

Examiners' Report/
Principal Examiner Feedback

Summer 2014

GCE Applied Business (6916)

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General comments

Following the style and format established in previous series, this question paper had the same Assessment Objective (AO) and Mark Band (MB) weightings. This was the eighth assessment for 6916 to be based on the revised specification Issue 2 – May 2009 which introduced the assessment of the quality of written communication (QWC) in papers for this unit. Questions which carry marks for QWC were indicated by an asterisk (*) shown next to questions 2a and 3c and a statement on the front of the question paper. The structure of the paper also 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.

Examiner reports are a valuable resource for helping prepare candidates for external assessment. In addition to reading and taking any notes or advice from this report, it is recommended that Examiner Reports for previous series are read also, 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 observations, supported by reports from all examiners who worked on this paper, will sometimes repeat problems or advice that has been raised in previous reports. However, any repetition is because these issues continue to reappear in papers and have not been resolved or even show signs of improvement.

Based on the work seen from candidates in June 2014 the main issues are as follows:

Handwriting. As reported in past series, the handwriting produced by many candidates continues to deteriorate, to the point that some papers were barely readable. This is not just a subjective comment made by myself, but is repeated in reports back from the marking team, and can be quantified by the marked increase in the number of answers that are sent for 'review' because the markers cannot decipher what has been scrawled across the paper. Linked to the bad handwriting issue is the standard of presentation that many candidates think is acceptable – words just randomly scribbled across the spaces on the question paper.

Despite the fact that candidates are expected to demonstrate a reasonable level of QWC in this paper, lettering is often formed badly, words spelt incorrectly (even words which are copied from questions or a given scenario); answers are scribbled quickly and consequently difficult to read. This is a 'business' paper - candidates should be reminded that a certain standard of written communication will be expected should they enter the world of business.

All examiners will make an effort to decipher poor handwriting, but there is a danger that candidates may miss vital marks if the handwriting is so bad that it cannot be read. The danger of producing answers in poor handwriting is that it is sometimes impossible to mark some answers, and marks may be lost as there is no way of reading the knowledge or application that they may contain.

Generic answers

Another issue that was apparent in this paper was the tendency for some candidates to give generic statements about the topic of a given question, rather than apply their answer to the given scenario or the situation described in the question. As a result, some answers may have been accurate in terms of general business practice, but were totally inappropriate for the given situation, and consequently missed out on marks.

Questions which were treated in this way included 1d), where candidates focussed on explaining the administration function, rather than answering the question about how the receptionist works with others in the business to help make it successful; many answers to 3a gave long descriptions of various methods of training, but did not link this to how the training can motivate employees; motivation; generic answers are a particular issue with the 'own business' questions – 1e), 1f), 2d), 2e), 3d), 3e) – where candidates gave answers which could have been applied to any business rather than a business that they studied and named before they started their answer. It is good practice for candidates to read back their answer to confirm that a) it is actually answering the question asked, and b), that the answer actually makes sense in the context of the question or scenario given.

As noted in previous reports, some candidates seem to assume that general answers, peppered with a few business terms, concluding with '...to maximise profit', will suffice for an answer. Please inform candidates that the insertion of the word 'profit' into every answer is not the way to gain additional marks, and although important, profit is not always the answer. In fact it would be useful if candidates were clear what is meant by 'profit' in a business context – some candidates seem to use the terms 'profit' and 'sales' interchangeably, assuming that an increase in sales will inevitably mean an increase in profit. Linked to this is a tendency in questions which ask for 'one example...' to give a range of examples and expect the marker to select the correct one, or the one which produces most marks.

Lack of basic knowledge

Understanding of basic, but widely used, business terms remains low. This was particularly evident in the answers to question 1a) where single word answers were often given e.g. quicker, easier, cheaper without any context, not acceptable answers at AS level. In questions 1bi) and 1bii) answers were very general, lacking the precision needed for marks e.g. protection from 'debt' was often cited as a benefit of limited liability – an example of the loose use of the term 'debt' and poor understanding of the benefits of limited liability.

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 acceptable answer, and markers will not pick out the correct answer or appropriate word on behalf of candidates. 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.

Choice of organisation for ‘business you have studied’ questions – 1e), 1f), 2d), 2e), 3d), 3e)

There were instances where the business chosen was inappropriate, candidates just writing what they know about the subject of the question with no application to named business ignoring the context that a ‘chosen business’ should provide, and just basing answers on the subject of the question. As a result, these answers were not appropriate to the chosen business. Some choices based on personal interest (football clubs) rather than business studies, again, making it difficult to produce answers which were correct in the context of the question asked. Also troubling was the number of candidates who used ‘RealU’ i.e. the business in the paper – which they could not have possibly studied.

On a more positive note, candidates who choose smaller, local businesses tend to produce better answers than candidates who choose large national or international ‘famous name’ businesses. It was also obvious, from the depth and quality of answers, where a candidate had work experience - the answers were much more applied, and somehow ‘in the business’ rather than just based on theory.

This report is designed to help future teaching and learning, and I hope that it does not come across as 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 RealU, a wellbeing spa in Edgbaston. Candidates were given information which explained how Layla McDonald had set up and run the business, and how she was planning to open a second branch in Solihull. Despite the focus on one type of business in one sector, none of the questions needed specialist subject knowledge, and the subject does not appear to have caused any problems for candidates.

Comments on individual questions

1a. Some candidates clearly had no idea of what is meant by a 'flat organisational structure' – some defining 'flat' literally, another referring to 'flat' as a residence for staff, others giving features of limited liability, lots of guesses, lots of unsupported one-word answers – quicker, cheaper; lots of 'decisions can be made quicker'. Some candidates describing a flat organisational structure – rather than giving advantages, others giving advantages for employees rather than Layla, as required – misreading the question. Many answers may have been correct in general terms, but they received no marks as they did not answer the question asked, just described the situation at RealU, as outlined in the given scenario.

1bi. Most candidates have some knowledge of the features of ownership of a private limited company, but found it difficult to apply this knowledge to how ownership then affects how the business is controlled. A proportion of candidates described the features of limited liability, rather than answer the question asked. Confusion between private, public, and public limited companies evident in some answers.

1bii. Lots of answers based on protecting Layla 'if the business gets into debt...' – most businesses will get into debt to a greater or lesser extent at some time – limited liability protects against unlimited liability in the case of business failure i.e. bankruptcy/business going into administration/liquidation. Some candidates wrote about Layla '...not being responsible for debt...', again, she may well be responsible but she is not liable for the full cost in the event of business loss.

1c. Too many answers on a generic 'environmental' theme which could apply to any business – answers must be applied to the situation/scenario provided to gain marks – some answers had no relevance to the business described in the scenario of this paper e.g. use 'bags for life', pressure from Greenpeace, etc.

1d. Candidates wasting time just rewriting the question, or turning the question round in the form of an answer – repeating words from the question as a statement e.g. '...the receptionist has to work with the other specialists to help make the business successful' – most answers focussing on the why and missing out the 'how' – Specification section 1.1 clearly explains that candidates need to know the range of functions carried out by different businesses – how these functions work with each other and the contribution of each to a successful business

1e. Choice of business, as well as subject knowledge and application, tended to dictate how well candidates did on this question. Where smaller/independent businesses were chosen, the candidates tended to have clearer, more realistic aims – which could then be outlined to gain marks. If larger/national businesses were used as the example the aims tended to be generic, and consequently more difficult to outline. Some candidates were just guessing at a ‘long term aim’ and again were unable to outline the aim to gain marks. Some answers gave bland generalisations such as ‘to make a profit’ or ‘to survive’, which again tended to run out of ideas for the outline.

1f. Some confusion between ‘financing’ as in funding the business, and ‘finance’ as a function/department within a business. Some however, did know their subject or at least recognised that financing through income was related to repeat sales and managed to word their answers so that marks could be awarded for how this financed the operations. Even a good answer about the ‘financing function’ did not gain marks as it did not answer the question. Candidates who chose/had studied smaller, independent businesses tended to have a better understanding of how financing influenced the business, than candidates who chose multinational plcs, seemingly guessing at how financing was achieved – selling shares/from sales etc. Some candidates read, and consequently answered, ‘franchising’ rather than ‘financing’. Please see Specification section 1.1: how the way a business operates is influenced by its ownership, control and financing.

2a. Most candidates could list out advantages and disadvantages of internal promotion rather than external recruitment, some tacked both types of appointment – internal and external, other worked from a strictly internal point of view and contrasted this with external – both approaches were accepted. Weaker candidates kept their answers generic, stronger candidates drew comparisons and started to explain how the advantages /disadvantages would apply to Layla’s business.

2b. The Specification draws a distinction between skills and qualities but some candidates using skills and qualities interchangeably - even stating ‘communication skills’ or ‘management skills’ as their answer for qualities; this problem could have been avoided if the candidate had read the question more carefully, and read back their answer and spotted that they were referring to skills rather than qualities. For guidance, the marking team was standardised on: a quality being a ‘natural trait’; a skill is something that can be learned.

2c. Most candidates showed good understanding of the use of a CV, some just describing what a CV is – rather than answering question and explaining why a CV is useful to an employer when recruiting.

2d. Good answers in the main, but often just generic, could be applied to any business, rather than the business chosen by candidates. In contrast, some answers were completely out of context e.g. suggesting that an induction trial day was part of the interview within a restaurant or small shop.

2e. This question brought answers varying from: performance reviews; motivational schemes; probationary periods; motivational praise; sales techniques and so on. Where appraisal had been taught, and the right organisation was given, the marks were high. However, a lot of candidates used McDonalds 'star' system, which is performance related, or other reward schemes and did not understand the proper appraisal process of a large organisation. Answered poorly by a section of candidates who described motivational techniques rather than appraisal methods. Some confusion between appraisal and motivation/appraisal and praise.

3a. Most candidates seem to have a good knowledge of training and the effects of training on employees; lots of good answers, with the strongest explaining both motivation and demotivation factors of training. Some candidates lost marks/wasted their time by describing the differences between internal and external training – which is not asked in the question. Other candidates described internal and external/advantages and disadvantages to the business – not how it motivates employees – a misreading of the question.

3b. Answers suggest that knowledge of 'codes of practice' is very low amongst candidates, despite the fact that it is part of the spec: 1.4 How people are influenced at work. Some candidates even wrote 'I have not been taught this...'. If they could not answer about 'codes of practice' some candidates picked the words 'trade organisations' from the stem of the question and wrote about 'trade unions' hoping that this would produce a mark, it did not as this was not answering the question and just confirmed low level of knowledge of the spec.

3c. Pleased to report that most candidates seem to have a good awareness of ways that awareness of Health & Safety awareness amongst employees can be improved, lots of good, thoughtful answers, however, some drifted into areas of training that would be wholly inappropriate for the business described throughout this paper.

3d. Good answers, most candidates have a good idea about how their chosen business keeps its employees happy – most based on motivation techniques, which stronger candidates supporting their answer by reference to theorists. Candidates could generally relate to motivation and being happy particularly in relation to the larger companies which could give more examples.

3e. Candidates showed good understanding of external issues, and could translate the effect of these external issues onto how they affected employees. Many answers focussed on 'the recession' which is a reflection of how this particular external issue had affected the candidate and their families.

Grade Boundaries

Grade boundaries for this, and all other papers, can be found on the website on this link:

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