

Business Studies

General Certificate of Secondary Education

Unit **A292**: Business and People

Mark Scheme for January 2011

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

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

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Any enquiries about publications should be addressed to:

OCR Publications
PO Box 5050
Annesley
NOTTINGHAM
NG15 0DL

Telephone: 0870 770 6622
Facsimile: 01223 552610
E-mail: publication s@ocr.org.uk

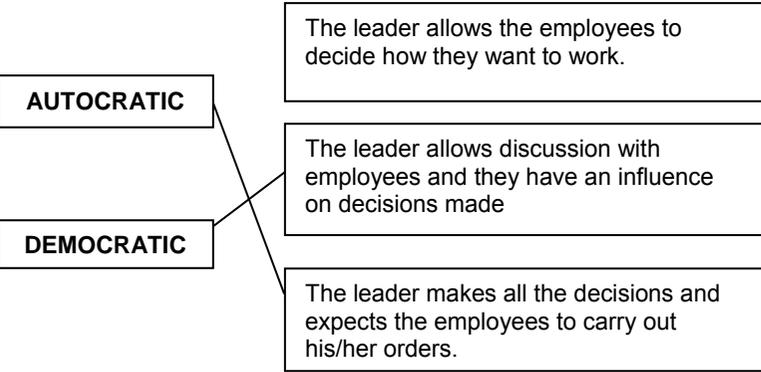
Question			Expected Answer	Mark	Rationale
1	(a)	(i)	<p>Target: To demonstrate understanding of charities</p> <p>Many possible answers</p> <ul style="list-style-type: none"> • Donations, from people or the public • membership fees • 'grants' (1) from the government (1) • 'donations(1) from the public(1) to protect the wildlife(1) <p><u>Examples</u></p> <p><i>Persuading members of the public to believe in protecting wildlife from business actions is important (1) thus they donate money (1)</i></p> <p><i>Members of the public that believe in protecting wildlife from business actions makes a difference (1) thus make monthly contributions to the GCT (1)</i></p> <p><i>Donate money (1) as the person supports the cause set out by GCT (1)</i></p> <p>Allow, 'charity shops (1) which sell goods with the money going to charity (1)</p> <p><i>Allow 'fund-raising events (1) to encourage people to donate (1)</i></p> <p><i>Allow 'grants(1) from the government'(1)</i></p>	[2]	<p>One mark for a correct identification</p> <p>One mark for explanation.</p>

Question		Expected Answer	Mark	Rationale
	(a) (ii)	<p>Target: To apply understanding of charities to stated business.</p> <p>A charity objective is likely not to be linked to profit (1) as would be a private sector business (1).</p> <p>Protect wildlife/meet customer demand</p> <p><u>Example</u></p> <p><i>GCT objectives are to raise money to protect the environment (1) and wildlife whereas a private sector business aims to make a profit (1). As GCT is a charity they have no shareholder pressures (1) as they do not have them unlike private sector businesses (1)</i></p>	[4]	<p>Reference to GCT's aim Appropriate reference/comparison to private sector business</p> <p>Allow up to two marks for the private sector objectives however candidate may get up to three marks for only referencing the objectives of a charity.</p>
	(b) (i)	<p>Target: To demonstrate knowledge of written and verbal communication</p> <p>Many possible answers</p> <ul style="list-style-type: none"> • Hard copy of the communication • The receiver can always go back to review the communication • Verbal not always a copy of what has been said • Quicker • Letters cheaper • Include images <p><u>Example</u></p> <p><i>With written communication the receiver can always go back to review what has been written (1) because there will always be the actual letter etc (1). This is in sharp contrast with verbal where no record is likely (1).</i></p>	[3]	<p>For the three marks, both letters and 'in-person' must be referenced.</p> <p>One mark for the correct identification of an advantage Further two marks for an explanation</p>

Question		Expected Answer	Mark	Rationale
		<p><i>Easy to send letters (1) as you do not have to travel to meet the person/s (1).</i></p> <p><i>You can send many at once (1).</i></p> <p><i>Can easily send out the same message to lots of people (1).</i> <i>Seeing individuals is obviously time consuming (1)</i></p>		
	(b) (ii)	<p>Target: To demonstrate K/U of barriers to communication.</p> <p>Many possible answers</p> <p><u>Attitude of sender</u> The sender may 'talk down' to the receiver so that he/she does not like what he/she hears (1).</p> <p><u>Language used</u> Technical language may cause confusion (1).</p> <p>Allow 'different languages which mean people might not understand what is being said (1)'</p> <p><u>The time when communication is sent</u> The receiver may not be available as he is on lunch (1).</p>	[3]	<p>One mark for each correct statement</p> <p><i>Whilst question is asking for barriers please award award positive answers like 'sender should always be polite and give respect'</i></p>
	(c) (i)	<p>Target: To apply knowledge of recruitment methods thus allowing judgement to be made.</p> <p>Many possible answers</p> <p>GCT website</p> <ul style="list-style-type: none"> • Low cost ie no need to pay an agency • Applications likely to demonstrate an eagerness to 		<p>Level 2 (5-6) – Analysis and evaluation</p>

Question	Expected Answer	Mark	Rationale
	<p>work for a charitable organisation as they are reviewing the website in the first place</p> <ul style="list-style-type: none"> • <i>'Time consuming going through the vast amount of applications as opposed to the recruitment agency doing it'.</i> • <i>Potential workers may not have heard of GCT thus many missed applications</i> <p>Recruitment agency</p> <ul style="list-style-type: none"> • Cost involved • The agency reviews the initial application thus saving GCT time • Agency may not consider an application which GCT may – remember the agency is a profit making business and they may be looking for different qualities • Many applicants may not 'care' about the charitable aims as <i>opposed to if they were checking the website</i> <p><u>Level 2</u> <i>I think the GCT website would be better. The main reasons being low cost ie, no need to pay an agency and the time lost going through the vast amount of applications. In addition, applications from the website are likely to demonstrate an eagerness to work for a charitable organisation as they are reviewing the website in the first place and they have an interest in the business. This may contrast sharply with those applicants from a recruitment agency.</i></p>	<p>[6]</p>	<p>Candidate may recommend either or both.</p> <p>Judgement supported by appropriate analysis. Both recruitment methods compared with logical reasoning <i>and explanation, but for the sixth mark a justified recommendation/judgement required. The trigger to get into Level 2 is detailed analysis</i></p> <p><i>Relatively straightforward ideas have been expressed with some clarity and fluency. Arguments are generally relevant, though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar but these are unlikely to be intrusive or obscure meaning. 2</i></p> <p>Level 1 (1-4) – Knowledge and Application</p> <p>Explanation of using a website and/or recruitment agency.</p> <p><i>Straightforward ideas are expressed relatively clearly, legibly and appropriately. There will be some errors of spelling, punctuation and grammar, but these do not obscure the meaning of the answer. 1</i></p> <p><i>Those candidates that fail to reach the threshold standard in all respects. 0</i></p>

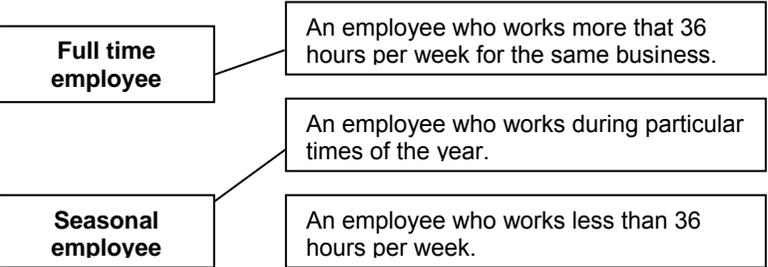
Question	Expected Answer	Mark	Rationale
(c) (ii)	<p>Target: To apply knowledge of presentations to assess their importance in the recruitment process.</p> <p>Many possible answers</p> <p><u>Advantages</u> Directors can see the communication skills of the candidate Directors can see the ability of the candidate to use ICT which is an important part of a Marketing Directors remit <i>Demonstrate technical skills</i> <i>Demonstrate knowledge</i> <i>How they can handle situation with important people/clients; showing how they can handle pressure</i></p> <p><u>Disadvantages</u> Might be nervous when presenting thus does not do themselves justice and thus misleads directors in terms of ability</p> <p>Allow 'Some people may be greatest presenters but lack other qualities (1) eg, conscientious (1)</p> <p><i>Allow 'Smoothest talker may not be the best candidate'(1), but they might be the most conscientious (1)</i></p>	[4]	<p>One mark for the identification of an advantage and one mark for the correct identification of a disadvantage, plus a further one mark for each of two explanations</p> <p>Allow 2x1 or 1x2</p>

Question	Expected Answer	Mark	Rationale
<p>(c) (iii)</p>	<p>Target: To apply knowledge of ‘induction’ to stated business.</p> <p><u>Many possible answers</u></p> <ul style="list-style-type: none"> • know what they will be expected to do • make new employee feel comfortable with their new surroundings • make new employee feel familiar with GCT’s procedures • introduce new employee to staff members thus he/she feels more comfortable with their new surroundings • introduce the new employee to the business (1) and give them a better understanding(1) • get to see how business is run (1) therefore more familiar with the business regarding what they have to do (1) • learn about the company (1) • understand objectives(1) • understand Health and Safety (1) 	<p>[2]</p>	<p>NOTE Question references EMPLOYEES not the business.</p> <p>One mark for the correct identification of a benefit One mark for an explanation</p> <p>Allow 2x1</p>
<p>(d) (i)</p>	<p>Target: To demonstrate K/U of leadership styles</p>  <p>The diagram consists of two boxes on the left: 'AUTOCRATIC' and 'DEMOCRATIC'. Three boxes on the right contain descriptions of leadership styles. A line connects 'AUTOCRATIC' to the top box: 'The leader allows the employees to decide how they want to work.' A line connects 'DEMOCRATIC' to the middle box: 'The leader allows discussion with employees and they have an influence on decisions made'. Another line connects 'DEMOCRATIC' to the bottom box: 'The leader makes all the decisions and expects the employees to carry out his/her orders.'</p>	<p>[2]</p>	<p>One mark for each correct identification</p>

Question	Expected Answer	Mark	Rationale
(d) (ii)	<p>Target: To apply knowledge of leadership styles as a method of motivation and evaluate the 'autocratic' style.</p> <p>Many possible lines of argument</p> <p>Benefits of autocratic style:</p> <ul style="list-style-type: none"> • decisions can be made quickly • able to change quickly to the external environment • employees should know exactly what they have to do – no confusion over orders • clear hierarchical structure <p>Drawbacks of an autocratic leadership style:</p> <ul style="list-style-type: none"> • workers feel alienated from the decision making process which may negatively affect motivation, efficiency etc. • business not open to new ideas • may stifle new innovation <p><u>Example</u> <i>The drawbacks of an Autocratic Leadership (AL) style far outweigh the benefits. Under an AL style workers may feel alienated from the decision making process which may negatively affect motivation, efficiency and competitiveness. Without worker participation GCT will not open to new ideas and it is likely AL will stifle new innovation. Such a style is even more unlikely to work in a charitable organisation where employees are working for a different objective other than profit.</i> <i>I do recognise that decisions can be made quickly and GCT would be able to change quickly to for example reducing incomes and reducing donations but the disadvantages are major especially for a charitable organisation.</i></p>	<p>[6]</p>	<p>Level 2 (4-6) Clear analysis and a weighing up BOTH the benefits and drawbacks of an autocratic leadership style</p> <p><i>Relatively straightforward ideas have been expressed with some clarity and fluency. Arguments are generally relevant, though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar but these are unlikely to be intrusive or obscure meaning. 2</i></p> <p>Level 1 (1-3) Benefits or drawbacks of an autocratic leadership style Linkage to GCT</p> <p><i>Straightforward ideas are expressed relatively clearly, legibly and appropriately. There will be some errors of spelling, punctuation and grammar, but these do not obscure the meaning of the answer. 1</i></p> <p><i>Those candidates that fail to reach the threshold standard in all respects. 0</i></p>
	Question Total	[32]	

Question			Expected Answer	Mark	Rationale
2	(a)	(i)	<p>Target: To demonstrate knowledge of multinationals</p> <p>A company which is based in one country (1) but has manufacturing/service facilities in another (1).</p> <p><i>A company which operates in more than one country (1) eg. McDonald's / Kyles or any other example (1)</i></p>	[2]	<p>DO NOT reward answers which simply state “the firm sells to or has customers in more than one country”.</p>
		(ii)	<p>Target: To apply knowledge of multinationals</p> <p>Many possible answers</p> <p><u>Advantages</u> Manufacturing bases can be spread around the world nearer to the markets they serve thus saving on transport costs which means possible more profit thus dividends/higher share price(1)</p> <p>Production may be located where production costs are low (1) thus giving more profit thus dividends / higher share price(1)</p> <p>allow 'higher' potential sales / profits / dividends</p> <p><u>Disadvantages</u> Communication difficulties caused by being located in different countries which have different languages/facilities being far away (1) decreases efficiency and competitiveness thus possible lower profit/dividends (1)</p> <p><i>Allow fluctuating exchange rates (1) which may mean losing money when buying materials from abroad thus lower dividends to shareholders as profits will be lower(1).</i></p> <p><i>Entry into a competitive market may lead to losses(1) therefore shareholders are worse off(1)</i></p>	[4]	<p>One mark for the identification of an advantage One mark for the identification of a disadvantage One mark for each of the two explanations</p> <p>Note: Question refers to the advantages and disadvantages to shareholders therefore direct reference must be made in order to obtain the full four marks. Do not have to use the word shareholders, can be implicit eg. dividends</p> <p>2x2</p>

Question		Expected Answer	Mark	Rationale
	(b) (i)	<p>Target: To demonstrate knowledge of the term deindustrialisation</p> <p><u>Examples</u></p> <p>The process of deindustrialisation will see a reduction in the size of the secondary sector (1). This can be seen with the percentage of employment in the secondary sector (1) in the UK reducing from 30% of employment in 1990 to 22% by 2010 (1).</p> <p><i>Allow 'as you can see from fig1 (1) employees moving away from secondary sector (1)'</i></p>	[2]	<p><i>One mark for explanation</i></p> <p><i>One mark for correct reference to data – note trend</i></p> <p><i>Do NOT allow increased robotics which leads to less workers</i></p>
	(b) (ii)	<p>Target: To demonstrate knowledge of reasons for the increasing service sector</p> <p>Many possible answers</p> <p><i>'People having more leisure time' (1) has created jobs, eg health centres, entertainment, and tourism (1).</i></p> <p><i>There has been a sharp 'increase in the number of people living longer' (1). Due to this there has been an increase in the demand for services such as homes for older people (1).</i></p> <p><i>Population increases (1) therefore increased demand for leisure activities (1)</i></p> <p><i>Higher disposable income therefore more need for shops</i></p>	[2]	<p>One mark for identification</p> <p>One mark for the explanation.</p> <p><i>DO NOT ALLOW 'increased machinery'</i></p> <p><i>DO NOT reward 'supply of labour' answers such as 'people prefer working in hotels to factories'.</i></p> <p><i>DO NOT reward 'the tertiary sector increases as the service sector has decreased</i></p> <p><i>DO NOT reward 'employees do not like work in dirty factories hence they now work in the tertiary sector</i></p> <p><i>DO NOT ALLOW 'cheaper abroad thus increased jobs in tertiary'</i></p>

Question		Expected Answer	Mark	Rationale
	(c) (i)	<p>Target: To demonstrate K/U of ‘types of employee’.</p>  <p>Full time employee – An employee who works more than 36 hours per week for the same business.</p> <p>Seasonal employee – An employee who works during particular times of the year. An employee who works less than 36 hours per week.</p>	[2]	One mark for each correct identification
	(c) (ii)	<p>Target: To apply knowledge of seasonal employees to stated business</p> <p><u>Examples</u></p> <p>Hotels are generally seasonal thus at specific times of the year there will be more demand than other times (1) therefore Kyles plc can save money (1) by releasing seasonal workers when times are not as busy (1)</p> <p>Seasonal employees may not be offered the same benefits package as full time employees (1) eg. pension (1)</p> <p><i>‘Recruitment can be done through an agency to save time and money (1)’</i></p> <p><i>‘Summer is high season which has high demand (1) thus more seasonal employees required (1). Low season requires less workers thus less seasonal employees employed which saves on wages (1)’</i></p>	[3]	<p>One mark for each correct point of explanation up to a maximum of three such explanatory points, but allow development.</p> <p>Do not allow seasonal workers work for lower wage rates</p> <p>Do not allow ‘workers are cheaper’ but award ‘lower costs for the company’</p> <p>Mark allocation One mark for each of the following: Seasonal demand Increase need for seasonal employees Cost benefits / improved efficiency / service</p>

Question	Expected Answer	Mark	Rationale
(c) (iii)	<p>Target: To apply knowledge of trade unions to the employees of stated business</p> <p>Many possible answers</p> <ul style="list-style-type: none"> • representation • advice • collective bargaining • health and safety improvements • workers treated fairly • Allow reference to 'support' <p><u>Example</u></p> <ul style="list-style-type: none"> • <i>An employee might not be a very good communicator as well as not having the knowledge on particular areas such as maternity leave (1) therefore being a member of a TU allows you to get advice as well as the TU representing you at meetings (1).</i> • <i>Collective bargaining (1) means the employee will be more powerful in bargaining as a group of workers rather than individually bargaining (1)</i> • <i>Representation (1) – this is more powerful than if bargaining individually (1)</i> • <i>If something happens to you – race discrimination (1), union fights your case and represents you (1).</i> 	<p>2x2</p> <p>[4]</p>	<p>One mark for each correct identification of a benefit One mark for each of the two explanations.</p>

Question	Expected Answer	Mark	Rationale
(d)	<p>Target: To apply knowledge of and analyse three ways to increase profitability thus allowing a judgement to be made for stated business</p> <p>Many lines of argument</p> <ul style="list-style-type: none"> • improved training will benefit employee performance, resulting in increased productivity, with potential rise in quality, and an increased demand for the hotel leading to increased profits. However, some staff may see the extra training as an imposition, and only benefiting the business, causing resentment. • employ temporary staff to replace permanent staff may help, but loyalty at the hotel may suffer and again may cause industrial problems especially as many of the employees are members of a TU. Allow temporary staff are cheaper • using piece rates may make staff more productive with earnings being related to output, this in turn will lead to higher profits. Introducing such a scheme may lead to difficulties if staff see the piece rate targets being in favour of the hotel with little real benefit to themselves. <p>Allow reference to “difficult to relate piece rates to a hotel therefore this method will have little effect on profitability”</p> <p><i>Training will benefit the hotel and the staff, staff should feel they will do the job better (1), and have higher level skills and qualifications which they can take to other jobs if they leave Kyles plc. With the extra output from improved training, the hotel will also achieve its target (1).</i></p> <p><i>Employing temporary staff will cause problems with the existing staff, especially if the jobs of any permanent staff are lost (1). Job security is very important to many workers</i></p>		<p>Allocation of marks;</p> <ul style="list-style-type: none"> • <i>The sixth mark is for judgement – this cannot be given without the previous five marks.</i> • <i>Up to two marks for each action up to a max of five</i>

Question	Expected Answer	Mark	Rationale
	<p><i>and those at the hotel will not see the benefits of temporary workers in the same way as the management (1).</i></p> <p><i>Piece work could benefit employees if they can see increased earnings from their work. If they feel they are working as hard as they can already, it is difficult to see how this method would create anything more than further problems.(1)</i></p> <p><i>Overall, training offers the best method of the hotel reaching its target whilst keeping the employees feeling positive about change.(1)</i></p>	[6]	
(e)	<p>Target: To analyse text based on Health and Safety thus allowing judgements to be made.</p> <p><u>Example:</u> <i>Alan's rights are denied (1) as regulations say max of 1 hour at computer without a break (1) but Alan is working 2 hours without a break (1) We do not know if Kyles plc has offered Alan a free eye test (1).</i></p>	[3]	<p><i>Allocation of marks: any three of these four points:</i></p> <ul style="list-style-type: none"> • Judgement – Alan's rights are denied • Explanation – why regulation 1 links to Alan – Max 1 hour a computer without break • Reason why its broken – Alan works 2 hours without break' • Explanation – we do not have any information about whether regulation 2 is broken <p>Students CAN obtain the maximum three marks for referencing only Regulation 1.</p>
	Question Total	[28]	
	Total	[60]	

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

www.ocr.org.uk

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