



Business Studies

Advanced GCE

Unit F295: People in Organisations

Mark Scheme for January 2011

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All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the Report on the Examination.

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Que	stion	Answer	Marks	Rationale
1	(a)	Using table 1 calculate the percentage of staff aged under 40 in December 2010. (Give your answer correct to two decimal places). 48/63 (1) = 76.19% (1) Actual answer is 76.1904. NB: If correct answer given award 2 marks	[2]	
	(b)	Calculate the (average) number of days absence per employee aged under 40 in December 2010. (Give your answer correct to two decimal places).Total absence per month on average= 50 and with 48 employeesTherefore $\frac{50}{48}$ (1)= 1.04 (1)NB: If correct answer given award 2 marks.	[2]	
2		Analyse two consequences for MDS of a high level of absenteeism. Absenteeism represents an additional cost for the business. Replacement staff may need to be found or existing staff paid overtime to cover for the absence. Additional 'costs' may be incurred in lost sales and a damaged reputation leading to a greater loss of sales (revenue). Staff who are not absent may be resentful of having to cover for the staff that are absent. (Herzberg Hygiene factor – working conditions) Replacement staff may not be trained to deal with enquires in that particular department. Ability to cover all departments within the store. Will staff covering for absence be skilled in that particular department?	[6]	
		Level 3 Candidate demonstrates analytical skills when considering the consequences for MDS of a high level of absenteeism. NB: Analysis must be in the context.	[5-6]	

Question	Answer	Marks	Rationale
	Level 2 Candidate is able to demonstrate knowledge and understanding of the consequences of absenteeism on the business. No context required.	[3-4]	
	Level 1 Candidate offers only theoretical knowledge of the consequences of absenteeism.	[1-2]	
3	Evaluate possible methods of motivation which MDS could use to help reduce absenteeism. Additional pay (Taylor) for work undertaken. Commission, bonus payments (Tayloristic). Mayo's 'Hawthorne effect', whereby if MDS offers employees additional responsibility and makes them departmental managers, there may be a sense of recognition/involvement and, therefore, they will feel included and consequently motivated. Having some employees within the departments offers an opportunity for the employees to enjoy working in groups. Employees are more likely to respond in a positive manner to change. Herzberg indicated that employees are motivated by having responsibility, recognition, rewarding work and opportunities for promotion. Druker suggested that employees should be recognised for what they do and not treated as an additional cost to MDS. Maslow's status needs.	[13]	Training – valuing employees (Herzberg & Mayo)
	Indicating which of the above are appropriate for MDS or are more likely to work at MDS, may lead to evaluative comments. Level 4 Candidate demonstrates evaluative skills when recommending possible methods of motivation which MDS could use to help reduce absenteeism.	[9-13]	
	Level 3 Candidate demonstrates analytical skills when considering possible methods of motivation which MDS could use to help reduce absenteeism.	[6-8]	
	NB: Analysis must be in the context.		

Question	Answer	Marks	Rationale
	Level 2 Candidate is demonstrates knowledge and understanding of the relevant details of issues of motivation. No context required.	[3-5]	
	Level 1 Candidate offers only theoretical knowledge of the relevant issues of motivation.	[1-2]	
4	Analyse one benefit to MDS of undertaking a training needs analysis.	[6]	
	 TNA is a method which will enable MDS to ensure its employees are provided with the right skills to ensure they are able to do their job in an effective manner. By undertaking TNA, MDS will have a more effective workforce and, therefore, will be more able to serve the customers and meet their needs. MDS can ensure any skill shortfalls are dealt with, and by offering training the employees are more likely to be motivated and, therefore, more productive for MDS. This may also help reduce absenteeism. By undertaking TNA any problems can be dealt with, therefore, allowing MDS to prosper. TNA also allows MDS to analyse the effectiveness of its training to ensure a better training programme is used subsequently. This will ensure the training is cost 		
	effective. TNA may help employees to feel a sense of involvement (Mayo). TNA will help the potential new managers to fulfil their role in an effective manner.		
	Level 3 Candidate demonstrates analytical skills when considering the benefits of TNA.	[5-6]	
	NB: Analysis must be in the context.		
	Level 2 Candidate demonstrates knowledge and understanding when considering the benefits of TNA. No context required.	[3-4]	
	Level 1 Candidate offers only theoretical knowledge when considering the benefits of TNA.	[1-2]	

Question	Answer	Marks	Rationale
5	With reference to Figs. 1 and 2, recommend how MDS could change its organisational structure in order to improve control of, and communication with, its employees.	[13]	
	Candidates can tackle this question through a variety of routes. A discussion of organisational structures (horizontal (flat) and vertical), or of the various communication networks or channels and layering is acceptable. At present (see Fig. 1) the communication channel within MDS is a wheel where all communication goes through the owners and it is, therefore, a centralised structure. If there are to be improvements in communication, alternatives, (such as the chain or an organisational structure which is flatter) may be appropriate. Control within MDS may be achieved by a more vertical organisational structure that reduces the span of control making control, easier. Good candidates may highlight the possible contradiction between control and communication within MDS. Discussions as to the style of leadership or the ability for departments to operate as a decentralised structure are also possible avenues for discussion.		Candidates that use correct technical terms; (chain, wheel, circle – Shannon and Weaver's Theory of Communication) should be well rewarded.
	To what extent is Fig. 1 representative of the whole organisation (as only six departments are named)? Fig. 2 gives little information about the actual span of controls within departments and therefore all suggestions offered in context are worthy of consideration.		
	Level 4 Candidate demonstrates evaluative skills when recommending how MDS can change its organisational structure in order to improve control of and communication with the employees.	[9-13]	

Question	Answer	Marks	Rationale
	Level 3 Candidate demonstrates analytical skills when considering how MDS can change its organisational structure in order to improve control of and communication with the employees.	[6-8]	
	NB: Analysis must be in the context.		
	Relatively straightforward ideas have been expressed with some clarity and fluency. Arguments are generally relevant though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning.		
	Level 2 Candidate demonstrates knowledge and understanding of the possible change MDS can make to its organisational structure in order to improve control of and communication with the employees. No context required.	[3-5]	
	Level 1 Candidate offers only theoretical knowledge only.	[1-2]	

Question	Answer	Marks	Rationale
6	Considering human resources <u>and other issues</u> , should MDS adopt the policy of appointing older staff as suggested by David (line 36-40)? Justify your view.	[18]	A one sided argument <u>cannot</u>
			achieve a Level 4 mark.
	References to any of the following are relevant:		
	Appeal to traditionalists Chris and David, but not Georgina, and, therefore, conflict. Reliability of older workers less absenteeism (see Table 1), may relate to some		
	consumers more sympathetically; however, such employees would not fit with		
	Georgina's plans for the new departments.		
	Applying 'LOSER' approach would suggest a strategic approach.		
	Would employing older employees fit with the objectives of MDS? How would the stakeholders of MDS react?		
	The business environment may favour older employees, although in an economic		
	climate where unemployment is high, the cost of employing young workers may be		
	considerably cheaper.		
	Is it legal to employ older employees? Implications for the manner in which jobs are advertised.		
	What would be the implications for training needs?		
	What are the financial implications for MDS (short term and long term)?		
	Would employing older employees have any significant effects on the marketing of MDS?		
	NB: An answer which only includes or does not include human resources issues should only be awarded the lowest mark in the appropriate level.		
	Level 4	[13-18]	
	Candidate demonstrates evaluative skills when recommending if MDS should		
	employ older people.		
	Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the complex subject matter. Sentences and paragraphs,		
	consistently relevant, have been well structured using appropriate technical		
	terminology. There may be few, if any, errors of spelling, punctuation and grammar.		

Question	Answer	Marks	Rationale
	Level 3 Candidate demonstrates analytical skills when considering the employment of older workers.	[7-12]	
	Relatively straightforward ideas have been expressed with some clarity and fluency. Arguments are generally relevant, though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning.		
	NB: Analysis must be in the context.		
	Level 2 Candidate demonstrates knowledge and understanding of issues when employing older employees. No context required. Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive.	[3-6]	
	Level 1 Candidate offers only theoretical knowledge. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive. Writing may also lack legibility.	[1-2]	

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