

Version 1.0



**General Certificate of Education
June 2010**

GCE Applied Business

BS12

Mark Scheme

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

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	Assessment Objectives
	The Assessment Objectives represent those qualities which can be demonstrated in candidates' work and which can be measured for the purposes of assessment.
AO1 Knowledge, skills and understanding	Candidates demonstrate knowledge and understanding of the specified content and relevant business skills.
AO2 Application of knowledge, skills and understanding	Candidates apply knowledge and understanding of the specified content and relevant business skills.
AO3 Research and analysis	Candidates use appropriate methods in order to obtain and select information from a range of sources to analyse business problems.
AO4 Evaluation	Candidates evaluate evidence to reach reasoned judgements
Quality of Written Communication	<p>The quality of written communication is assessed in all assessment units where candidates are required to produce extended written material. Candidates will be assessed according to their ability to:</p> <ul style="list-style-type: none"> • select and use a form and style of writing appropriate to purpose and complex subject matter • organise relevant information clearly and coherently, using specialist vocabulary when appropriate • ensure that text is legible, and that spelling, grammar and punctuation are accurate, so that meaning is clear. <p>The assessment of the quality of written communication is included in Assessment Objective 4.</p>

1

Total for this question: 28 marks

1(a) (i) Explain what is meant by an autocratic leadership style (line 7). (2 marks)

Relevant answers might include the following:

- an autocratic leadership style is one in which managers make all the decisions (1) without consulting staff (1)
- staff opinions are discouraged.

1 mark for identification and 1 mark for development.

1(a) (ii) Describe **one** function which Rob has to fulfil as a manager at ECS. (4 marks)

Level	Descriptor	Marks	Assessment Objective
2	Describes the management function in context.	3–4	AO2
1	Demonstrates an understanding of management functions.	1–2	AO1

Relevant answers might include the following:

Rob has to fulfil the functions of:

- planning, forecasting
- organising, controlling, commanding
- monitoring and evaluating
- reporting on outcomes.

1(b) Using **Item A**, explain why the staff respected Sam Jackson even though he had an autocratic leadership style before he retired. (8 marks)

Level	Descriptor	Marks	Assessment Objective
3	Explains why Sam had the respect of his staff.	6–8	AO3
2	Describes why Sam had the respect of his staff.	3–5	AO2
1	Demonstrates an understanding of an autocratic leadership style or power/authority.	1–2	AO1

Relevant answers might include the following:

Sam was respected by his staff because:

- he was a skilled expert craftsman who ran a successful business
- he oversaw all the projects to ensure that the business's reputation was enhanced
- his commitment to excellence meant that the company had worked on many prestigious jobs which would have helped staff self-esteem
- his commitment to the business was undoubted as he continued working actively until he was 78
- these reasons would allow Sam to get away with being autocratic as long as he was fair to the staff.

1(c) Using **Item A**, discuss why James's leadership style is causing problems in the business.
(14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses impact of James's leadership style on the business.	6–7	AO3
2	Explains how James's leadership style causes problems.	3–5	AO2
1	Describes James's leadership style.	1–2	AO1

Relevant answers might include the following:

James's leadership style is causing problems because he:

- is so rarely at the business
- has told staff he does not want to be bothered by problems at the business
- does not offer support to the staff or manager
- makes threats and does not recognise when staff are working hard in difficult situations.

Overall, he is best described as a leader who has tried to avoid his responsibilities towards the business.

Staff would therefore be dissatisfied with his leadership and this is likely to lead to poor performance, an aversion to risk (if he does not support them but then criticises after the event) and staff feeling abandoned.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses candidates' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the candidate orders and communicates his/her ideas.

Level	Descriptor	Marks	Assessment Objective
E3	Judges how significant James's leadership style is on the success of the business. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	6–7	AO4 and Quality of written communication
E2	Judges why James's leadership style is causing problems to the business. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges with limited evidence why James's leadership style is causing problems to the business. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	

2

Total for this question: 26 marks

2(a) *If ECS won the Olympic contract, explain why it would need to make both routine and non-routine decisions to deliver the contract successfully.* (5 marks)

Level	Descriptor	Marks	Assessment Objective
2	Explains why routine and / or non-routine decisions would help to deliver the contract successfully.	3–5	AO2
1	Demonstrates an understanding of routine and/or non-routine decisions.	1–2	AO1

Relevant answers might include the following:

Both routine and non-routine decisions are needed because:

- there will be regular decisions (such as which member of staff does which task each day), which have to be made, these are routine decisions
- on such a large contract, some problems are bound to occur such as late delivery of materials, delays caused by weather or other contractors or changes to the specification of the building by the client. These cannot be readily planned for as they are non-routine as they do not happen regularly. Dealing with them is therefore non-routine.

2(b) *Using Item B, explain the importance of a cross-functional team to plan the Olympic contract (lines 10–14).* (7 marks)

Level	Descriptor	Marks	Assessment Objective
3	Explains how a cross-functional team would help successfully deliver the Olympic contract.	6–7	AO3
2	Describes how a cross-functional team may operate for the Olympic contract.	3–5	AO2
1	Demonstrates an understanding of cross-functional teams.	1–2	AO1

Relevant answers might include the following:

- the Olympic contract is the largest the business has bid for in recent years, if it fails or ran over budget it could create large problems for the business, it is therefore essential to use all the expertise in the business
- Rob would want to avoid the problems he had with costing the Leeds contract
- a cross-functional team will give the business's bid more credibility
- a cross-functional team would help the business to develop a better bid which was straightforward to implement
- matrix structures are often used to create cross-functional teams.

2(c) Using **Item B**, assess the extent to which critical path analysis would be appropriate to the management of the Olympic contract. (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Explains how CPA could help ECS manage the contract.	5–7	AO3
2	Describes how CPA is used to manage a project.	2–4	AO2
1	Identifies a feature of CPA.	1	AO1

Relevant answers might include the following:

The Olympic contract:

- is a large complicated project which will use many people, a range of equipment and raw materials all of which need co-ordinating
- must be completed on time and within budget to a high standard.

CPA:

- helps set time targets, start and finish dates and resource projections for projects
- manages simultaneous completion of multiple tasks against targets
- helps identify where changes can be made if problems arise in executing a project.

Overall, the Olympic contract is precisely the type of situation in which CPA would be used. In practice, it is likely to be a condition of winning the contract that CPA or a similar project management tool is used so that the carpentry contract can be integrated with the overall project management of the site.

Candidates can raise concerns about the reliability of times or costs but, with such a large project, not using a project management system such as CPA would cause even more problems as the project would be out of control.

See next page for Evaluation.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses candidates' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the candidate orders and communicates his/her ideas.

Level	Descriptor	Marks	Assessment Objective
E3	Makes a reasoned judgement as to whether CPA is appropriate for <i>ECS</i> to successfully manage the contract. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	6–7	AO4 and Quality of written communication
E2	Judges the importance of using CPA to manage a project. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges with limited evidence whether CPA is appropriate to manage a project. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	

3**Total for this question: 26 marks**

3(a) Describe the type of power which Jack is using to manage the Luton store of Trend plc.
(5 marks)

Level	Descriptor	Marks	Assessment Objective
2	Describes, in context, a relevant type of power.	3–5	AO2
1	Demonstrates understanding of types of power.	1–2	AO1

Relevant answers might include the following:

- Jack is using coercive or legitimate / position power
- he seems to think that, as manager, he should be in sole charge and staff should listen to him due to his position
- Sharon's comments imply that he takes it out on staff if they disagree with him
- expert / technical power, ie he has been in position for 14 years.

3(b) Using *Item C*, explain how Fran could convince Jack that implementing the 'Staff First' programme could benefit the Luton store.
(8 marks)

Level	Descriptor	Marks	Assessment Objective
3	Explains how Jack could be convinced by Fran's arguments / methods.	6–8	AO3
2	Describes the arguments / methods Fran could use.	3–5	AO2
1	Describes benefits of the programme.	1–2	AO1

Relevant answers might include the following:

Fran could convince Jack by pointing out that:

- in other stores the programme has worked well
- where it has worked, staff and managers have both gained bonuses
- it is not an attack on him personally and it is a cross-company policy
- he has to comply as it is company policy.

Fran's attempts to convince Jack may or may not work because:

- Jack may not believe what Fran says
- it depends on whether he thinks he will be forced to comply
- it also depends on what response he has had before, when he has challenged authority.

3(c) Jack says, "People like to be told what to do. If they are all making their own decisions, how can I manage the store?" (lines 13–14).

To what extent do you agree with Jack's statement? Use **Item C** to justify your answer.
(13 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses whether Jack may or may not be correct in his view of staff.	4–6	AO3
2	Explains why Jack may or may not be correct in his view of staff.	2–3	AO2
1	Identifies a factor which supports or disagrees with Jack's position.	1	AO1

Relevant answers might include the following:

Jack may be right because:

- if staff make mistakes this will reflect back on him and the store
- staff may make conflicting decisions
- some staff may feel scared of making decisions or not want any responsibility.

Jack may be incorrect because:

- staff may be motivated by making decisions and this will increase performance
- staff know the shop floor well and may have good ideas to improve the business
- staff may like the responsibility and are keen to show what they can do
- Jack does not have to manage every detail of the store to be a successful manager.

See next page for Evaluation.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses candidates' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the candidate orders and communicates his/her ideas.

Level	Descriptor	Marks	Assessment Objective
E3	Makes a reasoned judgement as to whether Jack is correct in saying he needs to be in absolute control. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	6–7	AO4 and Quality of written communication
E2	Judges whether Jack is correct in saying he needs to be in absolute control. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges with limited evidence whether Jack is correct in saying he needs to be in absolute control. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	