

Mark Scheme (Results)

June 2008

GCSE

GCSE Business Studies (Short course 3503.02)

General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

3503/02 Mark Scheme

Question Number	Answer	Mark
1(a)	<p><i>(AO1 - Demonstrate = 4)</i></p> <p>Valid points could include: eg bank loan is for a fixed period - overdraft time limit is flexible</p> <p>bank loan has a fixed rate of interest - overdraft's rate of interest may vary/charges are based on the amount overdrawn at any one time</p> <p>bank loan is guaranteed for the length of time agreed - overdraft can be withdrawn at any time by the bank</p> <p>bank loan has a separate account - overdraft is based on the existing account</p> <p>bank loan is for a fixed amount - overdraft will vary on a daily basis</p>	(4)

Question Number	Answer	Mark
1(b) (i)	<p><i>(AO2 - Apply = 2)</i></p> <p>Valid points could include: eg restaurant/bar furniture vehicles cleaning machines hotel premises</p>	(2)

Question Number	Answer	Mark
1(b) (ii)	<p><i>(AO2 - Apply = 2)</i></p> <p>Valid points could include: eg restaurant/bar stock debts owed by guests cash in its safe</p>	(2)

Question Number	Answer	Mark
1(c) (i)	<p><i>(AO1 - Demonstrate = 1)</i></p> <p>Valid points could include: eg gross profit includes expenses whereas net profit does not</p> <p>expenses are not deducted until after the gross profit has been calculated</p>	(1)

Question Number	Answer	Mark
1(c) (ii)	<p><i>(AO3 Select/Analyse = 4; AO4 Evaluate = 2)</i></p> <p>Valid points could include: eg sales have increased (1) - by £2.5 million (1) net profit has increased (1) - by £485 000 (1) net profit ratio has increased (1) - from 2% to 5% (1) gross profit has increased (1) - by £460 000 (1) gross profit ratio has fallen (1) - from 30% to 28% (1)</p> <p><i>CGH Ltd's performance is better in 2007 (1) - because it is making more profit per £ of sales/because it is making more profit (1)</i></p> <p>(accept conclusions based on gross profit ratio falling)</p>	<p>1 increase 1 amount 1 ratio changes 1 other factor eg expenses</p> <p>1 conclusion based on sales/NP 1 conclusion based on controlling expenses/profitability</p> <p>(6)</p>

Question Number	Answer	Mark
2(a) (i)	<p><i>(AO2 - Apply = 2)</i></p> <p>Valid points could include: eg convenient for customers - because they no longer have to carry cash or write cheques</p> <p>stock records automatically updated means stock should be reordered - customer needs re choice of items are therefore being met</p>	(2)

Question Number	Answer	Mark
2(a) (ii)	<p><i>(AO3 – Select/Analyse = 4; AO4 Evaluate = 1)</i></p> <p>Valid points could include: eg food and drinks are expensive to buy - so wastage costs <i>CGH Ltd</i> a lot of money</p> <p>danger of over-ordering - food is perishable - so it needs controlling for health reasons/customers expect to be served food that is edible</p> <p>customers expect a suitable selection of food and drinks - so <i>CGH Ltd</i> must keep adequate supplies in stock</p> <p>conclusion that effective stock control is necessary for customer satisfaction/sales (accept negative statement, ie ineffective stock control leads to loss of sales/customers)</p>	(5)

Question Number	Answer	Mark
2(b) (i)	<p><i>(AO1 - Demonstrate = 2)</i></p> <p>Valid points could include: eg measuring output - against inputs used/ time taken</p>	(2)

Question Number	Answer	Mark
2(b) (ii)	<p><i>(AO2 - Apply = 2)</i></p> <p>Valid points could include: eg number of rooms cleaned - divided by number of cleaners/hours/resources</p> <p>how many rooms are cleaned - in an hour/day/week</p>	(2)

Question Number	Answer	Mark
2(b) (iii)	<p>(AO4 – Evaluate = 4)</p> <p>Valid points could include: eg allows the cleaners to work more quickly - and cleaners can work more efficiently - and so clean more rooms per hour - more rooms are cleaned during their working time at the hotel/productivity rises</p> <p>but cleaners may not like using the new machines/may not be trained to use the machines properly - which will slow them down/which will lower productivity</p> <p>(3 marks maximum for a one-sided answer)</p>	(4)

Question Number	Answer	Mark
3(a)	<p>(AO4 - Evaluate = 6)</p> <p>Valid points could include: It should gain a market share/larger market share of bookings using the Internet -this is a sales method that is growing in importance/this will increase <i>CGH Ltd's</i> sales</p> <p>it will help <i>CGH Ltd</i> control its costs- eg lower staff costs/as a result, its profit will increase occupancy rates should increase - which could increase total revenue</p> <p>but <i>CGH Ltd</i> does not make as much profit from each guest - because the revenue from each room will be less/so overall profit will be less if only the same number of rooms are sold as before</p> <p><i>CGH Ltd</i> may sell rooms that could be sold at a higher price - thus losing income</p> <p>(maximum 4 marks for a one-sided answer)</p>	(6)

Question Number	Answer	Mark
3(b) (i)	<p><i>(AO1 - Demonstrate = 2; AO2 - Apply = 2)</i></p> <p>Valid points could include: eg (AO1) surveys/focus groups/questionnaires/interviews</p> <p>(AO2) will indicate to the directors the interest in such a club - the likely price people will pay</p>	<p>2 methods</p> <p>2 comments</p> <p>(4)</p>

Question Number	Answer	Mark
3(b) (ii)	<p><i>(AO2 Apply = 3; AO3 Select/Analyse = 2)</i></p> <p>Valid points could include: (AO2) <i>CGH Ltd</i> already employs staff because it is a large company/has 20 hotels - (AO3) more staff may be needed to operate the new scheme - examples include fitness trainers</p> <p>(AO2) Existing employees may need training in the new scheme/retraining to work in the new centre - (AO3) the HR department may need to recruit trainers</p> <p>(AO2) Existing employees already deal with customers - (AO3) there may be special needs/issues to do with members who are not guests</p> <p>(AO2) Induction training may be needed for the new members - (AO3) the HR department will need to organise/train employees to deliver these sessions</p>	<p>(5)</p>

Question Number	Answer	Mark
4(a)	<p><i>(AO1 Demonstrate = 2; AO3 Select/Analyse = 3)</i></p> <p>Valid points could include:</p> <p>eg (AO1) knowledge of one relevant law on race, disability or sex/gender (may be implied)</p> <p>(AO3 applied to interviewing: eg RRA)</p> <p>eg Laura must interview applicants by not taking account of their race - eg plan/ask questions that are not culturally/racially/ethnically biased - and must also monitor employee selection</p> <p>(AO3 applied to interviewing: eg DDA)</p> <p>eg Laura must give equal opportunity of interview access/response regardless of disability - eg question about disability in a positive way/discuss disability at interview/ask the standard question "Do you have a disability that could have an impact on this job?" - consider how to make reasonable adjustments so that disabled applicants are treated fairly - Laura may be required to give priority to candidates with a disability - interview tests must not penalise candidates with a disability unless the test is 100% justified</p> <p>(AO3 applied to interviewing: eg SDA)</p> <p>eg Laura must interview applicants by not taking account of their sex - eg plan/ask questions that are not biased towards either sex - such as if young female applicants have plans to start a family/whether a mother has planned for childcare</p>	<p>2 knowledge points</p> <p>3 analysis</p> <p>(5)</p>

Question Number	Answer	Mark
4(b) (i)	<p><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <p>eg expand into other areas of the UK survive increase profitability increase market share</p>	<p>1 each objective</p> <p>(2)</p>

Question Number	Answer	Mark
4(b) (ii)	<p><i>(AO1 Demonstrate = 2; AO2 Apply = 2; AO3 Select/Analyse = 2; AO4 Evaluate = 2)</i></p> <p>Valid points could include: eg (AO1) Knowledge/examples of appropriate legislation (may be implied)</p> <p>eg (AO2) Application to <i>CGH Ltd</i></p> <p>eg (AO3) Laws on consumer protection force <i>CGH Ltd</i> to comply with legal requirements - laws on employee protection/health and safety/EO should encourage employees to provide good service</p> <p>eg (AO4) if <i>CGH Ltd</i> wants to provide better service, it has to work within the law - not doing so will lower the quality of customer service - may affect morale/may lead to staff leaving - will further lower quality of service</p> <p>increase in minimum wage may motivate staff, therefore improve quality of service - but this will increase wage costs, which may reduce staffing levels</p>	<p>2 knowledge</p> <p>2 application</p> <p>2 analysis</p> <p>2 evaluation</p> <p>(8)</p>