

A241 Support for 10 Mark Questions

This support document has been designed to demonstrate to centres how the marking of the 10 mark questions in A241 is changing from January 2012.

Levels of Response from January 2012

Level 1 marks are awarded for identifying knowledge.

Level 2 marks are awarded for application and are now split into 3-4 marks and 5-6 marks.

3-4 marks - Application marks are available for the **application of knowledge**. The application marks would be gained by explaining how a business may react, the implications of the candidate's theoretical suggestion or reasons why it is a good/bad idea. Context is not needed.

5-6 marks are awarded if the candidate **applies their knowledge in the context** of the case study business or their chosen business (as detailed by the question). Specific guidance will be given within the mark scheme as to what is needed to access 5 marks.

It must be clear that the candidate is applying their answer to the case study business or to a business which they have studied to move above L2 4 marks. An applied answer can go straight in to L2, as it is not expected that the candidate includes theory in their answer.

Exemplar question

The following context is taken from the June 2010 question paper.

C & D Bank plc has branches throughout the United Kingdom (UK). In recent years, the bank has been careful about the people and businesses to which it lends money. As a result of this it has been more successful than other banks.

C & D Bank plc has aims and objectives. It acts in an ethical manner towards its employees and customers. One of its aims is only to invest money in businesses that also act in an ethical and sustainable way.

Businesses are using more and more ICT to help them operate effectively. ICT needs to be up to date to be the most effective.

C & D Bank plc has a number of stakeholder groups that it has to make sure it considers when taking business decisions. It also has to operate in an environment where there are factors outside its control.

Evaluate the possible consequences to C & D Bank plc of not listening to its stakeholder groups.

[10 marks]

Exemplar mark scheme

Quality of written communication is embedded into the level descriptors.

Level 3 (7-10 marks)

Candidate makes reasoned judgements and presents appropriate conclusions about the likely consequences to C & D Bank plc of not listening to its stakeholder groups.

Must be in context of C & D Bank plc.

7 marks – one consequence analysed.

8 marks – minimum two consequences analysed.

9 marks – makes decision/judgement based on previous analysis. Needs to have correctly analysed the consequence which they have chosen and analysed one of the consequences they have rejected.

10 marks – makes a decision which is fully justified.

Max 8 marks if candidate makes a decision based on analysis of their chosen consequence with no analysis of rejected one(s).

Level 2+ (5-6 marks)

Candidate applies knowledge of likely consequences to C & D Bank plc of not listening to its stakeholder groups.

5 marks – minimum two consequences to be explained in the context of C & D Bank plc **or** one consequence needs developing in context.

6 marks – minimum two consequences need to be developed in the context of C & D Bank plc.

Level 2 (3-4 marks)

Candidate applies knowledge of likely consequences to a business of not listening to its stakeholder groups.

3 marks – explanation of one consequence (no development).

4 marks – an explanation of two consequences **or** one consequence developed.

Level 1 (1-2 marks)

Candidate identifies likely consequences to a business of not listening to its stakeholder groups.

1 mark – identifies consequences to a business of not listening to its stakeholder groups.

2 marks – shows some development of knowledge of consequences to a business of not listening to its stakeholder groups.

Exemplar answers

On the following pages there are five answers to the question:

Evaluate the possible consequences to C & D Bank plc of not listening to its stakeholder groups.

Each answer has an accompanying commentary and the answer is annotated to show the stages at which the different levels of the mark scheme are achieved. The candidate only has to achieve a level once to be awarded a mark within that level. The highlighting shows where context was found within the answer.

Candidate A

The business must listen to its stakeholder groups because they are important. You need to keep staff happy so they work hard and this keeps the customers happy. If the staff were not happy they might leave and then the customers would not be happy (L1).

Commentary

This answer is worth Level 1 - 2 marks. The candidate has done more than just identify consequences of not listening to stakeholder groups, so does not just score 1 mark. The answer does not reach Level 2 as there is no application of the knowledge (either in theory or in the context of C & D Bank plc).

Candidate B

C & D Bank plc has many different stakeholder groups and they will all want different things. The employees will want job security and a good working environment and good pay. If C & D Bank plc does not give them this, then employees will not be happy and might leave (L1). It is not good for a business to have a lot of staff leaving because they have to keep training new ones and this can cost a lot of money (L2). The owners will want to earn money from the business and C & D Bank plc must listen to its owners or they might not want to be owners any more (L2). The local community will want jobs but not a lot of noise or litter around their area. If people in the local community complain, the business must listen because they are might also be its customers and if they are not happy they might stop being a customer (L2). The bank needs to listen to the different stakeholder groups because if they are not happy with the bank they can act and C & D Bank plc could get bad publicity or lose money (L2). It is a lot easier for the bank to listen to its stakeholders because then they will be happy.

Commentary

This answer is worth L2 4 marks. The candidate has applied their knowledge of the consequences of not listening to stakeholder groups. Whilst the name C & D Bank plc is included in the answer there is no context in the answer. If the name of the business was changed to another name the answer would still make sense. There is nothing which relates it directly to the business described in the question paper, other than name-dropping.

The candidate cannot score any more than 4 marks for this answer because of the lack of context, even if it was felt that there was analysis present.

Candidate C

As C & D Bank is a **plc it will have shareholders**. The shareholders might want to receive a big dividend at the end of the year rather than have all the profits put back in to the bank. If they don't get a big dividend they might sell their shares. This could make C & D Bank plc look bad and people lose confidence in the bank (L2+).

Some banks have had a lot of bad publicity in recent years and C & D Bank plc does not want to be seen in the same light as other banks as one of its **aims is to be ethical** so, therefore, it must listen to its shareholders (L2+).

C & D Bank plc has been **careful about who it lends money to** so it has not got into the trouble that a lot of other banks have done. The government is a stakeholder group so if the bank did not listen to the government about being more careful about who it lends money to and how much, then the bank could get into trouble with the government (L2+).

Commentary

This answer is worth Level 2 6 marks. The candidate has clearly read the information in the text boxes within the question paper and used this information to apply their answer in context. The parts of the answer in context are highlighted. The candidate has picked out that the business is a plc and that it is a bank whose aim is to act ethically and that banks have been in the media recently. They have also included the fact that the business lends money and it is careful about to whom it lends money. There is very good context in this answer. Consequences have been developed in the context of C & D Bank plc. The answer goes straight to 5 marks at the first L2+ annotation. This answer does not reach Level 3 as there is no analysis.

Candidate D

There are lots of different stakeholder groups in C & D Bank plc. These are customers, employees, managers, owners. All of these groups have an interest in the business. The customers want good service, the employees and managers want to be happy in their job and the owners want a financial return on their investment. It is important that C & D Bank plc listens to these groups ().*

*Some customers want to **borrow money from the bank** and others will want to **save money**. C & D Bank plc needs to ensure that it listens to its customers and offer **interest rates** that will be favourable to both sorts of customers or else its customers will go to another bank (L2+). C & D Bank plc could, therefore, see a decrease in profit as there are **lots of other banks on the high street** that customers could choose to go to instead (L3).*

Commentary

This answer is worth Level 3 7 marks. At the (*), the candidate has not gained any marks. This paragraph is an introduction to the answer but in an examination valuable minutes could be spent/used on such an approach. The second paragraph gains all of the marks and if it had been the only paragraph the candidate would still be awarded 7 marks. This example shows that accurate answers in context will be successful.

Candidate E

C & D Bank plc has a number of different stakeholder groups and it must listen to these groups in order to keep them happy. The bank states that it “acts in an ethical manner towards its employees and customers”. This would mean listening to the needs of the employees and customers. If the bank did not listen to its employees they would not be as motivated to work there. This could lead to conflict with the trade union, another stakeholder group (L2+). The media could be told that the bank is not acting in an ethical way. This would create bad publicity for C & D Bank plc which at a time when banks are not seen in a good light by the general public could have a knock on effect in making customers want to move to another bank, (L2+) therefore, potentially decreasing the profits of C & D Bank plc (L3).

One of the aims of C & D Bank plc is only to invest money in businesses that also act in an ethical and sustainable way. As it is a plc it will have shareholders. These shareholders will want to make sure that this is happening so that the bank makes money and they gain a dividend and also keep the good reputation of the bank. If the bank started to lend money to businesses which did not act in an ethical manner the shareholders might want to sell their shares as they do not want to be linked to a business that is not acting in an ethical manner (L2+). The value of shares could decrease and so C & D Bank plc might make less profit meaning that the remaining shareholders might receive a small dividend making them unhappy (L3).

I think that the most important consequence would be bad publicity in the media because the general public would only want to invest their money in a bank that is successful and not closing down or having to borrow money from the government. Without customers C & D Bank plc would not survive so, therefore, this is the most important consequence (L3+).

Commentary

This answer is worth Level 3 10 marks. There is very good context throughout this answer. The candidate has tackled the consequences of not listening to a number of different stakeholder groups. These have been applied in context and then analysed. annotated with (L3). A conclusion has been drawn based on the previous analysis of the consequences. This answer gains 10 marks as the conclusion is fully justified.

Teaching strategies

Candidates need to have experience in writing at length. Studying the specification will show that there are only a limited number of aspects about which evaluation (or assess) questions can be asked. Candidates can be asked about the case study business or a business they have studied. It will be clear in the question which they are required to do. If the question refers to the case study business (in this support document, C & D Bank plc) the candidates must use the information in the text boxes to help them answer the question and put their answer in context.

Candidate C above shows that 5 marks can be awarded without writing a huge amount if the answer is in context (and answers the question). There is no requirement to start the answer with a lot of background theory. If the answer is applied correctly it is assumed that the underpinning knowledge is there and so an answer could go straight into Level 2.

These answers can be used with your students to help them to understand the requirements of this question paper. Students can mark these answers and check the requirements in the mark scheme at each level. (The exemplar answers are repeated below with all annotations removed to be used for this purpose).

The mark schemes for this type of question follow the same pattern as detailed above with additional information on the context that is allowed (or not) to assist examiners.

Exemplar answers – student activities

Below are five answers to the question:

Evaluate the possible consequences to C & D Bank plc of not listening to its stakeholder groups.

1. For each answer, check the mark scheme and decide what level is achieved and how many marks should be awarded.
2. Using the commentaries above, match them up to the answers below.
3. Write your own answer to the question, mark this through peer assessment, asking your partner for any advice on improvements you could make.

Candidate A

The business must listen to its stakeholder groups because they are important. You need to keep staff happy so they work hard and this keeps the customers happy. If the staff were not happy they might leave and then the customers would not be happy.

Candidate B

C & D Bank plc has many different stakeholder groups and they will all want different things. The employees will want job security and a good working environment and good pay. If C & D Bank plc does not give them this, then employees will not be happy and might leave. It is not good for a business to have a lot of staff leaving because they have to keep training new ones and this can cost a lot of money. The owners will want to earn money from the business and C & D Bank plc must listen to its owners or they might not want to be owners any more. The local community will want jobs but not a lot of noise or litter around their area. If people in the local community complain, the business must listen because they are might also be its customers and if they are not happy they might stop being a customer. The bank needs to listen to the different stakeholder groups because if they are not happy with the bank they can act and C & D Bank plc could get bad publicity or lose money. It is a lot easier for the bank to listen to its stakeholders because then they will be happy.

Candidate C

As C & D Bank is a plc it will have shareholders. The shareholders might want to receive a big dividend at the end of the year rather than have all the profits put back in to the bank. If they don't get a big dividend they might sell their shares. This could make C & D Bank plc look bad and people lose confidence in the bank.

Some banks have had a lot of bad publicity in recent years and C & D Bank plc does not want to be seen in the same light as other banks as one of its aims to be ethical so, therefore, it must listen to its shareholders.

C & D Bank plc has been careful about who it lends money to so it has not got into the trouble that a lot of other banks have done. The government is a stakeholder group so if the bank did not listen to the government about being more careful about who it lends money to and how much, then the bank could get into trouble with the government.

Candidate D

There are lots of different stakeholder groups in C & D Bank plc. These are customers, employees, managers, owners. All of these groups have an interest in the business. The customers want good service, the employees and managers want to be happy in their job and the owners want a financial return on their investment. It is important that C & D Bank plc listens to these groups.

Some customers want to borrow money from the bank and others will want to save money. C & D Bank plc needs to ensure that it listens to its customers and offer interest rates that will be favourable to both sorts of customers or else its customers will go to another bank.. C & D Bank plc could, therefore, see a decrease in profit as there are lots of other banks on the high street that customers could choose to go to instead.

Candidate E

C & D Bank plc has a number of different stakeholder groups and it must listen to these groups in order to keep them happy. The bank states that it "acts in an ethical manner towards its employees and customers". This would mean listening to the needs of the employees and customers. If the bank did not listen to its employees they would not be as motivated to work there. This could lead to conflict with the trade union, another stakeholder group. The media could be told that the bank is not acting in an ethical way. This would create bad publicity for C & D Bank plc which at a time when banks are not seen in a good light by the general public could have a knock on effect in making customers want to move to another bank, therefore potentially decreasing the profits of C & D Bank plc.

One of the aims of C & D Bank plc is only to invest in businesses that also act in an ethical and sustainable way. As it is a plc it will have shareholders. These shareholders will want to make sure that this is happening so that the bank makes money and they gain a dividend and also keep the good reputation of the bank. If the bank started to lend money to businesses which did not act in an ethical manner the shareholders might want to sell their shares as they do not want to be linked to a business that is not acting in an ethical manner. The value of shares could decrease and so C & D Bank plc might make less profit meaning that the remaining shareholders might receive a small dividend making them unhappy.

I think that the most important consequence would be bad publicity in the media because the general public would only want to invest their money in a bank that is successful and not closing down or having to borrow money from the government. Without customers C & D Bank plc would not survive so, therefore, this is the most important consequence.