

Mark Scheme (Results)

Summer 2012

GCE Applied Business (6916)
Paper 01

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response

Question Number	Exemplar Responses	Mark Allocation
1a) AO3 MB1 = 2	<ul style="list-style-type: none"> • Swindon local community • Michal Pavlicek/owner • American parent company/Grillaz inc. • local consumers • staff/employees 	<p>1 mark for each stakeholder in scenario</p> <p>(2 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
1b) AO1 MB1 = 1 MB2 = 1	<ul style="list-style-type: none"> • Because it gives him limited liability – this protects his personal assets • Because it looks more professional/business like – when compared with being a sole trader • So that he can accept investment from friends/family – rather than having to sell shares to people that he does not know • So that he keeps control over the business – as there are no public shareholders 	<p>1 mark for reason + 1 mark for outlining reason</p> <p>(2 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
1c) AO4 MB1 = 2 MB2 = 1 MB3 = 1	<ul style="list-style-type: none"> • To acknowledge every customer as soon as they approach the counter – this will inform customer that counter staff know that they are waiting – and suggests that they will be served as soon as staff become available – this supports aim by reducing customer frustration of waiting • To have a common approach to dealing with every customer – to ask 'How may I help you?' when opening the sale – to say 'Is there anything else I can get you?' before closing the sale – this supports aim by satisfying customer needs 	<p>1 mark for objective for staff + 1 mark for applying reason to support aim (maximum 2 marks)</p> <p>1 mark for stating how objective supports the aim or business</p> <p>(4 marks)</p>

Question Number		Indicative content
1d)		A franchise operation is when someone (the franchisee) buys an 'off-the-shelf' business model that someone else has created – it means that the franchisor has established the business idea, its branding and marketing strategy - and the general business model is proven to work successfully – the advantages of this for the franchisee is that they do not have to come up with an original idea – they can simply buy-in to something that is already successful – and take advantage of the customer recognition – and customer loyalty that has already been established – the disadvantages include the fact that it is likely to be quite expensive to buy – and that each month the franchisee will have to pay back a fixed amount to the franchisor - whether it has been a successful month or not – also, they will have to use the franchisor's advertising and promotional plans even if they do not like them – as they will be contracted to maintain and protect the original image that the franchisor has created
Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 – 3	<p>Candidate shows some knowledge and understanding of what a franchise operation is; answer may include some general features rather than advantages or disadvantages, these may not be related directly to the franchisee.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.</p>
Level 2	4 – 6	<p>The candidate applies their knowledge and understanding to show that they understand general features of a franchise operation, some features will be converted to advantages or disadvantages, some of these will be related to the franchisee.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with limited accuracy.</p>
Level 3	7 – 9	<p>The candidate starts to discuss the situation, making realistic comparisons between advantages and disadvantages, most of which will relate directly to the franchisee.</p> <p>The candidate uses some specialist terms and the response shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy</p>
Level 4	10 - 12	<p>The candidate has assessed the situation thoroughly, and can put forward a fluent discussion of the features of a franchise operation and can convert some features to an advantage or disadvantage for the franchisee; they may draw answer to a valid conclusion or express a valid opinion.</p> <p>The candidate uses appropriate specialist terms and the response shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.</p>

Question Number	Exemplar Responses	Mark Allocation
<p>1e)</p> <p>AO1</p> <p>MB1 = 1</p> <p>MB2 = 1</p> <p>MB3 = 4</p>	<p><u>Name of Business: Tesco</u> <u>Main Activities: retail supermarkets and financial services</u> Merchandising and stock control are two functions within a Tesco store – the way they work together is that merchandising put the goods on the shelves and then let stock control know if more is needed – they communicate with each other electronically – using hand held bar code readers - this is essential for the success of the business as it helps make sure that they never run out of stock – if they ran out of stock they would lose sales as customers would go elsewhere</p> <p><u>Name of Business: Power Engineering</u> <u>Main Activities: manufacturing steel components</u> The HR and the production functions at Power Engineering - work together to make sure that there is always sufficient employees to work the machines – if there was not, the output of the business would be reduced -- by making sure that there are always sufficient employees on the machines – production is maximised - and customers are not let down</p>	<p>1 mark for naming two functional areas and how they work together (maximum 2 marks)</p> <p>Up to 4 marks for how working together contributes to making it a successful business</p> <p>(2 + 4)</p> <p>(6 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>1f)</p> <p>AO1</p> <p>MB1 = 2</p> <p>MB2 = 2</p>	<p><u>Name of Business: Boots</u> <u>Main Activities: retail pharmacy</u> Boots have a centralised head office in Nottingham – from here they send out directives to store managers – the store managers brief the supervisors – who then communicate the plans to employees within their section</p> <p><u>Name of Business: Starbucks</u> <u>Main Activities: coffee bar</u> Starbucks is centralised in Seattle, Washington State in the USA, where the headquarters is located – in the UK the head office, called the 'support centre' is in Chiswick - 700 outlets in the UK all receiving information and promotional ideas from the support centre – which are then put into place by the manager in each branch</p>	<p>1 mark for saying how the organisation is centralised</p> <p>1 mark for each point of description of organisational structure (maximum 3 marks)</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>2a)</p> <p>AO2</p> <p>MB1 = 1</p> <p>MB2 = 1</p> <p>MB3 = 2</p>	<ul style="list-style-type: none"> • Because the long opening times –the shifts start early or end late - employees get bored/fed up/disenchanted – think that there must be a better/easier job elsewhere • Employees are paid minimum wage – unless they stay with the business for more than 5 years – this is a long time to go without a wage increase – so employees only treat it as a sort-term job until they can get something better 	<p>1 mark for reason (maximum 2 marks)</p> <p>or</p> <p>1 mark for development of reason (maximum 3 marks)</p> <p>(1 + 3 or 2 + 2)</p> <p>(4 marks)</p>

Question Number	Indicative content
2b)	<p>Personal qualities are things about your personality and way of conducting yourself - that can be recognised by other people, such as employers – they are different to skills which are things that you can learn – when you are working at a counter face-to-face with customers, as in <i>Grillaz</i> – there are certain personal qualities that will help you get on with customers - and create a good image for the business – these personal qualities will include: honesty, as you are dealing with money and giving the correct change to customers - integrity, which means that you have certain moral and ethical standards as part of your character - personal hygiene, which is essential as you are dealing with food in this situation so do not want to put-off customers - or risk poisoning them – another personal quality would be the ability to take direction from senior staff, and not argue – or create a bad atmosphere at work – all together they add up to all the reasons why personal qualities are as important, or even more important, then just learning skills when you are working at a counter serving customers.</p> <p>Personal qualities are defined as characteristics that are part of one's personality.</p> <p><u>Personal qualities that apply directly to counter staff could include:</u></p> <ul style="list-style-type: none"> • Persuasive • Reliable • Dependable • Honest • Personable • Polite • Punctual • Friendly • Flexible • Presentable • Integrity • Ability to take direction from senior staff <p>There may be other relevant personal qualities which should be rewarded.</p> <p>The focus of the question is on personal qualities, not learned skills.</p> <p>Level descriptors are given on the next page</p>

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 - 3	<p>Candidate shows some knowledge and understanding of the general issues around recruiting counter staff. Any personal qualities mentioned are likely to be generic.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.</p>
Level 2	4 - 6	<p>The candidate applies their knowledge and understanding to show that they understand that a limited number of personal qualities will be required by counter staff; personal qualities and skills related to the job likely to be muddled.</p> <p>The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with limited accuracy.</p>
Level 3	7 - 9	<p>The candidate discusses a range of different personal qualities that could apply to counter staff; there may still be some overlap between personal qualities and skills.</p> <p>The candidate uses some specialist terms and the response shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy.</p>
Level 4	10 - 12	<p>The candidate has analysed the situation thoroughly, and can demonstrate their knowledge and understanding of the personal qualities of employees. They can discuss a range of different personal qualities that apply directly to counter staff. Candidate may give a valid conclusion to their discussion or state a valid opinion.</p> <p>The candidate uses appropriate specialist terms and the response shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.</p>

Question Number	Exemplar Responses	Mark Allocation
2c) AO2 MB1 = 3 MB2 = 1	<ul style="list-style-type: none"> Nationally recognised qualification means that all employees with this qualification will receive similar training/be trained to the same standard – the advantage of this to the business is that it reduces the chances of poor hygiene in the restaurants – which reduces the chance of food poisoning for customers – or being sued/fined for poor hygiene All counter staff will be trained to a nationally recognised standard – this can be used to competitive advantage – by promoting the cleanliness/hygienic nature of Grillaz branches – which will make them better than other fast food outlets It is a nationally recognised qualification as it is recommended for all employees/branches - training will enable employees to handle food safely – and can be used to develop and maintain the business's food safety procedures – which should help keep the premises free of food related health/hygiene problems 	1 mark for understanding concept of a national training scheme (may be implied) 1 mark for stating an advantage to business 1 mark for expanding on advantage to business (maximum 2 marks) (4 marks)

Question Number	Exemplar Responses	Mark Allocation
2d) AO1 MB1 = 2 MB2 = 2	<p><u>Name of Business: Rosie's Sandwich Bar</u> <u>Main Activities: making and selling sandwiches to the public and local businesses</u></p> <p>The main document that Rosie uses is an application form – it asks the applicant for name, address, contact details such as telephone numbers and email address - it is in a standard format so that applicants can be compared directly – and Rosie can check the information that they give is accurate.</p> <p><u>Name of Business: Sainsbury's</u> <u>Main Activities: retail grocery supermarket</u></p> <p>The first document that Sainsbury's use is a job description, which identifies what the job actually is – this is followed by a person specification, which outlines the perfect candidate – they then advertise the job on their website – a where applicants can find an application form for them to complete and submit electronically</p> <p>Note: documents used to recruit employees could include: job description, person specification, application form, job advertisements (including electronic versions)</p>	1 mark for each document used to recruit employees (maximum 2 marks) + 1 mark for description (maximum 3 marks) (4 marks)

Question Number	Exemplar Responses	Mark Allocation
<p>2e)</p> <p>AO1</p> <p>MB1 = 4</p> <p>MB2 = 2</p>	<p><u>Name of Business: Co Op retail</u> <u>Main Activities: local grocery stores</u></p> <p>First the HR team write the job description – then they write the person specification - they advertise in appropriate media like The Grocer magazine/Daily Telegraph - responses/application forms are looked at by the HR team – they are sorted into possible and not suitable – suitable applicants are interviewed by HR together with senior management at the head office</p> <p><u>Name of Business: Arty Advertising</u> <u>Main Activities: graphic design studio and advertising agency</u></p> <p>First they identify that they need another senior manager – the managing director then writes a job description – and contacts a ‘head hunter’ organisation that specialises in recruiting in the advertising industry – the ‘head hunter’ contacts people that they know that would be suitable for the job – then invites them in for an initial interview – if this goes well they have a second interview with the MD of the agency</p>	<p>1 mark for each general step in recruitment process (maximum 4 marks)</p> <p>1 mark for application to senior management (maximum 2 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>3a)</p> <p>AO3</p> <p>MB1 = 2</p> <p>MB2 = 2</p> <p>MB3 = 2</p>	<ul style="list-style-type: none"> • Employees are not very happy – which means that they are not very motivated to do a good job - as they are only paid the absolute minimum per hour – and only for the time that they work – they consequently do the minimum they have to when they serve customers – and do not show any enthusiasm for the job • Employees are pleased that they have a job – and are not being exploited by being paid really low wages – it is hard work, but they know that they will be rewarded – the minimum wage motivates them to work any hours that they are available – which means that the restaurant is always fully staffed – and customer can always get served quickly • Employees on minimum wage will feel little loyalty to the business – this will also mean that they have little motivation to stay loyal to the business – as a result they may slack off at work – not turn up for their shifts – and may not give the level of service that Michal’s customers require – basically they will only do the minimum that is required to keep their jobs 	<p>1 mark for effect on employee motivation (maximum 2 marks)</p> <p>1 mark for points of discussion which develop answer (maximum 5 marks)</p> <p>(6 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>3b)</p> <p>AO3</p> <p>MB2 = 2</p> <p>MB3 = 2</p>	<p><u>Statutory maternity rights:</u></p> <ul style="list-style-type: none"> • 26 weeks of 'ordinary maternity leave' • 26 weeks of 'additional maternity leave' • up to 52 weeks leave in total • maternity pay for up to the first 39 weeks of the maternity leave • job is kept open so that the employee can return to work if they want to • statutory maternity pay <p><u>Statutory paternity rights:</u></p> <ul style="list-style-type: none"> • one or two weeks' Statutory Paternity Leave • Statutory Paternity Pay for up to two consecutive weeks • Paternity leave has to finish within 56 days of the baby's birth <p>Note: The right to paid time off only applies to pregnant employees i.e. the mother</p> <p>(This is an AO3 question, based on candidates' analysis of the situation - no marks for just knowledge of maternity/paternity rights, which are listed here to check accuracy of context of answer only)</p> <p><u>How business may be affected:</u></p> <ul style="list-style-type: none"> • Employees being absent • Vacancies that need to be filled • Keeping jobs open for employees who return after statutory leave • Administration/paperwork associated with maternity pay/claiming maternity pay back from state • General disruption of work teams/shifts 	<p>1 mark for each way that the business is affected by maternity/paternity rights</p> <p>(4 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
3c) AO2 MB1 = 2 MB2 = 2	<ul style="list-style-type: none"> Local community complains about litter from restaurant in surrounding area – Michal has to employ someone to continuously patrol local area to collect litter – or he can take someone off the counter – but this has hygiene issues as customer may not want to be served by someone who has been handling litter This is not good for the business as customers are put off - because all the packaging is dropped along the road which makes the area look dirty and untidy– to overcome this, Michal sponsors some waste bins – that are provided by the local council and carry advertisements for Grillaz Burgers 	1 mark for impact on local environment 1 mark for how business is affected (maximum 3 marks) (4 marks)

Question Number	Exemplar Responses	Mark Allocation
3d) AO2 MB1 = 4 MB2 = 1 MB3 = 1	<ul style="list-style-type: none"> Using Maslow's theory – playing in a team can generate belonging – as employees all band together – to oppose other teams that they play - and may even produce some esteem - if a particular team member scores goals – or saves the team from defeat Playing in a team can earn respect within and outside of the restaurant – especially if the team is successful - winning will produce esteem – which is one of the levels in Maslow's theory – this will motivate the team member to do better on the field - and work better in the restaurant <p>Note: No marks can be awarded for simply naming a theory</p>	1 mark for naming and selecting an aspect of named motivational theory that could apply to this situation (maximum 2 marks) 1 mark for using motivational theory to explain effect of football team on employees (maximum 4 marks) (6 marks)

Question Number	Exemplar Responses	Mark Allocation
<p>3e)</p> <p>AO1</p> <p>MB1 = 4</p> <p>MB2 = 2</p>	<p><u>Name of Business: John Lewis</u> <u>Main Activities: retail departments stores and supermarkets</u></p> <p>Customers are important stakeholder in John Lewis – they affect employees in the business when they interact with sales staff - who need to be polite – and responsive – and meet customers’ needs - otherwise customers could shop elsewhere</p> <p><u>Name of Business: Barclays</u> <u>Main Activities: retail banking and financial services</u></p> <p>The shareholders are important stakeholders in Barclays – and they could have a direct effect on the board of directors – as they may not agree with the way that the bank is being run – or the pay/bonuses that the directors receive – and the shareholders could vote them off the board – or force them to make changes to business policy</p>	<p>1 mark for naming stakeholder</p> <p>1 mark for how stakeholder influences employees (maximum 5 marks)</p> <p>(6 marks)</p>

Question Number	Exemplar Responses	Mark Allocation
<p>3f)</p> <p>AO2</p> <p>MB1 = 4</p>	<p><u>Name of Business: Addis Ltd</u> <u>Main activities: manufacturer and distribution of plastic household goods</u> When Addis started to distribute sunglasses all employees in the sales team were given a free pair of sunglasses – this motivated them as they got a free sample – and they could try them before they started selling them – and wear them when they were visiting customers</p> <p><u>Name of Business: Tesco</u> <u>Main Activities: retail supermarket</u> When Children in Need was on all checkout staff at our local Tesco were allowed to dress up for the day - this did not cost Tesco anything – but gave staff a good laugh – which motivated them to raise money as well as working hard</p> <p>(Marks can only be given for incentives that are ‘non-financial’ as generally understood and not translated directly in terms of salary, cash, bonuses for those who receive the incentives)</p>	<p>1 mark for non-financial incentive (maximum 2 marks)</p> <p>1 mark for how given incentives motivate employees (maximum 3 marks)</p> <p>(4 marks)</p>

Question	Content Area			
	1.1	1.2	1.3	1.4
1a)				2
1b)	2			
1c)	4			
1d)	12			
1e)	6			
1f)	4			
2a)		4		
2b)		12		
2c)		4		
2d)		4		
2e)		6		
3a)			6	
3b)			4	
3c)				4
3d)			6	
3e)	2			4
3f)			4	
Marks	30	30	20	12
Target Marks	30	30	18	12

Aims = general indication

Objectives = defined/measurable

	AO1 Band equivalent			AO2Band equivalent			AO3 Band equivalent			AO4 Band equivalent			Total Mark
	1	2	3	1	2	3	1	2	3	1	2	3	
1a)							2						2
1b)	1	1											2
1c)										2	1	1	4
1d)	1	1	1	1	1	1	1	1	1	1	1	1	12
1e)	1	1	4										6
1f)	2	2											4
2a)				1	1	2							4
2b)	1	1	1	1	1	1	1	1	1	1	1	1	12
2c)				3	1								4
2d)	2	2											4
2e)	4	2											6
3a)							2	2	2				6
3b)								2	2				4
3c)				2	2								4
3d)				4	1	1							6
3e)	4	2											6
3f)				4									4
Totals	16	12	6	16	7	5	6	6	6	4	3	3	90
	34			28			18			10			
Range	27-36			22-31			13-22			9-18			

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