

GCE

Business Studies

Unit **F295**: People in Organisations

Advanced GCE

Mark Scheme for June 2017

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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.

OCR will not enter into any discussion or correspondence in connection with this mark scheme.

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1. Annotations

Annotation	Meaning
	Correct
	Incorrect
	Not sure what the candidate is trying to say or it does not make sense.
BOD	Benefit of doubt given
L1 L2 L3 L4	Levels of response awarded at this point
OFR	Own figure rule
TV	Too vague
NAQ	Not answered the question
NUT	Not used the context (generic)
REP	Repetition. The candidate has merely restated what has already been said and so no further credit given.
SEEN	The page has been seen. This can be used on pages where no other annotation is appropriate.

EVERY PAGE, INCLUDING BLANK PAGES (use the BP annotation), MUST HAVE SOME ANNOTATION

Subject-specific Marking Instructions**Crossed out responses**

Where a candidate has crossed out a response and provided a clear alternative then the crossed out response is not marked. Where no alternative response has been provided, examiners should give candidates the benefit of the doubt and mark the crossed out response where legible.

Contradictory responses

When a candidate provides contradictory responses, then no mark should be rewarded, even if one of the answers is correct.

Short answer questions (usually worth only **one mark per response**)

Where candidates are required to provide a set number of short answer responses then only the set number of responses should be marked. The response space should be marked from top to bottom until the required number of responses have been considered. The remaining responses should not then be marked. Examiners will have to apply judgement as to whether a 'second response' on a line is a development of the 'first response', rather than a separate, discrete response. *(The underlying assumption is that the candidate is attempting to hedge their bets and therefore getting undue benefit rather than engaging with the question and giving the most relevant/correct responses.)*

INTRODUCTION

Your first task as an Examiner is to become thoroughly familiar with the material on which the examination depends. This material includes:

- the specification, especially the assessment objectives
- the question paper and its rubrics
- the mark scheme.

You should ensure that you have copies of these materials.

You should ensure also that you are familiar with the administrative procedures related to the marking process. These are set out in the OCR booklet **Instructions for Examiners**. If you are examining for the first time, please read carefully **Appendix 5 Introduction to Script Marking: Notes for New Examiners**.

Please ask for help or guidance whenever you need it. Your first point of contact is your Team Leader.

USING THE MARK SCHEME

Please study this Mark Scheme carefully. The Mark Scheme is an integral part of the process that begins with the setting of the question paper and ends with the awarding of grades. Question papers and Mark Schemes are developed in association with each other so that issues of differentiation and positive achievement can be addressed from the very start.

This Mark Scheme is a working document; it is not exhaustive; it does not provide 'correct' answers. The Mark Scheme can only provide 'best guesses' about how the question will work out, and it is subject to revision after we have looked at a wide range of scripts.

The Examiners' Standardisation Meeting will ensure that the Mark Scheme covers the range of candidates' responses to the questions, and that all Examiners understand and apply the Mark Scheme in the same way. The Mark Scheme will be discussed and amended at the meeting, and administrative procedures will be confirmed. Co-ordination scripts will be issued at the meeting to exemplify aspects of candidates' responses and achievements; the co-ordination scripts then become part of this Mark Scheme.

Before the Standardisation Meeting, you should read and mark a number of scripts, in order to gain an impression of the range of responses and achievement that may be expected.

In your marking, you will encounter valid responses which are not covered by the Mark Scheme: these responses must be credited. You will encounter answers which fall outside the 'target range' of Bands for the paper which you are marking. Please mark these answers according to the marking criteria.

Please read carefully all the scripts in your allocation and make every effort to look positively for achievement throughout the ability range. Always be prepared to use the full range of marks.

		Answer	Mark	Content	Levels of Response
1	a	<p>Calculate PPSL's absenteeism rate for May 2017.</p> $\text{Absenteeism} = \frac{\text{Shifts lost}}{\text{Potential shifts worked}} \times 100$ <p>Potential shifts in May 2017 is 21 (1)</p> <p>No of workers x No of working days 13 x 21 = 273 (1)</p> <p>14 shifts lost (given)</p> $14 / 273 = 0.0513 \quad (1)$ $0.0513 \times 100\% = \underline{\underline{5.13\% (5\%)}} \quad (1)$ <p style="text-align: right;">OFR</p>	4	<p>N.B. If correct answer given without working, award 4 marks, i.e. award full (4) marks for 5%</p> <p>Incorrect number of workers multiplied by correct number of working days is 0 marks</p> <p>Correct number of workers multiplied by incorrect number of working days is 0 marks</p> <p>Accept 5%, 5.1%, 5.2%</p> <p>Do not accept 5.5%</p>	Up to 4 marks
1	b	<p>Analyse TWO benefits to PPSL of reducing its absenteeism rate.</p> <p><i>Context provides ample evidence of the impact on PPSL of absenteeism. Absenteeism can cause job overruns, lower capacity, reputational damage, impact on the morale of other workers etc.</i></p> <p><i>NB. The nature of the task means each worker is dependent on others, e.g. if a labourer does not mix cement the bricklayer cannot lay bricks.</i></p> <p><i>1. Low absenteeism means few jobs over run, meaning PPSL's capacity to take on new jobs will increase (L1), an increase in effective capacity will in turn boost revenues (L2), and hence profits (L3).</i></p>	6	<p>Two benefits analysed = 6 marks</p> <p>One benefit analysed = 5 marks</p> <p>Two benefits explained = 4 marks</p> <p>One benefit explained = 3 marks</p> <p>Two factors stated = 2 marks</p> <p>One factor stated = 1 mark</p> <p>Ensure benefits are for PPSL before awarding L3</p>	<p>Level 3 [6-5 marks] Case study material is subject to analysis when considering the benefit of lowering absenteeism.</p> <p>Level 2 [4-3 marks] Describes a benefit of lowering absenteeism. No context required.</p> <p>Level 1 [2-1 marks] Candidate offers relevant theoretical knowledge only.</p>

	Answer	Mark	Content	Levels of Response
	<p>2. Low absenteeism means few jobs over run and may cause customer satisfaction (L1) which impacts on PPSL's reputation meaning new work becomes easier to secure (L2) and thus facilitates future revenues (L3)</p> <p>3. Low absenteeism means less need to pay overtime to get jobs back to schedule (L1) hence jobs adhere to budget (L2) meaning more satisfied customers and business reputation (L3)</p> <p>4. Low absenteeism means workers under less pressure to cover for absent staff (L1) hence improving their morale (L2) meaning they can better focus on their job and so delivering the quality expected (L3).</p> <p>5. Fewer working days lost due to absenteeism, hence meaning greater output (L1) per worker, lowering average total cost (ATC) (L2) in turn improving PPSL's profits (L3)</p> <p style="text-align: right;">ARA</p>		<p>Any suggested benefits of lowering absenteeism must be appropriate and clearly based on the contextual evidence to be rewarded at Level 3.</p> <p>Unsupported comments should not be rewarded above Level 2.</p>	
2	<p>Discuss the appropriateness of Paul's leadership style.</p> <p><i>Paul is described as being task orientated. Further, there is evidence that his style veers towards autocratic, given it is he who makes the decisions and he is insistent that 'his way is the best way'</i></p> <p><i>The appropriateness can be judged against whether it works for this business. That the business has been in existence for at least 20 years suggests that how it is led does indeed work.</i></p> <p><i>Further, appropriateness can be judged against its suitability given the task and the nature of the follower. Some theorists hold that leadership style is</i></p>	13	<p>The question is not asking the candidate to make a decision about the best style of leadership at PPSL. However, answers may contain material that could be credited at any level, if there is some explicit link to the implications for PPSL.</p>	<p>Level 4 [13-9 marks] Discussion is evaluative in balancing different possible viewpoints as to whether Paul's style is appropriate</p> <p>Level 3 [8-6 marks] Case study material is subject to analysis in discussing the possible effect of different leadership styles.</p> <p>Level 2 [5-3 marks] Describes different leadership styles. No context required.</p>

	Answer	Mark	Content	Levels of Response
	<p><i>situational such that a single style is not appropriate.</i></p> <p><i>Hence Paul's style needs to be different for his skilled experienced staff to the style he uses for is new recruits. There is nothing in the case to suggest he adopts this flexibility, so it can be argued his style is inappropriate.</i></p> <p><i>A consequence of an autocratic approach is the followers' high dependence on the leader which in the context of multi-location teams may mean that when an unforeseen problem arises (as is often the case in building) the followers stop rather than seek to solve it themselves. Such behaviour will delay jobs, reducing efficiency.</i></p> <p><i>His style doesn't develop his staff so the reward emphasis switches to pay. Might his style be an unintended contributory factor to PPSL's level of absenteeism and its 'knock about' culture?</i></p> <p><i>Other HR key performance indicator data would help, e.g. level of labour turnover, lateness etc.</i></p>			<p>Level 1 [2-1 marks] Candidate offers theoretical knowledge of leadership</p> <p>The mark at the bottom of the level should only be used for a BOD answer.</p> <p><u>Default marks</u> L4 = 11 L3 = 7 L2 = 4 L1 = 2</p>

	Answer	Mark	Content	Levels of Response
3	<p>Analyse ONE implication for PPSL of using computerised employee records.</p> <p><i>Numerous implications</i></p> <p><i>Easy to update (L1) so PPSL is better able to provide HMRC with accurate and current records (L2) which reduces the risk of unwarranted attention which would deflect Paul from operating the business (L3).</i></p> <p><i>Easier to keep account of wages etc. (L1) so mistakes are less likely such that workers get their due reward (L2) and so in turn will feel valued and motivated (L3).</i></p> <p><i>PPSL will need to be aware of Data Protection (L1) hence there is a training need to ensure compliance (L2) and hence reduce the risk of prosecution (L3).</i></p> <p><i>Data protection carries a duty of care toward keeping an individual's data secure (L1) which PPSL may not be able to guarantee given it uses the 'family computer' hence access might be too wide (L2) putting the business at risk of prosecution (L3).</i></p> <p style="text-align: right;">ARA</p>	6	<p>Ensure implications (good or bad) are for PPSL before awarding L3.</p> <p>Any suggestions made must be appropriate and clearly based on the contextual evidence to be rewarded at Level 3.</p> <p>Unsupported comments should not be rewarded above Level 2.</p> <p>NB: discussion could include staff other than production staff, i.e. admin and managerial.</p> <p>Only one piece of evidence of a particular skill is necessary to score the top mark in any level.</p>	<p>Level 3 [6-5 marks] Case material is subject to analysis in discussing a possible implication of computerised employee records.</p> <p>Level 2 [4-3 marks] Describes an implication of computerised employee records. No context required</p> <p>Level 1 [2-1 marks] Candidate offers theoretical knowledge only of computerised employee records.</p> <p>The mark at the bottom of the level should only be used for a BOD answer.</p>

	Answer	Mark	Content	Levels of Response
4	<p>Evaluate methods PPSL could use to alter existing group norms in order to increase its efficiency.</p> <p><i>Group norms are accepted behaviours. These can vary across different groups such that what is deemed appropriate in one context is not necessarily transferable to another context.</i></p> <p><i>Candidates could approach this question using models of change in setting out a reasoned series of stages of how to alter group norms.</i></p> <p><i>First, PPSL (i.e. Paul) has to decide what he wants to achieve, what is for him an acceptable group norm. Without an objective, creating change is meaningless.</i></p> <p><i>One method is to reward acceptable behaviour when it is manifest. Positive re-enforcement of the behaviour desired. This reward could easily be verbal praise. Alternative method is to punish unacceptable behaviour when it is manifest, i.e. he might 'have a go' at someone who is behaving inappropriately, so alter norm through power and fear. This seems to be his current approach which doesn't appear to be working.</i></p> <p><i>He could influence behaviour by his personal example, i.e. if he stops shouting at his workers they might stop shouting at each other. Similarly, he must neither join in with banter or be seen to be in approval of it. Investigate his recruitment, maybe he should try and hire some women!</i></p>	13	<p>The question is not asking the candidate to make a decision about what group norms PPSL should have. However, answers may contain material that could be credited at any level, if there is some explicit link to the implications for PPSL.</p>	<p>Level 4 [13-9 marks] Discussion is evaluative in balancing different possible methods of changing group norms to achieve the objective of increased efficiency.</p> <p>Level 3 [8-6 marks] Case material is subject to analysis in discussing the possible methods of changing group norms.</p> <p>Level 2 [5-3 marks] Describes methods of changing group norms. No context required.</p> <p>Level 1 [2-1 marks] Demonstrates knowledge of group norms.</p> <p>The mark at the bottom of the level should only be used for a BOD answer.</p> <p><u>Default marks</u> L4 = 11 L3 = 7 L2 = 4 L1 = 2</p>

	Answer	Mark	Content	Levels of Response
5*	<p>Considering human resources and other issues, should PPSL enter the joint venture with TSS? Justify your view.</p> <p><i>This proposal is a strategic decision for PPSL so candidates should be considering PPSL's objectives, its resources (HR and financial), and its risk (and sunk costs) and the relative power it has against TSS. Is this a market PPSL want to be in? Whilst the stove market is growing the data is national (UK) data whereas PPSL is described as a local business. How typical of the UK is Rutland?</i></p> <p><i>Assume each installation yields 90% of £1,200 then PPSL nets £1,080. If PPSL's wage bill rises by £60,000 it has to install 55.6 stoves pa just to pay the wages! That's about one per week, so the first question for TSS is how many stoves do you typically sell each year, the answer to which has to be well above an average of 1 each week just to cover wages and materials.</i></p> <p><i>How does TSS justify its 10% fee? Why can't PPSL move into this market on their own, can PPSL access customers without TSS? The more likely this is the less attractive the joint venture is. Could PPSL 'go it alone', i.e. without TSS, given a successful marketing campaign?</i></p> <p><i>The lower TSS's local market share in the stove market then the less power they have, so Paul needs to research other stove retailers. But does the joint venture have any restrictions within it as to who PPSL can install for?</i></p> <p><i>If PPSL spends 2 x (230 + 685) = £1,830 on training</i></p>	18	<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>A one-sided answer cannot achieve a Level 4 reward.</p> <p>A key quantitative issue which could lead to good evaluation is whether PPSL has the two workers needed to retrain. The payback (and hence risk) of the joint venture is substantially higher if new employees need to be employed.</p>	<p>Level 4 [18-13 marks] Discussion is evaluative in balancing different possible viewpoints in support of the view.</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] Case material is subject to analysis in discussing the possible impacts of the joint venture.</p> <p>Relatively 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> <p>Level 2 [6-3 marks] Describes possible issues surrounding the proposed joint venture. No context required.</p> <p>Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of</p>

	Answer	Mark	Content	Levels of Response
	<p><i>how sure can it be the newly upskilled works will not simply walk away and set up their own installation business? Does PPSL have this amount of finance for this capital investment in people? If installing needs specialist equipment that PPSL does not currently have the proposal looks less likely and increases PPSL's downside risk.</i></p> <p><i>What knowledge and expertise does Paul have in this market? Being task orientated he is unlikely to be comfortable playing 'second fiddle' to an employee with greater understanding. This might mean Paul will also want to be trained, increasing PPSL's capital outlay. Hence a key consideration is Paul's determination to maintain total control. Further, does he have the time to supervise another 'team'. This venture would mean an increase in his workload – has he the capacity to take this on? If not, might this offer an opportunity to 'promote' one of his existing staff with possible attendant positive impacts this could yield. Could this opportunity herald a move away from the existing person culture that appears to prevail in PPSL?</i></p>			<p>spelling, punctuation and grammar of which some may be noticeable and intrusive.</p> <p>Level 1 [2-1 marks] Offers an unsupported view as to whether PPSL should accept the joint venture.</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> <p>The mark at the bottom of the level should only be used for a BOD answer.</p> <p><u>Default marks</u> L4 = 16 L3 = 10 L2 = 5 L1 = 2</p>

APPENDIX 1 – GRID FOR 2017 EXAMINATION

Question	AO1	AO2	AO3	AO4	Total
1(a)	2	2	-	-	4
1(b)	2	2	2	-	6
2	2	3	3	5	13
3	2	2	2	-	6
4	2	3	3	5	13
5	2	4	6	6	18
Total	12	16	16	16	60

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

Email: general.qualifications@ocr.org.uk

www.ocr.org.uk

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OCR (Oxford Cambridge and RSA Examinations)
Head office
Telephone: 01223 552552
Facsimile: 01223 552553

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