



GCE

Applied Business

Unit **F257**: Managing Risk in the Workplace

Advanced GCE

Mark Scheme for June 2014

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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.

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These are the annotations, (including abbreviations), including those used in scoris, which are used when marking

Annotation	Meaning of annotation
	Blank Page – this annotation must be used on all blank pages within an answer booklet (structured or unstructured) and on each page of an additional object where there is no candidate response.
	The response given is 'Unclear' to the marker.
	'Benefit of doubt' but credit given.
	To indicate the response is in 'Context' of the relevant case study.
	Response is incorrect, no credit can be given.
	Use for Level of response answers to indicate Level 1.
	Use for Level of response answers to indicate Level 2.
	Use for Level of response answers to indicate Level 3.
	Use for Level of response answers to indicate Level 4.
	The response is not incorrect but has 'Not answered the question'.
	Own figure rule. Use where indicated in the mark scheme.
	'Repeat' Response repeats the same marking point.
	'Noted but no credit given' or to indicate all or part blank answer pages have been seen by the marker.
	Correct point/answer. Credit can be given.
	No use of context/Context cannot be awarded

Subject-specific marking instructions**Blank answer spaces**

To be sure you have not missed any candidate responses you must check every page of the question paper and annotate any blank answer spaces with the following annotation:

SEEN

Additional Objects

You must also check any additional pages (shown as Additional Objects) which the candidate has chosen to use.

Before you begin marking, use the Linking Tool, to 'link' any additional page(s) to the relevant question(s) and mark the response as normal.

All additional pages must be annotated with the 'SEEN' stamp, so it is clear to centres that the additional pages have been viewed by the marker.

Testing of QWC

In this external assessment the assessment of QWC will take place in Question 3 (b) which is a levels of response question and carries 14 marks.

Marks are embedded within this question for assessing the quality of written communication. The following criteria are embedded within the levels of response for Question 3 (b).

Level 4:

Ability to present relevant material in a well planned and logical sequence. Material clearly structured using appropriate business terminology confidently and accurately. Sentences, consistently relevant, are well structured in a way that directly answers question. There will be few, if any, errors of grammar, punctuation and spelling.

[4 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 3:

Ability to present relevant material in a planned and logical sequence. Appropriate business terminology used. Sentences for the most part relevant presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.

[3 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 2:

Limited ability to organise relevant material. Some appropriate business terminology used. Sentences are not always relevant with material presented in a way that does not always address the question. There may be noticeable errors of grammar, punctuation and spelling.

[2 marks representing the appropriate level of written communication are embedded in this level of response.]

Level 1:

Ability to communicate at least one point using some appropriate business terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.

[1 mark representing the appropriate level of written communication is embedded in this level of response.]

Question			Answer	Mark	Guidance
1	(a)		<p>Indicative content:</p> <ul style="list-style-type: none"> • employers have a duty of care to ensure health and safety of grounds staff at the castle/kitchen staff at the castle/events staff at the castle/housekeeping staff at the castle/visitors to the castle/hotel guests (1) • adequate ventilation of the castle's rooms/corridors (1) • ensuring an 'adequate' work temperature in the castle (1) • lighting should be sufficient along the castle's corridors (1) • battle-ready suits of armour should be clean and tidy (1) • workrooms within the offices of the castle should have enough free space (1) • workstations within the offices of the castle should be suitable (1) • sufficient traffic routes through the castle's corridors/through the castle's gardens (1) • traffic routes like the corridors or pathways should be safe (1) • suitable sanitary conveniences in the hotel part of the castle should be provided (1) • adequate facilities for rest and/or eating around the castle's grounds (1) • workplace should be clean and tidy (1). 	3	<p>AO1: 3</p> <p>One mark for each correct identification up to a maximum of three identifications.</p> <p>Do not award for repetition.</p> <p>Do not award "workers work in satisfactory conditions".</p> <p>Do not accept "training of staff".</p> <p>Do not accept "ensuring management aware of all legislation".</p> <p>Award for "appropriate safety signs" (safe traffic routes)</p> <p>No context required.</p>

Question			Answer	Mark	Guidance
1	(b)		<p>Indicative content:</p> <ul style="list-style-type: none"> • hotel guests/wealthy people (1) • day pass visitors/general public (1) • housekeeping staff/ kitchen staff/grounds staff (1). 	3	<p>AO2: 3</p> <p>One mark for each correct identification up to a maximum of three identifications.</p> <p>For bullet point 3 only accept one example from list given.</p> <p>Answers must be in context</p> <p>Award for “30 permanent employees”</p> <p>Award for “customers who visit” as visit is context</p> <p>Accept Marilyn as General Manager/Laura as Accounts and Deputy Manager/Yuri as Grounds Manager/ / Housekeeping Manager/Events Manager/Head Chef Events Secretary.</p>
1	(c)		<p>Indicative content:</p> <ul style="list-style-type: none"> • Health and Safety at Work Act • EC Directive on Work with Display Screens • Health and Safety (Display Screen Equipment) Regulations • Manual Handling Operations Regulations • Provision and Use of Workplace Equipment Regulations • Personal Protective Equipment Regulations • Management of Health and Safety at Work Regulations • Working Time Regulations • COSHH Regulations. 	8	<p>AO1: 4 AO2: 4</p> <p>One mark for each correct identification up to a maximum of four identifications, plus up to a further one mark for each of four descriptions.</p> <p>Description must be in context.</p>

Question			Answer	Mark	Guidance
			<p>Exemplar response:</p> <p>E.g. Health and Safety at Work Act (1) where signposts for the winding staircases may have to be put up (1).</p> <p>E.g. Personal Protective Equipment at Work Regulations (1) where kitchen staff may have to be provided with protective clothing such as oven gloves (1).</p> <p>E.g. Provision and Use of Workplace Equipment Regulations (1) where Yuri, as Grounds Manager may have to use appropriate protective clothing such as face shields/guards when chopping bushes/trees (1).</p> <p>E.g. Manual Handling Operations Regulations (1) whereby staff at the castle should be trained appropriately on how to lift heavy items such as the suits of armour correctly (1).</p>		
1	(d)		<p>Indicative content:</p> <ul style="list-style-type: none"> • everything reasonably practical • maintain standards of health and safety. <p>Exemplar response:</p> <p>Eg. Everything reasonably practical must be done (1) to ensure that the standards of health and safety are maintained in the workplace (1).</p>	2	<p>AO1: 2</p> <p>Up to two marks.</p>

Question			Answer	Mark	Guidance
1	(e)		<p>Indicative content:</p> <ul style="list-style-type: none"> • poor industrial relations • possibility of increased absenteeism • poor working relationships in the future • a fall in motivation of the workforce • industrial action/strikes/sit-ins/work-ins/go-slows/overtime ban • physical/psychological conditions • visit by the HSE • temporary/permanent closure of the business • legal implications/court action/fines • financial implications/loss of earnings/compensation/legal fees • poor reputation/bad name in the industry/difficulties with recruitment/ retention. <p>Exemplar response:</p> <p>E.g. Increased costs for <i>WCH</i> (1) this may be through the HSE giving the castle an improvement notice like more signs around the grounds (1) if they find that staff have been injured/appropriate health and safety policies and procedures have not been implemented around the castle by Marilyn like provision of gardening gloves (1).</p> <p>E.g. There could be a fall in productivity at the <i>WCH</i> (1) like meals being sent out on time in the kitchen or proper maintenance of the ground (1) as staff may leave or increase their absenteeism as a result of not feeling that they are kept safe by Marilyn (1).</p>	6	<p>AO1:2 AO2: 4</p> <p>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</p> <p>Do not accept answers which give a consequence as a development point.</p> <p>Candidates must answer at least one development point in context in order to achieve the 3rd mark.</p> <p>Context could include examples of injury, hazards from the case e.g. winding stairs or types of provision at the castle, e.g. gardeners' protective gloves.</p>

Question			Answer	Mark	Guidance
2	(a)		<p>Indicative content:</p> <ul style="list-style-type: none"> • lifting or moving heavy loads • consequences of poor work posture • lack of consideration of ergonomic factors • excessive work load, shifts, breaks • chemicals and solvents • materials (asbestos, wood, plastics, metals and radioactive) • dust and other airborne particles • noise levels • fire • areas of restricted vision • heights • heating and lighting • working with monitors (VDUs) and computer/workstations • untidy/dangerous work areas • business expansion/contraction/form of ownership • diversification • change of product range/service • technological advancement • injury/harm/hurt/Repetitive Strain Injury (RSI) • cut • break • breathing/respiratory problems • falling • tripping. <p>Exemplar response:</p> <p>Eg. Areas of restricted vision (1) such as falling down the winding stairs (1).</p>	6	<p>AO1:3 AO2: 3</p> <p>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three descriptions.</p> <p>Do not accept answers which give a consequence as a development point.</p> <p>Candidates must answer in context in order to achieve the 2nd mark.</p> <p>Context could include examples of risk from the case e.g. tripping on winding stairs or burning in the castle kitchen.</p> <p>Specific knowledge of the hospitality and catering industry is not required.</p> <p>Watch out for repetition (injury/harm/hurt/Repetitive Strain Injury).</p>

Question			Answer	Mark	Guidance
			<p>Eg. Dangerous work areas (1) such as a member of staff burning themselves in the castle's kitchen (1).</p> <p>Eg. Lifting or moving heavy loads (1) such as the battle-ready suits of armour (1).</p>		
2	(b)		<p>Indicative content:</p> <ul style="list-style-type: none"> • meeting/listening to other people talk • observation • mentoring/working with experienced staff/shadowing • written information • audio visual aids • group discussion • on-the-job • off-the-job • supervision • courses. <p>Exemplar response:</p> <p>Eg. Marilyn could use on-the-job training (1) such as getting Yuri to mentor the garden staff (1) how to cut the hedges in the gardens (1).</p> <p>Eg. Marilyn could use group discussion (1) where new kitchen or grounds staff could interact with more experienced staff such as Yuri (1) and they tell these new staff how to carry out tasks such as working in the castle's kitchen safely (1).</p>	6	<p>AO1: 2 AO2: 4</p> <p>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two descriptions.</p> <p>Do not accept answers which give a consequence as a development point.</p>

Question	Answer	Mark	Guidance
2 (c)	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <p>Benefits:</p> <ul style="list-style-type: none"> ensures health and safety laws and/or policies adhered to offers expert advice assessment of the levels of risk advises on the appropriate measures/equipment to put in place advice on appropriate training requirements can help the business avoid unnecessary legal action/fines may save the business money may help the business' reputation. <p>Drawbacks:</p> <ul style="list-style-type: none"> costly to appoint one may take up time when visiting can only offer advice not a solution mistakes can still occur a health and safety advisor cannot foresee the behaviours of employees or customers advice given may not be sufficient accidents can still occur even after advice is given, it does not have to be implemented Marilyn, as General Manager, should be able to identify risks/hazards and know how to deal with them reputation could still be negatively affected profits could still decrease 	14	<p>AO1: 2 AO2: 2 AO3: 2 AO4: 2</p> <p>Levels of response</p> <p>Level 4 (10-14 marks) Candidate evaluates whether or not <i>WCH</i> should appoint a health and safety advisor.</p> <p>Level 3 (6-9 marks) Candidate analyses the benefits and/or drawbacks to <i>WCH</i> of appointing a health and safety advisor.</p> <p>Level 2 (3-5 marks) Candidate applies knowledge and understanding of the benefits and/or drawbacks to <i>WCH</i> of appointing a health and safety advisor.</p> <p>Level 1 (1-2 marks) Candidate identifies the benefits and/or drawbacks of appointing a health and safety advisor with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help you allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>Level 2: Must contain more context than name-dropping, e.g. kitchen staff, grounds staff, visitors to the castle.</p> <p>In order to achieve L4, benefits and drawbacks are required.</p>

Question	Answer	Mark	Guidance
	<ul style="list-style-type: none"> • takes time and money to implement the suggestions made by the advisor. <p>Exemplar response:</p> <p>Eg. A health and safety advisor is there to advise businesses about the legal health and safety parameters in which they can effectively operate (L1). The advisor would be able to assess levels of risk more accurately than Marilyn about the various hazards and risks around <i>WCH</i> which could affect the staff and visitors (CONT) and whether measures need to be in place to avoid them (L2). This, therefore, means that all staff should be fully trained allowing them to be fully aware of the risks to which they may be exposed. In doing so, fewer accidents are likely to occur (L3). However, when hiring a health and safety advisor it is an expense (L1), something which is likely to be difficult for Marilyn to be able to afford at this time as <i>WCH</i> (CONT) is struggling to cover costs in the light of decreased bookings, as well as recent kitchen and grounds staff leaving their jobs (L2). This could lead <i>WCH</i> into a loss making situation (L3). Furthermore, given that Marilyn is short on kitchen and grounds staff the remaining workers may struggle to find the time to accommodate the recommendations given by the health and safety advisor before the visit by the HSE Inspector (L3). Overall, in the short term it may be an expensive and timely process for Marilyn, but if, in the long term, it minimises the risk of legal action from accidents around the hotel and/or the castle's grounds (CONT) for staff or visitors, it may be worthwhile and for that reason she should appoint one (L4).</p> <p>Eg. A health and safety advisor can offer any business expert advice about the effective implementation of health</p>		

Question	Answer	Mark	Guidance
	<p>and safety laws and policies around their premises (L1). Although Marilyn, as General Manager, has an understanding of basic health and safety and she understands its importance by ensuring induction training for all staff and having appropriate signs and paths erected (CONT) (L2), she may still have overlooked some important aspects of health and safety around <i>WCH</i> and, therefore, this is where the health and safety advisor could help (CONT) (L2). It is of particular importance to Marilyn that health and safety is effectively adhered to around <i>WCH</i> as the HSE Inspector is shortly due to visit and an advisor would help to achieve this by pointing out possible shortcomings (CONT) (L2). If something is highlighted, Marilyn may be able to put steps in place to overcome the issues before the HSE Inspector visits and, therefore, avoid any unnecessary negative feedback or at worse temporary closure/ fines from the Inspectorate (L3). Furthermore, although it costs £725 a day for an audit, this could be money well spent, despite the problematic financial situation at the moment, as a possible fine by the HSE could prove even more expensive (L3). However, it is still expensive and this could plunge <i>WCH</i> into further financial difficulty (L3) and, with the staffing shortage at the moment, there may be problems for the remaining staff to try and implement any findings and/or recommendations by the advisor with the work pressures which they already face (L3). Overall Marilyn should appoint a health and safety advisor, because despite the short term expense of hiring them at a time when <i>WCH</i> is financially struggling (CONT), there could be an even greater expense in the future should she carry on without one, only to have the HSE Inspector find some serious shortcomings in the future which she would then have to rectify (L4).</p>		

Question			Answer	Mark	Guidance
3	(a)		<p>Indicative content:</p> <ul style="list-style-type: none"> no proper risk assessment Marilyn had not listened to Yuri's concerns Yuri was too busy Mick and Finch left in charge who were not adequately prepared to do the job a lack of staff in the gardens pipe and cable stretching across the path no barriers/guards no appropriate signs Rosemary had a duty of care to herself. <p>Exemplar response:</p> <p>Eg. There was no proper risk assessment carried out (1), had there been, it would have highlighted the dangers of the using an electric pump and long pipe to dredge the moat (1).</p> <p>Eg. Yuri was too busy (1), had he not had the rest of the gardens to sort out; he would not have left Mick and Finch in charge who clearly took short cuts to save time when clearing the moat (1).</p>	4	<p>AO1:2 AO2: 2</p> <p>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two explanation.</p> <p>Do not accept answers which give a consequence as a development point.</p> <p>Candidates must answer in context in order to achieve the 2nd mark.</p> <p>Do not accept answers which pertain to Rosemary's age or that she used a walking frame, as this is not a health and safety issue.</p>
3	(b)	*	<p>Use Levels of response</p> <p>Indicative content:</p> <ul style="list-style-type: none"> shows the potential risks and/or hazards present in the workplace allows for meetings about how to deal with risks/hazards allows for contingency plans to be drawn up takes time to implement 	14	<p>AO1: 2 AO2: 2 AO3: 2 AO4: 2</p> <p>QWC is assessed in this question.</p> <p>Levels of response</p> <p>Level 4 (10-14 marks) Candidate evaluates the extent to which a risk assessment may have helped to avoid Rose's accident.</p>

Question	Answer	Mark	Guidance
	<ul style="list-style-type: none"> • safety measures could be put in place • only a projection of what could happen • depends upon whether all risks/hazards are identified • dependent upon the action of managers • delay of implementation of risk assessment • financial implications of implementation • provision of safety equipment • warning signs • behaviour of employees • training • behaviour of visitors. <p>Possible responses include:</p> <p>Eg. A risk assessment is an activity carried out in order to identify risks in the workplace (L1). Having identified a risk, such as having wiring and pipes around the footpaths and/or leading to the moat, corrective action can be sought (CONT) (L2). This could lead to a safety measure being put in place to reduce the risk, such as Mick and Finch putting up signs and a cordon to stop the visitors from walking into it (L3). However, a risk assessment is only useful if the issues it highlights are implemented and other people such as Rosemary, as the visitor to the castle, adhere to the instructions of Mick and Finch and, therefore the accident still could have happened (L4).</p> <p>Eg. A risk assessment helps to identify risks in a workplace (L1). It would have highlighted the need for Mick and Finch to make the moat area safe (CONT) in order that visitors such as Rosemary, could avoid it (L2). It would also have highlighted the need to keep work areas clear, such as not leaving the loose wiring and dredging pipe lying around where people could trip on them (CONT)</p>		<p>Level 3 (6-9 marks) Candidate analyses how a risk assessment may have helped to avoid Rose's accident.</p> <p>Level 2 (3-5 marks) Candidate applies knowledge and understanding of how a risk assessment could have helped to avoid Rose's accident.</p> <p>Level 1 (1-2 marks) Candidate identifies the features/benefits and/or drawbacks of a risk assessment with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help you allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>L2: Must contain more context than name-dropping, e.g. moat, dredging pipe, loose wiring, grounds staff.</p>

Question			Answer	Mark	Guidance
			<p>(L2). This would have lead to Mick and Finch clearing the work area so that they were working in safer conditions</p> <p>(L3). Furthermore, signs and a cordon could have been put up and/or shutting the path around the moat completely to warn visitors such as Rosemary of the dangers she would face and how to avoid them when walking around the grounds</p> <p>(L3). However, the risk assessment may not have eliminated the risk of Rosemary's accident as Mick already knew the dangers of the electric pump and the long pipe (CONT) and had highlighted it to Finch, who told him that they did not have time to seek an alternative route (L4). In addition, given the lack of grounds staff (CONT) and the tight time schedule given by Marilyn in the light of the HSE Inspector's visit, the issues highlighted by a risk assessment may have been ignored by Mick and Finch in a bid to meet those deadlines and, hence, Rosemary's accident may still have occurred (L4). In conclusion, a risk assessment is only as good as the staff around the castle and its grounds (CONT) and visitors who take heed of it (L4).</p>		
4	(a)		<p>Indicative content:</p> <ul style="list-style-type: none"> employees do no more than required in their contract follow regulations excessively. <p>Exemplar response:</p> <p>Eg. When employees work no more than the minimum required in their contract (1) and will follow safety instructions and/or regulations excessively (1).</p>	2	<p>AO1: 2</p> <p>Up to two marks.</p> <p>Award for "employees do nothing outside what is required of them" or "employees only carry out what's in their job description/tasks/job role".</p>

Question			Answer	Mark	Guidance
4	(b)		<p>Indicative content:</p> <ul style="list-style-type: none"> • industrial action/strikes/sit-ins/work-ins/go-slows/overtime ban • increased absenteeism • fall in motivation • fall in productivity • difficulty retaining staff/higher labour turnover • poorer reputation as an employer • difficulty recruiting staff • lower sales/ profits • higher costs such as sickness pay/ redundancy. <p>Exemplar response:</p> <p>Eg. <i>WCH</i> may find that its productivity decreases (1) because Marilyn and Yuri have been struggling to manage the grounds in particular due to them becoming very untidy (1) since some of the kitchen and grounds staff had already left (1).</p> <p>Eg. <i>WCH</i> may find it difficult to recruit in the future (1). This is because some of the staff who have remained at the castle would tell people they know <i>WCH</i> is not a good employer (1) since they may have to work harder for their pay (1).</p> <p>Eg. <i>WCH</i> may find that it has lower profits (1). This is because it has to pay out more in sick pay (1) as, through a lack of ability to recruit, the existing grounds and kitchen staff may have to take time off work through stress (1).</p>	9	<p>AO1:3 AO2: 6</p> <p>One mark for each correct identification up to a maximum of three identifications, plus up to a further two marks for each of three explanations.</p> <p>Do not accept answers which give a consequence as a development point.</p> <p>Accept generic context.</p> <p>Candidates must answer at least one development point in context in order to achieve the 3rd mark.</p>

Question			Answer	Mark	Guidance
4	(c)		<p>Indicative content:</p> <ul style="list-style-type: none"> • pay staff more wages • pay staff for overtime • make staff feel safer/improve workplace conditions • take on more staff • hold more meetings • listen to the views of staff • increase bookings at the castle • motivate staff • more training for staff. <p>Exemplar response:</p> <p>Eg. Marilyn could hold more meetings (1) because it shows the staff that she cares about them (1) by allowing her to listen to the concerns they may have such as the increase in hours without more pay (1).</p> <p>Eg. Marilyn could try to increase bookings at the castle (1) because this would allow her to pay her staff an adequate wage (1) and to reward the staff more fairly for what they do (1).</p> <p>Eg. WCH could take on more staff (1) because this fills the gap which has been left by the kitchen and grounds staff who left (1), thus allowing the existing staff to carry on the jobs around the kitchen or grounds which they should be doing rather than extra ones (1).</p>	9	<p>AO1:3 AO2: 6</p> <p>One mark for each correct identification up to a maximum of three identifications, plus up to a further two marks for each of three explanations.</p> <p>Accept generic context.</p> <p>Candidates must answer at least one development point in context in order to achieve the 3rd mark.</p> <p>Award for “plan for staff” or “contingency planning”.</p>

Question	Answer	Mark	Guidance
4 (d)	<p>Indicative Response:</p> <p>How problems may be solved:</p> <ul style="list-style-type: none"> • TSG could provide urgently needed capital to the business • the capital could be used to cover any debt which has built up as a result of the staff leaving and other incidents • any cash flow problems could be alleviated • TSG could bring in extra skills or advice to <i>WCH</i>. • it could help to improve future profitability of the business. • existing shareholders could experience a rise in the market value of their shares. • there could be greater returns to all shareholders in the long term. • it could increase the security of employee's jobs in the long term. • if the takeover increases the success of <i>WCH</i>, employees could experience increases in their pay in the long term. • customers may benefit from an increase in service and quality • suppliers could benefit as orders may increase and risk of delayed/no payment may diminish <p>How problems may not be solved:</p> <ul style="list-style-type: none"> • there would be a dilution of control as 100% ownership would go to the TSG • existing shareholders may resent the influence which TSG may have on the board • with 100% stake in <i>WCH</i> means TSG could decide to employ staff they want. 	14	<p>AO1: 2 AO2: 3 AO3: 4 AO4: 5</p> <p>Levels of response</p> <p>Level 4 (10-14 marks) Candidate evaluates the extent to which the problems at <i>WCH</i> could be solved if it were taken over by TSG.</p> <p>Level 3 (6-9 marks) Candidate analyses the benefits and/or drawbacks to <i>WCH</i> if it were taken over by TSG.</p> <p>Level 2 (3-5 marks) Candidate applies knowledge and understanding of the benefits and/or drawbacks to <i>WCH</i> if it were taken over by TSG.</p> <p>Level 1 (1-2 marks) Candidate identifies the benefits and/or drawbacks of a takeover with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help you allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the 'CONT' annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>L2: Must contain more context than name-dropping e.g. currently financial difficulty, resentment felt by existing employees, experience in the hotel industry.</p>

Question	Answer	Mark	Guidance
	<ul style="list-style-type: none"> employees may resent a change of ownership there may be a decrease in motivation and productivity as a result of resentment felt by employees the investor may not have good working knowledge of the luxury hotel industry there may be a risk of redundancies if TSG is able to influence structural change in <i>WCH</i>. <p>Exemplar responses:</p> <p>Eg. If there is a new owner of a business, they can provide much needed capital (L1). Currently, Marilyn is struggling to manage the business as a lot of the staff have left (CONT) (L2). If TSG were to takeover ownership of the business, then they could provide some much needed capital to <i>WCH</i> (L2). This could enable Marilyn to hire more staff at the castle which could therefore lower the risk of further breaches of health and safety and improve the productivity and service at <i>WCH</i> (L3). However, TSG's conditions are for 100% ownership of <i>WCH</i> which would be a massive dilution of control for the exiting owners (L3). Whilst in the short term Marilyn could hire more garden and kitchen staff and use the large amount of capital to improve <i>WCH</i>'s dented reputation through various marketing campaigns (CONT) there is a significant risk in the long term, that the image of the castle (CONT) which has been built up for many years, could be harmed as it gradually becomes a different experience for visitors and more like a hotel which is owned by TSG (L4).</p> <p>Eg. Any takeover by a larger business carries a degree of risk (L1). At the moment, <i>WCH</i> has suffered a 'degree of unfortunate events' (CONT) which has left the Marilyn in the unenviable position of trying to manage <i>WCH</i> through</p>		

Question	Answer	Mark	Guidance
	<p>a difficult financial time. With staff having left the business and the incident with Rosemary, Marilyn may struggle to keep the business going. TSG are a large successful company, which if allowed to buy out <i>WCH</i>, could provide it with some much needed capital (L2). This would allow Marilyn to invest the money in <i>WCH</i> in terms of being able to hire more staff to help the remaining staff which would help boost morale and in turn sales if they work harder (L3). However, TSG wants complete ownership of <i>WCH</i> and it is not known whether they would retain the existing staff, including Marilyn or whether they would appoint their own staff instead (L3). If new staff are appointed, the way in which <i>WCH</i> is run would be completely jeopardised and therefore the existing problems may not be solved (L3). On the other hand it may be that new staff appointed by TSG, as a successful company, work more efficiently to solve the problems created under Marilyn's management at <i>WCH</i> (L3). Overall, it cannot be ignored that <i>WCH</i> has suffered recently with its staff leaving and the incident at the moat (CONT) and that something must urgently change in order for the business to survive. Even though TSG is a large business which may cause problems in the short term by removing staff at <i>WCH</i>, it may solve the problems <i>WCH</i> has in the long term by ensuring that it is run as efficiently as the other hotels in its chain, thereby increasing <i>WCH</i>'s long term profitability and hard earned reputation (CONT)(L4).</p>		

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