

Paper Reference(s)

6125/01

Edexcel GCE

Business Studies (9076)

Advanced Level

Unit 5 (6125/01)

Coursework Assignments

June 2007 Examination

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Turn over

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Coursework

Internal assessment

Unit 5: Business planning

Edexcel will prescribe annually two assignment questions relating to Business Planning from which students taking the coursework option select ONE to be undertaken and submitted by **15 May 2007**. It is expected that the Coursework Assignment will be word-processed. It should be no longer than 3,500 words, excluding appendices and diagrams.

It should be noted that students **not** taking the coursework option in Unit 5 will be required to take a written paper of 1½ hours duration based on an unseen case study set by Edexcel.

Aims

Students will be involved in the process of primary research and data collection. The assignment will provide opportunities for students to collect and collate both primary and secondary information in a variety of ways. Students will be required to analyse and evaluate the information, including making judgements and drawing conclusions. Their findings should be presented in an appropriate form. It should encourage students to:

- investigate specific business activities through individual studies;
- collect, select and use business information in ways which are appropriate to the prescribed assignment;
- demonstrate awareness of a variety of solutions to business problems and the need to make reasoned statements and to communicate these effectively;
- enhance underpinning knowledge by encouraging aspects of Business Planning.

Coursework moderation procedures

All centres will receive Optically-read Teacher Examiner Mark Sheets (OPTEMS) for each coursework component.

Centres will have the option of:

EITHER

- recording marks on an Optically-read Teacher Examiner Mark Sheet (OPTEMS). Details of how to complete these will be sent to centres with the OPTEMS.

OR

- recording marks on computer for transfer to Edexcel by means of Electronic Data Interchange (EDI).

Coursework Assignment Assessment Form

A copy of the Coursework Assessment Form is included within this booklet for centres to photocopy (page 9). The Coursework Assessment Form, to be completed for each student, provides details for the moderator of how each student's total mark is reached. It is the teacher's responsibility to ensure that:

- all marks are recorded accurately, including the QWC, and that the arithmetic is correct;
- the total mark is transferred correctly onto the OPTEMS or via EDI;
- any required authentication statement is signed by the student and/or teacher as appropriate.

This should be attached to the front of each student's work.

Internal standardisation

Centres are reminded that it is their responsibility to ensure that where more than one teacher has marked the work, internal standardisation has been carried out. This procedure ensures that the work of all students at the centre is marked to the same standards. The statement confirming this on the OPTEMS or the EDI printout must be signed.

ASSESSING A CANDIDATE'S COURSEWORK ASSIGNMENT

The GCE Business Studies Coursework Assessment Form has been designed for attaching to each assessed assignment submitted for moderation. It may also be used as a working document to enable teachers to keep an on-going record of progress.

The assessment objectives for this specification relate directly to the National Criteria for Business Studies.

It is essential that the assignment is **annotated** with the relevant assessment objective and the level within that objective, in the margin at the point where it is achieved. An example follows at the end of this booklet. **The Assessment Form must be fastened to the front of the assignment.**

MODERATION

Purpose	To ensure consistency of interpretation – it is not a re-marking exercise.
Method	By inspection of a sample of the centre's work, with a reserved right to visit.
Selection of sample	Sample indicated by Edexcel (highest and lowest mark also to be sent if not included in indicated sample).
Mark changes	If necessary by the Assistant Moderator with the agreement of the Principal Moderator.

Using the GCE Business Studies (9076) Coursework Assessment Form

The purpose of the Coursework Assessment Form is:

- to enable teachers to plan coursework which directly targets the assessment objectives;
- for use as a precise assessment tool by teacher examiners;
- to help candidates understand the assessment objectives by which they will be examined.

Completing the Coursework Assessment Form

Candidates gain a single mark within the range offered for each of the assessment objectives.

To obtain this mark it is suggested that the teacher starts with the highest mark range and decides whether or not the candidate's work is within that range. If objective criteria are fully met, then the highest mark may be given.

If partially met, the teacher decides an appropriate mark within that range.

If highest mark criteria are not met, then the teacher looks at the criteria for the next level down, completing the process until the candidate sits comfortably within the mark range and then making a decision as to whether the criteria are fully or partially met. The process is repeated for all four assessment objectives, AO1, AO2, AO3 and AO4.

The Quality of Written Communication mark is placed in the teacher's mark box at the bottom right of the form. The mark for each assessment objective is totalled, **the QWC mark is added**, and the final TOTAL MARK is placed in the teacher's mark box at the bottom right of the form.

It should be noted that the examination option for Unit 5 will be externally assessed using the same approach in judging how effectively a candidate has met the requirements of each of the assessment objectives.

ASSESSMENT CRITERIA

AO1 Demonstrate knowledge and critical understanding of the specified content

Criteria	Marks
Shows detailed evidence of information used from available sources together with effective use of such information in order to demonstrate critical understanding of the specified content	16-20
Shows evidence of information used and a systematic approach to use of data with a demonstration of an understanding of the specified content	11-15
Shows evidence of selection and use of information from more than one source in order to address the question	6-10
Shows evidence of relevant knowledge and understanding of content	1-5

AO2 Apply knowledge and understanding to problems and issues arising from both familiar and unfamiliar situations

Criteria	Marks
Shows the application of detailed knowledge and critical understanding to issues arising from the problem, underpinned by synthesis of theory	16-20
Shows the application of knowledge and critical understanding to issues arising from the problem, underpinned by theory	11-15
Shows the application of knowledge and understanding to issues arising from the problem with some use of theory	6-10
Shows the application of knowledge and understanding to the issues arising from the problem	1-5

AO3 Analyse problems, issues and situations

Criteria	Marks
Analyses problems, issues arising and situations, making valid suggestions as to the data required for a full analysis	16-20
Analyses problems and issues arising and appreciates the limitations of the data	11-15
Attempts to analyse the problem and the issues arising from the problem	6-10
Attempts to analyse the problem	1-5

AO4 Evaluate, distinguish between fact and opinion, and assess information from a variety of sources

Criteria	Marks
Evaluates and distinguishes between fact and opinion and offers a valid recommendation based on the synthesis of the available information	16-20
Evaluates information, distinguishes between fact and opinion and offers a conclusion	11-15
Attempts to evaluate the problem and issues arising from the problem	6-10
Makes a recommendation	1-5

Quality of Written Communication

The requirement for all AS and Advanced GCE specifications to assess students' quality of written communication will be met through all four assessment objectives, according to the following criteria.

Students will be required to:

- select and use a form and style of writing suited to the purpose and appropriate for dealing with complex subject matter;
- organise relevant information clearly and coherently, using specialist vocabulary where appropriate;
- ensure that text is legible and that spelling, grammar and punctuation are accurate, so that the meaning is clear.

Quality of written communication will be assessed in all questions. The assessment will take place for each candidate's script **as a whole** by means of the following criteria.

Level 4

Candidate expresses complex ideas extremely clearly and fluently. Answers are very well structured. Arguments are consistently relevant and well developed. There are few, if any, errors in spelling, punctuation and grammar.

(4)

Level 3

Candidate expresses moderately complex ideas clearly and answers are well structured. Arguments are generally relevant and developed. There are few, if any, errors in grammar, punctuation and spelling.

(3)

Level 2

Candidate expresses straightforward ideas clearly, but not always fluently. Answers are not well structured and arguments may be weakly presented. There may be some errors in grammar, punctuation and spelling.

(2)

Level 1

Candidate expresses simple ideas clearly, but may be confused or imprecise in the expression of ideas. There may be noticeable errors in spelling, grammar and punctuation.

(1)

Total 4 marks

COURSEWORK ASSIGNMENTS FOR JUNE 2007 EXAMINATION

CHOOSE ONE OF THE FOLLOWING

ASSIGNMENT ONE – FINANCIAL PLANNING

Examine an organisation that is undertaking or planning to undertake a **capital expenditure** project.

Assess, with reference to factors such as expected life of the project, risk and expected return, the appropriate sources and methods for financing the project.

ASSIGNMENT TWO – HUMAN RESOURCE PLANNING

Examine the **leadership style(s)** within an organisation.

Recommend, with justification, how the leadership style(s) might be changed to improve factors such as motivation, performance and human resource planning within the organisation.

NOTE: The organisation may be selected from the following:

- (a) a school/college
- (b) a public sector/social enterprise/not for profit organisation
- (c) a private sector business

**EDEXCEL – ADVANCED GCE BUSINESS STUDIES 9076 – UNIT 5 (6125/01)
COURSEWORK ASSIGNMENT ASSESSMENT FORM**

Centre Name

Centre Number

Candidate Name

Candidate Number

Mark range	Assessment Criteria	Teacher Mark	Moderator Mark
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AO1 – Demonstrate knowledge and critical understanding of the specified content

16-20	Shows detailed evidence of information used from available sources together with effective use of such information in order to demonstrate critical understanding of the specified content		
11-15	Shows evidence of information used and a systematic approach to use of data with a demonstration of an understanding of the specified content		
6-10	Shows evidence of selection and use of information from more than one source in order to address the question		
1-5	Shows evidence of relevant knowledge and understanding of content		

AO2 – Apply knowledge and understanding to problems and issues arising from both familiar and unfamiliar situations

16-20	Shows the application of detailed knowledge and critical understanding to issues arising from the problem, underpinned by synthesis of theory		
11-15	Shows the application of knowledge and critical understanding to issues arising from the problem, underpinned by theory		
6-10	Shows the application of knowledge and understanding to issues arising from the problem with some use of theory		
1-5	Shows the application of knowledge and understanding to the issues arising from the problem		

AO3 – Analyse problems, issues and situations

16-20	Analyses problems, issues arising and situations, making valid suggestions as to the data required for a full analysis		
11-15	Analyses problems and issues arising and appreciates the limitations of the data		
6-10	Attempts to analyse the problem and the issues arising from the problem		
1-5	Attempts to analyse the problem		

AO4 – Evaluate, distinguish between fact and opinion and assess information from a variety of sources

16-20	Evaluates and distinguishes between fact and opinion and offers a valid recommendation based on the synthesis of the available information		
11-15	Evaluates information, distinguishes between fact and opinion and offers a conclusion		
6-10	Attempts to evaluate the problem and issues arising from the problem		
1-5	Makes a recommendation		

	Total (mark out of 80)		
	QWC (mark out of 4)		
	Overall Total (mark out of 84)		

Declaration of Authentication: I declare that the work submitted for assessment has been carried out without assistance other than that which is acceptable under the scheme of assessment.

Signed (candidate) Signed (teacher) Date

GCE Business Studies (9076)
Unit 5: Coursework (6125/01)

Examples of annotated sheets

1. Content and Index pages
These show that a systematic approach has been taken by the student towards research. Such a comprehensive approach is expected at A2 level and, what's more, enable the students to gain access to higher criteria within each assessment objective.
2. **AO1 Knowledge** is addressed particularly well with this Introduction page. Not only does it provide background information of the company investigated (Xenon) but it makes clear to the reader the contextual basis of the assignment.
3. The Problem and its Implications. This is a good example of how a student can score under the objective **AO2 Application**. The student has applied the formula Labour Turnover Rate to Xenon and goes on to examine the concepts of productivity and efficiency in context.
4. **AO4 Evaluation**. On this page the student clearly uses the evidence collected to show judgements regarding the company's HR Policies. The use of newspaper articles and/or interview transcripts to show a candidate's ability to distinguish between evidence and opinion would further support the awarding of the objective but at the higher level of 3 or 4.
5. **AO3 Analysis**. Achieved effectively to *at least* level 3 on this page. The candidate analyses his/her own research methodology pointing out the limitations to score at level 3. To gain a level 4 criteria mark, comment which showed development as to why the candidate made use of control questions would, in this example, need to be included, (it appeared later in the assignment).

NB: These examples have been taken from more than one coursework project.

Index

1.

Page Number	Contents	Name
SECTION 2		
4	Table 1.1	Woolworths Market Share- 2001 vs. 2000
4	Table 2.1	Woolworths Market Share - 2001 vs. 2000 - Volume by Area
4	Table 1.3	Entertainment Market Growth vs. Woolworths Growth - 2001 vs. 2000
5	Chart 1.1	Albums Market Share 2001
5	Chart 1.2	Albums Market Share 2002
5	Chart 1.3	Playstation 2 Market Share 2001
5	Chart 1.4	Playstation 2 Market Share 2002
6	Table 1.4	Confectionery Market Share - 2001 vs. 2000
6	Table 1.5	Confectionery Market Growth - 2001 vs. 2000
6	Table 1.6	Clothing Market Share (£) - 2001 vs. 2002
7	Table 1.7	Clothing Market Growth 2002
7	Table 1.8	Home Market Share - 2001
8	Table 1.9	Toys Data - 2001 (Index Numbers)
8	Graph 1.1	Toys Market Share
8	Table 2.0	Key Merchandise Categories and Market Shares
9	Table 2.1	Statement of Total Gains and Losses
9	Table 2.2	Financial Performance Summary
9	Table 2.3	Financial Performance Segmental Result
9	Table 2.4	Financial Performance Sales
10	Table 2.5	Financial Performance Sales Growth
SECTION 3		
12	Graph 1.2	Woolworths Group Stock Level
12	Graph 1.3	In-store Availability
13	Graph 1.4	Woolworths Product Seasonal Sales
18	Graph 1.5	Sales Density Improvements on Conversion to General Store

<p>AO1 Part of level 4 - system to show a systematic approach towards research.</p>
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2.

1. INTRODUCTION

Xenon Ltd. (hereinafter referred to as Xenon) is a private limited company involved in the manufacturing of high-tech machinery, mainly in the vending and automated machinery industry.

For example, one product Xenon is currently selling is computer numerically controlled machinery (CNC). These automated machinery are connected on a computer and controlled through computer-aided machinery programs and computer-aided design programs (CAD and CAM). The desired function to be performed is stated on the program numerically and the CNC performs this task automatically.

Xenon has been operating on a quite profitable basis, however if it wishes to continue this trend into the future, it must deal with some problems it is currently facing. One such problem for Xenon is its excessive labour turnover rate, which could have serious negative consequences for the organisation.

The main concern Xenon should have is what factors lead to the labour turnover rate being high and how it can overcome these problems. Throughout this project I have identified why having a high labour turnover is a problem for Xenon, the reasons why this is occurring in this particular firm and have prepared a plan to overcome it.

Please note that all the information given is on a confidential basis and any personal details of the individuals involved have been omitted (any names used have been changed including the name of the organisation).

**AO1
Knowledge**
- very
useful
introduction
which sets
the scene;
puts the
assignment
into
context.

3.

3. THE PROBLEM AND ITS IMPLICATIONS

Labour turnover rate hereinafter referred to as LTR.

The formula used is:

$$\text{LTR} = \frac{\text{number of separations}}{\text{Average number employed}} \times 100\%$$

$$\text{LTR for 2001} = 9/48 \times 100 = 19\%$$

$$\text{LTR for 2000} = 17/50 \times 100 = 34\%$$

See appendix c for all the calculations made. My aim in this section was to identify if there is a significant problem in the LTR and if this has been increasing over time. Xenon's LTR over the year 2000 has been 19% and has increased to 34% in 2001. My aim throughout this project is to decrease this rate to 15% over a time-scale of 2 years.

My first task was to identify the reasons accounting for the high LTR. After analysing the positions of the people who had left willingly, I discovered that the majority were low skilled. The employees, who have been most loyal to Xenon, are the highly skilled ones, with more challenging job designs, more responsibility and authority in their position. Perhaps their pay and remuneration may have also been better.

The excessive labour turnover highlights a problem occurring with the management of human resources, and therefore the reasons why this is occurring should be investigated and dealt with (this is done in greater depth in the field research). However to make a proper judgement of the level of job morale in Xenon, the LTR needs to be disaggregated further by considering the avoidable separations only.

Formula used:

$$\text{LTR} = \frac{\text{Number leaving - unavoidable separations}}{\text{Average number employed}} \times 100\%$$

$$\text{LTR in 2001} = (17 - 4)/50 = 25\%$$

The unavoidable separations mustn't be ignored as they may still impose costs for Xenon. By considering the voluntary separations only, the LTR will show a more accurate projection of the human resource problem with Xenon. Due to insufficient data, I cannot predict if the LTR has been increasing over time (no information available to disaggregate the LTR of 2000). However a LTR of 25% in 2001 highlights a problem in the human resource management.

A high LTR suggests dissatisfaction by the employees, forcing them to leave and search for jobs elsewhere. This dissatisfaction may affect the organisation in several ways, e.g. a demotivated workforce means productivity and efficiency will decrease, there will be an increase in wastages of resources, ineffective communication with management and many other problems resulting. All these will give Xenon a competitive disadvantage in the long run, as ineffective communication deters the rate of change.

**AO2
Application
Level 2**
- an example
of how a
student
applies
concepts to
the business
chosen. In
this case
applied LTR
to Xenon

**AO2 -
theory**

4.

Another problem Xenon will face is finding workers with the required skills; the unemployment rate in Cyprus is 3%. This implies that the supply of labour is limited and small, minimising the chances that the unemployed have the required skills. Therefore in addition to induction training, further training may be required for the new worker to develop the required skills.

A problem with having a high LTR is that if this trend is continued over a long period of time, Xenon's reputation will be at stake, as it will be seen as a socially irresponsible employer. Such a long-term effect will be detrimental to Xenon in a large number of ways, e.g. reduced sales.

On the other hand a certain degree of labour turnover is essential since having "new blood" into the organisation means that new and fresh ideas will be generated. Xenon is required to keep up with external changes; one way in which it can ensure this, is through recruiting people with new skills. For example, by recruiting enthusiastic students, who have just graduated from university, with fresh ideas and knowledge on modern theories, will also help inspire the older members of the organisation.

In conclusion, having a high LTR will be very detrimental for Xenon. On the short run Xenon will have to cover liabilities imposed through the high LTR, and on the long run it will be seen a socially irresponsible firm, damaging Xenon's reputation. It is essential that it deals with this problem, as a high LTR highlights low morale in Xenon's staff.

<p>AO4 - Evaluation Level 2 - Student clearly uses evidence gathered to show judgement re HR policy</p>
--

5.

5. MARKET RESEARCH - FIELD RESEARCH

I decided to undertake a survey to discover the reasons why the LTR has been so high – obviously motivation is a significant area of investigation.

- Which sampling method?

As the sample frame is known (see appendix a for the sample frame), stratified sampling is the most appropriate technique to use. The interviewees have been segmented into strata, according to the size of each department. The workforce has been segmented further, in relation to the number of women or men in each department and their age groups. This will allow me to identify if there are different needs for males or females, for different ages or different departments.

- Why have I decided to interview only a third of the workforce?

Interviewing all the employees would be very time consuming, both for the employees and on my behalf, as part from having to interview the employees, I must also analyse the information collected. Therefore I decided to interview only a third of the employees – see appendix a for how the sample was undertaken. I felt that this would be a good sample size, which would represent the firm’s general view.

- How was the questionnaire conducted?

The questionnaires were not conducted face-to-face. I handed the questionnaires to one of the managers, who distributed them to specified people I decided to interview on the stratified sample.

- Why did I decide to conduct the questionnaire through this method?

One advantage of conducting the questionnaire like this is that I believe the employees would take the questionnaire more seriously and would be more honest (i.e. receiving a questionnaire through a co-worker rather than by a student). In addition, there will be less discretion to the answers given. One can argue that when conducting an interview face-to-face the interviewee is less reluctant to state his personal opinion. Also this method has allowed the employee more time to carefully think of the answers given.

- What limitations arise from using this research technique?

One disadvantage may be that various questions may be misinterpreted. For example, some employees who are not so fluent in English may not fully understand certain questions. Therefore if I had conducted the surveys face-to-face I could have translated any unclear questions into Greek perhaps.

Another disadvantage may have been that if the employee didn’t take the questionnaire seriously enough, he may have rushed through the questions and answered in a non-representative way. The presence of the interviewee could have eliminated the “bias” problem to a certain extent.

I decided to include some “control” questions to check the level of bias in the questionnaire (i.e. some questions were repeated several times throughout the survey to test the similarity in responses given). This will be examined later in the rationale of questions.

**AO3
Analysis
Level 3**
- student analyses research methodology pointing out limitations to score level 3

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