

# Examiners' Report/ Principal Examiner Feedback

## Summer 2010

GCE

### GCE APPLIED BUSINESS (6916) Paper 01

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## PE report on examination paper 6916/01

### General Comments

This question paper was based on replicating Assessment Objective (AO) and Mark Band (MB) weightings established in previous papers. This question paper was the first assessment for 6916 to be based on the revised specification Issue 2 - May 2009. The most significant change is that we are now assessing quality of written communication (QWC). This was indicated in the question paper by an asterisk (\*) shown next to the question number where this applies (in this case, questions 2a and 3c). The structure of the paper matched the sample assessment material issued June 2009, which included exemplars for the extended writing questions that are now an integral part of the assessment for this unit. In every other way the requirements of the question paper should be directly comparable with previous series.

It is recommended that in addition to reading and taking any notes or advice from this report, Examiner Reports for previous series are read and used to prepare candidates for external assessment, as they contain lots of general advice that is still relevant and likely to be useful for staff and students in preparation for future papers.

My own general observations, supported by reports from all examiners who worked on this paper, are as follows:

The deterioration in candidates' handwriting, noted in my report for the June 2009 series and also in January 2010, shows no sign of changing. Indeed, there was an increase in the number of unreadable items being sent to review because examiners could not read the handwriting. This is a written paper, within an Applied Business qualification, so it is essential that candidates are able to communicate their answers in the written form - this means making sure that examiners can actually read the handwriting. Candidates need to remember that despite the widespread use of keyboards, screens and electronic communication, there is still a requirement for clear and legible hand writing in the workplace. In addition, it is important to remind candidates that quality of written communication (QWC) now carries marks in this paper. Please see the revised Issue 2 specification dated May 2009 for full details.

Candidates are still missing marks because they do not give answers for the question that is asked. Part of this may be due to scanning the question quickly and writing about the first thing that they see, which is not always what is actually being asked. Candidates are advised to read the questions in full before starting to write their answers. Another reason may be to cover up a lack of knowledge by writing about a subject that they do know about, which may or may not be related to that which is asked. No matter how well written or knowledgeable an answer, if it does not answer the question asked it can be awarded no marks.

Linked to this is the tendency to miss, or misunderstand, the command words at the start of each question. Each command word has been carefully selected as part of the paper development process to elicit a particular response, linked to the AO and the level of answer expected. A question that starts 'Discuss...' or 'Analyse...' is expected to be given a different response to ones that start 'State...', 'Explain...', 'Describe...' and so on, and each will carry a number of marks appropriate to the response expected.

To help candidates overcome these types of problem I recommend that:

1) Teachers make good use of examination preparation sessions to introduce students to the command words that they will commonly see within the GCE assessment. For further information please see: Appendix 8, in the Teacher's Guide that accompanies the Edexcel AS GCE and GCE specifications for Applied Business, May 2005.

2) Past papers and associated Mark Schemes are used to identify how command words relate to mark allocation and exemplar answers.

Finally, as part of their preparation for written examinations, candidates are advised to look at the spaces left on the question paper for their answers. The number of lines indicates the length of answer that is expected, and whilst I would not want to curtail a candidate from giving a long and thorough answer to a question if they need the extra space, they should bear in mind that part of the discipline of written examinations, and certainly a discipline in the real world of business, is to keep the answer to the limits set.

As noted in the report for January 2010, many candidates seem to treat this paper as a general knowledge quiz, and assume that general answers, peppered with a few business terms, concluding with '...to make a profit', will suffice for an answer. Inserting the word 'profit' into every answer is not the way to gain additional marks - although important, profit is not always the answer. Candidates should also be told that just stringing together a few business terms such as '...this will increase...profit, turnover, sales, employees, savings, motivation...' is not an answer and markers will not pick out the appropriate word on behalf of candidates in some kind of multiple choice exercise. Candidates also need to be reminded that this is an AS level examination and most answers are expected to show some development and application. This means that unless specifically asked for, simplistic answers at the level of single words such as 'easier', 'cheaper', 'quicker', 'faster', etc. are not really acceptable and unlikely to score any marks.

Understanding of basic business terminology remains low, especially in respect of business functions. Indeed, many candidates did not appear to understand the difference between job roles and business functions, using the terms interchangeably in their answers. There may be an English language issue here, as some of the answers that we received were so far from what was being asked that it was questionable as to whether the candidate could actually read and/or understand the question. This is a serious issue and one that teachers should consider before candidates are put in for the examination.

The tendency for candidates to write out the question as the start to their answer, sometimes their entire answer, remains a common practice amongst the weaker candidates. This may help their thought process but will not score any marks unless the question explicitly asks for the answer to be drawn from information given in the question or scenario.

Many candidates were wasting time and potential marks by not adhering to the requirement specified in the question. If a question asks for 'one way' or 'one example', marks will only be available for one way/example - no matter how many other ways or examples the candidate crams into their answer.

Most of these issues can be overcome to some degree by preparing candidates' exam technique, which is very important.

In general, there is a lot of guesswork going on, and not enough precision in answers to the 'choose your own business' questions. Leading businesses such as McDonalds, Boots and Sainsbury are often chosen as a basis for answering these questions. There is nothing wrong with that, so long as candidates actually know sufficient about the internal working of these businesses to answer the questions, rather than just describe the business operations that are superficially apparent from visiting the websites of such well-known businesses.

These 'open' questions continue to cause problems for candidates who chose inappropriate organisations or examples. It is good advice to candidates to read the question before they choose a business to write about, so that they can consider which of the business that they have studied is most appropriate and which will produce the best answer.

As a general observation, candidates who choose smaller, local businesses tend to produce better answers than candidates who choose large national or international 'famous name' businesses. It seems that studying small/local business tends to give candidates a greater understanding of the 'real life' of the business and provides them with more opportunities for real application in their answers. Whilst large organisations may be high profile and provide a wealth of information on their websites, much of it tends to be aimed at PR or publicity. Although this may provide an impression of the business it is often too general to be of much use when trying to answer questions based on specific issues that affect the business.

The fundamental requirement of the 'open' questions is that they are based on a real business that the candidate has studied or learned about during their course. Thus they are expected to name the business and give a brief outline of its main activities, to provide context for the marking of their answer. It is surprising how many candidates still do not name a business, but just launch straight into an answer. If a business is not named, and cannot be identified by direct naming within the answer, then no marks can be given as the answer could be pure fiction. Please remind candidates that it is most important to name the business about which they are writing.

One final general point is that the teaching that supports this unit should be up-to-date. My reason for raising this is that we are still getting answers that refer to Woolworth, a business that ceased trading at the end of 2008, Virgin Mega stores that has not traded in the UK since 2007, and to the Trades Description Act which was effectively replaced by The Consumer Protection from Unfair Trading Regulations 2008 which came into force in May 2008. I accept that some text books may still refer to these and other obsolete examples, but learners should really be guided to current businesses and legislation for their work on this unit.

This report is designed to help future teaching and learning. It may come across as a critique of the ability of candidates, but it should not be interpreted as being unduly negative. Judging from the many papers and answers that I have seen, most candidates have indeed worked hard on their studies and the paper is just designed to give candidates the opportunity of demonstrating, within the terms of the Assessment Objectives for this Unit, just how much they have learned. I offer my congratulations to all students, whatever grade they may ultimately achieve.

The theme of this paper is based on various business activities that affect *Friendz Graphix*, a business partnership that offers a range of design and creative services. The partners were named as Tony Jones and Meg Windsor, and referred to as Tony and Meg throughout the paper. None of the questions need specialist subject knowledge, and the subject does not appear to have caused any problems for candidates.

As in previous papers, the last two items in each question should have been based on businesses that the candidate has studied during their course.

### Comments on Individual Questions

#### Question 1(a)

Candidates were asked to state four advantages of a partnership to Tony and Meg. Question produced lots of good answers; this is clearly a part of the specification that is well known to most candidates, which is good to see. Some candidates missed marks by not reading the question closely enough, missing the requirement to state 'advantages'. As a result, there was a 'knee jerk' reaction as soon as they saw the word 'partnership' and they just wrote down a list of facts related to partnerships - often missing the point that the question only asked for advantages.

#### Question 1(b)

This question asked candidates to discuss one problem that being in a partnership could create for the two partners. Most candidates could identify basic problems, with the stronger candidates getting the additional marks for a discussion around the problem identified. I am pleased to report that there seem to be a high awareness of potential problems amongst candidates. This was an example of a question where only one problem was required; candidates who listed more problems could get no additional marks.

#### Question 1(c)

Candidates were asked how a given objective for the business would affect the way that the business is run. Good solid answers in the main, with candidates having a good idea as to how a loan from a family member would affect the business. The most pertinent responses outlined the necessity for financial management of costs, the impact on quality and customers and the partner's working relationship. Some responses recognised that the loan would have an impact on the running of the business with more developed responses adding reasons to support conclusions or detailing a number of possible impacts. Some candidates missed the objective given in the scenario, and went on to explain why a personal loan was a good thing in general, and how it could be spent, etc. An example of misreading and missing the point of the question.

### Question 1(d)

Given three clear business objectives: survival, making a profit, and paying back the loan, candidates were asked to examine one other objective that the partners could set for the business. Lots of good objectives suggested, but a proportion of candidates did not read the question, as they persisted in giving profit based objectives - despite this being ruled out in the question. Better responses came from candidates who focused on objectives for developing customer service or on expanding and growing, and were able to develop their answers. Many candidates just defined the terms "aim" or "objective" and tried to demonstrate knowledge of objectives via the mnemonic 'SMART' which they are clearly taught. Candidates are advised to read the question fully and not 'home-in' on the word 'objective' or the first word that they recognise.

### Question 1(e)

Superficially, this would seem to be a relatively simple question: state **four** financial functions of a business, for 4 marks. However, in practice it did not prove to be quite so simple, and in considering some of the responses, some troubling issues are raised. First, the apparent lack of detailed understanding of the financial function - one of the most important in any business. The sheer range and diversity of answers was astonishing - there was little to no consistency in what candidates consider to be 'financial functions' which suggests that there is no consistency in the way that this particular business function is taught. The apparent randomness of answers made it look as if many candidates were just drawing answers from their general knowledge - rather than applying what they had learned. Second, it was surprising how many candidates did not give four financial functions - many just gave one, and then filled the space for the answer repeating or expanding on this single financial function. Third, which I do not know if this is a result of misreading or misunderstanding, but when asked for 'financial functions' a proportion of candidates listed other business functions such as human resources, marketing, sales, production, etc. All in all a disappointing response to a basic business question.

### Question 1(f)

This was an open question based on the candidate's own choice of business - explain the importance of two key roles in the organisational structure of this (the named) business. Lots of confused and misplaced answers, with some candidates focussing their answer on describing various organisational structures, which was not what was asked. Also, like the term 'functions' in Q1(e), many candidates did not seem to be familiar with the term 'role' in a business context, and based their answers on functional areas. An example of candidates not understanding key terms. Again, as noted in Q1(e), a lot of candidates missed the requirement for two key roles, named one, and then just based their answer on the one they had named, missing valuable marks that could have been gained by naming a second role. Basic responses included the names of roles - often managers and sales assistants; with stronger responses adding detail to the description of the roles showing evidence of first-hand research of the organisation. Very few candidates managed a reasoned assessment of the importance of the roles to the organisation, many falling down on the importance of the actual roles when applied to the organisation in question. Having said this, quite a lot of candidates managed to obtain between 4 -6 easily once they understood the question requirements as 'role' not 'functions'. This is down to teachers demonstrating that the two are very different, and candidates recognising that the choice of organisation is important.

### Question 1(g)

Another 'own business' question. Here we wanted candidates to explain how the main aims of this business influence its objectives. Lots of confused answers because of the interchangeable use of aims and objectives by many candidates. The two terms are listed separately in the specification, with brief explanations and examples, so use of the specification would be a good starting point for teaching. Candidates who started their answer by correctly defining aims or objectives tended to produce better answers, as the definition seemed to help clarify their thought process before they started the answer proper.

Choice of business seemed even more crucial - candidates who chose famous name retailers seemed to get stuck as they ran out of knowledge very quickly, having guessed at a general aim to start their answer. Candidates who chose smaller, local businesses seemed to be able to link aims and objectives, perhaps because they tend to be smaller scale, more specific and less global in their overall aims.

### Question 2(a)

This is the first of the 'extended writing' questions in this paper. Based on the answers that I saw, candidates responded well to this opportunity to give longer, extended answers, and there was some good work coming through. Candidates were asked to analyse the need to prepare a job description and a person specification when recruiting a new employee to work in the business partnership that was used throughout this paper. Candidates seemed to have a good basic knowledge of job descriptions and person specifications, but put little application in their answers. This limited many candidates to Level 1 marks. These extended answer questions are designed to stretch and challenge candidates, and to give stronger candidates the opportunity to produce longer, more developed answers, but most did not rise to the challenge, and seemed content with basic marks. Judging by most of the handwriting, and the poor use of English language, few candidates seemed to notice that this question also carried marks for QWC.

However, judging by some of the answers, not all candidates were familiar with matrix structures as a form of organisational structure. Although none are listed specifically in the specification, learners should be made aware of the main forms of organisational structure that are common in business.

### Question 2(b)

This question asked why simple application forms might be preferred over CVs when recruiting. I am pleased to report that this question produced some exceptionally good answers. Candidates clearly understand the differences, weaknesses and strengths of these two documents, and understand how employers use the different documents.

### Question 2(c)

This question asked what about the importance of nationally recognised qualifications. Marks could be gained by demonstrating knowledge of such qualifications, and by developing the answer by expanding on their importance, to either qualification holders or to prospective employers. Lots of candidates tried to define what is meant by the term, rather than actually answering the question and focussing on what is important about such qualifications. In general, most of the

answers were pretty basic, with only the stronger candidates seeming to understand what was required. Weaker candidates tended to produce low level and 'mirror answers' along the lines of 'nationally recognised qualifications are important because they are recognised nationally'. There was some confusion with the term 'national' resulting in many candidates stating that such a qualification could be used anywhere in the world.

#### Question 2(d)

This question was based on understanding the day-to-day tasks associated with one role in the administration function in a business of the candidates' own choice. Lots of brief answers, but most candidates seemed to get the point and could list some basic administration tasks. However, some candidates clearly do not know about or understand what is meant by administration, attributing all manner of responsibilities and activities, some that would be more akin to a company secretary or a managing director. The most common correct responses included dealing with visitors, answering and making telephone calls, preparing for meetings and up-dating customer records, usually on data files. Dr's and Dental practices were used by some candidates who recognised the need for administration from first-hand experience or work experience. Candidates who chose retail organisations struggled to fit administration tasks into their general knowledge of the business, often from a customer's point of view.

#### Question 2(e)

This question asked candidates to discuss one interview technique used by their chosen business, when recruiting new employees. Judging by many of the answers, candidates are very familiar with different types of interview, some derived from what they may have seen being used on business oriented television programmes such as 'Dragon's Den' or 'The Apprentice'. Candidates gave many good examples of both traditional and modern interview techniques. Some candidates misread question and focussed their answer on the recruitment process rather than just the interview technique, which wasted their marks. Some candidates lost marks by discussing a range of techniques rather than focusing on one technique in detail and applying this to their business. Few candidates were able to discuss the technique in detail within the context of the organisation they had researched because they focussed on just passing on knowledge rather than application. Some of the techniques discussed were simply not appropriate to the business stated and would not have been used.

#### Question 3(a)

This question asked why the partners would need to motivate the new office administrator once recruited. Although the focus of the question is on 'why', many candidates skipped over this, saw the word 'motivate' and just listed a range of motivation techniques. This was not the way to answer this question. In general there seemed to be a good awareness of the need to motivate a new employee, but, as noted, the list of techniques just overwhelmed the reasons why.

### Question 3 (b)

Candidates were asked to list four rights that the office administrator has under the Working Time Regulations 1998 (WTR). Like most questions on legislation in successive series of this paper, many candidates appear to know it exists, but do not know many details about it. Certainly awareness of the WTR is high amongst candidates, but they have little detailed knowledge of the rights it gives workers. As a consequence, most answers were very general, lacking any detail or precision. There was evidence that some candidates did not take in what they were reading in the question, as they immediately started writing about the 'Working Time Directive' rather than the '...Regulations' as written in the line preceding the space for their answer.

More evidence of misreading, or perhaps an inability to apply what they know to real business situations, was the regular reference to night work or shift work - despite the fact that the question states that it is the rights of an office administrator that they should be concentrating on. Many answers were so general they could have been guesses, like there will be a limit to the number of hours, and there should be breaks, etc. There was a lot of overlap with employment legislation, and various equal rights/opportunities legislation, all of which seemed to be milling around in candidates' general knowledge of the fact that there is some legislation somewhere out there, and if sufficient bits were thrown into an answer, then some of it should be right.

Whilst it is true that the specification for this unit does not list any specific legislation that should be known, it does state in section 1.4, that '...you will need to consider how the following external issues affect different businesses and the people who work in them: legal and self-regulatory constraints and issues, including competition law, consumer protection, the work of trade unions, employment protection and health and safety.' Overall, teachers and students should be up-to-date with any appropriate legislation.

### Question 3 (c)

This was the second of the 'extended writing' questions in this paper. The answer should have focussed discussing how the partners could trade ethically. Candidates produced answers containing lots of ideas about a wide range of ethical issues, but only the strongest candidates could relate this to the business that had been used throughout this paper. As a consequence, there were lots of answers about not using child labour, or exploiting farmers in developing nations - which had little relevance to a graphic design business in the UK. Many candidates simply linked ethical issues with environmental issues, and proceeded to write about these, at length. Very few answers focussed on business ethics, despite the fact that it is a 'hot topic' in the real world of business, and scarcely out of the news headlines. Some candidates did not seem to understand the difference between ethical issues and ethnic issues, and consequently based their answers on the latter, which was quite wrong.

### Question 3 (d)

Here, candidates were asked to suggest how their chosen business met the esteem needs of its employees, using Maslow's hierarchy as the basis for their answer. Generally quite well answered, but candidates just writing all they know about Maslow, without actually answering the question. Some even writing about other levels then missing out esteem altogether. The question focused exclusively on meeting esteem needs but many candidates felt the need to demonstrate their 'motivation knowledge and theory' in spite of the question. It was therefore

unnecessary to explain Maslow's theory in general terms or Herzberg's theory or explain how the business could meet other needs in the hierarchy. The result was that in many responses, the esteem needs received just a brief mention when candidates were expected to identify ways in which esteem needs are met and apply these in context to the selected business. Some thought should be given by centres on the need to stress that these questions - where candidates make a choice of organisation on every paper - are really requiring the candidates to apply what they know happens. If they do not do this, marks will continue to be wasted.

### Question 3 (e)

This was the final question, asking for an example of one way that the candidates' chosen business motivates its employees. This question provided an enthusiastically answered end to the paper. Most candidates could give a good example of motivation in their chosen business. Some problems were encountered with candidates who just listed many ways of motivation, only one was asked for in the question. Some examples given were very general and not even relevant or appropriate to the named business - cars being used to motivate shop floor staff in major grocery supermarkets, etc. Some candidates wrote abstract answers about motivational theory, which was not applied in any way, and did not appear to have any connection with their named business.

## Grade Boundaries - June 2010

| 6916     | Total | A  | B  | C  | D  | E  |
|----------|-------|----|----|----|----|----|
| Raw Mark | 90    | 66 | 58 | 51 | 44 | 37 |
| UMS      | 100   | 80 | 70 | 60 | 50 | 40 |

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