

Examiners' Report/ Principal Examiner Feedback

June 2011

GCE Applied Business (6916)
Paper 01

Edexcel is one of the leading examining and awarding bodies in the UK and throughout the world. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers.

Through a network of UK and overseas offices, Edexcel's centres receive the support they need to help them deliver their education and training programmes to learners.

For further information, please call our GCE line on 0844 576 0025, our GCSE team on 0844 576 0027, or visit our website at www.edexcel.com.

If you have any subject specific questions about the content of this Examiners' Report that require the help of a subject specialist, you may find our **Ask The Expert** email service helpful.

Ask The Expert can be accessed online at the following link:
<http://www.edexcel.com/Aboutus/contact-us/>

Alternatively, you can contact our [Business Studies] Advisor directly by sending an email to [Business Studies specialist] on BusinessSubjectAdvisor@EdexcelExperts.co.uk.

You can also telephone 0844 372 2187 to speak to a member of our subject advisor team.

June 2011

Publications Code UA027316

All the material in this publication is copyright

© Edexcel Ltd 2011

INVESTIGATING PEOPLE AT WORK

General Comments

This question paper was based on replicating Assessment Objective (AO) and Mark Band (MB) weightings established in previous papers. This question paper was the third assessment for 6916 to be based on the revised specification Issue 2 – May 2009. The most significant change being that quality of written communication (QWC) is now being assessed. This was indicated by a statement on the front of the question paper and an asterisk (*) shown next to the question number where it was applied (actually questions 1d and 2c). The structure of the paper matched the sample assessment material issued June 2009, which included exemplars for the extended writing questions that are now an integral part of the assessment for this unit. In every other way the requirements of the question paper should be directly comparable with previous series.

In addition to reading and taking any notes or advice from this report, it is recommended that Examiner Reports for previous series are read and used to prepare candidates for external assessment. They contain lots of general advice that is still relevant and likely to be useful for staff and students in preparation for future papers.

My own general observations, supported by reports from all examiners who worked on this paper, are as follows:

Despite the fact that candidates are expected to demonstrate a reasonable level of QWC, and as noted in PE reports passim, candidates' handwriting continues to deteriorate. This does not appear to concern the candidates themselves, or they would attempt to improve matters. Many clearly assume that it is acceptable, and no disadvantage, to produce handwriting that is hard for others to read. Learners need to be reminded that this is a written paper, within an Applied Business qualification, so it is essential that candidates are able to communicate their answers in the written form – this means making sure that examiner can actually read the handwriting. All examiners will make an effort to decipher handwriting, but there is a danger that candidates may miss vital marks if the handwriting is so bad that it cannot be read.

The danger of ignoring handwriting is that it is sometimes impossible to mark some answers, and marks may be lost as there is no way of reading the knowledge or application that they may contain.

This observation is not totally subjective, but can be measured by the increase in the number of 'unreadable' items that are sent to me as Principal Examiner for review. These items will have been looked at by the professional markers who work on this (and other) papers, most of whom are used to reading poor handwriting, and declared by them to be 'unreadable' as judged by standards that should be reasonable for an applied business qualification at AS level.

Some of the problem looks as if it could be due to rushing at the paper and writing as fast as possible, with the inevitable deterioration. Please reassure candidates that as part of the production of this paper it is sat and completed by reviewers who make sure that the paper can be completed within the time allowed, 1½ hours, so there really should be no need to rush the writing. Candidates need to remember that despite the widespread use of keyboards, screens and electronic communication, there is still a requirement for clear and legible hand writing in the workplace. In addition, it is important to inform candidates that quality of written communication (QWC) now carries marks in this paper, marks that will be lost if the handwriting is indecipherable. Please see the revised Issue 2 specification dated May 2009 for full details

Another issue that needs to be addressed is that many candidates are not applying their answers to the situation given in the scenario and stems to questions, but just making general statements about the topic which is the focus of the question. Consequently, many answers are generic and whilst they may be appropriate for a large organisation, they are inappropriate for the small business that was used throughout this paper. As a consequence, some candidates are missing valuable marks. Another aspect of this is that many candidates seem to find it difficult to apply what they have learned to the 'real life' scenarios, situations or problems posed in the questions – it can be helpful, when preparing candidates for external assessment, to encourage candidates to practice what they have learned to 'real life' case studies .

Candidates are still missing marks because they do not give answers for the question that is asked. Part of this may be due to scanning the question quickly and writing about the first thing that they see, which is not always what is actually being asked. Candidates are advised to read the questions in full before starting to write their answers. Another reason may be to cover up a lack of knowledge by writing about a subject that they do know about, which may or may not be related to that which is asked. No matter how well written or knowledgeable an answer, if it does not answer the question asked it can be awarded no marks.

As noted in previous reports, some candidates seem to treat this paper as a general knowledge quiz, and assume that general answers, peppered with a few business terms, concluding with '...to make a profit', will suffice for an answer. Please inform candidates that the insertion of the word 'profit' into every answer is not the way to gain additional marks, and although important, profit is not always the answer. In fact it would be useful if candidates were clear what is meant by 'profit' in a business context – some candidates seem to believe that the terms 'profit' and 'sales' can be used interchangeably

Understanding of some basic business terms remains low, especially in respect of business functions. Responses in this paper highlighted that many candidates did not appear to know the activities of the 'sales function' (Q1d), nor what is meant by an 'aptitude test' (Q2c). As we have seen in previous papers, candidate's knowledge of legislation in business is very

general and imprecise, with few candidates able to name legislation accurately (Q3a).

Candidates should also be told that just stringing together a few business terms such as '...this will increase...profit, turnover, sales, employees, savings, motivation...' is not an answer and markers will not pick out the appropriate word on behalf of candidates in some kind of multiple choice exercise. Candidates also need to be reminded that this is an AS level examination and most answers are expected to show some development and application. This means that unless specifically asked for, simplistic answers at the level of single words such as 'easier', 'cheaper', 'quicker', 'faster', etc. are not really acceptable and unlikely to score any marks.

Many candidates write out the question as the start to their answer, sometimes their entire answer; a common practice amongst the weaker candidates. This may help their thought process but will not score any marks unless the question explicitly asks for the answer to be drawn from information given in the question or scenario.

Many candidates were wasting time and potential marks by not adhering to the requirement specified in the question. If a question asks for 'one way' or 'one example', marks will only be available for one way/example – no matter how many other ways or examples the candidate crams into their answer. Again, markers were sometimes put in a position of having to choose which examples to mark from a long list provided by the candidate, inevitably some correct and some incorrect.

Most of these issues can be overcome to some degree by preparing candidates' exam technique, which is very important.

I am pleased to report that questions where the candidates could choose your own business worked well in this paper. As in previous papers, candidates who choose smaller, local businesses tend to produce better answers than candidates who choose large national or international 'famous name' businesses. It seems that studying small/local business tends to give candidates a greater understanding of the 'real life' of the business and provides them with more opportunities for real application in their answers. Whilst large organisations may be high profile and provide a wealth of information on their websites, much of it tends to be aimed at PR or publicity. Although this may provide an impression of the business it is often too general to be of much use when trying to answer questions based on specific issues that affect the business.

This report is designed to help future teaching and learning. It may come across as a critique of the ability of candidates, but it should not be interpreted as being unduly negative. Judging from the many papers and answers that I have seen, most candidates have indeed worked hard on their studies and the paper is just designed to give candidates the opportunity of demonstrating, within the terms of the Assessment Objectives for this Unit, just how much they have learned. I offer my congratulations to all students, whatever grade they may ultimately achieve.

The theme of this paper is based on various business activities that affect sole trader Kareena Sādhana and her online retail business, Sādhana, selling high value skin care products imported from the USA. Despite the focus on one business in one sector, none of the questions needed specialist subject knowledge, and the use of an online retail business as the subject does not appear to have caused any problems for candidates.

Comments on individual questions

1(a)(i): Following the introductory scenario, this question asked candidates to simply give two reasons why the business would have the objective 'to send out all orders the day they are received'. Most candidates gave at least one good answer here, but it was noted that quite a high percentage just put 'profit or survival' type answers. Some missed or ignored the 'online retail' element and some focussed on the 'shelf life' of skin care products with little regards to the customer service angle, which was fundamental to this question.

1(a)(ii): This question followed the theme of 1ai, asking candidates to outline one potential problem for the business if it failed to meet the given objective. Many candidates were able to give one problem and outline this but some focussed on just listing problem after problem without sufficient explanation in respect of loss of business, profit etc.

1(b): The answer to this question was sometimes too generic to the SMART aspect but the majority of answers were related 'measurable objectives' to targets being achieved and compared, in order to set further objectives. A few candidates missed marks by getting caught up with the 'measurement' for 'measurement's sake' type of circular explanation.

1(c): The first extended answer question on the paper, which also included marks for QWC. Pleased to report that candidates do not appear to have any trouble answering this style of question, most providing a full page answer, differentiating well, showing the full range of levels. Candidates were told that the business owner, Kareena, was considering changing from sole trader status to setting up the business as a private limited company. The question asked candidates to discuss the reasons Kareena might have for doing this. Judging from range of wild answers, there is no consistency in what is being taught about the formation of companies. Many answers suggested that candidates do not know the difference between a Private Limited Company and a Public Limited Company (plc), but they valiantly attempted to pull together what sketchy knowledge they did have to answer this question, contrasting features from both these forms with being a sole trader - the main thing they seemed to know is 'you will not lose all your possessions' if you change from being a sole trader. There was a lot of apparent misreading, which fed back into lack of knowledge – answers like 'the main advantage of becoming a private limited company is that they will be a partnership...'

Assumptions that as a Private Limited Company profits will increase (how?) and that more people will be employed (why?) that the business will change

from an online business and open retail premises/shops (why?). Having suggested that the business should be a plc, some candidates then went on to state that a plc is run by the government. Most answers stated the basic facts and features of a sole trader vs. other forms of business, with stronger candidates going on to give reasons why change could be an advantage.

1(d): Candidates were asked how the sales function contributed towards the success of the business they had named. For many candidates the 'sales function' is apparently unknown – as many answers were just general knowledge guesses, based on literal interpretation of the two words i.e. 'sales' (as in money or a seasonal promotion) and 'function' (as in the verb 'to function'). Knowledge of the 'range of different functions carried out by different businesses' is included in the Specification for this unit, section 1.1.4, and the 'sales function' must be one of the most common functions in most businesses, so candidates should have come across this term during their studies. Candidates often resorted to describing the obvious factor about the sales being the function to make profits. Some could really relate to what happened with sales because of 'work experience or Saturday jobs' but the people element was not drawn out as much as hoped. The best choice of businesses seemed to be car sales or smaller retail sole traders because the larger businesses tended to bring comments about liaison with the other functional areas.

1(e): Candidates were asked to explain the organisational structure of their chosen business. Many answers were just generic, and having named a form of organisational structure the description could have applied to any business. Stronger candidates scored more marks by actually applying the description of the structure to the named business itself.

2(a): Question asked about 'qualities' required in a temporary employee, but many candidates seem to use this term interchangeably with 'skills'. Whilst candidates did not seem to find this question difficult it was quite common to find the answers included just 'skills' rather than qualities. Candidates forgot that this was an 'on-line' business and dwelt on aspects of face-to-face communications/customer service. Management skills were often given, which would not be appropriate as candidates had been told that this would be the sole employee. Consequently, lots of good answers about 'skills' but these answers were not correct in terms of 'qualities', so candidates ended up not answering the question asked or addressing the knowledge sought.

2(b): Lots of really good answers, candidates appear to know a lot about employment agencies, the way they work and the reasons for using them, very well answered by most candidates. The favourite reason seemed to be the saving of time when Kareena needed to be doing her orders. Some candidates did pick up on the need for special skills with 'on-line' work and the agency having people on their books already.

2(c): Very poorly answered. Asked to suggest why aptitude tests are used in the recruitment process, few candidates could demonstrate that they had a clear understanding of aptitude tests. This question produced a really wide range of answers, from those who just guessed, to those who got it

muddled with psychometric tests, through candidates who just mentioned skills tests, to those who knew it thoroughly and gave a complete answer. Candidates really should know about aptitude tests, what they are and how they are used, as it is one of the two assessment methods named in section 1.2.7 of the specification.

2(d): Asked for a description of one appropriate method of training that Kareena could use for her temporary employee, before they are left in charge of the business. In general this question produced lots of very good answers, with many candidates applying what they know about training to the actual situation described in the question. However, some candidates focussed on generic induction and could not relate the training to the needs of the particular business. Others did not know the scenario enough to realise there were no other employees and described large scale training programmes that were not appropriate.

2(e): Question asked what would be the next steps in the selection process for the chosen business, after it has received responses to its recruitment advertising. Candidates could apply the selection process although some did go through the prior stages as well; others went beyond the 'next steps' so missed marks that they could have got by just sticking to the 'next steps'. Some of the better answers brought in aptitude testing or psychometric testing along with group interviews and activities, picking up on a topic covered by the earlier question.

2(f): Candidates were asked to show how mentoring is used by a business that they had studied. Candidates did not always appear to know what this was about. Quite a lot of answers were more related to training aspects with the word 'mentoring' just dropped into the answer. There was a mix up with 'monitoring, observations in teaching, performance reviews and general supervision' in some answers, other were confusing mentoring with measuring. Only the strongest candidates showed a good level of understanding of mentoring, which is included in section 1.2.9 in the specification, so should have been covered by all candidates.

3(a): Legislation is an important part of the specification, featured in section 1.3.1 of the specification, but as in previous papers, and previous reports, candidates' knowledge of legislation is generally extremely low and inaccurate. Few, if any candidates could give the correct title of a piece of legislation, and descriptions of how their (inaccurately named) legislation protects the wellbeing of employees was a mixture of guesswork, hearsay, assumptions and pure fantasy. Candidates, who knew the working time regulations well, could easily give examples and outline the protection issues. However again, a lot forgot this was a sole trader and some of the Health & Safety regulations only apply to organisations where there are more than five employees so marks could not be given. Candidates need to be reminded to read the question properly and all the scenario information.

3(b): Question asked why it is important for Kareena to motivate her temporary employee. Generally good answers, most candidates seemed to understand the need for motivation, and there was good application of answers to the situation described in the question, although some gave

suggestions which went above and beyond the answers required. Candidates seemed to know what would happen 'if not motivated' but some got bogged down into 'how to motivate' rather than why. The better candidates saw the significance of the employee being 'on their own' with no supervision from Kareena. Again some candidates had not read the scenario properly and related to motivating/demotivating other employees which did not exist in the situation given.

3(c): This was the second extended answer/QWC question. Kareena, the proprietor, had heard rumours that the products she is selling were being tested on animals. Candidates were asked to discuss the ethical issues of this for the business.

This question produced many passionate answers, as most candidates had an opinion – usually against testing on animals. Only the stronger candidates took this issue further and discussed the effect this would have on the business, with the strongest candidates actually suggesting strategies for reducing the criticism that the business could face e.g. finding new suppliers. Interestingly, few candidates picked up on the information in the stem of the question – that testing on animals was just a rumour (most assumed that this was a fact), and consequently there was little discussion over the ethical issues and potential problems being based on a rumour. However, most candidates responded well, producing good extended answers

3(d): Most candidates could name a motivational theory that was being used by their chosen business, and could show some knowledge about the theory. However they were less good on picking up the management issues related to the theory, for their stated business. Some candidates wrote about methods of motivation being used with no links to any theoreticians, so missed out on marks.

3(e): Question was based on how working conditions at the chosen business influence its ability to retain employees. This produced a lot of good answers, most candidates could apply working conditions to staff retention, with the stronger candidates making direct links between the two. There were some negative working conditions given such as working in the heat, smells etc but often answers were related around working conditions being given that are required by law – such as the health and safety aspects of toilets, heating, lighting, etc. Some candidates just described conditions and failed to add comments about how this influenced the ability to retain employees, missing marks. Some candidates tackled the question in a converse way e.g. employees will not stay if such and such conditions were not offered, but this did not disadvantage them in any way.

Further copies of this publication are available from
Edexcel Publications, Adamsway, Mansfield, Notts, NG18 4FN

Telephone 01623 467467
Fax 01623 450481
Email publication.orders@edexcel.com
Order Code UA027316 June 2011

For more information on Edexcel qualifications, please visit
www.edexcel.com/quals

Pearson Education Limited. Registered company number 872828
with its registered office at Edinburgh Gate, Harlow, Essex CM20 2JE

Ofqual




Llywodraeth Cynulliad Cymru
Welsh Assembly Government

