

Business Studies

Advanced GCE

Unit **F295**: People in Organisations

Mark Scheme for January 2013

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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 |

| Question | | Answer | Marks | Guidance |
|----------|--|---|-------|--|
| 1 | | <p><u>Number of employees leaving during the year (1)</u> Average number employed during the year</p> <p>Number leaving $\frac{20}{18} \times 100$ (1 mark) = 111.1% (1 mark) Average employed 18 (1 mark)</p> | 4 | NB If correct answer given award 4 marks Accept an answer which calculates the % change |

| Question | | Answer | Marks | Guidance | |
|----------|--|---|-------|---|---|
| | | | | Content | Levels of response |
| 2 | | <p>Issues are:</p> <ul style="list-style-type: none"> • morale of the employees – with others leaving. • need to recruit more staff (costs) • induction and training of new staff – if in-house, effect on those undertaking this task • effect on motivation of remaining staff • an opportunity to bring in better staff • opportunity costs of Gregory and Nicki's time spent on recruiting and training. Could be used on customer care, health and safety etc. • Good candidates will refer to the answer from Q1(although it is not essential that this route is used. <p>Exemplar : High turnover will need to the need to recruit new employees which involves costs and time. Increased costs means it will be harder for Furlongs to offer incentives to employees to work Sundays. (Level 3)</p> | 6 | <p>Labour turnover expected in retail trade and, therefore, 'normal' for this type of business (over 100% of staff) with part-time staff inevitable. (Given some are students) However do not expect increase in turnover in holiday season? Ensure HR issue however implications can go beyond HR</p> <p>A clear linked implication (in context) is required for L3</p> <p>Costs in isolation is not sufficient for L3, however may be included if an HR issue is raised.</p> <p>Award implications but NOT causes.</p> <p>L3 – one issues analysed = 5 marks – two issues analysed = 6 marks</p> <p>L2 – one issue explained = 3 marks – two issues explained = 4 marks</p> <p>L1 – one issue stated = 1 mark – two issues stated = 2 marks</p> | <p>Level 3 (6–5 marks) Candidate demonstrates analytical skills when considering the problems of the labour turnover figures.</p> <p>Level 2 (4–3 marks) Candidate demonstrates an understanding of labour turnover. (No context required)</p> <p>Level 1 (2–1 marks) Candidate offers relevant knowledge of labour turnover.</p> |

| Question | Answer | Marks | Guidance | |
|----------|---|-------|---|--|
| | | | Content | Levels of response |
| 3 | <p>Likely benefits for Furlongs include:</p> <ul style="list-style-type: none"> • increased motivation • better communication • better decision making (though slower due to consultation) • increased employee involvement (Mayo) • more responsibility (Herzberg) • opportunity to reduce negative effects of hygiene factors (Herzberg) <p>May help reduce labour turnover – even though majority students Motivated staff offer better service something vital for Furlongs</p> <ul style="list-style-type: none"> • enhanced productivity, therefore, greater customer turnover. • lower costs – something Nicki is concerned about. • depends upon the nature/type of participation as to whether of benefit and to what extent. <p>Exemplar : If they are being given the chance to be involved in the decision making it may cause a better relationship between Gregory and Nicki and the staff. This may mean the downtime decreases which will help with the quality of service being kept at a high standard, increasing the reputation of Furlongs leading to an increase in revenue from more customers and therefore increased profits (Level 3)</p> | 13 | <p>NB Do not reward benefits to employees (unless it leads to a benefit for Furlongs). However, candidates can refer to any negative aspects of employee participation if it is part of their evaluation of the benefits for Furlongs</p> <p>Candidates need to show an understanding of what employee participation actually is before awarding marks. Accept references to legal participation (redundancy), Quality Circles, Work Councils, Employees as shareholders, Industrial democracy</p> | <p>Level 4 (13–9 marks) Candidate demonstrates evaluative skills when discussing the likely benefits of employee participation.</p> <p>Level 3 (8–6 marks) Candidate demonstrates analytical skills when considering employee participation in the context of the case.</p> <p>Level 2 (5–3 marks) Candidate is able to demonstrate an understanding of employee participation. (No context required)</p> <p>Level 1 (2–1 marks) Candidate offers relevant knowledge of employee participation.</p> |

| Question | | Answer | Marks | Guidance | |
|----------|--|--|-------|---|--|
| | | | | Content | Levels of response |
| 4 | | <p>Health and Safety at Work Act (HASWA)</p> <ul style="list-style-type: none"> helps prevent 'damage' to employees and improve their working conditions (hygiene factor) within Furlongs helps reduce accidents, therefore, less costs/time off work less need to hire additional cover staff costs down – which Nicki keen on <p>Encourages training of health and safety issues therefore sense of recognition, involvement (Mayo)</p> <ul style="list-style-type: none"> need to communicate with employees about safety issues therefore an opportunity to improve/increase communication with employees. Better trained staff at Furlongs better customer service <p>Exemplar: By complying with H&S legislation, Furlongs will avoid accidents and therefore less time will be lost as a result of employee absence. This will mean less costs will be incurred with the hiring of temporary staff to cover for the absent staff. This will allow Furlongs to spend this money on advertising or extra pay for Sunday working. (L3)</p> | 6 | <p>NB Ensure answers highlight consequences for Furlongs</p> <p>References to the Health and Safety Commission or Health and Safety Executive acceptable.</p> <p>Contextual references will refer to the café in terms of preparing food, carrying hot drinks, heavy trays, dealing with glasses, hot water, skin irritants (washing liquids et al) Cost savings in terms of less staff off work – (accidents) Enhanced reputation – compliant business.</p> | <p>Level 3 (6–5 marks) Candidate demonstrates analytical skills when considering health and safety compliance in the context of the case.</p> <p>Level 2 (4–3 marks) Candidate is able to demonstrate an understanding of health and safety compliance. (No context required)</p> <p>Level 1 (2–1 marks) Candidate offers relevant knowledge of health and safety.</p> |

| Question | | Answer | Marks | Guidance | |
|----------|--|---|-------|--|--|
| | | | | Content | Levels of response |
| 5 | | <p>Indicative content</p> <p>Benefits of on-the-job training for Furlongs are:</p> <ul style="list-style-type: none"> • easier as some staff can be selected for part of the day as they are there – no travel time • timing to fit trade/number of customers • can be tailored to specific needs of employees • training can be to suit needs of Furlongs and trainers selected • Gregory and Nicki to give the 'right' message • cheaper, no travel payment to trainers • does not impinge upon staff time ie after work • no expensive trainer to be paid • a simple way to offer staff responsibility and thereby act as a motivator (Herzberg) • offers employees a sense of involvement (Mayo). <p>However, how training perceived by staff if done in-house.</p> <ul style="list-style-type: none"> • does not offer thoughts/ideas from outside of the business • no change of environment • may be treated more seriously if off-the-job • relies on the ability of the trainers without distraction of service • may be too busy to fit in regular training • exposes 'under' trained employees to the customers • senior employees may be resentful of undertaking such a task • Sunday opening at Furlongs, also cuts into available training preparing time • would it affect the image of Furlongs | 13 | <p>Candidates need to refer to the appropriateness of on-the-job training.</p> <p>References to costs are valid.</p> <p>If issues raised for staff but do not move on to refer to Furlongs(L2) references need to refer Furlongs to award L3</p> | <p>Level 4 (13–9 marks) Candidate demonstrates evaluative skills when considering whether on the job training is the most appropriate for Furlongs.</p> <p>Level 3 (8–6 marks) Candidate demonstrates analytical skills when considering whether on the job is the most appropriate for Furlongs.</p> <p>Level 2 (5–3 marks) Candidate demonstrates an understanding of on the job training. (No context required)</p> <p>Level 1 (2–1 marks) Candidate offers relevant knowledge of on the job training.</p> |

| Question | | | Answer | Marks | Guidance | |
|----------|--|--|--|-------|----------|--------------------|
| | | | | | Content | Levels of response |
| | | | <p>Exemplar: Doing on the job training would mean staff may not pay as much attention to the customer, meaning the high standard of service may decrease. This would deter a number of customers thus decreasing the revenue of Furlongs and its reputation. (Level 3)</p> | | | |

| Question | | Answer | Marks | Guidance | |
|----------|--|--|-------|---|--|
| | | | | Content | Levels of response |
| 6* | | <p>Human Resources issues:</p> <ul style="list-style-type: none"> • 'choice' of working days lost • having to work Sundays • effect on morale • effect on service an integral part of Furlong's image • stronger leadership to 'compensate' for decline in staff morale • increased labour turnover, therefore, additional costs for recruiting, training • consequences for effective communication. <p>Production issues:</p> <ul style="list-style-type: none"> • ability to have sufficient staff available to avoid customers waiting too long and, thereby, affecting 'service' • able to cover additional tasks having an extra day. <p>Marketing issues:</p> <ul style="list-style-type: none"> • ability to stay open seven days a week for its customers • helps to enhance reputation of the business. <p>Finance issues:</p> <ul style="list-style-type: none"> • cost of opening additional day, overheads increase • however, extra day may help spread overheads – adding to contribution • costs of increased labour turnover • increased turnover to enhance cashflow of the business. | | <p>A one-sided argument cannot achieve a Level 4 mark.</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>Level 4 (18–13 marks) Candidate demonstrates evaluative skills when discussing whether to remain open on Sundays.</p> <p>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.</p> <p>Level 3 (12–7 marks) Candidate demonstrates analytical skills when considering whether to remain open on Sundays. (in the context of the case). 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.</p> |

| Question | | Answer | Marks | Guidance | |
|----------|--|---|-------|----------|---|
| | | | | Content | Levels of response |
| | | <p>Exemplar: Also, as Furlongs is a relatively new business, it is still growing in popularity. Therefore in my opinion Sunday demand will increase further in the future. Therefore although currently Sunday openings might not seem beneficial, when it comes to the second quarter of 2013, demand for Sunday openings will rise and in the long term this will be beneficial to Furlongs as they won't leave room for competitors. Customer satisfaction will rise as customers have more time to enjoy Furlongs' services on Sundays. I believe the demand will rise and I see Sunday openings as a long term benefit and that Furlongs should continue to open on Sundays. (low Level 4)</p> | | | <p>Level 2 (6–3 marks) Candidate is able to demonstrate an understanding of possible factors to consider.</p> <p>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)</p> <p>Level 1 (2–1 marks) Candidate offers relevant knowledge.</p> <p>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.</p> |

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