



General Certificate of Education

Business Studies 5131

BUS2 People and Operations Management

Mark Scheme

2007 examination - June series

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

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General Marking Guidance

You should remember that your marking standards should reflect the levels of performance of Advanced Subsidiary candidates, mainly 17 years old, writing under examination conditions. The level of demand of this unit is that expected of candidates half-way through a full A Level course.

Positive Marking

You should be positive in your marking, giving credit for what is there rather than being too conscious of what is not. Do not deduct marks for irrelevant or incorrect answers as candidates penalise themselves in terms of the time they have spent.

Mark Range

*You should use the whole mark range available in the marking scheme. Where the candidate's response to a question is such that the mark scheme permits full marks to be awarded, full marks **must** be given. A perfect answer is not required. Conversely, if the candidate's answer does not deserve credit, then no marks should be given.*

The use of Levels of Response

Levels of response marking has holistic aspects, yet must conform to the rule of positive marking. A candidate who has built a strong argument must have that achievement recognised fully, even if a subsequent paragraph of ambiguity reduces the power of the whole. For this to occur consistently requires careful annotation of the level of response achieved within each skill category, at each significant stage within an answer.

Fundamental to a Levels of Response approach is that there may be more than one right answer to a written question. Examiners must use their professional judgement to credit any reasonable answer, whether or not it is listed on the mark scheme.

Levels of response marking requires examiners to follow the logic of a candidate's answer. A concept that would receive credit for knowledge in one context could become a means of analysis in another. It is also possible that a candidate's line of argument could validate knowledge that would not have been recognised if the candidate had simply tabled it. For example, acid test is not listed within the specification as a test of financial efficiency, yet a candidate could build an argument that made it relevant. Then knowledge could be rewarded as well as analysis.

Despite the value of skills such as analysis and evaluation, all answers must be based upon relevant knowledge and understanding. Therefore, it is not possible to credit application, analysis or evaluation unless recognisable knowledge has been rewarded.

The skills we seek from candidates are as follows:

- 1 Knowledge and understanding: accurate definitions or explanations of relevant terms should always be credited within this category; candidates can also gain credit for knowing and explaining a point relevant to the question, eg an advantage of factoring.
- 2 Application is the skill of bringing knowledge to bear to the business context faced by the candidate. Candidates should not be rewarded for simply dropping the company name or product category into their answer; the response must show recognition of some specific business aspect of the firm, its management or its situation.
- 3 Analysis: building up an argument using relevant business theory in a way that answers the question specifically and shows understanding of cause and effect.
- 4 Evaluation is judgement. This can be shown within an answer, through the weighting of an argument or in the perceptiveness shown by the candidate (perhaps about the degree of crisis/strength of the XYZ Company). It can also be shown within a conclusion, perhaps by weighing up the strength of the candidate's own arguments for and against a proposition. Evaluation is **not** shown simply by the use of drilled phrases such as 'On the other hand' or 'Business operates in an ever-changing environment'. It is shown through the weighting of the candidate's response plus the logic and justification of his/her conclusions.

Quality of Language

The GCSE and GCE A/AS Code of Practice requires the assessment of candidates' quality of written communication wherever they are required to write in continuous prose. In this unit, this assessment will take place for each candidate's script as a whole by means of the following marking criteria.

LEVEL 3 Moderately complex ideas are expressed clearly and reasonably fluently, through well linked sentences and paragraphs. Arguments are generally relevant and well structured. There may be occasional errors of grammar, punctuation and spelling.

3 marks

LEVEL 2 Straightforward ideas are expressed clearly, if not always fluently. Sentences and paragraphs may not always be well connected. Arguments may sometimes stray from the point or be weakly presented. There may be some errors of grammar, punctuation and spelling, but not such as to suggest a weakness in these areas.

2 marks

LEVEL 1 Simple ideas are expressed clearly but arguments may be of doubtful relevance or obscurely presented. Errors in grammar, punctuation and spelling may be noticeable and intrusive, suggesting a weakness in these areas.

1 mark

Total 3 marks

1**Total for this question: 6 marks**

Outline **two** factors that Leah and Jeremy might consider when constructing a workforce plan.
(6 marks)

	Content 3 marks	Application 3 marks
Level 2	3 marks Good understanding shown of workforce planning or relevant point(s) explained	3 marks Effective application of the factor(s) made in relation to the case
Level 1	2–1 marks Some understanding shown or relevant point(s) identified	2–1 marks Some application of the factor(s) made in relation to the case

Possible answers might include the following:

Definition: A plan which addresses the number and type of workers needed in the future in order to achieve the organisation's objectives.

- type of workers required – there was a policy to recruit workers who understood their target markets
- number of workers required in relation to the introduction of the new magazines
- competition – competitors were poaching internet support staff
- predicted labour turnover – of particular concern with regards to having to replace the internet support staff
- *Smile Magazines Ltd's* objectives – for example launching a magazine to 20–29 year olds
- location of production, eg the proposal to move to Spain
- training requirements.

2

Total for this question: 8 marks

Analyse **two** benefits to *Smile Magazines Ltd* that might have resulted from the use of kaizen groups (**Section C**). (8 marks)

	Content 2 marks	Application 2 marks	Analysis 4 marks
Level 2	2 marks Good understanding shown of the term or two relevant benefits identified	2 marks Effective application of the benefit(s) made in relation to Smile Magazines	4–3 marks Good analysis of the benefit(s) arising
Level 1	1 mark Some understanding shown of the term or one relevant benefit identified	1 mark Some application of the benefit(s) made in relation to Smile Magazines	2–1 marks Limited analysis of the benefit(s) arising

Possible answers might include the following:

Definition: The process of continuous improvement achieved by groups of workers meeting regularly to discuss how to solve operational problems.

- better decision making – staff had tremendous insight into the organisation's activities
- it was an integral link with the use of cell production, job enlargement and enrichment
- Jeremy, Kate and Leah all chaired kaizen groups which enabled them to keep in touch with the writing and production of the magazines
- motivational benefits – Maslow, Mayo and Herzberg.

3

Total for this question: 15 marks

In March 2007, *Smile Magazines Ltd* moved from a quality control system to one of quality assurance (**Section F**). To what extent do you think this change will resolve its quality issues?
(15 marks)

	Content 3 marks	Application 3 marks	Analysis 4 marks	Evaluation 5 marks
Level 3				5 marks Judgement shown in weighing up the arguments with clear conclusions
Level 2	3 marks Good understanding shown of both terms	3 marks Relevant issue(s) applied in detail to the case	4–3 marks Good analysis using relevant theory	4–3 marks Judgement shown in text or conclusions
Level 1	2–1 marks Some understanding shown of the term(s)	2–1 marks Some application to issue(s) in the case	2–1 marks One or two point(s) made to analyse the question in a limited way	2–1 marks Some judgement shown in text or conclusions

Possible answers might include the following:

Definitions:

Quality control: The process of identifying any faults or errors in the product or service through inspection.

Quality assurance: The process which seeks to guarantee all stages in the production process to ensure zero defects in the final product or service.

Arguments for could include:

- QA identifies and corrects faults earlier in the production process
- QA gives staff greater responsibility for quality
- QA provides opportunities for regular team meetings to discuss quality
- **Table 4** indicates improvements in scrap rates, deliveries on time and customer satisfaction from March 2007 when QA was implemented.

Arguments against could include:

- the new system was opposed by the Print Manager
- teething problems and training issues
- **Table 4** shows no improvement in print quality.

Possible evaluative comments could include:

- the print quality of the magazines was limited by the outdated machinery
- the internet magazine quality was inferior to its competitors due to technological limitations
- how reliable is the data in **Table 4**?
- would there be any staff resistance to moving to a system of TQM?

4

Total for this question: 6 marks

As a consequence of *Smile Magazines Ltd's* expansion, the spans of control of some line managers widened (**Section C**). Explain **two** problems that may result from this. (6 marks)

	Content 3 marks	Application 3 marks
Level 2	3 marks Good understanding shown of spans of control or relevant point(s) explained	3 marks Effective application of the problem(s) made in relation to <i>Smile Magazine</i>
Level 1	2–1 marks Some understanding shown of spans of control or relevant point(s) identified	2–1 marks Some application of the problem(s) made in relation to <i>Smile Magazine</i>

Possible answers might include the following:

Definition: The number of subordinates directly answerable to a manager/supervisor.

- communication and coordination problems (the internet technician had ten subordinates)
- limited opportunities for close consultation – morale issues that could arise from this
- the need to use autocratic management due to time constraints
- increased stress and workload for the managers and supervisors.

5

Total for this question: 15 marks

Leah and Jeremy have differing views on how to improve motivation within the business. Evaluate which management approach is likely to be more effective. (15 marks)

	Content 3 marks	Application 3 marks	Analysis 4 marks	Evaluation 5 marks
Level 3				5 marks Judgement shown in weighing up the different approaches with clear conclusions
Level 2	3 marks Good understanding shown of management approaches or relevant point(s) explained	3 marks Relevant issue(s) applied in detail to the case	4–3 marks Good analysis using relevant theory	4–3 marks Judgement shown in text or conclusions
Level 1	2–1 marks Some understanding shown of management approaches or relevant point(s) identified	2–1 marks Some application to issue(s) in the case	2–1 marks One or two point(s) made to analyse the question in a limited way	2–1 marks Some judgement shown in text or conclusions

Possible answers might include the following:

Leah:

- favours a more autocratic, 'Taylorist' approach, eg piecework payment, clear instructions to staff
- she is primarily concerned with improving efficiency, eg the keenness to relocate to Spain
- she is less concerned with staff loyalty, as illustrated by her desire to 'shake things up', to 'avoid complacency'
- she adopts a 'Theory X' approach to the workforce.

Jeremy:

- favours a more democratic approach, illustrated by his ideas for using suggestion boxes and job enrichment to improve morale
- he is primarily concerned with maintaining and rewarding staff loyalty, eg his resistance to relocate to Spain
- he adopts a 'Theory Y' approach.

Possible evaluative comments could include:

- the best approach will be determined by the attitudes and type of workers – is money the key motivator? This would support Leah's approach
- Jeremy's approach, in theory, should result in a motivated, productive workforce, leading to improved efficiency and quality
- but do all workers want job enrichment and extra responsibility?
- the key issue is which is the best way to achieve the improvements in efficiency and quality vital for *Smile Magazines Ltd's* future success.