Applied Business (Double Award)

General Certificate of Secondary Education **1491**

Report on the Units

January 2007

1491/MS/R/07J

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GCSE Applied Business (1491)

REPORTS ON THE UNITS

Chief Examiner's Report

Centres should be aware that OCR offers guidance on assessment best practice and examination technique in relation to the qualification from a number of different sources. Exemplification of the assessment criteria is provided, for example, on the web site. A range of INSET courses will be running in 2007/08 which, amongst other things, will provide teachers with useful feedback from the January 2007 examination session. These sessions provide a useful forum in which to discuss assessment and moderation issues which Centres may have experienced in planning and running the course, in addition to any issues that have arisen from the January examination session.

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

For the coursework units:
- Effective use of templates and/or writing frames can be useful, especially for weaker candidates and for starting the coursework in Year 10. Stronger candidates and those who have progressed into Year 11, may find templates restrictive and prefer to create their own structures which often result in higher quality work and greater motivation in the study of the subject.
- 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. Whilst case studies from the Internet may serve a useful purpose, if only 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 sections into their portfolios and passing it off as independent work. Such plagiarism is more easily avoided by using local businesses, where possible, or those with which candidates are familiar, through, for example, visits or visiting speakers.
- Candidates in Year 10 need support in their approach to the development of the higher level skills of comparison, analysis, evaluation and justified suggestions for improvement(s) which may be new concepts to take on board.
- Centres where team-teaching occurs might find it useful to set 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 and this should then be positively reflected in the external moderation outcomes.

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 of the business in the case study.
- 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 it is not possible to second guess which financial documents or elements of the range within a topic area will be used in an examination paper. However, there is evidence from this session to suggest that some Centres are teaching candidates answers by rote from past papers and the responses do not meet the needs of the specific requirements of subsequent papers. Such tactics should be avoided.
- Centres should be looking beyond textbooks and finding innovative ways of incorporating vocational experiences into teaching and learning on the course; perhaps through, for example, focussed use of case study materials or visiting speakers from business who can give an overview of how finance is managed.

Report on the Units taken in January 2007

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 suggest 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

4863 – Investigating Business
4864 – People and Business

General Comments

Administration

Moderators were in agreement that those Centres that 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 10 January 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, eg the sample must be sent within 3 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/assessor comments and the 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 the Centre Authentication Form for Coursework has been signed by the Internal Assessor(s) and included with the candidate evidence.

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). Some Centres incorrectly allocate marks for each level within a strand and then add these marks up to produce a strand total. This total is often different from the Moderator's total and this can result in the adjustment of a Centre's marks, sometimes positively.

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. It is advisable that assessment decisions should only be made when supported by clear evidence in portfolios – hopefully by using annotation to indicate its location. 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, emboldening, 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 that 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.

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, eg Unit 1, C2. Leniency was also apparent where candidates had not applied their knowledge to the business under investigation and had 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, eg explain, analyse, evaluate. Some Assessors awarded marks for an assessment criterion, eg 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 for Coursework 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; this was especially true, for example, of the Richer Sounds website. 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, eg 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 <u>identified</u> features rather than <u>described</u> 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, eg 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 <u>and</u> 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 <u>justify</u> 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 <u>one</u> of their chosen businesses. The Guidance for Teachers, page 52 states that human resources <u>and</u> 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, eg 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 <u>effectively</u> 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 <u>working together</u> 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 <u>describe</u> 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 <u>operate,</u> eg 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, eg 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 <u>impact</u> 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 <u>impact</u> 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 <u>justify</u> 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 <u>examples</u> 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 marks entered on MS1 forms match the 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/assessor comments and the location of evidence.

- Where there are 10 or fewer candidates for any unit, send all the candidate portfolios with the MS1 form 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 all 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, eg 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, eg 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 *describes* **one** feature for **each** chosen business or *describes* **two** features for **one** chosen business	2	Candidate *describes* **two** features for **each** chosen business or *describes* **four** features for **one** chosen business	3	Candidate *describes* **three/four** features for **each** chosen business				4	Qualitative judgement mark
a2	5	Candidate *compares* **one/two** features of their chosen businesses	6	Candidate *compares* **three/four** features of their chosen business						7	Qualitative judgement mark
a3	8	Candidate *suggests* **AND** *justifies* changes that **both** businesses could made in relation to **one/two** features or **one** business could make in relation to **four** features in order to be more effective	9	Candidate *suggests* **AND** *justifies* 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 *describes* work carried out by **one** functional area of **one** of their chosen businesses or *lists* the work carried out by two/three functional areas.	2	Candidate *describes* work carried out by **two** functional areas of the **same** chosen business	3	Candidate *describes* work carried out by **three** functional areas of the **same** chosen business				4, 5, 6	Qualitative judgement marks
b2	7	Candidate *explains*, using examples, how **two** of the functional areas work together within the chosen business.	8	Candidate *explains*, using specific examples, how **three** of the functional areas work together within the chosen business						9, 10	Qualitative judgement marks
b3	11	Candidate *evaluates* effectiveness of **two** functional areas **working together** in achieving business aims and objectives	12	Candidate *evaluates* effectiveness of **three** functional areas **working together** in achieving business aims and objectives						13	Qualitative judgement mark
c1	1	Candidate *describes* **one** feature of **one** of their chosen businesses (written/oral/ICT communicate/ICT operate)	2	Candidate *describes* **two** features of the **same** chosen business	3	Candidate *describes* **three** features of the **same** chosen business	4	Candidate *describes* **four** features of the **same** chosen business	5, 6, 7	Qualitative judgement marks
c2	8	Candidate *analyses* 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 *analyses* communication methods used by their chosen business in relation to **two** stated bullet points	10	Candidate *analyses* communication methods used by their chosen business in relation to **three** stated bullet points				11 12	Qualitative judgement marks
c3	13	Candidate *suggests* **AND** *justifies* alternatives in relation to **one** stated bullet point	14	Candidate *suggests* **AND** *justifies* alternatives in relation to **two/three** stated bullet points						15	Qualitative judgement mark
d1	1	Candidate *identifies* the main external influences on **both** chosen businesses in relation to **one** aspect or *identifies* the main external influences on **one** chosen business in relation to **two** aspects	2	Candidate *identifies* the main external influences on **both** chosen businesses in relation to **two** aspects or *identifies* the main external influences on **one** chosen business in relation to **three** aspects	3	Candidate *identifies* the main external influences on **both** chosen businesses in relation to **three** aspects				4, 5	Qualitative judgement marks

d2	6	Candidate *explains* impact of change on **both** chosen businesses in relation to **one** aspect or *explains* the impact of change on **one** chosen business in relation to **two** aspects	7	Candidate *explains* impact of change on **both** chosen businesses in relation to **two** aspects or *explains* the impact of change on **one** chosen business in relation to **three** aspects	8	Candidate *explains* impact of change on **both** chosen businesses in relation to **three** aspects	9	Qualitative judgement mark
d3	10	Candidate *suggests* **AND** *justifies* responses to changes in external influences for **both** chosen business in relation to **one/two** aspects or *suggests* **AND** *justifies* changes in external influences for **one** chosen business in relation to **three** aspects	11	Candidate *suggests* **AND** *justifies* 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 *identifies* at least **three** relevant stakeholders in the chosen business	2	Candidate *identifies* at least **six** relevant stakeholders in the chosen business					3	Qualitative judgement mark
a2	4	Candidate *explains* the nature of the interest that at least **three** stakeholders have in the chosen business	5	Candidate *explains* the nature of the interest that at least **six** stakeholders have in the chosen business						
a3	6	Candidate *evaluates* the extent to which at least **three** stakeholders have an influence on the chosen business and how it operates	7	Candidate *evaluates* the extent to which at least **six** stakeholders have an influence on the chosen business and how it operates						
b1	1	Candidate *describes* the role(s) of **one** person within their chosen business	2	Candidate *describes* the role(s) of **two** people within their chosen business	3	Candidate *describes* the role(s) of **three** people within their chosen business			4	Qualitative judgement mark
b2	5	Candidate *explains* 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 *evaluates*, using examples, how well the Contract of Employment meets the needs of both the chosen business and the employee **AND** *recommends* and *justifies* suitable changes to the Contract of Employment							8	Qualitative judgement mark
c1	1	Candidate *describes* the employment rights in a generic context	2	Candidate *describes*, *using examples*, the rights of the employer **OR** the employee within the chosen business	3	Candidate *describes, using examples*, the rights of the employer **AND** the employee within the chosen business			4	Qualitative judgement mark
c2	5	Candidate *explains*, **with examples***, 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 *evaluates* 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 *describes* **EITHER** the recruitment **OR** selection process used within the chosen business **OR** generic response on both	2	Candidate *describes* the recruitment **AND** selection process used within the chosen business					3	Qualitative judgement mark
d2	4	Candidate *explains* why the chosen business uses a recruitment and selection process to meet its staffing needs							5/6	Qualitative judgement marks
d3	7	Candidate *evaluates* 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 *evaluates* 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 *describes* the procedure(s) that the chosen business uses for **one/two** aspects. Also three aspects described generically	2	Candidate *describes* the procedure(s) that the chosen business uses for **three** aspects. Also all five described generically.	3	Candidate *describes* the procedure(s) that the chosen business uses for **four** aspects	4	Candidate *describes* the procedure(s) that the chosen business uses for **all five** aspects		

e2	5	Candidate *analyses* how the given procedures enable people within the chosen business to perform their jobs well **OR** in a safe environment			6	Candidate *analyses* 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 *suggests* **AND** *justifies* alternative or additional procedures which might improve the effectiveness of employees **OR** the safety of the working environment within the chosen business			9	Candidate *suggests* **AND** *justifies* 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 *describes* 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 *describes* 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 *describes* 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 *analyses* how **one** aspect of customer service provision within the chosen business meets the needs and expectations of its customers			6	Candidate analyses 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 *suggests* **AND** *justifies* 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

4865/01 Business Finance

General Comments

The paper was accessible to all ability levels and there was no evidence to suggest that candidates had insufficient time in which to complete the paper. Even the weakest candidates attempted most of the questions. Although there appeared to be quite a lot of detail given in the context of the paper, there was evidence to suggest that many candidates found this useful as a basis for the more analytical and evaluative style responses. On the whole the numerical style questions were answered with a high degree of accuracy, although questions asking candidates to analyse the results elicited rather disappointing responses at all levels of the ability range. Some topic areas are still generating purely generic answers with candidates doing little more than listing everything they have learned about a topic despite the specific context being explicitly highlighted within each question or sub-question.

Comments on Individual Questions

Question 1

Part (a) should not have caused any problems as something similar appears on all question papers. Whilst there was less evidence of weaker candidates circling everything, a few failed to read the question carefully enough and circled items on the Delivery Note instead of on the Invoice. This was allowed for in the mark scheme, and credited accordingly, but it did prevent full marks being potentially awarded. Part (b) was especially misinterpreted by a majority of candidates who failed to understand that with errors on an Invoice, the delivery has already taken place. Most explanations, therefore, wrongly alluded to the incorrect goods being delivered and the consequent issues which might arise from that. The Credit Note in part (c) was completed accurately by the majority of candidates. The main concern being an inability amongst candidates to calculate VAT correctly, with some failing to see the empty spaces where the reference number should be inserted. In part (d) a pleasingly high proportion of candidates were able to identify a Statement of Account as the correct answer, whilst others knew the purpose, even if they could not remember its name. Accurate explanations were, therefore, credited, even if an incorrect document was stated.

Teacher's Tip

When preparing candidates in relation to source documents, it is worth spending a long time familiarising them with the purpose of the different documents (perhaps through an in-tray type activity), in addition to teaching them the order in which the documents flow. This should give more confidence in answering questions relating to the consequence of errors through knowledge, rather than best guessing from previous responses.

Question 2

The Cheque in part (a) was completed with a much higher degree of accuracy than in

previous sessions, which is very pleasing to note. However, too many candidates are still signing the cheque (either with their own name or the name of the business owner) despite the stem of the question clearly stating that Simone would sign it on her return. Candidates lost marks in parts (b) and (c) as they failed to use the context in Text 2 and gave purely generic answers.

Teacher's Tip

Payment methods are being taught effectively, but more time and energy needs putting into practising when certain methods are more or less appropriate for different circumstances.

Question 3

Part (a) was completed very well by the majority of candidates who appeared to clearly understand the difference between revenue and costs. Part (b) was also confidently answered by many candidates; but, again, it is the neglect of context and failure to read questions carefully enough which led to poor marks being awarded in part (c). The stem of the question clearly highlighted the need to link responses to part (b) with answers to part (c) and this was not picked up by the vast majority of candidates who gave sources of start-up and running costs, but not necessarily those most suitable for the costs identified in part (b). Marks were, therefore, lost in the explanations for suitability as the mark scheme required reasons why the source was suitable for the specific costs identified in part (b). Many responses to part (c) were purely generic with a number of candidates suggesting short-term loan as a suitable start-up source of finance. Credit was given where the explanation was valid in the context of the case study, but too many explanations were merely of features of the source, rather than why it was suitable for a start-up or running cost. There was some evidence to suggest that weaker candidates were still confusing sources of finance with payment methods as responses such as Direct Debit and Cheque were occasionally given.

Teacher's Tip

When covering sources of finance, please ensure that candidates are given plenty of opportunity to discuss when different sources are appropriate in different circumstances, in addition to learning what the sources actually are. Further work is also needed in clarifying why start-up cost sources are different to running cost sources, in terms of quantity of money, time to pay back, interest charges, etc.

Question 4

Once again, the labelling of a given Break-even Chart caused many difficulties. As a similar chart appears in every previous examination paper with the accurate labelling outlined in every mark scheme, there is little excuse for this being so poorly answered. Pleasingly, many candidates were able to identify the correct Break-even Point from the Chart, although some were using the Value axis rather than the Quantity axis despite the answer clearly being requested as 'number of items'. Most candidates attempted the formula in part (c) but some used the information for Tapas No. 1 instead of for Tapas No. 2. The mark scheme allowed process marks, so this did not result in many zero mark outcomes but again this reflects the failure of many candidates to read questions carefully enough. Responses to part (d) were disappointing, on the whole, with most candidates failing to move beyond comparing the two break-even points. Some candidates, however, were able to make full use of the given context to give very pleasing reasons why they thought one choice would be better than the other.

Teacher's Tip

The labelling of a Break-even Chart causes real difficulty to many candidates and it may be one area, like source documents, where there may be some mileage in constant familiarisation by rote learning. Perhaps a poster of the labels could be displayed and referred to every lesson or blank charts handed out at the beginning of every revision session and candidates required to complete them repeatedly. This aspect of the subject is not 'applied' and, therefore, this approach may well work, despite it being at odds with the generally applied nature of the course.

Question 5

The Profit and Loss Statement was completed accurately by a very high number of candidates and most were able to compare the result with the given results for Tapas No.!. It was gratifying to see many candidates really analysed and compared the composite parts of the Profit and Loss Statements rather than just the final profit figure. However, full marks for part (b) were very rarely awarded as few candidates were able to pick up on the fact that the given information was the actual result for the current restaurant - many assumed they were both predictions for the two choices and failed to answer the question correctly. Many responses suggested that the owners should go ahead with Tapas No. 1 instead of Tapas No.2 rather than considering the likely success of the second restaurant.

Question 6

The Cashflow Forecast on this question paper only required five boxes to be completed and, therefore, it was accurately completed by a good proportion of candidates. Many were also able to analyse the forecast in some detail, which was a real improvement on previous sessions. However, there was sufficient evidence to suggest that some Centres are teaching their candidates by rote and many responses were churned out 'parrot fashion' with a clear reference to answers from past papers. The phrase 'however it is only a forecast' was used by many candidates in a number of responses but the comment was rarely built upon and often bore no relation to the discussion either preceding or succeeding it. It is a positive move forward in that Centres are using past papers and mark schemes more to prepare their candidates fully, but there is a danger in teaching 'stock' answers which are repeated time after time, but with an inability to relate the topic to the actual context of the paper. Part (c) was completed accurately by the vast majority of candidates.

Question 7

The Balance Sheet merely required candidates to use the given data to complete the document. Whilst most were able to identify where the given figures should be inserted into the Balance Sheet, many were then confused as to how to perform the necessary calculations to make it balance. There is evidence to suggest that this is an aspect which has been given a stronger focus than in previous sessions and this was very pleasing to see.

Question 8

Despite being highlighted in every Principal Examiner's report in the past, this topic area continues to produce purely generic responses from the vast majority of candidates across all ability ranges. Once again, evidence of rote learning was clearly reflected in candidate responses and, in this paper, this was decidedly not an appropriate revision technique as the question highlighted specific context which had to be covered. Some candidates did pick up on the given prompts relating to spreadsheets and word processing but often gave features of these applications in a generic way which did not reflect the requirements of the question. Whilst some marks were awarded for features which broadly linked with the question context, those candidates who merely listed features relating to the use of computers (speed, accuracy, presentation) with no detailed explanation or attempt to relate the features to financial aspects could not be awarded any marks. Very few candidates achieved top marks for this question.

Teacher's Tip

It is essential for Centres to take candidates beyond a generic list of features of ICT. There is ample opportunity within the teaching and learning of this unit for candidates to actually use ICT in the preparation of source documents and the compilation of a Cashflow Forecast, for example. The next step should then be to remind them of how ICT is helping the business to improve on its accuracy, speed and presentation, for example in relation to the financial aspect of running the business. When covering topics such as Balance Sheets, Profit and Loss and Break-even, take the opportunity to remind candidates of how ICT can assist businesses in these aspects and consider contexts such as preparing business reports or presentations to senior managers. It is vital to set revision questions on this topic area within specific contextualised case studies and give feedback on those aspects of answers requiring more attention to the context in order to gain full marks.

There is still much work to be done on this aspect as many candidates are missing out on a question which usually commands high marks.

General Certificate of Secondary Education
Applied Business (Double Award) 1491
January 2007 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	89	81	71	62	53	44	36	28	0
	UMS	100	90	80	70	60	50	40	30	20	0

Entry Information

Unit	Total Entry
4863	1538
4864	506
4865	4726

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 %	0	22.22	22.22	55.56	77.78	100	100	100	100

130 candidates were entered for aggregation this series

For a description of how UMS marks are calculated see;

http://www.ocr.org.uk/exam_system/understand_ums.html

Statistics are correct at the time of publication