

Applied Business (Double Award)

General Certificate of Secondary Education **1491**

Report on the Units

June 2006

1491/MS/R/06

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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.

The reports on the Examinations provide information on the performance of candidates which it is hoped will be useful to teachers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding of the syllabus content, of the operation of the scheme of assessment and of the application of assessment criteria.

Mark schemes and Reports should be read in conjunction with the published question papers.

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Chief Examiner's Report

Centres should be aware that various support activities are offered by OCR in relation to the qualification. Guidance on assessment best practice and examination technique are available from a number of sources. Exemplification of the assessment criteria is provided on the website and OCR offers a coursework consultancy service to Centres. In addition, a range of INSET courses will be running in autumn 2006 which, amongst other things, will provide teachers with useful feedback from the June 2006 examination session. These sessions provide a useful forum in which to discuss issues that new Centres may have experienced in planning or running the course in addition to any issues that have arisen from the June examination session.

The main issues from June that Centres should address in preparation for the January 2007 session are as follows.

For the coursework units:

- Candidates need support in structuring their coursework to meet the specific needs of the unit specifications. Effective use of templates and/or writing frames can be useful, especially for weaker candidates. Stronger candidates, however, may find templates restrictive and prefer to create their own structures which often results in higher quality work.
- Administration arrangements for portfolios must be strictly adhered to if the moderation process is to be undertaken effectively.
- Coursework must relate to the investigation of real businesses as purely theoretical work can rarely be rewarded. Where company case studies from the Internet are used in isolation, care needs to be taken to ensure that the candidates are using the information to support their own work, rather than copying and pasting large chunks into their portfolios and passing it off as independent work.
- Candidates need support in their approach to the development of the higher level skills of comparison, analysis, evaluation and justified suggestions for improvement(s).
- Centres, where team-teaching occurs, should take advantage of this arrangement by setting up a system of internal moderation between team members. Single teacher Centres may find the OCR coursework consultancy service of benefit as feedback is given on the effectiveness of assessment.

For the examination:

- Candidates must use a range of different resources to enable them to experience the application of financial knowledge in a variety of business situations. Too much emphasis is being placed on the practical, numerical aspects of the specification and not enough on the need to analyse and evaluate the financial situation that the case study business in an examination paper is in.
- Centres should continue to make good use of past papers and mark schemes so that candidates become more familiar with the style and requirements of the external assessment. Full coverage of the specification is essential as there is no way to second guess which financial documents or elements of the range within a topic area will be used in a paper.
- Centres should be looking beyond textbooks and finding innovative ways of incorporating vocational experiences into teaching and learning on the course, perhaps through focussed use of case study materials or visiting speakers from businesses who can give an overview of how finance is managed.

Please consider the following reports carefully as they offer useful advice and feedback on the moderation of both portfolio units and the marking of the examined unit. There is strong evidence to prove that where Centres have taken note of these comments and taken appropriate action, candidates are much better prepared for the forthcoming examination session.

Principal Moderator's Report

June 2006

GCSE in Applied Business (Double Award)

4863 – Investigating Business

4864 – People and Business

General Comments

Administration

Moderators were in agreement that those Centres which followed OCR procedures, adhered to set deadlines and accurately completed documentation enabled the moderation process to progress smoothly. However, many Centres did not adhere to the 15 May deadline for the receipt of the completed MS1 forms by the allocated Moderator and failed to inform OCR or the Moderator of the delay. This did cause difficulty for Moderators in the scheduling of their work. Centres should note that it is their responsibility to forward MS1 forms and candidate work to the allocated Moderator by the set deadlines, e.g. the sample must be sent within three days of receiving the sample request. Centres should also note that their failure to meet such deadlines could delay the receipt of results for their candidates.

Where there are 10 or fewer candidates for any unit, Centres are required to send the candidate portfolios with the MS1 forms to the Moderator.

Centres must ensure that all sections of the Unit Recording Sheet have been completed accurately, including correct total marks for the unit, candidate number and Centre number, teacher comments and location of evidence, in order to facilitate the moderation process.

Some Centres recorded marks on MS1 forms which were different from those entered on the Unit Recording Sheets. This did cause delays. Centres must ensure the marks on the MS1 form match the marks on the Unit Recording Sheet for each candidate and for each unit.

Centres must ensure that a Centre Authentication Form, CCS160, has been signed by the Internal Assessor(s) for each unit and included with the candidate portfolios. Failure to do so will result in candidate unit results being set to zero.

In some instances the packing of parcels was inadequate to protect candidates' work. Sometimes this resulted in damage occurring during transit.

Assessment

Assessors are required to make assessment decisions for each strand within each unit using the Determining the Mark grids for Units 1 and 2 (see attached grids).

Many Assessors demonstrated good practice by annotating candidate work with assessment criteria references and by giving clear and constructive written feedback which related to the assessment criteria. The teacher comments section of the Unit Recording Sheet enabled Assessors to justify the marks awarded for each strand. Many candidates had been encouraged to present work logically and clearly, strand by strand, using headings, bolding, page numbers and a contents sheet. It was also helpful when page numbers were included within the location section of the Unit Recording Sheet. However, some

Assessors failed to provide written comments or annotate candidate work. In these circumstances it was not clear to the Moderator how assessment decisions had been made.

Some Centres provided copies of internal moderation records, which were most useful and helped the moderation process. Internal moderation is crucial to ensure consistent assessment practice and decisions across Assessors and units within a Centre and is the key to good practice. However, there was, in some cases, limited evidence of internal moderation having taken place.

Where assignments had been used, it was most helpful for copies to be submitted with the actual work. This gave a clear indication of the tasks which were given to candidates. Good practice in assignment design included breaking down the unit into a number of tasks for each strand. OCR training events focus on good practice in delivery, portfolio building and assessment.

A large number of Centres have left the external moderation of both units until the end of the two year programme. This practice is inadvisable. Moderation takes place in January and June each year. Centres are advised to use these opportunities, thereby receiving feedback on the quality of assessment throughout the programme. Centres have reported that this practice acts as a motivator for the candidates, as well as providing feedback to Assessors.

Lenient assessment decisions had been made by some Assessors for a variety of reasons. Some leniency was the result of misunderstanding of the assessment criteria, e.g. Unit 1 C2. Leniency was also apparent where candidates had not applied their knowledge to the business under investigation and merely regurgitated textbook theory. This is not sufficient. In addition to content coverage, the candidates need to demonstrate skills as per the trigger words in the assessment criteria, e.g. explain, analyse, suggest and justify, evaluate. Some Assessors awarded marks for an assessment criterion, e.g. Unit 1 B3, even though candidates had not evaluated effectiveness. As a consequence, marks from some Centres have been adjusted.

Some Centres awarded quality judgement marks to candidates when the work submitted was quite clearly not of sufficient quality for such marks to be awarded. This lenient practice can easily lead to marks moving out of tolerance and being adjusted. Quality judgement marks should only be awarded where quality is obvious.

It is the responsibility of Assessors to ensure that each candidate has produced authentic/original evidence. A Centre Authentication Form must be signed by the Assessor(s) and must accompany the candidates' coursework. Where entire cohorts use the same business(es), there is a tendency for the same inputs to be used in many, if not all, portfolios. It is, therefore, difficult to assess whether work is a candidate's own or is plagiarised/shared/copied. For Unit 1, the model outlined on page 50 of the Guidance for Teachers should be considered.

Where web-based case studies were used, there was a tendency for candidates' work to be very similar to the content of the case study. Candidates must interpret the information in their own words rather than merely copying and pasting. They must ensure that sources are correctly attributed. The inclusion of a resource list is deemed to be good practice. Where material is taken directly from the source, candidates must supplement with their own explanation, demonstrating their understanding. Where candidate work contains inaccuracies, Assessors should annotate the work to this effect, thus enhancing the candidate's own learning.

UNIT 1: INVESTIGATING BUSINESS

The banner of the assessment evidence grid requires candidates to investigate two contrasting businesses. In order to facilitate the evidencing of A2, the businesses should ideally have a range of contrasts, e.g. industrial sector, type of ownership, activities, size (see Guidance for Teachers on page 51).

The general weakness in this unit was the lack of application of theory to the two contrasting businesses. Many candidates have attempted the unit without conducting sufficient research. Some Centres relied on the websites of large organisations, which often contain insufficient information for the Level 2 and Level 3 criteria.

STRAND A

- A1** Candidates are required to describe each of the four features of their two chosen businesses. Some candidates produced very brief evidence in a bullet point list. This format identified features rather than described them. Aims and objectives were frequently copied, rather than described in the candidates' own words. Location was the weakest feature with many instances of evidence merely comprising a map and address. Good evidence for location comprised a map showing the location of the business, its address and a description of the factors that affected its location (see What You Need To Learn, page 41). The descriptions of ownership should demonstrate understanding of limited/unlimited liability.
- A2** Comparisons of the four features varied greatly. Where the features of the two businesses were similar, e.g. ownership or activities, candidates struggled to identify differences. Some candidates merely repeated the descriptions provided for A1 but this was insufficient evidence for a comparison. Candidates are required to clearly show the similarities and differences. Many comparisons were weak, with evidence comprising a table which merely repeated the A1 evidence, without highlighting the similarities and differences. A table usually requires additional paragraphs which clearly draw out the similarities and differences of the four features. Terminology indicating comparison may include similarities, differences, both, whereas, however. Candidates may find it helpful to include headings. Examples include:
Ownership – liabilities and losses, decision making;
Location – closeness to suppliers, skilled labour, transport links.
- A3** Candidates are required to suggest and justify realistic changes which each business could make to each of the four features to enable each business to be more effective. Many candidates failed to achieve this criterion as they made suggestions that were unrealistic or lacked justification. Some candidates provided justified suggestions, but then did not show how the changes could enable the business to be more effective. For location, candidates may find it more realistic to suggest and justify the improvement to a site rather than relocation, eg improved car parking arrangements, improved access and exit routes, improved signposting.

Some candidates made suggestions and gave the advantages and disadvantages to the businesses. However, they did not give a 'benefits will outweigh costs' conclusion, so it was not clear how the suggestions made the business more effective.

STRAND B

- B1** Candidates are required to describe (not list) the type of work carried out by at least three functional areas of one of their chosen businesses. The Guidance for Teachers, page 52 states that human resources and customer service should be excluded as these are covered in detail in Unit 2. Some candidates provided weak evidence which was theoretical and not related to their chosen business and demonstrated limited research. Some candidates used sole traders. This is not to be recommended, as they rarely have operating functional areas. Evidence must be related to the chosen business.
- B2** In order to achieve this criterion, candidates must use examples of specific activities within the business to explain how at least three functional areas work together to support the business activity. Frequently, candidates discussed how each functional area supported the business activity, rather than showing the linkages of how the three work together. Those candidates who have carried out detailed research were able to explain, using examples of specific activities or scenarios, how the functional areas worked together, e.g. opening a new retail outlet, launching a new product, a new marketing campaign. The use of scenarios proved to be a successful approach. However, many candidates only focused on two functional areas, rather than three.
- B3** Candidates are required to build on their evidence from B2 to evaluate (make judgements based on research) how effectively the three functional areas work together to achieve the aims and objectives. Candidates should include figures to support judgements, eg profit, sales, market share, customer complaints. Some candidates who were successful in achieving the criterion presented their evidence using headings for each aim and objective described in A1. Under each heading they evaluated the effectiveness of the three functional areas working together to achieve each specific aim and objective.

Many candidates who attempted this criterion failed to evaluate effectiveness or attempted to evaluate how each individual functional area helped to achieve the aims and objectives, rather than the three working together. There was little evidence that these candidates had any experience of the business studied and so no evidence was collected to support judgements of effectiveness.

STRAND C

- C1** Generally, candidates were able to describe the oral, written and ICT methods of communication, using examples from the chosen business. However, some candidates merely listed methods of communication lifted from a textbook, with little reference to the chosen business. Many failed to describe, with examples, how the business uses ICT to operate, e.g. stock control via the barcode scanning system (EPOS). Where candidates had included the administration/ICT functional area in B1, some of the evidence could be cross referenced to C1. Evidence must be related to the selected business.
- C2** Those candidates who were successful in achieving this criterion tended to use headings as per the three bullet points. The layout of evidence tended to impact on candidates' success in achieving C2. They then analysed the effectiveness of the communication methods described in C1 in relation to each of the bullet points. Evidence was strengthened when candidates analysed specific examples of communication within named functional areas or between named functional areas.

Many candidates experienced difficulty in analysing the effectiveness of the business' communication methods; possibly because they had no experience of them. Analysis

was weak because of the theoretical nature of most of the work. Some candidates explained why the method was used rather than looking at the effectiveness of methods in terms of communicating intended message/ information.

- C3** Candidates are required to build on their analysis in C2 in order to suggest and justify alternative or improved methods of communication in relation to the three bullet points. Again, the use of headings as per the three bullet points proved helpful to candidates.

Candidates frequently suggested improvements which lacked justification or were not always justified in terms of improved communication within the business. Suggestions were not always realistic, were not based on analysis in C2 or did not relate to the three bullet points. In these circumstances, the criterion had not been achieved. Some candidates' suggestions were already in existence, e.g. Sainsbury's online shopping. This criterion requires detail, which was lacking in many portfolios.

STRAND D

- D1** The majority of candidates were able to identify the main external influences, ie competitors and economic conditions for each of the two chosen businesses. Candidates often described the influences in some depth, as preparation for D2. However, many candidates have difficulty in relating environmental constraints to their chosen businesses (see What You Need To Learn, page 47). Assessors must ensure that weaker candidates clearly identify the competitors of each business.

- D2** In order to achieve D2, candidates must state a change for each of the external influences for each business and then explain the impact that these changes would have on the two chosen businesses. For example, if interest rates were to rise, it could mean that fewer people would purchase their products as they had less disposable income. It could also mean that any plans for further expansion which required external borrowing would have to be put on hold for the immediate future. Many candidates failed to explain the impact of changes to environmental constraints. For competitors, a change a competitor has made is needed rather than changes that the chosen businesses have made and how they have affected competitors. An example would be the impact on the chosen business if a competitor reduced its prices. For environmental constraints the use of scenarios may be helpful to candidates, eg what would happen if the government changed the legislation on recycling, pollution, congestion charges.

- D3** Candidates must achieve D2 before proceeding to D3. In order to achieve D3, candidates are required to suggest and justify realistic ways in which the two chosen businesses could respond to the changes explained in D2. They must link their evidence to the changes and impact explained in D2. Weaker candidates put forward unjustified or unconvincing suggestions and failed to differentiate between the businesses. Some candidates gave suggestions that reflected what the business had already done; not what it should do in response to the changes explained in D2.

UNIT 2: PEOPLE AND BUSINESS

STRAND A

- A1** The majority of candidates were able to identify the stakeholders in their chosen business. Many candidates described the stakeholders in preparation for evidencing A2.

However, some candidates gave generic lists which did not specifically relate to the chosen business.

- A2** Candidates are required to explain the nature of stakeholders' interests. For example, employees would be interested in their rates of pay, how much profit the business was making, possible plans for expansion or a reduction in the workforce. Customers would be interested in the price of the products, when the shop was open, when the service was available, after-sales service, etc. Some candidates explained their role in the business rather than what they wanted from the business. Other candidates explained why the business was interested in them rather than their interest in the business.
- A3** Many candidates experienced difficulty in evaluating (judgement based on research) the extent to which each stakeholder has an influence on the business and how it operates. Candidates must show how likely it is that each stakeholder can cause the business to change, relative to other stakeholders. Many candidates did not show the extent to which one stakeholder is more powerful or more likely than the others to cause change in the business. One particularly successful approach was the use of a series of scenarios related to the business, eg deciding whether to stop selling a product or service. The candidates then had to rank the stakeholders in the order of the likelihood of their views being taken into account. Candidates then justified their ranking decisions using evidence gained from the study of their chosen business.

STRAND B

- B1** Candidates tended to briefly describe the roles of three people in the business, ie what they actually do. Frequently, there was little differentiation of levels of responsibility. For example, they would describe a till operator, a shelf stacker and a cleaner rather than a manager, a supervisor and operative. Assessors should refer to page 76 of the Guidance for Teachers.
- B2** Candidates are required to explain the content of the Contract of Employment for one of the three people described in B1. However, many candidates gave generic explanations and did not relate the contract to one of the three people described in B1. Conversely, many candidates submitted a completed contract without explaining it. In order to achieve B2, candidates must explain the content of the contract of employment.
- B3** The evaluation of the contract tended to be seen only from the employee's standpoint. Candidates failed to evaluate how well the contract met the needs of the business. Changes to the contract of employment were suggested but not justified. Candidates should clearly explain the purpose of the changes and how they would help the employee and the business. Many candidates who attempted an evaluation tended to describe how the contract was perfect and then recommended changes which contradicted this view.

STRAND C

- C1** Candidates were able to clearly describe the rights of employees but often failed to use examples from the selected business. A description of the rights of employers was frequently omitted. Weaker candidates produced generic descriptions, with no reference to the selected business or listed rather than described.
- C2** The evidence for this criterion was generally weak. The grievance procedure was often included but not clearly explained in the selected business, nor the influences of trade unions and ACAS. Some candidates provided generic explanations or the procedures

used to resolve disagreements were outside the context of their selected business. Where procedures were explained for resolving disagreements, candidates usually neglected to use examples from the business to show how these worked in practice. The use of scenarios could help candidates to achieve this criterion, eg pay, equal opportunities issues. The inclusion of a flowchart would support the explanation.

- C3** Candidates experienced difficulty in evaluating the extent to which their business ensures good working relationships; possibly because they had limited observations and information to refer to. Some candidates outlined how different employers looked after their employees, but forgot to evaluate – why do they do it and what does it achieve in the long run?

Working relationships proved to be a difficult concept for some candidates who discussed rather than evaluated relationships in a broader way than was asked for in C3. Often candidates described what the employers did in order to try to establish good working relationships. They rarely evaluated these actions, using a survey, to find out whether they worked. Issues could include absenteeism, staff turnover, pay, working conditions, fringe benefits, training, suggestion boxes.

STRAND D

- D1** Many candidates produced flowcharts, with no description of what happened at each stage. Many candidates who did describe the recruitment process failed to describe the selection process. Some candidates produced textbook theory, with very little application to the selected business.
- D2** Those candidates, who described in detail the recruitment and selection process for the selected business in D1, were able to explain why the business used the procedures, together with relevant legislation. Candidates must explain why each stage of the process is used by the selected business.
- D3** Many candidates struggled to evaluate the effectiveness of the recruitment and selection process. They suggested improvements to procedures but tended not to recommend improvements to documentation. The inclusion of copies of recruitment documentation would facilitate the evaluation and suggested improvements. Few candidates gave evidence to support evaluation such as turnover of staff, number of people responding to advertisements, number of vacancies.

STRAND E

- E1** Many candidates did not demonstrate understanding of the training and appraisal processes related to the selected business and generic descriptions were frequently provided. Candidates should have described the process that their chosen business follows for each of the five bullet points - not merely stating why training and appraisals are carried out in the business. Many candidates only covered one or two of the bullet points, demonstrating very little understanding of how training and appraisal were conducted within their chosen business.
- E2** As a result of the weak evidence for E1, E2 evidence was generally poor. Many candidates only commented on how training helped people work more effectively and not how it helped maintain a safe and secure working environment. Generic explanations were frequently produced, rather than an analysis of the effectiveness of procedures. An effective approach was to use headings eg appraisal and performance review – advantages and disadvantages.

E3 Where E1 and E2 evidence was weak, candidates did not provide sufficient evidence for E3. They struggled to improve on the training procedures because they had often covered all possibilities in their textbook responses to E1. In some Centres, candidates tended to include the same improvements. Generally, suggestions were not built on the analysis in E2 or were not justified. Alternative or additional procedures were required which might improve the effectiveness of employees and the safety of the working environment. Unrealistic suggestions were made by some candidates.

STRAND F

F1 Generally, candidates provided a great deal of evidence to describe the rights of customers under consumer law, but failed to identify the features within their chosen business which contributed towards good customer service. Some candidates identified the features within the business which contributed towards good customer service but failed to describe the rights of customers under consumer law. Both sections of this criterion must be evidenced.

F2 Many candidates did not identify the needs and expectations of the customers. They, therefore, could not analyse how effectively needs and expectations were being met by the customer service provision. Some candidates who were successful analysed the results of their questionnaires. Others awarded marks out of ten for a range of features, based on their own experiences of/visit to the business.

F3 Candidates must build on their analysis in F2 to suggest and justify ways in which the customer service provision could be improved to further meet the needs and expectations of customers. Insufficient knowledge of the business prevented some candidates from suggesting improvements to customer service, except in a generic way. Frequently, suggestions made were not linked to improving the ability of the business to meet the needs and expectations of customers. Some candidates visited competitors of the business to obtain ideas for improvement.

Recommendations to Centres

- Please adhere to deadlines for submitting MS1 forms and candidate work to the appointed Moderator.
- Please ensure that a completed Centre Authentication Form, CCS160, is included with candidate portfolios for 4863 and 4864.
- Please ensure that marks entered on MS1 forms match marks awarded on the Unit Recording Sheet.
- Please ensure that the total marks for all strands of a unit are correctly totalled on the Unit Recording Sheet.
- Please ensure that all sections of the Unit Recording Sheet have been completed accurately including candidate number, Centre number, teacher comments and location of evidence.
- Where there are 10 or fewer candidates for any unit, send all the candidate portfolios with the MS1 forms to the Moderator.

- Where assignments are used, please ensure that they meet the requirements of the banner and the assessment criteria for the unit.
- If used, please include copies of assignment briefs with the candidate work.
- Please ensure that the businesses being investigated enable candidates to achieve the requirements of all the assessment criteria within a unit.
- Assessment decisions for each strand within each unit must be made using the Determining the Mark grids (see attached).
- Care must be taken during assessment to ensure that evidence comprises theoretical concepts applied to the business being investigated. Textbook theory alone does not constitute evidence.
- Assessors and candidates must fully understand the meaning and use of the trigger words within the assessment criteria, e.g. identify, describe, explain, compare, analyse and evaluate.
- Assessors should provide clear written feedback to candidates, including what has and what has not been achieved, additional evidence requirements and a submission date.
- Candidates should be encouraged to adopt a structured approach to their work and present evidence clearly, e.g. use of headings, page numbers and a contents sheet.
- Please include page numbers within the location section of the Unit Recording Sheet.
- Please encourage the use of Assessor annotation of candidate work.
- Please ensure that Assessors check the authenticity of the evidence. Pages downloaded do not constitute evidence.
- Ensure that internal moderation is carried out prior to external moderation.

Specification: GCSE in Applied Business (1491)
Unit 4863 – Investigating businesses Determining the mark

Criterion	Breadth of coverage						Depth of coverage			
a1	1	Candidate <i>describes</i> one feature for each chosen business or <i>describes</i> two features for one chosen business	2	Candidate <i>describes</i> two features for each chosen business or <i>describes</i> four features for one chosen business	3	Candidate <i>describes</i> three/four features for each chosen business	4	Qualitative judgement mark		
a2	5	Candidate <i>compares</i> one/two features of their chosen businesses	6	Candidate <i>compares</i> three/four features of their chosen businesses			7	Qualitative judgement mark		
a3	8	Candidate <i>suggests</i> AND <i>justifies</i> changes that both businesses could make in relation to one/two features or one business could make in relation to four features in order to be more effective	9	Candidate <i>suggests</i> AND <i>justifies</i> changes that both businesses could make in relation to three/four features in order to be more effective			10	Qualitative judgement mark		
b1	1	Candidate <i>describes</i> work carried out by one functional area of one of their chosen businesses or <i>lists</i> the work carried out by two/three functional areas.	2	Candidate <i>describes</i> work carried out by two functional areas of the same chosen business	3	Candidate <i>describes</i> work carried out by three functional areas of the same chosen business	4, 5, 6	Qualitative judgement marks		
b2	7	Candidate <i>explains</i> , using examples, how two of the functional areas work together within the chosen business.	8	Candidate <i>explains</i> , using specific examples, how three of the functional areas work together within the chosen business			9, 10	Qualitative judgement marks		
b3	11	Candidate <i>evaluates</i> effectiveness of two functional areas working together in achieving business aims and objectives	12	Candidate <i>evaluates</i> effectiveness of three functional areas working together in achieving business aims and objectives			13	Qualitative judgement mark		
c1	1	Candidate <i>describes</i> one feature of one of their chosen businesses (written/oral/ICT communicate/ICT operate)	2	Candidate <i>describes</i> two features of the same chosen business	3	Candidate <i>describes</i> three features of the same chosen business	4	Candidate <i>describes</i> four features of the same chosen business	5, 6, 7	Qualitative judgement marks
c2	8	Candidate <i>analyses</i> communication methods used by their chosen business in relation to one stated bullet point (within a functional area, between functional areas and external) or looks at three stated bullet points from a purely generic perspective	9	Candidate <i>analyses</i> communication methods used by their chosen business in relation to two stated bullet points	10	Candidate <i>analyses</i> communication methods used by their chosen business in relation to three stated bullet points	11, 12	Qualitative judgement marks		
c3	13	Candidate <i>suggests</i> AND <i>justifies</i> alternatives in relation to one stated bullet point	14	Candidate <i>suggests</i> AND <i>justifies</i> alternatives in relation to two/three stated bullet points			15	Qualitative judgement mark		
d1	1	Candidate <i>identifies</i> the main external influences on both chosen businesses in relation to one aspect or <i>identifies</i> the main external influences on one chosen business in relation to two aspects	2	Candidate <i>identifies</i> the main external influences on both chosen businesses in relation to two aspects or <i>identifies</i> the main external influences on one chosen business in relation to three aspects	3	Candidate <i>identifies</i> the main external influences on both chosen businesses in relation to three aspects	4, 5	Qualitative judgement marks		

d2	6	Candidate <i>explains</i> impact of change on both chosen businesses in relation to one aspect or <i>explains</i> the impact of change on one chosen business in relation to two aspects	7	Candidate <i>explains</i> impact of change on both chosen businesses in relation to two aspects or <i>explains</i> the impact of change on one chosen business in relation to three aspects	8	Candidate <i>explains</i> impact of change on both chosen businesses in relation to three aspects	9	Qualitative judgement mark
d3	10	Candidate <i>suggests AND justifies</i> responses to changes in external influences for both chosen business in relation to one/two aspects or <i>suggests AND justifies</i> changes in external influences for one chosen business in relation to three aspects	11	Candidate <i>suggests AND justifies</i> responses to changes in external influences for both chosen businesses in relation to three aspects			12	Qualitative judgement mark

Specification: GCSE in Applied Business (1491)
Unit 4864 – People in Business Determining the mark

Criterion	Breadth of coverage						Depth of coverage		
a1	1	Candidate <i>identifies</i> at least three relevant stakeholders in the chosen business	2	Candidate <i>identifies</i> at least six relevant stakeholders in the chosen business			3	Qualitative judgement mark	
a2	4	Candidate <i>explains</i> the nature of the interest that at least three stakeholders have in the chosen business	5	Candidate <i>explains</i> the nature of the interest that at least six stakeholders have in the chosen business					
a3	6	Candidate <i>evaluates</i> the extent to which at least three stakeholders have an influence on the chosen business and how it operates	7	Candidate <i>evaluates</i> the extent to which at least six stakeholders have an influence on the chosen business and how it operates					
b1	1	Candidate <i>describes</i> the role(s) of one person within their chosen business	2	Candidate <i>describes</i> the role(s) of two people within their chosen business	3	Candidate <i>describes</i> the role(s) of three people within their chosen business	4	Qualitative judgement mark	
b2	5	Candidate <i>explains</i> the content of the contract of employment for one person within the chosen business in relation to BOTH terms and conditions AND working arrangements					6	Qualitative judgement mark	
b3	7	Candidate <i>evaluates</i> , using examples, how well the Contract of Employment meets the needs of both the chosen business and the employee AND <i>recommends</i> and <i>justifies</i> suitable changes to the Contract of Employment					8	Qualitative judgement mark	
c1	1	Candidate <i>describes</i> the employment rights in a generic context	2	Candidate <i>describes, using examples</i> , the rights of the employer OR the employee within the chosen business	3	Candidate <i>describes, using examples</i> , the rights of the employer AND the employee within the chosen business	4	Qualitative judgement mark	
c2	5	Candidate <i>explains, with examples</i> , how the chosen business resolves disagreements with its employees in relation to EITHER employment rights OR working conditions					6/ 7	Qualitative judgement marks	
c3	8	Candidate <i>evaluates</i> the extent to which the chosen business ensures a good working relationship between the employer and the employee					9	Qualitative judgement mark	
d1	1	Candidate <i>describes</i> EITHER the recruitment OR selection process used within the chosen business OR generic response on both	2	Candidate <i>describes</i> the recruitment AND selection process used within the chosen business			3	Qualitative judgement mark	
d2	4	Candidate <i>explains</i> why the chosen business uses a recruitment and selection process to meet its staffing needs					5/ 6	Qualitative judgement marks	
d3	7	Candidate <i>evaluates</i> the effectiveness of the recruitment and selection process used within the business AND suggests and evaluates one improvement to the documentation AND procedures used within the business for recruitment and selection	8	Candidate <i>evaluates</i> the effectiveness of the recruitment and selection process used within the business AND suggests improvements to the documentation AND procedures used within the business for recruitment and selection					
e1	1	Candidate <i>describes</i> the procedure(s) that the chosen business uses for one/two aspects. Also three aspects described generically	2	Candidate <i>describes</i> the procedure(s) that the chosen business uses for three aspects. Also all five described generically.	3	Candidate <i>describes</i> the procedure(s) that the chosen business uses for four aspects	4	Candidate <i>describes</i> the procedure(s) that the chosen business uses for all five aspects	
e2	5	Candidate <i>analyses</i> how the given procedures enable people within the chosen business to perform their jobs well OR in a safe environment			6	Candidate <i>analyses</i> how the given procedures enable people within the chosen business to perform their jobs well AND in a safe environment		7	Qualitative judgement mark

e3	8	Candidate <i>suggests AND justifies</i> alternative or additional procedures which might improve the effectiveness of employees OR the safety of the working environment within the chosen business	9	Candidate <i>suggests AND justifies</i> alternative or additional procedures which might improve the effectiveness of employees AND the safety of the working environment within the chosen business				
f1	1	Candidate <i>describes</i> the rights of customers under consumer law OR identifies at least three features within the chosen business which contributes towards good customer service	2	Candidate <i>describes</i> the rights of customers under consumer law AND identifies at least three features within the chosen business which contributes towards good customer service	3	Candidate <i>describes</i> the rights of customers under consumer law AND identifies at least five features within the chosen business which contributes towards good customer service	4	Qualitative judgement mark
f2	5	Candidate <i>analyses</i> how one aspect of customer service provision within the chosen business meets the needs and expectations of its customers	6	Candidate <i>analyses</i> how two and above aspects of customer service provision within the chosen business meets the needs and expectations of its customers	7	Qualitative judgement mark		
f3	8	Candidate <i>suggests AND justifies</i> ways in which the customer service provision within the chosen business could be improved to further meet the needs and expectations of its customers			9	Qualitative judgement mark		

4865 GCSE in Applied Business

1. General comments

Most candidates were able to make an attempt at all questions on the paper. However, there is evidence that many are still ill-prepared for the examination without pens, rulers or calculators. Centres need to ensure that all candidates are suitably equipped before entering the examination room to enable them to reach their highest potential.

It was pleasing to note that a much higher proportion of candidates are relating their answers to the context of the questions than in previous sessions. They have also been better prepared in considering the key points of a question instead of just answering generically on the broad topic area.

Examiners report that performance appeared to be slightly lower than in previous sessions but this was felt to be more a reflection of the ability of candidates than of the examination paper itself. Other observations to support this relate to the poor target language of many candidates which prevented them from scoring higher marks in the levels of response type questions.

In general, the practical questions were tackled exceptionally well with a marked improvement in performance on the Profit and Loss Statement, Break-Even Chart and Cashflow Forecast. However, the majority of candidates were unable to **interpret** what they had calculated. This suggests that many candidates prepare for the numerical-type questions whilst failing to take the necessary step further in order for higher marks to be achieved. Weak areas continue to be Balance Sheets and Budgets with few candidates able to explain the purpose of either of these financial planning tools. Questions relating to ICT continue to generate purely generic responses which fail to access the higher marks available.

On the whole, the performance of most candidates appeared to reflect the preparation received within Centres. As usual performance varied from one Centre to another but there appeared to be less variation in the range of marks awarded within a particular Centre. A few Centres have clearly done an outstanding job of preparing their candidates with an encouragingly high number of marks in the 70+ range.

2. Comments on individual questions

Question 1

It would appear that candidates are not as familiar with Statements of Account and Remittance Advice Notes as they are with other financial documents. This resulted in many failing to realise that the 'balance' on the Statement was a cumulative balance with the wrong figures being used for the Remittance Advice. As a result, few candidates attained top marks for part (c). Weaker candidates are still failing to read the text information carefully enough so many were unable to answer part (b) correctly stating, rather worryingly, that the balance would not be paid as it was a lot of money to pay out in one transaction. Part (a) was answered correctly by the majority of candidates. Part (d) had a mixed response, but most candidates failed to comprehend that the Remittance Advice was being returned with the payment and, therefore, showed what was 'being paid' rather than what 'needs to be paid' (confusion with an Invoice perhaps?).

Question 2

Most candidates appeared to be comfortable with the concept of a Credit Transfer form and many were able to correctly identify the three errors. Few identified less than two which is very pleasing. However, the wording of the question in part (b) was misinterpreted by many candidates who explained the benefits of Credit Transfer for the employees rather than for the company itself. The cheque in part (c) was completed with a high degree of accuracy by most candidates with fewer failing to complete the payee name than in previous sessions. There were still a few incorrect dates though. Most candidates were able to score at least one mark for part (d), the usual response relating to time taken for a cheque to clear.

Question 3

Few candidates were able to identify fixed or current assets for part (a) which supports the evidence that this is an area with which they have some difficulty. Very few candidates knew what the two component parts of a Balance Sheet represent and hence why they must balance for part (b). Conversely, the Cashflow Forecast in part (c) was completed with a very high degree of accuracy, the exception being where candidates did not have access to a calculator. Part (d) was not so well handled at the higher levels but a pleasing number of candidates attempted to identify trends and specific aspects of the cashflow that were causing problems allowing them to access up to four marks. Few hit Level 3, however, as they were unable to provide a well-reasoned evaluation. Part (e) provided a mixed response with still a large proportion of candidates referring to profit or loss. Many also continue to refer to the forecast as a record of what has already happened, although some were able to recognise its use in predicting what cash shortfalls there may be and taking action to prevent them happening. This was a real improvement on previous sessions.

Question 4

On the whole both parts to this question were badly answered. Most candidates were only able to obtain one mark for part (a) and the usual lack of knowledge of budgets affected part (b). However, there is evidence to suggest that candidates are more comfortable with the concept of departmental budgets than other types used in previous sessions. Most picked up one or two marks for mentioning limits on spending, but few were able to hit Level 2 by relating it to the control of costs and expenses.

Tip for teachers:

Ensure that you have a number of activities relating to balance sheets and budgets that can be used for final revision before the examination as these are areas which candidates find most difficult. Use GCSE accounting books for suitable exercises, where appropriate.

Question 5

The vast majority of candidates obtained full marks for part (a), with 'initial advertising brochures' being the main error made. Some weak candidates continue to enter ticks (or values) in both parts of the table, thereby scoring no marks. Part (b)(i) saw a mixed response. Some candidates did not read the text information carefully enough and this also affected their responses to part (b)(ii). However, for those who did know the difference between owners' funds and long term loans, some very good comparisons and recommendations were given. Part (b)(ii) was generally very poorly answered as few candidates know what Trade Credit is, whilst others failed to understand why an overdraft is suitable for running costs and most simply chose short-term loan as they know something about it. Its unsuitability for running costs, however, was not understood.

Tip for teachers:

If you have weaker candidates taking the assessment, ensure that they are given lots of practice with 'ticking the box' type questions. They need to understand that in all cases a choice of one or the other is required and that they cannot 'hedge their bets' by ticking both. Also highlight where a tick is required or where a value or phrase needs to be used. This is always clearly indicated in the question stem.

Question 6

In part (a), the table was completed accurately by the majority of candidates. The exception, once again, was those without a calculator, even though the maths requirement was very low level. However, the Break-Even Chart in part (b) saw a huge improvement over previous sessions with many candidates scoring full marks. Even weaker candidates are now labelling the lines with a higher degree of accuracy than previously. There was still a smattering of weird and wonderful graphs by some candidates who quite clearly did not have a clue. Level 1 of part (c) was accessible to most candidates who recognised that the break-even point is the point at which a business starts to make a profit. However, very few candidates picked up on the specific context of this question which asked for usefulness in planning a new business. Few candidates, therefore, were able to access Level 2.

Tip for teachers:

Allow enough preparation time to go beyond merely completing financial documents by asking questions about the results and what they signify. Use examples from past papers for completion and then use the related questions to expand their knowledge base. It might be helpful to ask for random analysis from the class and write this up on the board. The candidates could then form small groups to consider all the points and create an evaluation of what the figures show. Experience suggests that many candidates know what they want to say but find it difficult to structure their ideas. Practice in this will also assist them greatly.

Question 7

The Profit and Loss Statement was accurately completed by many candidates and most were able to access some of the marks. Part (b) was particularly well answered by the majority of candidates who were able to accurately identify a cost or revenue from the Profit and Loss Statement and suggest why the prediction might not be accurate. Part (c) was not so well answered with most candidates only able to make reference to the fact that a profit is likely to be made. Some completely missed the point, thinking that the profit had already been made and that this could then be used to finance the conversion. Very few candidates were able to hit Level 3 in this sub-section.

Tip for teachers:

Give your candidates a head-start by trying to ensure that they enter the examination room with pens, pencils, ruler and calculator.

Question 8

This ICT-based question elicited the usual generic responses which failed to hit the higher marks. The memo-style approach did appear to make the question more accessible to weaker candidates, almost all of whom made a fair attempt at answering. In general, responses referred to accuracy, graphs, neatness and professional appearance, but few candidates related this more specifically to financial planning as required by the question.

Tip for teachers:

Think of a revision-style activity that could make good use of ICT to draw together a number of topics within the specification. Allow candidates to use ICT to create graphs, memos, Internet research, Cashflow, etc and discuss with them how useful it is to be able to use computers in business. If time allows it would be invaluable for them to gain an insight into a real business and how it makes use of ICT on a day to day basis. The examination will always include an ICT-based question and it will always be written in context, requiring more than just generic answers

**General Certificate of Secondary Education
Applied Business (Double Award) 1491
June 2006 Assessment Series**

Unit Threshold Marks

Unit		Maximum Mark	A*	A	B	C	D	E	F	G	U
4863	Raw	50	46	40	33	27	22	17	12	7	0
	UMS	100	90	80	70	60	50	40	30	20	0
4864	Raw	50	46	41	35	29	24	19	14	9	0
	UMS	100	90	80	70	60	50	40	30	20	0
4865	Raw	100	84	75	65	56	47	39	31	23	0
	UMS	100	90	80	70	60	50	40	30	20	0

Entry Information

Unit	Total Entry
4863	5826
4864	6417
4865	5502

Specification Aggregation Results

GRADE	A*A*	AA	BB	CC	DD	EE	FF	GG	UU
UMS	270	240	210	180	150	120	90	60	0
Cum %	1.28	8.34	24.31	48.21	63.09	74.70	85.06	93.56	100

6653 candidates were entered for aggregation this series

For a description of how UMS marks are calculated see;
www.ocr.org.uk/OCR/WebSite/docroot/understand/ums.jsp

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