

GCSE

Edexcel GCSE

Business Studies (Short Course)
(3503)

This Examiners' Report relates to Mark
Scheme Publication code: UG016336

Summer 2005

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Examiners' Report

Edexcel GCSE
Business Studies (Short Course) (3503)

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Publications Code UG016336

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Examiner Report 3503/01 & 02 - June 2005

Both examination papers again consisted of four questions (two common to each level) worth 15 marks each, with 3 marks available for the quality of written communication. Each paper functioned as expected, with no common misinterpretation or misunderstanding of what was required. Candidates were able to complete both papers in the time allowed, with most attempting all parts of all questions. The paper contained sufficient space for candidates' answers.

This examination sets questions based on a pre-seen context. The context used was *Badge Identity Ltd*. As in the previous series, candidates understood the importance of relating their answers to the given context, and many did this well.

Total marks were broadly in line with those of recent series, though the common weakness in the area of Finance (Question 3 Foundation, Question 1 Higher) reduced the mean mark slightly. However, many candidates gave a strong final answer to the last question in both papers. The overall standard of written communication was again of a good standard, which made it a relatively easy task to read and mark the scripts.

PERFORMANCE OF INDIVIDUAL QUESTIONS

Q1 (Foundation-/01)

This question always starts with three multiple-choice questions. In the past two series candidates had performed disappointingly on these, and it was again noted in 2005 with few receiving all three marks. These items are designed to test candidates' basic business studies knowledge but many candidates failed to identify dividends as the reward for shares in (ii) and turnover as another name for sales revenue in (iii). Part (b) also produced many disappointing answers with the weaker candidates resorting to using quotes (without explanation) from the context as their answers.

Part (c) was similar to that of the previous series, testing candidates on their understanding of sole traders and private limited companies. In this case, the focus was on the benefits of both and there were some good answers, with many candidates scoring full marks for (c) (i) in particular.

Q2 (Foundation-/01)

Part (a) of this question was well answered. Candidates were presented with various options from which they were to select an appropriate source to advertise for a new member of staff. Many scored well on this question, and most of those who selected an inappropriate source (e.g. national television) still recovered a mark in (ii) as a result of suggesting a relevant disadvantage.

Part (b) was also well answered. Those candidates who selected the Equal Pay Act (the least popular selection) tended to find the greatest difficulty in giving clear supporting explanations. Others lost one or two marks through not reading the question properly and basing their answers on other Human Resources activities rather than on writing the job advertisement. Centres are therefore again reminded of the importance of getting candidates to read questions carefully before attempting their answers.

Part (c) produced some very good answers. Some candidates explained in depth - and in context - the use of a website to sell products, although other explanations lacked breadth, concentrating typically on advertising/promotion.

Part (d) was not well answered. Most candidates failed to appreciate the typical differences between advertising a product or service, and advertising for a member of staff. The better answers tended to focus on persuasive and informative features of advertising, associating the former more with advertising products and services.

Q3 (Foundation/01)

Q1 (Higher/02)

Answers to all parts based on the Finance section of the Specification were disappointing. As in the last series, many candidates appear to dislike this section, and therefore find these questions quite difficult. Part (a) produced some strong answers about the disadvantage of using a bank loan as a source of finance, but few candidates were able to explain an appropriate advantage. Also, a number of candidates attempted to list advantages and/or disadvantages, and were therefore not awarded a second development mark. Centres are advised to continue working with their candidates to ensure the candidates understand the difference between the action words - normally appearing at the start of the question sentence - such as 'List' and 'Explain'.

Part (b) required a definition for long-term liabilities. Many candidates supported their definition with an appropriate example from the context (ie, the bank loan). Many were unable to explain the difference between a long-term liability and share capital. There was a lot of unnecessary confusion between these categories of liabilities, with many candidates wrongly referring to share capital as an 'asset'.

Part (c) required the classification of items, though here many candidates were confused between current and fixed assets, with the machines often being referred to as part of the former classification. Again, few candidates were able to state succinctly the difference between gross and net profit.

Many candidates made up their marks for this question with good answers to part (d). A number of answers were well discussed, for example in identifying the increased efficiency of staff and balancing this point against the added cost, often using the 'long term' and 'short term' arguments respectively. However, there was a tendency by some to discuss the effects exclusively from the staff - rather than the business - viewpoint, which therefore weakened their answers.

Q4 (Foundation/01)

Q2 (Higher/02)

This common question was much better done by most. Methods of production are regularly examined, and therefore candidates should be able to describe the key features of productivity in (a). Most scored good marks in each part, although there was the expected confusion between production (when measured as a total) and productivity (where this total is compared to the resources used in creating it). There were many potentially excellent answers to part (iii), although the final mark was often missed as a result of the candidate explaining how production - rather than productivity - would be increased through using new machines.

Compared with a similar question in the last series, there was less confusion between batch and mass production. This may partly be the result of getting candidates to apply their knowledge to set situations and ask for simple statements (rather than a description). There was the occasional confusion between batch and mass production, and sometimes an inability to name clearly job production. Candidates who named incorrectly the methods in parts (i) and (iii) could still redeem the mark available in (ii) and (iv) if the feature matched the named method.

Part (c) was also generally well answered, with many candidates showing sound knowledge of JIT. Again, some answers attempted to list advantages and/or disadvantages rather than assess one of each, limiting the marks available to two or three, rather than four.

Q3 (Higher/02)

There was good knowledge shown in part (a) about market research, and the vast majority of answers were therefore awarded full marks. Answers to (b) were less strong, with many candidates failing to identify a pricing strategy by name and/or giving a justified reason for its selection. Competition pricing was the most popular correct answer, with some clear justification often being given.

Part (c) did not produce the accuracy of answer that had been expected. Many candidates did not understand the role of a job (person) specification, and therefore their marks were limited typically to three maximum. This was a surprising weakness since job descriptions and specifications are clearly stated in the Specification.

Part (d) was well answered to an extent. Many candidates did not read the question with sufficient care, which asked 'To what extent' the Internet might help the business sell in two EU countries. A balanced answer was looked for, with at least one limitation associated with using the Internet allowing a conclusion to be made regarding 'the extent'. However, many candidates adopted a fairly simplistic or optimistic stance, arguing that the mere creation of a website and/or using the Internet in other ways (eg, for market research, which was a relevant point made by more candidates than expected) would automatically guarantee success. At this stage of the paper, the stronger candidates are being tested on their ability to provide (where required) a balanced answer.

Q4 (Higher/02)

Part (a) tested candidates on their knowledge of business objectives. This part was designed as a (relatively) easy lead-in to parts (b) and (c), and many candidates gained often both marks for identifying and clarifying a suitable objective (survival and developing the new website were popular choices). However, many others resorted to trying to manipulate and rephrase the objectives given in the question.

Part (b), based on comparing business objectives, was also well answered generally. Most candidates recognised that the council is normally classified as a public sector organisation, and developed appropriate answers. The better candidates were also able to argue that there would be some areas of similarity, thereby acknowledging the phrase 'the extent to which' given in the question (compare with part (d) of the previous question).

Part (c) again asked candidates to consider 'the extent to which', and many gave full and well-argued answers here. This question was designed to give candidates the opportunity to produce an extended evaluative answer, and better marks were generally gained compared with some recent series. It was difficult for centres to anticipate a question on this topic in this context, and so there was little evidence of pre-rehearsed answers being given. Many candidates showed a good standard of knowledge of legislation that would support a small business related to its objectives, pricing strategies in a general marketing sense, and this was often well applied: for example, many candidates used the 'anti monopoly . . . level playing surface . . . helps prevent unfair competition . . . achieves sales . . . improve profits' structure to gain several marks. It was pleasing to see knowledge often being well applied.

Moderator Report 3503/03 - June 2005

The entry was similar to last year and Centres continued to build on the work of previous series.

Annotation was usually at the point of award and there was a close match between annotation in the coursework and the recording of same on the Record Sheet.

There was better use of appropriate business terminology this year. Many candidates still include large amounts of material that is not relevant, for example, completed questionnaires - in one case 50 of them. Some candidates are still including tables and graphs and which they then make no use of. Often if they did make use of them then they would have access to the criteria for AO3 and AO4.

Generally candidates performed well against AO1 and AO2. There were some improvements against AO3 but AO4 remains a problem for all but the best candidates.

The final section of this report again details those criteria which many candidates still find problematic in AO3 and AO4.

- 3.4 This criterion continues to be under-awarded as does 3.5, even in the work of the best candidates.
- 3.7 There must be clear evidence of the system that the candidate has used to gather from a wide range of sources. Often awarded when 1.2 was not observed or awarded, which is impossible. An excellent Action Plan, which had at least one identified source from the four groups, might well meet this criterion. A list of four sources alone is not sufficient evidence for this award.
- 3.9 The report or presentation should be in a recognisable business format.
- 4.5 Still rarely correctly awarded. There must be evidence of (i) the facts, (ii) the opinions from which candidates will (iii) draw limited conclusions. This series has seen some Centres clearly understanding the requirements of this criterion and correctly awarding it.
- 4.7 Whilst outcomes are given and evaluated possible improvements are usually missing: note the plural nature of the separate elements.
- 4.8 To achieve this award candidates have to do **three** separate things. They must (i) produce the detailed evaluation, which must contain (ii) suggestions for improvements and such suggestions, must be (iii) justified.
- 4.9 The effects, whether economic, social or environmental must be linked to the candidates' suggestions.

Candidates can continue to raise their achievement by:

- presenting their action plans in the future tense (2.3, 2.6, 2.9);
- identifying actual sources used by name (1.2, 3.4);
- presenting reports in a recognised reporting format (3.9);
- doing more than just describe (1.6, 1.7, 1.9, 2.8, 3.5, 3.8, 2.7, 4.8);
- presenting original work;
- being concise and keeping volume of erroneous material to the minimum (e.g. only material which is capable of being credited).

Statistics

Written paper 1 - Foundation Tier

Grade	Max. Mark	C	D	E	F	G
Raw boundary mark	63	30	25	20	16	12

Written paper 2 - Higher Tier

Grade	Max. Mark	A*	A	B	C	D
Raw boundary mark	63	47	41	35	30	25

Coursework paper 3

Grade	Max. Mark	A*	A	B	C	D	E	F	G
Raw boundary mark	76	64	59	54	39	32	24	16	8

Notes

Maximum Mark (Raw): the mark corresponding to the sum total of the marks shown on the mark scheme.

Boundary mark: the minimum mark required by a candidate to qualify for a given grade

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