

**General Certificate of Secondary Education**

**A241**

**Applied Business**

Unit A241: Business in action

**Specimen Paper**

Time: 1 hour 30 minutes

Candidates answer on the question paper.

**Additional materials:**

Candidate  
Forename

Candidate  
Surname

Centre  
Number

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

Candidate  
Number

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

### INSTRUCTIONS TO CANDIDATES

- Write your name in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do not write in the bar codes.
- Do not write outside the box bordering each page.
- Write your answer to each question in the space provided.

### INFORMATION FOR CANDIDATES

- The number of marks for each question is given in brackets [ ] at the end of each question or part question.
- Your Quality of Written Communication is assessed in questions marked with an asterisk (\*).
- The total number of marks for this paper is 80.

| FOR EXAMINER'S USE |  |
|--------------------|--|
| 1                  |  |
| 2                  |  |
| 3                  |  |
| 4                  |  |
| <b>TOTAL</b>       |  |

This document consists of **10** printed pages and **2** blank pages.

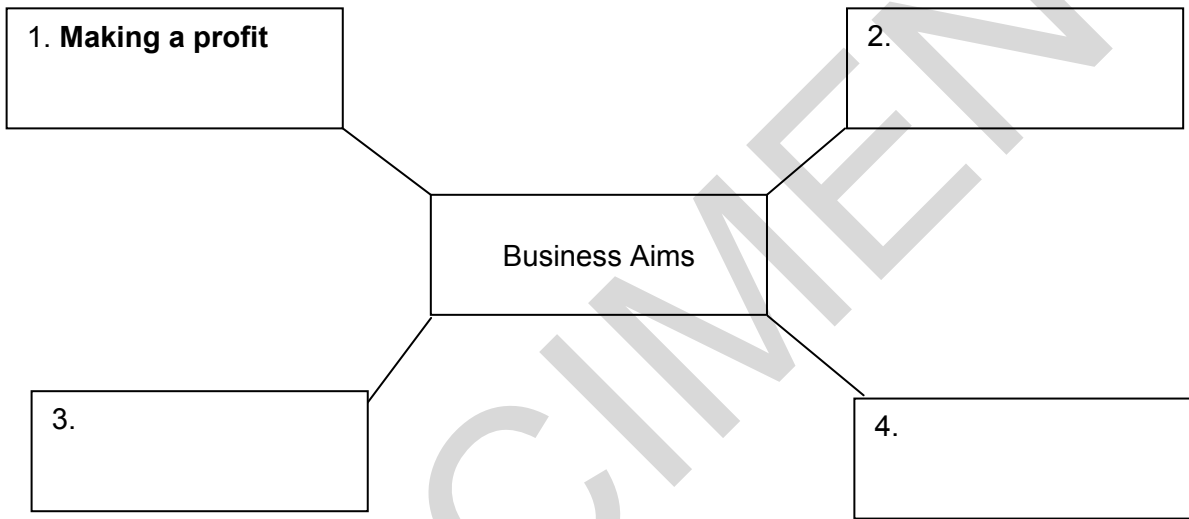


(c) Why is having a mission statement important to Play Ltd?

.....  
.....  
.....  
..... [2]

(d) A business such as *Play Ltd* might try to achieve several business aims. In the boxes below, state three aims a business might set itself. [3]

An example has been provided for you.



(e) Outline **two** reasons why it is important that Play Ltd sets itself objectives on a regular basis.

1.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
..... [4]

**Total [16]**

2 (a) Identify **four** different stakeholder groups, **other than employees**, of a business such as Play Ltd.

Stakeholder group 1:.....

.....

Stakeholder group 2:.....

.....

Stakeholder group 3:.....

.....

Stakeholder group 4:.....

..... [4]

(b) (i) Outline the interest of **two** different types of stakeholder groups in a business you have studied.

Name of business: .....

Stakeholder group 1:.....

.....

.....

.....

Stakeholder group 2:.....

Interest: .....

.....

.....

..... [4]

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**Text 3**

There have recently been a number of communication problems at Play Ltd. Most of these concerned the ordering of raw materials.

An internal investigation identified the cause of the problems. Play Ltd has decided that it needs to maintain and improve its communications. Changes are needed to both internal and external communications. Play Ltd needs to invest in new ICT equipment.

**3 Refer to Text 3.**

(a) Identify **four** types of ICT used within businesses.

Type 1:.....

.....

Type 2:.....

.....

Type 3:.....

.....

Type 4:.....

..... [4]

(b) Explain the use of **two** types of ICT identified in **part 3(a)** in a business you have studied.

Type 1:.....

.....

.....

.....

.....

.....

.....

Type 2:.....

.....

.....

.....

.....

.....

.....

..... [6]





4 (a) **Other than interest rates**, identify and describe **two** other economic factors which may affect a business such as Play Ltd.

Economic factor 1: .....

.....

Description:.....

.....

Economic factor 2: .....

.....

Description:.....

..... [4]

(b) Outline **three** Acts which are likely to affect the working relationship between employers and employees.

1.....

.....

.....

.....

.....

2.....

.....

.....

.....

.....

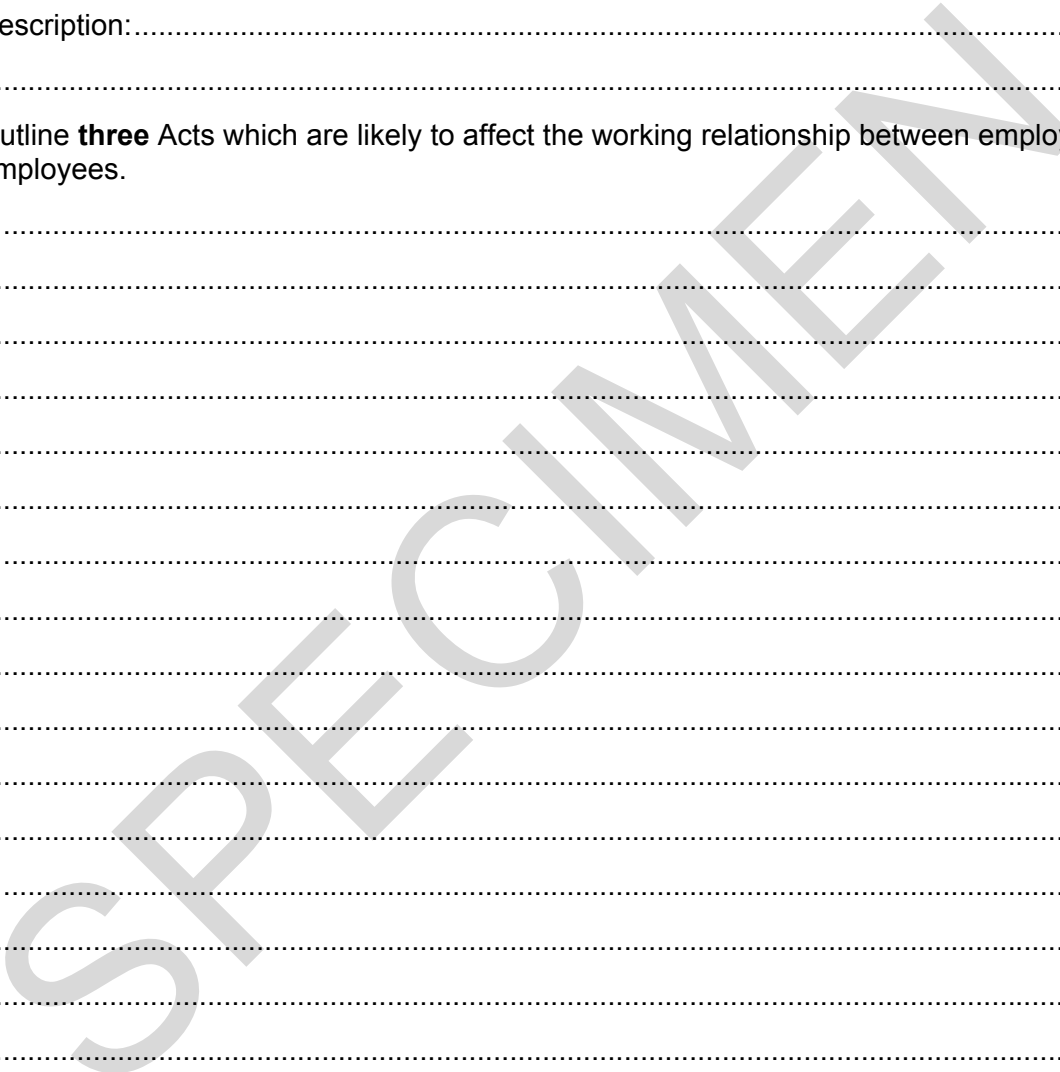
3.....

.....

.....

.....

..... [6]





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A241: Business in action

**Specimen Mark Scheme**

The maximum mark for this paper is **80**.

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**Assessment of QWC**

In this external unit the assessment of QWC will take place in questions **2d, 3c and 4c**.

Marks are embedded within this mark scheme for assessing the quality of written communication.

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| Question Number | Answer   | Max Mark |
|-----------------|--|----------|
| 1(a)            | <p><b>State <u>one</u> business activity of Play Ltd.</b></p> <p><i>For one mark.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• sale of goods (1);</li> <li>• manufacturing of goods (1).</li> </ul>   | [1]      |
| (b)             | <p><b>Outline <u>three</u> possible changes in the external environment which could affect the business activity of Play Ltd. <u>Do not include economic factors.</u></b></p> <p><i>One mark for each correct identification up to a maximum of three identifications plus up to a further one mark for each of three developments..</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• seasonality (1) demand for toys increases / decreases (1);</li> <li>• level of consumer spending on different goods and services (1) reduces/increases sales and then profits accordingly (1);</li> <li>• changing birth rate (1) demand for different (age related) toys increases/decreases (1);</li> <li>• impact of technology (1) improvements can be made to machinery which will reduce the need for as many employees (1).</li> </ul> | [6]      |
| (c)             | <p><b>Why is having a mission statement important to Play Ltd?</b></p> <p><i>Up to two marks for explanation.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• it sets out the general purpose of the business (1) helps the business have a direction to aim for (1);</li> <li>• allows the business to set its aims and objectives (1) so that it has a clear sense of direction (1);</li> <li>• employees are aware of the purpose of the business (1) so that they work towards a common goal (1).</li> </ul>   | [2]      |
| (d)             | <p><b>A business such as <i>Play Ltd</i> might try to achieve several business aims. In the boxes below, state three aims a business might set itself.</b></p> <p><i>One mark for each correct identification up to a maximum of three identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• provide goods and services (1);</li> <li>• survival (1);</li> <li>• growth or expansion (1);</li> <li>• maximise sales (1);</li> <li>• be environmentally friendly (1).</li> </ul>   | [3]      |

| Question Number | Answer  | Max Mark   |
|-----------------|---|------------|
| (e)             | <p><b>Outline <u>two</u> reasons why it is important that Play Ltd sets itself objectives on a regular basis.</b></p> <p><i>One mark for each correct identification up to a maximum of two identifications plus an additional one mark for each of two developments.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• sets targets for business (1) that can be easily monitored (1);</li> <li>• clear sense of direction (1) that helps employees to know what is expected of them (1).</li> </ul>   | <b>[4]</b> |
| 2(a)            | <p><b>Identify <u>four</u> different stakeholder groups, <u>other than employees</u>, of a business such as Play Ltd.</b></p> <p><i>One mark for each correct identification up to a maximum of four identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• customers (1);</li> <li>• suppliers (1);</li> <li>• financiers (1);</li> <li>• shareholders (1);</li> <li>• the local communities (1);</li> <li>• pressure groups (1).</li> </ul>   | <b>[4]</b> |
| (b)(i)          | <p><b>Outline the interest of <u>two</u> different types of stakeholder groups in a business you have studied.</b></p> <p><i>Up to two marks for each of two developments.</i></p> <p>Name of business: Manchester Airport<br/> Stakeholder group 1: Customers<br/> Interest: Customers who are flying from the airport want value for money (1) and their flights to leave on time (1).<br/> Stakeholder group 2: Local community<br/> Interest: Local community who live in close proximity to airport will want noise levels to be monitored closely at certain times of the day and night (1) and to know that air pollution is being monitored/kept to a minimum (1).</p> <p>Impossible to predict the candidate's chosen context but responses should draw on the following indicative content, such as:</p> <ul style="list-style-type: none"> <li>• suppliers – they sell goods/services to the business (1) if the buying business is doing well more orders will be received (1);</li> <li>• financiers – they lend money (1) they want interest and repayments (1);</li> <li>• shareholders – invest into the business (1) they want a good return from their investment (1);</li> <li>• the local communities – jobs created (1) people spend money (1).</li> </ul> | <b>[4]</b> |



| Question Number | Answer  | Max Mark |
|-----------------|---|----------|
| (b)(ii)         | <p><b>Explain a conflict that has occurred between two different stakeholder groups in a business you have studied.</b></p> <p><i>Up to four marks for explanation.</i></p> <p>Name of business: Better Build</p> <p>Stakeholder group 1: Environmental pressure groups</p> <p>Stakeholder group 2: Shareholders</p> <p>Explanation: Environmental pressure groups want the company to use expensive eco-friendly insulation as the main building material. Other stakeholders, such as the shareholders, are not as environmentally friendly and did not want to spend the extra money (1). A huge disagreement followed which slowed the build down (1) and cost the company money (1) because of the delay whilst they agreed a compromise solution which involved using some eco-friendly materials where it was cost effective (1).</p> <p>Impossible to predict the candidate's chosen context but responses should draw on the following indicative content, such as:</p> <ul style="list-style-type: none"> <li>• employees wanting a pay rise higher than employer offering;</li> <li>• local residents complaining about noise from a new housing development;</li> <li>• suppliers putting up costs of raw materials;</li> <li>• government regulation of the housing market.</li> </ul> | [4]      |
| (c)             | <p><b>What is meant by the term 'ethics'?</b></p> <p><i>Up to two marks.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• moral principles or rules (1) generally accepted by most members of society (1).</li> </ul>  | [2]      |
| (d)*            | <p><b>Most businesses today believe it is necessary to show the public that they operate in an ethical manner.</b></p> <p><b>Identify an example of a business you have studied which has acted or is acting in an ethical manner. What would be the likely consequences to the business of <u>not</u> behaving in an ethical manner? Give reasons for your answer.</b></p> <p><b>Level 3 [5-10 marks]</b></p> <p>Candidate makes reasoned judgements and presents appropriate conclusions about likely consequences of business not behaving in an ethical manner.</p> <p>Note: If candidate only analyses, with no appropriate conclusions, a maximum 7 marks can be awarded.</p> <p>Candidate shows ability to present relevant material in a well planned and logical sequence. Material is clearly structured using appropriate industry terminology confidently and accurately. Sentences, consistently relevant, are well structured in a way which directly answers the question. There will be few, if any, errors of grammar, punctuation and spelling.</p>   |          |

| Question Number | Answer   | Max Mark    |
|-----------------|--|-------------|
|                 | <p><b>Level 2 [3-4 marks]</b><br/> Candidate applies knowledge of likely consequences to chosen business of not behaving in an ethical manner.<br/> Candidate shows ability to present relevant material in a planned and logical sequence. Appropriate industry terminology is used. Sentences, for the most part relevant, are presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.</p> <p><b>Level 1 [1-2 marks]</b><br/> Candidate identifies likely consequences to a business of not behaving in an ethical manner.<br/> Candidate shows ability to communicate at least one point using some appropriate industry terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of the question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.</p> <p>0 marks = no response or response does not address the question.</p> <p>Name of business: The Body Shop<br/> Businesses that do not behave in an ethical manner cannot expect to have a strong customer base (<b>L1</b>) as people today are very aware of issues such as the effect on the environment of producing goods, child labour etc (<b>L1</b>). The Body Shop has a number of ethical policies and values. If the Body Shop does not follow these values and policies it risks losing customers (<b>L2</b>) as it would no longer have a good reputation (<b>L2</b>) and consequently business' profits would reduce (<b>L3</b>) because the business is seen to be environmentally friendly and unwilling to test on animals. This could also lead to cash flow problems (<b>L2</b>) and the business may no longer be able to pay its bills (<b>L2</b>). The Body Shop may then have to close some or all of its shops (<b>L3</b>), making staff redundant (<b>L3</b>) and eventually may have to cease trading (<b>L3</b>).</p> <p>Impossible to predict the candidate's chosen context but responses should be marked on a skills basis and draw on the following indicative content, such as:</p> <ul style="list-style-type: none"> <li>• producing goods that are not fit for purpose;</li> <li>• exploiting workforce/child labour;</li> <li>• disposing of materials in unenvironmental way;</li> <li>• bribery and corruption as a working practice.</li> </ul> | <p>[10]</p> |

| Question Number | Answer  | Max Mark |
|-----------------|---|----------|
| 3(a)            | <p><b>Identify <u>four</u> types of ICT used within businesses.</b></p> <p><i>One mark for each correct identification up to a maximum of four identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• personal computers (1);</li> <li>• networks (1);</li> <li>• the Internet (1);</li> <li>• intranets (1);</li> <li>• telephones (1);</li> <li>• faxes (1).</li> </ul>   | [4]      |
| (b)             | <p><b>Explain the use of <u>two</u> types of ICT identified in <u>part 3(a)</u> in a business you have studied</b></p> <p><i>Up to three marks for each explanation.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• personal computers allow businesses to record (1), store (1) and retrieve customer data (1);</li> <li>• networks and intranets allow employees within a business to communicate with each other easily (1) by posting messages (1) and access relevant company information (1);</li> <li>• the Internet allows a business to advertise on-line (1) receive orders on-line from its customers (1) order its supplies electronically instead of using the post which is slower (1);</li> <li>• telephones allow employees, customers and suppliers to talk to each other (1) employees in case of illness (1) customers with queries/complaints (1) suppliers to arrange deliveries (1);</li> <li>• faxes allow picture messages to be sent electronically (1) using a phone line to other employees, customers and suppliers (1) when for example a logo is required by customer/supplier on goods/products (1).</li> </ul> | [6]      |
| (c)*            | <p><b>What would be the potential benefits to a business which you have studied of an investment in new ICT equipment. Give reasons for your answer.</b></p> <p><b>Level 3 [5-10 marks]</b></p> <p>Candidate makes reasoned judgements and presents appropriate conclusions about the likely benefits to business of new investment in ICT.</p> <p>Note: If candidate only analyses, with no appropriate conclusions, maximum 7 marks can be awarded.</p> <p>Candidate shows ability to present relevant material in a well planned and logical sequence. Material is clearly structured using appropriate industry terminology confidently and accurately. Sentences, consistently relevant, are well structured in a way which directly answers the question. There will be few, if any, errors of grammar, punctuation and spelling.</p>   |          |

| Question Number | Answer   | Max Mark    |
|-----------------|--|-------------|
| 4(a)            | <p><b>Level 2 [3-4 marks]</b><br/>Candidate applies knowledge to chosen business of likely benefits of new investment in ICT.<br/>Candidate shows ability to present relevant material in a planned and logical sequence. Appropriate industry terminology is used. Sentences, for the most part relevant, are presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.</p> <p><b>Level 1 [1-2 marks]</b><br/>Candidate identifies likely benefits to a business of new investment in ICT.<br/>Candidate shows ability to communicate at least one point using some appropriate industry terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of the question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.</p> <p>0 marks = no response or response does not address the question.</p> <p>Name of business: ABC Corner Shop<br/>This business has recently installed a new stock monitoring systems which allows them to see at a click what they have in the shop, the value of the stock and what they need to order (L1). This has meant that the owner no longer needs physically to count the stock and make calculations (L2) which saves time (L3). It does not over order stock (L2) so that there is less wastage (L3). The owner can also see the stock in all his shops (L2). This gives the owner more time to focus on other aspects of business practice (L3) and hopefully will enable the business to expand/become more profitable (L3).</p> <p>Impossible to predict the candidate's chosen context but responses should be marked on a skills basis and draw on the following indicative content, such as:</p> <ul style="list-style-type: none"> <li>• labour saving benefits;</li> <li>• cost saving benefits;</li> <li>• improved quantity and quality of output;</li> <li>• motivation gains.</li> </ul> <p><b>Other than interest rates, identify and describe two other economic factors which may affect a business such as Play Ltd.</b><br/><i>One mark for each correct identification up to a maximum of two identifications plus an additional one mark for each of two descriptions.</i><br/>Possible responses may include:</p> <ul style="list-style-type: none"> <li>• prices (1) if prices increase this may mean that the business sells less (1) thereby reducing its income from sales (1) and eventually its profit margins (1);</li> </ul> | <b>[10]</b> |

| Question Number | Answer   | Max Mark |
|-----------------|--|----------|
| (b)             | <ul style="list-style-type: none"> <li>• exchange rates (1) if exchange rates increase (1) this may mean businesses abroad may decide to source the goods/service from another country where the exchange rate is better (1).</li> </ul> <p><b>Outline <u>three</u> Acts which are likely to affect the working relationship between employers and employees.</b></p> <p><i>One mark for each correct identification up to a maximum of three identifications plus an additional one mark for each of three developments.</i></p> <p>Possible responses may include:</p> <p>The Employment Rights Act (1996) (1) that requires all employees to be issued with a Contract of Employment (1);</p> <p>The Sex Discrimination Act (1975) (1) demands no gender discrimination eg male and female employees treated fairly and equally (1);</p> <p>The Race Relations Act (1976) (1) demands no race discrimination eg employees are not treated differently because of their colour (1);</p> <p>The Disability Discrimination Act (1995) (1) no discrimination against disabled employees eg access to premises/disabled toilets (1);</p> <p>The Health and Safety at Work Act (1974) (1) safe working conditions / environment eg suitable lighting / seating / training for machinery provided (1).</p>   | [4]      |
| (c)*            | <p><b>Assess the extent to which an effective working relationship has been developed between employee and employer in a business you have studied.</b></p> <p><b>Level 3 [5-10 marks]</b></p> <p>Candidate makes reasoned judgements and presents appropriate conclusions about how effective working relationships have been created in business.</p> <p>Note: If candidate only analyses, with no appropriate conclusions, maximum 7 marks can be awarded.</p> <p>Candidate shows ability to present relevant material in a well planned and logical sequence. Material is clearly structured using appropriate industry terminology confidently and accurately. Sentences, consistently relevant, are well structured in a way which directly answers the question. There will be few, if any, errors of grammar, punctuation and spelling.</p> <p><b>Level 2 [3-4 marks]</b></p> <p>Candidate applies knowledge of ways in which effective working relationship has been created in chosen business.</p> <p>Candidate shows ability to present relevant material in a planned and logical sequence. Appropriate industry terminology is used. Sentences, for the most part relevant, are presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.</p> | [6]      |

| Question Number    | Answer   | Max Mark    |
|--------------------|--|-------------|
|                    | <p><b>Level 1 [1-2 marks]</b></p> <p>Candidate identifies ways in which effective working relationship can be created in a business.</p> <p>Candidate shows ability to communicate at least one point using some appropriate industry terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of the question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.</p> <p>Candidate shows ability to communicate at least one point using some appropriate industry terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of the question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.</p> <p>0 marks = no response or response does not address the question.</p> <p>Name of business: Harmony Concepts</p> <p>A good working relationship can be established between employee and employer through a series of weekly meetings (<b>L1</b>) where staff had the opportunity to talk through with management any issues or problems they faced on a day-to-day basis (<b>L2</b>). Management also ensure that they fully brief all employees on new developments and changes to working practices (<b>L1</b>) so employees were aware of what was going to happen in the future (<b>L2</b>). The employees felt that the regular meetings were more beneficial in creating a good working relationship (<b>L3</b>) whilst the employers thought that good communication was more effective (<b>L3</b>). In the long term both approaches would lead to improved motivation, improved productivity and the profitability of the business (<b>L3</b>).</p> <p>Impossible to predict the candidate's chosen context but responses should be marked on a skills basis and draw on the following indicative content, such as:</p> <ul style="list-style-type: none"> <li>• training;</li> <li>• appraisal;</li> <li>• pay;</li> <li>• working conditions;</li> <li>• consultation over redundancy.</li> </ul> | <b>[10]</b> |
| <b>Paper Total</b> |  | <b>[80]</b> |

## Assessment Objectives Grid (includes QWC)

| Question      | AO1       | AO2       | AO3       | Total     |
|---------------|-----------|-----------|-----------|-----------|
| 1(a)          | 1         |           |           | 1         |
| 1(b)          | 3         | 3         |           | 6         |
| 1(c)          |           | 2         |           | 2         |
| 1(d)          | 3         |           |           | 3         |
| 1(e)          | 2         | 2         |           | 4         |
| 2(a)          | 4         |           |           | 4         |
| 2(bi)         |           | 4         |           | 4         |
| 2(bii)        |           | 4         |           | 4         |
| 2(c)          | 2         |           |           | 2         |
| 2(d)*         | 2         | 2         | 6         | 10        |
| 3(a)          | 4         |           |           | 4         |
| 3(b)          |           | 6         |           | 6         |
| 3(c)*         | 2         | 2         | 6         | 10        |
| 4(a)          | 4         |           |           | 4         |
| 4(b)          | 3         | 3         |           | 6         |
| 4(c)*         | 2         | 2         | 6         | 10        |
| <b>Actual</b> | <b>32</b> | <b>30</b> | <b>18</b> | <b>80</b> |

\* = Questions which are assessing quality of written communication.