

Applied Business (Double Award)

General Certificate of Secondary Education J213 J226

Report on the Units

January 2010

J223/J226/MS/R/10J

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This report on the Examination provides information on the performance of candidates which it is hoped will be useful to teachers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding of the specification content, of the operation of the scheme of assessment and of the application of assessment criteria.

Reports should be read in conjunction with the published question papers and mark schemes for the Examination.

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Chief Examiner's Report

This was the first examination series for this qualification and candidate entries were low: A241 (493), A242 (1), A243 (15) and A244 (0). The quality of work reflected the fact that examinations had been undertaken by Year 10 candidates after one term of study. The candidates had been taught the content of the unit(s) but needed to develop examination techniques and apply their answers to the case study or, in the case of A241, to a business which they have studied. The Principal Examiner reports which follow reflect the low entry at this series.

INSET courses were available during the spring, summer and autumn terms of 2009 in preparation for first teaching in September 2009. They provided the opportunity to discuss the structure of the qualification, controlled assessment, planning, delivery and the assessment of units, together with networking and sharing ideas for best practice. Further INSET courses will be offered during autumn 2010.

Centres are reminded to take into consideration the terminal rule when planning delivery models and entering candidates for examinations and external moderation. Candidates must take at least 40% of the assessment in the same series they enter for either the single award or double award qualification certification, i.e. one unit for the single award and two units for the double award. Units can be taken in any order as long as the terminal rules are satisfied. This terminal rule does have implications on delivery, particularly in the way that the double award is delivered (see Specification page 48 and Teacher's Handbook page 4.)

Another area for consideration is the use of re-sits as an opportunity for the candidates to improve assessment outcomes. Whilst a candidate can re-sit each unit once before entering for certification, Centres need to consider the logistical implications of re-sitting both internally and externally assessed units. If a re-sit is used to satisfy the terminal rule, this re-sit result will count towards aggregation, even if it results in a lower mark than the original result (see Teacher's Handbook pages 4 and 7).

A241 Business in action

Principal Examiner's report

General Comments:

This was the first sitting of A241 and a number of Centres entered candidates for this session with a good range of marks being awarded. It was clear that Centres had prepared candidates with the theoretical knowledge required to do well in this unit. Visits to businesses and the use of case study material were also evident.

Questions for this unit will either be purely theoretical, applied to the business given in the texts in the examination itself, applied to a business such as or applied to a business which the candidate has studied. The introductory texts need to be read carefully by the candidates and used as appropriate when answering the questions. The texts put the business, in this case Quality Matters, in context and help candidates to apply their answers. Questions which use the phrase 'a business such as Quality Matters' allow candidates to use their own business research. In this examination 'a business such as' could have included any type of retail outlet, a business linked to fashion or a private limited company.

When a question asks the candidate about a business they have studied, their answer must clearly relate to that particular business. It is not sufficient to simply write the name of the business and then write a general, possibly theoretical answer.

Questions asking candidates to *explain* a way or reason are generally marked as one mark for an identification and one mark of an explanation/development. A number of candidates stated two or three different reasons, rather than developing one of them. This means that candidates often limited themselves to a maximum of half marks on such questions by not developing their reasons.

Within the specification there are easily identifiable aspects where evaluation questions could be asked. Some of these aspects include reference to a business which the candidate has studied and some do not. Careful study of the specification will enable Centres to plan their visits to businesses to their advantage. The use of the Centre as a business is not always beneficial to candidates. In this paper, some candidates were using their Centre when answering Question 1(e) about functional areas. It is not always clear in a school what are the different functional areas. An approach to planning could be to select a business or case study to cover each aspect of the specification where 'a business candidates have studied' has been mentioned. For example, it might be easier for candidates to understand the functional areas if they were studying a large or medium sized manufacturing business for this part of the specification, but the school could have been used for Question 4(e) about working relationships.

Comments on individual questions:

Q1(a) – This part of the question was answered well by most candidates.

Q1(b)(i) and Q1(b)(ii) – A number of candidates were unsure about the advantages and disadvantages of private limited companies. Some assumed that Pam was a sole trader and answered the question accordingly.

Q1(c) – When answering questions about the ways in which one factor could affect another, candidates need to ensure that their answer clearly relates to the question. On this part of the question, writing about how the employees would be affected would not be correct.

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Q1(d) – Some candidates did not seem to understand the term ‘functional areas’. This part of the question asked about a task which would be carried out by a functional area and not for a description of the role of that functional area in the business.

Q1(e) – There will be a number of evaluation questions of this type in future sittings of this paper. Some will ask the candidate to write about a business they have studied and some will use the business in the paper itself. In both cases candidates need to ensure that they are genuinely applying their answer to the business, not merely putting in the name and then writing a general answer. Some knowledgeable candidates limited themselves to Level 1 marks because they did not apply their answer. This part of the question was approached from two different and equally acceptable angles. Either there was an evaluation of what might happen if the functional areas had to operate efficiently with each other or how the work of each functional area might suffer if it did not work efficiently.

Q2(a) – This part of the question was answered well by most candidates.

Q2(b) and Q2(c) – In this unit the areas of aims, objectives and mission statements are covered. Candidates need to know the differences between all three of these elements.

Q3(a) and Q3(b) – The majority of candidates knew the difference between employers and employees and were able to answer these two part questions well.

Q3(c) – Whilst still being an evaluation question, this part of the question was aimed at the middle and lower ability ranges. The use of a bullet pointed list of prompts allowed candidates of all levels to access this part of the question. Issues arising from this part of the question were the same as in Question 1(e) – the lack of genuine application. Fewer candidates than expected took the final prompt and wrote about which factor was the most successful. This style of evaluation question will feature in future series.

Q4(a) – Candidates needed to be careful not to repeat themselves when being asked for a number of reasons or factors to be identified.

Q4(b) – A good range of ideas were given by candidates to help Pam.

Q4(c) and Q4(d) – Candidates had a good understanding of the Internet and ICT. Where full marks were not being awarded it was mainly because candidates were *stating* three or four disadvantages in Q4(c) or *stating* three or four purposes in Q4(d). Both part questions asked the candidates to *explain* two disadvantages or purposes.

Q4(e) – As with Question 1(e), a number of candidates did not reach their potential due to their lack of application in their answer.

A243 Working in Business

Principal Examiner's report

General comments:

This is the first session in which this unit has been assessed. Although there was a small entry, the observations still have some grounding and can be supported from evidence, but these will, clearly, be more accurate as the entry increases.

The content of this unit is amazing in its depth and breadth; therefore, it is important that candidates are particularly well prepared for this examination. Revision guides and the practice of examination questions are an important part of the revision process for this unit.

Due to the depth and breadth of the specification, and as noted in the specification, not all aspects will necessarily be tested in each paper. The only constant will be the finance functional area which will account for about one quarter of the marks allocated in each paper.

The use of a calculator is allowed and Centres are recommended to urge candidates to use one as this will assist in the accuracy of their calculations. These will inevitably take place in the finance aspect of the paper but could also take place in other areas; for example, when candidates are asked to consider the success or not of a promotional campaign designed by the marketing and sales functional area.

Centres will note that specific ICT applications such as spreadsheets and databases will be tested within this paper. Evidence of this can be seen by Centres in question 4 of this paper.

Centres still need to prepare candidates to effectively answer the longer questions which are assessed using level of response criteria and also the quality of written communication. There is evidence that where Centres have done this, the structure and style of candidate responses allowed them to attain the higher marks.

Candidates must be reminded to make good use of the stimulus material which is provided within the question paper, either within the text boxes themselves or in the question stem. This information has been provided for the purpose of aiding candidates to tackle questions requiring them to demonstrate the higher level skills of analysis, evaluation and supported judgement. Centres should be aware that questions have been designed to provide all candidates with an opportunity to demonstrate the Level 3 skills of analysis and evaluation.

Comments on individual questions:

Question 1

Most candidates on part (a) only gained one mark because they either gave a description of span of control or who Billy Newsom, the Managing Director, was directly controlling. Very few candidates married the two pieces of information together.

Part (b) was better answered with candidates able to describe the term chain of command and then, to in some degree, use examples from the text to explain the term. For example, 'The further up the structure the more responsibility and authority the person has. They also face the greatest problems. Commands are sent from top to bottom where the tasks are carried out. Timmy Fryar's chain of command is only one level to the 10 Marketing and Sales Staff.'

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Candidates on part (c) were able to gain marks for identifying the ways in which the functional areas would be changed by the organisational structure but many did not link their explanation to their original identification.

Part (d) was answered well with many candidates gaining full marks.

Most candidates were able to gain one mark in part (e) for identifying one responsibility of a managing director, e.g. a mission statement setter or leader with regards of the long term aims of CCS Ltd, but, again, were unable to link this to a relevant description.

Question 2

On part (a) most candidates gained full marks as they were aware of the correct flow of business documents used in the purchasing of goods.

However, in part (b) very few candidates were, therefore, aware of the purpose and were therefore unable to explain the use of a remittance advice slip. This is a common weakness in candidates' knowledge of the flow of business documents.

The part of the invoice which candidates were required to complete in part (c) was well performed, with the majority of the candidates getting full marks. However, there is evidence to suggest that calculations were completed mechanically, rather than by using a calculator.

Part (d) gave candidates their first opportunity to demonstrate their ability through extended writing. Bullet points were given to aid the construction of the answer and those candidates who used those for guidance performed better on this part of the question. At Level 1, candidates were expected to identify mistakes which could appear on documents used for buying and selling. At Level 2 candidates were required to explain the possible effects of the mistakes on the invoices to CCS Ltd and at Level 3 an analysis and judgement of these effects must be presented. To gain full marks, candidates must show a level of quality of written communication commensurate with the grade expected at Level 3. A few candidates were able to enter Level 2, but not Level 3 because there was no evidence of linked analysis and evaluation. Centres must prepare candidates so that they can demonstrate these skills.

On part (e), where candidates were required to identify methods of payment, and this was well completed by the majority of candidates.

Question 3

Part (a) was well answered by the majority of candidates who were aware of the purpose of market research.

Similarly, in part (b) candidates were able to identify other sources of research which might be used by the marketing and sales staff of CCS Ltd.

All the candidates were able to identify 'laptop computer' as the most popular computer system.

Part (d) was aimed at the full range of candidates. Candidates were required to analyse information from Tables 2 and 3 in Text 3 and to then, make some linked judgements to the analysis. For example, 'Data shows that 80% from its target market would be willing to buy a new video editing system which indicates that CCS Ltd should make a profit from selling the new system.'

On part (e) candidates did not perform well. This is because they were aware of cash flow but not of its usefulness when determining whether or not the video editing computer system was likely to be successful. Therefore, candidates were able to access Level 1 as they were able to

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identify generic facts about cash flow forecasts, but were unable to access Level 2 and 3 because they did not use the context of the question. For example, 'A cash flow forecast is a financial plan for the future (L1). The figures for the cash flow forecast for the new video editing computer system are only estimated so the income or expenditure and could be very different in reality (L2) if there is a negative cash flow (L2) and some form of finance can be organised (L3). CCS Ltd may need to arrange an overdraft with the bank as this is the usual form of finance to cover a short term cash flow short fall. (L3)'.

Question 4

Part (a) was where candidates were asked to identify the errors on a database printout and this was done well by all candidates.

Likewise, in part (b) candidates were able to recognise an advantage to CCS Ltd of keeping customer details on an electronic database. However, candidates found it difficult to explain a disadvantage of keeping customer details on a database to CCS Ltd as required in part (c).

Part (d) required candidates to explain how the upgrading of an ICT system would affect the Administration and ICT functional areas of CCS Ltd. This was assessed in an open ended manner with candidates gaining credit for each explanatory statement, and they were given opportunity for expansion. For example, '..... data could be lost due to incompatibility of the new system which could lead to loss of customer details meaning that certain deliveries or letters may not be delivered.' (2 marks)

Question 5

The majority of candidates were able to identify three reasons why CCS Ltd needs to keep its customers happy as required in part (a).

In part (b) candidates were required to extract relevant information from the data in Text 5 which identified whether CCS Ltd was keeping its customers happy. To gain Level 3 marks these points must be analysed and, then, to gain full marks a decision about whether the customers are being kept satisfied and happy is required, as well as the assessment of quality of written communication.

Points could be 'customers are 75% or better satisfied with the information which is given to them about computer systems (L2) which is a good thing for the business as this proves that customers are happy with this aspect of the customer service (L3), although with 10% not at all satisfied (L2) there is some room for improvement (L3)'.

The skills required by candidates to answer questions such as this need to be developed by Centres as they will be tested regularly in this paper.

Question 6

Part (a) was well answered by most candidates; however, there were some who used job production which as stated in the question stem was not allowed and they did not gain credit.

Candidates were aware of cell production as required in part (b); however, the common misconception was that workers would only have a small skill set and not be able to do a variety of jobs.

General Points

- Candidates must learn to develop their answers to ICT-based questions in order to explain what it is about using a computer which improves an organisation's performance or efficiency. They need to create a business documents, such as Cash Flow Forecasts or budgets, on the computer using formulae and then change some figures for 'what.....if' scenarios so that they can experience for themselves how useful this type of modelling is to businesses. They could then delete the figures (keeping the formulae) and turn it into a template to use again. Candidates also need to be reminded of their Key Stage 3 ICT work and the workings of spreadsheets and databases
- Candidates must also be aware that generic advantages and disadvantages are never given credit as this is a vocational award and candidates must always look for the context in the question. This is major area in which candidates need regular practice.
- Give your candidates a head-start by trying to ensure that they enter the examination room with pens, pencils, ruler and calculator.
- Candidates still need to learn how to structure an answer which takes knowledge applies it to a given context, analyses information (usually numerical data) and forms a judgement or evaluates a likely outcome based on their analysis. It is also very good practice to summarise the outcome using terms such as, 'therefore, I conclude that they should go ahead because..., I think it will be successful because..., if X does decide to go ahead it is likely to be successful but there is always the possibility that...'. Such practice is far more likely to aid candidates to develop a response which hits the Level 3 and, therefore, the highest possible mark range.
- Using a PEE type system will help all candidates to access the Level 3 marks. This stands for Point, Evidence and Explanation and should candidates use this technique in the longer written responses this will help them access the higher level marks.

Grade Thresholds

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Applied Business (J213 J226)
January 2010 Examination Series

Unit Threshold Marks

Unit		Maximum Mark	A*	A	B	C	D	E	F	G	U
A241	Raw	80	72	64	56	48	40	32	24	16	0
	UMS	80	72	64	56	48	40	32	24	16	0
A243	Raw	80	72	64	56	48	40	32	24	16	0
	UMS	80	72	64	56	48	40	32	24	16	0

Specification Aggregation Results

Overall threshold marks in UMS (ie after conversion of raw marks to uniform marks)

	Maximum Mark	A*	A	B	C	D	E	F	G	U
J213	200	180	160	140	120	100	80	60	40	0

	Maximum Mark	A*A*	A*A	AA	AB	BB	BC
J226	400	360	340	320	300	280	260

	CC	CD	DD	DE	EE	EF	FF	FG	GG	U
J226	240	220	200	180	160	140	120	100	80	0

0 candidates were entered for aggregation this series

For a description of how UMS marks are calculated see:

<http://www.ocr.org.uk/learners/ums/index.html>

Statistics are correct at the time of publication.

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