

Applied Business

Advanced GCE A2 H426/H626

Advanced Subsidiary GCE AS H026/H226

Mark Schemes for the Units

January 2009

H026/H226/MS/R/09J

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F242 Understanding the business environment

Question	Expected Answer
<p>1 (a)</p> <p>Anita's Tiny Tots is a sole trader business owned and managed by Anita Patel. State three ways in which a sole trader business differs from a limited company.</p> <p>[3 marks] AO1 [3 marks]</p>	<p>Candidate states ways in which a sole trader business differs from a limited company (1-3 marks).</p> <p>Ways that a sole trader business differs from a limited company - Answers include:</p> <ul style="list-style-type: none"> • unlimited liability • does not have a separate legal identity • cannot sell shares • does not have directors • does not have to share profits • easier to set up • does not have to draw up Memorandum/Article of Association • does not have to publish accounts • more sources of finance for limited company • owned and run by only one person, fewer ideas • does not have to register with Companies House • owner of limited company can lose control <p>Exemplar response: A sole trader has unlimited liability (1). Owned and run by one person (1). Easier making decisions as maximum one owner (1).</p>

Question	Expected Answer
<p>1 (b)</p> <p>If Anita and Sandra form a partnership, identify and explain two reasons why it is advisable for them to draw up a formal partnership agreement.</p> <p>[4 marks] AO1 [2 marks] AO2 [2 marks]</p>	<p>Answers include:</p> <ul style="list-style-type: none">• Reduces risk of conflict• States how profits/losses are to be shared• To be referred to in dissolution• Clarifies roles/responsibilities• Over rule to Partnership Act <p>Exemplar response:</p> <p>e.g. A formal agreement reduces the risk of conflict between partners (1). e.g. It is important to be clear about rights and responsibilities of each partner (1) so that the business can be run more smoothly (1). e.g. It states how profits are to be shared (1) especially if the input from partners is different (1). e.g. The Partnership Act (1890) lays down that in the absence of a formal agreement, partners share everything equally (1).</p>

Question	Expected Answer
<p>1 (c)* QWC tested</p> <p>Evaluate whether or not Anita should enter into a business partnership</p> <p>[12 marks]</p> <p>AO1 L1 AO2 L2 AO3 L3 AO4 L4</p>	<p>Level 1. Candidate states reason for entering into a partnership (no context required) (1-3 marks).</p> <p>Level 2 Candidate explains arguments for entering into a partnership for Anita (4-6 marks).</p> <p>Level 3 Candidates analyses the case for and against entering into a partnership for Anita (7-9 marks).</p> <p>Level 4. Candidate evaluates the case for and against entering into a partnership for Anita (10-12 marks).</p> <p>Answers include:</p> <p>Arguments for a partnership</p> <ul style="list-style-type: none"> • Capital injection • Sharing of workload and responsibilities • Split liability • Sharing of ideas/skills or acquiring new ideas/skills <p>Arguments against a partnership</p> <ul style="list-style-type: none"> • Sharing of profits • Accountable for partner's actions • Potential conflict between partnership • Decisions taking longer <p>Exemplar response:</p> <p>Entering into a partnership brings about an injection of capital (L1). This allows Anita to expand (L2). However, her new partner might have different ideas about children's clothes and cause conflict (L3). In the long run, it is better for the business as Anita wishes to expand and this is one of the cheaper ways of acquiring capital (L4).</p>

Question	Expected Answer
<p>2 (a)</p> <p>Explain how the interests of Anita Patel conflict with those of:</p> <p>(i) her employee, Sandra Bates.</p> <p>(ii) her bank.</p> <p>(iii) Anita's suppliers.</p> <p>[9 marks]</p>	<p>Answers include:</p> <p>Employees</p> <ul style="list-style-type: none"> • Sandra has an interest in high wages, good working conditions, convenient hours and security of employment. • Formalised payments <p>Bank</p> <ul style="list-style-type: none"> • The bank has an interest in obtaining revenue in the form of bank charges and interest payments. • Interested in solvency/cash flow rather than profitability • Formalised record keeping to determine investment risk <p>Suppliers</p> <ul style="list-style-type: none"> • Suppliers have an interest in selling at the highest price. • Low quality • Paid quickly • Lower ethical standards e.g. child labour • Flexible delivery date <p>Exemplar response:</p> <p>Sandra has an interest in high wages (1). This conflicts with Anita's interest which is to keep wages low (1) as high wages mean lower profit for Anita (1).</p> <p>Anita doesn't want to spend time formalising her accounts (1). However bank would require formal accounts (1). Without formalised accounts the bank won't lend (1).</p> <p>Anita is interested in ethical production (1). Suppliers want to produce at lowest cost irrespective of ethics (1). Anita may have to pay more to purchase from more ethical supplier (1).</p>

Question	Expected Answer								
<p>2 (b)</p> <p>Although Anita is a law abiding and respectable member of the community, her 'cash in hand' payments to Amit and Sandra clearly represent 'black/hidden economy' transactions.</p> <p>Evaluate the case for Anita ending these 'cash in hand' arrangements with Amit and Sandra.</p> <p>[12 marks]</p> <table data-bbox="161 699 504 833"> <tr> <td>AO1</td> <td>L1</td> </tr> <tr> <td>AO2</td> <td>L2</td> </tr> <tr> <td>AO3</td> <td>L3</td> </tr> <tr> <td>AO4</td> <td>L4</td> </tr> </table>	AO1	L1	AO2	L2	AO3	L3	AO4	L4	<p>This question requires analyses of advantages only although disadvantages can be awarded if seen</p> <p>Level 1. Candidate states reasons for ending the 'cash in hand' arrangements (no context required) (1-3 marks).</p> <p>Level 2 Candidate states arguments for ending the 'cash in hand' arrangements for Anita (4-6 marks).</p> <p>Level 3 Candidates analyses the case for and against ending the 'cash in hand' arrangements for Anita (7-9 marks).</p> <p>Level 4. Candidate evaluates the case for and against ending the 'cash in hand' arrangements for Anita (10-12 marks).</p> <p>Answers include:</p> <ul style="list-style-type: none"> • illegal • immoral • risk a fine • risk investigation by Inland Revenue • damage reputation • formalise the business to permit expansion <p>Exemplar response:</p> <p>The 'cash in hand' arrangements are illegal (L1). If caught, Anita will risk facing a substantial fine (L2). This will not only damage her business financially but also her reputation (L3). In the long run, it is better for the business to end the arrangements especially if Anita wishes to expand and run her business on a more formal footing (L4). It will damage Anita's reputation (L2).</p>
AO1	L1								
AO2	L2								
AO3	L3								
AO4	L4								

Question	Expected Answer
<p>3</p> <p>Michael O’Connell, Anita’s Bank Manager, had reservations about the informal way in which she has been running her business and her financial record keeping.</p> <p>Identify and explain three reasons why Anita should formalise the financial aspects of her business.</p> <p>[9 marks] AO1 3 marks AO2 6 marks</p>	<p>Answers include:</p> <ul style="list-style-type: none"> • To monitor business performance • To aid decision making • To plan ahead • To illustrate the financial position of the organisation to stakeholders • To get a bank loan • To meet legal requirements • To draw up accurate financial documents e.g. profit/loss a/c, cash flow forecast, etc. • To sell business in the future <p>Exemplar response: A formalised financial record allows business performance to be monitored (1). Anita will be able to make sure that her financial records are accurate (1) so that she can see whether her sales are up or costs are down and make improvements accordingly (1).</p>
<p>4 (a)</p> <p>(i) Define the terms: -fixed costs -variable costs</p> <p>[4 marks]</p>	<p>Fixed costs are costs which do not change (1) with the level of output/sales (1). Variable costs are costs which change (1) with the level of output/sales (1).</p>

Question	Expected Answer
<p>(ii) Assuming that Anita trades for 50 weeks per year, complete the table to calculate the annual fixed costs associated with Option One - opening the two additional market stalls.</p> <p>[3 marks]</p>	<p>Three marks to be allocated as follows:</p> <p>If 2 assumed</p> <p>Market charges £ 40x2x50=4000 (1) Cost of van £5000 Costs of Sandra's wages £120 x 50 = 6 000 (1) Total fixed costs. £15 000 (1)</p> <p>If 3 assumed</p> <p>Market charges £ 40x3x50=6000 (1) Cost of van £5000 Costs of Sandra's wages £120 x 50 = 9 000 (1) Total fixed costs. £20 000 (1)</p>
<p>(iii) Given the 100% mark up on variable costs, calculate the level of sales Anita would need to break-even from operating in the two additional markets stalls.</p> <p>[2 marks] OFR</p>	<p>Two marks for formula (Or if no formula evidence of correct use of formula)</p> <p>FC/contribution per unit (2) or FC/selling price - VC (2)</p> <p>Correct Answer if 2 assumed £15 000/0.5 = £30 000 of sales (or 30000 without £ sign) (2) or Correct Answer if 3 assumed £20 000/0.5 = £40 000 of sales (or 40000 without £ sign) (2)</p> <p>OFR from 4ai) fixed cost figure applies e.g. FC/contribution (2) £40 000 (2) 40 000 (2) £30 000 (2) 4000 (if selling price £10) (2) 2000 (if selling price £20) (2)</p>

Question	Expected Answer			
<p>4 (b)</p> <p>The table below is extracted from the cash-flow forecast which Anita prepared as part of her application for a loan to finance Option Two – opening of the shop in Norford. Complete the table.</p> <p>[7 marks] OFR</p>	All figures in £	July 2008	August 2008	September 2008
	Cash Inflow			
	-Own Savings	10,000	0	0
	-Loan	20,000	0	0
	-Sales Revenue	0	7,500	9,000
	Total cash flow	30,000(1)	7,500	9,000
	Cash outflow			
	-Capital expenditure	20,000	0	0
	-Lease	10,000	0	0
	-Payment for stock	5,000	5,000	5,000
	-Wages paid	0	1,200(1)	1,200
	-Overheads paid	300	300	300
	Total cash outflow	35,300	6,500	6,500
	Net cash flow	(5,300)(1)*	1000	2,500 (1)
Opening balance	0	(5,300)(1)*	(4,300)	
Closing balance	(5,300)(1)*	(4,300)	(1,800)(1)*	
OFR applies where * shown.				

Question	Expected Answer						
<p>4 (c)</p> <p>Analyse the case for drawing up a cash-flow forecast for a new venture such as Option Two – the opening of the new shop in Norford.</p> <p>[9 marks]</p> <p>Levels</p> <table data-bbox="163 566 504 662"> <tr> <td>AO1</td> <td>L1</td> </tr> <tr> <td>AO2</td> <td>L2</td> </tr> <tr> <td>AO3</td> <td>L3</td> </tr> </table>	AO1	L1	AO2	L2	AO3	L3	<p>Level 1. Candidate states benefits and/or drawbacks of drawing up a cash-flow forecasts (no context required) (1-3 marks).</p> <p>Level 2 Candidate states arguments for benefits and/or drawbacks of drawing up a cash-flow forecasts for Anita (4-6 marks).</p> <p>Level 3 Candidate analyses the benefits and drawbacks of drawing up a cash-flow forecasts for Anita (7-9 marks).</p> <p>Answers include::</p> <ul style="list-style-type: none"> • Indicates whether a new venture is viable. • Shows whether the new venture is affordable. • Indicates whether additional capital is needed. <p>Exemplar response: A cash-flow forecast shows whether a new venture is viable (L1). Anita can predict the cash inflow/outflow of the new venture (L2). However, the forecast is only as good as the assumptions on which it is based (L3).</p>
AO1	L1						
AO2	L2						
AO3	L3						

Question	Expected Answer
<p>5 (a)</p> <p>Complete a SWOT analysis for Anita's existing business as a stall holder in Norford market.</p> <p>[8 marks] AO1 4 marks AO2 4 marks</p>	<p>Up to 2 mark for each category – strengths/weaknesses/opportunities/threats.</p> <p>Strengths Experience of successful business (1) Good reputation (1) Low overheads (1) Cheap products (1) Absence of competition (1) Trustworthy employees (1)</p> <p>Weaknesses Poor record keeping (1) Limited trading days (1) Lack storage space (1) Lack transport (1) Limited sources of finance (1) Cash in hand dealings (1)</p> <p>Opportunities Expansion to neighbouring towns (1) Absence of rivals or close rivals (1) Partnership with Sandra (1) Relocation (1) Diversification and extending product range (1)</p> <p>Threats Demographic trends (1) Rise of e-commerce (1) Fluctuation in exchange rates (1) Competition (1) Ethical (1) Weather impact on sales (1)</p>

Question	Expected Answer
<p>5 (b)</p> <p>Identify and explain two reasons why a SWOT analysis is essential for a small business such as Anita's Tiny Tots.</p> <p>[6 marks]</p>	<p>Answers include:</p> <ul style="list-style-type: none">• Helps to set objectives• Improve decision making• Identify strengths• Identify weaknesses• Identify opportunities• Identify threats• Part of business plan to gain financial resources <p>Exemplar responses:</p> <p>Swot analysis provides managers with information in order to improve decision making (1). By identifying the strengths/ weaknesses Anita will be able to improve the running of her business (1). For instance she should improve her financial record keeping. (1).</p> <p>Swot analysis allows opportunities to be identified (1). Knowing the opportunities Anita can make a more informed decision about the future of her business (1). For example, by examining the demographic trends, she might start stocking clothes for other age groups for the long-term survival of her business (1).</p>

Question	Expected Answer								
<p>5c</p> <p>Evaluate the expansion options available to Anita Patel.</p> <p>[12 marks]</p> <table border="0"> <tr> <td>AO1</td> <td>L1</td> </tr> <tr> <td>AO2</td> <td>L2</td> </tr> <tr> <td>AO3</td> <td>L3</td> </tr> <tr> <td>AO4</td> <td>L4</td> </tr> </table>	AO1	L1	AO2	L2	AO3	L3	AO4	L4	<p>Level 1 Candidate makes general comments about expansion options (no context required) (1-3 marks).</p> <p>Level 2 Candidate gives one or more arguments for or against one or other of Anita's options (4-6 marks).</p> <p>Level 3 Candidate analyses arguments for and against Anita's options (7-9 marks).</p> <p>Level 4 Candidate evaluates for and against Anita's options giving reasons for a chosen option (10-12 marks).</p> <p>Exemplar response:</p> <p>Businesses need to expand in order to increase market share (L1). The extra markets option allows Anita to increase her trading and therefore, sales revenue (L2). This option involves less cost than opening a shop but the long-term growth prospects are limited (L3). Anita has insufficient finance as well as the fact that she has reservations about taking a partner, it might be better for Anita to choose this over the more expensive option (L4). Anita should balance the benefits of developing sales outside the small town of Norford with the increased costs and risks associated with opening a shop. The safer and therefore the recommended option is to remain a market trader (L4).</p>
AO1	L1								
AO2	L2								
AO3	L3								
AO4	L4								

F243 The impact of customer service

Question	Expected answer
<p>1 (a)</p> <p>Identify two characteristics of a typical customer to <i>The Hot Spot</i>.</p> <p>[2 marks] AO2 2 marks</p>	<ul style="list-style-type: none"> • Female • Twenty five years old • In part time employment • Living locally
<p>1 (b)</p> <p>Identify and describe three reasons why it is helpful for firms to identify their type of customer.</p> <p>[6 marks] AO1 6 marks</p>	<ul style="list-style-type: none"> • So they can see who they aren't currently appealing to (1) and so try to get those people interested (1). • To make sure they provide customer service appropriate to those people (1) so that they don't leave (1). • To help them use their resources more effectively (1) so that they don't waste money providing something their customers wouldn't like (1). • So they can undertake specific marketing activities such as deals or offers (1) which will appeal to a certain type of person (1).

Question	Expected answer
<p>1 (c)</p> <p>Analyse the decision to target the sixth form students as potential customers of <i>The Hot Spot</i>.</p> <p>[9 marks] Levels AO1 3 marks AO2 3 marks AO3 3 marks</p>	<p>Level 1: candidate makes simple statements out of context regarding targeting a new market (1-3 marks).</p> <p>Level 2: candidate identifies either benefits <u>or</u> drawbacks to the decision to target the sixth form students (4-6 marks).</p> <p>Level 3: candidate analyses (ie benefits and drawbacks) the decision to target the sixth form students. (7-9 marks).</p> <p>It is always a risk for a business to target a completely different market (L1) as they may not be successful and lose money in the process (L1) and could alienate their current customers (L1). Targeting the sixth form students was a good idea on the grounds that Michael had not targeted them before (L2) and they were local to his business so were available to come for a tan on a regular basis (L2). However, it was a mistake to only offer the deals when the students should be in lessons (L3) and some parents would naturally not want their children to participate in something that could be a health risk (L3). Also, students do not have that much disposable income and may not actually be in the area for large chunks of the year (L3).</p>
<p>2 (a)</p> <p>Identify and explain three elements of excellent customer service which customers would expect from <i>The Hot Spot</i>.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<ul style="list-style-type: none"> • They would expect everything to be clean and tidy (1) such as the tanning rooms and reception area (1). • They would expect helpful advice to be given (1) if they wanted help on how to use the tanning units for example (1). • They would expect to have their details taken down correctly (1) if they phoned up to book a tanning unit (1). • They would expect to be taken seriously if they complained (1) and for Michael to compensate them appropriately (1).

Question	Expected answer
<p>2 (b)</p> <p>Identify <u>two</u> pricing strategies used by <i>The Hot Spot</i>.</p> <p>[2 marks] AO2 2 marks</p>	<ul style="list-style-type: none"> • A discount of £1 per session • Buy one session get another session free • Block bookings – further 20% off
<p>2 (c)</p> <p>Give three reasons why businesses such as <i>The Hot Spot</i> use a range of pricing strategies.</p> <p>[3 marks] AO1 3 marks</p>	<ul style="list-style-type: none"> • Pricing strategies enable firms to attract customers (1) by offering them their product at a discounted price (1). This means that they should be tempted to buy the product as they are not paying full price for it (1). • Pricing strategies are a way of encouraging customers to buy more of a product than they may do normally (1). This should hopefully lead to repeat sales (1) even when the product goes back up to full price (1).
<p>3 (a)</p> <p>Identify and explain <u>three</u> ways in which Michael could discover how the people of Moorton feel about <i>The Hot Spot</i>.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<ul style="list-style-type: none"> • Face to face questionnaire (1) where Michael goes into the town and asks the shoppers that he sees (1). • Freephone number (1) which the people of Moorton can be encouraged to phone with their views (1). • Focus group (1) of a few Moorton residents to discuss various elements of The Hot Spot (1). • Observing behaviour (1) of the local people, eg, do they walk past the salon or look in the window? (1). • Postal survey • Phone survey

Question	Expected answer
<p>3 (b) (i)</p> <p>[6 marks] AO1 2 marks AO2 4 marks</p>	<ul style="list-style-type: none"> • She can see how they treat their customers when they first walk in (1) and if the customers are responding well to it (1). She can then try to emulate the same type of service at The Hot Spot (1). • She can see if they use any pricing strategies or special offers to entice customers (1) so The Hot Spot may be able to undercut them (1) and take their customers away (1). • She can get ideas about how to improve the reception area of The Hot Spot (1) by seeing how Hardy's have theirs laid out (1). She could then try and make The Hot Spot's even better (1).
<p>3 (b) (ii) State and explain <u>two</u> reasons why Tracie carrying out an observation at Hardy's Health Spa is:</p> <p style="padding-left: 40px;">a good idea a bad idea.</p> <p>[6 marks] AO1 2 marks AO2 4 marks</p>	<ul style="list-style-type: none"> • Tracie is not working at The Hot Spot whilst at Hardy's (1) which leaves Michael on his own to work (1) which may be problematic if there is a sudden influx of customers (1). • Hardy's customers are of a different type to the ones who use The Hot Spot (1) so their customer service may be geared towards a group of people who are irrelevant (1) and bear no relation to what Michael is trying to achieve (1). • Tracie is only visiting Hardy's on one specific afternoon (1) and their customer service may vary dramatically depending on the time of day or week (1) so she may have a false impression of how they deal with their customers generally (1).

Question	Expected answer
<p>4 (a)</p> <p>Describe what is meant by a 'taster session' (Fig 2).</p> <p>[3 marks] AO1 3 marks</p>	<ul style="list-style-type: none"> A taster session is where a customer would get to try out the facilities of a business (1) for a short amount of time (1). This should allow the customer to experience the service without any commitment (1) and will hopefully then become a paying customer (1).
<p>4 (b)</p> <p>Identify and explain two reasons why offering taster sessions would be beneficial to <i>The Hot Spot</i>.</p> <p>[4 marks] AO2 4 marks</p>	<ul style="list-style-type: none"> The Hot Spot is not doing as well as it could be (1) so by offering customers a free taster session, it gives them the opportunity to try the tanning units out and discuss any concerns with Michael and Tracie (1). It gives people the opportunity to try out the facilities (1) so hopefully be impressed and wish to return to The Hot Spot as a paying customer (1).
<p>4 (c)</p> <p>Describe how a loyalty card scheme might operate.</p> <p>[2 marks] AO1 2 marks</p>	<p>Possible answers could include:</p> <ul style="list-style-type: none"> A customer could be issued with a card (1) that, every time they purchase a product, they get a point (1) which could eventually be traded in for a free product or other reward (1).

Question	Expected answer
<p>4 (d)*</p> <p>Evaluate the extent to which a loyalty card scheme might increase customer numbers at <i>The Hot Spot</i>.</p> <p>*QWC is assessed here.</p> <p>[12 marks] Levels AO1 3 marks AO2 3 marks AO3 3 marks AO4 3 marks</p>	<p>Level 1: candidate describes how a loyalty card scheme might increase customer numbers to a firm (1-3 marks).</p> <p>Level 2: candidate describes how a loyalty card scheme might increase customer numbers to The Hot Spot (4-6 marks).</p> <p>Level 3: candidate analyses how a loyalty card scheme might increase customer numbers to The Hot Spot (7-9 marks).</p> <p>Level 4: candidate evaluates to what extent a loyalty card scheme would increase customer numbers to The Hot Spot (10-12 marks).</p> <p>A loyalty card is likely to increase customer numbers for a firm by encouraging people to buy their goods, and in return they gets some sort of prize or benefit after a certain number of times (L1) which is motivational for the customer (L1). A loyalty card therefore may encourage current customers to The Hot Spot to have a tanning session more frequently (L2) in order to get the reward (L2). However, people who have never visited The Hot Spot are unlikely to want to visit for the first time just because there is a loyalty card scheme running (L3) as they would have to visit several times for any benefit (L3) so is unlikely to tempt them to come in (L3). Using a tanning unit is something that would only appeal to a certain type of person anyway (L3) - a lot of people would just not use one whatever the offer was (L3). Realistically, a loyalty card scheme may boost sales amongst Michael's regulars, but it's possible that they would have their tanning done there anyway (L4); it's highly unlikely to increase the numbers of new customers to The Hot Spot as it would be seen as irrelevant (L4).</p>
<p>5 (a)</p> <p>State and explain three effects an untidy reception area may have on <i>The Hot Spot</i>.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<ul style="list-style-type: none"> • It makes The Hot Spot look unprofessional (1) and so may put off potential customers (1) • It may be a Health and Safety Hazard (1) as customers waiting for their tanning session may slip and hurt themselves (1) • Tracie and Michael could get demotivated (1) by working in such an untidy place (1) • It may appear to the regulars that Michael doesn't think they're worth the effort (1) and so might start going to Hardy's Health Spa instead (1)

Question	Expected answer
<p>5 (b)</p> <p>Other than health and safety and data protection legislation, identify three laws that are relevant to a business such as <i>The Hot Spot</i>.</p> <p>[3 marks]</p> <p>AO1 3 marks</p>	<p>Possible answers could include:</p> <ul style="list-style-type: none">• Supply of Goods and Services• Trades Descriptions• Weights and Measures• Disability Discrimination

Question	Expected answer
<p>5 (c)</p> <p>Discuss the possible consequences to The Hot Spot if it does not become more focused on customer service.</p> <p>[12 marks] Levels AO1 3 marks AO2 3 marks AO3 3 marks AO4 3 marks</p>	<p>Level 1: candidate identifies the possible consequences to a business focusing on customer service (1-3 marks).</p> <p>Level 2: candidate identifies the possible consequences for The Hot Spot if it does not become more customer service focused (4-6 marks).</p> <p>Level 3: candidate analyses the possible consequences for The Hot Spot if it does not become more customer service focused (7-9 marks).</p> <p>Level 4: candidate discusses the possible consequences for The Hot Spot if it does not become more customer service focused (10-12 marks).</p> <ul style="list-style-type: none"> It is important for firms to focus on customer service if they are to stay in business (L1). The Hot Spot has a competitor – Hardy’s Health Spa (L2) and so if Michael does not offer his customers something special then they will look to get their tan done elsewhere (L3) and so Michael will lose money (L3). Customers’ demands change dramatically over time (L1) so it is important that Michael also changes to satisfy those requirements (L2). The Hot Spot currently has a few regular customers who like going there whatever the service is like (L2) which is excellent for Michael (L2) but unfortunately this business alone is not enough to keep The Hot Spot going indefinitely (L3); soon they may get fed up and leave (L3). Michael must strive to put the customer at the heart of everything he does if he is to attract new people to his salon (L4). Realistically, if customers are not catered for correctly then the future of The Hot Spot is at stake (L4) as people take their business elsewhere and profits drop (L4).

F248 Strategic decision-making

Question	Expected Answer
<p>1 (a)</p> <p>What is meant by the term ‘mission statement’?</p> <p>[2 mark] AO1</p> <p>Annotation ✓</p>	<p>Up to two marks</p> <p>Possible responses may include: Objectives and aims (1), vision, public image, philosophy, direction, reason for existence, culture</p> <p>A mission statement is a brief outline of the general purpose of a business (1). It is used to provide direction for the business (1) and also as a way of branding the business in the public eye (1).</p>
<p>(b)</p> <p>Explain one strategic objective that KM plc might have in January 2009.</p> <p>[3] (1+2) AO1 1 AO2 2</p> <p>Annotation ✓</p>	<p>Only mark 1 strategic objective. If more than one strategic objective given mark the best one. However accept a development of a second strategic objective from a first eg profit (1) from expansion (+1)</p> <p>One mark for correct identification plus up to two marks for further explanation in context.</p> <p>Must be strategic (not operational eg hiring more staff).</p> <p>Gain market share/reputation in SW Growth/Expansion geographical or otherwise Profit maximisation Revenue max Status/prestige Corporate image Survival/Breakeven (in reference to 2009 economic climate not startup)</p> <p>NB – can be nothing to do with South West expansion, but should be about KM plc for the development marks.</p> <p>Eg Firms on the verge of expansion will want market share (1). For KM plc the SW is a new market and it will want to get established (1). Once it has made a name for itself it will then consider consolidating this newly won market share (1).</p>

Question	Expected Answer
<p>(c)</p> <p>KM plc has put together a business plan for the expansion into the South West. Explain two reasons why it is important that KM plc includes financial planning as part of this document.</p> <p>[6 marks] (1+2)+2 AO1 2 AO2 4</p> <p>Annotation ✓</p>	<p>Must relate to FINANCIAL planning. One mark for each reason plus a further two marks for explanation in relation to KM plc (twice).</p> <p>To get finance from a bank To plan for likely revenues – when and how much To plan for costs and general budgeting Monitor performance Plan for shortfall of funds</p> <p>Eg Financial planning is needed so that businesses can plan likely costs (1). KM plc will need to identify costs such as delivery vehicles as they are costly and critical to the business (1). If it has inaccurately planned for this expense then it will either be operating at a loss or unable to meet demand (1).</p>
<p>2 (a)</p> <p>KM plc uses break-even analysis to help decide whether it is worthwhile setting up in a new region. Describe three reasons why firms might think break-even analysis is a useful decision-making tool.</p> <p>[6] (1+1)+3 AO1</p> <p>Annotation ✓</p>	<p>No marks for disadvantages – THE QUESTION ASKS FOR ADVANTAGES.</p> <p>1 mark for each description, 1 mark for explanation (three times)</p> <p>Gives the output necessary to cover costs. Shows margin of safety Shows profit (or loss) Helps a firm decide selling price Can help identify FC and VC and how it change them Gain finance from bank/stakeholders (watch for repetition) Visual tool (not easy tool) Modelling tool (not comparison)</p> <p>Eg It shows the output necessary to break even (1). This is useful because gives the firm a target for production and sales (1).</p>

Question	Expected Answer
<p>(b)</p> <p>Calculate how much profit or loss KM plc would make on this one-off removal from Scotland.</p> <p>[6 marks]</p> <p>AO1 3</p> <p>AO2 3</p> <p>Annotation ✓</p> <p>OFR</p>	<p>Up to six marks</p> <p>Revenue $\text{£}300 \text{ fixed fee} + \text{£}1645 \text{ Distance (}7 \times \text{£}235) + \text{£}690 \text{ Containers (}6 \times \text{£}115)$ (1 mark) $= \text{£}2,635$ (1)</p> <p>Costs $\text{£}1368 \text{ staffing (}1 \text{ RS} + 3 \text{ RA, total } \text{£}38 \text{ per hour} \times 36 \text{ hours)} + \text{vehicles } \text{£}1,300 (2 \times \text{£}650)$ (1) $= \text{£}2,668$ (1)</p> <p>Profit = revenue - costs(1) Stated or used Loss of $\text{£}33 (\text{£}2,635 - \text{£}2,668)$ (1)</p> <p>6 marks for correct answer</p>

Question	Expected Answer
<p>(c)</p> <p>Evaluate the decision to accept this removal contract.</p> <p>[12 marks]</p> <p>AO1 2 AO2 2 AO3 3 AO4 5</p> <p>Annotation L1 L2 L3 L4</p> <p>OFR</p>	<p>Level 1 (1-2) Knowledge of contribution/special order costing with no context</p> <p>Level 2 (3-4) Applies knowledge of costing to the case or advantages/disadvantages stated.</p> <p>Level 3 (5-7) Candidate analyses the decision to accept this removal contract. Advantages/disadvantages that are developed.</p> <p>Level 4 (8-12) Candidate evaluates the decision to accept this removal contract L4 only available to candidates who have shown analytical skills ie already achieved L3.</p> <p>Candidate can do a variety of calculations that involve ignoring vehicle costs (ie absorbing them elsewhere) and thus making a profit.</p> <p>Eg If firms are going to make a loss on an order then there is generally no point in taking it on (L1). In this case the loss is £33 and so KM plc should not bother (L2). However, it may well be that doing a removal in Scotland gets it noticed and encourages repeat business (L3). This would depend, though, on just how much attention it received, whether there is significant local competition and other factors. A loss of £33 is negligible for a firm the size of KM plc and so this should not even enter into its reckoning (L4).</p>

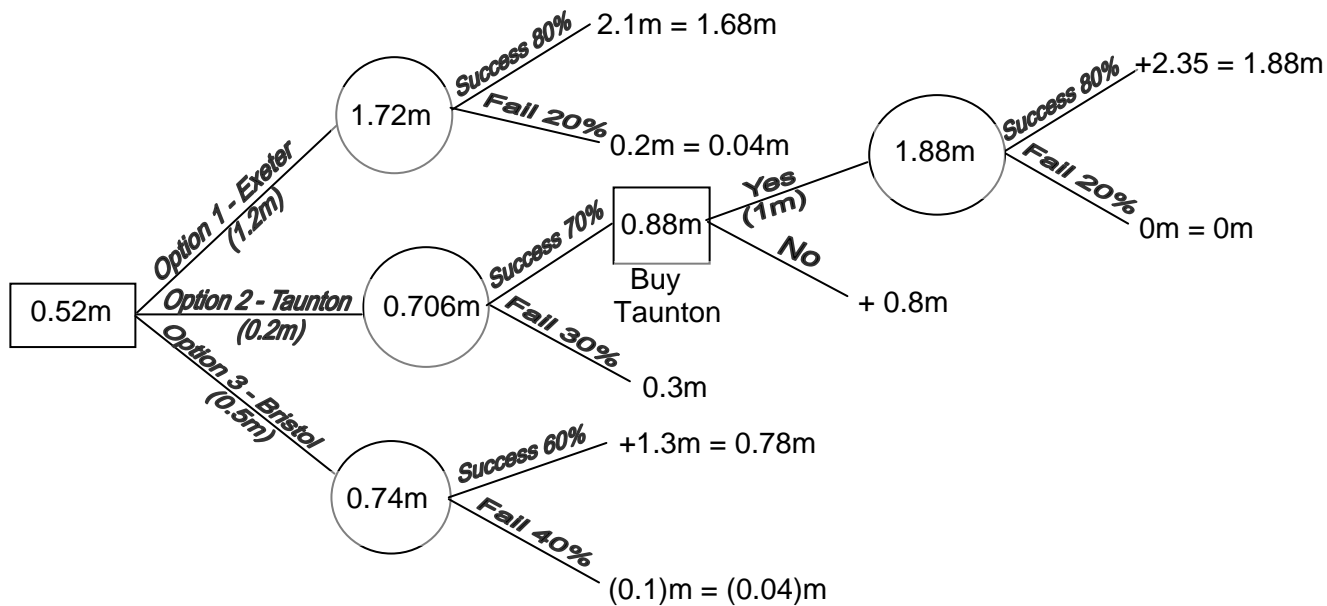
Question	Expected Answer
<p>3 (a)</p> <p>What is meant by the term 'labour productivity'?</p> <p>[2 marks] AO1</p> <p>Annotation ✓</p>	<p>One marks for brief statement, second mark for further development.</p> <p>This measures how much labour produces (1). It is the output divided by the amount of labour time/workers (1).</p> <p>Amount produced (1) per employee (1).</p>
<p>(b) (i)</p> <p>Simon measures labour productivity in terms of containers moved per removal staff. Calculate the labour productivity for all removals in South Wales in August 2008.</p> <p>[3 marks] AO1 1 AO2 2</p> <p>Annotation ✓</p>	<p>Up to three marks</p> <p>Labour productivity = output/no. of workers/labour time (1 mark) $181+52= 233$ containers (1) $233 \text{ containers}/18 \text{ removal staff} = 12.9$ containers per person (1)</p> <p>Accept 12 (as 0.9 is an incomplete unit)</p> <p>Also accept 13 (12.9 rounded up)</p> <p>Full marks for correct answer</p>

Question	Expected Answer
<p>(ii)</p> <p>Calculate the rate of absenteeism among storage staff in South Wales in August 2008.</p> <p>[3 marks]</p> <p>AO1 1</p> <p>AO2 2</p> <p>Annotation ✓</p>	<p>Up to three marks</p> <p>Absenteeism = days lost/no. of possible days of work (1)</p> <p>22 possible days x 5 storage staff = 110 possible days work (1)</p> <p>16 days lost/110 = 14.5% absenteeism (1)</p> <p>Accept rounding to 14 or 15.</p>

Question	Expected Answer
<p>(c)</p> <p>Analyse possible reasons why there is a difference in absenteeism and labour turnover between the removal staff and storage staff in the South Wales region.</p> <p>[6 marks]</p> <p>AO1 2 AO2 2 AO3 2</p> <p>Annotation L1 L2 L3</p>	<p>Absenteeism for Storage Staff is 14.5%</p> <p>Absenteeism for Removal Staff is $18 \times 22 = 396$ $7/396 = 1.8\%$</p> <p>Many possible answers include:</p> <ul style="list-style-type: none"> Poor motivation Lack of training Poor supervision Lack of equipment Pay rates Job satisfaction Nature of job Contractual differences <p>Level 1 (1-2) Identification/explanation of general reasons - identify difference in rates</p> <p>Level 2 (3-4) Explanation of reasons in context of KM plc</p> <p>Level 3 (5-6) Candidate analyse(s) possible reasons why there is a difference in absenteeism and labour turnover between the removal staff and the storage staff in the South Wales region</p> <p>Eg Poor morale is usually a reason for high absenteeism and labour turnover (L1). At KM plc South Wales this could well be the case. There is a history of poor pay for storage staff (L2). This would make them feel unwanted and inferior to the removal staff teams who are better paid, trained and led - hence their low rates of turnover and absenteeism (L3).</p>

Question	Expected Answer
<p>4 (a)</p> <p>Complete the decision tree below.</p> <p>[12 mark]</p> <p>AO1 6</p> <p>AO2 6</p> <p>Annotation ✓</p>	<p>Two marks per correct node x 6</p>

NB Use this answer unless OFR applies



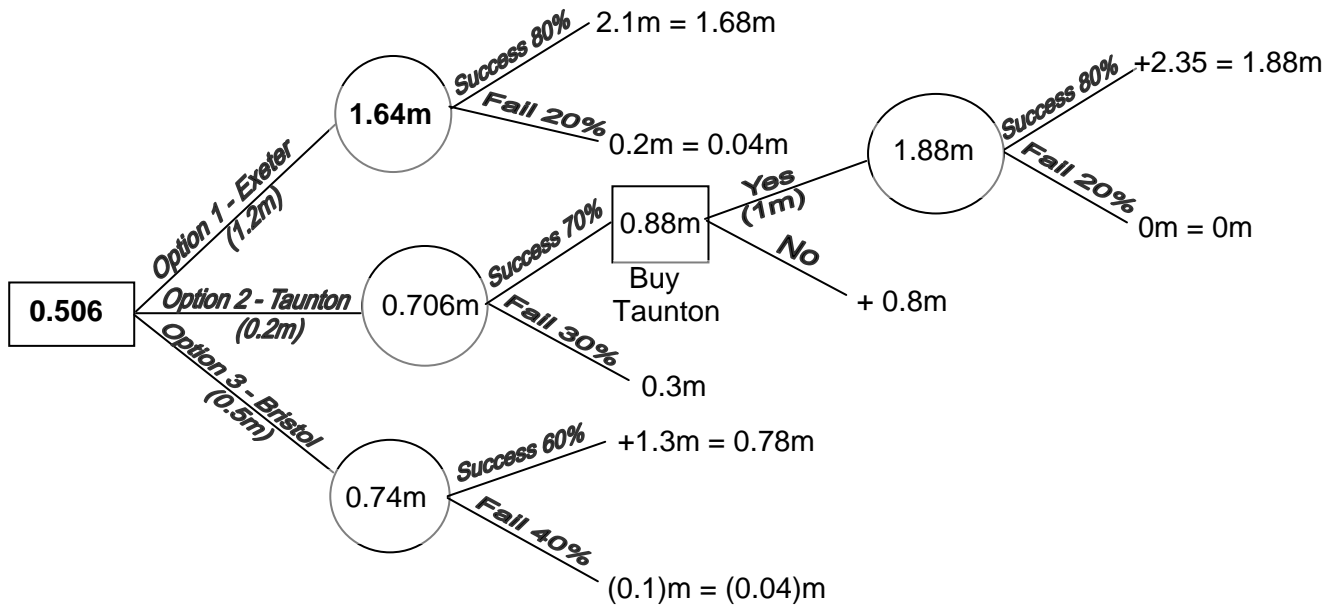
3 possible alternative responses if 'fail' options (where plus sign is not specifically stated on question paper) are misinterpreted by candidates as negatives (ie fail 0.2m interpreted as $-0.2m$ and fail 0.3m read as $-0.3m$)

PLEASE SEE ALTERNATIVE DECISION TREES FOR ALTERNATIVE RESPONSES

NB Use this decision tree ONLY if a candidate has misunderstood Option 1 Exeter fail 20% 0.2m to be negative (ie -0.2m)

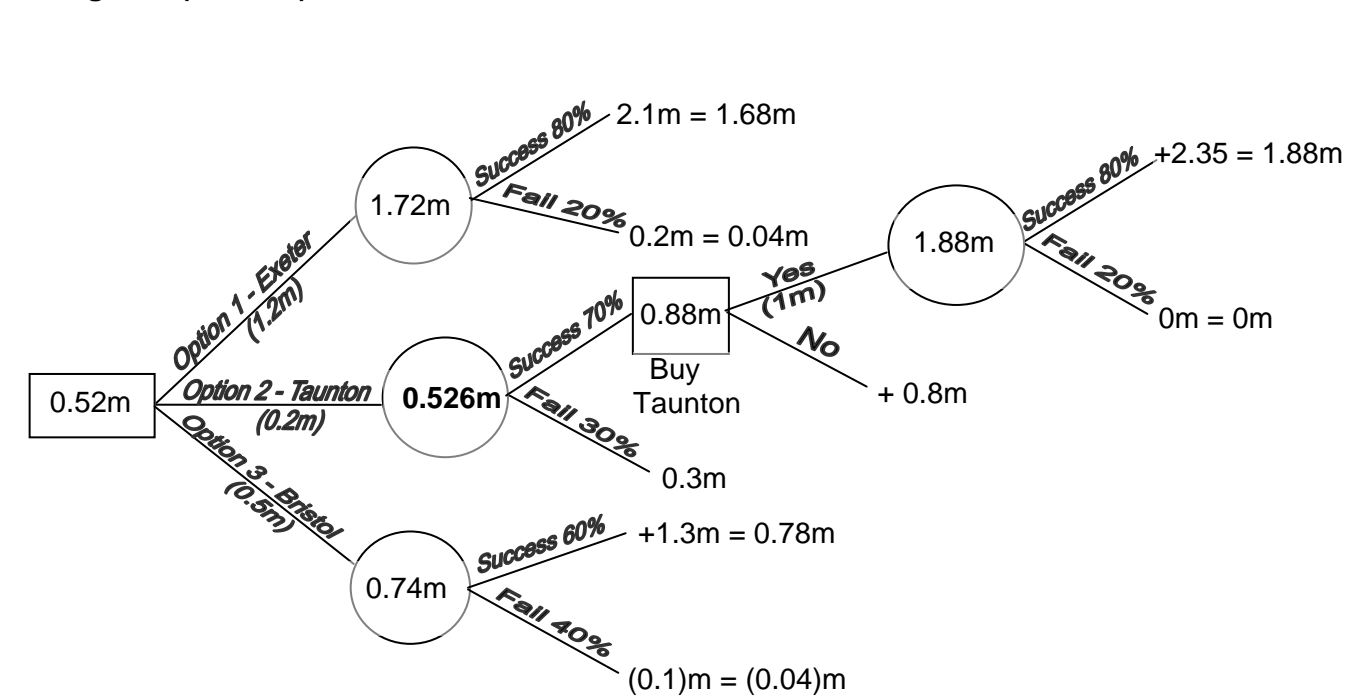
PLEASE ANNOTATE WITH OFR.

1.72m would be replaced by 1.64m.
If Option 1 is OFR then final outcome is Option 2 (0.506m)



NB Use this decision tree ONLY if a candidate has misunderstood Option 2 Taunton fail 30% 0.3m to be negative (ie -0.3m)

PLEASE ANNOTATE WITH OFR.

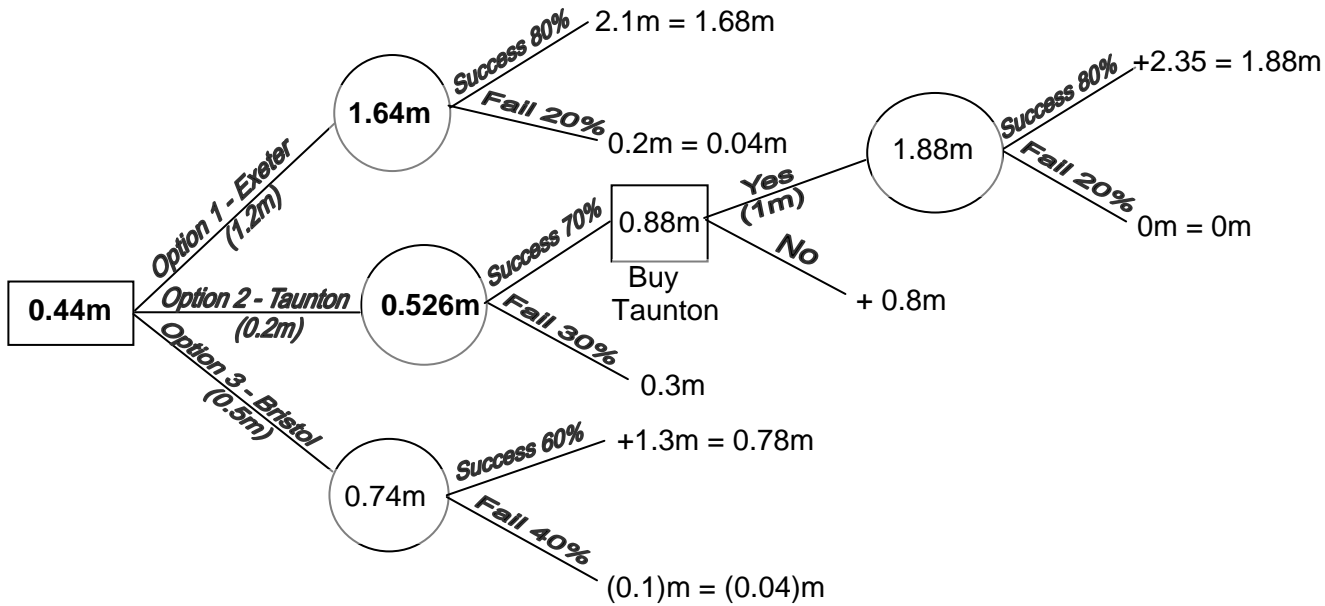


0.706m would be replaced by 0.526m
 If Option 2 is OFR then final outcome is Option 1 (0.52m)

NB Use this decision tree ONLY if a candidate has misunderstood Option 1 Exeter fail 20% 0.2m to be negative (ie -0.2m) AND Option 2 Taunton fail 30% 0.3m to be negative (ie -0.3m).

PLEASE ANNOTATE WITH OFR.

1.72m would be replaced by 1.64m and 0.706m would be replaced by 0.526m.
 If BOTH Options 1 and 2 are OFR then final outcome is Option 1 (0.44m)



Question	Expected Answer
<p>(b)</p> <p>Assess the extent to which a decision tree is useful to KM plc in its strategic decision-making.</p> <p>[12 mark]</p> <p>AO1 2</p> <p>AO2 2</p> <p>AO3 3</p> <p>AO4 5</p> <p>Annotation L1, L2, L3, L4</p>	<p>Level 1 (1-2) Knowledge of decision trees with no context</p> <p>Level 2 (3-4) Applies knowledge to the context or lists of ads/disads with no context.</p> <p>Level 3 (5-7) Candidate analyses the usefulness of a decision tree to KM plc in its strategic decision making OR analysis with no context (reward 5 max)</p> <p>Level 4 (8-12) Candidate assesses (evaluates) the extent to which a decision tree is useful to KM plc in its strategic decision making (only rewardable for candidates who write in L3 in context)</p> <p>Issues: Quantifies decisions - maybe better than qualitative information Use of probability Outcomes and probabilities are not fact - how produced? Easy to make it biased Many external factors that can make it inaccurate</p> <p>Eg Decision trees rely on accurate information (L1). KM plc will find it hard to get accurate outcome and probability information (L2). This is because, for example, it has not got any previous (success !) data for the SW and what it has done is difficult to translate into probability and thus the answers will be virtually meaningless (L3). It may, however, work well if KM plc does thorough research into the SW market, or maybe employ an agent, and can, therefore, rely on the quantitative data (L4).</p>

Question	Expected Answer
<p>5 (a)</p> <p>What is meant by the term 'contingency plan'?</p> <p>[3 marks] AO1</p> <p>Annotation ✓</p>	<p>One mark for basic statement and up to two marks for further development.</p> <p>Eg A contingency plan is planning for the unforeseen (1). It is proactive approach to predicting possible changes in, say, demand (1) and enables the management of the situation to be more efficient (1).</p>
<p>(b)</p> <p>Outline one possible contingency plan that KM plc could produce.</p> <p>[4] AO1 1 AO2 3</p> <p>Annotation ✓</p>	<p>Up to four marks for basic/general idea of ANY plan in relation to KM plc and up to three marks for further detail in context.</p> <p>ARA</p> <p>Eg KMP could plan for an alternative region should the SW fail again (1). This would mean KMP doing market research elsewhere (1), considering the re-allocation of resources, such as staffing, elsewhere (1) and putting together an alternative financial plan (1).</p>

Question	Expected Answer
<p>6</p> <p>Using qualitative and/or quantitative information other than a decision tree, recommend and justify which of the three South West expansion options KM plc should select.</p> <p>[20 marks]</p> <p>AO1 4</p> <p>AO2 5</p> <p>AO3 5</p> <p>AO4 6</p> <p>Annotation L1 L2 L3 L4</p> <p>OFR</p> <p>QWC</p>	<p>This is the QWC question. Please follow the instructions at the beginning of the mark scheme.</p> <p>Level 1 (1-4) General comments about expansion or other issues - out of context</p> <p>Level 2 (5-9) Explanation/list of reasons related to options OFR applies</p> <p>Level 3 (10-14) Candidate analyses which of the three south west expansion options KM plc should select</p> <p>Level 4 (15-20) Candidate RECOMMENDS and justifies (from analytical comment) which of the three South West expansion options KM plc should select</p> <p>Many different possibilities</p> <p>Eg Expansion is a good option for most businesses after years of operation (L1). Option 1 has marginally the higher return according to the decision tree and so must be considered strongly (L2). However, this option would involve a considerable amount of financial commitment up front unlike, say, Option 2 which involves renting (L3). This is better in KM plc's situation because of its previous experience in the SW and it would be better to 'wait and see' with minimal financial commitment (L4).</p>

F256 Business law

Question	Expected answer
<p>1 (a)</p> <p>Explain the term limited liability.</p> <p>[2 marks] AO1</p>	<p>Limited liability means that shareholders are only liable to meet the debts of the business to the extent of their investment in the business through shares. Personal possessions cannot be claimed to pay off company debts.</p> <p>Accept references to incorporation or separate legal identity as this is the legal foundation to limited liability.</p> <p>However, do not award references to being sued, ie company sued not shareholders. as this relates directly to incorporation rather than limited liability.</p> <p>Eg The shareholders of SB plc have limited liability so any claim on the business will not cost them personally (1). A shareholder's house, car or other possessions are not at risk of being lost if the company gets into financial difficulties (1).</p> <p>Eg If the shares are fully paid up then no further claim can be made on the shareholder (1).</p>

Question	Expected answer
<p>1 (b)</p> <p>Explain two documents which are required to set up a company such as SB plc.</p> <p>[6 marks] AO1 2 marks AO2 4 marks</p>	<p>Documents include: Memorandum of Association Articles of Association Form 10 Form 12 Certificate of Incorporation</p> <p>Accept any correct detail as to content or purpose of the document for explanation marks.</p> <p>Eg Memorandum of Association (1) which regulates the relationship of the company with the outside world (1). It includes the company name with plc after it (1), the registered office (1), objects (1), liability of the members (1) and authorised share capital (1).</p> <p>Eg Articles of Association (1) which states the internal rules which govern the company's organisation (1). It includes the rules about meetings (1) and the voting rights of shareholders (1).</p> <p>Eg Form 10 (1) which includes the name of the company's first registered office (1) and the names of the directors and company secretary (1).</p> <p>Eg Form 12 (1) which is a statutory declaration which needs to be signed by a qualified person stating that all the requirements of the registration process has been complied with (1).</p> <p>Eg Certificate of Incorporation (1) – a document issued by the Registrar of Companies which identifies that the firm has been incorporated and has a separate legal identity from its owners (1). Possession of this document allows a plc to begin trading (1).</p>

Question	Expected answer
<p>1 (c*)</p> <p>QWC assessed here.</p> <p>Evaluate the case for and against SB plc remaining as a public limited company rather than becoming a private limited company.</p> <p>[15 marks] AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Evaluation of the decision to remain as a public limited company rather than becoming a private limited company. Essentially advantage(s)/disadvantage(s) of plc v ltd.</p> <p>Should be in context.</p> <p>Issues include:</p> <p>Public issue of shares as opposed to private issue Trading on the Stock Exchange, share price volatility, increased risk of takeover Publication of financial data Media attention Divorce between ownership and control Requirement to hold AGM's for plcs but not for ltds</p> <p>Limited liability is not an issue.</p> <p>Do not award references to size unless clearly referenced to business ownership (plc/ltd) and applied specifically to SB plc.</p> <p>Level 1 – (1-3 marks) Candidate demonstrates knowledge of plcs and/or ltds with no reference to SB plc.</p> <p>Level 2 – (4-6 marks) Candidate applies knowledge of plcs/ltds to outline advantage(s)/disadvantage(s) of plcs/ltds as appropriate to SB plc.</p> <p>Level 3 – (7-10 marks) Candidate analyses advantage(s) and/or disadvantage(s) clearly explaining the implications to SB plc.</p> <p>Level 4 – (10 -15 marks) Candidate evaluates the case for and against SB plc remaining as a plc by giving a fully supported judgement on whether SB plc should remain as a plc or change to an ltd following on from an analysis of both the advantage(s) and disadvantage(s).</p>

Question	Expected answer
	<p>There must be a decision with valid reasoning, supported by a two-sided argument, to award L4.</p> <p>Eg Plcs can issues shares on the Stock Exchange (L1.) SB plc is able to raise finance through selling shares to the public on the Stock Exchange (L2). This means they will be able to raise more money than they would as an ltd which will help with its expansion plans (L3). However, being quoted on the Stock Exchange puts it at risk of a hostile takeover (L3). Given the rumours of interest from an American burger chain SB plc may seek to protect itself by becoming an Ltd, the costs of the extensive advertising campaign seems to already have been met by reducing this year's dividends to shareholders (L4).</p> <p>Eg Plcs must publish their financial data (L1). The fact that SB plc is operating as a plc means that its financial data becomes public knowledge, it can be commented on in the press and competitors can see its performance (L2). This may be a significant disadvantage to SB plc as it is considering undertaking a major advertising campaign and will not wish to alert the competition to its planned activities (L3). Becoming an Ltd however would make it more difficult to raise money for the advertising campaign as shares can only be sold, by consent, to private individuals (L3). Therefore I think that SB plc needs to remain as a plc but ensure that it acts quickly with its advertising campaign and keeps the detail under wraps as much as possible (L4).</p>

Question	Expected answer
<p>2 (a)(i)</p> <p>What is meant by case law?</p> <p>[2 marks] AO1 2 marks</p>	<p>Case law is made up of legal principles decided by judges where at the time of the case no legislation to cover the case was in force. These written decisions of judges then become binding in future similar cases.</p> <p>Eg These laws are made by the decisions of judges in court cases (1). Some of these decisions may have been made in the nineteenth century but are still valid today (1).</p> <p>Eg Legal principles are laid down in previously decided cases (1). Judges can exercise 'judicial precedent' which means to 'stand by what has already been decided' (1).</p>
<p>2 (a)(ii)</p> <p>Explain two differences between criminal law and civil law</p> <p>[4 marks] AO1 4 marks</p>	<p>Criminal law regulates dangerous behaviour whereas civil law governs relationships between one another.</p> <p>In criminal law it is the State that takes action against offenders whereas in civil law it is the person who is wrong who takes action.</p> <p>The main aim of criminal law is to punish the offender whereas the main aim of civil law is to compensate the victim.</p> <p>Criminal cases are heard in Magistrates' or Crown Courts whereas civil cases are dealt with in County and High courts.</p> <p>Standard or burden of proof for a criminal case is 'beyond all reasonable doubt', for a civil case it is only "on the balance of probabilities".</p> <p>Accept examples as explanation for awarding explanation marks.</p> <p>Eg The Crown brings action in a criminal case rather than the wronged person (1), therefore in a murder case it will be the police (CPS) who press charges (1).</p> <p>Eg The police bring the action in a criminal case whereas the wronged person takes action in a civil case (1). This means that the police are not usually involved in a civil case (1).</p>

Question	Expected answer
	<p>Eg The burden of proof is to a much higher standard in a criminal case (1). In a civil case the judgement is made on the balance of probabilities but in a criminal case it must be beyond all reasonable doubt (1).</p> <p>Eg The main aim of criminal law is to punish rather than compensate (1) therefore fines and imprisonments are likely judgements rather than remedies for damages (1).</p>
<p>2 (b)</p> <p>Emily thought she was being treated unfairly by not being paid the same wage rate as other employees. Explain whether the Equal Pay Act may apply in this case.</p> <p>[4 marks] AO1 2 marks AO2 2 marks</p>	<p>The EPA requires men and women to be paid the same for the same job provided ALL circumstances are the same – start date, length of service, qualifications, experience etc.</p> <p>Level 1 (1 - 2 marks) Candidate shows knowledge of unfair treatment at work and/or the Equal Pay Act with no reference to Emily or her situation.</p> <p>Level 2 (3 – 4 marks) Candidate explains whether the Equal Pay Act would apply in Emily’s situation.</p> <p>Eg The EPA ensures that men and women are paid the same for the same job (L1) or work rated as equivalent (L1). The EPA may apply in this case if Emily is being paid differently from an employee who started work at the same time in the same job (L2). However, if Emily was comparing her wage rate to employees who had worked in the business for a while it is unlikely that the work is rated as equivalent and the EPA would not apply (L2).</p>
<p>2 (c)(i)</p> <p>What is meant by contributory negligence?</p> <p>[2 marks] AO1 2 marks</p>	<p>Contributory negligence is when a person has an accident at work and in some way contributes to the cause or outcome. Their actions may make the accident more serious and lead to a reduced compensation claim. Accept a valid example, if offered, for the second mark.</p> <p>No context is required.</p> <p>Eg If an accident at work is partially caused by the actions of the employee (1) then the employee will be held partially to blame (1).</p> <p>Eg Any compensation paid out to an employee in the event of an accident at work is likely to be reduced (1) to the extent to which the employee contributed to their own downfall (1).</p>

Question	Expected answer
	Eg An accident may have been caused or even been more serious because of the workers own action (1), for example when carrying some boxes they did not follow company safe lifting procedures (1) and are therefore deemed partially responsible for the injured back they suffered whilst carrying the heavy boxes (1).

Question	Expected answer
<p>2 (c)(ii)</p> <p>Emily had an accident at work. Explain two reasons why contributory negligence may apply in this case.</p> <p>[4 marks] AO1 2 marks AO2 2 marks</p>	<p>Reasons would include:</p> <p>Hurrying to leave (1) – did not show enough care to health and safety regulations (1) Floor mopped carelessly (1) – slipped on a dangerous floor that she herself had created (1) Taking mobile phone call (1) – not concentrating on what she was doing (1)</p> <p>Eg Emily mopped the floor poorly leaving it wet (1) and therefore contributed to the accident through her own negligence when she slipped on the wet floor (1). Emily was answering her mobile phone at work (1). This may have caused or contributed to her accident as she may not have been concentrating on what she is doing (1).</p>
<p>2 (d)</p> <p>Evaluate whether or not Emily’s dismissal was fair.</p> <p>[15 marks] AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Essential reasons for/against fair dismissal.</p> <p>Should be in context.</p> <p>Issues include:</p> <p>Victimisation – Emily being asked to do menial tasks, unequal pay, unfair treatment, no performance bonus. Sufficiency of training – negligence Poor punctuality without good reason General attitude to work improved after verbal warning Contributory negligence – following of health and safety procedures Cause of accident and degree of injury Constructive dismissal?</p> <p>Level 1: [1-3 marks] Candidate shows knowledge of the law in relation to dismissal.</p> <p>Level 2: [4-6 marks] Candidate applies knowledge of the law in relation to dismissal to the case of Emily, outlining the issue(s) to be considered in this case.</p>

Question	Expected answer
	<p>Level 3: [7-10 marks] Candidate analyses legal reasons for/against Emily's dismissal being fair.</p> <p>Level 4: [11-15 marks] Candidate evaluates whether or not Emily's dismissal was fair. Candidate gives a fully supported judgement on whether Emily's dismissal was fair following on from an analysis of both sides of the argument.</p> <p>There must be a judgement with valid reason supported by a two-sided argument to award L4.</p> <p>Eg An employee can be dismissed fairly for misconduct (L1). Emily has turned up late to work on a number of occasions, persistent lateness would be grounds for dismissal for misconduct (L2). However, the reason for the lateness was not fully investigated by Delia and may have been due to Emily feeling victimised (L3). If Emily was treated unfairly by being paid differently to the others and being asked to do more menial tasks then she may have a case for constructive dismissal (L3), however turning on time for work is within her control and therefore it is likely that it would be deemed she brought the situation upon herself and was guilty of misconduct and therefore fairly dismissed (L4).</p> <p>Eg An employer may not treat one employee more favourably than another, victimisation is wrong (L1). Emily can argue that she was victimised as she was not paid a bonus (L2). However the performance related bonus was withheld after Emily received a verbal warning for her attitude at work and Delia could argue that this poor attitude was the reason for her dismissal (L3). However, given the long list of mistreatments Emily has suffered however – low pay, menial tasks, etc it is likely Emily could argue she was victimised and therefore that the dismissal was unfair (L4).</p>

Question	Expected answer
<p>3 (a) (i)</p> <p>State two provisions of the Weights and Measures Act.</p> <p>[2 marks] AO1 2 marks</p>	<p>Provisions include: Weight/measure should be stated/indicated Weight/measure should be accurate As labelled Not misleading</p> <p>No context is required.</p> <p>Eg Goods provided must be equal to or greater than their stated quantity (1).</p> <p>Eg The Weights and Measures Act provides strict rules to make sure that goods sold by weight or by measure do not mislead the public (1).</p> <p>Eg If Delia sold burgers which are underweight this is in breach of the WMA Act (1)</p>
<p>3 (a) (ii)</p> <p>Explain how the two provisions stated in part (a)(i) may apply to Delia's business.</p> <p>[4 marks] AO2 4 marks</p>	<p>NB Do not award marks for the provision itself this has been awarded in 3 (a) (i). Answers must relate to the affect on Delia's business eg action she must/must not take, or results of such actions.</p> <p>Eg Delia must ensure that her burgers are the correct weight or heavier (1) or she risks being prosecuted under the WMA (1)</p> <p>Eg Misleading customers as to the size of the burgers (1) may lead to a poor reputation (1).</p> <p>Eg Delia should not advertise her burgers as quarter pounders (1). Doing so may result in unfavourable media attention and loss of trade (1).</p>

Question	Expected answer
<p>3 (b)</p> <p>Delia had a contract with Jed Handslip for the supply of burgers. Outline four ways in which the contract between Delia and Jed could be terminated.</p> <p>[8 marks] AO1 4 marks AO2 4 marks</p>	<p>Termination of contract by:</p> <p>Discharge by performance (1) OR both parties had completed what they had agreed to do (1).</p> <p>Mutual agreement (1) OR both parties agree to end the contract (1).</p> <p>Event that frustrates performance (1) OR external forces make it no longer possible to complete the contract (1) eg death (+1), change in law (+1)</p> <p>Breach of contract (1) OR either party failing to meet the conditions laid down in the contract (1).</p> <p>Watch for repetition – eg if marks awarded for breach by one party, do not allow extra marks for a breach example by the other party as this could lead to 4 marks awarded for breach –maximum award for each provision is 2.</p> <p>NB development mark MUST be in context</p> <p>Eg The contract could be terminated by breach (1). Jed did not deliver the required weight of burger (1).</p> <p>Eg The contract can be terminated by mutual agreement (1). Delia can agree with Jed that she will source her burgers from elsewhere due to recent quality issues (1)</p> <p>Eg An event that frustrates the contract would terminate the contract (1), such as the death of Jed (1).</p> <p>Eg Discharge by performance (1), Jed and Delia may have agreed a fixed length to the contract (1).</p>
<p>3 (c)</p> <p>Explain three possible impacts of the Data Protection Act on Delia’s business.</p> <p>[9 marks] AO1 3 marks AO2 6 marks</p>	<ul style="list-style-type: none"> • Data obtained and processed lawfully • Kept only for the purposes registered • Not disclosed/used for any purpose other than that intended • Adequate, relevant and not excessive • Accurate and kept up to date • Not kept longer than necessary • Must correct data if request received in writing • Obligation to protect security

Question	Expected answer
	<ul style="list-style-type: none"><li data-bbox="734 210 1514 239">• Not transferred to countries outside the European Union <p data-bbox="689 274 1554 303">Looking for practical impacts/actions/effects for explanation marks.</p> <p data-bbox="689 344 1995 408">Eg Records must be kept up to date (1), this means Delia, or one of her staff, will have to spend time keeping the register up to date (1). This costs money and has an impact on profit (1).</p> <p data-bbox="689 450 2040 577">Eg The DPA requires that all personal information held must be processed for a specified purpose (1). The questionnaires completed by customers and used for Delia's mailshot must therefore indicate that it will be used in Direct Marketing (1). This may mean some customers are put off completing the questionnaires as they would rather not receive direct mail (1).</p>

Question	Expected answer
<p>3 (d)</p> <p>Evaluate to what extent Delia’s business might be in breach of consumer protection legislation.</p> <p>[15 marks] AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Can refer to:</p> <ul style="list-style-type: none"> • SSGA – satisfactory quality, fit for purpose, as described • TDA – as described • CPA – safety/harm • WMA • SGSA <p>Lots of issues – piece of plastic, was burger safe? As described – quarter pounder? Underweight? Fit for purpose? Satisfactory quality?</p> <p>Level 1 (1 – 3 marks) Candidate shows knowledge of consumer protection legislation.</p> <p>Level 2 (4 – 6 marks) Candidate describes appropriate consumer protection legislation for Delia’s business.</p> <p>Level 3 (7-10 marks) Candidate analyses Delia’s businesses’ position with regards to consumer protection legislation.</p> <p>Level 4 (11 – 15 marks) Candidate evaluates the extent to which Delia’s business might be in breach of consumer protection legislation, reaching a reasoned conclusion based on the weighing up of evidence.</p> <p>Eg The TDA states that goods must be as described (L1) therefore a “quarter pounder” should weigh at least that (L2). The customer’s contract is with Delia’s business and Delia cannot blame her supplier, it is her job to sell the items as described (L3). On the other hand she can only sample her supplies and if the underweight burger was a one-off then the courts would deal with her leniently. Delia should seek a more reliable supplier (L4).</p> <p>Eg The Consumer Protection Act says that goods supplied to customers must be safe and not cause harm (L1). Delia’s business sold a burger with a piece of plastic in it (L2) If the customer was injured in some way from eating the burger then strict liability applies and Delia’s business would have to pay compensation (L3). However, if the customer was not injured then no compensation is payable as the CPA has not been broken, although the customer may still be able to claim under the SSGA that the burger was not of satisfactory quality (L4).</p>

Question	Expected answer
<p>4 (a)</p> <p>State two main provisions of the Trade Marks Act.</p> <p>[2 marks]</p> <p>AO1 2 marks</p>	<p>Trade Marks Act covers non verbal marks including emblems and symbols used to uniquely identify a business or brand. Trade marks must be registered and not imitate another. They must not be morally offensive or against the public interest.</p> <p>NB do not award marks for what a Trade Mark is but rather for the protection the TMA offers.</p> <p>Do not award marks for answers relating to inventions etc, these are covered in the Copyright, Designs and Patents Act.</p> <p>Eg Registering of Trade Mark allows sole use of the Trade Mark (1). Eg A registered Trade Mark cannot be copied without permission (1). Eg A Trade Mark can be sold as intellectual property (1). Eg A Trade Mark is a 'badge' that a business may register with the Patent's Office (1). Eg The trade mark must not be deceptive or contrary to law or morality (1). Eg Not similar or identical to any earlier marks for the same or similar goods or services (1).</p>

Question	Expected answer
<p>4 (b)</p> <p>State two main provisions of the Copyright, Designs and Patents Act.</p> <p>[2 marks] AO1 2 marks</p>	<p>Copyright, Designs and Patents Act covers tangible creations as well as literary, dramatic, musical and artistic works, sound recordings, films, radio, and typographical arrangements. Once registered for copyright the owners have exclusive rights to copy adapt or sell their work. Anyone wishing to use the design must seek the permission of the owner and pay royalties.</p> <p>Eg Once copyright has been obtained the owners have exclusive rights to the invention or creation (1). Eg Copyrights, designs and patents can be sold like all other property (1). Eg Copying of a copyrighted item is a legal infringement (1). Eg Anyone wishing to use your design must seek your permission (1) and pay royalties (1).</p>
<p>4 (c)</p> <p>Explain two possible reasons why George should patent his environmentally friendly packaging.</p> <p>[4 marks] AO1 2 marks AO2 2 marks</p>	<p>Explanation marks MUST be in context.</p> <p>The patent protects others from using George's environmental packaging (1) which means when George shows the packaging to SB plc they cannot steal his ideas (1).</p> <p>George may be able to sell his patent to a larger burger store (1) raising a great deal of money (1).</p> <p>The patent can be licensed to other burger shops (1) and George can charge a fee for this which will increase his funds (1).</p> <p>George can sell the environmental packaging and its patent (1) this will again enable him to increase his funds (1).</p>

F257 Managing risk in the workplace

Question	Expected Answer
<p>1 (a)</p> <p>In the context of health and safety, define the term 'hazard'.</p> <p>[2 marks] AO1 2 marks</p>	<p>A hazard is something with the capacity to do harm (1) and may be the cause of injury (1).</p> <p>A hazard refers to something which has the potential to cause harm (1) e.g. a method of working (1), or a material or substance (1).</p> <p>Accept examples for the second mark only.</p>
<p>1 (b)</p> <p>Outline three laws or regulations which impact on the activities of factory workers at WB plc.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<p>Three from:</p> <ul style="list-style-type: none"> • Manual Handling Operations Regulations (1); this outlines how the heavy sacks should be carried (1) • Provision and Use of Workplace Equipment Regulations (1) this ensures equipment such as the ovens is used in a regulated manner (1) • Health and Safety at Work Act (1) • Workplace (Health and Safety and Welfare) Regulations (1) • Management of Health and Safety at Work Regulations (1) • COSHH (1) • The Personal Protective Equipment at Work Regulations (1) • Food Hygiene Act (1) • Food Safety Act (1) <p>Do not award Recording of Injuries Regulations as this is not under UK jurisdiction</p> <p>Do not award Display Screen Directive as this is a factory.</p> <p>Do not award Data Protection Act as this is a factory.</p> <p>Award for correct example/regulation.</p>

Question	Expected Answer
	<p>Development marks must relate to the context of a bakery.</p> <p>NB must relate to factory workers not other areas of the business.</p>
<p>1 (c)</p> <p>Explain three health and safety responsibilities which employees would have towards WB plc.</p> <p>[9 marks] AO1 3 marks AO2 6 marks</p>	<ul style="list-style-type: none"> • Adhering to health and safety guidelines within the workplace (1) such as correct carrying of heavy sacks of flour (1). Reducing the risk of others working in the area (1). • Ensure they are trained before operating equipment (1). This will allow workers to operate machinery such as ovens safely reducing the chance of injury (1). By doing so employees are fulfilling their duty of care other employees (1). • Ensuring they take breaks where appropriate (1). This will ensure workers are not tired when operating machinery (1). Thus reducing the risk of creating a hazard able to cause serious injury to others (1). • Wearing/using correct protective equipment. • Ensure a safe working environment (1). • Reporting hazards (1). • Reporting accidents (1) • Reasonable skill reasonable care (1)

Question	Expected Answer
<p>2 (a)</p> <p>What is meant by the term duty of care?</p> <p>[2 marks] AO1 2 marks</p>	<p>Everything that is reasonably practicable (1) to maintain standards of health and safety in the workplace (1).</p> <p>Must ensure the workers are safe (1).</p> <p>Ensuring a safe working environment (1).</p> <p>Award examples for second mark such as “Providing correct training (1)” or “Providing appropriate equipment or clothing” (1).</p>
<p>2 (b)</p> <p>Explain two Health and Safety responsibilities which WB plc has to its employees in minimising risk.</p> <p>[6 marks] AO2 6 marks</p>	<ul style="list-style-type: none"> • WB has a duty of care to their staff (1). This means that WB must ensure the work area is safe for employees (1). WB must make employees aware of potential risks (1). • WB should provide correct training for employees (1) e.g. how to deal with hot ovens (1) to avoid employees getting burnt (1). • Protective equipment (1). • Ensure safe working (1) • Ensure safe working environment (1) or ensuring maintenance of any health and safety standards (1) • Legal implications of not complying with the law (1) • Provision of breaks to employees (1) • Risk assessment (1) <p>Do not accept medical personnel as this is post–event. Do not accept “making aware of potential risks”.</p>

Question	Expected Answer
<p data-bbox="163 225 277 256">2 (c)</p> <p data-bbox="163 293 665 389">Explain two ways in which a well trained workforce is of benefit to WB plc.</p> <p data-bbox="163 429 344 491">[6 marks] AO2 6 marks</p>	<ul data-bbox="687 225 2063 751" style="list-style-type: none">• WB's employees would have a clear idea of their duties (1). In addition, they would be aware of risks such as working around hot ovens (1). This will in turn reduce the risks of injury (1).• WB's workers will make fewer mistakes during work (1). This will reduce the chance of improperly baked products leaving the bakery (1). In doing so the reputation of WB will be maintained (1).• Increased customer's satisfaction (1).• Increased employee motivation (1) which leads to lower absenteeism (1) and therefore lower staffing costs (1).• Increased employee confidence (1) which may reduce labour turnover (1) and lower recruitment costs (1).• Increased efficiency (1)• Lower wastage levels (1)• Higher productivity (1)• Easier recruitment (1)• Better public image (1)• Passing of responsibility down to employees (1)

Question	Expected Answer
<p data-bbox="163 225 277 256">2 (d)</p> <p data-bbox="163 293 627 424">Describe two possible consequences to a business of a Health and Safety Executive inspection.</p> <p data-bbox="163 464 344 523">[4 marks] AO1 4 marks</p>	<p data-bbox="689 225 824 256">Two from:</p> <ul data-bbox="689 261 2056 786" style="list-style-type: none"><li data-bbox="689 261 2056 360">• It is the responsibility of the HSE to ensure that risks in the workplace are properly controlled therefore HSE must ensure all risks are adequately controlled (1). In this case the work around the hot ovens needs to be safe to avoid injury through burns (1)<li data-bbox="689 365 2056 464">• The HSE offers guidelines to employers on the provision of safety equipment. In relation to this case, oven gloves may be used in order to avoid burns (1). This may increase the business costs of WB (1)<li data-bbox="689 469 909 501">• training (1)<li data-bbox="689 505 1111 537">• safer working practices (1)<li data-bbox="689 542 943 574">• reputation (1)<li data-bbox="689 579 1227 611">• closure permanent or temporary (1)<li data-bbox="689 616 1193 647">• fine (1) which increases costs (1)<li data-bbox="689 652 969 684">• lower profits (1)<li data-bbox="689 689 1216 721">• sued/taken to court/legal action (1)<li data-bbox="689 726 1749 758">• changes in demand (1) consumer reaction (1) affect on profit (1) or sales (1)<li data-bbox="689 762 954 794">• repeat visit (1)

Question	Expected Answer
<p>2 (e)</p> <p>Evaluate the extent to which the information in Text 2 reflects a strategic risk to WB plc.</p> <p>[15 marks] Levels AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Use of response criteria. Level 1: candidate identifies issue(s) with no reference to context [1- 3 marks].</p> <p>Level 2: candidate applies knowledge and understanding of issues related to the information in text 2 [4 - 6 marks].</p> <p>Level 3: candidate analyses likely implications of issues arising from the information in text 2 [7-10 marks].</p> <p>Level 4: candidate evaluates the significance of issues relating to the information in text 2 following a two-sided argument at L3. [11-15 marks].</p> <p>Issues include:</p> <ul style="list-style-type: none"> • Motivation • Wastage levels • Returned product level • Orders • Productivity • Management style • Morale • Training • Duty of care • HSE visit • Profit/sales • Shareholder reaction <p>High wastage levels are bad (L1). WB seems to have a problem as the wastage levels are rising (L2). However, as returns are also reduced this would seem to indicate the quality of the delivered product is improved (L3). Therefore although there have been some short term costs, this would seem to be the result of a tightening of quality control therefore improving the reputation of the product in the long term (L4).</p> <p>High wastage levels are bad (L1). WB seems to have a problem as the wastage levels are rising (L2). Therefore this would have a knock-on effect upon rising costs and may lower profit levels. (L3). However</p>

Question	Expected Answer
	<p>since Ted became supervisor the number of returned products took an immediate fall which indicates that customer satisfaction may have increased (L3). Given that they have only one contract it is essential to retain the customer because it is the sole source of revenue for WB and therefore completely represents a strategic risk for the business (L4).</p>
<p>3 (a)</p> <p>In the context of business strategy, what is meant by the term 'risk'?</p> <p>[2 marks] AO1 – 2</p>	<ul style="list-style-type: none"> • A plan which may have a limited chance of success (1). When making a strategic decision the business will need to consider the risk against the cost of carrying out the activity and the reward from success (1). • A strategy that may be successful or unsuccessful (1). • When an action has a chance of failure (1) e.g. if a business were to launch a new product the risk would be that the business may fail (1). <p>Award marks for an example.</p> <p>Do not award for hazards.</p>

Question	Expected Answer
<p>3 (b)</p> <p>Explain three possible risks to these construction workers.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<ul style="list-style-type: none"> • Risk of not being able to complete their task (1), which may result in losing their jobs (1) • Risk of getting sacked (1) • Risk of redundancy (1) • Risk of physical injury (1) • Risk of mental illness (1) • Risk of discrimination (1) • Risk of harassment (1) <p>Do not award hazards.</p>
<p>3 (c)*</p> <p>QWC assessed here</p> <p>Discuss the case for and against WB plc launching 'half baked' onto the market.</p> <p>[15 marks] Levels AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Use of response criteria.</p> <p>Level 1: candidate identifies issue(s) relating to product launches no context required (1-3 marks).</p> <p>Level 2: candidate applies knowledge and understanding of issues related to the product launch of half baked (4-6 marks).</p> <p>Level 3: candidate analyses likely implications of issues arising from the launch of half baked (7-10 marks).</p> <p>Level 4: candidate recommends and justifies the case for (and against) the product launch of half baked (11-15 marks).</p> <p>Issues include:</p> <ul style="list-style-type: none"> Capacity Demand Motivation Training Opportunity cost Financial issues (cost, revenues and profit) Quality Productivity Reputation Customer reaction Shareholder reaction

Question	Expected Answer
	<p>Reaction of financial institutions Product development Diversification Strategic tools (eg Ansoff's)</p> <p>Eg Launching a new product can be a risky business (L1). Half Baked, being aimed at the confectionery end of the market, could be classified as a diversification for WB (L2). Given that it is based upon an existing idea, there would be a degree of brand recognition and hence this may lower the risk for WB (L3). However it is mentioned that in order to produce the new product there is no existing capacity for a new production line and hence a new factory would need to be built, which will prove costly in the short term (L3). Moreover it is not certain that entry into a new market would be successful. In which case WB would need to undertake some in-depth research and also advertise as well (L3). Overall they should launch Half Baked as this would not compete against their existing product range. Moreover if successful, would set to strengthen their brand image and sales (L4).</p> <p>Eg Ansoff identifies that launching a new product on the market is a strategic risk that can be measured in terms of how different the product and the market are from the businesses usual operation (L1). Ansoff would consider half baked to be 'product development' and as such is a moderate risk due to the fact that the brand is already established within this market (L2). Success in this new product line will bring extra revenue to the company as customers will buy this product as well as, rather than instead of, one of their existing products (L3). This may be crucial in achieving entry into the snack market strengthening the overall brand image of WB and therefore WB should proceed with launch of this product. (L4).</p>
<p>4 (a)</p> <p>Outline three types of industrial action.</p> <p>[6 marks] AO1 3 marks AO2 3 marks</p>	<ul style="list-style-type: none"> • Strike action/picketing/walkout (1) involves workers informing management they are withdrawing labour (1) • Work-to-rule/withdrawal of goodwill (1) • Go-slows (1) • Overtime ban (1). • Sit-ins/work-ins (1) • Lock-out (1) • Blacking (1) involves workers choosing which tasks/responsibilities they will complete (1)

Question	Expected Answer
<p>4 (b)</p> <p>Explain two factors which may affect the success of any industrial action carried out by the workers at WB plc.</p> <p>[6 marks] AO1 2 marks AO2 4 marks</p>	<ul style="list-style-type: none"> • Tactics employed by management or trade unions may be ineffective (1). For example a strike may be of little use if few workers choose to strike (1). This may be because they do not believe the action is best used (1) or this may not represent their priorities on workers' rights (1). • Nature and strength of a trade union/trade union representative (1). • Strength of evidence to support a claim (1). • Legislation and economic climate (1). • Support for the action (1) due to economic factors (1). • Employer/employee reaction (1) timing issues/seasonal (1). • Length of action (1)
<p>4(c)</p> <p>Discuss the case for and against WB making redundancies due to an increase in capacity not being matched by an increase in demand.</p> <p>[15 marks]</p> <p>AO1 3 marks AO2 3 marks AO3 4 marks AO4 5 marks</p>	<p>Use of response criteria.</p> <p>Level 1: candidate identifies issue(s) relating to redundancies no context required [1-3 marks].</p> <p>Level 2: candidate applies knowledge and understanding of the issue of redundancy at WB [4-6 marks].</p> <p>Level 3: candidate analyses the likely implications of the employers making employees redundant at WB plc [7-10 marks].</p> <p>Level 4: candidate recommends and justifies the case for and against WB making redundancies in the light of the increased capacity not being matched by an increase in demand [11-15 marks].</p> <p>Issues include:</p> <ul style="list-style-type: none"> Motivation Industrial action Training Opportunity cost Financial issues (cost, revenues and profit) Wastage Quality Productivity Reputation Customer reaction

Question	Expected Answer
	<p data-bbox="689 209 898 236">Demand issues</p> <p data-bbox="689 276 2063 504">Eg Redundancy is when a business no longer requires its surplus staff (L1) and therefore pays them to leave (L1). In this case, WB has only just launched half baked and so they can expect slow sales to begin with causing the excess capacity (L2). Therefore if WB were to make their under-utilised workers redundant, it would reduce the business' staffing costs (L3). However if the product was supported with a good advertising campaign, staff may be needed in the future, hence leaving WB with a shortfall in labour (L3). Overall WB should allow the product to be established before making a decision on whether to make some of their staff redundant, as they may need these staff in the future (L4).</p>

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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