

Applied Business

Advanced GCE

Unit **F257**: Managing Risk in the Workplace

Mark Scheme for June 2012

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All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

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Any enquiries about publications should be addressed to:

OCR Publications
PO Box 5050
Annesley
NOTTINGHAM
NG15 0DL

Telephone: 0870 770 6622
Facsimile: 01223 552610
E-mail: publications@ocr.org.uk

Annotations

Annotation	Meaning
	The response given is 'Unclear' to the marker
	'Benefit of doubt' – but credit given
	To indicate the response is in 'context' of the relevant case study
	Response is incorrect
	Use for Level of response answers to indicate Level 1
	Use for Level of response answers to indicate Level 2
	Use for Level of response answers to indicate Level 3
	Use for Level of response answers to indicate Level 4
	The response is not incorrect but has 'Not answered question'
	Own figure rule. Use where indicated in mark scheme
	'Repeat' Response repeats the same marking point where credit has already been given
	'Noted but no credit given' or to indicate all of part blank answer pages have been seen by marker
	Correct point/answer. Credit can be given

Subject-specific Marking Instructions**Testing of QWC**

In this external assessment the assessment of QWC will take place in Question 3d which is a levels of response question and carries 14 marks.

Marks are embedded within this question for assessing the quality of written communication. The following criteria are embedded within the levels of response for Question 3d.

Level 4:

Ability to present relevant material in a well planned and logical sequence. Material clearly structured using appropriate business terminology confidently and accurately. Sentences, consistently relevant are well structured in a way that directly answers question. There will be few, if any errors of grammar, punctuation and spelling.

[4 marks representing the appropriate level of written communication are embedded in this level of response].

Level 3:

Ability to present relevant material in a planned and logical sequence. Appropriate business terminology used. Sentences for the most part relevant presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.

[3 marks representing the appropriate level of written communication are embedded in this level of response]

Level 2:

Limited ability to organise relevant material. Some appropriate business terminology used. Sentences are not always relevant with material presented in a way that does not always address the question. There may be noticeable errors of grammar, punctuation and spelling.

[2 marks representing the appropriate level of written communication are embedded in this level of response]

Level 1:

Ability to communicate at least one point using some appropriate business terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.

[1 mark representing the appropriate level of written communication is embedded in this level of response]

Question		Answer	Marks	Guidance
1	(a)	<p>Indicative content:</p> <p>A hazard refers to something which has the potential to cause harm and it may be a method of working, material or substance.</p> <p>Harm/hurt/injury.</p> <p>Eg A hazard refers to something which has the potential to cause harm (1). It may be a method of working/material/substance (1)</p> <p>Eg A hazard is something which could cause injury (1) such as a method of working (1)</p> <p>Eg A hazard is something which could be the cause of harm (1) such as water on a floor (1).</p>	2	<p>AO1 2</p> <p>Up to two marks.</p> <p>Accept specific examples for the second mark only.</p> <p>No context required.</p> <p>Award a maximum of 1 mark for answers which give harm and injury. Eg A hazard is something which has the potential to cause harm and may be the cause of an injury.</p>

Question	Answer	Marks	Guidance
(b)	<p>Indicative content:</p> <ul style="list-style-type: none"> • burns • broken bones • breathing impairment • loss of/impaired hearing • eye damage • disablement • trauma • cuts/abrasions • electric shock • RSI (repetitive strain injury) • back injuries • headaches. <p>Eg The staff may risk getting burns (1) as a result of touching the oven (1)</p> <p>Eg The staff may get breathing impairments (1) from inhaling airborne particles like flour (1)</p> <p>Eg The staff may suffer loss or impaired hearing (1) as a result of the noise from working on the assembly line (1).</p>	6	<p>AO1 3 AO2 3</p> <p>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations.</p> <p>Watch out for repetition.</p> <p>Only award the development mark for hazards related specifically to <i>PC Ltd's</i> factory.</p> <p>Accept buckets of mixture in to the mixing vat.</p> <p>Do not award for 'overheating' or 'back pain from carrying bread'. There must be use of context i.e. do not award for broken bones from falling on the floor as this is not context.</p> <p>Do not award for 'hand injuries' as it is not a specific injury or physical condition.</p>

Question	Answer	Marks	Guidance
(c)	<p>Indicative content:</p> <ul style="list-style-type: none"> • Health and Safety at Work Act • EC Directive on Work with Display Screens • Workplace (Health and Safety and Welfare) Regulations • Health and Safety (Display Screen Equipment) Regulations • Manual Handling Operations Regulations • Provision and Use of Workplace Equipment Regulations • Personal Protective Equipment Work Regulations • Management of Health and Safety at Work Regulations • Working Time Regulations. <p>Eg Working time regulations (1)</p> <p>Eg Health and safety at work Act (1)</p>	4	<p>AO1 4</p> <p>One mark for each correct identification up to a maximum of four identifications.</p> <p>No context required.</p> <p>Award for answers which do not include work/workplace.</p> <p>Do not award for the</p> <ul style="list-style-type: none"> • Trades Descriptions Act • Heavy Lifting Act • Equipment Management and Safety Act • Workplace Regulations • Workplace Welfare Regulations <p>because they are either not health and safety legislation or they are not legislation at all.</p>

Question	Answer	Marks	Guidance
(d)	<p>Indicative content:</p> <ul style="list-style-type: none"> • assist and encourage/ensure businesses to abide by Health and Safety at Work Act 1974 • adequately advise businesses on implementation of health and safety laws • provision of training • propose regulations. <p>Eg Checking that businesses implement the HASAW (1) such as making sure <i>PC Ltd</i> put guards on their machines (1).</p> <p>Eg Providing training for staff on the relevant laws (1) such as provision of induction training for the factory staff on the risks they could be exposed to when making cakes (1).</p> <p>Eg assist and encourage businesses to abide by the HASAW (1) such as giving <i>PC Ltd</i> areas with a list of recommendations for improvements after inspection of the premises (1).</p>	6	<p>AO1 3 AO2 3</p> <p>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations.</p> <p>Watch out for repetition.</p> <p>Development marks should be awarded only for answers which use the context of the business or industry.</p> <p>Accept provision of help and information on how to adhere to legislation.</p> <p>Do not accept responsible for carrying out disciplinary action or for inspecting the premises. They are there to assist and encourage businesses to abide by the law.</p> <p>Do not award for investigating accidents in the workplace.</p> <p>Do not award development if it is a consequence rather than an explanation.</p>
2	<p>(a)</p> <p>Indicative content:</p> <p>The potential negative consequences/likelihood of harm/hurt/injury that can impact on a business from a particular hazard. It can occur from any activity such as lifting heavy loads.</p> <p>Eg The likelihood of harm on a business from a hazard (1) which can occur from any activity (1) Eg lifting heavy loads.</p> <p>Eg The negative consequences on a business from a hazard (1) which can occur from anything (1) Eg slippery floors from spillages.</p>	2	<p>AO1 2</p> <p>Up to two marks.</p> <p>Accept hurt/injury for 'harm'.</p> <p>Accept impact for 'consequence'.</p> <p>Do not award for expressions relating to 'strategic risk'.</p> <p>Only award examples if given for the development point.</p>

Question	Answer	Marks	Guidance
(b)	<p>Indicative content:</p> <ul style="list-style-type: none"> • poor industrial relations between employers and employees • being in breach of duty of care • increased absenteeism • a fall in motivation • a fall in production levels • industrial action • strikes • work-to-rules • go slows • overtime bans • sit ins/work ins • legal implications/court actions/fines • financial implications/loss of earnings/compensation/legal fees • poor reputation • difficulty in staff retention/recruitment • fall in staff numbers. <p>Eg Difficulty in staff recruitment (1) if the staff believe that they are not safe (1) they may decide to leave and tell others not to join (1).</p> <p>Eg rising costs (1) which may occur as a result of having to pay court fines (1) if an employees sues the business for injury (1).</p>	6	<p>AO1 2 AO2 4</p> <p>One mark for each correct identification up to a maximum of two identifications, plus a further two marks for each of two explanations.</p> <p>Watch out for repetition.</p> <p>Award for generic context as specific context of the business or industry is not required.</p> <p>Only award for development if the identification of problems to the directors is fully explained.</p> <p>Do not award for consequences ie a fall in motivation may lead to lower production levels and a fall in profit.</p> <p>Do not award for responses which include health related issues.</p>

Question	Answer	Marks	Guidance
(c)	<p>Indicative content:</p> <ul style="list-style-type: none"> • improved relations between employers and employees • fewer accidents • lower absenteeism and sickness rates • compliance with the HSE requirements • reduction in long term legal consequences • reduction in long term financial costs • improved reputation • increased employee motivation. <p>Eg Improved relations between employers and employees (1) as the employees may believe that they are safe in the workplace (1).</p> <p>Eg Reduction in the risk of being temporarily or permanent closed (1) as they will be complying with the requirements of the HSE (1).</p> <p>Eg Reduction in long term financial costs (1) as there is less likelihood of an employee taking the business to court and it having to pay fines (1).</p>	6	<p>AO1 3 AO2 3</p> <p>One mark for each correct benefit identified up to a maximum of three identifications, plus one mark for each of three explanations.</p> <p>Watch out for repetition.</p> <p>No context required for identification of benefits.</p> <p>Award for generic context as specific context of the business or industry is not required.</p> <p>Only award for development if the identification of problems to <i>PC Ltd</i> is fully explained.</p> <p>Do not award for analysis ie a rise in motivation may lead to increased production levels and an increase in profit.</p> <p>Do not award for better quality products.</p>

Question	Answer	Marks	Guidance
(d)	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • on-the-job training relating to health and safety themes • off-the-job training in relation to health and safety themes • induction training in relation to health and safety themes • specific training in relation to the use of specific machinery • cost of implementing training • behaviours of employees • need for provision of guards on the machinery, such as the oven and mixing vat • need for provision of protective clothing, such as goggles or oven gloves when handling cakes coming out of the oven. <p>Eg Employees who work in dangerous environments need appropriate training (L1). This is so they know what they are doing (L1). Given that the staff at <i>PC Ltd</i> are working with dangerous machinery such as the oven and/or the mixing vat (CONT), there is potential for them to hurt themselves if they do not know what they are doing (L2). Training in health and safety issues would help the staff understand what they have to do in order that they can minimise the impact of the risks/avoid the risks they may be exposed to in the factory (L3). In this way, staff absences and sick pay may be minimised, further lowering costs (L3). However, training is costly and the business may not be able to train all of its employees adequately (L3). Furthermore, it is not known whether the staff would heed the advice given to them in training (L3) therefore accidents may still happen (L3). Training is, therefore, one measure but it should not be used in isolation, but more in conjunction with other measures to reduce risk, such as provision of protective clothing. In this way, risk to the factory workers (CONT) would be further reduced (L4).</p>	14	<p>AO1 2 AO2 3 AO3 4 AO4 5</p> <p>Level 4 - (10-14 marks) Candidate recommends and fully justifies the possible measures which <i>PC Ltd</i> could take in order to reduce health and safety risks in the factory.</p> <p>Level 3 - (6-9 marks) Candidate analyses the possible measure(s) which <i>PC Ltd</i> could take in order to reduce health and safety risks in the factory.</p> <p>Level 2 - (3-5 marks) Candidate applies knowledge and understanding of protection of the workforce to <i>PC Ltd</i>.</p> <p>Level 1 - (1-2 marks) Candidate identifies steps which may be taken to protect the workforce with no context.</p> <p>Knowledge of in-depth types of training is not required.</p> <p>For 10-11 marks, candidate makes a brief evaluation as to the extent to which training is an effective measure in reducing risk.</p> <p>For 12-14 marks a detailed evaluation is given, based upon a two sided argument.</p> <p>Please Indicate each time a candidate achieves a particular level as this will help you allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation.</p> <p>Non-Contextual answer max Level 1</p>

Question	Answer	Marks	Guidance
	<p>Eg It is important that all employees, if they work in a dangerous environment be trained adequately and have the right equipment otherwise there could be serious negative consequences (L1). The staff in the factory are working with dangerous ovens (CONT), mixing vats and are exposed to airborne particles such as flour from the sacks (L2). They need to know what they are doing and the risks they are exposed to and how to specifically operate the machinery so as to minimise the risks they will be exposed to. This can be done by way of adequate induction training on health and safety issues and on-the-job or off-the-job training on how to use the mixing vat (CONT), oven and decorating tables (L2). However, even though they may have adequate training, they may still run the risk of injuring themselves if they do not have the right protective equipment and clothing, such as oven gloves and protective guards on machinery such as screens on the mixing vat (L3). It may be that in the short term it costs the business a lot of money and may be something that they cannot afford however in the long term, if they avoid the risk of injury, they may not only reduce the risk of temporary or permanent closure by the HSE, but may gain more customers, employees and contracts by potential customers such as other big supermarkets (CONT), if they are seen to be fulfilling their duty of care (L4). Overall it may be that one measure alone may not completely ensure the safety and for that reason, <i>PC Ltd</i> should look to implement a few changes so that they reduce the concerns of the HSE (CONT) and the risks they expose their workforce to (L4).</p>		

Question	Answer	Marks	Guidance
3 (a)	<p>Indicative content:</p> <ul style="list-style-type: none"> • Thomas refused help to lift the heavy load • Thomas had to lift a heavy load • Thomas was new and did not know procedures • there should have been only one person on the gantry • Lisa was in the way of Thomas • Lisa felt she had to be on the gantry due to work pressures • Thomas sneezed • a lack of guards on the mixing vat • out of date risk assessment • not being able to implement the changes from the HSE • the guard/fence surrounding the vat may not have been high enough. <p>Eg Thomas did not know the procedures of the business (1) such as not lifting heavy loads like the flour by himself (1).</p> <p>Eg There should not have been more than one person on the gantry (1) Lisa was there to get things done on time (1).</p> <p>Eg There were no guards on the vat (1) if they had been there, maybe Thomas would not have fallen in (1).</p>	6	<p>AO1 3 AO2 3</p> <p>One mark for each correct issue identified up to a maximum of three identifications, plus a further one mark for each of three explanations.</p> <p>Award for development mark if it explains the identification.</p> <p>Do not award for development which gives a consequence.</p> <p>Do not award for Contingency Planning.</p> <p>Do not award for having to go upstairs to put the flour in the vat.</p> <p>Do not award for no lid on the vat as Thomas could still have had the accident.</p>

Question	Answer	Marks	Guidance
(b)	<p>Indicative content: A contingency plan refers to an integrated strategy created to deal with a range of 'what if' scenarios and is usually the responsibility of the employer.</p> <p>Eg A contingency plan is an integrated strategy created to deal with a range of 'what if' scenarios (1) and is the responsibility of the employer (1).</p> <p>Eg A contingency plan is a plan which is there to deal with a range of 'what if' scenarios (1) for example if someone fell into the mixing vat it would be a plan to see how to deal with the aftermath of this like hiring temporary staff in their place if they then have time off (1).</p>	2	<p>AO1 2</p> <p>Up to two marks.</p> <p>Accept examples for the second mark only.</p> <p>No context required.</p> <p>Award for 'unforeseen events', 'back up plan'.</p>
(c)	<p>Indicative content:</p> <ul style="list-style-type: none"> • holding regular meetings • carrying out research • anticipating key changes in external influences <p>Eg Carrying out research (1) this may be staff like Lisa going on the shop floor and observing the day to day activities (1). This may highlight areas such as a lack of transferable skills amongst her staff (1).</p> <p>Eg Anticipating key changes in external influences (1) such as the marketing department looking at issues such as the impact of a sudden drop in demand on <i>PC Ltd</i> (1) the directors could then make provisions such as keeping a bank account to help fund <i>PC Ltd</i> through such times (1).</p>	6	<p>AO1 2 AO2 4</p> <p>One mark for each correct procedure identified up to a maximum of two identifications, plus a further two marks for each of two explanations.</p> <p>Watch out for repetition.</p> <p>Development marks should be awarded only for answers which use the context of the business or industry.</p>

Question	Answer	Marks	Guidance
(d)*	<p>Use levels of response criteria.</p> <p>Indicative content: Benefits:</p> <ul style="list-style-type: none"> • hazards are actively sought • employees and employers know where the hazards are to avoid them • outlines courses of action which <i>PC Ltd</i> should take • a contingency plan would pre-empt the need for a flexible workforce • temporary staff availability • provides a focus for action • reaction time is faster <p>Drawbacks:</p> <ul style="list-style-type: none"> • it is costly if you have to employ resources to conduct research • the management may not have the time to conduct research/hold regular meetings • if done badly, then <i>PC Ltd</i> may still suffer • cannot always ensure that all 'what if' scenarios are covered • the business may not be able to afford to prepare a contingency plan and therefore profits may suffer beyond the long term benefits • may be seen as a waste of time if it is never put into practice • could become out of date quickly. <p>Eg A contingency plan is important to any business if it is to ensure that it can cope with any sort of eventuality which may occur (L1). In the case of <i>PC Ltd</i>, a contingency plan would have outlined the course of action that the employers needed to take in the event of someone falling in the mixing vat (CONT) and having to take time off, as well as the potential shut down of a mixing vat (L2). This may have</p>	14	<p>AO1 2 AO2 3 AO3 4 AO4 5</p> <p>QWC is assessed in this question.</p> <p>Level 4 - (10-14) Candidate evaluates the extent to which having a contingency plan would have been useful in helping to deal with the effects on <i>PC Ltd</i> of Thomas and Lisa's accident.</p> <p>Level 3 - (6-9) Candidate analyses how having a contingency plan would have been useful/ not useful in dealing with the effects on <i>PC Ltd</i> of Thomas and Lisa's accident.</p> <p>Level 2 - (3-5) Candidate applies knowledge and understanding of contingency planning and how it may have helped with the effects on <i>PC Ltd</i> of Thomas and Lisa's accident.</p> <p>Level 1 - (1-2) Candidate identifies the issue(s) relating to contingency planning not in context.</p> <p>For 10-11 marks, candidate makes a brief evaluation as to the extent to which contingency plan may have helped in dealing with the aftermath of the incident.</p> <p>For 12-14 marks a detailed evaluation is given, based upon a two sided argument. Covers time frame.</p> <p>Please indicate each time a candidate achieves a particular level as this will help you allocate marks within that level</p> <p>Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation</p>

Question	Answer	Marks	Guidance
	<p>been something like hiring extra temporary staff to replace a worker such as Thomas until his return to work and switching to another vat and doubling production on that (CONT) (L2). In this way it means that <i>PC Ltd's</i> production line would have continued (CONT) and <i>PC Ltd</i> would have minimised the losses it would have originally made (L3). It may in the long term help <i>PC Ltd</i> to deal with any eventuality, however, it is difficult to predict all 'what if' scenarios and therefore may not be totally full proof only marginally, it depends upon the level and accuracy of the research conducted (L4).</p> <p>Eg A contingency plan is an important strategy to any business if it is to minimise the impacts which could occur on a daily basis (L1). In this case, Thomas, a factory worker, fell into the vat (CONT), breaking it and forcing the closure of the production line due to this and his absence (L2). Had a contingency plan been drawn up by the directors of <i>PC Ltd</i>, it would have highlighted that they needed to be able to switch to the other mixing vat (CONT), doubling production on that, and/or had a flexible workforce who could have taken Thomas's place in his absence (L2). In this way, although it may have been costly to train all the shop floor to multi task and take time to research the 'what if' scenarios, it would have meant that the time taken to shut down the assembly line may not have occurred or at worst, may have been minimised (L3). In that way it would have saved <i>PC Ltd</i> any unnecessary losses or expenditure (L3). The extent to which it remains a 'full proof' plan against any eventuality remains to be seen however, as it is difficult to predict all 'what if' scenarios i.e. whilst the directors could predict that a worker could potentially fall into the mixing vat (CONT), it would be impossible for them to predict the extent of the injury which may be sustained and therefore the length of time they may need off or the extent of the damage to the mixing vat (L4). It could be that</p>		<p>Non-contextual answer max Level 1</p> <p>Do not award for answers which discuss contingency planning as having prevented the accident.</p>

Question	Answer	Marks	Guidance
	the more meetings are held and the more experts are drafted in to conduct research and the more updated it is throughout the life of the factory, the more accurate and full proof it would be, yet this is also dependent upon the abilities of the business, both financially and non-financially to do this which certainly at the moment, given their financial hardship, would be difficult (CONT) (L4) .		

Question		Answer	Marks	Guidance
4	(a)	<p>Indicative content:</p> <ul style="list-style-type: none"> flexibility in the workforce is lowered ability to meet deadlines may be jeopardised reputation of the business may be lowered may affect potential to gain new contracts may increase business costs poor relations lower productivity. <p>Eg Flexibility of the workforce is lowered (1) as the workers will only work the tasks specifically written in their contracts (1).</p> <p>Eg Ability to meet deadlines may be jeopardised (1) as the business may need to increase production with the resources it has but cannot if workers refuse to be flexible (1).</p> <p>Eg Reputation of the business may be lowered (1) as reduction in output from workers not working may mean that customer's needs are not met (1).</p>	6	<p>AO1 3 AO2 3</p> <p>One mark for each correct way identified up to a maximum of three identifications, plus a further one mark for each of three explanations.</p> <p>Watch out for repetition.</p> <p>Development marks can be in a generic business context.</p> <p>Do not award for development as a consequence</p> <p>Do not award for fines.</p>

Question	Answer	Marks	Guidance
(b)	Indicative content: <ul style="list-style-type: none"> • strikes • sit in/work in • go-slows • overtime ban Eg Strikes (1) not turning up for work (1) . Eg Overtime ban (1) only working the contracted hours (1) . Eg Go-slow (1) working but at a deliberately less quick rate (1) . Eg Sit in (1) turning up to work but not doing any (1) .	6	AO1 3 AO2 3 One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations. Accept generic context for development. Accept slow-down Do not award for picketing.

Question	Answer	Marks	Guidance
(c)	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <p>Benefits:</p> <ul style="list-style-type: none"> • expansion possibilities • cheaper cost of labour • relaxation of rules and regulations • likelihood of larger profits • access to new markets • access to more resources • recruit more staff. <p>Drawbacks:</p> <ul style="list-style-type: none"> • different culture • working relations • lack of knowledge of the local target market • motivation • industrial action • reputation/quality • exchange rates • language barriers • communication • loss of lucrative contracts with the UK supermarkets • recruit more staff • UK redundancy costs • expensive to relocate • overseas competition. <p>Eg An international move would mean that the staff and conditions of employment will be a new experience for the business (L1). It is therefore a situation in which the business will need to acclimatise to local employment law and cultural differences that may occur in Poland (CONT) (L2). These may cause disruption to establish working practices (L3) and therefore create unforeseen delays (L3). Costs of late delivery may have to be absorbed by</p>	14	<p>AO1 2 AO2 3 AO3 4 AO4 5</p> <p>Level 4 - (10-14) Candidate evaluates whether or not setting up an operation in Poland is a worthwhile strategic risk to <i>PC Ltd</i>.</p> <p>Level 3 - (6-9) Candidate analyses the likely implication(s) of the strategic risk to <i>PC Ltd</i> of setting up an operation in Poland in context.</p> <p>Level 2 - (3-5) Candidate applies knowledge and understanding of strategic risk to <i>PC Ltd</i> of setting up an operation in Poland in context.</p> <p>Level 1 - (1-2) Candidate identifies the issue(s) relating to strategic risk with no context.</p> <p>For 10-11 marks, candidate makes a brief evaluation as to whether or not the proposed move to Poland is a worthwhile strategic risk.</p> <p>For 12-14 marks a detailed evaluation is given, based upon a two sided argument. Covers time frame.</p> <p>Please indicate each time a candidate achieves a particular level as this will help you allocate marks within that level. Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation.</p> <p>Non-contextual answer max Level 1</p>

Question	Answer	Marks	Guidance
	<p><i>PC Ltd</i> until workers are trained and new working practices are established (L3). However, this could be outweighed if UK production becomes impossible making it a worthwhile strategic risk as moving to Poland, through its relaxed laws and cheaper wage rates, still creates the potential for larger profits for a business which, in its current situation, is suffering financially due to its business practices (CONT) (L4).</p> <p>Eg Moving to a different country will be totally different to operating a business in the UK (L1). It is known that <i>PC Ltd</i> would have to overcome language barriers if they move to Poland and recruit new workers over there (CONT), as well as the directors not knowing the new health and safety laws which may affect the business, even if they are relaxed (L2). This could mean that they will incur moving costs (L3) as they need to establish good working practices and this may therefore negatively affect profit (L3). Furthermore it may be difficult to establish good working relations as cultures in Poland may be different (L3) and this could mean that possible motivational issues may arise (L3). However, this could be a short term problem and could be outweighed by the potentially larger profits in the long term from the savings which they could make paying workers in Poland less than those who are employed by their Cotswold plant in the UK (CONT) (L4). Furthermore, it is a tempting proposal, given that they are a company in financial difficulty and there is evidence to suggest that the move to Poland could be lucrative if their competitors in the cake manufacturing industry have already moved there (CONT) (L4).</p>		

OCR (Oxford Cambridge and RSA Examinations)
1 Hills Road
Cambridge
CB1 2EU

OCR Customer Contact Centre

Education and Learning

Telephone: 01223 553998

Facsimile: 01223 552627

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