

GCSE

Business Studies B

General Certificate of Secondary Education GCSE 1952

Report on the Units

January 2009

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This report on the Examination provides information on the performance of candidates which it is hoped will be useful to teachers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding of the syllabus content, of the operation of the scheme of assessment and of the application of assessment criteria.

Reports should be read in conjunction with the published question papers and mark schemes for the Examination.

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CONTENTS

General Certificate of Secondary Education

Business and Communication Studies (1950)

REPORT ON THE UNITS

Unit/Content	Page		
2321/01 Business Organisation – Foundation Tier and 2321/02 Business Organisation – Higher Tier	1		
2322 Coursework	5		
Grade Thresholds	7		

2321/01 Business Organisation – Foundation Tier and 2321/02 Business Organisation – Higher Tier

General

Many candidates showed good knowledge of the specification and were able to use this to offer sound analysis and evaluation. The majority of candidates named an actual business they had studied was maintained the most successful candidates were able to demonstrate a thorough knowledge and understanding of, a local business, or the local branch of a national business, of which they have had the opportunity to have personal experience.

Candidates continue to need to take careful note of both the general scenario and any specific statements relating to individual parts of questions. This is especially important where the paper is testing a different, but related part of the specification. Many candidates answered the question on recruitment as if it was about selection which was tested in the June 2008 papers..

Many candidates on both papers were unable to demonstrate their knowledge of specialisation, division of labour and economies of scale. Few candidates were able to demonstrate even a basic idea.

FOUNDATION TIER

There was considerable variation in the standard of work with some candidates showing a good general grasp of the material, but others unable to demonstrate basic knowledge of business concepts. Although most candidates now offer some response to the question carrying the Quality of Written Communication (QWC) marks there are still a few candidates who left this blank.

- 1. (a) Most candidates achieved at least one mark. Many, however, opted for statement 2 rather than statements 3 and 4
 - (b) Again in part (i) many achieved one mark, usually questionnaire, but then went for survey rather than another specific method. In part (ii) there were some reasonable answers with candidates making a good attempt to say how useful the information obtained might be.
 - (c) The majority of candidates did not get beyond Level 1, focusing on such aspects as the fact that bar charts were easy to read or looked colourful and professional. Some candidates, however, did get into Level 2 by stressing how they might help to make comparisons clearer or that they made analysis easier, such as through the identification of trends.
 - (d) Most candidates were able to offer some application and analysis of at least one of the pricing methods although a significant number of candidates saw them as complete opposites in terms of effects. Where this was not the case candidates were able to achieve Level 3.

- 2. (a) Many candidates appeared to have guessed that one statement was false and one true. As both statements were false these candidates only gained one mark however there were candidates who correctly responded that both were false...
 - (b) The majority of candidates recognised correctly that the missing position was the Marketing Manager; or similar, but weaker candidates gave titles such as assistant marketing director. In part (ii) there were some excellent answers about the role of the managing director, but many candidates ignored 'explain' and gave two points. There were a few candidates, however, who wrote about the marketing director. The third part was quite well answered by a number of candidates who recognised that people having a job in the business would be internal stakeholders because this would give them an interest in the organisation.
 - (c) Most candidates could identify an appropriate method, such as telephone or email, and then make an appropriate comment about it, such as that it would be relatively quick. However, few, went beyond this, while at the other end 'calling a board meeting' was clearly not sensible.
 - (d) The better candidates were able to consider the relative merits of putting advertisements in different types of newspaper and a number of them offered a useful contrast of internal and external recruitment. Many candidates simply offered a detailed consideration of aspects of the selection process, such as interviews. . A few candidates failed to write anything in this part of the question which meant that not only did they get 0 for content, but they were unable to achieve any marks for the Quality of Written Communication.
- 3. (a) Although the majority of candidates gained two marks there were some candidates who had little idea of specialisation. No knowledge of a firm of solicitors was expected with the mark in part (ii) being awarded for general examples, but many candidates offered correct legal examples such as criminal or family law.
 - (b) There were a number of good answers which made reference to work being split up into separate parts, in part (i) and appropriate examples, such as filing or working on the switchboard. It was disappointing to find that many candidates, however, had no idea of division of labour.
 - (c) Most candidates were unable to demonstrate understanding of economies of scale with only a few candidates able to write about such economies as technological, financial, managerial, marketing or risk-bearing. Some candidates did write very generally about increasing profits or gaining more customers, but they were unable to relate these comments clearly to the concept of economies of scale. In part (ii) answers varied a great deal. Better responses offered good comments on growth as against remaining at the same size. Others offered a logical and well supported, but one-sided, recommendation in favour of a business aiming to grow in size and so were able to get to the bottom of Level 3. There were those, however, who gave a very limited and superficial answers because they were unable to demonstrate real knowledge of the business.
- **4.** (a) The majority of candidates were able to subtract £56.2m from £65.8m and get the answer of £9.6m, although a number failed to refer to the fact that it was in millions of pounds gaining only one mark. Some candidates demonstrated a poor understanding by, for example, adding, subtracting or multiplying the figures. In parts (ii and iii) knowledge of fixed cost was generally good although a minority tried to unsuccessfully refer to Fig.3.
 - (b) The majority of candidates knew what cash flow was about, although some only referred to money in. Where profit and loss was concerned, however, many answers were tautological with only a few referring to revenue and expenditure.

(c) Most candidates showed some knowledge of at least one of the financial terms, but there were lots of inaccuracies which restricted the overall mark that was available. Once more accurate knowledge was lacking in many cases both of the terms and, also, of the chosen business.

HIGHER TIER

There were three factors evident in the best candidate responses on this paper a good knowledge of the basic concepts and terms; answering the question asked; and the offering of supported conclusions where required.

- 1. (a) Better candidates usually offered 'only family and friends can buy shares' and 'limited liability'. Others confined themselves to the latter only.
 - (b) Most candidates gained the mark for marketing manager in part (i). In the second part, many candidates combined both strategic and operational roles with the best answers coming from those who looked at the former. In part (iii) the majority understood what was involved in being internal stakeholder.
 - (c) The best responses seen related it to the information Madison wanted and the urgency. Competent answers gaining two marks stopped at the qualities of the method of communication.
 - (d) In the best answers candidates were able to consider the relative merits of putting advertisements in different types of newspaper or the internet. Some candidates offered a useful contrast of internal and external recruitment.
- 2. (a) A high number of candidates understood what was meant by the private sector. Unfortunately, there were still many answers that confused private with public or private sector with private limited company.
 - (b) Most candidates could offer an appropriate method with many combining interview/questionnaire with a tasting. Many, however, concentrated on the method rather than explaining it in relation to Fluella's needs.
 - (c) At the top were those who related the use of bar charts to the needs of Fluella. Others who did well understood that bar charts could be used to compare information, but did not go beyond this. Answers at Level 1 concentrated on the features of bar charts.
 - (d) Some candidates compared two methods and to came to a supported recommendation. Others could write well about one policy or could make brief comments about two, but with no real conclusion. Weaker candidates offered confused answers and were sometimes unsure as to the correct names of policies.
- **3.** (a) Many candidates had a sound understanding of specialisation and could explain an advantage to the business. Others could offer one or two advantages, but no explanation.

- (b) Candidates tended to either score two or nothing although some could not explain their correct point. Those who gained full marks often went down the boredom, lack of motivation, poor quality route. The main reason for scoring zero was a failure to answer the question so that the answer was in terms of advantages of division of labour, instead of disadvantages.
- (c) There were some very good answers that knew what economies of scale were and could explain why businesses sought them. Others could name one or more economy, but could not develop their answers. In part (ii) answers varied a great deal. Better responses offered good comments on growth as against remaining at the same size, often making sound reference to economies of scale. There were, also, a number well supported, but one-sided, recommendations in favour of a business aiming to grow in size which were able to get into Level 3.
- **4.** (a) A large majority of the candidates were able to offer correct calculations with both straightforward profits and return on turnover being accepted. Better responses then went on to include an explanation of the figures. Some candidates ignored consultancy and considered only the two services- hospitals and government. This approach could gain no more than 3 marks.
 - (b) Responses to this question were expected to offer some sensible information about ways of controlling and monitoring finances. While the best candidates did do this, too many focused on the use of graphs, computers or spreadsheets thus confining themselves to Level 1. Others knew that they needed to refer to terms such as balance sheets, budgets, cash flow and profit and loss, but were not clear exactly what these were. Cash flow and profit and loss, in particular, were often confused.

2322 Coursework

General comments

The work presented for moderation maintained the standard of previous years, with candidates appearing to benefit from thorough preparation by centres. There was evidence of clear understanding and application of business terms and techniques to the chosen investigation, with analysis and interpretation of data showing an improvement on previous work. The link between analysis of data and final recommendations remains difficult for some candidates.

Many centres chose to look at aspects of marketing, with the supported study based on T Mobile being popular once again. This supported approach will be available once again for examination in 2010; details are available from the OCR Coventry office.

A number of centres, in choosing their own coursework title, took advantage of the free consultancy service offered by OCR. This service gives advice on how to develop coursework titles which will enable candidates to meet the necessary assessment criteria. For further information contact the OCR Coventry office.

Administration continues to improve, which helps the moderation process. The principal problem remains the use of '0' as a mark for candidates who have produced no work. In these circumstances a mark of 'A' should be recorded.

Application of the assessment criteria

Criterion 1

Whilst many candidates gained full or near full marks on this criterion by stating and then clearly explaining their chosen strategy, a number of candidates did not make the aim clear at all, and the reader was left to assume what was being attempted. Candidates must make sure that they do not simply list their aim(s) in a series of bullet points, which often carry no explanation as to why a particular strategy is being used.

Criterion 2

The collection of information should ideally include both primary and secondary data. The data must also be *relevant* to the investigation. The weakest work often included vast amounts of information from the internet which had no direct connection with the work. The best work is exemplified by a careful selection of secondary material, using those parts of Internet and other pages from magazines etc. which are needed in the work. These selected areas then attract comment from the writer who is able to explain the importance of that data/information in the context of their work.

Primary data was often in questionnaire/interview format. More thoughtful work produced questions which enabled the later analysis to have more relevance to the title of the investigation. Weaker work would have benefited from more practice on the writing of questions, particularly how to avoid those questions which lead to a simple yes/no response.

Criterion 3

The presentation aspect of this criterion posed little real problems for candidates whose use of ICT remains the strength of the work. Where some candidates did lose marks was on the logical ordering of the work as a whole.

Whilst there is no requirement to produce an assignment as a formal business report, the work should follow a logical order of investigation, which enables the reader to understand fully what is being attempted. At times, candidates produced a large volume of work which was not easy to

follow. This may have been because of the inclusion of irrelevant material, or simply because of inadequate planning. In the best work, there was a clear structure to the investigation, with links between different sections which enabled the reader to follow the ideas being presented.

Criterion 4

The use of business terms and techniques continues to differentiate candidates. The more able apply terms and techniques to their work fluently showing clear understanding of the issues under discussion. Weaker responses simply displayed knowledge (which cannot be rewarded) of the subject area by writing out, for example, the different pricing strategies available to a business. It is vital that candidates aiming for the higher grades use a variety of terms and techniques appropriately in their coursework. These must be fully applied to the context of the investigation in order to attract marks.

As commented on in previous reports, SWOT analysis is a popular technique to use in a number of investigations. The best responses used SWOT analysis together with other techniques and integrated the ideas fully into the work. Weaker responses commented on the different aspects of the technique, but did not see the exercise as an integral part of their coursework.

Criterion 5

This criterion requires candidates to analyse and interpret the data they have collected, this applying to both secondary and primary data. The weaker responses failed to interpret any of the data that is identifying the significance of particular results in the context of the title. It is important that candidates do not simply repeat in words that which a graph has already shown, but use figures (percentages add extra precision) to add detail to any analysis and interpretation they attempt.

It is encouraging to see more candidates make better use of their primary data by analysing the different views of say males/females or age groups within their research. Whilst most candidates have a section in their questionnaire which identifies these different categories, many will only look at overall totals rather than examine whether for example males and females have different opinions. This will of course impact upon any recommendations which may be made, and give candidates more justification in putting forward particular ideas.

Criterion 6

Here candidates must make justified recommendations after evaluating the evidence they have collected. More able candidates were able to draw on the earlier data analysis, and use figures to fully justify the ideas they were putting forward. Weaker candidates often failed to justify their recommendations, and in the worst cases, these recommendations were not really based on the earlier data at all.

Recommendations must always be in context. For example, those centres following the supported study on T Mobile were dealing with a large multi-national company. Other candidates were often investigating the marketing of a small local business. Recommendations on marketing for these two contrasting businesses should always reflect the difference in size and marketing budget available.

A number of centres still appear to be directing candidates to reflect on how they had completed the coursework, and what they had learnt from the exercise. It should be noted that this approach to evaluation cannot be rewarded in OCR GCSE business studies coursework. Evaluation should concentrate on weighing up the importance of the collected data in order to make the justified recommendations covered earlier in this report.

Quality of written communication

There remains a tendency for centres to over reward this element of coursework. Those preparing candidates should look at the descriptors within the specification and award the appropriate mark, which may be '0'.

Grade Thresholds

General Certificate of Secondary Education Business Studies B (Specification Code 1952) January 2009 Examination Series

Unit Threshold Marks

Unit		Maximum Mark	A *	Α	В	С	D	E	F	G	U
2321/01	Raw	60				35	29	23	18	13	0
	UMS	69				60	50	40	30	20	0
2321/02	Raw	60	42	37	32	27	21	18			
	UMS	100	90	80	70	60	50	45			
2322	Raw	60	50	45	40	35	27	20	13	6	0
	UMS	100	90	80	70	60	50	40	30	20	0

The total entry for the examination was:

2321/01 = 990 candidates 2321/02 = 1328 candidates 2322 = 1782 candidates

For a description of how UMS marks are calculated see: http://www.ocr.org.uk/learners/ums results.html

Statistics are correct at the time of publication.

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