



GCSE

Applied Business

Unit **A243**: Working in Business

General Certificate of Secondary Education

Mark Scheme for June 2017

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.





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.

OCR will not enter into any discussion or correspondence in connection with this mark scheme.

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

Annotation	Meaning
	Unclear
BOD	Benefit of doubt
CONT	Context
L1	Level 1
L2	Level 2
L3	Level 3
NAQ	Not answered question
REP	Repeat
SEEN	Noted but no credit given
TV	Too vague
	Tick
	Development of point
OFR	Own figure rule
	Cross

Subject-specific Marking Instructions**Extended response: 8 mark questions**

Level 1 (1-2 marks) marks are awarded for showing knowledge.

Level 2 (3-4 marks) marks are awarded for application of knowledge.

Level 3 marks are awarded for analysis and evaluation.

5 – 8 marks are awarded for analysis and evaluation based on previous application.

Quality of Written Communication (QWC)

The three 8 mark questions (2, 3c and 4f) have QWC embedded in the levels. Below are the full descriptors for requirements to meet the level with regard to QWC.

Level 3 - 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.

Level 2 - Candidate shows ability to present relevant material in a planned and logical sequence. Appropriate industry terminology is used. Sentences, for the most part, are presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.

Level 1 - 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.

MARK SCHEME FORMAT 1

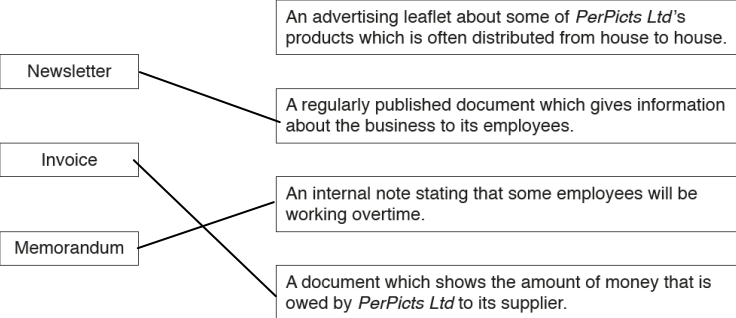
Question			Answer/Indicative content	Mark	Guidance
1	a		<p>Indicative content:</p> <ul style="list-style-type: none"> • hierarchical/hierarchy/tall • matrix • geographical • by product • by function/functional. 	1	For one mark.
	b		<p>Indicative content:</p> <ul style="list-style-type: none"> • fewer levels of management • fast/good communication • short chain of command • designated line manager • wide span of control • greater motivation • clear structure. <p>Exemplar responses:</p> <p>Fewer levels of management (1) which means that <i>PerPicts Ltd</i> can react quickly to changes in the market (1).</p> <p>Higher motivation (1) as greater responsibility delegated to junior managers and staff (1).</p>	4	<p>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two developments.</p> <p>Do not award 'groups' or 'specialisation' as these are features of organisation by product/function.</p> <p>Watch out for repetition.</p>

Question			Answer/Indicative content	Mark	Guidance
	ci		Indicative content: <ul style="list-style-type: none"> • Finance • Administration and ICT • Human Resources • Customer Services. 	1	For one mark. Do not accept Marketing and Sales or Production.
	cii		Exemplar responses: <ul style="list-style-type: none"> • production e.g. make products, produce prototypes. • promotion e.g. advertising, sales promotion, brand awareness. • purpose e.g. increase number of customers, sales revenue, profit. Exemplar responses: Production will produce sample products (1) which can be advertised on the website (1) to attract new customers (1). Production will make sufficient quantity of products (1) to support a promotional campaign (1) to increase customers (1).	3	Max one mark for what production does, plus max one mark for link to promotion and max one mark for purpose of promotion. NB Questions asks how production helps marketing, not the other way round. Therefore, what production can do is required to gain any marks.

Question			Answer/Indicative Content	Marks	Guidance	
					Content	Levels of response
2*			Indicative content: <ul style="list-style-type: none"> • qualification such as degree, marketing, sales specific, CIM 	8	Level 3 8 marks (annotate ✓+, ✓+) Makes a judgement as to whether qualifications or skills and	Level 3 (5–8 Marks) Candidate makes reasoned judgements about which of qualifications, skills and personal qualities of a Marketing and Sales

Question			Answer/Indicative Content	Marks	Guidance	
					Content	Levels of response
			<ul style="list-style-type: none"> skills such as communication, knowledge of business, leadership. personal qualities such as an effective leader, motivated, visionary. candidates can argue in any direction, however, must justify their argument. <p>Exemplar response:</p> <p>When the directors of <i>PerPicts Ltd</i> want to appoint a new Marketing and Sales Director they will look at both aspects. For this type of post the directors would expect a higher degree/specific marketing and sales qualification (L1) as this shows a greater desire to acquire business knowledge (L2) which would be useful for a high-level position such as a Marketing and Sales Director that has to consider complex market research data and reports (L3).</p> <p>Marketing and Sales Director must have leadership and motivational skills (L1) as he/she will be required to introduce and successfully lead a team to promote new products/increase sales (L2). So that the business can achieve the businesses aims (L3).</p>		<p>personal qualities are most important for the role of Marketing and Sales Director, which is supported by the previous correct analysis.</p> <p>AND shows why the other is not as important.</p> <p>7 marks (annotate ✓+) Makes a judgement as to whether qualifications or skills and personal qualities are most important for the role of Marketing and Sales Director, which is supported by the previous correct analysis.</p> <p>6 marks Analyses the benefit(s)/drawback(s) of qualifications AND skills and personal qualities for a new Marketing and Sales Director.</p> <p>5 marks Analyses the benefit(s)/drawback(s) of either qualifications OR skills and personal qualities for a new Marketing and Sales Director.</p> <p>Level 2 4 marks Candidate correctly explains reasons for qualifications AND skill/personal qualities required by</p>	<p>Director are the most important when making a new appointment. NB. Both qualifications and skills and personal qualities must have been analysed before a judgement (7 or 8 marks) can be awarded.</p> <p>Level 2 (3–4 Marks) Candidate explains reasons why qualifications, skills and personal qualities of a Marketing and Sales Director could be important to the directors when the Directors are making the appointment e.g. requirements of job role, benefits of having qualifications/qualities, drawbacks of having qualifications/qualities.</p> <p>Level 1 (1–2 marks) Candidate identifies qualifications, skills and personal qualities of a Marketing and Sales Director.</p> <p>0 marks = no response or a response which does not address the question.</p>

Question			Answer/Indicative Content	Marks	Guidance	
					Content	Levels of response
			All of the aspects are important but I think that the most important is skills and personal qualities because without the visionary and leadership skills <i>PerPicts Ltd</i> will not be able to grow and expand (✓+).		<p>a Marketing and Sales Director. 3 marks Candidate correctly explains reason(s) for qualifications OR skill/qualities required by a Marketing and Sales Director.</p> <p>Level 1 2 marks Candidate correctly identifies one qualifications AND skills/personal quality required by a Marketing and Sales Director.</p> <p>1 mark Candidate correctly identifies one qualification OR skill/personal quality required by a Marketing and Sales Director.</p> <p>NB Candidates can access at Level 2.</p>	

Question	Answer/Indicative content	Mark	Guidance
3 a	<p>Indicative content:</p>  <p>An advertising leaflet about some of <i>PerPicts Ltd's</i> products which is often distributed from house to house.</p> <p>A regularly published document which gives information about the business to its employees.</p> <p>An internal note stating that some employees will be working overtime.</p> <p>A document which shows the amount of money that is owed by <i>PerPicts Ltd</i> to its supplier.</p>	3	<p>One mark for each correct identification up to a maximum of three identifications.</p>
b	<p>Indicative content:</p> <ul style="list-style-type: none"> • email • presentation software/PowerPoint • VoIP • online messenger • applications • blog • text message/SMS • picture message/MMS • social media e.g. Facebook, Twitter. <p>Exemplar responses:</p> <p>The Production functional area would use email (1) to contact its suppliers and send an order as an attachment (1).</p> <p>The Production function could use presentation software (1) to create a presentation which shows customers how the goods are made (1).</p> <p>Production could use a blog (1) to give out information to the</p>	4	<p>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two explanations.</p> <p>Second mark has to be realistic but does not need to specify apply to the production function.</p> <p>Must be a communication method. Do not award other forms of ICT such as spreadsheets, databases, website etc.</p> <p>Do not award video conferencing as it is excluded by the question.</p> <p>Do not award telephone/mobiles/smartphones as these are not forms of communication.</p> <p>Do not award 'fax' as this is now outdated technology.</p> <p>Explanation marks can be awarded for uses or features.</p>

Question			Answer/Indicative content	Mark	Guidance
			staff such as work rotas, Employee of the Month, etc (1).		

Question			Answer/Indicative Content	Marks	Guidance	
					Content	Levels of response
3*	c		<p>Indicative content:</p> <ul style="list-style-type: none"> • Face to face means travelling which is time consuming and expensive but is easy to get the point across. • A telephone meeting is easy to organise but may be difficult depending on where the suppliers are situated and it is difficult to see the face on the other end of the telephone so may not be very useful. • Video conferencing is expensive initially to set up but no travel is needed and it is possible to gauge the feeling of the suppliers as the body language is easy to see. <p>Exemplar response:</p> <p>Meeting face to face requires travelling (L1) which is time consuming and expensive (L2) which will increase PerPicts Ltd costs (L3); however, it is an easy way to get a point across.</p>	8	<p>Level 3 8 marks (annotate ✓+) Makes a recommendation about which bulleted form of communication the business should use supported by previous analysis. AND shows why the other methods would not be appropriate in this situation. 7 marks Analyses the benefit(s)/drawback(s) of three of the bulleted forms of communication. 6 marks Analyses the benefit(s)/drawback(s) of two of the bulleted forms of communication. 5 marks Analyses the benefit(s)/drawback(s) of one of the bulleted forms of communication.</p> <p>Level 2 4 marks Candidate explains</p>	<p>Grade: A*ABCDEFG Annotation: L1, L2 L3</p> <p>Level 3 (5–8 Marks) Candidate makes a recommendation about which bulleted method of communication should be used when speaking to the suppliers about the quality of their materials. NB. All three bulleted forms of communication must have been analysed before a judgement (8 marks) can be awarded.</p> <p>Level 2 (3–4 Marks) Candidate explains the consequence(s)/cause(s) of the advantages(s)/disadvantage(s) of the L1 point made.</p> <p>Level 1 (1–2 marks) Candidate identifies the advantage(s)/disadvantage(s) of the bulleted form of communication that could be used by <i>PerPicts Ltd</i>.</p> <p>0 marks = no response or a</p>

Question			Answer/Indicative Content	Marks	Guidance	
					Content	Levels of response
			<p>Telephone meeting is and is normally easy to organise (L1) but the suppliers are situated in China and there is a time difference (L1) which may make it more difficult to organise a time to resolve the complaint effectively (L2) and may delay <i>PerPicts Ltd's</i> production (L3).</p> <p>Video conferencing is expensive initially to set up (L1) but no travel is needed (L2). It allows body language to be read and provides a more meaningful discussion may take place without the additional expense of travel (L3).</p> <p>I would pick video conferencing because even though it costs a lot to start with it means the Production Director does not have to travel to meetings and they can still get their point across and see the body language of the suppliers when they are speaking to them about the quality of their goods which should resolve the quality issue sooner (✓+).</p>		<p>consequence(s)/ cause(s) of the advantages(s)/disadvantage(s) of more than one of the stated forms of the bulleted forms of communication.</p> <p>3 marks Candidate explains consequence(s)/ cause(s) of the advantages(s)/disadvantage(s) of one of the stated forms of the bulleted forms of communication.</p> <p>Level 1 2 marks Candidate correctly identifies advantage(s)/disadvantage(s) of more than one of the stated forms of oral communication.</p> <p>1 mark Candidate correctly identifies advantage(s)/ disadvantage(s) of one of the bulleted forms of communication.</p>	<p>response which does not address the question.</p> <p>Do not award 'explain verbally' as that is the question.</p>

Question		Answer/Indicative content							Mark	Guidance	
4	a								7	One mark for each correct calculation up to a maximum of seven marks. OFR applies to Sub total, VAT and Total only.	
		Delivery Note No		Delivery Date		Terms					
		458		15 th May 2015		25 days net					
		Quantity	Item Code	Description	Unit Price		Total Price				
					£	p	£	p			
		5	W234	Picture Coasters	2	00(1)	10	00 (1)			
		20	W444	Picture Mugs	5	00(1)	100	00 (1)			
						Sub total		110			00 (1) OFR
						VAT @ 20%		22			00 (1) OFR
						Total		132			00 (1) OFR
	b	Indicative content: • to avoid a decrease in profit • to ensure correct payment is made. Exemplar response: To ensure no-over payment (1) which might cause an increase in costs (1) which will decrease profit. (1)							3	One mark for each correct explanatory point up to a maximum of three such points, but allow development. No context required. Answer must relate to the checking of financial	

Question			Answer/Indicative content	Mark	Guidance									
					documents e.g. do not award addresses on cheque, quantities on delivery note, fewer sales, incorrect goods received etc.									
	c		<p>Indicative content:</p> <ul style="list-style-type: none">• check the amount owed as per invoice or statement of account• check the bank balance• get authorisation from finance• insert name of payee• insert date• insert correct amount• make sure words and figures are the same• check the details on the completed cheque are correct• complete the accompanying remittance advice note• present to the signatory for signing. <p>Exemplar response:</p> <p>Check the amount to be paid (1) and obtain authorisation (1). Correctly insert the payee details (1) and put today's date on the cheque (1).</p>	3	<p>One mark for each correct descriptive point up to a maximum of three such points but allow development.</p> <p>Question asks for how, not why. How required. Do not award reasons.</p> <p>Do not award 'sign the cheque'.</p>									
	d		<table><tr><th colspan="3">Profit and Loss Statement for PerPicts Ltd for the month ending 31 May 2017</th></tr><tr><td></td><td>£</td><td>£</td></tr><tr><td>Sales</td><td></td><td>108500 (1)</td></tr></table>	Profit and Loss Statement for PerPicts Ltd for the month ending 31 May 2017				£	£	Sales		108500 (1)	6	<p>One mark for each correct calculation up to a maximum of six marks.</p> <p>OFR applies to</p>
Profit and Loss Statement for PerPicts Ltd for the month ending 31 May 2017														
	£	£												
Sales		108500 (1)												

Question			Answer/Indicative content			Mark	Guidance																		
			<table><tr><td colspan="2">Cost of Sales</td><td>20000 (1)</td></tr><tr><td colspan="2">Gross Profit</td><td>88500 (1) OFR</td></tr><tr><td>Expenses</td><td></td><td></td></tr><tr><td>1. Salaries and Wages</td><td>50000</td><td></td></tr><tr><td>2. Other costs</td><td>24000 (1 for both)</td><td>74000 (1) OFR</td></tr><tr><td>Net Profit/Loss</td><td></td><td>14500 (1) OFR</td></tr></table>			Cost of Sales		20000 (1)	Gross Profit		88500 (1) OFR	Expenses			1. Salaries and Wages	50000		2. Other costs	24000 (1 for both)	74000 (1) OFR	Net Profit/Loss		14500 (1) OFR		Gross profit, total expenses and Net profit/loss only.
Cost of Sales		20000 (1)																							
Gross Profit		88500 (1) OFR																							
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2. Other costs	24000 (1 for both)	74000 (1) OFR																							
Net Profit/Loss		14500 (1) OFR																							
e		<p>Exemplar responses:</p> <ul style="list-style-type: none">net profit would decrease/go downby £3 000 (1) / Net profit will be £3 000 (1) less (1)to £11 500 (OFR). <p>Exemplar responses:</p> <p>Profit will drop (1) by £3000 (1).</p> <p>Profit will fall (1) to £11500 (1).</p> <p>They will only (1) make £11500 (1).</p> <p>Profit will be £11 500 (1).</p>	2	<p>Up to two marks.</p> <p>OFR applies to new profit figure only (taken from Q4d).</p>																					

				GUIDANCE	
				Marks	
				Content	Levels of Response
f		<p>Indicative content:</p> <p>Advantages:</p> <ul style="list-style-type: none"> • accuracy • formulae • changing figures, e.g. cash flow • what if (break-even) • time/speed • better presentation • back up • records maintained • secure/password protected. <p>Disadvantages</p> <ul style="list-style-type: none"> • cost of hardware/software • training time/cost • security • still a need to produce hard copies • system crashes – loss of time • loss of data • need for back-ups. <p>Exemplar response:</p> <p>One advantage of using ICT to produce financial statement is that the figures can be updated easily (L1), without the need for rewriting the entire account (L2). This saves valuable time which the business could use for other functions such as marketing its personalised mugs or improving its customer service (L3).</p>		<p>Level 3 8 marks (annotate ✓+, ✓+) Makes a prioritised judgement about the greatest/most important advantage/disadvantage to a business of using ICT to produce financial statements, supported by analysis.</p> <p>7 marks (annotate ✓+) Makes an overall judgement about the advantage/disadvantage to a business of using ICT to produce financial statements, supported by analysis.</p> <p>6 marks Analyses the impact of an advantage AND a disadvantage to a business of using ICT to produce financial statements.</p> <p>5 marks Analyses the impact of an advantage OR disadvantage to a business of using ICT to produce financial statements.</p> <p>Level 2 4 marks Candidate explains an advantage AND a disadvantage to a business of using ICT to produce financial</p>	<p>Level 3 (5–8 Marks) Candidate makes reasoned judgements about the advantage/disadvantage to a business of using ICT to produce financial statements, supported by analysis. NB. Both advantages and disadvantages must have been analysed before a judgement (7 or 8 marks) can be awarded.</p> <p>Level 2 (3–4 Marks) Candidate explains advantage(s) and/or disadvantage(s) to a business of using ICT to produce financial statements.</p> <p>Level 1 (1–2 marks) Candidate identifies advantage(s) and/or disadvantage(s) to a business of using ICT to produce financial statements.</p> <p>0 marks = no response or a response which does not address the question.</p>

		<p>However accounting software is expensive (L1) and this will increase the organisations cost (L2), reducing its profit (L3).</p> <p><i>PerPicts Ltd</i> should only purchase the required software if it can save enough labour time to make compensate for the additional cost. Not least because the software will need its licence renewing annually (✓+).</p>	<p>statements.</p> <p>3 marks Candidate explains an advantage OR disadvantage to a business of using ICT to produce financial statements.</p> <p>Level 1 2 marks Candidate correctly identifies an advantage AND a disadvantage to a business of using ICT to produce financial statements.</p> <p>1 mark Candidate correctly identifies an advantage OR disadvantage to a business of using ICT to produce financial statements.</p>	
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5	a	<p>Indicative content:</p> <ul style="list-style-type: none"> • unique identifier e.g. customer number, account number • name • address • telephone number • email address • method of payment • purchase history e.g. past orders, date of orders, quantities, amounts, promotions, discounts • notes e.g. complaints • amount owed • credit issued. 	4	<p>One mark for each correct identification up to a maximum of four identifications.</p> <p>Do not award logins or password.</p> <p>Accept 'contact details' for telephone number or email address but watch out for repetition.</p> <p>Do not award 'date of birth'.</p>
	b	<p>Indicative content:</p> <ul style="list-style-type: none"> • so the customers purchase goods • so the customers do not go to competitors • repeat business • increase customer loyalty • enhance reputation • more sales/revenue • more profit • business survival • competitive advantage • to be ahead of the competition • to avoid being left behind • avoid paying compensation • avoid having to issue refunds • to gain good publicity • to get promotion using word of mouth • so customers recommend you to others • to get positive reviews/feedback • encourage new customers. 	3	<p>One mark for each correct identification up to a maximum of three identifications.</p> <p>Do not award 'motivation'.</p>

	c	<p>Indicative content:</p> <ul style="list-style-type: none"> • thank the customer • acknowledge the complaint • be polite • apologise • investigate the cause of problem/alert production • offer compensation e.g. repair, replace, refund, discount • check customer satisfied with remedy • reassure customer problem will not happen again • communicate using appropriate method e.g. letter, email, return phone call • contact production/finance for remedy • keep a record of the complaint. <p>Exemplar responses:</p> <p>Customer Service should listen carefully (1) to the complaint and acknowledge its seriousness (1).</p> <p>They should investigate the problem and discover why the picture was printed upside down (1) and get a replacement sent for the customer (1).</p>	4	<p>One mark for each correct explanatory point up to a maximum of four such points but allow development.</p> <p>Do not award reasons. Question asks 'how'.</p> <p>NB The business sells online. Procedure must be suitable to an online retailer i.e. not physical retail.</p> <p>Do not award 'check complaint is genuine', 'ask for evidence', 'ask for mugs to be returned' as the question requires Customer Service response.</p>
6	a	<p>Exemplar responses:</p> <ul style="list-style-type: none"> • medium. 	1	For one mark.
	b	<p>Indicative content:</p> <ul style="list-style-type: none"> • to ensure there is a need/demand for product • to not waste money • opportunity cost • to be able to tailor the product to the demand • to see the size of the competition. 	4	<p>In each case, award:</p> <p>Two marks for a contextual explanation (annotate CONT and ✓✓)</p> <p>or</p>

		<p>Exemplar responses:</p> <p>To check that there is demand for the personalised jigsaws (CONT) (2).</p> <p>To ensure that money is not going to be wasted making a product which may not sell (1).</p>		<p>One mark for a non-contextual explanation (annotate ✓).</p> <p>Watch out for repetition.</p> <p>For context look for words such as jigsaws, puzzles, gifts, personalised, 3 sizes, large, medium, small etc.</p>
	c	<p>Indicative content:</p> <ul style="list-style-type: none"> • one-off production • personal/personalised • bespoke/made to order • each one is different/unique • individual to each customer photo • customise to the photograph sent in • comparison with batch production • comparison with flow/continuous production • comparison with cell production. <p>Exemplar response:</p> <p>Job production because the jigsaws are one off (1) as each photograph is individual to the customer (1). All other methods would be inappropriate because these methods make identical products (1).</p>	3	<p>One mark for each correct point of explanation up to a maximum of three explanatory points, but all are developed.</p> <p>Do not award arguments relating to small size of business or high skill level required.</p> <p>Award personal /personalised. However, do not award 'personalised jigsaws' as this is the name of the product.</p>

OCR (Oxford Cambridge and RSA Examinations)
1 Hills Road
Cambridge
CB1 2EU

OCR Customer Contact Centre

Education and Learning

Telephone: 01223 553998

Facsimile: 01223 552627

Email: general.qualifications@ocr.org.uk

www.ocr.org.uk

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Telephone: 01223 552552
Facsimile: 01223 552553

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