

Mark Scheme November 2008

IGCSE

IGCSE Business (4330/03)

4330 03 Mark scheme

Question Number	Answer	Mark						
1(a)(i)	<table border="1"> <tr> <td>Overdraft</td> <td>Short-term</td> </tr> <tr> <td>Reinvestment of profits</td> <td>Long-term</td> </tr> <tr> <td>Share issue</td> <td>Long-term</td> </tr> </table>	Overdraft	Short-term	Reinvestment of profits	Long-term	Share issue	Long-term	(3)
Overdraft	Short-term							
Reinvestment of profits	Long-term							
Share issue	Long-term							

Question Number	Answer	Mark
1(a)(ii)	(Overdraft) - external (Reinvestment of profits) - internal	(2)

Question Number	Answer	Mark
1(b)	<p>eg total costs are higher than revenue</p> <ul style="list-style-type: none"> product will not make a profit at present price reduce costs - fixed costs unlikely - variable costs more likely - materials/wages increase revenue - raise selling price 	(5)

Question Number	Answer	Mark
1(c)	<p>eg</p> <ul style="list-style-type: none"> will have original data - not reliant on work of others - may not target likely clients will meet specific needs of this business - can be planned from as such from start direct contact with potential clients - could be seen as a form of advertising range of suitable methods - questionnaires/telephone/consumer panels for clients in existing hotels varied data could be collected - facts and/opinions targets a precise problem - design to answer/resolve the problem 	(5)

Question Number	Answer	Mark
1(d)	<p>eg</p> <p>(control) - will make his own decisions with no need to consult - his control is complete - answerable for success or failure only to himself - chooses when to work/not to work - but cannot share control - stress, not making appropriate decisions</p>	(5)
		Total 20 marks

Question Number	Answer	Mark
2(a)	<ul style="list-style-type: none"> • Induction • Off-the-job • On-the-job • Induction • Off-the-job 	(5)

Question Number	Answer	Mark
2(b)	<p>fixed costs may be reduced - mortgage/rent/salaries</p> <p>no printing/storage costs -no postage costs - customers now bear the cost of downloads and ordering - less storage/office space required</p> <p>telephone sales staff made redundant - wages no longer paid - costs of employment decrease</p> <p>advertising costs would fall - web site would serve that function</p>	(5)

Question Number	Answer	Mark
2(c)	<p>emphasis on service to customers - internal and external - importance of the final quality of the product for the customer - importance of after sales service - use feedback from customers on improvements/problems</p>	(5)

Question Number	Answer	Mark
2(d)	<p>eg</p> <p>(upside) - good relationship with suppliers - often one supplier per component - working in partnership with the manufacturer</p> <p>careful planning - flow of components has to match demand - demand linked to specific orders</p> <p>planned delivery - has to be controlled - no unnecessary stock held - delivered stock straight to the production line - may require more than one delivery a day</p> <p>(downside) - dependent of delivery being on time - late deliveries could cause the line to stop - all production may cease - potential loss of profits</p> <p>NB max of 3 marks for one-sided response</p>	(5)

Total 20 marks

TOTAL FOR PAPER: 40 MARKS