

Cambridge TECHNICALS LEVEL 3

BUSINESS



Combined feedback on the January 2017
Exam Paper
(Including selected exemplar candidate
answers and commentary)

Unit 2 – Working in business

Version 2

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INTRODUCTION

This resource brings together the questions from the January 2017 examined unit 2, the marking guidance, the examiners comments and the exemplar answers into one place for easy reference.

We have also included exemplar candidate answers with commentary for question 3b.

The marking guidance and the examiner's comments are taken straight from the Report to Centre for this question paper.

The Question Paper, Mark Scheme and the Report to Centre are available from Interchange.

OCR
Oxford Cambridge and RSA

Level 3 Cambridge Technical in Business
05834/05835/05836/05837/05878

Unit 2: Working in business

Friday 13 January 2017 – Morning
Time allowed: 1 hour 30 minutes

You may use:
• a calculator

First Name: _____ Last Name: _____
Centre Number: _____ Candidate Number: _____
Date of Birth: _____

INSTRUCTIONS

- Use black ink.
- Complete the boxes above with your name, centre number, candidate number and date of birth.
- Answer all the questions.
- Write your answer to each question in the space provided.
- Additional paper may be used if required but you must clearly show your candidate number, centre number and question number(s).

FOR EXAMINER USE ONLY

Question No	Mark
1	15
2	22
3	24
4	19
Total	80

INFORMATION

- The total mark for this paper is 80.
- The marks for each question are shown in brackets [].
- This document consists of 12 pages.

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Unit 2: Working in Business
Level 3 Cambridge Technical Certificate/Diploma in Business
05834 - 05878

Mark Scheme for January 2017

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Level 3 Cambridge Technicals Certificates in Business **05834, 05835**
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OCR Report to Centres January 2017

Oxford Cambridge and RSA Examinations

GENERAL EXAMINER COMMENTS ON THE PAPER

OCR
Oxford Cambridge and RSA

Level 3 Cambridge Technical in Business
05834/05835/05836/05837/05878

Unit 2: Working in business

Friday 13 January 2017 – Morning
Time allowed: 1 hour 30 minutes

You may use:
• a calculator

First Name: _____ Last Name: _____
Centre Number: _____ Candidate Number: _____
Date of Birth: _____

Overall, candidates' responses demonstrated good understanding of the day-to-day activities of a plumbing business. On the whole, candidates' understanding of the importance of following protocols was good. Their ability to perform administrative tasks such as letter writing and arranging travelling schedules was to be commended. Numerical questions were well performed in the main. However, prioritising tasks proved to be difficult for some candidates.

There was minimal evidence of misinterpretation of the rubric; however care must be taken before attempting questions on implications or consequences to ensure that they are focusing their discussions on the stakeholder in question.

This paper contains six synoptic marks from unit 1 and these can be found in questions 2c and 3b.

Question 1

Answer **all** questions

Text 1

Peter Bolt is the founder of *A-star Plumbers Ltd*, a well-established business in the Midlands. The company prides itself on the quality of its services. It provides reliable and prompt responses to the plumbing needs of commercial and residential customers.

A-star Plumbers Ltd currently employs a team of 10 plumbers including Peter and his son, Jake. The company provides uniforms for all of its plumbers. It is the responsibility of the plumbers to make sure that their uniform is cleaned regularly. Every morning employees are expected to arrive at the office by 7:30am for a meeting. At the meeting the employees are given their jobs for the day. There is a sickness and absence policy which requires employees to phone in by 7:15am on each day they are unable to attend work.

Employee, customer and supplier details are stored on a computer and measures are in place to ensure that information is held securely.

1 Refer to Text 1.

(a) Explain **one** possible consequence to *A-star Plumbing Ltd* if:

- Some employees failed to arrive at work by 7:30am

.....

[2]

Responses include

- *Meeting delayed*
- *Jobs not done properly*
- *Some jobs not getting done*
- *Management actions e.g. discipline*
- *Jobs cannot start on time*
- *Work has to be rescheduled*
- *Dissatisfied customers*

Exemplar response

E.g. if employees are late then the meeting cannot start on time (1 mark) which might have an adverse impact on the scheduled work for the day (1 mark).

- Some employees turned up in dirty uniform

.....

[2]

Responses include

- *Affect reputation/image*
- *unprofessional*
- *delayed/reschedule work*
- *Customers lose confidence/trust*
- *complaints*

Exemplar response

E.g. employees wearing dirty uniform is likely to affect A-star Plumbers Ltd's reputation adversely (1 mark) and this might lead to customers not returning to the business (1 mark).

(b) Identify **two** ways information stored on a computer can be protected.

Way 1

Way 2

[2]

Responses include

- *Passwords*
- *Screen savers*
- *Locked files*
- *Firewalls*
- *Encryption*
- *Voice control*
- *Anti-virus*
- *Anti-spyware*
- *Physical locks*
- *Data backup*

Mark scheme guidance

1 (a)

One mark for a correct identification plus a further one mark for development.

Consequence must be to business. Do not award marks without this.

Once consequence to *A-star Plumbers Ltd* has been identified the second mark can be awarded to causes of the consequence or consequence of consequence.

Do not award consequences to employees.

1 (b)

One mark for each correct identification up to a maximum of two identifications.

Examiner comments

1 (a)

The majority of candidates were able to explain possible consequences to the business if protocols were not followed by employees gaining full marks. Answers which explained consequences to employees i.e. 'being sacked' were not awarded. Candidates are advised to read the question carefully before attempting to answer it.

1 (b)

This is perhaps the easiest question on the paper and most candidates were able to identify two appropriate ways of protecting information stored on a computer.

Question 2(a)

Text 2

A-star Plumbers Ltd charges £50 per hour for labour. Customers are also charged for any parts that are required for a particular job. Jake has recently fitted a new toilet for Daniel Jones, a residential customer. The job is to be charged as follows:

Cost of new toilet and parts	£105.00
Number of labour hours	3

2 Refer to Text 2.

(a) Complete the invoice using the information given in **Text 2**.

A-star Plumbers Ltd	
7b Privet Lane, Nottingham NG11 4QG	
Tel: 0115 349 4129	
To Daniel Jones Brood Street Nottingham NG12 7ZU	Invoice 3251 January 2017
Description: Supply and fit a new toilet	
	£
Supply new toilet and parts	105.00 (1 mark)
Labour charges for three hours @ £50 per hour	150.00 (1 mark)
Subtotal	255.00 (1 mark) ofr
VAT @ 20%	51.00 (1 mark) ofr
Total	306.00 (1 mark) ofr

[5]

Mark scheme guidance

One mark for each correct answer up to a maximum of five marks.

Award own figure rule (ofr) where shown.

Examiner comments

Most candidates performed well on this question, scoring full marks. Calculations were mostly accurate showing sound understanding of the different elements on an invoice. Own figure rule applies to subtotal, VAT and total (i.e. candidates were not penalised for an earlier incorrect calculation).

Question 2(b)

- (b) Analyse methods which may be used to pay *A-star Plumbers Ltd*. Which payment method would be of greatest benefit to *A-star Plumbers Ltd*? Give reasons for your choice

.....

[12]

Use level of response criteria.

Indicative content:

- *cash*
- *cheque*
- *credit card*
- *debit card*
- *online/digital payment e.g. PayPal*
- *bank transfer*

Exemplar response:

E.g. Customers can pay by cash (level 1) which is an instantaneous payment method (level 2). This benefits A-star Plumbers Ltd as the cash can be used to buy other plumbing parts improving cash flow (level 3).

Other payment methods include credit (level 1) and debit cards (level 1) which ensure that A-star Plumbers Ltd receive the payment unlike a cheque which could bounce. However, there will be a charge on credit and debit card payments which reduces the profit margin. This reduces the overall profit figure (level 3).

Overall, the payment which will benefit A-star Plumbers Ltd. the most is bank transfers as the payment is paid directly into its account instead of relying on its employees to collect payments from customers after each job. This is by far the cheapest and most secure method as A-star Plumbers Ltd will not be charged per transaction like credit and debit card payments (level 4).

Mark scheme guidance

Levels of response

Level 4 (10 - 12 marks)

Candidate evaluates methods of payment with justification.

Level 3 (7 - 9 marks)

Candidate analyses benefit(s) and/or drawback(s) of payment method(s) to A-star Plumbers Ltd.

Level 2 (4 – 6 marks)

Candidate explains payment method(s).

Level 1 (1 – 3 marks)

Candidate identifies payment method(s).

Level 4 evaluation – Award 10 marks for suggesting the most beneficial payment method to A-star Plumbers Ltd with justification for the choice. Award 11 marks for suggesting the most beneficial payment in context with justification. Award 12 marks for a detailed and specific contextual judgement of the most suitable method.

Examiner comments

This question was well-understood by the majority of candidates. Different methods of payment were generally well-explained and analysed. However, some candidates tended to use debit and credit cards interchangeably, showing some confusion between these two methods of payment. There was also evidence to suggest that the majority of candidates failed to understand the cost implications to a business of accepting these two methods of payment, especially credit cards. Perhaps when teaching payment methods, these two methods of payment should be explored in more detail, separately.

Whilst a good number of candidates achieved level 4, few evaluated in context to access the top marks, where there needed to be evidence of specific arguments relating to a plumbing business.

Question 2(c)

(c) The revenues and costs for *A-star Plumbers Ltd* in 2016 are shown in **Table 1** below.

	£
Revenue from services	780 000
Plumbing supplies	118 000
Salaries	320 000
Rent and rates	102 000
Transport	32 500
Overheads	10 150

Table 1

(i) Using the information given in **Table 1**, calculate the profit that *A-star Plumbers Ltd* made in 2016.

Show your workings:

Profit = £

[3]

Indicative content:

Profit = 780 000 (1 mark) – 582 650 (1 mark) = 197 350 (1 mark)

(ii) Identify **two** ways *A-star Plumbers Ltd* could improve its profit level.

Way 1

.....

Way 2

.....

[2]

Responses include:

- *Increase charges on customers*
- *Increase prices on parts*
- *Reduce fixed costs*
- *Reduce variable costs*
- *Increase sales/revenue*
- *Increase advertising*

Exemplar response:

E.g. A-star Plumbers Ltd could increase its labour charges to customers (1 mark).

Mark scheme guidance

2 (ci)

Up to three marks.

Award full marks if 197 350 is shown.

2 (cii)

One mark for a correct identification up to a maximum of two identifications.

Accept examples.

Award 'reduce prices' if explained – to encourage more trade.

Examiner comments

2 (ci)

This question tested candidates' ability to distinguish between revenue and costs when calculating profits. A good number of candidates were able to access these three synoptic marks from Unit 1.

2 (cii)

Many answers were in context showing good understanding of the case study and most candidates performed well on this question. However, care must be taken not to repeat answers e.g. 'find a cheaper supplier' and 'bulk buy supplies to achieve economies of scale' would score one mark, as both refer to the reduction of material costs.

Question3(a)

Text 3

Today's jobs were planned to be as follows:

- Install new bathroom suite
- Fix leaky kitchen tap
- Unblock toilet
- Visit potential customer to quote for installing an outside tap.

However, six of Peter's employees have called in sick so it will be impossible for A-star Plumbers Ltd to do all of the jobs today. In addition, Peter has received calls from four of his regular customers about repairing burst pipes which are flooding their premises.

3 Refer to Text 3.

(a) Prioritise the jobs listed in the table below as low, medium or high and explain your decisions.

Jobs	Priority? Low, medium or high	Explanation
Visit potential customer to quote for installing an outside tap	<i>Low (1 mark)</i>	<i>Work has not been scheduled and an outside supply of water (CONT) is not essential (2 marks)</i>
Repair the four regular customer's burst pipes	<i>High (1 mark)</i>	<i>These are regular customers so it is important to keep them in the business and the burst pipes are damaging (CONT) their properties (2 marks)</i>
Unblock toilet	<i>Medium / high (1 mark)</i>	<i>Customer won't be able to use the blocked toilet it's a health (CONT) hazard (2 marks)</i>
Fix leaky kitchen tap	<i>Low / medium (1 mark)</i>	<i>Customer is not at risk of property damage (CONT) and the tap is still working (2 marks)</i>

[12]

Mark scheme guidance

One mark for each correct identification of priority up to a maximum of four identifications.

Up to two marks for each explanation to a maximum of four explanations. Award one mark for a non-contextual explanation and two marks for a contextual explanation. Explanation must include 'why' for marks to be awarded.

Priority must be right to award explanation marks.

Do not award if candidates hedge their bets e.g. stating medium/high for unblocking toilets.

For context look for floods, damage to property, water supply, cost of water, customer satisfaction, health risk, small job.

Examiner comments

This is possibly the hardest question on the paper as most candidates evidently struggled to prioritise the tasks given and explain their decisions. This suggests that more practice is needed in developing candidates' ability to prioritise tasks. It is a life skill that could affect their personal lives as well as their careers. Vague answers such as 'because it is urgent' should be avoided as they do not explain why a task has high priority. Full explanation marks were awarded for an answer which is in the context of the situation given e.g. 'burst pipes are damaging customers' properties and are therefore urgent'.

Question 3(b)

(b) Peter decides to delay the installation of the new bathroom suite. The customer is Julie Smith of 76 Priory Drive, Nottingham NG3 5UO.

Compose a letter to the customer to apologise for the company's failure to start installing the new bathroom suite on time.

In your letter:

- Give reasons for failing to start the work on time
- Inform the customer that the work could be done on the same day next week
- Request confirmation from the customer as to whether the new date is convenient.

You will be assessed on the content, tone and layout used in your letter.

Use the letterhead below to write your letter.

You **may** use the space below to draft your letter. You will **not** receive marks for the draft.

You may use this box for drafting your letter.

A-star Plumbers Ltd

7b Privet Lane, Nottingham NG11 4QG

Tel: 0115 349 4129

[12]

Use level of response criteria.

Indicative content:

- *Content – apologise to customer for not starting work (1 mark), give reason(s) for missing deadline (1 mark), express the importance of customer’s order (1 mark), inform customer of new date and time (1 mark), ask customer to confirm suitability of new date and time (1 mark), appropriate closing sentence (1 mark).*
- *Appropriate tone (1 mark).*
- *Layout – a date (1 mark), correct name and address details (Julie Smith of 76 Priory Drive, Nottingham NG3 5UO) (1mark), a correct salutation (Dear Julie, Dear Ms Smith (not Dear Ms/Miss/Mrs Julie Smith or Dear Julie Smith or Ms J Smith), Dear Madam and matching complimentary close (Dear Madam – Yours faithfully, Dear Julie/Ms Smith – Yours sincerely) (1mark), space for signature or signature (1 mark), designation below space for signature (1 mark).*

Mark scheme guidance

This question includes one embedded mark for applying knowledge from Unit 1 LO5 Understand the relationship between businesses and stakeholders.

This question assesses content, tone and layout. Candidates should not be penalised for errors of spelling, punctuation, and grammar or sentence construction.

Do not award marks for answers in the drafting box.

Award one mark for space for signature if candidate signed the letter.

Accept Miss, Ms or Mrs Smith.

Examiner comments

This question was well-attempted by all candidates in terms of context and tone. The layout of a formal letter, in particular, the opening salutation and matching complementary close needs to be examined in more detail. The mark scheme provides guidance on how a formal letter should be laid out and candidates are strongly advised to study this carefully.

Exemplar candidate work

Question 3(b) – medium level answer

A-star Plumbers Ltd

7b Privet Lane, Nottingham NG11 4QG

Tel: 0115 349 4129

NAQ

76 priority drive

NG3 5KO x

Nottingham

England

RE: New bathroom suite x

Dear Julie⁺ Smith, x

I am writing to inform you about our failure to start installing the new bathroom suite on time. I am extremely sorry that we are not able to start installing your new bathroom suite due to fact of ~~workers~~ workers. I also would like to tell you a new date. The date that we would start installing the bathroom is on the same day next week, if that is convenient. If that isn't a good time for us to install the bathroom then we will be glad to ~~work~~ work towards another day.

Yours Sincerely, Peter Bolt. ✓✓

TV

TXI ✓
BOS:

.t

Commentary

This answer scores six of the available 12 marks.

The candidate appears to have a good grasp of the type of content which should go in the letter and gains four of the available six marks for content ('sorry'- 1 mark, 'lack of workers' – 1 mark, 'same day next week' – 1 mark – closing sentence – 1 mark).

The tone, although a little abrupt at first e.g. 'writing to inform' eventually softens with the word 'sorry' and is deemed just sufficient to be awarded the one mark for tone. 'I am writing to apologise' would have made the tone mark more secure.

The candidate does less well on the layout of the letter, scoring only one of the available five marks for layout (for Peter Bolt's signature).

To gain higher marks the candidate needs to ensure that the layout of the letter is correct. The address needs to include the recipient's name. The letter needs a date. The salutation should be 'Dear Julie' or 'Dear Ms Smith' and not a mixture of the two. There should be a designation after the signature indicating who Peter Bolt is e.g. owner or sole proprietor. These improvements would give this answer an additional four marks.

Question 3(b) – high level answer

A-star Plumbers Ltd

7b Privet Lane, Nottingham NG11 4QG

Tel: 0115 349 4129

Julie Smith
76 Priory Drive
Nottingham
NG3 5UD

Dear Mrs Smith,

I am writing to inform you that we are having to delay the installation of your new bathroom, ~~because~~ we apologise ~~dearly~~ however several ~~members~~ employees are ill ~~at~~ the moment so our services and capabilities are limited so it would not be fair to start the job as we would be able to do very little as it stands.

We understand the inconvenience this may cause you and promise to rectify it as soon as work has begun. We plan to start work this time next week ~~Friday~~ the 20th and would like to know if this is suitable for you? We hope to hear back from you soon.

Kind regards,
Peter Bolt

TJ

9 [12]

Commentary

This answer contains many of the features we are looking for in a good letter. It scores nine out of the available 12 marks listed on the mark scheme.

The letter was awarded the one available mark for appropriate tone.

The letter scored five marks for content – in the first paragraph there is an apology (1 mark) together with an explanation that employees were ill (1 mark); in the second paragraph the new installation date is given (1 mark) and the customer is asked to confirm that this is suitable (1 mark), there is also an appropriate closing sentence 'we hope to hear back from you soon' (1 mark).

The letter scored three marks for layout – correct name and address (1 mark), correct salutation with matching complimentary close (1 mark) and signature (1 mark).

To achieve full marks the header of the letter needs to include the date and the foot of the letter should include a designation. Letters should always be dated and candidates should be encouraged to always insert a date. Likewise, business letters should always give an indication of who the letter is from, in this case the owner or sole trader, or even Peter Bolt's name if it had been clearly written under the signature. In addition, the very best letters of this type express the importance of the customer's order to the business, the insertion of a simple phrase such as 'your order is very important to us' would suffice to bring this answer to full marks.

Question 4

Text 4

Peter would like to attend a plumbers' convention which is taking place in London next month. He has decided to take the train. The convention starts at 9:30am. Peter would like to arrive in time for the start of the convention. He needs to be back in Nottingham by 6pm on the same day. He wants to spend as much time as possible at the convention.

Trains from Nottingham arrive at London St Pancras station. Peter will need to decide on a method of travel to and from London St Pancras station to the venue in Chelsea. Train timetables from Nottingham station to London St Pancras station are shown below, together with the prices.

	Outward – Nottingham (NOT) to London St Pancras (STP)				Return – London St Pancras (STP) to Nottingham (NOT)			
Depart	NOT 06:30	NOT 06:52	NOT 07:10	NOT 07:55	STP 15:29	STP 15:32	STP 16:15	STP 16:26
Arrive	STP 08:23	STP 08:42	STP 09:00	STP 09:26	NOT 17:18	NOT 17:35	NOT 17:55	NOT 18:14
Duration	1h 53m	1h 50m	1h 50m	1h 31m	1h 49m	2h 3m	1h 40m	1h 48m
Cheapest standard single	£81.00	£53.50	£53.50	£53.50	£69.00	£65.50	£28.00	£81.00

The following methods of travel are available between London St Pancras and the venue in Chelsea:

Method of travel	Duration and cost for a single journey
Tube	25 minutes, £2.90
Bus	59 minutes, £2.00
Taxi	11 minutes, £25.00

4 Refer to Text 4.

The expense budget for his whole journey is £100. Taking into consideration time and cost constraints, recommend an itinerary for Peter's journey to London by filling in the **eight** unshaded boxes in the table below.

You may use this box for your workings.

Journey	Time of departure	Mode of transport	Cost (£)
Nottingham to London St Pancras	<i>06:52 or 07:10</i> <i>(1 mark)</i>	Train	<i>Corresponding price</i>
London St Pancras to Chelsea		<i>Tube (for all trains)</i> <i>Bus (06:30 and 06:52 trains only)</i>	<i>Corresponding price</i>
Chelsea to London St Pancras		<i>Tube</i>	<i>Corresponding price</i>
London St Pancras to Nottingham	<i>16:15</i>	Train	<i>Corresponding price</i>

Mark scheme guidance

One mark for each correct answer to a maximum of eight correct answers.

Prices must match the chosen mode and time of transport to award marks.

Examiner comments

The majority of candidates are to be congratulated for demonstrating excellent planning and organisational skills. Both time and financial constraints had to be taken into account for planning this travelling arrangement and candidates' performance on the whole exceeded expectations.



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