



ASSESSMENT and
QUALIFICATIONS
ALLIANCE

Mark scheme

June 2003

GCSE

Business B

3133 (Full course)

Paper 3H

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Higher Tier**3133/3H**Broad Principles:

- Most questions have a levels mark scheme, some have up to four levels, some up to three and some up to two.
- In all levels mark schemes, examiners must start at the top level and use the level descriptor to see if the candidate response matches that descriptor. If the response does not match the descriptor, examiners should move down to the next level until the appropriate descriptor is matched by the candidate response.
- Once the correct level has been identified, examiners will also have to decide which mark to award within that level. This will be done by using the level descriptor, any further guidance and where applicable the exemplar responses. At its simplest, this will require the examiner to decide if the candidate is operating at the top, middle or bottom of a level that has three marks available to be awarded.
- Examiners should take great care, when using the range of marks for each level, to award the right number of marks for each response.
- For most questions a list of possible points is included in the mark scheme. This is not intended to be a comprehensive list. Nor is the wording deemed to be the only acceptable form for which marks may be awarded. Examiners will need to use their judgement as to whether a point made by the candidate is relevant to the question. Team leaders may be used for advice where examiners are unable to make such a decision.

1.**Total for the question: (45 marks)**

(a) Explain what is meant by the term Ltd.

(4 marks)

Possible points include:

- A ltd is a limited company.
- A limited company is a form of business organisation.
- It is owned by share holders
- A limited company has limited liability which means that the owners can only lose the amount they have invested in the company not their personal possessions.
- A ltd has legal entity.

Level 1 Statement of Knowledge

(4 – 1 marks)

A typical example might read as follows:

“ A limited company is a form of business organisation (1) owned by shareholders. (1) They all have limited liability (1) which means that they cannot lose their possessions if the business is bankrupt. (1)”

(b) Huxleys Mill Ltd tries to attract new customers by:

- free samples
- permanent low prices
- well trained staff

Discuss the advantages and disadvantages of each of these methods and explain which you think would be the most effective. (12 marks)

Possible points include:

Free Samples

- Would need to be packaged specially
- Means giving away the product so they will lose some money
- They already have the products

Permanent low prices

- Would reduce their profits
- Would attract customers away from competitors
- Would increase demand

Well trained staff

- It would cost them to train their workforce
- It would take a lot of time
- It would give a good impression to customers
- They would be able to advise customers

Level 4

The candidate makes a conclusion or reasoned judgement from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. All 3 methods of advertising discussed correctly. An advantage and a disadvantage of each option is given. The answer is in the context of the case study. Judgements made are justified.

(12 – 9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons for Huxley's Mills (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to Huxley's Mills (9 marks)

Level 3

Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the problem situation. All 3 methods discussed correctly. An advantage and/or a disadvantage of each option is given. The answer is in the context of the case study. **(8 – 6 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Huxley's Mills (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Huxley's Mills (6 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Methods discussed correctly. An advantage and/or a disadvantage of at least 2 options are given. The answer is in the context of the case study. (5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Huxley's Mills (5 marks)

Some use and application of relevant business knowledge and understanding within the context of Huxley's Mills (4 marks)

Level 1 Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed point (s) Answer not in context of the case study. (3 – 1 mark)

Three separate undeveloped points are given or two points are described but without any link to Huxley's Mills situation. (3 marks)

One point given with no link to Huxley's Mills situation (1 mark)

Note: Mention of Huxley's Mills is not sufficient to put an answer into context

- (c) Explain whether you think Brian's existing pay and the company vehicle would motivate him. (12 marks)

Possible points include:

Salary

- Salary does not act as a motivator, it only demotivates people if they don't earn enough.
- Salary is needed so that Brian can meet his need to survive.
- If he did not earn any money he could not afford to live.
- Brian's salary is fixed whether he works hard or not so he will not be motivated to sell a lot of feed.
- Salary probably is not important to Brian, he will be more motivated by the need to tell his manager how many farms he has visited.

Company vehicle

- If it is a good vehicle it will make Brian feel that he is valued
- A company vehicle will provide Brian with esteem
- A vehicle is needed for Brian to deliver feed and do his job so he won't really see it as a perk.

Level 4 Evaluation

The candidate makes a conclusion or reasoned judgement from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. The advantages and disadvantages of both a company vehicle and a fixed salary are discussed. Judgements made are justified in terms of the advantages and disadvantages of the methods used or in terms of a consideration of alternatives. **(12 – 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons of the methods of motivation (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to Huxley's Mills (9 marks)

Level 3 Selection/Organisation/Analysis and Interpretation

Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the problem situation. The advantages and disadvantages of both a company vehicle and a fixed salary are discussed. **(8 - 6 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Huxley's Mills (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Huxley's Mills (6 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. The advantages and/or disadvantages of a company vehicle and/or a fixed salary are discussed. (5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Huxley's Mills *(5 marks)*

Some use and application of relevant business knowledge and understanding within the context of Huxley's Mills *(4 marks)*

Level 1 Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed point (s) Answer not in context of the case study. (3 – 1 marks)

Three separate undeveloped points are given or two points are described but without any link to Huxley's Mills situation *(3 marks)*

One point given with no link to Huxley's Mills situation *(1 mark)*

(d) Explain what sort of management style best describes Brian’s boss. (8 marks)

Possible points include:

- Authoritarian style because he has to fill in a lot of forms
- Autocratic style
- He is checked up upon regularly
- He insists that certain aspects of the job are done routinely
- He has not discussed the pay change with Brian
- He is not democratic or laissez faire
- Not paternalistic

Level 3

Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation. The answer is in the context of the case study.

(8 – 6 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Huxley’s Mills (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Huxley’s Mills (6 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Management style is discussed correctly. The answer is in the context of the case study.

(5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Huxley’s Mills (5 marks)

Some use and application of relevant business knowledge and understanding within the context of Huxley’s Mills (4 marks)

Level 1 Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed point (s) Answer not in context of the case study.

(3 – 1 mark)

Three separate undeveloped points are given or two points are described but without any link to Huxley’s Mills situation (3 marks)

One point given with no link to Huxley’s Mills situation (1 mark)

- (e) Introducing a system of commission only is a major change. Explain how Huxleys Mill could manage a change such as this. *(9 marks)*

Possible points include:

- Consult with the workers
- Explain the need for the change
- Explain how the change would affect the workers
- Ensure that they understood how the pay method would work
- Consult with any unions
- Not rush the change
- Explain how the change would benefit the workers

Level 3

Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation. The answer is in the context of the case study.

(9 – 7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Huxley's Mills *(9 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Huxley's Mills *(7 marks)*

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Management of change is discussed correctly. The answer is in the context of the case study.

(6 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Huxley's Mills *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of Huxley's Mills *(4 marks)*

Level 1 Statement of Knowledge

Limited understanding shown. Listed point (s) Answer not in context of the case study.

(3 – 1 mark)

Three separate undeveloped points are given or two points are described but without any link to Huxley's Mills situation *(3 marks)*

One point given with no link to Huxley's Mills situation *(1 mark)*

2.

Total for the question: (56 marks)

- (a) Describe the costs and benefits that the hotel brings to the town of Aldeford. Explain whether you think the benefits outweigh the costs. *(12 marks)*

Possible costs include:

- More traffic
- More noise
- More pollution
- Less permanent employment more seasonal
- Low paid jobs

Possible benefits include:

- More jobs
- People getting jobs in the hotel will have more money to spend in other businesses in the town.
- Tourists will spend more money in the town
- It is a nicer place to live if there are smart hotels rather than empty premises
- It is livelier
- Somewhere to go for local people

Level 4 Evaluation

The candidate makes a conclusion or reasoned judgement from the logical evaluation of the evidence in the case study and using Business studies knowledge about the costs and benefits of a hotel to the community around Aldeford. **(12 – 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons for the town of Aldeford *(12 marks)*

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the town of Aldeford *(9 marks)*

Level 3

Information has been selected from the case study about the hotel or Aldeford. The candidate effectively applies business terms/concepts to analyse cost and a benefit to the town. The answer is in the context of the case study. No conclusion is reached. **(8 -6 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the hotel and town of Aldeford *(8 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the hotel and the town of Aldeford. *(6 marks)*

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. A cost and/or a benefit is given. The answer is in the context of the case study. (5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of the hotel *(5 marks)*

Some use and application of relevant business knowledge and understanding within the context of the hotel *(4 marks)*

Level 1 Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed point (s) Answer not in context of the case study. Unsupported conclusion made. (3 – 1 mark)

Three separate undeveloped points are given or two points are described but without any link to the hotel situation *(3 marks)*

One point given with no link to the hotel situation *(1 mark)*

(b) Explain three location factor which might have been important when the Cooke family were buying a hotel in Aldeford. Explain which of these you think was the most important.

(12 marks)

Possible points include:

- Cost
- Proximity to beach
- State of repair
- Amount it would cost to get to the right standard.
- Type of building
- Scope for their plans
- Parking facilities
- Location of competitors
- Size and room for expansion

Level 4

The candidate makes a conclusion or reasoned judgement from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Judgements made are justified. 3 factors affecting location are correctly discussed. The answer is in the context of the case study. **(12 – 10 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the the factors affecting location *(12 marks)*

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge for the hotel. *(10 marks)*

Level 3

Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the problem situation. All 3 options discussed correctly. The answer is in the context of the case study. **(9 – 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the hotel *(9 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the hotel *(7 marks)*

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Methods discussed correctly. A description of at least 2 options are given. The answer is in the context of the case study. **(6 – 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of the hotel *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of the hotel *(4 marks)*

Level 1 Statement of Knowledge

**Straight copying of case study material and limited understanding shown. Listed point (s)
Answer not in context of the case study. (3 – 1 mark)**

Three separate undeveloped points are given or two points are described but without any link to the hotel situation *(3 marks)*

One point given with no link to the hotel situation *(1 mark)*

(c) Describe the possible effects on the hotel of the cash flow problem.

(8 marks)

Possible points include:

- Unable to pay bills such as rent or rates
- Unable to pay staff over the winter
- Lose good chef because they can't afford to pay him over the winter
- Can't afford to do maintenance during the winter

Note: Start at level 2 and if not applicable move to the next level.

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the hotel. At least 2 effects on the hotel are given. The answer is in the context of the case study. (8 – 5 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of the hotel (8 marks)

Some use and application of relevant business knowledge and understanding within the context of the hotel (5 marks)

Level 1 Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed point (s) Answer not in context of the case study. (4 – 1 mark)

Four separate undeveloped points are given or two points are described but without any link to the hotel situation (4 marks)

One point given with no link to the hotel situation (1 mark)

- (d) Explain what you think would be the most important details on the advertisements for head chef to ensure it only attracted good candidates for the job. (12 marks)

Possible points include:

- Fully trained
- Elegantly furnished or luxury hotel
- Family owned and run hotel
- Excellent salary for the right candidate
- High salary quoted in the advert such as £20 000
- That the hotel has an excellent reputation for first class cuisine

Level 4

The candidate makes a conclusion or reasoned judgement from the logical evaluation of the context and using Business studies knowledge. In the conclusion the candidate gives a reason why certain details in the job advertisement are the most important. The candidate explains why at least two aspects of an advertisement will only attract good candidates. (12 – 9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the most important factors (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge for the hotel (9 marks)

Level 3

The candidate effectively applies business terms/concepts to address and analyse the problem/situation. Appropriate information is selected and the reason for its importance is explained. The candidate explains why at least two aspects of an advertisement will attract candidates. (8 – 6 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the hotel (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the hotel (6 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. At least two suggestions are made as to important information to be included. The answer is in the context of the case study. (5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of the hotel (5 marks)

Some use and application of relevant business knowledge and understanding within the context of the hotel (4 marks)

Level 1 Statement of Knowledge

**Straight copying of case study material and limited understanding shown. Listed point (s)
Answer not in context of the case study. (3 – 1 mark)**

Three separate undeveloped points are given or two points are described but without any link to the hotel situation (3 marks)

One point given with no link to the hotel situation (1 mark)

- (e) Explain why the hotel might wish to attract local customers to the restaurant rather than tourists. (12 marks)

Possible points include:

- Locals will visit all year round
- Tourists will only come at certain times of the year
- It would be easier to establish a good reputation with people who live near
- It would help the cash flow
- It is easier to advertise by word of mouth to locals
- May have more money to spend
- Tourists are less likely to come back week after week

Level 4 Evaluation

The candidate makes a reasoned judgement from logical evaluation of the evidence in the case study and using business studies knowledge as to why local customers should be attracted rather than tourists. Judgements are made in relation to both an advantage of local customers and a disadvantage of tourists. (12 – 9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons for the hotel (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the hotel (9 marks)

Level 3

The candidate effectively applies business terms/concepts to address and analyse the problem/situation. Analysis is made as to the effects of attracting local customers. No judgements are made as to why locals are the more important customers to attract than tourists. At least 2 reasons for attracting local customers are given. (8 – 6 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the hotel (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the hotel (6 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. The answer is in the context of the case study. A reason for attracting local customers or not attracting tourists is given. (5 – 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of the hotel (5 marks)

Some use and application of relevant business knowledge and understanding within the context of the hotel (4 marks)

Level 1 Statement of Knowledge

**Straight copying of case study material and limited understanding shown. Listed point (s)
Answer not in context of the case study. (3 – 1 mark)**

Three separate undeveloped points are given or two points are described but without any link to the hotel situation (3 marks)

One point given with no link to the hotel situation (1 mark)

Marking Criteria for Quality of Written Communication

High performance Candidates spell, punctuate and use the rules of grammar with almost faultless accuracy, deploying a range of grammatical constructions. They use a wide range of specialist terms adeptly and with precision. **5 - 4 marks**

Intermediate performance Candidates spell, punctuate and use the rules of grammar with considerable accuracy. They use a good range of specialist terms with facility. **3 - 2 marks**

Threshold performance Candidates spell, punctuate and use the rules of grammar with reasonable accuracy. They use a limited range of specialist terms appropriately. **1 mark**

Below threshold performance Candidates do not meet the threshold performance criteria **0 marks**