

**Business Studies**

Advanced GCE

Unit **F295**: People in Organisations

**Mark Scheme for June 2013**

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

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>Output per year Average number employed during per year      1 mark</p> <p><math>\frac{\text{Output in 2010}}{\text{AV number of employees}} = \frac{30,000}{40} = 750\text{kg}</math>    1 mark</p> <p><math>\frac{\text{Output in 2012}}{\text{AV number of employees}} = \frac{35040}{48} = 730\text{kg}</math>    1 mark</p> <p>Difference = <math>750 - 730 = -20\text{kg}</math>    1 mark</p>	4	<p>NB The minus sign is <b>not</b> required <b>NB If correct answer given award 4 marks</b> Accept as a % (2.67% or 2.6% or 2.7%) If there is no kg or % following the number only give a maximum of 3 marks.</p>

Question	Answer	Marks	Content	Guidance	Levels of response
2	<ul style="list-style-type: none"> <li>poor morale concern over proposed changes</li> <li>not being people orientated</li> <li>denies sense of recognition (Mayo) + Drucker – interest in employees lacking</li> <li>Blake and Mouton leadership grid style</li> <li>less opportunity for responsibility (Herzberg)</li> <li>weather conditions on the farm</li> <li>time spent on the vegetables and not other aspects of the farm. Lack of consultation.</li> <li>Chloe's attitude.</li> <li>(task orientated) nature of the work on the farm.</li> <li>pay rates – Herzberg hygiene factor</li> <li>lack of training</li> </ul>	6	<p>Ensure HR reason cited prior to any cost implication. Looking for a clear link between reasons and fall in productivity. Ensure clear context for level 3. Looking for reasons, <b>not</b> implications.</p> <p>Level 3 – one issue analysed = 5 marks – two issues analysed = 6 marks</p> <p>Level 2 – one issue explained = 3 marks – two issues explained = 4 marks</p> <p>Level 1 – one issue stated = 1 mark – two issues stated = 2 marks</p>	<p>Level 3 (6–5 marks) Candidate demonstrates analytical skills when considering likely reasons for a <b>fall in productivity</b>.</p> <p>Level 2 (4–3 marks) Candidate is able to apply relevant details for a fall in productivity. <b>(No context required)</b></p> <p>Level 1 (2–1 marks) Candidate offers relevant theoretical knowledge of productivity/reasons.</p>	

Question	Answer	Marks	Content	Guidance	Levels of response
3	<ul style="list-style-type: none"> <li>• can help assess training needs (TNA) therefore helping employees feel involved recognised (Mayo, Herzberg)</li> <li>• can be used to review performance, therefore, aids motivation and reward, therefore, motivated and improve productivity at EOFL</li> <li>• offers opportunities for promotion – (Maslow – Status) (recognition, responsibility – Herzberg) (Drucker)</li> <li>• it is a form of employee participation to counter Chloe effect – Donald is people orientated</li> <li>• chance to recognise achievement (Peters)</li> <li>• example of involving and empowering employees – (Peters)</li> <li>• however, may be judged as spying, finding weaknesses in employees, therefore, a lack of co-operation in the process</li> <li>• time consuming additional workload burden for appraisers, especially if it clashes with harvests</li> <li>• training implications for appraisers may be viewed as bureaucratic (hygiene factor – Herzberg).</li> <li>• amount of time (Chloe)</li> </ul>	13	<p><b>NB</b></p> <p>Reward correct and appropriate usage of theorist's names. Candidates may comment – it depends upon effectiveness of the appraisal process. Reference to training costs achieves only level 2. Costs in terms of time should also be rewarded at level 2. Reference to <b>specific opportunity costs</b> achieves Level 3.</p>	<p><b>Level 4 (13–9 marks)</b> Candidate demonstrates evaluative skills when considering implications of introduction of appraisal system.</p> <p><b>Level 3 (8–6 marks)</b> Candidate demonstrates analytical skills when considering when considering the implications of introduction of appraisal system</p> <p><b>Level 2 (5–3 marks)</b> Candidate is able to apply relevant implications of introduction of appraisal system. <b>(No context required)</b></p> <p><b>Level 1 (2–1 marks)</b> Candidate offers relevant theoretical knowledge of introduction of appraisal system</p>	

Question	Answer	Marks	Content	Guidance	Levels of response
4	<ul style="list-style-type: none"> <li>• Health and Safety at Work Act 1974 and amendments 1993 (safe working environment)</li> <li>• time and cost of compliance for example since 1993 employers must make estimates of health and safety risks</li> <li>• money could be spent on generating electricity</li> <li>• duty of care for employees, therefore, need to ensure eg buildings safe, temperature within limits</li> <li>• atmosphere must be safe to breath (cost) (training)</li> <li>• protective clothing needs to be provided (supervision to ensure compliance) and cost (toxic fumes of digester if installed)</li> <li>• written safety policy, which is clearly communicated, to employees (communicational theory)</li> <li>• health &amp; Safety Commission to be adhered to, therefore, cost time, bureaucracy (hygiene factor)</li> <li>• health &amp; Safety Executive enforces safety on farms, therefore, time to adhere and co operate with these bodies</li> <li>• employees may consider Donald cares about them</li> <li>• COSHH regulations</li> <li>• adding to workload of Chloe and Donald.</li> </ul>	6	<p>Consider degree of contextual reference for 5/6 marks</p> <p>A detailed knowledge of the legislation is <b>NOT</b> required.</p>	<p><b>Level 3 (6–5 marks)</b> Candidate demonstrates analytical skills when considering the consequence of complying with the legislation.</p> <p><b>Level 2 (4–3 marks)</b> Candidate is able to apply a relevant consequence of the legislation. <b>(No context required)</b></p> <p><b>Level 1 (2–1 marks)</b> Candidate offers relevant theoretical knowledge of legislation or consequence.</p>	

Question	Answer	Marks	Guidance	
			Content	Levels of response
5	<p>Indicative Content:</p> <ul style="list-style-type: none"> <li>• problems of discrimination for EOFL – reputation, legal action, unwanted publicity hampering expansion plans and customer loyalty</li> <li>• race relations Act 1976, Sex discrimination Act 1975, Equal pay Act 1970, Age Discrimination Regulations 2006 and 2009</li> <li>• EU laws – Regulations and Directives</li> <li>• Right of EU members to have freedom of movement within EU (including employment opportunities)</li> <li>• rights of part-time employees 2011/2012</li> <li>• Image of the business, perception of potential customers</li> <li>• training required and subsequent costs involved when money needed for waste programme/investment</li> <li>• communication problems (Shannon and Weaver-semantic) as Eastern Europeans may have skill and language deficiencies. Important if Health and Safety issues to be fully understood.</li> <li>• staff on hand (local villages) goodwill within the community.</li> <li>• Not right because of negative publicity affecting reputation and sales</li> <li>• Equality Act 2006, 2010, 2012</li> </ul>	13	<p>East Europeans cheaper therefore profit up only achieves level 2. It is too big a jump. Cheaper therefore profit margin up, therefore profit up, therefore more available for future investments/training.</p> <p>Do not have to consider the question from a legal viewpoint.</p> <p>Poor communication may cause errors – level 2. If consequence of these errors is given this achieves level 3.</p> <p>Employing Eastern Europeans may mean locals object and shop elsewhere - level 2. If the answer says sales revenue falls therefore less available to invest - level 3.</p>	<p><b>Level 4 (13–9 marks)</b> Candidate demonstrates evaluative skills when considering whether EOFL should employ all of its employees from local community.</p> <p><b>Level 3 (8–6 marks)</b> Candidate demonstrates analytical skills when considering whether EOFL should employ from local community.</p> <p><b>Level 2 (5–3 marks)</b> Candidate is able to apply relevant factors as to whether right to employ from local community. <b>(No context required)</b></p> <p><b>Level 1 (2–1 marks)</b> Candidate offers relevant theoretical knowledge of employment.</p>

Question	Answer	Marks	Content	Guidance
6*	<p><b><u>HR issues</u></b></p> <ul style="list-style-type: none"> <li>• job insecurity (Maslow)</li> <li>• job security (hygiene factor (Herzberg)</li> <li>• retraining to machine minding less job satisfaction – (Herzberg - meaningful tasks)</li> <li>• working conditions (toxic fumes – health and safety)</li> <li>• already too many changes without consultation</li> </ul> <p><b><u>Marketing Issues</u></b></p> <ul style="list-style-type: none"> <li>• modern efficient way to dispose of waste</li> <li>• environmental issues</li> <li>• wider consumer base</li> <li>• ‘green’ approach</li> </ul> <p><b><u>Production issues</u></b></p> <ul style="list-style-type: none"> <li>• increased capacity</li> <li>• economics of scale – technical</li> </ul> <p><b><u>Financial issues</u></b></p> <ul style="list-style-type: none"> <li>• initial capital outlay</li> <li>• borrowing costs</li> <li>• opportunity costs what could have been purchased/or spent on (employees)</li> <li>• reduced costs (electricity) increased profits</li> <li>• reduced cost of landfill</li> <li>• less funds for other profit centres</li> <li>• help achieve owners’ objectives</li> <li>• does not fit mission statement</li> <li>• comparison of figures – Appendix 1</li> </ul>	18	<p>A one sided argument cannot achieve a Level 4 mark</p> <p>An answer which only includes or does not include HR or other issues should only be awarded the lowest mark in the appropriate level.</p>	<p><b>Levels of response</b></p> <p><b>NB</b> An answer which only includes, or does not include human resources issues, should be awarded the lowest mark in the appropriate level</p> <p><b>Level 4 (18–13 marks)</b> Candidate demonstrates evaluative skills when discussing whether to invest in generation process. 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><b>Level 3 (12–7 marks)</b> Candidate demonstrates analytical skills when considering whether to invest in generation process (in the context of the case). Relative straight forward ideas have been expressed with some clarity and fluency. Arguments are generally</p>

Question	Answer	Marks	Content	Guidance	Levels of response
					<p>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> <p><b>Level 2 (6–3 marks)</b> Candidate demonstrates an understanding of when discussing whether to invest in generation process. 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. <b>(No context required)</b></p> <p><b>Level 1 (2–1 marks)</b> Candidate offers relevant knowledge a when discussing whether to invest in generation process. 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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