

Business Studies

Advanced GCE

Unit **F295**: People in Organisations

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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Annotations

Annotation	Meaning
	Unclear
	Benefit of doubt
	Cross
	Level 1
	Level 2
	Level 3
	Level 4
	Not answered question
	No use of text
	Own figure rule
	Repetition
	Noted but no credit given
	Too vague
	Tick

Subject-specific Marking Instructions

Highlighting is also available to highlight any particular points on the script.

Please ensure that, wherever possible, annotations are placed in the margins and not over the candidate's answer. This makes it very difficult to read when the paper is printed out in black and white.

[Only the calculative question(s) should be annotated with ticks to show where marks have been awarded in the body of the text]

IT IS VITAL THAT YOU SHOW AS MUCH ANNOTATION ON EACH PAGE AS POSSIBLE. IN PARTICULAR, WHERE LEVELS ARE REACHED.

EVERY PAGE, INCLUDING BLANK PAGES (use the SEEN annotation), MUST HAVE SOM ANNOTATION

Question		Answer	Marks	Guidance	
				Content	Levels of response
1	(a)	<p>35hrs @£9 = £315 (1 mark) OR</p> <p>6hrs@£13 = £ 78 (1mark)</p> <p>Total pay = £393 (1 mark)</p> <p>Award 1 mark only if no £ sign</p> <p>NB If correct answer given award 2 marks</p>	2		Up to two marks
	(b)	<p>Original total wage bill was £273,000</p> <p>New piece rate total wage bill £225,000</p> <p>Difference = £48,000 (1 mark)</p> <p>$\frac{48,000}{273,000} \times 100 = 17.58$</p> <p>Percentage decrease = 17.58% (1 mark)</p> <p>Accept rounding up (17.6%)</p> <p>NB 2 marks if correct answer with no workings</p>	2	<p>Answer of 17.5% award 1 mark</p> <p>18% award 2 marks</p>	Up to two marks

Question		Answer	Marks	Guidance	
				Content	Levels of response
2		<p>Payment for amount produced. Provides an incentive to work hard and, therefore, increase output, thus reducing unit costs. Should reduce the need to ensure employees are working hard (reduction in costs).</p> <p>However, supervision may be needed to ensure quality maintained (cost implication).</p> <p>Additional production will need to be sold to ensure worthwhile. Setting a 'fair' rate for output may damage employee relations. Safety issues.</p> <p>Joe's time could be used elsewhere – L2 whereas Joe's time could be used elsewhere to ensure he has the finance available or to organise the new contracts – L3</p>	6	<p>2 factors analysed = 6 marks 1 factor analysed = 5 marks</p> <p>2 factors explained = 4 marks 1 factor explained = 3 marks</p> <p>2 factors stated = 2 marks 1 factor stated = 1 mark</p> <p>Accept positive or negative consequences.</p> <p>Ensure specific consequences for HHL for L3 marks. E.G Demotivating (L2) therefore productivity falling increasing unit cost (L3)</p>	<p>Level 3 Candidate demonstrates analytical skills when considering the benefits of a piece rate system for HHL [5-6] Context required</p> <p>Level 2 Candidate is able to apply relevant details of piece rates. [3-4] No context required</p> <p>Level 1 Candidate offers relevant theoretical knowledge of piece rates. [1-2]</p>

Question		Answer	Marks	Guidance	
				Content	Levels of response
3		<p>An agreement between business and employee. Not necessarily in writing, Includes, duties, pay, service. Responsibilities outlined.</p> <p>Within two months of commencement written statement, hours to be worked, pay, sickness benefit, and holiday entitlement, pension rights/schemes, period of notice.</p> <p>Therefore implications are the amount of time setting out contracts, negotiating contracts. Establishes rights for HHL and its responsibilities to its workforce and, therefore, can be used in grievance procedures. Legal requirement, therefore, needs to be undertaken when other tasks could be tackled.</p> <p>Costs implications, additional staff/time to undertake such work of drawing up the contracts and monitoring.</p>	6	E.G Joes time could be used elsewhere (L2) spend time looking at finance (L3)	<p>Level 3 Candidate demonstrates analytical skills when considering contracts of employment. [5-6]</p> <p>Context required</p> <p>Level 2 Candidate is able to apply relevant details of contracts of employment. [3-4]</p> <p>No context required</p> <p>Level 1 Candidate offers relevant theoretical knowledge of contracts of employment. [1-2]</p>

Question		Answer	Marks	Guidance	
				Content	Levels of response
4		<p>Types of leadership styles (she is trying to be democratic) however, introduces changes without consulting Joe!</p> <p>Encouraging employee input into decision-making, initiative, motivation is not just financial.</p> <p>Criteria for effectiveness; support of employees, involvement of employees, productivity of employees, motivation of employees, absenteeism rate, turnover of staff, increased productivity.</p> <p>Gets workers involved (Mayo) Theory Y (McGregor) employees responsibility, not just motivated by money, willing to contribute.</p> <p>Employees more productive L2 For L3 require a linked implication for HHL Productivity increases and therefore will mean a better quality of output saving money on wastage.</p>	13	Consequences must be about HHL for L3	<p>Level 4 Candidate demonstrates evaluative skills when discussing the effectiveness of Georgina's style of leadership. [9-13]</p> <p>Level 3 Candidate demonstrates analytical skills when considering the effectiveness of Georgina's style of leadership. [6-8] Context required</p> <p>Level 2 Candidate is able to apply relevant details of leadership styles. [3-5] No context required</p> <p>Level 1 Candidate offers relevant theoretical knowledge of leadership styles. [1-2]</p>

Question		Answer	Marks	Guidance	
				Content	Levels of response
5		<ul style="list-style-type: none"> • Taylor, wages as a motivator? • Mayo; sense of involvement, sense of recognition (face to face meetings) Quality circles, employees like working in groups • Maslow, social needs, self-actualisation Drucker, employees should be recognised as the most important asset of the business, decentralise, take an interest in employees, plant community meeting their social needs • Herzberg; job enrichment, praise, responsibility, recognition, rewarding work, promotion • Peters, acknowledging employee achievement, involving and empowering employees 	13	<p>Here is a need to develop how a theory would help HHL. Suggesting motivational theory will increase productivity is insufficient for L3- there needs to be a linked sequential elaboration to gain L3.</p>	<p>Level 4 Candidate demonstrates evaluative skills when discussing the use of motivational theories. [9-13] Context required</p> <p>Level 3 Candidate demonstrates analytical skills when considering the motivational theories. [6-8] Context required</p> <p>Level 2 Candidate is able to apply relevant details of motivational theories. [3-5] No context required</p> <p>Level 1 Candidate offers relevant theoretical knowledge of motivation theories. [1-2]</p>

Question		Answer	Marks	Guidance	
				Content	Levels of response
6*		<p>HRH- Motivational, employee participation, decision making. Opposite effect upon Joe and Georgina? Time consuming decision-making process, too many diverse views. Time reduction for production. Production- satisfied employees productivity rises, therefore, able to meet rising demand for T-shirts. Less supervision required, empowered. Therefore, Georgina and Joe concentrate on other matters. Marketing- contented employees better quality, therefore, enhanced reputation therefore repeat orders higher profits, more for employees. Easier to attract new employees. Market as a share owning workforce (John Lewis style) Finance- increased revenues, lower costs in terms of wages. Less profit to reinvest within the business. Actually giving them away or selling at a reduced cost?</p>	18	<p>A one-sided answer cannot achieve a L4.</p> <p>NB An answer which only includes, or does not include human resources issues, should be awarded the lowest mark in the appropriate level.</p> <p>Allow answers that refer to employees buying the shares and therefore any subsequent appropriate implication thereof.</p> <p>Candidates need to go beyond stating that having shares will increase productivity for L3. Ownership of shares will increase motivation and subsequently productivity leading to an increased output allowing HHI to meet the growing demand.</p>	<p>Level 4 Candidate demonstrates evaluative skills when discussing if shares should be offered Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the complex subject matter, Sentences and paragraphs, consistently relevant, have been well structured, using appropriate technical terminology. There may be few, if any, errors of spelling, punctuation and grammar. Context required [13-18]</p> <p>Level 3 Candidate demonstrates analytical skills when considering if shares should be offered Relative straight forward ideas have been expressed with some clarity and fluency. Arguments are generally relevant, though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Context required [7-12]</p>

Question			Answer	Marks	Guidance	
					Content	Levels of response
						<p>Level 2 Candidate is able to apply relevant details of offering shares to employees Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. No context required. [3-6]</p> <p>Level 1 Candidate offers relevant theoretical knowledge of offering shares. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar, which will be noticeable and intrusive. Writing may also lack legibility. [1-2]</p>

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