



General Certificate of Secondary Education

Business Studies 3133/3H

Specification B

Mark Scheme

2005 examination – June series

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

1

Total for this question: 55 marks

(a) Explain what is meant by the term “franchise”.
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(4 marks)

Possible points include:

- Form of business ownership
- Where the owner buys the right to trade under an established name
- Rights are sold by the franchiser
- Rights are sold to the franchisee
- Products provided by the franchiser
- Like McDonald’s, Prontaprint, Hertz, Dynarod, BSM, Wimpy, KFC, Burger King, Body Shop.

Level 1 Statement of Knowledge

(4 - 1 marks)

A typical example might read as follows:

“A franchise is a form of business ownership (1) where the franchisee (1) buys from the franchiser (1) the right to trade under his name. (1)

- (b) Describe the likely advantages and disadvantages of being a franchisee of MacB's. Explain which factor is likely to be the most important to someone who is considering buying a MacB's franchise. (12 marks)

Possible points include:

Advantages

- An established name
- A well known product
- Benefit from the advertising done by the franchiser
- Benefit from the research and development done
- Advice from the franchiser
- Less risk of failure
- Chance of more profit

Disadvantages

- Very expensive to set up
- Not have as much control over how the business is run
- Have to buy all the raw materials from MacB's
- Quality is same in each outlet
- Little chance to show individuality
- (Idea of) royalty payment

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10 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. Data is correctly interpreted and analysed. (9 - 7 marks)

Clear good analysis based on the selection of appropriate information in the case study and effective application of knowledge of franchising to MacB's. An advantage and a disadvantage described. (9 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of franchising to MacB's. An advantage and a disadvantage stated. (7 marks)

- (c) Describe **three** methods of quality control that the supplier of MacB's burger could use to ensure it meets the high standards that MacB's demand. Explain which you think would be the most effective method for the supplier to use. (12 marks)

Possible methods include:

TQM

- Everybody is involved in ensuring quality at all stages in the production.
- Workers on the shop floor contribute and are responsible for quality.
- Quality starts with the design of the burger.
- Suppliers and the materials are part of the quality.
- Quality needs to be built into the whole process of production of the burger.
- May be slow.
- May be expensive to begin with in terms of training and time.

CHECKS DURING THE PRODUCTION or STATISTICAL PROCESS CONTROL or QUALITY ASSURANCE

- Burgers not up to standard are destroyed before they are fully made.
- Results in wastage but not as much as at the end of the process.
- Employees concentrate on speed of production.
- Production may be slower than checking at the end.
- May cost more in the long run.

CHECKS AT THE END OF THE PROCESS

- Checks at the end of production process.
- Burgers not up to standard are destroyed.
- Results in wastage.
- Employees concentrate on speed of production
- May cost more in the long run.

KAIZEN

- An extension of TQM
- The burger chain attempts to have continuous improvement of the burgers and/or the process of making the burgers
- Idea of dealing with possible problems before they happen

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10 marks)

The candidate makes a reasoned conclusion based upon a clear description of three suitable methods of quality control applied to burgers. (12 marks)

The candidate gives a clear description of three suitable methods of quality control applied to burgers and states which would be the most effective. (10 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. Data is correctly interpreted and analysed. (9 - 7 marks)

The candidate gives a clear description of three suitable methods of quality control applied to burgers. (9 marks)

The candidate gives a basic description of two suitable methods of quality control applied to burgers. (7 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. (6 - 4 marks)

The candidate gives a clear description of one method of quality control applied to burgers. (6 marks)

The candidate gives a basic description of one method of quality control applied to burgers. (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)

The candidate gives three methods of quality control. (3 marks)

The candidate gives a method of quality control. (1 marks)

(d) MacB's is planning to advertise its healthier, low-fat burger. There are certain restrictions or constraints on what it is allowed to say.

(i) Explain how MacB's advertising is subject to **both**:

- ethical constraints;
- legal constraints.

(10 marks)

Possible points include:

- Ethical constraints
- Health of customers
- Age of likely customers – targeting children
- Legal constraints
- Must be accurate
- Must not be offensive

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. Data is correctly interpreted and analysed.

(10 - 9 marks)

The candidate gives a clear explanation of the way in which MacB's are subject to **both** ethical and legal constraints. *(10 – 9 marks)*

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study.

(8 - 6 marks)

The candidate gives an explanation of a way in which MacB's are subject to either ethical or legal constraints. *(8 marks)*

The candidate gives a description of the way in which MacB's are subject to either ethical or legal constraints. *(6 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.

(5 - 1 marks)

The candidate lists five ways in which MacB's are subject to either ethical and / or legal constraints. *(5 marks)*

The candidate gives a way in which MacB's are subject to either ethical or legal constraints. *(1 mark)*

(ii) Explain which of these constraints is likely to be most important to MacB's. (4 marks)

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. Judgements made are justified often in terms of the consideration of alternatives. (4 - 1 marks)

The candidate chooses a constraint and fully justifies why it would be the most important. (4 marks)

The candidate chooses a constraint and gives a reason for the choice. (1 mark)

(e) MacB's needs to think about the methods it could use to price the new healthier, low-fat burger. It is considering:

- cost plus pricing;
- creaming / skimming;
- loss leaders.

Describe the advantages and disadvantages to MacB's of using these methods. Explain which of these you think would be the most effective in persuading people to try the new burger. (12 marks)

Possible points include:

Cost plus pricing

Advantages	Disadvantages
Adds up all the costs involved in making the burgers and adds a percentage for the profit. Therefore profit built in.	Does not take into account competitors.
Simple to calculate.	Does not take into account what customers are prepared to pay.
	People may think it is too expensive

Creaming/skimming

Advantages	Disadvantages
Charge a high price to begin with so people will think it is better quality.	More suitable for unique goods not burgers.
In time when other competitors have copied MacB's can lower the price.	People may not be prepared to pay a high price for a burger.

Loss leaders

Advantages	Disadvantages
They will expect customers to buy other full price items with the burgers and make a profit on these.	Will mean that they charge a low price making no profit on that Burger.
Customers will think well of the business.	People might associate low price with poor quality.
Customers will be attracted by the offer. Also accept Can raise price later on.	Other businesses may follow.

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10 marks)

The candidate makes a reasoned conclusion based upon a clear description of an advantage and disadvantage of each of the three methods of pricing. (12 marks)

The candidate gives a clear description of an advantage and disadvantage of each of the three methods of pricing and states which would be the most effective. (10 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. Data is correctly interpreted and analysed. (9 - 7 marks)

The candidate gives a clear description of an advantage and disadvantage of each of the three methods of pricing. (9 marks)

The candidate gives a basic description of an advantage or disadvantage of each of the three methods of pricing. (7 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. (6 - 4 marks)

The candidate gives a clear description of an advantage or disadvantage of two methods of pricing. (6 marks)

The candidate gives a basic description of an advantage or disadvantage of a method of pricing. (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)

The candidate gives three listed advantages or disadvantages. (3 marks)

The candidate gives an advantage or disadvantage of a method of pricing. (1 mark)

2

Total for this question: 46 marks

- (a) Possible applicants who contact Helen about the Park Ranger post are sent a job description and a person specification.

Explain why Welford Council uses **both** a job description and a person specification.

(12 marks)

Possible points include:

Job description needed so that candidates can find out

- Main duties
- Hours worked
- Where based
- Pay Scale
- Conditions of service
- Who they are responsible to
- Holidays
- Job title
- Who they are responsible for
- Purpose of the job
- Line management
- Location

Person specification sent out so that candidates can find out

- What skills are needed
- What experience is needed
- What qualifications are needed

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10 marks)

A statement made as to why they are needed beyond an explanation of content.

E.g. “If you don’t have a person specification then it will be harder to choose who to interview”

The candidate fully explains the Welford council needs to use both a job description and a person specification. (12 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. Data is correctly interpreted and analysed. (9 - 7 marks)

No judgement made as to the need for both

The candidate gives a clear description of the ways in which Welford council might use either a job description or a person specification. (9 marks)

The candidate gives a description of the way in which Welford council might use either a job description or a person specification. (7 marks)

(b) The job advertisement could be:

- placed on a website on the internet that lists UK job vacancies;
- placed in a local newspaper;
- sent directly to universities.

Describe the advantages and disadvantages of these options. Explain which you think could be the most effective for Welford County Council. (12 marks)

Possible points include:

Placed on a website on the internet that lists UK job vacancies;

Advantages	Disadvantages
Internet easily available at job centres.	Internet only available to some (a few).
Available at libraries.	People interested in countryside may not have the skills to access it.
Becoming a popular way to look for a job.	
Cheap.	

Placed in a local newspaper;

Advantages	Disadvantages
Available at libraries.	Not enough qualified people will see the advert.
Will be seen by most people in the area.	Needs to be advertised for more than one day/week?
	Needs to be advertised over a wider area.

Sent directly to universities

Advantages	Disadvantages
Cheap.	May not pass on details of the job.
Qualified people will see the advert.	Needs someone with 2 years experience so will have left university.

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10 marks)

The candidate makes a reasoned conclusion based upon a clear description of an advantage and disadvantage of each of the three methods of advertising the job. (12 marks)

The candidate gives a clear description of an advantage and disadvantage of each of the three methods of advertising the job and states which would be the most effective. (10 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. Data is correctly interpreted and analysed. (9 - 7 marks)

The candidate gives a clear description of an advantage and disadvantage of three methods of advertising the job. (9 marks)

The candidate gives a basic description of an advantage or disadvantage of three methods of advertising the job. (7 marks)

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. (6 - 4 marks)

The candidate gives a clear description of an advantage and/or disadvantage of two methods of advertising the job. (6 marks)

The candidate gives a basic description of an advantage or disadvantage of advertising the job. (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)

The candidate gives three listed advantages or disadvantages. (3 marks)

The candidate gives an advantage or disadvantage of a method of advertising the job. (1 mark)

- (c) Welford County Council has received less funding this year. To help solve this problem, the Council is keen to reduce its labour costs.

Explain how Welford County Council will be able to reduce its costs by employing people with at least two years experience as a Park Ranger. *(10 marks)*

Possible points include:

- Less training needed
- Less supervision needed
- More efficient, knows the best way to do things
- Less waste of materials

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. Data is correctly interpreted and analysed. **(10 - 9 marks)**

The candidate fully explains two reasons why **costs** would reduce if they employ rangers with experience *(10 marks)*

The candidate fully explains one reason why **costs** would reduce if they employ rangers with experience *(9 marks)*

Level 2 Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. **(8 - 6 marks)**

The candidate gives two reasons why they should employ rangers with experience. **(8 marks)**

The candidate gives a reason why they should employ rangers with experience. **(6 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. **(5 - 1 marks)**

- (d) Describe how Welford County Council appears, from the advertisement, to be trying to motivate its Park Rangers. Explain which motivational factor you think is likely to be the most effective. (12 marks)

Likely points include:

- The ranger appears to have a varied job so there is some job enrichment
- You don't have to work every weekend or bank holiday so they get some time off
- Reasonable salary for someone with only 2 years experience
- **Subsidised** staff accommodation could save them a lot of money
- Team work
- Friendly supportive environment

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. Judgements made are justified often in terms of the advantages and disadvantages of a course of action or in terms of a consideration of alternatives. (12 - 10marks)

The candidate makes a reasoned conclusion based upon a clear description of how two of the methods could motivate a Park Ranger. (12 marks)

The candidate gives a clear description of how two of the methods could motivate a Park Ranger and states which would be the most effective. (10 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. Data is correctly interpreted and analysed. (9 - 7 marks)

The candidate gives a clear description of how two of the methods could motivate a Park Ranger. (9 marks)

The candidate gives a basic description of how two of the methods could motivate a Park Ranger. (7 marks)

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