

# Examiners' Report Summer 2008

GCSE

## GCSE Business Studies - Short Course (3503)

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Summer 2008

Publications Code UG020014

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## GCSE Business Studies (Short Course) - 3503/01 & 02 (Foundation and Higher Tier)

### General Comments

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: although some Higher tier candidates interpreted the last question differently to that intended (see later), they were not penalised for so doing. 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 *Caygill Group Hotels (CGH) Ltd*, a UK - based hotel chain. Most candidates understood the importance of relating their answers to the given context, and many did this well.

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.

### Comments About Individual Questions

#### Question 1 (Foundation only)

This question was generally very well answered indeed. It always starts with three multiple-choice questions. In previous series, candidates had performed disappointingly on these, and it was pleasing to note an improvement this series. Item (i) caused the greatest difficulty. Part (b)'s multiple choice questions were also quite well answered, particularly (i), although many candidates thought that induction training was associated with going to college.

Part (c) asked candidates to link people to specialisations. Most candidates achieved at least 2 marks, though some struggled to differentiate between the HR and Administration functions.

Part (d) was very well answered with most candidates gaining 4 or 5 marks comfortably. Calculations for (iv) were usually displayed, as asked in the question. Some candidates failed to read (ii) with sufficient care, stating the fitness and leisure centre rather than the amount ("how much").

#### Question 2 (Foundation only)

This question was typically not well answered. In (a), most candidates simply named family members as stakeholders, which was specifically excluded by the question. Again there was evidence of failing to read the question with sufficient care.

Part (b) was not well answered. Although there was a general awareness of the nature of both Acts, most candidates failed to analyse the role of either Act when it comes to recruitment and therefore often achieved no more than a single mark.

Part (c) was also not well answered. Few candidates could name the pricing strategy in (i), and in (ii) usually focused on the use of websites in general rather than relating their points to offering lower-price bookings, which is what was asked for in the question. Part (d) tended to be better answered, with many candidates showing a reasonable knowledge of website advertising, with the stronger candidates also considering possible drawbacks or difficulties.

### **Question 3 Foundation (Question 1 Higher)**

Many candidates struggled to differentiate between bank loans and overdrafts in part (a). Better answers concentrated on aspects such as the amount, frequency/regularity of payment, and time limits, though weaker candidates tried to argue that either did not carry an interest or other associated cost.

In (b), candidates were more able to identify relevant fixed assets - buildings and equipment were popular selections - than current assets (stock and cash/bank were the most popular).

Part (c)(i) asked candidates to state why gross profit is larger than net profit. Some were aware that expenses ('bills' was accepted) cause the difference, though a number tried to argue that tax was the cause (it is not). For (ii), most stated clearly that there was an obvious improvement in financial performance, with the quality of answer then varying according to whether simple statements such as 'net profit has increased' were made, or supporting calculations were offered. Centres are aware that candidates - when given figures - ought to be able to undertake simple calculations. Some Higher tier candidates successfully calculated ratios to support their answer.

### **Question 4 Foundation (Question 2 Higher)**

Part (a) was generally well answered, with many candidates showing a good understanding of EFTPOS in (i). Stronger answers to (ii) acknowledged the perishable nature of food and therefore balanced the desirability of controlling the amount kept (and therefore being able to meet menu commitments) with the problems and costs associated with overstocking.

Part (b) tested candidates on their knowledge of productivity. Many gained both marks available for (i) by referring (directly or indirectly) to output against input, although there was some confusion between quantity and quality issues. Stronger answers to (ii) were based on the productivity of the cleaners' work before and after obtaining the machines. Although there were some 'quicker and easier' weak answers to part (iii), many candidates argued successfully that time taken is likely to be less and therefore productivity will increase. Stronger candidates were aware that this might not initially be the case due to the likely need for training and/or the lack of familiarity with the machines.

### **Question 3 (Higher only)**

There was good knowledge and understanding shown in (a) concerning the use of websites linked with pricing strategy. Candidates confidently focused on the benefits - specifically the likelihood of more customers, with stronger answers acknowledging the versatility of websites (for example in allowing advertising, and features such as visual impact and information). Since this was a 'to what extent' evaluative question,

it was hoped that answers would not be wholly one-sided, and candidates who provided balance - by, for example, acknowledging the lower unit profit per customer as a result of discount - received more marks for doing so.

Answers to (b) (i) were generally good. Many candidates easily scored all 4 marks, although some did not know the difference between primary and secondary research. Part (b) (ii) was less well answered, with a number of candidates trying to argue that the role of HR would be likely to include advertising and running the new scheme. Those who based their answers on the correct HR functions usually gained marks by referring to recruiting, training and retraining, often giving relevant examples of posts for which recruitment would be necessary.

#### **Question 4 (Higher only)**

Part (a) was generally well answered, with candidates showing a pleasing knowledge of equal opportunities legislation, with age discrimination being a popular selection. The marks for demonstrating knowledge were usually easily obtained, and there was often satisfactory supporting analysis based on, for example, the choice of questions to ensure no bias.

Most candidates found (b) (i) very easy, typically stating profits/profitability, survival and market share as likely objectives. Part (b) (ii) required candidates to 'assess the extent', and therefore marks for evaluation were included in the mark scheme. Some weaker candidates did not understand the term 'legislation' (although it is found in the specification) and therefore gave misguided or misdirected answers. Most other candidates easily gained the knowledge marks, though there was generally limited application to the business. A number of candidates used their own objective(s) they had 'stated on page 10' rather than the objective in print - quality of service - and this interpretation of the question was allowed. Most answers were based on quality of service, with the stronger candidates arguing the likely impact that laws on, for example, health and safety, equality of opportunity and the minimum wage would have in terms of employee workload and motivation.

## GCSE Business Studies (Short Course) - 3503/03

### General Comments

The entry remained similar to 2007.

The majority of centres were generally accurate in their use of the assessment criteria and where changes were made to Teacher Examiner marks they were usually only by a relatively small number of marks. The usual suspects when applying the assessment criteria remain and, as has been the case for some of these reports, these are detailed at the end of this report.

The majority of pieces seen were well presented and well annotated, all of which assist the moderation process and centres are thanked for this.

Candidates who had researched their potential markets through the use of questionnaires, a study of potential competitors, applied marketing theory from textbooks and then analysed their findings to lead to an appropriate marketing solution tended to gain the higher marks. In some pieces there was evidence of candidates having considered some alternatives such as pricing strategies that could be used. Candidates who do not do all or some of this make it difficult for them to analyse and evaluate, thereby limiting the assessment criteria they can access.

Assessment Objective 4 continues to be generously given at times. It was sometimes difficult to find either a clear conclusion or recommendation.

The following criteria were not always given when there was clear evidence that they had been met by candidates: 1.4, 1.5, 2.1, 2.2 and 2.5.

- 1.2 Candidates are simply asked to list their sources of knowledge - this could be in the form of an information log. It is still a constant surprise to find good candidates who do not gain this criterion. A bibliography on its own is insufficient as that is only one source ie texts - in this series a number of candidates only indicated websites they had accessed which is also one source in terms of this criterion. The candidate who writes:

Ms A N Other, my Business Studies teacher (*people*);  
Understanding Business by R Branson (*text*);  
Tesco plc (*organisation*);  
<http://www.bized> (*electronic*);

will have covered all four sources and **identified** each. Such detail can also be included in action plans.

- 1.3 This award can only be for **business** and not personal aims/objectives related to the 'doing of' the coursework - the latter continues to be still given by some centres.
- 1.6 Where the word **consider** appears in the criteria (1.6, 1.7, 2.4, 3.6, 4.4, 4.6) it is expected that candidates will show that they have thought about and not just described, for example, in 1.6, a simple sentence that just states or describes an influence is insufficient for this award.

- 1.8 Candidates are expected to demonstrate **sound** knowledge or to show that they recognise relationships within the subject content.
- 1.9 When this is awarded it is the **critical** element that must be present. If it is awarded for *make comparisons* then actual comparisons of two pieces of knowledge is required and not discrete descriptions. In 1.8 and 1.9 lists, that purport to be critical or a comparison, and are headed advantages and disadvantages, are unlikely to be meeting the requirement for this criterion.
- 2.3 This remains an easy mark - candidates simply have to state what they are going to do (in the future tense). If they then clearly indicate deadlines then 2.6 can be given.
- 2.4 Too many candidates continue to just state the terms of an Act of Parliament and do not apply it to their business or business problem. A simple statement of the main terms of any Act of Parliament is insufficient evidence for this criterion. Candidates who do this are demonstrating their knowledge (AO1) and not applying it (AO2).
- 2.7 This criterion requires candidates to do three things at least twice: (i) recognise strengths (ii) recognise differences and then (iii) make decisions. Usually it is (iii) that is absent because there is not clear and direct link between decisions and strengths and weaknesses. Candidates who do SWOT and or PEST will only meet (i) and (ii) initially. If they do not then show how the SWOT and or PEST comments relate to two decisions then 2.7 cannot be given.
- 3.4 This criterion continues to be under-awarded even when there is clear evidence of either the use of three sources of knowledge or an ability to organise.
- 3.6 To obtain this criterion it is necessary for candidates to consider alternatives in relation to 'sources' of information, say different research methods that they could have used and then a justification for the ones that they used and/or the different methods they have used for presenting their information.
- 3.7 There must be clear evidence of the system that the candidate has used to gather their information from a wide range of sources. A list of four sources with no system evidenced is insufficient evidence for this award.
- 3.9 The report or presentation should be in a recognisable business format that could include a title page, relevant headings and side headings and conclusions or recommendations.
- 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 more candidates had a clear understanding of the requirements for this criterion and were correctly given it. However, these were in the minority and too often candidates were given this award incorrectly.
- 4.7 Whilst outcomes are given and evaluated, possible improvements are usually missing: again note the plural. Candidates should also note that evaluation and suggested improvements must relate to the business or problem they have been studying.



- 4.8 To achieve this award candidates have to do **three** separate things. They must (i) produce the detailed evaluations, which must contain (ii) suggestions for improvements and such suggestions, must be (iii) justified.
- 4.9 The effects, whether financial, 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);
- ensuring that when a criteria requires more than one example this is met (2.7, 4.5, 4.7, 4.8)
- 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 the volume of erroneous material to a minimum (eg only material which is capable of being credited).

## Grade Boundaries - June 2008

### 3503/01 - Foundation Tier

Grade	Max. Mark	C	D	E	F	G
Raw boundary mark	63	31	27	23	19	15

### 3503/02 - Higher Tier

Grade	Max. Mark	A*	A	B	C	D
Raw boundary mark	63	44	39	34	29	23

### 3503/03 - Coursework

Grade	Max. Mark	A*	A	B	C	D	E	F	G
Raw boundary mark	76	69	59	49	39	31	23	16	9

### 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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Order Code UG020014 Summer 2008

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