

GCSE 2004

June Series



Mark Scheme

Business Studies Specification B *(Subject Code 3133/9/2F)*

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.

Further copies of this Mark Scheme are available from:

Publications Department, Aldon House, 39, Heald Grove, Rusholme, Manchester, M14 4NA
Tel: 0161 953 1170

or

download from the AQA website: www.aqa.org.uk

Copyright © 2004 AQA and its licensors

COPYRIGHT

AQA retains the copyright on all its publications. However, registered centres for AQA are permitted to copy material from this booklet for their own internal use, with the following important exception: AQA cannot give permission to centres to photocopy any material that is acknowledged to a third party even for internal use within the centre.

Set and published by the Assessment and Qualifications Alliance.

The Assessment and Qualifications Alliance (AQA) is a company limited by guarantee registered in England and Wales 3644723 and a registered charity number 1073334. Registered address AQA, Devas Street, Manchester. M15 6EX. *Dr Michael Cresswell Director General*

Paper 2 Foundation Tier

Broad Principles:

- The task is structured in four questions. Answers are to be marked according to the following criteria/levels.
- 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.

1Describe the information Billy will need before proceeding with his new business. *(14 marks)*

Possible information could be:

- How much will he earn? Legal implications (licensing, Income Tax, National Insurance))
- How much will it cost to start up and run the business? Can he get a Bank Loan?
- More details on the job with Jenny
- How much will grants be? Details of apprenticeship scheme
- Competitor details
- Future housing plans
- Alternative uses for his redundancy money
- Why do so many new businesses fail?
- Influence of his wife
- Extra market research
- Gaps in the market?
- Availability of premises?

Selection/organisation/interpretation and use of data to analyse the business problem.

Level 5	The candidate selects and interprets the most relevant data and consistently uses and organises information appropriately and accurately to analyse effectively the situation.	<i>10 - 9 marks</i>
Level 4	The candidate shows some ability to select and interpret the most relevant data, using and organising this information appropriately to analyse the problem.	<i>8 - 6 marks</i>
Level 3	The candidate makes use of and interprets simply some data and shows some ability to organise the information to address the problem.	<i>5 - 3 marks</i>
Level 2	The candidate refers to some of the data in attempting to address the problem.	<i>2 - 1 marks</i>
Level 1	No attempt made to select, use, analyse or interpret the data.	<i>0 marks</i>

Application of knowledge and understanding of appropriate terms, concepts, theories and methods to address the problem

Level 5	The candidate consistently demonstrates the ability to apply effectively extensive knowledge and understanding of relevant business terms/concepts.	<i>4 marks</i>
Level 4	The candidate is able to apply accurately knowledge and understanding of relevant terms/concepts to address the problem.	<i>3 marks</i>
Level 3	The candidate shows some ability to apply knowledge to the set tasks and with some business understanding of key terms.	<i>2 marks</i>
Level 2	The candidate shows some knowledge of a narrow range of business terms.	<i>1 mark</i>
Level 1	The candidate shows no knowledge of business terms within the case study.	<i>0 marks</i>

Total: 14 marks

2

Explain the possible reasons why Billy should go it alone and start his own business. (14 marks)

Possible reasons include:

- He has the skills & experience to run a business
- Established customer base
- Self motivation
- Low wages in alternative jobs
- Potential high profits (GP ratio of 80% Net profit ratio of 70.8%)
- Grants possible
- Shortage area – high demand for his services
- Long way to competitors
- New housing plans
- Has the funds (redundancy & savings)
- Potential for attractive wages
- Possibilities signalled by Market Research
- Own boss, in control
- Popular already, so less risk

Selection/organisation/interpretation and use of data to analyse the business problem.

Level 5	The candidate selects and interprets the most relevant data and consistently uses and organises information appropriately and accurately to analyse effectively the situation.	<i>10 - 9 marks</i>
Level 4	The candidate shows some ability to select and interpret the most relevant data, using and organising this information appropriately to analyse the problem.	<i>8 - 6 marks</i>
Level 3	The candidate makes use of and interprets simply some data and shows some ability to organise the information to address the problem.	<i>5 - 3 marks</i>
Level 2	The candidate refers to some of the data in attempting to address the problem.	<i>2 - 1 marks</i>
Level 1	No attempt made to select, use, analyse or interpret the data.	<i>0 marks</i>

Application of knowledge and understanding of appropriate terms, concepts, theories and methods to address the problem

Level 5	The candidate consistently demonstrates the ability to apply effectively extensive knowledge and understanding of relevant business terms/concepts.	<i>4 marks</i>
Level 4	The candidate is able to apply accurately knowledge and understanding of relevant terms/concepts to address the problem.	<i>3 marks</i>
Level 3	The candidate shows some ability to apply knowledge to the set tasks and with some business understanding of key terms.	<i>2 marks</i>
Level 2	The candidate shows some knowledge of a narrow range of business terms.	<i>1 mark</i>
Level 1	The candidate shows no knowledge of business terms within the case study.	<i>0 marks</i>

Total: 14 marks

3

Billy will face some risks in starting his own business. Which risks do you feel he should be most worried about, and why? *(14 marks)*

Possible risks may include:

- Unlimited Liability
- Financial pressures, No sick pay, holiday pay etc.
- Stress
- Lack of enjoyment- lots of paperwork
- High start up costs
- Loss of redundancy money and savings
- Long-term Housing plans
- Lack of skills/Expertise, especially in finance
- Poor market research could cause poor decision making

Application of knowledge and understanding of appropriate terms, concepts, theories and methods to address the problem.

Level 5	The candidate consistently demonstrates the ability to apply effectively extensive knowledge and understanding of relevant business terms/concepts	<i>4 marks</i>
Level 4	The candidate is able to apply accurately knowledge and understanding of relevant terms/concepts to address the problem.	<i>3 marks</i>
Level 3	The candidate shows some ability to apply knowledge to the set tasks and with some business understanding of key terms.	<i>2 marks</i>
Level 2	The candidate shows some knowledge of a narrow range of business terms.	<i>1 mark</i>
Level 1	The candidate shows no knowledge of business terms within the case study.	<i>0 marks</i>

Evaluation of evidence, making reasoned judgements and presenting conclusions accurately and appropriately

Level 5	The candidate's conclusions arise from logical and critical evaluation of the evidence. Recommendations are realistic in the context of the case study and are present appropriately, accurately and consistently.	<i>10 - 9 marks</i>
Level 4	The candidate makes reasoned judgements and draws appropriate conclusions supported by valid evidence and/or specific, additional knowledge. Comments about the lack of/quality of evidence may be rewarded, including suggestions of other data requirements.	<i>8 - 6 marks</i>
Level 3	The candidate makes some attempt to evaluate the evidence and draws simple conclusions, which may be supported by some knowledge.	<i>5 - 3 marks</i>
Level 2	The candidate draws simple conclusions which have some connection to the problem. No additional knowledge displayed.	<i>2 - 1 marks</i>
Level 1	No attempt made to evaluate the evidence to draw conclusions	<i>0 marks</i>

Total: 14 marks

4

Give Billy some overall advice on whether he should start up his own business or take Jenny's offer of a job. *(14 marks)*

Judgements should use a mix of ideas raised in Qu.2 and Qu.3. Level 5 candidates will weigh up the alternatives against each other (self employment v work for Jenny v spend more time on leisure) or question the evidence base for making such a decision

Application of knowledge and understanding of appropriate terms, concepts, theories and methods to address the problem.

Level 5	The candidate consistently demonstrates the ability to apply effectively extensive knowledge and understanding of relevant business terms/concepts.	<i>4 marks</i>
Level 4	The candidate is able to apply accurately knowledge and understanding of relevant terms/concepts to address the problem.	<i>3 marks</i>
Level 3	The candidate shows some ability to apply knowledge to the set tasks and with some business understanding of key terms.	<i>2 marks</i>
Level 2	The candidate shows some knowledge of a narrow range of business terms.	<i>1 mark</i>
Level 1	The candidate shows no knowledge of business terms within the case study.	<i>0 marks</i>

Evaluation of evidence, making reasoned judgements and presenting conclusions accurately and appropriately

Level 5	The candidate's conclusions arise from logical and critical evaluation of the evidence. Recommendations are realistic in the context of the case study and are present appropriately, accurately and consistently.	<i>10 - 9 marks</i>
Level 4	The candidate makes reasoned judgements and draws appropriate conclusions supported by valid evidence and/or specific, additional knowledge. Comments about the lack of/quality of evidence may be reward, including suggestions of other data requirements.	<i>8 - 6 marks</i>
Level 3	The candidate makes some attempt to evaluate the evidence and draws simple conclusions, which may be supported by some knowledge.	<i>5 - 3 marks</i>
Level 2	The candidate draws simple conclusions which have some connection to the problem. No additional knowledge displayed.	<i>2 - 1 marks</i>
Level 1	No attempt made to evaluate the evidence to draw conclusions	<i>0 marks</i>

Total: 14 marks

Marking Criteria for Quality of Written Communication

Level 4	Information is clearly and logically presented using an appropriate form. The text is legible. Candidates spell, punctuate and use the rules of grammar accurately, enabling the meaning to be clearly understood.	3 marks
Level 3	Information is presented in an appropriate form. The text is legible. Candidates generally spell, punctuate and use the rules of grammar accurately, although there may be some errors. The meaning is clear.	2 marks
Level 2	Some of the information presented is in an appropriate form. Generally the text is legible. Although there are errors in spelling, punctuation and grammar, the meaning can be understood.	1 mark
Level 1	Candidates have not reached the standard required for the award of a mark.	0 marks