

Examiners' Report Summer 2009

GCSE

GCSE Business Studies - Short Course (3503)

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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. 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 *B & R Engineering Ltd*, a UK-based manufacturer. Most candidates understood the importance of relating their answers to the given context, and some 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 well answered. It always starts with three multiple-choice questions. The improved performance noted in the 2008 series was maintained, with many candidates scoring 4 or all 5 marks available. Items (a) (iii) and (b) (ii) often caused the greatest difficulty.

Part (c) (i) asked candidates to define net profit. This was not well answered, with some confusing net profit with gross profit, and others resorting to guesswork - for example, profit calculated on the internet ('net' profit). Other financial tasks in (ii) were also often vaguely stated, with many candidates having to resort to repeating profit-related tasks. Wages/salaries, and preparation of the balance sheet, were popular correct tasks.

Part (d) was not well answered with most candidates gaining 2 or 3 marks. Some very obvious points about leaflets were made - for example, they contain information - but better answers tended to focus on some of the negatives, such as the ease with which they can be thrown away or become mislaid.

Question 2 (Foundation only)

This question was not well answered. Answers to part (a) generally ignored key issues associated with overdrafts - their short term nature, their uncertainty in terms of time length, or the likelihood that the overdraft granted may not well be sufficiently large to fund the purchase of an 'expensive' machine.

Answers to part (b) (i) were usually incorrect, with many candidates stating that a loan was a current liability. In (ii), many candidates were able to differentiate between assets and liabilities (which was allowed) in terms of owning and owing, although examples used in support were often fixed assets or long-term liabilities.

Knowledge of mission statements and business objectives was weak in (c), and few were able to show a difference between them. Those who did usually concentrated on how achieving the mission statement relies on achieving the objectives. In (d) many candidates managed to get one mark for knowledge of the term 'market leader', although their answers often mentioned size of profits rather than size of sales.

Part (e) was not well answered. Most candidates seemed to believe that a sole trader cannot employ anyone whereas the owner of a limited company delegates virtually all tasks. Many answers contained the stock phrases about sole traders and/or limited companies, but failed to appreciate the key issues such as liability (a surprising number of candidates were confused as to which business type has unlimited and which has limited liability), keeping control and the likelihood that raising capital will be easier.

Question 3 Foundation (Question 1 Higher)

Part (a) was generally quite well answered, with many candidates gaining at least two marks. Some appeared to have not read the question with sufficient care, because they did not use 'information from this chart' to support their answers.

Again, half marks were typical for part (b). Most candidates were aware of the need not to include sex-specific terms in the advert, and the better answers included illustrations. A disappointingly high number of candidates appear to believe that women cannot carry out work in a factory, arguing that such work is too heavy or otherwise onerous.

Part (c) was well answered, with candidates often gaining four of the five marks available for clear statements about how job descriptions and factory-based interviews would help the employers. The stronger answers often explained matters from both employer and employee points of view.

Part (d) was quite well answered. Most candidates concentrated on the benefits of employee training, with better answers mentioning issues such as improved quality, higher productivity and better employee retention. Some candidates gave a balanced discussion by considering the issues of cost and loss of employees whilst training.

Question 4 Foundation (Question 2 Higher)

Part (a) tested candidates. There was some confusion with other forms of production, and few candidates were able to make the link between job production and the nature of the unique, 'one-off' product.

Answers to batch and flow in (b) (i) were often quite good, with the better candidates being able to explain the nature of batch in terms of re-setting production. Answers to flow production often gained both marks through clarifying its continuous nature. Part (ii) proved more testing. Few were able to link the theoretical points about flow production - such as being used to manufacture products with a mass demand - to the given situation (motor cars).

Answers to (c) showed there was some good understanding of JIT. The advantage selected was almost always the saving of space, with the better candidates gaining additional marks by explaining the benefits of this saving to the business. The

disadvantage was almost always based on the problems associated with late delivery, or a sudden increase in demand.

Question 3 (Higher only)

Part (a) (i) was often well answered, with many candidates being aware of the difference between primary and secondary market research. Answers to (ii) rarely gained all three marks, although there was a fairly consistent reference to issues such as being able to ask existing or potential customers about the product, and being able to assess likely prices.

Part (b) was usually well answered, although Trend 1 - the machines coming down in price - sometimes causing some confusion because a number of candidates believed the business was selling these machines. Answers to Trend 2 were often quite well developed in terms of explaining the knock-on effects of an increase in sales, and some candidates also explored possible problems associated with this.

Part (c) was rarely well answered. A lot of candidates reiterated the market share growth point mentioned in the stem (and excluded by the question), and only a few candidates actually quoted illustrations from the context: popular examples were investment in new technology and staff retention.

Question 4 (Higher only)

Part (a) was reasonably well answered, with many candidates concentrating on either the likely different media, the focus and the wording. Many candidates failed to appreciate the nature of the products being made when constructing their answers, suggesting for example that the business ought to advertise its products on television.

Part (b) was often well answered. Candidates often obtained the marks for knowledge, although fewer managed to give a supported decision for another mark. There was generally good knowledge and understanding of the nature, strengths and limitations of using own finance or borrowed money (bank loan) in the given situation, and many candidates scored highly here.

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

General Comments

The majority of Centres were accurate in their use of the assessment criteria but a small number of Centres did have adjustments made to their original marking. As in the past, the reasons for these adjustments were caused by inappropriate application of a small number of criteria and these are detailed towards the end of this report.

With only a few exceptions all centres submitted their sample correctly, on time and in line with Edexcel procedures. All Centres are thanked for this as it greatly aids the moderation process. Annotation was generally good although a few Centres still do not fully indicate the criteria at the point of award although this was much less of a problem this year than it has been in the past.

Again the Centres that based the work of their candidates on a problem which was then researched using primary sources and reinforced through the application of theory tended to give those candidates greater access to all the criteria than those that did not.

Assessment Objective 4 is still generously given in the sense that often there is little evidence of evaluation having taken place. It was sometimes difficult to find either a clear conclusion of recommendation that linked to the main body of the piece.

The following criteria often are not given when there is clear evidence that they have been met by candidates. These are 1.4, 1.5, 2.1, 2.2 and 2.5 and, to a lesser extent 3.4 and 3.5.

As indicated in previous Reports, the criteria that follow are those that are most often given erroneously.

- 1.2 Candidates are **simply** asked to list a minimum of two sources of knowledge from the four indicated on the Record Sheet - this could be in the form of an information log or incorporated into the Action Plan, something that is provided by virtually all candidates. It remains a constant surprise to see good candidates who do not gain this simple criterion. A bibliography on its own is insufficient as that is only one source i.e. texts and often these do not give the title and the author - both are required. The candidate who has:

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

has covered all four sources and **identified** each.

- 1.3 This award can only be for **business** and not personal aims/objectives related to the 'doing of' the piece.
- 1.6 Where the word **consider** appears in the criteria (1.6, 1.7, 2.4, 3.6, 4.4, 4.6) candidates have to 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 these 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 should be given.
- 2.4 Too many candidates continue to only 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. It is (iii) that is almost always absent because there is not clear and direct link between decisions (when they can be found) and the strengths and weaknesses. Candidates who do SWOT or PEST analysis will only meet (i) and (ii) initially. If they do not then show how the SWOT 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, say a graph correctly positioned and basic comments.
- 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 saw few candidates providing such evidence.
- 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 will raise their achievement by:

- presenting their action plans in the future tense (2.3, 2.6, 2.9);
- identifying actual sources used as indicated above (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 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 (e.g. only material which is capable of being credited).

Grade Boundaries - June 2009

3503/01 - Foundation Tier

Grade	Max. Mark	C	D	E	F	G
Raw boundary mark	63	25	21	17	14	11

3503/02 - Higher Tier

Grade	Max. Mark	A*	A	B	C	D
Raw boundary mark	63	43	37	31	26	18

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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