

Mark Scheme (Results)

January 2013

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) i) AO1 MB1 = 2	<ul style="list-style-type: none"> <li>To impress senior management</li> <li>To have a regular income</li> <li>To try to make a profit on each film</li> <li>To cover overheads</li> <li>To make the place look busy</li> <li>To create a good reputation</li> </ul>	1 mark for each reason  <b>(2 marks)</b>

Question Number	Exemplar Responses	Mark Allocation
1a) ii) AO1 MB2 = 2	<ul style="list-style-type: none"> <li>Size of share capital/has over £50,000 worth of share capital</li> <li>Anyone can buy shares on the open market</li> <li>Has a wide spread of shareholders as anyone can buy shares</li> <li>Can be quoted on the Stock Exchange</li> <li>The share price can change as they are bought and sold</li> </ul>	1 mark for each way a plc is different to a private limited company  <b>(2 marks)</b>

Question Number	Exemplar Responses	Mark Allocation
1b) AO2 MB1 = 4	<ul style="list-style-type: none"> <li>To help them to become market leader – having the most screens will enable them to attract customers away from competition – as they will be able to show the most films to the greatest number of customers – which will lead to increased profits through economies of scale/market dominance/price leadership</li> <li>To impress investors – and encourage them to invest more money – which will give them more capital for further expansion – leading to market dominance and the benefits which will accrue from this</li> <li>To maintain/increase income/profit – as a result of being able to attract the greatest number of customers – who will be encouraged to spend more on refreshments – which will increase turnover and as they are high profit items will also increase profitability</li> <li>To be able to negotiate distribution rights from a position of strength – as they have the greatest number of screens – film producers will want them to take their films into distribution – and Digisilver will be able to buy the rights for a lower price than if they had limited distribution</li> </ul> <p>NB: SMART alone is not sufficient – any SMART response needs qualification for a mark.</p>	1 mark for general reason (maximum 2 marks)  + 1 mark for development of reason (maximum 3 marks)  <b>(4 marks)</b>

Question Number	Exemplar Responses	Mark Allocation
<p><b>1c)</b></p> <p><b>AO2</b></p> <p><b>MB1 = 6</b></p> <p><b>MB2 = 2</b></p>	<p><u>Sales staff</u></p> <ul style="list-style-type: none"> <li>• Sell tickets – this generates income to cover the cost of hiring the film – and will help to pay towards the overheads – and for full houses/popular films this will start to contribute to profitability</li> <li>• Sell refreshments – this adds to the overall income of the business – it will be additional to the revenue generated by ticket sales alone – and is likely to be more profitable</li> <li>• Sales staff have a direct contact with customers – they need to communicate in a friendly way – this pleases customers – and encourages them to return</li> </ul> <p><u>Cleaning staff</u></p> <ul style="list-style-type: none"> <li>• Clean the building/floor/toilets – so that customers are not put off – if these are not clean – customers will stop coming/go elsewhere affecting income</li> <li>• Clean the screening rooms/cinemas – get rid of all the spilled popcorn/litter – so that the seats/floor are clean/tidy for customers – so that they do not mess up their clothes/footwear</li> </ul>	<p>1 mark for the role of sales staff at Digisilver Margate (maximum 2 marks)</p> <p>+</p> <p>1 mark for examination of how sales staff contribute to the success of Digisilver Margate (maximum 3 marks)</p> <p>1 mark for the role of cleaning staff at Digisilver Margate (maximum 2 marks)</p> <p>+</p> <p>1 mark for examination of how cleaning staff contribute to the success of Digisilver Margate (maximum 3 marks)</p> <p><b>(8 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<p>1d)</p> <p>AO3</p> <p>MB1 = 2</p> <p>MB2 = 1</p> <p>MB3 = 1</p>	<ul style="list-style-type: none"> <li>It means that he will be kept busy – as everyone will be wanting help/support from Daren – he may not have time to deal with all the people who want his attention – which could reduce his efficiency</li> <li>Daren has a wide span of control – which he may or may not be able to handle – as there is only one layer of management – and everyone will want his time/support/attention</li> <li>No way that Daren can delegate – as there are no other management – everyone else is on the same level - which means that all the pressure of the business is on him</li> <li>All of his time will be taken dealing with staff – which could mean that he has no time to think about the business – which would be another important aspect of his job – as he has been appointed manager of the Margate cinema</li> </ul> <p><u>Accept answers from the reverse, positive point-of-view, e.g.:</u></p> <ul style="list-style-type: none"> <li>Daren finds that he can control the staff well – this is because he has one-to-one contact with everyone – which means that communication is direct – and there is no chance of his messages being delivered/received incorrectly</li> </ul>	<p>1 mark for effect on Daren (maximum 2 marks)</p> <p>1 mark for effect on ability to manage the business (maximum 3 marks)</p> <p><b>(4 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<p>1e)</p> <p>AO1</p> <p>MB1 = 2</p> <p>MB2 = 2</p>	<p><u>Name of Business:</u> Sam's Tyres &amp; Exhausts</p> <p><u>Main Activities:</u> automobile services</p> <ul style="list-style-type: none"> <li>Sam wants to get some free publicity for the business and improve teamwork - so he has entered the firm in the town's five-a-side football league – the team will play other local teams – and promote the business by wearing shirts advertising the business</li> </ul>	<p>1 mark for stating a non-profit objective that is realistic/relevant to named business</p> <p>1 mark for points of description (maximum 3 marks)</p> <p><b>(4 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<b>1f)</b>  <b>AO1</b>  <b>MB1 = 2</b> <b>MB2 = 2</b> <b>MB3 = 2</b>	<u>Name of Business:</u> Karen's Accessories <u>Main Activities:</u> making jewellery and selling it at craft fairs <ul style="list-style-type: none"> <li>• Karen's has to be very careful about planning how much she can spend on materials and booking stalls – she will also need to be flexible about how much she draws as a wage - this is because the business is financed entirely by income generated from her sales – this means that if she does not sell enough she will not have the money to pay for materials to make her jewellery – or to hire stalls at craft fairs - in this way her entire business is influenced by her ability to sell stuff at craft fairs</li> </ul>	1 mark for how the operation of the business is influenced by how it is financed (maximum 4 marks)  1 mark for describing how the business is financed (maximum 4 marks)  <b>(6 marks)</b>

Question Number	Exemplar Responses	Mark Allocation
<b>2a)</b>  <b>AO3</b>  <b>MB1 = 4</b>	<ul style="list-style-type: none"> <li>• Job title</li> <li>• Who employee is responsible to</li> <li>• Who employee is responsible for</li> <li>• Where job is located</li> <li>• Tasks</li> <li>• Responsibilities</li> <li>• Hours of work</li> <li>• Days of work</li> <li>• Pay</li> <li>• Conditions</li> </ul> <p>NB: No marks for headings relating to person specification.</p>	1 mark for each heading  Note: only 1 mark for each heading i.e. a list of tasks only gets 1 mark  <b>(4 marks)</b>

Question Number		Indicative Content
2b)		<p>Daren recognises that all applicants being from EU countries presents him with a situation that he needs to handle carefully and fairly. Employment legislation means that he must not discriminate in any way, and that although the applicants are not from Great Britain he must give them all an equal opportunity as if they were British citizens – as all EU citizens must be granted the same employment rights as British citizens. In this sense he will not need to treat the applicants in any way differently from how he would treat British citizens. Each one must be treated the same and no preference must be given for male or female applicants, anyone who has a disability must be treated the same and provisions may need to be made to make sure that they have equal access to the interview, should they be called. However, one thing that Daren may need to consider to make sure that there is no discrimination, is to employ on a temporary basis the services of a translator or native language speaker from the countries where applicants are from – this will mean that any issues over the use of languages other than English on application forms or during interviews can be overcome and applicants will be treated just the same as a native speaker of English. He may need to investigate any qualifications that the applicants offer, as these may be different to qualifications from British teaching and training establishments – he will need to know the equivalences of foreign qualifications or standards within the British system. The translator may also be able to advise Daren on any cultural issues that may arise between British workers and workers those from EU countries. One other important issue that Daren will need to consider is that the assistant manager is likely to come into contact with customers, as well as getting involved in managing staff if Daren is not around. This leads to the fact that the assistant manager will need to be able to communicate in the English language well enough to deal with customers and to direct staff with clear instructions. In this sense, Daren will need to balance the skills and abilities of applicants in managing people, with their ability to communicate clearly and without raising any problems.</p>
Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 – 3	<p>Candidate shows some knowledge and a basic understanding of issues relating to discrimination and equal opportunities in employment.</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>



<p><b>Level 2</b></p>	<p><b>4 – 6</b></p>	<p>The candidate applies their knowledge and understanding to show that they understand why Daren may feel that he is in an invidious situation with regard to issues relating to discrimination and equal opportunities in employment.</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>
<p><b>Level 3</b></p>	<p><b>7 – 9</b></p>	<p>The candidate starts to discuss the situation, making realistic points of consideration for Daren’s position, making some suggestions for how he can either make sure that he treats applicants equally within the terms of employment legislation, or seek professional guidance on how he might avoid any problems over potential discrimination; issues relating to discrimination and equal opportunities in employment are expanded to show more than a superficial understanding, the answer will recognise that the assistant manager will need to be able to communicate in English.</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>
<p><b>Level 4</b></p>	<p><b>10 - 12</b></p>	<p>The candidate has assessed the situation thoroughly, and can put forward a fluent discussion of points to consider in this situation; issues relating to discrimination and equal opportunities in employment are developed well; candidate may bring in comments or observations relating to broader issues such as language problems, cultural differences when managing the new employees, etc. as well as the fact that although English may not be the first language of the applicants they will need to be able to communicate in English with customers and other staff which they are managing.</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>2c)</p> <p>AO1</p> <p>MB1 = 2</p> <p>MB2 = 2</p>	<ul style="list-style-type: none"> <li>• Induction training to start at 9.00 on the first day – new assistant manager is given a health &amp; safety briefing – then shown a film about the business – after this they will be given a tour of the site</li> <li>• The new assistant manager could be given a welcome talk by Daren – who then tells them about health &amp; safety – they are then given a company manual which lists all of their responsibilities – they are then shown where they will be working and what they will be doing</li> </ul>	<p>1 mark for steps in induction training</p> <p>OR</p> <p>1 mark for step + 1 mark for outline (1 + 1) x 2</p> <p><b>(4 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<p>2d)</p> <p>AO1</p> <p>MB1 = 2</p> <p>MB2 = 2</p> <p>MB2 = 2</p>	<p><u>Name of Business:</u> ASDA</p> <p><u>Main Activities:</u> grocery retail supermarkets</p> <ul style="list-style-type: none"> <li>• Because they are opening more stores all of the time more staff are always needed – this is because they cannot move staff from one branch to another – as this will leave them short. Another reason is to improve customer service – they will need to recruit more staff – so that there are plenty of staff around if customers want to ask them for information.</li> </ul>	<p>1 mark for reason (maximum 2 marks)</p> <p>+</p> <p>1 mark for outlining reason (maximum 4 marks)</p> <p>(1 + 2) x 2</p> <p><b>(6 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<p>2e)</p> <p><b>AO2</b></p> <p><b>MB1 = 2</b></p> <p><b>MB2 = 1</b></p> <p><b>MB3 = 1</b></p>	<p><u>Name of Business:</u> Tom's timber</p> <p><u>Main Activities:</u> timber merchant</p> <ul style="list-style-type: none"> <li>Each year Tom has a private meeting with each member of staff – the meeting is more like a one-to-one interview – where the employees tells Tom what went well or badly during the year since the last appraisal – and Tom gives them support and suggestions about how they can have a better year next year, suggesting training or other ideas</li> </ul> <p><u>Name of Business:</u> Territory Telesales Ltd</p> <p><u>Main Activities:</u> telephone sales and marketing services</p> <ul style="list-style-type: none"> <li>Each employee has targets for the number of calls they must make each day – and the number of sales conversions that are expected – every month the supervisor has a private talk with each employee where their targets are reviewed and discussed – and plans are made for the following month, based on maintaining/raising/lowering targets, training or discipline</li> </ul>	<p>1 mark for understanding appraisal (may be implied)</p> <p>1 mark for development of how appraisal interviews are conducted (maximum 3 marks)</p> <p><b>(4 marks)</b></p>

Question Number		Indicative Content
3a)		<p>The target of 45 minutes does not sound like much time to clean and prepare a screening room – they are likely to be littered with spilled popcorn and lots of litter from drink cartons and popcorn packaging. At some screening little children may be spill drinks or make a mess on the seats and lots more cleaning and disinfecting will need to be done. To get the cleaning done quickly and efficiently, the cleaners will need to work as a team, each knowing their own responsibilities and duties. Cleaners are likely to be paid a low wage, often just minimum wage, and the work is not pleasant. With 13 screens and films being shown all day the cleaning staff will be on the go all of the time. This would be pressure enough, but add to that the time limit given to clean each screening room and some of the cleaners could start to get fed up and not do the job properly. Alternatively, they may get tired of the work and leave after just a short time – this will mean that Daren will need to keep recruiting new cleaners, which will take time and money. What they could consider doing is to offer the cleaners some sort of bonus or incentive if they clean well, consistently, to the standards required, and complete the job on time, consistently. There are lots of different incentives that he could choose from, but perhaps the most useful would be to offer a small financial bonus if the cleaning is done within the time and to the required standards throughout a week, or across a month. This would be an incentive to the cleaners because their basic wage is likely to be relatively low. An even cheaper way of doing this would be to give the cleaners free tickets to films if they meet the deadline for cleaning all rooms each week; it would be cheaper because it would not be seen as cash being taken out of the business. An alternative that could be tried, and one that would also help build a team spirit within the cleaners, is to offer leisure breaks such as a meal out every few months if the cleaning is done as required and within the deadlines. This could be quite an attractive incentive, because it will mean that the team can relax and bond out of the workplace, and is likely to help the team work more efficiently once they get back to work.</p>
Level	Mark	Descriptor
	0	No rewardable material
Level 1	1 – 3	<p>Candidate shows knowledge of motivation theory(s) and shows some knowledge and a basic understanding of issues relating to the need to motivate employees that are put under time pressures.</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>

<p><b>Level 2</b></p>	<p><b>4 – 6</b></p>	<p>The candidate recognises the time pressure and applies their knowledge and understanding to show that they understand issues relating to the need to motivate employees, and additionally how motivation is used in addition to paying wages.</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>
<p><b>Level 3</b></p>	<p><b>7 – 9</b></p>	<p>The candidate starts to discuss the situation, starting to expand on the time pressure, recognising problems that this could cause and starts making realistic points about motivating in addition to paying wages; they will start to give some examples of this in practice.</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>
<p><b>Level 4</b></p>	<p><b>10 - 12</b></p>	<p>The candidate has assessed the situation thoroughly, has expanded on the time pressure, recognising problems that this could cause, and can put forward a fluent discussion of points to consider about motivating employees in addition to paying wages; examples will be realistic and applied to the situation described in the question.</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
<b>3b)</b>  <b>AO3</b>  <b>MB2 = 2</b> <b>MB3 = 2</b>	<ul style="list-style-type: none"> <li>The planned shows run for 12 hours over night - which exceeds maximum limits for individual employees as stated in the Working Time Regulations – so Daren will need to arrange more staff in a second shift - so that no one works for too long</li> </ul> <p>Accept any answers based on any legislation which could cover how the well-being of employees should be protected if they are working long hours or late night.</p> <p>Candidates may refer to differences in WTR for employees under 18 compared with those over 18 – this could be the basis of a legitimate answer and should be rewarded if this is the case.</p>	<p>1 mark for recognising that length of planned shows could conflict with legislation (maximum 2 marks)</p> <p>1 mark for naming appropriate legislation</p> <p>1 mark for how plan could be affected by legislation (maximum 2 marks)</p> <p><b>(4 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<b>3c)</b>  <b>AO3</b>  <b>MB2 = 2</b> <b>MB3 = 2</b>	<ul style="list-style-type: none"> <li>Taxi policy will provide security for individual employees - who will not have to expose themselves to the potential dangers of travelling alone late at night – this ties in with the second level of Maslow’s Hierarchy of Needs – which relates to the need for safety and security</li> <li>By providing employees with a taxi it shows that Daren has a lot of respect for them – it shows that they have esteem - this fits in with the level in Maslow’s Hierarchy that is related to esteem – and will help make the employee feel more positive towards their employer and possibly work better</li> </ul>	<p>1 mark for noting points of practice that relate to Maslow’s Hierarchy of Needs (maximum 2 marks)</p> <p>+</p> <p>1 mark for linking policy to Maslow (maximum 3 marks)</p> <p><b>(4 marks)</b></p>

Question Number	Exemplar Responses	Mark Allocation
<b>3d)</b>  <b>AO1</b>  <b>MB1 = 4</b>	<u>Name of Business:</u> McDonalds <u>Main Activities:</u> make and sell burgers <ul style="list-style-type: none"> <li>One of the most important stakeholders in McDonalds is the customer – without customers they will have no sales – so McDonalds conducts market research to find out what customers like and dislike about their restaurants – and then the make changes as necessary to keep customers happy</li> </ul>	1 mark for naming stakeholder  +  1 mark for ways that stakeholder influences business (maximum 3 marks)  <b>(4 marks)</b>

Question Number	Exemplar Responses	Mark Allocation
<b>3e)</b>  <b>AO2</b>  <b>MB1 = 2</b> <b>MB2 = 2</b> <b>MB3 = 2</b>	<u>Name of Business:</u> News Corporation <u>Main Activities:</u> publishing and broadcasting <ul style="list-style-type: none"> <li>News Corporation wanted to gain control of BSkyB – however, because it already owned ITN and a number of newspapers there was concern that it would become so dominant in the world of news media - that the proposed takeover was referred to the Competition Commission – this provoked a political storm – over whether competition law would be broken – which is designed to prevent one business having too much control over one sector of the market</li> </ul>	1 mark for understanding of competition law (may be implied)  +  1 mark for effect of competition law on named business (5 marks maximum)  <b>(6 marks)</b>

Question	Content Area			
	1.1	1.2	1.3	1.4
1a) i)	2			
1a) ii)	2			
1b)	4			
1c)	8			
1d)	4			
1e)	4			
1f)	6			
2a)		4		
2b)		12		
2c)		4		
2d)		6		
2e)		4		
3a)			12	
3b)			2	2
3c)			4	
3d)				4
3e)				6
<b>Marks</b>	30	30	18	12
<b>Target Marks</b>	<b>30</b>	<b>30</b>	<b>18</b>	<b>12</b>



	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) i)	2												2
1a) ii)		2											2
1b)				4									4
1c)				6	2								8
1d)										2	1	1	4
1e)	2	2											4
1f)	2	2	2										6
2a)							4						4
2b)	1	1	1	1	1	1	1	1	1	1	1	1	12
2c)	2	2											4
2d)	2	2	2										6
2e)				2	1	1							4
3a)	1	1	1	1	1	1	1	1	1	1	1	1	12
3b)								2	2				4
3c)								2	2				4
3d)	4												4
3e)				2	2	2							6
	16	12	6	16	7	5	6	6	6	4	3	3	
<b>Totals</b>	16	12	6	16	7	5	6	6	6	4	3	3	<b>90</b>
	<b>34</b>			<b>28</b>			<b>18</b>			<b>10</b>			
<b>Range</b>	<b>27-36</b>			<b>22-31</b>			<b>13-22</b>			<b>9-18</b>			

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