OCR

Oxford Cambridge and RSA

GCSE

Applied Business

General Certificate of Secondary Education (Double Award) **J226**

General Certificate of Secondary Education **J213**

OCR Report to Centres June 2015

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OCR REPORT TO CENTRES

A241 Business in Action

General Comments:

Preparation for this examination needs to include the taught areas shown on the Specification, the ability to apply learning to a specific business context, the ability to analyse (consider the impacts or consequences) and the ability to evaluate (make a decision with justification). Those candidates who had been fully prepared for this examination generally performed well.

Questions on this unit will either be purely theoretical, applied to the business given in the texts within the question paper itself, applied to a business such as ..., or applied to a business which the candidate has investigated during their programme of study. For questions which required application to the text, it is important that the introductory texts are read very carefully by the candidate and used as appropriate when answering the questions. The texts put the business, in this case First Fresh Ltd, in context and give candidates invaluable information which allow them to apply their answers and enable them to access the higher levels of response on the mark scheme.

When a question asks the candidate about a business which they have studied, then their answer must clearly relate to that particular business. It is not sufficient to simply write the name of the business, state the activity of the business and then write a general, possibly theoretical, answer which could apply to almost any business in existence. Some candidates, when identifying a business which they had studied, had obviously learned a lot about their chosen business, and were able to relate their findings to the question on the paper, but often (for questions 3(c) and 3(d)) there was a limited understanding of what the business needed to change, or the consequences to that specific business of not changing its business practices.

On the 10 mark questions, candidates were able to access Level 2 by demonstrating the application of knowledge without using context. Without context, however, the maximum mark which could be scored is four out of the available 10 marks. Candidates need to be encouraged to use context wherever possible – even if it is as simple as changing 'sales' to 'grocery sales' or 'pay a bonus' to 'pay sales assistants a bonus'. These simple changes will allow candidates to pass beyond four marks. All of the 10 mark questions on the paper require a candidate to evaluate. Candidates need to be taught to analyse their suggestions before reaching a decision. Having made a decision they need to give a reason which is specific to the business and does not simply repeat their previous analysis.

Within the Specification there are clearly identifiable aspects where evaluation questions can be asked. Some of these elements include reference to a business which the candidate has studied and some do not. Careful study of the Specification will enable Centres to plan their visits to businesses to their advantage. An approach to planning the course could be to select a specific business to study for each area of the Specification where 'a business candidates have studied' has been mentioned. The use of the Centre as a business is not usually beneficial to candidates as, all too often, they feel they know more about the way the Centre operates as a business than they actually do.

The range of questions presented on this year's examination paper gave candidates of all abilities the opportunity to demonstrate their understanding. The vast majority of the papers showed that the candidates had, at least, attempted to answer all of the questions set, with a consequent very low question omit rate on the whole paper. The questions addressed a wide range of topics taken from the Specification and were a true test of a candidate's ability to apply their knowledge and understanding of business. The higher tariff, 10 mark questions, gave higher ability candidates the opportunity to fully demonstrate their understanding using contextual application, analysis and evaluation. All candidates appeared to find the supermarket

related context of First Fresh Ltd accessible, most were able to use the information supplied in the supporting text to access the context marks on the paper, as appropriate.

Teachers appear to be using past mark schemes, examiner reports and other OCR resources to good effect to help to prepare candidates for this examination.

Comments on Individual Questions:

Question No.

Q.1(a), (b)
These questions were intended to be relatively straightforward introductory questions. They served their purpose on this paper as most candidates answered them correctly. It should be noted, however, that some students are still confusing type of business 'activity' with type of business 'ownership'. This confusion led some candidates to score zero for question 1(a) as they incorrectly identified the business activity as 'private limited company' rather than 'retail'.

Q.1(c)(i) and (c)(ii)
These further introductory questions were also answered well by the majority of candidates. It should be noted, however, that 'breaking even' or 'getting established' are not suitable business objectives for an organisation which has been trading for over 20 years.

Q.1(d)
As with previous examination series, questions on business ownership appear difficult. This question demanded knowledge of the advantages of being a private limited company, rather than the features of a private limited company. The most common correct answer was 'limited liability'. Those who gave this answer provided an accurate explanation of its benefit. All too often the answers were too vague to gain credit or showed confusion between a private limited company and a public limited company or a partnership.

Q.1d(i) and (ii)
Many candidates were able to identify two economic factors, far fewer were able to explain their impact on First Fresh Ltd. It should be noted that 'taxation' is a political rather than economic factor; likewise 'minimum wage' is a legal rather than economic factor.

Q.2(a)
Candidates appeared to have a good understanding of types of ICT and their purposes. The mark scheme allowed credit to be given for both generic ICT types e.g. word processing and the Internet, as well as supermarket specific ICT types e.g. bar code readers and electronic tills. Candidates were also given credit for answers relating to hardware or software. Where candidates failed to score marks, the most common error was to give a function of ICT rather than a type of ICT e.g. finance or marketing. Most candidates who were able to identify types of ICT were able to explain the purpose of the ICT type identified. Confusion still exists, however, with spread sheets and databases. Databases were frequently cited as particularly useful for numbers, accounts and graphs.

Q.2(b) and (c)
The mark scheme for these two questions gave credit to candidates who had described or explained a task. The majority of answers showed understanding that a finance task was likely to involve money. Far fewer correct responses were received for the human resources task. Common confusion included confusing human resource tasks with physical resource management e.g. transport or, more surprisingly, marketing e.g. advertising.

Q.2 (d)(i) and (ii)
Most candidates were able to give two valid answers for each of these questions. Some confusion still appears to exist between the terms 'employers' and 'employee'. Some candidate suggested answers which were the wrong way round.

Q.2(e)
This question required candidates to suggest ways in which a Store Manager could develop good working relationships with the employees in their supermarket and reach a reasoned judgement on which method it would be best to use. Since the qualification is Applied Business rather than Business Studies, the use of context is important. Whilst many candidates were able to suggest and explain ways of developing good working relationships in general, few were able to contextualise their answers to the supermarket, thus limiting their marks.

Q.3(a)
A wide range of answers were acceptable on this question. The most common error was to state economic factors which were explicitly excluded by the question.

Q.3(b)
The majority of candidates were able to score at least six of the nine available marks on this question. There was, however, a fairly high omit rate on this question which may indicate that some candidates were not familiar with the term 'stakeholder' and were, therefore, unable to access the question. Stakeholders are specifically identified in the Specification.

Q.3(c)
This question asked candidates to describe a change to a business' existing practices. Unfortunately, many candidates reported changes to business practices which a particular business had already made (and stated them in the past tense). Those who correctly grasped the question scored highly.

Q.3(d)
This question required an evaluation of the likely consequences to a business of not making changes to its practices. In contrast with previous series, most candidates did answer correctly in the negative. The use of context was important to score high marks. Many candidates were able to provide context and analyse at least one consequence. Few candidates attempted to evaluate these consequences, i.e. make a justified decision as to which consequence would be the worst for their chosen business.

Q.4(a)
In contrast with previous years, many candidates seemed unclear on the meaning of the term 'ethics'. The question omit rate was also, surprisingly, high. The most common correct answers referred to doing what was 'morally right'. It should be noted that being environmentally friendly or sustainable are clearly distinguished from ethical behaviour on this Specification.

Q.4(b)
There appeared to be a close correlation between candidates who correctly answered question 4(a) and their marks for this question. Those who understood the meaning of the term 'ethics' were able to supply suitable examples. It should be noted that the question asked for a description of ways, not an explanation of why. Those candidates who suggested methods e.g. sell local produce, support a charity, pay the living wage etc. and were able to develop their answers scored highly. Answers relating to recycling and sustainability were not awardable.

Q.4(c)
This question required candidates to consider the four bulleted consequences of not operating ethically and judge which would have the greatest impact on First Fresh Ltd. Most candidates were able to analyse at least one of these consequences and many attempted to argue which one was of the greatest impact. Those who were successful scored at least nine marks on this question. Some of the best answers argued that one of the consequences was the catalyst for all of the others. Such arguments, if well analysed, scored the full ten marks.

A242 Making Your Mark in Business

General Comments:

The aim of the A242 controlled assessment unit is for centres to find a local business which is similar to one of the five scenarios. The controlled assessment materials are available via OCR Interchange. Candidates must use one of the five scenarios provided by OCR. It is not acceptable for centres to create their own scenario. Candidates should use the actual names of their selected business and competitors within their work, rather than using the names within the scenarios. Candidates must ensure that they follow the requirements of the chosen scenario. Scenario 3, for example, requires the candidates to recommend 'ideas of other products or services the business can offer both in its shops and through the internet'. In the work of some candidates, the new products or services were not entirely clear.

When Centres wish to enter portfolios electronically, the OCR Repository must be used and the candidates entered under A242/01. If candidates are entered for A242/02, then hard copy paper portfolios must be sent to the moderator. Under no circumstances is it permissible for Centres to enter candidates for A242/02 and then send a disk to the moderator without supporting hard copy paper portfolios.

Comments on Individual Tasks:

Task 1 (AO2). Candidates must produce an action plan, addressing each of the bullet points within the task (two hours allocated). Candidates would benefit from using a tabular format to design the action plan, clearly showing how each task will be approached. They may find it helpful to include actual and target dates for completion. Candidates would also benefit from focussing the action plan on Task 2, ie to obtain information on target market needs and competitor activity in relation to the business scenario. On completion of Task 1, candidates should then use the action plan as a working document. They may need to make changes to the original plan as the investigation progresses. In order to achieve Level 3, the action plan must be comprehensive and fit for purpose. Monitoring must take place, with changes being made and reasons being given for the changes. Candidates should indicate how the changes have impacted on other actions. The use of colour coding to show the changes and impact of changes is an effective technique.

Task 2 This task is based on research and carries no marks. However, it was apparent from some of the work moderated that questionnaire design was weak and that limited secondary research had been undertaken. As a consequence, some candidates had minimal information on which to base their controlled assessment tasks. These weaknesses were reflected in the marks awarded. In the design of the questionnaire, it was helpful if candidates had an understanding of the marketing mix of the selected business. Primary research could also take the form of an interview with a member of staff, observations, visits, focus group or acting as a mystery shopper. Primary and secondary research should focus on the marketing mix of the business under investigation and at least two of its competitors. It is not necessary for candidates to include all their research findings from Task 2, although inclusion of a copy of the questionnaire is useful. Any appendices should be clearly labelled and cross-referenced to the relevant section of the work.

Task 3 (AO1). A brief introduction would be helpful, stating which real business is being studied and which competitors are being investigated. Candidates are required to clearly identify and describe how the chosen business is currently meeting the needs of the target market within the scenario. The current customers may not necessarily be the target market from the scenario and candidates should describe the target market the business actually has. There tended to be

implied evidence, but this needs to be more explicit in relation to what the business currently offers the target market. The final bullet point within the task requires the candidates to describe **two** ideas of how the business could better meet the needs of its target market and be more successful than its competitors, making reference to the marketing mix. In order to achieve Level 3, candidates must suggest two relevant ideas for improvement, with explicit links to more than one aspect of the marketing mix. Candidates must describe how the ideas will impact on the target market. The two ideas must be based on findings from their primary and secondary research and may be derived from any aspect of the marketing mix: Scenario 1 (eg refurbishing salon, new product(s), price reduction); Scenario 3 (eg new products or services); Scenario 5 (eg new product(s), targeted promotion, price deals).

Task 3 (AO2). Candidates must present their research findings in appropriate formats in relation to both customers and competitors. Candidates would find it useful to research the marketing mix of the business and its competitors. It would be helpful if candidates included a copy of the questionnaire and a tally chart. When analysing questionnaire data, candidates should be encouraged to use percentages. The use of tables to compare products/services and prices of the business and its competitors is an effective technique. For Level 3, there should be accurate interpretation, with detailed coverage of both customers and competitors. Data should be presented in a variety of appropriate formats with supporting explanations eg charts, graphs, tables, location maps. The x and y axes of bar charts should be clearly labelled. There will be few, if any, errors of grammar, spelling and punctuation.

Task 4 (AO1). For Level 2, candidates must provide a comprehensive description of the reasons **why** it is important for businesses to promote. Descriptions are enhanced by the use of a range of examples from different businesses. Some candidates had described **how** rather than **why** businesses promote.

Task 4 (AO2). The item of promotional material must link to one of the ideas from Task 3 eg producing an item of promotional material for the new product idea. For Level 3, the item of promotional material should be clearly applied to the business, the target market and based on research. Some candidates had included a second copy of the promotional material which had been clearly annotated and cross-referenced to show how it was fit for purpose, particularly targeted to research outcomes and target market. Such an approach is helpful to the moderator when confirming the standard. Annotations could also show the reasons for the choices made eg font size, colours and images.

Task 4 (AO3). Candidates must address each of the three sections within bullet point three. A frequent omission was section one – why your chosen item of promotional material is more appropriate than any other.   Candidates may wish to consider a range of promotional media eg leaflet, poster, billboard, newspaper/magazine advertisement, radio, television. Links to the target market need to be clear in the evaluation, including how the promotion will attract the target market. Evidence from research should support judgements. At Level 3, an evaluation of costs may consider different ways of producing and distributing promotional material. Candidates may wish to include a comparison of costs with other promotional media.

Task 5 (AO3). Candidates must use their action plans to address both bullet points within the task. Some candidates would benefit from using a range of criteria to reflect on the positive and negative aspects of their skills and teamwork. For Level 3, candidates are required to reflect on a range of skills, supported by the action plan. An in-depth evaluation is required of their own contribution and reflection on other group members' contributions, with strong and regular links to the action plan. There will be few, if any, errors of grammar, spelling and punctuation. For Levels 2 and 3 candidates need to make links to their action plan. This could include reflecting on the process of creating an action plan and any benefits they derived from this process. The candidates also need to reflect on the changes which they made to the action plan and why they feel those changes were necessary. They may consider whether or not the changes were avoidable had the candidate worked in a different way. Candidates also need to make

judgements about their contribution to the group. Did they have a large or small impact on the group? Were they effective as a team player? What evidence is there for this? Did they take a leading role? Did they solve any issues? Candidates need to support the judgements they are making with examples.

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