

Mark Scheme (Results) January 2009

GCE

GCE Applied Business (6916/01)

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Exemplar Responses	Mark
1(a) AO1 MB1 = 2	 aim to make money aim to provide good service both likely to be financed from own resources both have unlimited liability both target local market/customers both have complete control over the running 	1 mark for each common factor
	of their own businessboth in private sector	(2 marks)

Question Number	Exemplar Responses	Mark
1(b)(i) AO1 MB1 = 2 MB2 = 2	 <u>To survive in an increasingly competitive market</u> offer the products/services that customers want keep up-to-date with current trends in the market price competitively whilst maintaining margin maintain profit margin generate sufficient income to cover costs have well-trained staff good customer service diversify 	1 mark for ways linked to survival in an increasingly competitive market (maximum 2 marks)
	 <u>To increase market share</u> advertise products/services attract new customers take customers from other shops price competitively special offers 	1 mark for ways linked to increasing market share (maximum 2 marks)
	(One way can only be used once against one aim - same idea cannot be used under both headings.)	(4 marks)

Question Number	Exemplar Responses	Mark
Q1(b)(ii)	 All staff to be at their desks at 15 minutes before health centre opens each day - this will make sure that everyone is in place and ready 	1 mark for appropriate objective
AO1 MB1 = 1 MB2 = 2	 for work as soon as patients start to arrive - this reflects professional image in keeping with aims of health centre Telephone calls to be answered within three 	1 mark for why appropriate (maximum 2 marks)
	rings - prompt answering demonstrates to patients that health centre is efficient - helps reduce potential for complaints	
	 All filing completed daily - records are kept up-to-date - reduces chances of error in future 	(3 marks)

Question Number	Exemplar Responses	Mark
Q1(b)(iii) AO2 MB1 = 2	 Sets standards for staff to work to - lets staff know what management expect Provides starting point for appraisal interviews - appraisal is a good way to motivate/correct problems/identify weaknesses/identify training needs which all help improve business Essential for monitoring progress - business can check progress against objectives at different points in time to see how well, or not, the business is doing Helps meet deadlines - with a time-based objective the business will be able to plan how it is going to meet the objective and make changes as required 	1 mark for reason (maximum 2 marks) or 1 mark for reason + 1 mark for application (2 marks)

Question Number	Exemplar Responses	Mark
Q1(c) AO2 MB2 = 4	 Partners/doctors can concentrate on looking after patients rather than work about admin. issues Partners/doctors should be able to see more patients as their time is not taken up with admin. Admin team can act as 'gatekeepers' and protect doctors from unwanted/unnecessary interruptions Doctors have more time - can see more patients during surgery hours - this could be seen as providing the highest quality patient care by patients that do not have to wait so long Doctors have more time for individual patients - greatly valued by patients - who feel as if they are getting an improved service - their perception is of highest quality patient care More time It means that a professional team will be looking after admin rather than expecting doctors to do it - doctors may be highly qualified in medicine but this does not mean that they are any good/have any desire to do admin. tasks - consequently the medical centre will run more efficiently 	1 mark for how this helps meet the aim (maximum 4 marks) or 1 mark for how this helps meet the aim + 1 mark for application (maximum 3 marks)
	 (Candidates may present a correct counter argument i.e. would not help meet the aim because) doctors could lose touch with detail of patient's records if they do not attend to the administration themselves doctors become remote from the running of the backhe context and lock of 	(Benefits may be implied)
	of the health centre and lack of communication with administration team could reduce efficiency/cause errors to be made	(4 marks)

Question Number	Exemplar Responses	Mark
Q1(d) AO1 MB1 = 2 MB2 = 2 MB3 = 1	 Employees on lots of levels / tall structure Many levels of supervision and management Long reporting chain/long chain of command Shops report into regional management that reports into head office Span of control at each level is limited People at lower levels have little autonomy/have to do what they are told by people at higher levels More opportunities for promotion 	1 mark for features of a hierarchical structure (5 marks)

Question Number	Exemplar Responses	Mark
Q1(e)	 <u>Enfield Engineering Ltd.</u> Production Manager looks after team that makes the widgets - has to meet targets by Declaration Directory to achieve targets. 	1 mark for general responsibilities of a manager
AO1 MB1 = 2	Production Director - to achieve targets the Production Manager is responsible for making sure that production team turn up for work each day - that production team have the right materials and equipment to	(maximum 2 marks) 1 mark for analysis of manager's responsibilities (maximum 4 marks)
AO2 MB3 = 1	make widgets safely - Production Manager checks quality before widgets are sent to warehouse - has to report all production output to Production Director at the end of each day	
AO3 MB1 = 3	 Training Manager looks after staff training at all branches - reviews all employees to identify current skills - identifies weaknesses that can be addressed by training - identifies what type of training is required - checks to make sure that business can afford the training identified 	
	 makes recommendations to management at each branch and to board of directors 	(6 marks)

Question Number	Exemplar Responses	Mark
Q1(f) AO1 MB1 = 1 AO2 MB1 = 1	 Jameson's Jewellers This year their main non-profit objective was to move to new premises by the end of the year - this business has outgrown its current premises/site - as business has expanded the management has realised that it needs more room to retain level of efficiency/customer service - rather than risk losing customers the business has decided that it must move 	1 mark for non-profit objective 1 mark for application of reasons why business has set the objective
AO3 MB1 = 2	 Super Supermarket Local branch wants to improve its image locally by making donation of £10,000 to local hospice - shop has been getting some bad press about wanting to take over more land next to existing premises - locals would prefer it is land was left for wildlife - business wants to demonstrate that it is not entirely unsympathetic to local needs and has decided to try to change local opinion by making a public donation to a local institution in need of some support 	1 mark for analysis (maximum 2 marks) (Marks can only be given for answers that relate to a non- profit objective) (4 marks)

Question Number	Exemplar Responses	Mark
Q2(a)	 Personal qualities are aspects of a person that reflect who they are - and how they are perceived by others 	1 mark for understanding personal qualities (maximum 2 marks)
AO1 MB2= 2 AO4 MB1 = 4	 <u>Good communicator</u> Will be able to understand exactly what customer wants - and consequently provide the treatment that is appropriate Will be able to pass on advice to customer - so that they understand any follow-up of care that they need to take after treatment Will be able to write instructions, if necessary, so that customer can understand them - this demonstrates good service and aftercare 	1 mark for how each personal quality contributes to the business (maximum 4 marks)
	 Well presented Represents business in a professional manner - reassures customers that they are getting the right treatment Gives business a good image - can be reflected in higher prices Customers will be used to/will expect a physiotherapist to look the part - all employees represent the business - if new employee is not presentable it will reflect badly on the business and could lose customers 	(6 marks)

Question Number	Exemplar Responses	Mark
Q2(b)	Dawn, one of our administration team, is going on maternity leave and we need to replace her as we assume that she will not be returning.	1 mark for each potential legal problem identified
AO1 MB1 = 2 MB2 = 2 MB3 = 1	 Cannot make such an assumption as employees on maternity leave have the right to return to their current job/position if they want once maternity leave has been completed. 	
	We need a full-time permanent admin assistant, to do paperwork and help out on reception.	
	• Employees on maternity leave cannot be replaced by permanent employees as job must be kept open unless or until employee on maternity leave makes the decision not to return.	
	You will be joining an all female team so preference will be given to women applicants.	
	 Breaches equal opportunities legislation based on sexual discrimination. 	
	Must be aged between 23 and 30	
	Breaches equal opportunities legislation based on age discrimination.	
	Wage £3.30 per hour, increasing to £4.25 per hour after six months	
	 Wage offered is below legal minimum wage. 	
	(No marks for general/simplistic answers such as 'they could be sued'/'they could be taken to court')	(5 marks)

Question Number	Exemplar Responses	Mark
Q2(c) AO1 MB2 = 2	 May get too many applicants - cannot cope/cannot give each candidate sufficient time for interview 	1 mark for each problem (maximum 2 marks)
AO3 MB2 = 2	 Will take up too much time - leaving insufficient time for normal duties/meaning that she will have to work longer to catch up with normal duties 	1 mark for how affected by problem (maximum 2 marks)
	 Will interfere with normal day-to-day work/duties - will not be able to get on with main job of running administration function 	
	 Application form may tell her that applicant does not have the skills/experience required - these could have been eliminated without the need to interview and so save time 	(4 marks)

Question Number	Exemplar Responses	Mark
Q2(d)	 Review or evaluation of a person, aiming to identify strengths and weaknesses and the overall value of the person to the business 	1 mark for understanding appraisal interview (may be implied)
AO1 MB1 = 1 AO2 MB3 = 3	• Will highlight strengths that can be developed/expanded - may highlight a skill that has been overlooked - and that can be used to help improve business - can be used as a tool for job enrichment/as a reason for promotion	1 mark for how regular appraisal of staff improve efficiency of business (maximum 3 marks)
WB3 = 3	• Will highlight deficiencies/training requirements - business can arrange training - better trained staff will help improve skill- base/efficiency and services that business offer	
	• Will give new staff/Admin. Assistant/Myrtle a chance to feedback any problems that need to addressed - problems can be 'nipped in the bud' -will reduce chances of problems going undetected which could have affected efficiency long-term	(4 marks)

Question Number	Exemplar Responses	Mark
Q2(e) AO1	 Cheaper than paying for advertising in newspaper - will not have to pay directly for advertising space - Shoosh plc will own their own website - wide use of website by business will mean that running cost of website will be 	1 mark for benefit (maximum 2 marks)
MB3 = 2	relatively low and spread across all business functions not just recruitment	1 mark for application (maximum 2 marks)
AO2 MB3 = 2	• Can be changed easily - by just a few clicks by website manager - this means that vacancies will always be up-to-date - can be changed or added to as soon as a vacancy arises rather than have to wait for next issue of a newspaper to be published	
	• Will attract a wide field of candidates - advertisement will be visible to anyone with a computer and access to Internet - means that <i>Shoosh plc</i> could attract good candidates from a greater catchment than would be afforded by conventional media - likely to find better candidates/employees as a result	
	• Use of website for recruitment will attract lots of applicants - <i>Shoosh plc</i> has lots of branches/1 500 shops in chain - which means lots of staff needed - website allows the business to carry out recruitment continuously	
	• Using the website for recruitment gives high visibility to business - which could raise awareness overall - and contribute to marketing strategy - with consequent benefit to <i>Shoosh plc</i>	
	 A website dedicated to recruitment will take applications for employment away from (inevitable) selling website - this will enable selling website to focus on commercial matters - applicants will be able to read about opportunities without being distracted - a dedicated recruitment website will enable HR team to access applicants more efficiently 	(4 marks)

Question Number	Exemplar Responses	Mark
Q2(f)	ASDA, Swansea	
AO1 MB1 = 3	 When you first start working at ASDA - the manager calls you all together and takes you round the store and shows you all of the fire exits - we were also given a handbook that explains what you should do if there was a fire - the reason they do this is because every member of staff has to know what to do if 	1 mark for each point of description of induction training (maximum 3 marks)
AO2 MB1 = 3	there was a fire - we have to look after customers and make sure that they get out of the store safely - and make sure that all of us staff are also safe	1 mark for how this training is used by the business (maximum 3 marks)
	Adam's Advertising	
	• When anyone new starts that have to spend the first day learning all about the business - they are shown where the toilets and coffee making facilities are located - they are also given basic instructions on how the Apple Macs are networked throughout the business - by doing this all on the first day new employees should be ready to start work properly on the next day - they will not have to waste time asking where things are or how to use the computer system - this means that the business is a lot more efficient when they take on new people	
		(6 marks)

Question Number	Exemplar Responses	Mark
Q2(g) AO1 MB1 = 1 AO2 MB1 = 1	 <u>Fashionistas Boutique</u> The owner of the <i>Fashionistas Boutique</i> offered to pay for training in first aid at work if any staff were interested - this training was offered because shop needed to appoint some official first aiders - it also helped boost self esteem of those that undertook training - which is likely to result in more supportive and consequently more productive employees 	 1 mark for knowledge of training 1 mark for how training is applied to business 1 mark for how business is developed as a result of training
AO3	<u>McDonalds</u>	training
MB1 = 1 AO4 MB1 = 1	• Before they can use the fryers all staff must be trained so that they use the hot equipment safely - this is necessary so that there are no accidents and so that the burgers are cooked properly - as a result there are fewer complaints about burgers not being cooked - which means that our customers are a lot more satisfied and return to buy more burgers	1 mark for outcome of training
	Canvas Travel	
	• When <i>Canvas Travel</i> switched from Windows XP to Windows Vista no one knew how to use it because Vista has some differences/improvements that everyone needed to know - all staff that use PCs were sent to a local computer training centre to be given basic training on Vista so that that they could work more efficiently - training was done off site so that staff would concentrate/would not have usual day-to-day distractions - and so that normal work of business would not be interrupted	(4 marks)

Question Number	Exemplar Responses	Mark
3(a) AO1 MB3 = 2	 Motivation is all about the urge to achieve more/perform better/achieve satisfaction/accomplish a task above and beyond their current performance - such as winning a prize for the top salesperson this month The act of encouraging others to want to achieve more/perform better/accomplish a task above and beyond their current performance - such as working longer hours than normal 	1 mark for knowledge of motivation in a business context (maximum 2 marks)
	 <u>This can be achieved by:</u> Increasing number of days off - gives 	1 mark for naming an incentive
AO4 MB2 = 2 MB3 = 2	 employees more leisure time - everyone likes time off - so is seen as a positive thing by most employees Take them out for a meal - a nice treat that employees will look forward to - helps team bonding - which means that they will work together better in the future Organise a leisure-based team-building event - such as paint-balling - helps team bonding - which means that they will work together better in the future Organise a sandwich delivery for lunch - so that employees do not have to go out and find their own lunches - makes life more comfortable/less stressful - means that employees concentrate on what they are doing rather than worrying about where they can get lunch Provide free tea/coffee/refreshments - low cost for business - greatly appreciated by employees - as they do not have to spend own money on refreshments/makes workplace 	which does not increase wages 1 mark for applying how incentives that do not increase wages will motivate a team (maximum 3 marks)
	more pleasant	(6 marks)

Question Number	Exemplar Responses	Mark
Q3(b) AO2 MB2 = 5	 Demotivated Upset Annoyed Lack of equal opportunity Negative towards company Look for work elsewhere Stimulated Motivated to work harder in future Determined to succeed in future Staff more determined to win next year encourages them to work harder 	1 mark for each effect on employees in second shop that does not receive reward (maximum 5 marks)
		(5 marks)

Question Number	Exemplar Responses	Mark
Q3(c) AO3 MB2 = 2 MB3 = 4	• Customer should be provided with the product that they want - in this situation sales assistant tries to switch them to own brand - this could result in customer being pleased as they could save money - alternatively the customer may be annoyed at having their choice questioned - the ethical issues is whether it is right to try to change customer's	1 mark for points of analysis based on method of selling described (maximum 4 marks)
	request - to make a sale that would benefit the business rather than the customer	1 mark for identifying specific ethical issues maximum 2 marks)
	• Sales staff would be trained to provide good customer service - giving the customer what they ask for - in this situation they will be trying to get the customer to buy something else - trying to change the customer's mind - the ethical issue is to make the sales assistant compromise their customer training - which could make the sales assistant uncomfortable in their sales role	
	 Is it ethical to attempt to switch customer's who have made a specific request Is it ethical for a shop to promote one brand over another Is it ethical to just promote own brand Is it ethical for the business to instruct its staff to switch-sell Is it ethical to deny the supplier that makes 	
	the medicine access to its consumers/to lose customers who want its product - this could affect the long-term relationship with this supplier	(6 marks)
		(6 marks)

Question Number	Exemplar Responses	Mark
Q3(d) AO1 MB1 =1	 Trade Descriptions Act is consumer protection legislation Trade Descriptions Act is designed to protect consumers from false claims made by businesses 	1 mark for basic definition of Trade Descriptions Act (May be implied) +
	Addis Ltd	
AO2 MB1 =3	• Business used to sell fire extinguishers with the claim that they were 'environmentally friendly' - one of their competitors analysed the product and discovered that the gas being used in the fire extinguisher was in fact a substance that depleted the ozone layer - this was brought to the attention of the local Trading Standards office who prosecuted Addis Ltd as they had made a false claim that could mislead consumers - Addis Ltd dropped the fire extinguishers from their product range	1 mark for describing the situation where the business is affected by the Trade Descriptions Act (maximum 3 marks)
	Garden Diggers Ltd	
	• The owner of Garden Diggers, a local garden maintenance service, painted the side of the van with a sign that claimed that they could get rid of all weeds in the gardens where their service was employed - some customers believed them but discovered that weeds started to grow after it had rained and they the business was taken to court - the court ruled that under the Trade Descriptions Act they could not honestly make the claim to 'get rid of all weeds' - so fined them and ordered them to repaint the van	(4 marks)

Question Number	Exemplar Responses	Mark				
Q3(e)	Hertfordshire County Council					
	• Working in the offices of the County Council is relatively secure - managers try to make it a nice friendly place to work - the County	1 mark for naming a motivational theory				
AO2 MB1 = 6	Council has a good career path/structure so that anyone working there for a long time can work their way up in the system through learning more skills and promotion - this could be an example of Maslow's theory - he thought that everyone has a hierarchy of needs - and if basic needs such as security and belonging were being met then people would work better to rise up to the next level such as self esteem	1 mark for basic definition or understanding of named motivational theory May be implied. (maximum 2 marks) +				
	<u>Clarke's Garage</u>					
	• The car sales team at Clarke's Garage are always in competition with each other to see who can sells the most each month - the winner gets to choose a night out paid for by the owner - the owner also provides all of the sales team with suits that they have to wear for work, as well as free refreshments - this could be an example of McGregor's Theory Y - which is all about motivating workers by giving them good conditions - his idea was that if workers have good conditions then they will be more committed and work harder	1 mark for how business applies named motivational theory when managing its staff (maximum 3 marks)				
	Special Clothing Ltd					
	 At the local shirt factory the machinists are paid a basic wage plus a bonus payment for every shirt that they make - this means that machinists work harder/faster to make more shirts - because they can nearly double their basic wage by working harder - if this method of motivation is based on the theories of F.W. Taylor - who believed that the main motivating factor for workers is money - and if workers earn more money, they would be motivated 					
	(Marks can only be awarded if a theory is named)					
	(Any reference to McGregor must tie back to motivation)	(6 marks)				

Question	Content area								
	1.1	1.2	1.3	1.4					
1 a) i)	2								
1 a) ii)	4								
1 b) i)	3								
1 b) ii)	2								
1 c)	4								
1 d) i)	3								
1 d) ii)	1								
1 d) iii)	1								
1 e)	4								
1 f)	6								
2 a)		6							
2 b)		2	3						
2 c)		4							
2 d)		4							
2 e)		4							
2 f)		6							
2 g)		4							
3 a)			6						
3 b)			5						
3 c)			6						
3 d)				6					
3 e)				6					
Marks	30	30	18	12					
Target Marks	30	30	18	12					

Content area distribution January 2009

Question		D1 Bai uivale		AO2 Band equivalent		AO3 Band equivalent		AO4 Band equivalent			Total Mark		
	1	2	3	1	2	3	1	2	3	1	2	3	
1 a)	2	0	0	0	0	0	0	0	0	0	0	0	2
1 b) i)	2	2	0	0	0	0	0	0	0	0	0	0	4
1 b) ii)	1	2	0	0	0	0	0	0	0	0	0	0	3
1 b) iii)	0	0	0	2	0	0	0	0	0	0	0	0	2
1 c)	0	0	0	0	4	0	0	0	0	0	0	0	4
1 d)	2	2	1	0	0	0	0	0	0	0	0	0	5
1 e)	2	0	0	0	0	1	3	0	0	0	0	0	6
1 f)	1	0	0	1	0	0	2	0	0	0	0	0	4
2 a)	0	2	0	0	0	0	0	0	0	4	0	0	6
2 b)	2	2	1	0	0	0	0	0	0	0	0	0	5
2 c)	0	2	0	0	0	0	0	2	0	0	0	0	4
2 d)	1	0	0	0	0	3	0	0	0	0	0	0	4
2 e)	0	0	2	0	0	2	0	0	0	0	0	0	4
2 f)	3	0	0	3	0	0	0	0	0	0	0	0	6
2 g)	1	0	0	1	0	0	1	0	0	1	0	0	4
3 a)	0	0	2	0	0	0	0	0	0	0	2	2	6
3 b)	0	0	0	0	5	0	0	0	0	0	0	0	5
3 c)	0	0	0	0	0	0	0	2	4	0	0	0	6
3 d)	1	0	0	3	0	0	0	0	0	0	0	0	4
3 e)	0	0	0	6	0	0	0	0	0	0	0	0	6
	18	12	6	16	9	6	6	4	4	5	2	2	90
Target	18	12	6	16	9	6	6	4	4	5	2	2	90
Totals		36			31			14			9		90

Analysis of paper

The overall target for each Assessment Objective is based on 40%, 35%, 15% and 10% as agreed for Unit 1, which, on a 90 mark paper, gives 36 marks for AO1; 31.5 (= 31) marks for AO2; 13.5 (= 14) marks for AO3; 9 marks for AO4.

MB level analysis: MB1 18+16+6+5 = 45 (50%) MB2 12+9+4+2 = 27 (30%) MB3 6+6+4+2 = 18 (20%) (Weightings as per Specimen Paper)