task for the interviewees to undertake (optional) • offer of job and rejection letters
	The group will have their second meeting to discuss the draft documents which each member has created. From this discussion the group documents will be produced.



In order to aid the moderation process, each of the documents produced throughout the different stages must be clearly labelled within the candidate's assignment.

It is good practice to include a witness statement which identifies how the candidate conducted the interviews. This could be completed by peer observers. This evidence would also enable candidates to develop their AO4 evidence.

As stated above, candidates need to include copies of the recruitment documents they completed as part of their role as an interviewee.

Assessment Objective Three

A number of Centres still submit work where there is no evidence of research having taken place. Placing copies of other businesses' recruitment and selection documents in an appendix does not count as analysis.

In order to achieve this assessment objective, candidates need to collect at least two of the following documentation:

- job advertisements;
- person specifications;
- job descriptions;
- application forms;
- different types of letters – illustrating correct business layout and terminology;
- motivational packages (if possible);
- induction packages (if possible).

Having collected this evidence, candidates are then required to analyse each document identifying what they feel are its good and bad points and whether they conform to equal opportunity legislation as identified in Section 2.2.6 of the 'What You Need To Learn' section. Candidates are then required to explain how this analysis has helped to inform the design of

their own documents. This last stage is vital if candidates are to achieve mark band 3. Sadly, it was often lacking in some of the assignments sampled throughout this moderation session.

Assessment Objective Four

The weaker candidates sampled often only made judgements about their own performance during the interview process and weak judgements concerning the documentation produced and its fitness for purpose. A new trend has seen candidates evaluating every document they produced and omitting to cover the other bullet points found under section 2.2.8 of the specification. Very few candidates were able to consider the impact weaknesses within their recruitment and selection documentation would have on how the candidate performed at the interview. They made simple statements such as 'in our application form we did not leave enough room for the candidates to write their qualifications in'. They then failed to make a judgement about the possible impact this could have had on the interview process.

Candidates are also encouraged to make reference to Section 2.2.8 of the 'What You Need To Learn' section of the specification which develops the areas candidates could consider when making judgements concerning effectiveness.

Unit 5: ICT Provision in a Business

In order for candidates to successfully complete this unit it is paramount that the correct business is selected. Where case studies had been selected they often lacked the detail necessary to allow candidates to achieve much more than mark band 1. Candidates were still selecting businesses which currently **use** a **substantial amount of ICT**. This meant that all candidates could recommend was upgrading or an additional piece of ICT software or hardware. This does not constitute an ICT proposal.

Whichever route is selected for this unit, a real business, or a case study, candidates need to be able to find out the information outlined below in order to compile a detailed assignment that could achieve top mark band 3 grades.

- What ICT provision does the business currently have?
- How is ICT currently used in the business? For example, if the business has a word processing package, who uses it and for what reason is it used. This information should also link into the different departments within the business and how they are currently making use of ICT.
- What does the business want to achieve by installing ICT? What different functions is the new package supposed to be able to perform? How does the business envisage it improving efficiency?
- An estimated budget and timescale for the project.

Candidates also need to introduce the business – what it does, how big it is, etc. This is vital scene setting not just for the candidate to consolidate ideas but for the Moderator who finally looks at the assignment.

Assessment Objective One

This was most successfully achieved when it was tackled as a theory only section. Candidates are required to demonstrate their theoretical understanding of sections 5.2.1., 5.2.2, 5.2.3 and 5.2.4. This will provide candidates with sufficient knowledge and understanding to develop their own ICT package. Candidates should be encouraged to develop the section on how the different functional areas could use ICT. This would aid candidates when recommending

software for their own ICT proposal. Generally, the coverage of software was weak in that it did not state how businesses might employ the various forms and what ultimate benefits it would/could bring to the businesses.

Assessment Objective Two

This assessment objective is achieved through a presentation. Candidates must include their presentation slides, prompt cards, and where appropriate, the notes used to accompany the presentation. Assessors must complete the witness statement supplied by OCR. This is found on page 63 of the specification. The more detailed the evidence produced by the candidates and assessor, the easier it is for the Moderator to agree the Centres' marks.

In order to achieve mark band 3, candidates' evidence must be clearly targeted to their selected business. The proposal must be fully substantiated from both their primary and secondary research. Candidates should have been able to clearly identify what their selected business hopes to achieve through the development of its ICT provision. This will then directly link to the hardware and software the candidate goes on to recommend during the presentation.

The ICT proposal must clearly outline both the hardware and software which is recommended, the reasons why the equipment and software have been recommended and the ultimate benefits and drawbacks the proposal will bring to the business. A lot of candidates sampled merely stated that they would recommend various different computers, printers and servers with no explanation of why. Candidates also recommended different software packages, again without any explanation of how and why they would/could be used by the business.

Assessment Objective Three

In order to achieve this assessment objective candidates are required to conduct a variety of primary research and secondary research. The first should focus on the business being investigated reflecting the points raised above. The second, where possible, should involve investigating a similar business to find out how it currently uses ICT and the benefits and drawbacks it brings to the business. Candidates may also find it useful to interview someone who has ICT expertise who could offer suggestions concerning suitable packages. Secondary research should focus on the different types of hardware and software which the candidate could recommend when they finally present their ICT proposal. This should include potential suppliers and the possible cost of the hardware and software being recommended.

Assessment Objective Four

Candidates should make reference to section 5.2.7 of the specification which provides a framework on which to develop the evaluation. In order to develop an evaluation beyond mark band 1, candidates must back up their statements making reference to their research conducted for AO3. This will only be possible if candidates have been able to conduct detailed primary research into the workings of the selected business. The last bullet point cannot be used if the candidate fails to calculate the cost of their ICT proposal.

Unit 6: Running an Enterprise Activity

Generally candidates appeared to have chosen suitable enterprise activities in order to complete the unit, with quite a few Centres amalgamating the unit successfully with Young Enterprise.

A considerable number of assignments moderated had combined the coverage of AO1 and AO2. However, Centres are encouraged to ensure that candidates do demonstrate a clear and comprehensive theoretical understanding of the concepts being assessed within this section before awarding mark band 3 for assessment objective one. One example of good practice seen was where a written explanation of each bullet point section had been supplied and then the candidate had gone on to explain how their group had dealt with each individual aspect. For example, candidates had explained why it was important to have meetings and keep records of agendas and minutes and then showed evidence of their own agendas and minutes.

Assessment Objective One

As already stated the highest marks were gained by those candidates who had covered sections 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5 and 6.2.6 in theory prior to applying the concepts to their own enterprise activity.

Assessment Objective Two

Candidates need to show clear evidence of how they have dealt with each of the sections listed in AO1. Candidates lost marks as they often failed to give sufficient detail of how they had dealt with these considerations when planning and running the profit-making enterprise activity. It was often obvious that the group had run a successful event, but the write up usually lacked sufficient detail to inform the Moderator of what had been happening. A particular weakness was section 6.2.2, developing an effective team. Many candidates had applied Belbin but failed to back up their statements. For example, they simply stated …. 'Jane is well organised…..'. This statement needs to be backed up with examples which clearly illustrate that Jane is a well organised person. Another weak area concerned required resources. Candidates failed to clearly identify and describe the exact resources which they would require to run their event.

Assessment Objective Three

Within the AS specification this is the only time that AO3 is completed after AO2. Whilst candidates may need to undertake some research and subsequent analysis in order to find out what would be the most suitable enterprise to run, this does not count towards their AO3 evidence.

In order to achieve AO3 candidates must follow the guidelines as specified in section 6.2.7 of the 'What You Need To Learn' section of the specification. Candidates are required to research and analyse different stakeholders' opinions of their enterprise. This should include:

- surveys with the participants who took part in the enterprise activity;
- questionnaires to other group members on how they felt the group interacted throughout the activity;
- face to face discussion with a group member, getting them to carry out a SWOT analysis on your contribution to the activity;
- discussions with other stakeholders, eg suppliers.

The majority of Centres had carried out the correct research as outlined above. However, having conducted the required research the written work was often descriptive rather than an analysis of the information. Candidates need to begin considering the impact of the results from their primary research on the future running of a similar event. This should help candidates develop their evidence for AO4.

Assessment Objective Four

It was all too common to see candidates having undertaken detailed research into different stakeholders' opinions to then fail to use any of this evidence when considering potential future changes to the enterprise activity.

Candidates are strongly recommended to make reference to section 6.2.8 of the specification. Using the bullet points within this section, they then must make judgements backing up their suggestions using their analysis conducted in AO3.

Unit 7: Financial Providers and Products

Centres are now able to choose between a number of different case studies in order to complete this unit. It was surprising to see that some Centres were still using the stimulus material which involved Z-A Trucks Ltd, which is probably the most challenging. Use of the latest stimulus material was not seen that frequently during this series. Using the information contained within any of the case studies, candidates are required to produce two financial packages. Centres must be aware that if a loan is required for the selected business, candidates must at least try and research the cost of a business loan rather than a personal loan. If the information for a business loan is not accessible, candidates must explain why they have had to use figures quoted for personal loans.

AO4 is still proving problematic for Centres. It is the responsibility of the Centre to supply candidates with a suitable and realistic change of circumstance for the business and the individuals involved within the case study being used.

Assessment Objective One

The candidates who achieved mark band 3 for this assessment objective usually covered this as a purely theoretical exercise. Tackling the assignment in this fashion allows candidates to demonstrate their understanding of the financial services market and all the products and providers which are currently available in the market. Candidates are required to demonstrate an understanding of all the bullet points outlined in sections 7.2.1, 7.2.2 and 7.2.4 of the specification.

Assessment Objective Two

In order to achieve this assessment objective, candidates must produce two separate financial packages – one which meets the personal financial needs as outlined in the case study and one that meets the needs of the business. Within each financial package, candidates must recommend one product and provider rather than making general statements. For example, 'Lilly could get her mortgage from the Halifax or HSBC'. Candidate must clearly state which financial provider they recommend and why.

In order to access the higher mark band 3 marks, candidates should be quoting figures for the financial products being recommend. This should then lead into a costing statement which illustrates if the recommended packages are actually affordable.

Assessment Objective Three

This assessment objective is the research the candidate needs to undertake in order to recommend suitable financial packages. Candidates are required to research a number of different financial providers and packages and analyse their findings. Candidates should consider affordability and also constraints as outlined in section 7.2.4 of the specification. Candidate's recommendations in AO2 should be clearly linked to their analysis conducted within AO3. Most candidates only base their analysis of the different products on the potential cost of each product. They appear to spend very little time reading the 'small print' and making informed decisions which product would actually best suit the needs of their client. Cost is often not the only criteria that should be used when making financial decisions.

Assessment Objective Four

In order to achieve this assessment objective, Centres need to supply the candidates with a future change in circumstance(s) for both the individual and business described within the case study. The recommended change should reflect what could possibly happen within a five to ten year period. Candidates are then required to consider if the financial package they have recommended in AO2 will be able to meet these new financial needs. Candidates are not required to undertake any further research or come up with alternative financial packages.

General Points on McCoy's Precision Engineering Ltd

Business – the case study clearly identifies that MPEL is suffering from serious cash-flow problems. The business is obviously profitable but without liquid funds it will soon become insolvent. Candidate's main investigations should focus on the possibility of debt factoring. Candidates should be able to explain how debt factoring would work and the advantages and disadvantages this would have on the business. A loan could be considered but generally this would just increase outgoings rather than address the immediate problems of MPEL. If a loan is recommended candidates must also consider how the business could improve its overall credit control in order to collect its outstanding debts.

Candidates wishing to achieve mark band 3 for AO2 and AO3 should be able to give detailed estimates of the actual cost of debt factoring.

Jim's Individual Needs – the case study clearly identifies the products that need investigating in order to help Jim resolve his own financial problems. Candidates should consider consolidating his credit card debts with a personal loan which should attract a lower rate of interest. The loan could also include the £3,000 needed to take his parents to Australia. Travel insurance is another product that will be required. This might be quite expensive given the age of his parents. Due to the recent economic down turn and increase in mortgage rates it may be difficult for candidates to improve on his mortgage payments. However, candidates should be encouraged to investigate mortgage providers if only to prove that his current repayments cannot be beaten in today's economic climate.

There is no right solution to any of the stimulus material – rather one is interested in tracking the thought process of the candidate as they progress through the unit – looking into the needs of both business and individual, investigating the financial services market and suggesting a suitable outcome for each context. Candidates may, through their investigations, suggest that certain financial products are inappropriate, given the financial circumstances of the individual and the selected business. This approach is perfectly acceptable as long as the rationale is provided by the candidate as to why certain assumptions have been made in relation to the stimulus material.

Unit 8: Understanding Production in Business

In order to achieve this unit, candidates' need to produce a report which illustrates how a business produces a particular item. Candidates do need to have undertaken a visit to a production company in order to successfully complete this unit.

Generally, the candidates sampled had undertaken a wide range of research and visited a varied number of production businesses.

If the Centre is able to establish a good link with a production business, this unit is relatively easy to complete. However, Assessors must consider the demands of the specification prior to arranging a visit. If the potential company is unwilling to provide the information required candidates are 'set up' to fail from the beginning. OCR realises that it is difficult to obtain all of the figures in order to evidence section 8.2.2, operational efficiency, and, therefore, some realistic 'made up' figures could be substituted. Candidates should be able to obtain the remainder of the information required to complete the unit. Special attention should be given to the information available on stock control, quality control and health and safety. Prior to the visit the Assessor must ask themselves are the candidates going to be able to collect sufficient information in order for them to complete the unit?

The majority of the candidates sampled tackled the unit in the same way combining AO1, AO2 and AO3.

Assessment Objective One

In order to achieve this assessment objective, candidates need to clearly explain their theoretical understanding of the role of the production functional area, its interaction with other departments and different aspects relating to production, including operational efficiency, organising production, ensuring quality, stock control and legal constraints. The theory section was generally covered well and in detail by the majority of candidates.

Assessment Objective Two

The usual practice was for candidates to apply their understanding of each section directly below their theoretical coverage. On the whole the higher achieving candidates did this extremely well. The lower ability candidates' work tended to be more theoretical with a lack of application to the selected business. The major area of weakness was section 8.2.2, operational efficiency. Candidates who had participated in an 'unsuccessful' visit were often unable to apply each section to their selected business due to the lack of information available. This had the effect of dramatically reducing their mark for this section of the unit. Candidates' coverage of stock control and health and safety is also often found to lack depth of application.

Assessment Objective Three

Candidates achieve this assessment objective through their development of AO2. Those candidates who took detailed notes throughout their visit/tour should be able to develop AO2 to mark band 3 and also score highly for this assessment objective. It is also useful if candidates include their notes from the visit and records of questions asked in order to support the mark awarded for this section.

Assessment Objective Four

This assessment objective pulls the whole unit together by assessing the candidate's ideas on how the different sections investigated could be improved. It is once again recommended that candidates should be guided by the bullet points as outlined in section 8.2.8 of the 'What You Need To Learn' of the specification. The higher scoring candidates do need to make clear reference to their initial research into the production process when making judgements.

F248 Strategic decision-making

General comments

It is clear that most candidates found the paper very accessible and, most of it, relatively straight forward. There are, as ever, familiar problems with candidates' ability to analyse and evaluate – certainly in the context of the case study – and those who did were highly rewarded. However, there has been some development here since previous sessions and a great many candidates are now using the context and in some depth. Knowledge of every aspect of the specification is essential and it was clear that there were issues with a number of candidates having little knowledge of decision trees or contingency planning.

Comments on Individual Questions

Question 1

(a) The majority of candidates scored full marks. The question was very straight forward, although some candidates could not get beyond saying 'objectives' or other somewhat vague responses.

(b) A great many candidates confused what is a strategic objective with what is an operational one. Objectives were only rewarded if they were strategic. If they were, then pretty much anything within reason would suffice.

(c) Most candidates had a reasonable attempt at this part of the question, although maximum marks were few and far between. Financial planning is part of the strategic nature of this paper, but many candidates seemed unprepared for such a question – hence, replies were somewhat vague.

Question 2

(a) Many candidates had an excellent grasp of break even and why it is useful. A large number, however, had only a general idea of its use, but could not give three clear cut reasons.

(b) Many candidates grasped the (very) basic principle that profit = revenue - costs. A number coped with the 'costs' side of the equation (£2,668) but not the 'revenue'.

(c) For an evaluative question, this was generally well answered. Candidates were prepared for many different arguments as to why the contract should be taken. The 'Own Figure Rule' was used extensively from the previous part of the question and most candidates used their profit/loss calculation as a stating point for this question. Analysis was good and there was much evidence of evaluation.

Question 3

(a) Generally very well answered.

(b) (i) Most candidates got this calculation wrong. This was surprising given that most understood the concept.

(ii) This (absenteeism rate) calculation proved even harder than the previous question.

(c) Well answered. Most candidates gave a number of reasons for the differences and went on to discuss the likely impact they would have. A lot of five or six out of six marks were awarded.

Question 4

(a) Candidates performed better on the decision tree than the last time it was asked and certainly there were more 100% scores. However, the majority of candidates did not get even half marks and it is clear that a great many were simply guessing at the calculations required.

(b) Decision making tools will invariably be asked and often in the context of evaluating their use. Candidates often know a few criticisms of the decision making tool but fail to apply it to the case study. This question was crying out for some contextual criticism – say, about the lack of experience that the firm has in the three options and the difficulties of arriving at the probabilities stated. **Candidates invariably stick to 'text book' advantages/ disadvantages and it costs them many marks**. Some candidates do not answer the question – getting sidetracked by the actual decisions in question as opposed to the technique.

Question 5

(a) Candidates either tended to know what a contingency plan is, or they did not. Guesses were invariably very wide of the mark. A number got 'stuck' on two marks and could not extend their answer beyond saying it was a 'plan B'.

(b) If candidates could not answer question 5(a) then they were unlikely to score here. Interestingly, some knew what a contingency plan is but when asked for an example ended up explaining something that was a 'plan' – not a 'contingency plan' (ie. it was not a plan for when something goes wrong). Simple answers such as a flood in the firm's warehouse and the steps to counter it, were ideal.

Question 6

Most candidates used the extensive space given for this answer and more. They had clearly been well prepared in terms of arguments for and against each option and the use of the quantitative data was reasonable. Very few candidates scored below Level three. As ever, evaluation – that is proper, justified evaluation – was the preserve of a large minority (far more than previously seen – candidates are catching on!). To score 17+ marks, candidates really needed to demonstrate a range of arguments and a lot of weighing up between the options. There were some exceptionally good, detailed and articulate responses to this very accessible question.

F256 Business Law

General Comments

Examiners were looking to reward candidates who demonstrated a good knowledge of business law coupled with the ability to apply most knowledge to the case and make reasoned decisions.

Pleasingly, candidate performance across all level marked questions has improved over the last three sessions, with many more candidates now achieving Level 3. To achieve Level 4 candidates must weigh up both sides of a case and make decisions based on reasoned judgements from the specifics of the case given.

Performance on the shorter, definition type questions, still revealed some cause for concern. In particular on this paper understanding of the concepts of case law, contributory negligence, unfair dismissal (as opposed to wrongful dismissal) and to a lesser extent intellectual property rights was generally weak.

It is worth remembering that knowledge of all areas of the specification may be tested and candidates need to be able to apply the understanding of this knowledge to the case given under examination conditions.

Comments on Individual Questions

Question 1

(a) This part of the question was generally well answered with the vast majority of candidates being scoring full marks. Of those who did not, the most common error was to explain 'unlimited liability', rather than 'limited liability'.

(b) Most candidates were able to identify two appropriate documents. Some stopped at this, those who went on to explain the purpose, function or content of each document gained the development marks and scored highly.

(c) Many pleasing answers were seen to this level of response question. The best answers gave the advantages and disadvantages of being a public limited company rather than a private limited company (Level 2), then analysed these advantages by applying the concepts to SB plc (Level 3), and then made a reasoned decision as to which was best (Level 4). It is important that candidates do not just state a decision - to remain a plc or become a limited - but that they give reasons for the decision in accordance with the details given in Text 1.

Question 2

(a) (i) Responses to this part of the question showed a widespread misunderstanding of the meaning of 'case law'. This is a sources of law question. Candidates should have been referring to a body of law created by judges (rather than Parliament). An alarming number of candidates referred to court cases and the weighing up of evidence and scored no marks.

(ii) Candidates tended to describe the two types of law, rather than the differences between them. Good answers identified that the purpose of the law and burdens of proof are different.

(b) Most candidates gave their opinion and answered in context, thus scoring highly on this part of the question.

(c) (i) By way of contrast this part of the question was poorly answered. Many candidates had no idea what was meant by 'contributory negligence'. Candidates need to clearly understand basic legal terms.

(ii) Interestingly candidates who scored zero on the previous part of the question still managed to achieve some marks on this question by picking out what Emily had done wrong in the workplace.

(d) Candidates who did well on this part of the question defined 'unfair dismissal' (Level 1), then pointed out aspects of the case (Level 2), then analysed the various contextualised points for or against the claim (Level 3), finally making an overall judgement (with reasons) as to why the dismissal was likely to ruled fair or unfair (Level 4). It did not matter which decision a candidate made as long as it was appropriately argued. Most answers, although lengthy, tended to be too vague and lacking in reference to law. Disappointingly some candidates majored on arguments which related to wrongful dismissal (not following correct disciplinary procedures), rather than unfair dismissal (grounds for dismissal). Candidates need to be able to clearly differentiate between unfair and wrongful dismissal as they are both in the specification.

Question 3

(a)(i) and (ii) Generally well answered – most candidates were able to state two provisions of the Weights and Measures Act and apply them to Delia's business. Of those who scored poorly on part (ii) the most common error was to apply the provisions to Jed's business rather than Delia's. The question clearly asked for application to Delia's business.

(b) Responses to termination of contract questions have improved over the last few sessions and it was pleasing to see that most candidates could give four distinct ways in which a contract could be terminated. The most common correct answers were awarded for discharge by performance, breach, frustration and mutual agreement. To score the second mark for each method the candidate needed to **explain in context**, ie refer to the contract between Delia and Jed. For example, frustration, if Jed died it would be impossible for him to fulfil the contract and the law would deem the contracted to be terminated. The question asked for four ways in which the specific contract between Delia and Jed could be terminated, so explanation referencing Delia, Jed or burgers was required for the development marks.

(c) This part of the question was looking for the practical impacts that the Data Protection Act would make on Delia's business. Most candidates showed pleasing knowledge of the Act giving three, and in some cases many more, provisions of the Act. However, many marks were missed by not developing the provision to look at the practical impacts on Delia's business. For example, if a candidate correctly identified that data must not be kept longer than necessary, they could then have gone on to develop this to say that this would take up valuable time as data would need to be checked on a regular basis and that Delia would either have to do this herself or pay one of her staff to do this, thus increasing the costs of the business.

(d) Many candidates showed good knowledge of consumer protection legislation and were able to apply it to the case, thus achieving Level 3. Pleasingly candidates also attempted a conclusion; however, a simple "Delia has breached consumer protection legislation" is not sufficient for the award of Level 4. To gain Level 4 candidates needed to weigh up several arguments and reach a decision as to the **extent** of the breach, as this is what the question required.

Question 4

(a) (b) and (c) There is evidence that intellectual property rights is now being given greater coverage in Centres however; some candidates still showed a total lack of knowledge of this area of legislation. Others confused trade marks and copyright, designs and patents. Not surprisingly, those with a clear understanding of the two Acts performed well on the final part of question which was looking for reasons **why** George should apply for a patent, ie actual benefits to George. Increased revenue from royalties, giving George time to develop the product, and protection from theft of his idea were the most commonly awarded responses.

F257 Managing risk in the workplace

General Comments

This session's paper was set at the right standard for A2 candidates and was consistent with previous years. It was pleasing to see that Centres, at last, appear to be teaching candidates how to answer the level of response questions. As such, candidates appeared well prepared for answering Level 3 for questions 2(e), 3(c) and 4(c). However, many candidates are still unable to attain high Level 4 from at two-sided argument. It is very also clear that the vast majority of candidates are familiar with a range of health and safety related legislation and are able to explain the main principles at AO1. However, it still remains that candidates across all levels are unable to give examples of such principles in the context of the business without repetition.

With regard to the future, it may be worth noting that all candidates have difficulty in identifying the difference between "risk" and "hazard" in the context of business activities as question 3(b) highlighted. In addition, it worryingly appears that only students able to answer levels questions at Level 3 and Level 4 were able to define the term "strategic risk" for AO1.

Comments on Individual Questions

Question 1

a) The majority of candidates scored full marks. A simple definition of "hazard" was readily practiced by candidates. However, a large proportion, gave an explanation, instead of identifying "harm" and "cause of injury" as two aspects of a hazard.

b) Many candidates pleasingly could identify the main laws associated with health and safety and could identify the main principles of the laws.

c) On the whole, this part of the question was answered poorly by many candidates. Whilst the vast majority could identify the health and safety responsibilities of employers in the workplace, development marks proved difficult to achieve without repetition. Too many candidates were drawn into a final statement of "reducing risk of injury" as a final development for each statement and consequently could not obtain full marks.

Question 2

a) Again a simple definition question, on which most candidates were able to achieve the full two marks. Common mistakes were not to mention "everything reasonably practical".

b) A similar response to that on question 1(c) above. This time in relation to the responsibilities of employees. Common misinterpretations were to answer in the context of employers and secondly to repeat the developmental statements. A generally poorly answered question.

c) Most candidates, who had been prepared by Centres on the benefits of training in the workplace, were clearly able to answer this part of the question. It was also pleasing to see that such candidates identified that they had to answer in the context of the business and duly did so.

d) A poorly answered question on the whole. There was too much repetition once again. Common mistakes were to write "temporary" and "permanent" closure as two separate points. As such only two out of the four marks could be gained.

e) It is clear that more candidates are being prepared for the levels questions. Many candidates were able to not only identify the problems inherent in the text, but could develop their answers analytically for Level 3. Furthermore, it was pleasing to see that many candidates are now prepared by Centres to give a two-sided argument. What is clear, however, is that too few candidates could identify their points in Level 3 as to the extent the issues were a strategic risk and the reasons why.

Question 3

a) The term "risk" does not appear to be a problem for candidates to answer. What does appear to be a problem, however, is when they have to answer in the context of strategy. Common mistakes included linking the definition to "hazard" and giving examples of hazard-related activities.

b) A very poorly answered question. The question did not differentiate as it was originally intended. Across all levels, candidates too frequently answered the question with examples of hazards. Consequently, the most common score was two out of the possible six marks.

c) This was the QWC (quality of written communication) question. A range of responses were attempted here; due to the increasing ability to answer levels of response, candidates were able to analyse effectively. Typical variations included looking at the pros and cons of each of the options (a possibly unnecessary lengthier response) or to look at a two-sided argument for the launch of Half Baked (including the implications for the business).

Question 4

a) A well answered question on the whole. However, marks were not awarded to candidates who stated "strikes" and "picketing" as two separate points, as these are the same type of industrial action.

b) Generally, this part of the question differentiated quite well. A few candidates left this blank and some misread the question and consequently wrote about the impacts of industrial action or what could happen before industrial action had taken place. However, those who had read the question properly and answered it well gained the full six 6 marks available.

c) This was the worst answered of the three levels questions. Common misunderstandings of the question were to only explain the impacts of redundancy without linking any of the points to demand. Consequently, more candidates scored Level 2 than on the other two levels questions.

A2 Principal Moderator's Report

The majority of the Centres which submitted work for this moderation session followed OCR procedures, adhered to set deadlines and accurately completed documentation which enabled the moderation process to progress smoothly. However, some Centres did not adhere to the 10 January deadline for the receipt of the completed MS1 by the allocated Moderator and failed to inform OCR or the Moderator of the delay. This did cause difficulty for Moderators in the scheduling of their work. Centres should note that it is their responsibility to forward MS1 forms and candidate work to the allocated Moderator by the set deadlines, eg the sample must be returned within **three** days of receiving the sample request. It was noted that some Centres were taking up to a further 10 days to send the requested assignments to their Moderator. Centres should note that any failure to meet such deadlines could delay the receipt of results for their candidates.

Where there are 10 or fewer candidates for any unit, Centres are required to send the candidate portfolios with the MS1 forms to the Moderator by 15 January.

Centres must ensure that all sections of the Unit Recording Sheet have been completed accurately, including correct total marks for the unit, candidate number and Centre number, teacher comments and location of evidence, in order to facilitate the moderation process. This information helps moderators understand the rationale behind the marks awarded for each assessment objective. Centres must also ensure the marks on the MS1 form match the marks on the Unit Recording Sheet for each candidate and each unit.

Assessment

Many Assessors demonstrated good practice by annotating candidate work with assessment criteria references and by giving clear and constructive written feedback. The teacher comments section of the Unit Recording Sheet enabled Assessors to justify the marks awarded for each assessment objective. It was helpful when page numbers were included within the location section of the Unit Recording Sheet. Some Assessors failed to provide written comments or annotate candidate work. In these circumstances, it was not clear to the Moderator how assessment decisions had been made.

Where assignments had been used, it was most helpful for copies to be submitted with the actual work. This gave a clear indication of the tasks which were given to candidates. It was generally noted that where Centres had followed the assignments produced by OCR, candidates' work was generally more structured enabling them to provide the correct evidence for each assessment objective.

It is the responsibility of Assessors to ensure that each candidate has produced authentic/original evidence. A Centre Authentication Form for Coursework (CCS160) must be signed by the Assessor(s) and must accompany each unit submitted.

Candidates must ensure that any material used from the Internet is correctly attributed. Where material is taken directly from the source, candidates must supplement it with their own explanation, demonstrating their understanding. Where candidate work contains inaccuracies, Assessors should annotate the work to this effect, thus enhancing the candidate's own learning.

Assessors are reminded that they should make reference to the assessment objective amplification grids when assessing candidates work.

OCR has released a detailed assignment for each of the portfolio units found within the A2 specification. Centres may find it useful to make reference to these in order to help structure their own assignments. These can be downloaded from OCR's website.

Unit 10: A Business Plan for the Entrepreneur

The banner of the assessment evidence grid requires candidates to produce a business plan for a new business enterprise of their choice. Candidates are still selecting business ideas which are way above their capabilities for example a golf driving range, care home and paint balling centre. This greatly limited their ability to create a **realistic** plan in order to achieve AO2. The best plans were created by candidates who had selected small enterprises based on their own knowledge, interests and experience. This point is further clarified within the specification on page 112, third paragraph.

Assessment Objective One

In order to achieve this assessment objective candidates are required to provide theoretical coverage of sections 10.2.1, reasons for construction of a business plan; 10.2.2, information within a business plan: and, finally, 10.2.5 constraints which impact on implementation.

To help candidates achieve mark band 3 this is best tackled as an independent section with candidates using generic examples to help them demonstrate their knowledge and understanding of sections 10.2.1 and 10.2.2. In order to complete section 10.2.5 candidates should be encouraged to relate this section to their own business idea. Clearly identifying the constraints relevant to their own business plan at this early stage will help them evaluate their impact in AO4.

Assessment Objective Two

This section is the actual business plan and, as such, should be presented as a 'stand alone' document which could be shown to a potential stakeholder. If candidates have decided to use a business plan format provided by a third party they must ensure that it allows them to fully meet the requirements of section 10.2.2. This could involve adapting the layout or adding extra information. The information used within the business plan must be fully supported/justified through the research and subsequent analysis carried out in AO3.

There were a significant number of business plans which were based on unsubstantiated ideas and comments. Some of the common problems are outlined below.

- Failure to fully research media selected for advertising – for example, if a newspaper had been selected what is its target market, what are its readership figures?
- Lack of justification for price to be charged – what are competitors charging? Decisions should not just have been based on what 10 people stated in the candidate's primary research.
- Lack of research into the machinery and equipment required. Only one set of prices researched. What would be the best buy? Why select that particular product?
- Lack of justification and often unrealistic figures used for the number of the products the business would sell/number of people who would use the service. No reference to competitor numbers. Usually just based on the primary research or candidates own assumptions and gestations.
- No correlation between purchases and sales especially when candidates are running sandwich and juice bars.
- Very few candidates considered the different stages of production in sufficient detail.

- Little consideration of timing of production to meet customer needs.
- Break even forecasts were often difficult to understand as there was no explanation of where the figures had come from. Figures were often 'plucked out of thin air' and not based on an analysis of research.
- Cash-flow forecasts, although completed correctly, were often based on figures which appeared to be the candidates own assumptions and 'gestations.' Candidates must fully justify their sales and expenses.

These points are further clarified within the specification under section 10.4, Guidance for Teachers, pages 112 and 113.

Assessment Objective Three

Centres should pay attention to section 10.2.3 of the specification which clearly states that candidates 'need to ensure that research is wide-ranging'. This must include both primary and secondary research as laid out within this section.

Candidates are then required to analyse the information, drawing out key information which should be included in their own business plan. Candidates should be advised that in order to access the higher marks, each of their decisions should be supported by at least two different types of research. Candidates too often relied solely on their limited primary research to inform decisions within their business plan. Some business plans were based on extremely limited research and lacked any sense of viability or realism. Clarification of the depth of analysis required is further explained within the specification on page 113, fourth paragraph.

Candidates are required to use a variety of statistical techniques when analysing their data. The frequent use of '10 out of 20 stated', and 'the majority of respondents said' will only achieve mark band 1 for analysis. Frequently, candidates produced pages of computer generated graphs and charts which lacked analysis and gained no marks. Candidates should be drawing conclusions throughout their analysis of the primary and secondary data which will then be used within their own business plans.

Assessment Objective Four

In order to achieve this assessment objective, candidates are required to prioritise the constraint they feel will have the greatest impact on their business plan. This was lacking in the work of the weaker candidates. If there is no evidence of prioritisation candidates cannot achieve mark band 3.

Having prioritised the constraints, candidates must then consider the impact each one would have on the implementation of their plan. Reference to initial research must be made. Candidates were unable to access the higher grades as they often failed to consider the 'knock on' effect which a constraint might have on other aspects of their business plan. For example, if we consider finance as the main constraint - without adequate funds the business may not be able to undertake the marketing it initially identified. This might then limit the number of customers who would become aware of the business and, hence, decrease the number of sales. Candidates often only considered 'short term' impacts failing to consider the 'long term' implications of some constraints. For example, economic and environmental concerns are currently headline news and possible legislation could have an impact on the business in the long term. Under the heading social some candidates were considering social responsibility rather than social trends.

Unit 11: Managerial and Supervisory Roles

This unit is a complex unit to complete and candidates need clear guidance as to how to differentiate their evidence for AO3 and AO2. Candidates need to be very clear about the information they are trying to obtain from their selected manager/supervisor.

The unit has the same behaviour patterns as unit 8, Understanding Production in Business, in the AS specification. Candidates need to undertake their research following section 11.2.3 of the specification. They should then produce a basic analysis of their questionnaire – pulling out examples which will support their report. Having completed their research, candidates should then complete their report which forms AO2. Some of their analysis will be evident within this report and, therefore, credit for AO3 can be awarded here as well.

The main problem with the unit, at this stage, is candidates muddling their AO2 and AO3 evidence. There is often no stand alone report produced. Some candidates only focused their analysis and subsequent conclusions on management styles and motivational theorists. They omitted to describe how their manager performs their role (section 11.2.1) – planning, organising, etc.

The higher scoring candidates were those who had been able to gain good access to their selected manager/supervisor through work experience or work shadowing. Candidates who had only interviewed a manager/supervisor were less able to gain sufficient information to fully cover section 11.2.1 due to a lack of an observation of their selected manager/supervisor 'in action'. The knock on effect of this was that candidates were often unable to substantiate the statements they were making through the use of examples.

Assessment Objective One

In order to achieve this assessment objective, candidates need to produce theoretical coverage of sections 11.2.1 (both sets of bullet points) – the business context in which the report will take shape, 11.2.3, the last section under secondary research; different types of managerial/supervisory styles, motivational theorists; and, finally, 11.2.5 evaluation of the factors which can influence the environment in which a manager/supervisor performs her/his role.

The theoretical section under 11.2.3 (research) also forms part of the candidates' AO3 evidence. It was often apparent that candidates had only used one source when researching different manager/supervisor styles and motivational theorists. This had the impact of potentially lowering their AO3 mark.

Generally candidates completed this section successfully. The higher performing candidates used examples to illustrate section 11.2.5 which worked particularly well and demonstrated their depth and breadth of understanding.

Assessment Objective Two

Candidates should produce a stand alone report which clearly outlines how their selected manager/supervisor approaches his/her current managerial/supervisory role within the selected business. This report should be fully supported through the analysis undertaken by the candidate in AO3.

In order to gain the higher marks, candidates need to ensure that their report includes the following points.

How their selected manager/supervisor:

- plans
- organises
- motivates
- monitors and directs
- problem solves
- trains and mentors
- appraises.

All of these bullet points need to be supported with examples. For example, the candidates should use a scenario which clearly outlines how the manager/supervisor plans their day, week, month, etc.

The next stage is for the candidate to consider how each of the following affects the managerial/supervisory set-up within the selected business:

- culture of the organisation
- objectives of the organisation
- structure of the organisation
- availability of resources within the organisation.

This section could form part of the candidate's introduction to their report.

The final stage involves the candidate describing which type of management style(s) their manager/supervisor uses and how this links to motivational theorists.

The candidates sampled during this session generally had made good links with businesses and arranged interviews with relevant managers/supervisors. Their questionnaires were often correctly targeted but failed to provide sufficient information for the candidate to cover the first set of bullet points in sufficient depth. The higher scoring candidates were those who either worked with the selected manager/supervisor or who were able to work shadow their selected manager/supervisor. In order to achieve mark band 3, candidates will be required to provide examples of how their manager/supervisor deals with each of the sections outlined above.

Assessment Objective Three

In order to achieve this assessment objective, candidates need to focus on sections 11.2.2 and 11.2. 3 of the specification (page 117). Primary research focuses on interviews with the selected manager/supervisor and fellow workers. Part of AO3 is written up within AO1 when the candidate is looking at the different types of managerial/supervisory styles and motivational theorists.

Candidates sampled this session had obtained a face to face discussion with their selected manager/supervisor and often also fellow workers. There was also evidence of candidates following the guidelines on the type of questions which should be asked during the interviews. However, candidates were not always able to analyse this information in order to compile their report. Their analysis should enable them to cover section 11.2.1 of the specification.

Assessment Objective Four

Candidates must make reference to section 11.2.5 (page 118) of the specification before tackling this assessment objective.

This section does not lend itself particularly well to prioritisation. Candidates often have to use possible scenarios in order to evaluate the factors which they think would have the greatest influence on the environment in which the manager/supervisor performs his/her role. It was, therefore, considered that mark band 3 could be awarded for this unit without the clear demonstration of prioritisation. However, candidates will still need to consider the short term and long term impacts of their statements in order to achieve mark band 3.

The key word in this section is 'influence the environment'. Therefore candidates need to link the analysis of their research into the current culture, objective, structure and availability of resources (11.2.1) when undertaking this section.

Unit 12: Launching a Business On-line

The interpretation of the evidence candidates need to produce has caused a number of Centres a few problems. The banner clearly states that – 'You will produce an e-commerce strategy for a business which has yet to develop e-commerce provision'. Some Centres had selected businesses which already have a website and provide the facilities for customers to purchase their products on line. The subsequent consequence of this was that candidates were merely reiterating what the business was already doing.

Candidate's success in this unit is going to be linked to the selection of the correct business. It is a unit which could lend itself to a case study as long as it is sufficiently detailed to enable candidates to access the higher marks available.

Assessment Objective One

This assessment objective states – 'Your understanding of how e-commerce would be used by your chosen business, the benefits and drawbacks of e-commerce provision to your business and the issues in setting up and running a website.' Ultimately, OCR will be accepting evidence which is either linked to the selected business or presented in purely theoretical terms. Candidates need to ensure they cover the three distinct sections of 12.2.2 – how e-commerce would be used by the business, the benefits and drawbacks of such a policy and section 12.2.5, the issues involved with setting up and running a website. Both sections must be covered here, front end and back end.

In order to help candidates achieve the higher marks, OCR would suggest that this section is tackled from a theoretical viewpoint, with candidates using a variety of examples taken from a range of different businesses to demonstrate clear and comprehensive coverage.

Assessment Objective Two

Candidates are required to produce the front end of the website, which is directly applied to the requirements of the selected business. The front end of the e-commerce strategy can be presented in one of three ways:

- PowerPoint slides
- Internet itself
- concept board with accompanying text.

It was good to see some excellent practice with candidates clearly illustrating how their website would work – this included the front page right through to the point of sale. Some candidates had only produced the home page of their website giving limited explanations of the recommended hyperlinks. As stated above, candidates need to produce a variety of slides, concepts or web pages which clearly show how at least one hyperlink would work right through to the final purchase of the product/service.

There should be clear evidence that the proposal is based on the analysis of their research undertaken in AO3.

In order to secure top marks for this assessment objective, candidates should consider explaining how their website would meet all the bullet points listed under section 12.2.5 - Front End. This will also enable the candidates to clearly link their research to their final product.

Assessment Objective Three

Candidates must show evidence of planning their research in order to fulfil the demands of section 12.2.3 – planning the strategy. A well laid out plan should enable candidates to correctly target their research.

Candidates' primary research should focus on the questionnaires and surveys with potential customers, discussions with website designers and, finally, a discussion with the selected business concerning what it hopes to achieve through the development of an e-commerce provision.

Candidates' secondary research should analyse similar websites which are marketing a similar portfolio of products to the selected business. Candidates should use the following headings when analysing competitor's websites:

- availability
- image
- product information
- accessibility
- security
- user-friendliness
- aesthetics
- ease of payment.

In order to achieve the higher marks, candidates should then draw a conclusion from their analysis clearly stating how this research will influence the development of their own website.

Top scoring candidates had used the above bullet points to structure their analysis, clearly stating how their findings would influence the development of their own website. Unfortunately, a lot of candidates had completed a simplistic analysis of competitor websites, often failing to follow the bullet points above. Having completed their analysis, candidates then often failed to draw conclusions concerning how this would influence the development of their own website.

Assessment Objective Four

Candidate's evaluations should focus on what measures they would take to deal with the manageability of the back end of the website. Candidates should be guided by the bullet points under section 12.2.5 – Back End (page 129). Candidates need to prioritise the issue they feel

would have the greatest influence on the manageability of the website for their selected business.

Candidates can only achieve mark band 3 if their statements, conclusions and evaluations make direct linkage to the research undertaken in AO3. They also need to consider short term, long term, success and potential failure whilst drawing their conclusions.

Unit 13: Promotion in Action

This is a particularly popular unit. However, there does appear to be some misunderstanding about the evidence candidates are expected to produce. Candidates are required to produce a promotional strategy (at least two promotional media) for promoting a new product or service of their choice. On page 141 of the specification it clearly states that candidates should 'choose a business with an already varied product portfolio, allowing them to suggest a new product to add'. It also states 'it would also help if the product chosen allowed candidates to demonstrate creative skills by coming up with an original idea, as otherwise candidates will be tempted to stick too closely to current promotional activity used by their chosen business.'

Candidates must remember that this is a unit based on promotion and not just **another re-run of their original marketing assignment**. There was a lot of evidence of candidates appearing to be confused about what they were actually trying to achieve whilst conducting their research. There was also evidence of candidates trying to 're-vamp' their marketing assignments in order to achieve this unit. Unfortunately, this does not work as the research will have the wrong emphasis with candidates merely demonstrating a need for the new product or service, rather than ideas concerning how it could be effectively promoted.

Assessment Objective One

Candidates are required to provide theoretical coverage of section 13.2.5 – the various forms promotional activity can take and how and when each form of promotional activity is used. From section 13.2.6 they need to cover internal and external factors which can influence promotional activity. OCR would encourage all candidates to use a wide range of examples throughout this section in order to demonstrate their breadth and depth of understanding.

On the whole this section was completed well by the majority of candidates. Some had chosen to link this section to their selected business which is quite acceptable, as long as each aspect is covered in sufficient depth.

Assessment Objective Two

Candidates are required to produce two final concepts of their promotional material and the rationale behind their development. Unfortunately candidates often only produce the two final concepts with no explanation or reason behind their development. Candidates are also required to explain when and where their advertisements would appear, for how long and what the potential cost of the campaign would be. These decisions also need to be based on primary and secondary research. Without this information candidates can not achieve the marks available within mark band 3.

When moderating the portfolios, it was often extremely difficult for moderators to see the links between the candidate's research and their final products. All too often candidates failed to produce any form of rationale for their choice of media. The main reason for this was their lack of targeted and accurate research carried out in AO3.

Assessment Objective Three

The starting point for this assessment objective is section 13.2.3, the planning of the strategy. The second set of bullet points should help the candidates focus on the type of questions they should be asking within their questionnaires.

If the candidates have not described how promotional activity takes place within their chosen business for its current range of products/services in AO1 they need to do so as an introduction to this section. This evidence could support their AO1 mark.

Candidates need to make reference to section 13.2.4 to establish the kind of research they should be conducting. When conducting their primary research, their main focus should be on the second bullet point. Candidates need to ensure that they focus on the types of promotional features which attract customers to purchase products or services. They should also try and establish what types of promotional campaign will meet the second set of bullet points in section 13.2.3. Too often candidates slanted their questionnaires too heavily to finding out what type of product/service customers wanted. To some extent candidates need to assume that there is already a demand for their selected new product or service and concentrate on how they are going to encourage people to 'buy in' through the use of promotional media.

Candidates' secondary research should focus on how other businesses, especially competitors, promote a similar range of products or services. When analysing this data candidates should use the following headings:

- aesthetics
- message
- fitness of purpose
- originality
- communication.

Evidence of the use of these headings was often lacking in the work of the lower scoring candidates.

Candidates' final analysis was often sadly lacking. A wide range of candidates who had used Cadburys only wanted to advertise through the continued sponsorship of Coronation Street. They failed to state what the viewing figures were, what age ranges watched this programme – did this actually match their target audience? In order to achieve mark band 3, candidate's recommendations must be supported by their analysis of their wide ranging and focused research. This should include readership numbers, age profiles, cost, etc. Some candidates designed leaflets, but failed to consider the cost of distribution or even how and to whom they were going to be distributed.

Often this section of candidates' work lacked detailed analysis and was, therefore, unable to access the higher marks.

Assessment Objective Four

Candidates need to prioritise the internal and external influences which they feel would have the greatest impact on their promotional activity. Their evaluations must clearly link back to their initial research. Often candidates were unable to fully evidence the internal constraints as they had not clearly stated what these were at the beginning of the assignment. Few candidates were able to show any understanding of costing, due to weak research.

Candidates' coverage of external influences was generally better as they could relate these areas to their own strategies.

Once again very few candidates considered possible failure and often did not consider a chain of events, short and long term implications.

Unit 14: Creating a Financial Strategy

Candidates had all correctly used the new stimulus material supplied by OCR.

Generally Centres were better prepared to cope with this unit. The work submitted by Centres demonstrated a wide range of marks which represented candidates' ability to grasp the concepts being assessed. However, it was still worrying to see that in some Centres all the candidates' work contained the same errors. This is an area which needs addressing before further submissions. If work is found to be identical in future submissions, the Centre may be reported for malpractice. There was, however, still evidence of good practice where Centres had made candidates work under test conditions and their work achieved the full range of marks.

Although OCR does not specify how the unit should be tackled identical work for AO2 would not be anticipated – except where it is 100% correct.

As the unit currently stands, it does require a specialist accounts teacher to teach the unit or at least be available for help and guidance. Some of the tasks within the case study do require a sound understanding of double entry book-keeping and this lack of specialist knowledge by teachers led to the downfall of some candidates.

There have also been a lot of comments that qualified accountants have also found the case study challenging, which of course they would as they are sufficiently qualified to only interpret accounts and pay other people to prepare them. This is the angle from which this case study has been written.

Assessment Objective One

Candidates achieve this objective through the coverage of Task A. Candidates are required to provide detailed coverage of each of the sub-sections (i)–(iv). Whilst candidates often provided detailed theoretical coverage of sections (i) and (ii), the depth of the work often tailed off from this point. Candidates often completely missed out the second section of (iii) – 'you need to demonstrate your understanding that this information can be found from various source documents, including invoices, credit notes, bank records, eg direct debits and till receipts'. The evidence produced for (iv) had been completed with various degrees of success. Those candidates who had produced the book-keeping guide for 'dummies' often did this section particularly well. Others merely copied examples out of the textbook. Section (v) was often missed by Centres or coverage was weak. This was supported by candidates' inability to correct errors through the use of the journal and suspense account. More in depth teaching of this section would give candidates greater skills when completing the activities set in AO2.

Assessment Objective Two

Candidates achieve this assessment objective through the completion of Tasks B, C and D.

Task B – There was a mixed response to this task. There were obvious cases where Centres had delivered this section as a class exercise with candidates all having identical accounts and errors. Other Centres had undertaken the section under examination conditions with candidates

producing very individual work. It was surprising to see that few Centres made use of the three column cash book, preferring to use separate bank, cash, discount received and discount allowed accounts – which is acceptable.

Mark scheme for Series 3, Professional Cleaning Ltd will be included in the Principal Moderator's report for June 2009.

Assessment Objective Three

This assessment objective was based on responses to Tasks E and F.

There was a wide variety of evidence produced for Task E all of which was acceptable to meet the requirements. Where candidates had collected a variety of different final account templates, it would have been nice to see some form of analysis. Some Centres must place more emphasis on this task as it does count towards the grade which can be awarded for this assessment objective.

Within Task F, as stated above, the 'own figure rule' was applied. Generally, candidates were able to correctly calculate the relevant ratios. Their interpretation of these ratios was, however, rather mixed.

Some candidates simply stated the theory behind the ratio and then failed to make any linkage to the case study. The higher scoring candidates did try and relate their evidence back to the case study. It was surprising how many candidates did not understand that an increase in sales on its own will not increase profit margin. Very few candidates were able to link the ratios together – for example – gross profit margin will have an impact on net profit margin. They were, therefore, unable to access mark band 3 because of a failure to demonstrate integrated and strategic thinking.

Assessment Objective Four

Task G had to be completed in order to achieve this assessment objective. Although the case study did not indicate that candidates should prioritise their ideas, this is part of all AO4 criteria. Candidates were not penalised for omitting to do so during this moderation session. It is, however, a point which Centres should consider for future submissions.

A lot of candidates improved their initial AO3 mark here as they began to fully develop the analysis and the impact of the ratios calculated in AO3.

A lot of candidates lost marks here as they failed to produce a financial strategy. If they were able to ascertain the problems which the business was experiencing, they then failed to explain what the business should do to resolve the problems. For example – growth in debtor days – instigate a system of credit control. The second stage required the candidates to consider the different ways in which the business could be expanded and then recommend what they thought the business should do in the future.

Candidates should remember that this task does direct them to write a report. Often their evidence was not presented in this format.

Unit 15: Launching a New Product or Service in Europe

This is a very difficult unit for candidates to access if they do not have an excellent link with their selected business.

There was no work submitted for this unit in the January series. However in previous sessions one of the main problems with the work seen was the fact that candidates were trying to do this unit without an established link with their business. Research from the Internet will not provide candidates with sufficient detail to meet the demands of this unit.

OCR would recommend that Centres get candidates to start off their assignment by giving a brief overview of their selected business, product and to where they intend to export their product or service. This will enable teachers to ascertain if the candidate is able to gain sufficient information to meet the rigors of the unit.

Assessment Objective One

This section is based on the theoretical coverage of 15.2.2 and should focus on general trends within the European Union as a whole. Some candidates only focused in detail on the selected country to which they intended to export their product or service.

Assessment Objective Two

This is the candidates' written summary which will show how their selected business will deal with the many issues it needs to consider when launching a product or service in European markets. Candidates should follow the bullet points outlined in section 15.2.4 – second set of bullet points (page 162). The candidates' written summary must be based on the analysis of their research carried out in AO3.

Unfortunately, a lot of candidates simply state that their selected business would have to deal with each of these points, but fail to provide their own strategy as to how this might happen. Candidates really struggled to cope with this section due to their lack of research or the inaccessibility to the information which is required to meet the rigors of this section.

Assessment Objective Three

Candidates must start off this section by showing evidence of planning their research, 15.2.3. Within their plan, candidates must consider their objective(s), the types of research, and the sources of information they will use. Candidates should then be guided by section 15.2.4 when selecting the type of research methods they will use. Special attention should be given to the bullet points found on page 162 of the specification. These are the main aspects which candidates need to research in order to be able to compile their written summary for AO2.

The main failing within this section has been the fact that all too often candidates were trying to gain this information from a business' website. They had no inside contact and, therefore, the quality and depth of their information was insufficient for them to be able to complete a detailed analysis which would feed into their AO2.

Assessment Objective Four

Candidates are required to prioritise the bullet points found under section 15.2.6, clearly stating which one they feel would have the most influence on the effectiveness of their strategy. As always, evaluations should be fully supported through the research conducted in AO3.

Unfortunately, the quality of the research undertaken for this unit has often been weak and, therefore, the ability to develop a detailed evaluation was almost impossible.

Unit 16: Training and Development

The key to this unit is the link which candidates are able to build within their selected business. In order to complete the unit successfully, candidates need to be able to gain the following information:

- what competencies does the job the person they are going to interview require? – this is usually taken from job descriptions, person specifications
- what skills does the selected member of staff feel they have in relation to those stated on their job description/person specification?
- what skills does the selected member of staff feel they are lacking?
- what type of training would the potential employee feel would be beneficial to them?
- why does the selected business wish to upgrade the skills base of its staff? – what will be the ultimate benefits to the business?

Unfortunately, this information was not available to a wide variety of candidates who attempted this unit.

Assessment Objective One

Candidates should provide theoretical coverage of sections 16.2.2, the business context within which the strategy will take place; 16.2.5, production of an action plan – candidates need to focus on the different training methods and initiatives that businesses could use; and, finally, 16.2.6, evaluation of effectiveness. In order to help demonstrate depth and breadth, candidates could include generic examples to develop the overall content of their theory.

The majority of candidates sampled completed this section satisfactorily.

Assessment Objective Two

Candidates are required to produce training and development programmes for their two chosen functional areas. These must be directly related to their skills gap analysis conducted in AO3.

Candidates need to provide a detailed outline of exactly what their training programmes will entail. If they are intending to run 'internal courses' this should include information on the length of the course, aims and objectives, what workshops will take place, what these will entail and the learning outcomes for each. This is outlined in section 16.2.5. If candidates are recommending external training courses these should also be fully explained.

The internal training programmes put forward for this series often lacked detail and did not directly link back to the research undertaken. They were often too general with very little description of what the training was hoping to achieve for the individuals or the business. Other candidates simply stated they would be sending employees on external courses. They failed to provide detailed descriptions of the aims and objectives of theses courses, costs or the impact on the business.

Assessment Objective Three

Whilst planning their research, candidates must be aware of the different types of training programmes which are available. They should consider that different employees will have preferred styles of learning and, in order for training to be successful; an attempt must be made to meet these individual needs.

Candidates' primary research should focus on their skills gap analysis, analysing the short, medium and long term business objectives and management views on possible training.

Candidates' secondary research should focus on the different types of training which are available. They should analyse a variety of courses in order to either select a suitable external course or to help them create in-house courses of their own.

Unfortunately, the majority of candidates sampled had been unable to obtain sufficient information in order to produce a detailed and useful skills gap analysis. Often the information gained from their questionnaires was vague and did little to inform their final training and development programmes. Candidates were also unable to link their analysis of how meeting employees training needs would ultimately benefit the business.

Assessment Objective Four

This section evaluates how the effectiveness of the candidate's training and development strategy could be affected by internal and external constraints. Candidates should be encouraged to use the bullet points in section 16.2.6. In order to gain mark band 3, there must be evidence of prioritisation – which of the constraints does the candidate feel would have the greatest impact on the effectiveness of their training and development programme? Candidates often considered how the internal influences would affect overall training within the selected business, rather than their own training strategy.

Within the portfolios sampled there was often very little linkage here back to research undertaken in AO3. Candidates were also unable to consider a possible chain of events, short and long term impacts of their proposed training and development programme.

Recommendations to Centres

- Please adhere to deadlines for submitting MS1 forms and candidate work to the appointed Moderator
- Please ensure that marks entered on MS1 forms match the marks awarded on the Unit Recording Sheet
- Please ensure that the total marks for all strands of a unit are correctly totalled on the Unit Recording Sheet
- Please ensure that all sections of the Unit Recording Sheet have been completed accurately including candidate number, Centre number, teacher comments and location of evidence.
- Where there are 10 or fewer candidates for any unit, send all the candidate portfolios with the MS1 forms to the Moderator.
- If assignments are used, please include copies of assignment briefs with the work of the candidates
- Assessors should provide clear written feedback to candidates, including what has and what has not been achieved.
- Candidates should be encouraged to adapt a structured approach to their work and present evidence clearly, eg. use of headings, page numbers and a contents sheet.

- Please include page numbers within the location section of the Unit Recording Sheet.
- Please encourage the use of Assessor annotation of candidate work.
- Please ensure that Assessors check the authenticity of evidence. Pages downloaded from the Internet do not constitute evidence.
- Ensure that internal moderation is carried out prior to external moderation.

Grade Thresholds

Applied GCE (Applied Business) (H026/H226/H426/H626)
January 2009 Examination Series

Coursework Unit Threshold Marks

Unit		Maximum Mark	A	B	C	D	E	U
F240	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F241	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F244	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F245	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F246	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F247	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F249	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F250	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F251	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F252	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F253	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F254	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F255	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0

Examined Unit Threshold Marks

Unit		Maximum Mark	A	B	C	D	E	U
F242	Raw	100	83	74	66	58	50	0
	UMS	100	80	70	60	50	40	0
F243	Raw	100	82	74	67	60	53	0
	UMS	100	80	70	60	50	40	0
F248	Raw	100	78	70	62	55	48	0
	UMS	100	80	70	60	50	40	0
F256	Raw	100	74	67	60	53	47	0
	UMS	100	80	70	60	50	40	0
F257	Raw	100	79	73	68	63	58	0
	UMS	100	80	70	60	50	40	0

Specification Aggregation Results

Uniform marks correspond to overall grades as follows.

Advanced Subsidiary GCE (H026)

Overall Grade	A	B	C	D	E
UMS (max 300)	240	210	180	150	120

Advanced Subsidiary GCE (Double Award) (H226)

Overall Grade	AA	AB	BB	BC	CC	CD	DD	DE	EE
UMS (max 600)	480	450	420	390	360	330	300	270	240

Advanced GCE (H426)

Overall Grade	A	B	C	D	E
UMS (max 600)	480	420	360	300	240

Advanced GCE (Double Award) (H626)

Overall Grade	AA	AB	BB	BC	CC	CD	DD	DE	EE
UMS (max 1200)	960	900	840	780	720	660	600	540	480

Cumulative Percentage in Grade

Advanced Subsidiary GCE (H026)

A	B	C	D	E	U
3.30	20.33	43.96	74.73	92.31	100
There were 187 candidates aggregating in January 2009					

Advanced Subsidiary GCE (Double Award) (H226)

AA	AB	BB	BC	CC	CD	DD	DE	EE	U
2.63	13.16	26.32	36.84	52.63	60.53	68.42	78.95	92.11	100
There were 41 candidates aggregating in January 2009									

Advanced GCE (H426)

A	B	C	D	E	U
9.09	9.09	36.36	63.64	100	100
There were 15 candidates aggregating in January 2009					

Advanced GCE (Double Award) (H626)

AA	AB	BB	BC	CC	CD	DD	DE	EE	U
0	0	16.67	50	50	100	100	100	100	100
There were 6 candidates aggregating in January 2009									

For a description of how UMS marks are calculated see:
http://www.ocr.org.uk/learners/ums_results.html

Statistics are correct at the time of publication.

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