

Commentary on candidate evidence

Candidate A

The evidence for these candidates has achieved the following marks for each question of the question paper.

1 (a) (i)

The candidate was awarded **3/3 marks**.

Three objectives for NHS are given:

'...to make the best use of funds' **(1 mark)**

'...to make sure that they are providing the best and highest quality product or service' **(1 mark)** – the word quality here is essential for the mark.

'...to ensure that they are being environmentally friendly' **(1 mark)**

Objectives from the case study and any realistic objectives for the NHS are acceptable.

1 (a) (ii)

The candidate was awarded **1/2 marks**.

'...the NHS is... controlled by the government whereas a public limited company are controlled by a board of directors.' Using 'whereas' indicated a clear distinction between the two points **(1 mark)**

The candidate states that a plc is owned by 1-50 shareholders which is incorrect. **(0 marks)**

Using 'whereas' indicated a clear distinction between the two points.

1 (b)

The candidate was awarded **2/2 marks**.

'...it can be a cost effective way as you could benefit from bulk buying' **(1 mark)**

'...you are purchasing from specialised and high skilled staff and so therefore you will know that it is of the highest quality and standard.' **(1 mark)**

Both answers are explained. The first answer explains that bulk buying can make the purchasing cost effective. The second explains the benefit from purchasing from high skilled staff, in that the product will be of a high quality.

1 (c)

The candidate was awarded **4/4 marks**.

'...it can allow your organisation to focus on its core activities and so this means that core activities should be carried out to a high standard' **(1 mark)**. This leads into the explanation of why it is a benefit.

'...you lose control of what has been outsourced and so this may mean that jobs are not carried out how you would like them.' **(1 mark)**. Again this answer is explained by the use of 'so this may mean'.

A further mark was awarded for a second explanation of the cost of losing control – 'This may also result in less quality and so create a bad image.' **(1 mark)**

'you can save costs on machinery and staff sitting idle by outsourcing as you can use the service only when you need it.' The answer explains why costs are saved. **(1 mark)**.

A second explanation is also given in the answer 'This can reduce the expenses of an organisation on wages or purchasing machinery.' However, full marks have already been reached in the question.

Two further correct points are made however, no further marks are awarded as full marks for this question have already been reached:

'Highly skilled and specialised staff should be doing the work and so this means that the business should be receiving work of a very high standard.'

'...outsourcing might be more expensive as because it is highly skilled staff completing the work they might charge more and so the effect of this is that it might increase an organisation's expenses'

1 (d) (i)

The candidate was awarded **2/2 marks**.

'A tall hierarchy has many layers of management within it, whereas a flat structure only has a few layers.' **(1 mark)**

The comparison of tall and flat is made within one sentence with the use of the word 'whereas'.

The second point about the span of control is incorrect.

'A tall hierarchy has more promotional opportunities for staff whereas a flat structure has less promotion opportunities.' **(1 mark)**

1 (d) (ii)

The candidate was awarded **2/2 marks**.

'This allows each group to focus on their own division which means they will be able to meet the needs of their customers wants and needs.' **(1 mark)**

'...each group will be able to react quickly to changing external factors in their division.' **(1 mark)**

1 (e)

The candidate was awarded **2/4 marks**.

'...it can allow employees to learn from wherever they are' **(1 mark)**

'...it can be costly to initially set up' **(1 mark)**

The last paragraph was awarded no marks. There is almost enough information in the last sentence for a further mark in that employees may not undertake the training thoroughly in comparison to attending a course, however it was not made clearly enough.

1 (f)

The candidate was awarded **3/3 marks**.

Marks awarded for:

- ◆ how many GPs they require **(1 mark)**
- ◆ encouraging applicants by offering incentives **(1 mark)**
- ◆ if training is necessary **(1 mark)**

For a mark to be awarded the factor must relate to planning rather than what the NHS is doing now.

1 (g) (i)

The candidate was awarded **1/1 mark**.

1 mark is awarded for the correct formula. **(1 mark)**

The candidate also describes the ratio in words – 'how many times their current assets will cover their current liabilities.' No additional marks are awarded as full marks for this question have already been reached.

1 (g) (ii)

The candidate was awarded **3/3 marks**.

Three correct uses of the Statement of Financial Position:

- ◆ The Government – 'to see... if they might require a grant.' **(1 mark)**
- ◆ Suppliers – 'to assess how quickly they should get paid' **(1 mark)**
- ◆ Managers – 'to assess if they are going in the right direction' **(1 mark)**

1 (h)

The candidate was awarded **4/4 marks**.

'...they reduce waste by introducing quality methods.' **(1 mark)**

The candidate explains how they reduce waste.

'...recycling materials. By recycling materials it can save the organisation money and it also might attract customers if they appeal to what they are doing.'

(1 mark)

'...reduce energy use and emissions and this will demonstrate them being socially responsible as they will be being environmentally friendly.' **(1 mark)**

A second mark was awarded for giving the effect of this:

'The effect of this is that it could give them a positive reputation.' **(1 mark)**

The final paragraph is repetition.

The case study contains methods used by NHS to demonstrate they are socially responsible. It is acceptable to lift these directly from the case study, provided the answer is then explained.

2 (a)

The candidate was awarded **4/4 marks**.

'...error is minimised as machines do not make mistakes whereas humans easily can.' **(1 mark)**

'A disadvantage is that if a machine breaks down this can majorly affect production and it may have to stop overall.' **(1 mark)**

'Machines do not require breaks or holidays like humans and so this means that production can occur 24/7' **(1 mark)**

'...a disadvantage is that machines can be very expensive and so the initial set up costs might be very high' **(1 mark)**

'...the consistency of products can be maintained as machines to the same over and over.' This would have gained a mark however, full marks for this question have already been reached.

The candidate gave both advantages and disadvantages. As the question does not specifically require candidates to do so, it would be acceptable to give all advantages or all disadvantages.

2 (b)

The candidate was awarded **2/3 marks**.

'Preparing a cash budget can allow a business to plan ahead for example if they will need to get a source of finance organised.' Organising finance is an explanation of planning ahead. **(1 mark)**.

The second point – 'it will allow help aid decision making' is a repetition of the first point.

'...cash budgets can also be used to compare the predicted figures with actual figures and so this can allow a business to see how accurate their predictions are.' **(1 mark)**. This explains the first part of the answer.

The cash budget of a competitor is unlikely to be available so no comparison would be possible and no marks were awarded.

2 (c)

The candidate was awarded **4/4 marks**.

Marks awarded for descriptions of an effective system:

- ◆ not too much inventory being held at one time **(1 mark)**
- ◆ never too little inventory being held at one time **(1 mark)**
- ◆ having good levels of security and well trained staff **(1 mark)**
- ◆ using EPOS to ensure inventory is automatically reordered **(1 mark)**

2 (d)

The candidate was awarded **4/4 marks**.

'...staff can have a say in decision making and so this can allow them to feel trusted.' **(1 mark)**

'...feedback is given from those directly involved in production and so a more honest opinion can be given as usually managers will not know much about the production.' **(1 mark)**

'A third benefit is that regular meetings between managers and employees can help reduce errors and improve the quality throughout production.' **(1 mark)**

A repeated point is made in the fourth paragraph - 'their thoughts are listened to'. This is then developed for a further 'so they may feel motivated to work harder which may increase production.' **(1 mark)**

3 (a)

The candidate was awarded **4/4 marks**.

'An advantage of having a varied product portfolio is that it spreads the risk as an organisation are not relying on only one product to do well and so this reduces the risk of failure.' **(1 mark)**

'It can increase the brand's awareness to customers and so this may increase their market share.' **(1 mark)**

'it makes it easier to introduce new products if you already have products released. This may mean that customers know your previous products are of a high quality and so are confident that any new ones will be too.' **(1 mark)**

'it can allow an organisation to introduce a new product when another comes towards the end of it life cycle. This might mean that the organisation can continue to make sales.' **(1 mark)**

The specific wording is necessary as the command word in the question is 'explain'.

3 (b)

The candidate was awarded **8/8 marks**.

Marks were awarded for descriptions of:

- ◆ Low pricing **(1 mark)**
- ◆ Premium pricing **(1 mark)** with a development point of premium pricing showing high quality **(1 mark)**
- ◆ Skimming pricing **(1 mark)** with a development of the price reducing with competition **(1 mark)**
- ◆ Penetration pricing **(1 mark)** with a development of the price increasing as more customers buy **(1 mark)**
- ◆ Destroyer pricing **(1 mark)**

The candidate has reached full marks for this question, however further points are made:

- ◆ development point of increasing after competitors have gone
- ◆ Competitor pricing
- ◆ Discrimination pricing
- ◆ Loss leaders

3 (c)

The candidate was awarded **3/3 marks**.

'It can allow customers to view your entire range of products all in one place and so this makes it easier for customers' **(1 mark)**

This was developed for a second mark:

‘This might mean that customers are more likely to purchase something as it is easier for them to explore all the products.’ **(1 mark)**

‘Another advantage is that an app can be used by a wide range of people all over the world and so the effect of this is that it might increase the organisations market share.’ **(1 mark)**

‘...an App can be used to promote specific products to different market segments and so this may increase their sales if customers are enticed by the product promoted to them.’ This would also be worth a mark. However, the candidate has already achieved full marks for this question.

The specific wording shows the explanation.

4 (a)

The candidate was awarded **4/4 marks**.

‘Internal recruitment is recruiting and selecting a member of staff for a job who already currently works within the organisation whereas external recruitment is recruiting and selecting someone for a job who does not currently work for the organisation’ **(1 mark)**

‘Recruiting internally can be quick and easy as you already know the employee and what they are good at, whereas, external recruitment is more time consuming as you need to go through the whole recruitment and selection process and find the right person who will work well with everyone.’ **(1 mark)**

‘Internal recruitment will not require much advertising as it will consist of advertising it on the notice board, whereas, external recruitment requires much more advertising in order to find the right person.’ **(1 mark)**

‘If a business recruit a member of staff internally this will mean that now another job will need to be filled whereas by recruiting externally only one job will be filled which will not require going through selection another time.’ **(1 mark)**

‘Recruiting externally will mean that staff will require lots of training and to be shown around the business which can be time consuming, whereas by recruiting internally the member of staff will already know the organisation and so only some training will be required which is less time consuming.’ This would have gained a mark. However, the candidate has already reached full marks for this question.

The use of the word ‘whereas’ clearly indicates the two parts of the answer are distinguished from each other.

4 (b)

The candidate was awarded **0/4 marks**.

The question is not addressed. The ways in which employee needs can be met are not explained. **(0 marks)**

4 (c)

The candidate was awarded **2/2 marks**.

Descriptions of ACAS **(1 mark)** and Trade Unions **(1 mark)** were both awarded marks.

4 (d)

The candidate was awarded **5/5 marks**.

Bank loan:

'...can be repaid in installments' **(1 mark)**

'...interest has to be paid' **(1 mark)**

Grant:

'...does not need to be repaid' **(1 mark)**

'...they can be very difficult to apply for... and so it is not always guaranteed that your organisation will get one' **(1 mark)**

Leasing:

'...the leasing company is responsible for renewing or fixing any products' **(1 mark)**

'...you never actually own the product' No additional marks are awarded as full marks for this question have already been reached.

5 (a)

The candidate was awarded **5/5 marks**.

Marks awarded for explanation of:

- ◆ Planning **(1 mark)**
- ◆ Delegate **(1 mark)**
- ◆ Motivate **(1 mark)**
- ◆ Organising **(1 mark)**
- ◆ Commanding **(1 mark)**

The Fayol roles had to be included in the answer for marks to be awarded.

5 (b)

The candidate was awarded **3/3 marks**.

'...creating temporary project teams' **(1 mark)**

'...within each project team the work should be carried out to a high standard as staff will be specialised.' **(1 mark)**

'...may make an organisation more productive as by working together staff may feel more motivated and therefore work harder' **(1 mark)**

5 (c)

The candidate was awarded **2/3 marks**.

'Strategic decisions are decisions which are made by the top managers or supervisors. Whereas, operational decisions are decisions which are made by employees' **(1 mark)**

'Strategic decisions are long term decisions whereas operational are decisions which are made day to day.' **(1 mark)**

The use of the word 'whereas' indicates comparison within the answer.

No comparison was made in the final paragraph and the points are not sufficiently linked.

5 (d)

The candidate was awarded **4/4 marks**.

Marks awarded for descriptions of success criteria:

- ◆ increase in market share **(1 mark)**
- ◆ change in number of customer complaints **(1 mark)**
- ◆ increase in profit made **(1 mark)**
- ◆ how well the product is selling **(1 mark)**

Total marks

The evidence for this candidate has achieved an overall mark of **81** for the Question Paper.