

## **Business Studies A**

General Certificate of Secondary Education **1951/07**

Case Study - Paper 7

### **Mark Scheme for June 2010**

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OCR Publications  
PO Box 5050  
Annesley  
NOTTINGHAM  
NG15 0DL

Telephone: 0870 770 6622  
Facsimile: 01223 552610  
E-mail: [publications@ocr.org.uk](mailto:publications@ocr.org.uk)

Question			Spec Ref	Expected Answers	Marks	Additional Guidance
1	(a)		5.1.1	<p><b>Target: To explain, classify and justify business activity in the context of GTD Ltd.</b></p> <p><b>Exemplar:</b> GTD can be classified as secondary (1) as it makes and sells wind turbines from raw materials(1) but not a primary business as it does not extract raw materials(1).</p> <p>One mark for <b>secondary</b> classification. Two marks for explanation.</p>	[3]	Do not reward tertiary/service based business.
1	(b)	(i)	5.1.2	<p><b>Target: To apply and analyse knowledge of business ownership in the context of GTD plc.</b></p> <p>Reasons might include:</p> <ul style="list-style-type: none"> <li>• Limited liability</li> <li>• Shared responsibility/skills</li> <li>• Increased opportunity to raise money</li> </ul> <p><b>Exemplar:</b> Gus set up as a private limited company so that he could have limited liability rather than unlimited liability(1) which a sole trader would have(1). This means that if the business failed the shareholders of GTD Ltd would only lose the money they had put into the business rather than all their possessions.(1)</p> <p>One mark for reason stated. Two marks for one reason explained. Three marks for explanation of comparison to sole trader.</p>	[3]	No reward for more than one reason but reward the higher mark answer if more than one reason is given.

Question			Spec Ref	Expected Answers	Marks	Additional Guidance
1	(b)	(ii)	5.1.2	<p>Advantages:</p> <ul style="list-style-type: none"> <li>• Can sell shares on stock exchange</li> <li>• Can raise more money from different sources</li> <li>• Can achieve economies of scale</li> <li>• Accounts are public and investors may be more willing to invest.</li> </ul> <p><b>Exemplar:</b> GTD plc would be able to sell shares through the stock exchange(1) which is reliable and shareholders can buy and sell shares easily(1). This means that more people are willing to invest in GTD and more money can be raised.(1)</p> <p>Any one advantage stated one mark. One advantage explained two marks. One advantage explained and an extension point three marks.</p>	[3]	<p>Accept limited liability. Accept buying or selling shares.</p> <p>No reward for more than one advantage but reward the higher mark answer if more than one advantage is given.</p> <p><b>Exemplar:</b> They have limited liability (1) so they don't lose all their possessions (1) if the company goes into liquidation (1).</p>
1	(c)	(i)	5.1.2	<p><b>Target: To analyse and interpret information from graphical representation of the share market for GTD plc.</b></p> <p>300 pence or £3.00(1)</p> <p>No marks for 300.</p>	[1]	
1	(c)	(ii)		<p>Accept any amount from 510p or £5.10 to 525p or £5.25 (1)</p> <p>No marks for 500p to 509p or any figure without a "p" or £ sign.</p>	[1]	

Question			Spec Ref	Expected Answers	Marks	Additional Guidance
1	(c)	(iii)		<p>Advantages:</p> <ul style="list-style-type: none"> <li>• Value of share increases and is worth more to the investor</li> <li>• Can sell for more than it is bought for.</li> </ul> <p>An investor will be able to sell the shares for more than they bought them for(1) and make a profit.(1)</p>	[2]	Can only give a mark for “make a profit” or “make more money” if the answer includes “sell the shares” or equivalent phrase.
1	*(d)		5.1.1	<p><b>Target: To analyse and evaluate knowledge of stakeholder groups in terms of the activities of GTD plc.</b></p> <p>Community: Candidates might refer to Resource Sheet 1.</p> <ul style="list-style-type: none"> <li>• Reduction in value of houses</li> <li>• Destruction of the views</li> <li>• Noise pollution.</li> <li>• Near to factories/increased employment</li> </ul> <p>Employees:</p> <ul style="list-style-type: none"> <li>• New technology less jobs</li> <li>• Increased training</li> <li>• Effect of change of location</li> <li>• Skin complaints</li> </ul> <p>Customers:</p> <ul style="list-style-type: none"> <li>• Quality might fall if production increases</li> <li>• Prices are set to rise</li> <li>• Reliability of supply might suffer.</li> </ul>		<p>Reward a reference to the length of time the group might be affected by the activities.</p> <p>A simple judgemental statement eg. “The most affected” is not rewarded unless there is a supporting statement.</p>

Question			Spec Ref	Expected Answers	Marks	Additional Guidance
1	*(d)			<p><b>Exemplar:</b> The group which will suffer the most will be the employees. There may be redundancies if new technology is brought in and relocation takes place. (L1) The employees will feel insecure and this will affect their attitude and their work.(L1) Morale might be very low and the more skilled workers may leave and find work elsewhere. Although the community is affected in general by wind turbines it is not specific to GTD plc and only affects some people. Customers may be more affected than the community by the activities but only if quality falls or prices rise. This may take some time to happen.(L2) The effect on the employees is much more direct than on any other group and might result in long term effects on GTD plc.(L2)</p> <p><b>Level 2 (4-6 marks)</b> Candidates analyse at least two of the stakeholder groups and make judgement as to which will be the most affected by the activities of GTD plc.</p> <p><b>Level 1 (1-3 marks)</b> Candidates analyse one stakeholder group with no comparison with others and no judgement made.</p> <p>Candidates will also be assessed for their Quality of Written Communication on this part of the question, according to the following requirements:</p> <p>Ideas are expressed clearly, fluently, legibly and in an appropriate way. There are few errors in spelling, punctuation and grammar. (2)</p> <p>Straightforward ideas are expressed relatively clearly, legibly and appropriately. There may be some errors of spelling, punctuation and grammar, but these do not obscure the meaning of the answer. (1)</p> <p>Candidate fails to reach the threshold standard in all respects.(0)</p>	[6]+[2]	<p>To achieve marks 4 to 6 there must be some analysis to support their view or reasoning.</p> <p>Simple statements about all 3 groups but with no comparative element is a <b>maximum of 3 marks.</b></p>
				<b>Total</b>	<b>[21]</b>	

Question			Spec Ref	Expected Answers	Marks	Rationale
2	(a)		5.1.1	<p><b>Target: To select and apply knowledge of objectives at GTD plc.</b></p> <p>Objectives:</p> <ul style="list-style-type: none"> <li>• Profit</li> <li>• Sales turnover</li> <li>• Survival</li> <li>• Expansion overseas</li> <li>• Market share</li> <li>• Customer satisfaction</li> <li>• Corporate image/social responsibility</li> <li>• Expansion and development of the product line to make all the pieces</li> <li>• New investment in technology</li> <li>• Delivery on time</li> </ul> <p><b>Exemplar:</b> GTD plc want to give an image of a socially responsible business(1) which supports the idea of sustainable energy such as wind power.(1)</p> <p>one mark for objective. two marks for objective explained.</p>	[2]	Simple statement about expansion is 1 mark

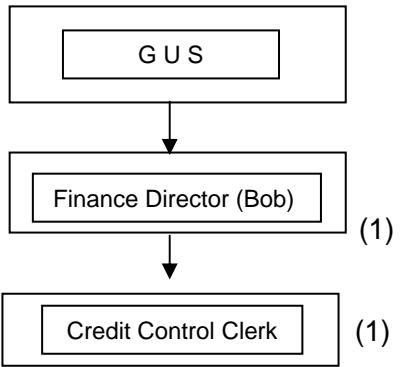
Question			Spec Ref	Expected Answers	Marks	Rationale
2	(b)	(i)	5.1.3	<p><b>Target: To analyse and evaluate reasons for financial decisions made by GTD plc.</b></p> <p>Advantages of renting:</p> <ul style="list-style-type: none"> <li>• Less expensive/cheaper</li> <li>• No borrowing</li> <li>• Limited time</li> <li>• No resale</li> <li>• Less risk</li> <li>• Releases funds for future expansion</li> <li>• Better use of money/alternative uses</li> <li>• Avoids responsibility of ownership</li> </ul> <p><b>Exemplar:</b> GTD Ltd might have decided to rent rather than buy the unit because they would not have to raise a lot of money for the purchase(1), they would make regular payments for the rent which might have been better at the start of the business(1). one mark for advantage. two marks for justification and comparison.</p>	[2]	



Question			Spec Ref	Expected Answers	Marks	Rationale
2	*(b)	(ii)	5.1.1	<p>Advantages of a loan for machinery:</p> <ul style="list-style-type: none"> <li>• Long term</li> <li>• Fixed interest</li> <li>• Fixed term</li> <li>• Predictable payments</li> <li>• Large asset which could be sold.</li> </ul> <p>Disadvantage of overdraft:</p> <ul style="list-style-type: none"> <li>• Short term</li> <li>• Can be called in at 24 hours</li> <li>• Higher rates of interest</li> <li>• Unsuitable for large assets.</li> </ul> <p><b>Exemplar:</b> GTD plc would use a loan because they are buying machinery which will last a long time and could be resold if necessary (L1). A loan is set up for a fixed term and usually for a fixed rate of interest(L1) unlike an overdraft which can be called in at any time and is usually used to cover short term expense rather than new expansion such as that done by GTD plc.(L2)</p> <p><b>Level 2 (4 marks)</b> Comparison is made based on analysis and comparison with specific reference to the purchase of machinery.</p> <p><b>Level 1 (1-3 marks)</b> Candidate applies knowledge and understanding to the purchase of machinery.</p>	[4 +2]	<p>Three and four marks available for an answer in context.</p> <p>Two marks for simple statement about a bank loan <b>and</b> an overdraft.</p> <p>One mark for a simple statement about a loan <b>or</b> an overdraft.</p>

Question			Spec Ref	Expected Answers	Marks	Rationale
				<p>Candidates will also be assessed for their Quality of Written Communication on this part of the question, according to the following requirements:</p> <p>Ideas are expressed clearly, fluently, legibly and in an appropriate way. There are few errors in spelling, punctuation and grammar. (2)</p> <p>Straightforward ideas are expressed relatively clearly, legibly and appropriately. There may be some errors of spelling, punctuation and grammar, but these do not obscure the meaning of the answer. (1)</p> <p>Candidate fails to reach the threshold standard in all respects.(0)</p>		
2	(c)		5.1.1	<p><b>Target: To apply and analyse global opportunities in terms of the objectives of GTD plc.</b></p> <p>Advantages:</p> <ul style="list-style-type: none"> <li>• Increased sales</li> <li>• Larger market</li> <li>• Reasonably easy transportation</li> <li>• Free movement of goods</li> <li>• Economies of scale</li> <li>• Enhanced reputation and brand awareness</li> <li>• Closer and lower transport costs</li> </ul> <p><b>Exemplar:</b> the market in the UK is saturated and the EU will offer a larger market(1) which might result in increased sales(1).</p> <ul style="list-style-type: none"> <li>• Any two advantages explained x two marks.</li> </ul>	2 x 2 [4]	<p>An answer relating to general exporting of turbines is acceptable, as well as exporting to the EU.</p> <p>Beware repetition.</p>

Question			Spec Ref	Expected Answers	Marks	Rationale
2	(d)	(i)	5.1.2	<p><b>Target: To apply knowledge and select information about organisations structure and roles within GTD plc.</b></p> <p>BOB/Finance Director</p>	[1]	
2	(d)	(ii)		three of the named positions.	[1]	
2	(d)	(iii)		<p>Can only choose Production Supervisor as that is the only one with a supervisor. Might choose any Director.</p> <p><b>Role of Director:</b> developing policy, procedures, managing budgets, organising production.</p> <p><b>Role of Supervisor (Production):</b> organise workforce, maintain quality procedures, Health and Safety, production levels, targets, day to day running of production.</p> <p><b>Exemplar:</b> The role of Production Director includes making long term decisions(1) such as how to spend the production budget(1) whereas a supervisor works with the employee and might oversee the day to day running of production like the meeting of production targets.(1)</p> <p>one mark for a description of role of supervisor one mark for a description of role of director + one mark for development and difference in roles.</p>	[3]	

Question			Spec Ref	Expected Answers	Marks	Rationale
2	(d)	(iv)		 <pre> graph TD     A[G U S] --&gt; B[Finance Director (Bob)]     B --&gt; C[Credit Control Clerk]     B --- D(1)     C --- E(1) </pre>	[2]	
				<b>Total</b>	<b>[21]</b>	

Question			Spec Ref	Expected Answers	Marks	Rationale
3	(a)		5.1.3	<p><b>Target: To select and evaluate reasons for increased expenditure on marketing.</b></p> <p><b>Reasons:</b></p> <ul style="list-style-type: none"> <li>• New product</li> <li>• Increase awareness</li> <li>• Increased information</li> </ul> <p>Exemplar: It is very important for GTD plc to advertise more to gain a market for complete units(1) by showing them the new product(1).</p>	[2]	<p>one mark for reason + one mark for explanation.</p> <p>No reward for more than one reason but reward the higher mark answer if more than one reason is given.</p>
3	(b)		5.1.3	<p><b>Target: To apply knowledge of production methods and to analyse in terms of the effect of the change in methods on the workforce at GTD plc.</b></p> <p><b>Benefits to the workforce:</b></p> <ul style="list-style-type: none"> <li>• Increased skills</li> <li>• Cleaner working conditions/inhalation of dust reduced</li> <li>• Health and Safety improved</li> <li>• Increased training</li> <li>• Might be paid more.</li> </ul> <p><b>Disadvantages to the workforce:</b></p> <ul style="list-style-type: none"> <li>• Loss of jobs</li> <li>• More training</li> <li>• Upset over change/low morale</li> <li>• Boring.</li> </ul> <p><b>Exemplar:</b> A benefit to the workforce of a change in technology would be that they would be able to work in a much cleaner atmosphere(1) which means that there would not be so much dust(1).</p>		<p>The answer must describe the impact on the <b>factory workers</b> and not the <b>company</b>.</p>

Question			Spec Ref	Expected Answers	Marks	Rationale
3	(b)			<p>A disadvantage of a change in technology may be that their jobs are in danger of being replaced by the machinery(1) resulting in redundancy(1).</p> <p>one mark for benefit and one for development. one mark for disadvantage and one for development</p>	<p><b>2x2</b></p> <p><b>[4]</b></p>	<p>Do not accept simple statements that the benefits would be “easier or harder work”</p> <p>Do not accept two benefits or two disadvantages.</p>
3	(c)		5.1.2	<p><b>Target: To analyse and evaluate the different objectives of different roles at GTD plc</b></p> <p>Bob’s objectives:</p> <ul style="list-style-type: none"> <li>• Concerned with finance for changes</li> <li>• Concerned with increased wages, fuel costs and cash flow</li> <li>• Concerned with pricing strategy.</li> </ul> <p>Wayne’s objectives:</p> <ul style="list-style-type: none"> <li>• To make changes to production</li> <li>• To relocate</li> <li>• To increase number of products.</li> </ul> <p><b>Exemplar:</b> The main conflict between the two sets of objectives is that Bob is concerned with problems which need dealing with urgently such as wage and fuel increases(1) which will affect levels of profits but Wayne is more concerned with long term changes and spending large amounts of money to expand the business.(1)</p> <p>one mark for stating one or both the objectives. two marks if conflict is explained or inferred.</p>	<p><b>[2]</b></p>	<p>The word conflict does not automatically generate the second mark. There must be an explanation of the conflict.</p>

Question			Spec Ref	Expected Answers	Marks	Rationale
3	(d)		5.1.1	<p><b>Target: To apply knowledge of communication and management in order to evaluate methods of communication at GTD plc.</b></p> <p><b>Exemplar:</b> A board meeting was the best place to discuss the new factory as it is a long term decision which affects everybody at GTD plc(L1). Other issues such as increased costs should also be discussed here as they affect the level of profit and all departments.(L2) Issues that may be discussed departmentally might be the discussion about skin problems and deadlines.(L2)</p> <p><b>Level 2 (2-3 marks)</b> Candidate selects different issues and judges the importance of discussing them at a board meeting.</p> <p><b>Level 1 (1 mark)</b> Candidate selects one issue and states why it should be discussed at the board meeting.</p>	[3]	
3	(e)	(i)	5.1.3	<p><b>Target: To analyse knowledge of costing and fixed assets to GTD plc.</b></p> <p>100+ 50+20+30+40+10+30(1) = £280,000(1) No mark for 280. No mark deducted for no £ sign. OFR applies</p>	[2]	
3	(e)	(ii)	5.1.3	<p><b>Target: To apply knowledge of costing to business decision making at GTD plc.</b></p> <p>Fixed assets might be the factory building, machinery, equipment, vehicles.</p>	[1]	
3	(e)	(iii)		Variable costs might be wages, materials, power.	[1]	Do not accept products/stock.
3	(e)	(iv)		Fixed costs might be training, marketing, buildings, heat, light, machinery and equipment.	[1]	Do not accept electricity/power.

Question			Spec Ref	Expected Answers	Marks	Rationale
3	(f)		5.1.3	<p><b>Target: To analyse methods of market research in the context of GTD plc.</b></p> <p><b>Exemplar:</b> Karen might have used secondary research/internet to collect the information shown in Resource Sheet 3 (1). One of the articles comes from a newspaper and the other set of information probably comes from a set of statistics already collected.(1)</p> <p>one mark for secondary/desk research + one mark for explanation.</p>	[2]	one mark for internet
3	(g)		5.1.3	<p><b>Target: To analyse and evaluate methods of advertising in terms of GTD plc.</b></p> <p>Reasons:</p> <ul style="list-style-type: none"> <li>• Easy to access/anytime/anywhere</li> <li>• Informative/technology</li> <li>• Visual</li> <li>• Reaches a wide market</li> <li>• Relatively low cost</li> <li>• Easy to update and change.</li> </ul> <p><b>Exemplar:</b> Wind turbines are quite a technical product(1) therefore a lot of information would need to be given.(1) The internet can combine this with comments from the community and visual representation.(1)</p> <p>One mark for the reason, one for development and one for a contextual reference.</p>	[3]	Exemplar: The internet is world wide (1) potential customers for wind turbines from all over the world may see the advertisement, (1) resulting in GTD possibly increasing sales. (1)



Question			Spec Ref	Expected Answers	Marks	Rationale
3	(h)		5.1.2	<p><b>Target: To apply knowledge of business organisation and its affect on economies.</b></p> <p>Disadvantages:</p> <ul style="list-style-type: none"> <li>• No supervision of production</li> <li>• Quality may suffer</li> <li>• Exploitation of workforce</li> <li>• Distance</li> <li>• Communication difficulties/a different language</li> <li>• Distribution</li> <li>• Targets</li> <li>• Culture/ different work ethic</li> <li>• Cost and quality of training</li> <li>• Poor management</li> <li>• Potential supply change issues</li> <li>• Corruption</li> <li>• Incompetence</li> <li>• Loss of control.</li> </ul> <p><b>Exemplar:</b> India is a long way away(1) and GTD might not be able to make sure that the jobs were being done to the correct standard/ or this might cost them money(1).</p> <p>one mark for disadvantage. one mark if some kind of development.</p>	[2]	No reward for more than one disadvantage but reward the higher mark answer if more than one disadvantage is given.
				<b>Total</b>	<b>[23]</b>	

Question			Spec Ref	Expected Answers	Marks	Rationale
4	(a)		5.1.4	<p><b>Target: To apply and analyse knowledge of training methods in the context of GTD plc.</b></p> <p>Advantages of off the job training:</p> <ul style="list-style-type: none"> <li>• Good for executives such as Ahmed as they can talk to other people in similar positions</li> <li>• No distractions from the workplace</li> <li>• Can't really learn about managing change 'on the job'</li> <li>• Off the job is better for more strategic training.</li> <li>• Better targets</li> <li>• Expert tuition/better training</li> </ul> <p>Off the job training is good for people like Ahmed because their job is not skilled(1) and therefore the issues they have to deal with are better trained for outside the workplace.(1)</p> <p>one mark for advantage. one mark for development.</p>	[2]	No reward for more than one advantage but reward the higher mark answer if more than one advantage is given.
4	*(b)		5.1.4	<p><b>Target: To analyse human resource issues and evaluate their importance in terms of the motivation of the workforce at GTD plc.</b></p> <p>The question is directed at which would have the most effect on motivation of the whole workforce. Therefore an argument might be made for any of the problems.</p> <p>Skin complaints:</p> <ul style="list-style-type: none"> <li>• The effect on long term health/safety</li> <li>• Absenteeism</li> <li>• Poor working conditions.</li> <li>• Future claims against company</li> </ul>		

Question			Spec Ref	Expected Answers	Marks	Rationale
4	*(b)			<p>Deadlines not met:</p> <ul style="list-style-type: none"> <li>• Targets not met might hold up the production line</li> <li>• Paid higher than workforce so may be some frustration.</li> </ul> <p>Petrol issues:</p> <ul style="list-style-type: none"> <li>• Resentment about fringe benefits given to Directors</li> <li>• Bad for the company image</li> <li>• High cost for the business – higher wages instead</li> <li>• Unfair.</li> </ul> <p><b>Exemplar:</b> The workforce at GTD is highly skilled on the whole and therefore may be resentful about the fringe benefits given to the Directors especially as they seem to conflict directly with the environmental culture of the business.(L1) The workforce may feel that these benefits mean that money that is being spent on petrol could be used to increase their wages.(L2) This will be the most important factor in whether they are motivated or not. They might not be particularly worried about the deadlines as this does not affect them directly in terms of pay or security. However it may reflect on their efficiency.(L2)</p> <p><b>Level 2 (3-6 marks)</b> Candidate analyses the effect of one issue on motivation max four marks. Candidate analyses and evaluates more than one issue with some judgement or comparison then up to six marks.</p> <p><b>Level 1 (1-2 marks)</b> Candidate gives limited analysis/explanation of one or more issues with no comparison.</p> <p>Candidates will also be assessed for their Quality of Written Communication on this part of the question, according to the following requirements:</p>		

Question			Spec Ref	Expected Answers	Marks	Rationale												
4	*(b)			<p>Ideas are expressed clearly, fluently, legibly and in an appropriate way. There are few errors in spelling, punctuation and grammar. (2)</p> <p>Straightforward ideas are expressed relatively clearly, legibly and appropriately. There may be some errors of spelling, punctuation and grammar, but these do not obscure the meaning of the answer. (1)</p> <p>Candidate fails to reach the threshold standard in all respects.</p>	[6+2]													
4	(c)		5.1.3	<p><b>Target: to apply knowledge of Balance Sheet in the context of GTD plc.</b></p> <p>Debtors, bank, working capital, net assets employed.</p> <p>one mark for any one correctly identified.</p>	[1]													
4	(d)		5.1.3	<p><b>Target to apply knowledge of Profit and Loss and Balance Sheet in the context of GTD plc.</b></p> <table border="1"><tr><td>Changes</td><td>Trading, Profit and Loss Account</td><td>Balance Sheet</td></tr><tr><td>Wages increase by 5%</td><td>✓</td><td></td></tr><tr><td>New machinery is purchased</td><td></td><td>✓</td></tr><tr><td>Prices reduced by 2%</td><td>✓</td><td></td></tr></table> <p>one mark for each.</p>	Changes	Trading, Profit and Loss Account	Balance Sheet	Wages increase by 5%	✓		New machinery is purchased		✓	Prices reduced by 2%	✓		[3]	
Changes	Trading, Profit and Loss Account	Balance Sheet																
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Question			Spec Ref	Expected Answers	Marks	Rationale
4	(e)		5.1.3	<p><b>Target: To analyse information from the Profit and Loss Account.</b></p> <p>2010 sales £6m  2011 sales £8m  Difference = £2m(1)      allow 2 as answer</p> <p><math>2000/6000 \times 100(1) = \mathbf{33.3\%(1)}</math></p> <p>Accept 33%. Max 2 marks for no %.</p>	[3]	<p>Max one mark if the answer 8 - 6 and the difference of 2 is mentioned.</p> <p>Alternative method <math>8/6 \times 100</math> (2 marks)  Answer is not 133%</p>
				<b>Total</b>	<b>[17]</b>	

Question			Spec Ref	Expected Answers	Marks	Rationale
5			5.1.3	<p><b>Target: To apply all knowledge and information available in order to analyse and evaluate different business decisions for GTD plc.</b></p> <p><b>Relocate in the UK</b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Lower cost</li> <li>• Same language/culture</li> <li>• Less upheaval.</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Limited market</li> <li>• Problems with workforce/redundancy/change.</li> </ul> <p><b>Build a factory in India</b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Globalisation</li> <li>• Larger market</li> <li>• Cheaper costs</li> <li>• Already developed</li> <li>• Govt support/infrastructure in place.</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Distance</li> <li>• Quality control</li> <li>• Training</li> <li>• Culture/language.</li> </ul>		

Question			Spec Ref	Expected Answers	Marks	Rationale
5				<p><b>Improve technology and change production and product.</b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Less change for workforce</li> <li>• Lower cost</li> <li>• Wider product range</li> <li>• Easier to market.</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Restricted market</li> <li>• May need larger premises</li> <li>• Increased workforce</li> <li>• Training.</li> </ul> <p><b>Exemplar:</b> Any of the options offer opportunities for GTD plc. The possibility of major expansion into new markets offered by locating in India is tempting. The business would be able to capitalise on the infrastructure already in place and the country's interest and expertise in the area.(L1) However this option would present some difficult problems in terms of the cost of the expansion and the reliability of the operation abroad in terms of different working methods, culture, religion and language.(L2) However GTD plc might decide to relocate in Britain and to expand the product in the short term in order to reduce the cost and keep the workforce happy. I would recommend this course of action with the idea of expanding abroad at a later date.(L2)</p> <p><b>Level 2 (3-8 marks)</b> Candidate compares and analyses at least two options and makes a supported recommendation in terms of one option.</p> <p><b>Level 1 (1-2 marks)</b> Candidate analyses one or more options in terms of GTD plc with no supported recommendation.</p>		<p>To achieve marks five to eight the candidate must support any judgements made.</p> <p>Candidate makes detailed analysis of two or more options with supported recommendations the five to eight marks.</p> <p>Candidate makes simple statements about two or more options up to four marks.</p>
				<b>Total</b>	<b>[8]</b>	
				<b>Total</b>	<b>[90]</b>	

**OCR (Oxford Cambridge and RSA Examinations)**  
**1 Hills Road**  
**Cambridge**  
**CB1 2EU**

**OCR Customer Contact Centre**

**14 – 19 Qualifications (General)**

Telephone: 01223 553998

Facsimile: 01223 552627

Email: [general.qualifications@ocr.org.uk](mailto:general.qualifications@ocr.org.uk)

**[www.ocr.org.uk](http://www.ocr.org.uk)**

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**Head office**  
**Telephone: 01223 552552**  
**Facsimile: 01223 552553**