

Mark Scheme (Results)

Summer 2010

Principal Learning

Manufacturing and Product Design
MP201 Running a Manufacturing Business



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Publications Code DP024412

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Question Number	Answer	Mark
1	<ul style="list-style-type: none"> • large • high-volume 	(1)

Question Number	Answer	Mark
2(a)	<p>1 mark for each of the following to a maximum of 3 marks</p> <ul style="list-style-type: none"> • fluid (1) • dispersed/delegated management (1) • few tiers/layers of hierarchy (1) • wide span of control (1) • information flow worker to management (1) • repetition of activities <p>Any other suitable answer</p>	(3 x 1) (3)

Question Number	Answer	Mark
2(b)	<p>1 advantage (1) plus description (1) or 2 low responses (2)</p> <ul style="list-style-type: none"> • More work/decisions made (1) as management delegated (1) • Workers can make decisions (1) so quick to meet customer needs (1) • Workers can make decisions (1) and get the credit (1) • Management well informed (1) as few obstacles to information flow (1) 	(1 x 2) (2 x 1) (2)

Question Number	Answer	Mark
2(c)(i)	<p>1 mark for each of the following to a maximum of 2 marks</p> <ul style="list-style-type: none"> • rigid not fluid (1) • specific management roles (1) • greater number of tiers/layers in hierarchy (1) • information flow down hierarchy (from manager to worker) (1) <p>Any other suitable answer</p>	(2)

Question Number	Answer	Mark
2(c)(ii)	<ul style="list-style-type: none"> • Director • Manager 	(1)

Question Number	Answer	Mark
3	Administration	(1)

Question Number	Answer	Mark
4	Planning	(1)

Question Number	Answer	Mark
5	<p>1 mark for each of the following to a maximum of 3 marks</p> <ul style="list-style-type: none"> • Recruitment/redundancy (1) • Staff training/development (1) • Keeps/maintains employee records (1) • Advises on problems at work (1) • Staff grievance procedures (1) • Advises on employee benefits (1) <p>Any other suitable answer</p> <p style="text-align: right;">(3 x 1)</p>	(3)

Question Number	Answer	Mark
6	<p>Low response (1) or 2 low responses (2) Or Detailed response (2) Up to 2 marks for each description</p> <ul style="list-style-type: none"> • HR writes it (1) and legal ensures within the law (1) • HR describes job purpose and responsibilities (1), legal ensures meets discrimination/disability laws (1) • HR lists duties of job (1), legal ensures these meets health and safety/employment laws (1) • HR lists salary (1), legal ensures meets minimum pay and equal pay laws (1) <p>Any other suitable answer</p> <p>No repetition</p> <p style="text-align: right;">(2 x 1) (2 x 1) (1 x 2) (1 x 2)</p>	(4)

Question Number	Answer	Mark
7	<p>1 mark for identification, 1 mark for description Up to 2 marks for each advantage</p> <ul style="list-style-type: none"> • Manager can quickly communicate/control employees (1) under them (1) • Feedback from employees/up the hierarchy (1) is quick and effective (1) • Tighter/closer supervision (1) so fewer mistakes (1) • Greater number of managers (1) responsibility shared out / greater level of ownership (1) • Closer relationship with employees (1) so easier to control (1) • Clear promotion prospects (1) <p>No repetition</p> <p style="text-align: right;">(2 x 2)</p>	(4)

Question Number	Answer	Mark
8(a)	<ul style="list-style-type: none"> • HSE • Health and Safety Executive 	(1)

Question Number	Answer	Mark
8(b)	<p>Identification of enforcement (1), description (1) to a maximum of 2 marks 2 low responses for the outline - 1 mark only</p> <p>Visits/inspections (by the HSE) (1) to ensure companies comply with Act (1)</p> <p>Taking companies to court/prosecuting companies (1) who fail to follow Act (1)</p> <p style="text-align: right;">(1 x 2)</p>	(2)

Question Number	Answer	Mark
9	<p>Up to 2 marks for each factor 1 mark for identification, 1 mark for expansion 2 low responses for each factor - 1 mark only</p> <ul style="list-style-type: none"> • Reduction in production costs (1), increase in company profits • Increase output (1), increase in batch size and reduced set-up costs (1) • Reducing waste (1) increase competitiveness • Installing new technology (1) employee skills /effectiveness increased (1) <p>No repetition</p> <p style="text-align: right;">(1 x 2) (1 x 2)</p>	(4)

Question Number	Answer	Mark
10	<p>Up to 2 marks for each description Low response (1) Detailed response (2) 2 low responses for 1 description - 1 mark only</p> <ul style="list-style-type: none"> • Product out-of-date (1), no demand so business income drops/goes bust (1) • One choice (1), limit to sales and income (1) • No differentiation for ages/sex (1), limits sales/customers cannot move up range (1) • Model performance limits (1), cannot charge more so limits potential profits (1) • Lack of innovation (1), lack of reinvestment/business stagnates (1) <p>No repetition</p> <p style="text-align: right;">(1 x 2) (1 x 2)</p>	(4)

Question Number	Answer	Mark
11	<ul style="list-style-type: none"> • controlling finances (1) • planning outcomes (1) 	(1)

Question Number	Answer	Mark
12	<p>Up to 2 marks for each method 1 mark for identification, 1 mark for expansion 2 low responses for 1 method - 1 mark only</p> <ul style="list-style-type: none"> • Keeping financial records (1), up-to-date (1) • Monitor/review budget (1), regularly (weekly/monthly etc) (1) • Compare actual finances (1) to planned budget (1) • Restrict number of employees who can spend company cash (1), keep to the financial plan (1) <p>No repetition</p> <p style="text-align: right;">(1 x 2) (1 x 2)</p>	(4)

Question Number	Answer	Mark
13	<p>1 mark for each of the following to a maximum of 3 marks</p> <ul style="list-style-type: none"> • turnover (1) • profit (1) • profit margins (1) • borrowing (1) • tax efficiency (1) • investment (1) • cost efficiency (1) • cash flow (1) <p>Any other suitable answer</p> <p style="text-align: right;">(3 x 1)</p>	(3)

Question Number	Answer	Mark
14	<p>Identification of purpose (1), reason (1) to a maximum of 2 marks 2 low responses - 1 mark only</p> <ul style="list-style-type: none"> • A way for a business to keep track (1) of its money (1) • How well the business does (1) compared against targets (1) • Keep to budgets (1) so financial decisions can be made (1) <p style="text-align: right;">(1 x 2)</p>	(2)

Question Number	Answer	Mark
15(a)	Finance	(1)

Question Number	Answer	Mark
15(b)	£50	(1)

Question Number	Answer	Mark
15(c)	Correct calculation = 1 mark Correct answer = 1 mark $(£23\,700 / £56\,700) \times 100\%$ (1) = 41.8% (1)	(2)

Question Number	Answer	Mark
15(d)	Correct calculation = 1 mark Correct answer = 1 mark Costs over 12 months / Benefits per month = $£56\,700 / £1\,975$ (1) 28.7 or 29 = (1)	(2)

Question Number	Answer	Mark
15(e)	Up to 2 marks for each response Low response (1), Detailed response (2) 2 low responses for 1 reason - 1 mark only <ul style="list-style-type: none"> • Benefits outweigh costs (1) over time (1) • New equipment gives increased accuracy of quality control measurements (1), so can achieve higher manufacturing tolerances / higher quality of components / cost savings (1) • New equipment better able to predict product quality (1), so fewer adjustments(1) • Increased production control /fewer rejects (1), saves money (1) No repetition <div style="text-align: right;"> (1 x 2) (1 x 2) </div>	(4)

Question Number	Answer	Mark
16(a)(i)	Correct calculation = 1 mark Correct answer = 1 mark $(155 / 580) \times 100\%$ (1) = 27% (1)	(2)

Question Number	Answer	Mark
16(a)(ii)	<p>Correct calculation = 1 mark Correct answer = 1 mark</p> <p>$(30 / 580) \times 100\% (1) = 5\% (1)$</p>	(2)

Question Number	Answer	Mark
16(b)	<p>Naming shirt manufacturer as better investment (1 mark); if wrong clothing manufacturer (0) (1 x 1)</p> <p>Justification (up to 2 marks) indicative content</p> <p>Similar net profit but gross profit is greater (1) indicates a more efficiently run business (1)</p> <p>Cost of sales lower (1) so long term profitability is greater (1)</p> <p>Operating expenses for the trouser manufacturer are lower (1) making the net profit slightly better (1)</p> <p>No repetition (2 x 1) (1 x 2)</p>	(3)

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