



GCSE EXAMINERS' REPORTS

BUSINESS STUDIES

SUMMER 2010

Statistical Information

The Examiners' Report may refer in general terms to statistical outcomes. Statistical information on candidates' performances in all examination components (whether internally or externally assessed) is provided when results are issued. As well as the marks achieved by individual candidates, the following information can be obtained from these printouts:

For each component: the maximum mark, aggregation factor, mean mark and standard deviation of marks obtained by *all* candidates entered for the examination.

For the subject or option: the total entry and the lowest mark needed for the award of each grade.

Annual Statistical Report

Other information on a centre basis is provided when results are issued. The annual *Statistical Report* (issued in the second half of the Autumn Term) gives overall outcomes of all examinations administered by WJEC.

Business Studies

General Certificate of Secondary Education 2010

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General Comments

This is the last year for GCSE Business Studies in its present format. In future years there will not be tiered papers so candidates across the ability range will be tested with the same paper. However, the style of paper will remain the same so I hope the comments made below will be of value in the future.

Once again, most candidates attempted all the questions. This means that, even when they are unfamiliar with a topic, marks can be gained by thinking through the information provided.

Many questions were answered well and some excellently. The main reasons candidates are able to achieve good marks are:

- They have good subject knowledge and can define terms with some level of accuracy.
- Their answers go beyond one word or one simple sentence. Suggestions are explained.
- They consider both sides of a situation to evaluate when called upon to do so by the question.

Quality of Written Communication

There were few illegible scripts and most of the candidates received 2 to 4 marks with a few gaining 5 marks.

Paper 1 (G – C)

Once again this paper gave very good access to pupils of all abilities. The weakest candidates were able to gain some marks in most questions and the more able pupils were able to show their understanding of knowledge of business in the more challenging questions and particularly questions 9 and 10. There were very few scripts, where candidates did not attempt to provide an answer: including answers to Q9 and Q10.

Some excellent scripts suggested that a number of candidates might have achieved higher than a C grade if they had been entered for Paper 2 and this was shown by their answers to Q9 and Q10.

The following points can be made about the questions.

- Q.1 Most candidates were able to distinguish between needs and wants and to apply their knowledge to the question.
- Q.2 This was generally a well answered question but many candidates selected job or flow rather than the correct response.
- Q.3 There were very many correct responses although some candidates did select all the wrong choices. A number believed that bricklayers are tertiary workers. They probably saw such workers as being service providers rather than as workers in the secondary or construction sector.
- Q.4 A straight forward calculation was answered correctly by the majority of candidates.
- Q.5 The answers to (a), (b) and (c) were generally correct but a large minority of candidates could not attach the definition of a trade union to the correct response.
- Q.6 (a) Most candidates were able to suggest two reasons why a sole trader was a suitable type of business.
- (b) Locational factors proved to be very straight forward for most candidates.
- (c) Most candidates were able to suggest and justify marketing strategies which could be adopted but most were unable to consider problems which might arise.
- Q.7 (a) There were many good answers which concentrated on the wide spread nature of television advertising and its cost.
- (b) There were many inventive and plausible reasons given for Nokia's fall in profits. Some candidates were even aware of the recession and "credit crunch".
- (c) This question aimed at ways in which businesses can produce quality products. Those candidates who concentrated on ensuring quality materials and labour and quality controls achieved higher marks than those who considered the development of the product.
- Q.8 (a) Most candidates correctly suggested and described field and desk research. The weaker answers dealt with what was being researched rather than how.
- (b) The majority of good answers concentrated on health and safety despite the range of answers which could have been provided.
- (c) A wide range of internal communication methods were suggested and outlined. However, as mentioned in the market research question above, for some the message was more important than the means.
- (d) Many motivational suggestions were given. The best answers described these and showed how the workers could be motivated. A number were tied up with motivational theory which, although of some value, does not answer the question set.

The last two questions were common to the early questions on Paper 2 and were aimed at candidates expected to gain at least a C grade.

- Q.9
- (a) Most candidates selected the correct type of production.
 - (b) On the whole this question was well answered, however, some candidates did get a little confused and consequently the responses were somewhat muddled and not specific.
 - (c) Most candidates were able to apply their business knowledge to explain the effects on stakeholders. Some made statements without really considering the situation. For example, in (i) many believed that job opportunities would increase following the takeover: where a valid reason was provided, this was acceptable. In (ii) some suggested that customers would experience higher prices whilst others thought that prices would fall: again reasons are important.
 - (d) Most candidates suggested the correct term although many did not appreciate the difference between franchisor and franchisee.
 - (e) Most answers just considered the consequences of selling more franchises: the best answers also related to BP setting up its own petrol stations.
- Q.10
- (a) The calculation of material costs for October was handled with greater accuracy than the calculation of turnover for August. Many candidates assumed that the number was the same for July and September.
 - (i) Many candidates had clearly learned a definition of cash flow forecast. Others had little idea that such forecasts are predictions or estimates.
 - (ii) Fewer candidates were able to be specific as to how a cash flow forecast might be useful to a business.
 - (b) In many cases answers were too loose. Suggestions that turnover is “money made” by a business cannot be accepted as the answer may imply income or profit.
 - (c) There were many good answers suggesting revenue increasing or cost cutting ideas. The best answers also stated some of the problems associated with the suggestions. However answers which over-relied on marketing strategies were not highly rewarded.
 - (d) There were many suggestions but the highest marks were only gained by those candidates who explained their ideas.

Paper 2 (D – A*)

There were some excellent responses on the paper and the standard of work was generally good. The better candidates picked up marks with their ability to apply and to explain the business knowledge gained throughout the course.

The following points can be made about the questions.

- Q.1
- (a) This was an introductory question that allowed the majority of candidates to gain a mark at the very beginning of the paper.
 - (b) On the whole this was reasonably well answered by candidates who were able to deduce an answer from the information provided. The best answers were given by those who explained their suggested benefits.
 - (c)
 - (i) Most candidates successfully got one mark as they could suggest an effect on the workers but some candidates were not able to clearly explain the suggestion given. Many candidates suggested that the number of jobs would increase rather than decrease as they did not connect a takeover with rationalisation.
 - (ii) The responses to (ii) were very similar to that of (i) with candidates suggesting probable effects on customers without being able to give the reasons for the effects suggested.
 - (iii) This was well answered with most candidates gaining the full marks available.
 - (d) The question was well answered with the correct term given by the majority of candidates.
 - (e) This was a disappointing question with a large number of responses not reaching the top level. Many answers gave an outline of some of the advantages and disadvantages of selling a franchise; the candidates did not demonstrate a clear understanding of the advantages/disadvantages of expanding by selling a franchise rather than opening their own services stations.
- Q.2
- (a) Most were aware of the relationship between the categories in a cash flow forecast to be able to calculate the correct answers.
 - (b)
 - (i) The responses to this question were very good as candidates did understand that a cash flow forecast was an estimate of the income and expenditure of the business.
 - (ii) The best answers suggested that such forecasts are needed when applying for loans or can be used to warn about future financial difficulties.
 - (c) This was very well answered as most candidates were able to explain accurately the meaning of turnover.
 - (d) The responses indicated that most candidates were able to suggest ways to improve a cash flow forecast. However, there were a considerable number without any evaluation.
 - (e) Candidates were able to suggest ways to measure business success but were unable to clearly explain the suggestions given, especially with respect to accounting procedures and practices.

- Q.3 (a) (i) The responses were very good with most candidates giving the correct answer.
- (ii) The majority of answers gained full marks demonstrating a clear understanding of branding.
- (b) There were some very good responses with candidates giving clear descriptions of different quality methods and procedures. However, there were a small number of weak answers where candidates were unable to fully explain the suggestions given.
- (c) Candidates were able to describe the stages of the product life cycle but many were unable to connect the life of the product to the number of sales.
- (d) There were some very good responses but a number of candidates suggested that at the saturation stage sales are in decline.
- (e) Most candidates were able to explain some very good and appropriate extension strategies. However, some answers were one sided and offered no problems that may be associated with the suggestions given. Therefore, a failure to evaluate resulted in candidates not gaining full marks.
- Q.4 (a) The correct term was given by the majority of the candidates.
- (b) This question was well answered with sound suggestions and valid explanations.
- (c) Most candidates were able to suggest various problems associated with operating in many countries but many were unable to fully explain the problem suggested in order to gain full marks.
- (d) (i) This was a well answered question with candidates showing a clear understanding of the contents and use of a job description although some did confuse a job description with a person specification.
- (ii) Again, a well answered question with candidates demonstrating a very good understanding of the use of references in recruitment and selection procedures.
- (iii) This was generally a well answered question although a number of candidates could not satisfactorily suggest reasons for drawing up a short list.
- (e) The responses tended to be very general concentrating on the advantages of growth. There were a number of responses that were quite vague with candidates writing about the different businesses shown in the question as opposed to the advantage of owning the different businesses.

- Q.5 (a) A large number of candidates gained full marks as they were able to suggest a valid method of production and were able to fully explain the suggestion given.
- (b) This was generally a well answered question.
- (c) (i) A large number of answers were accurate with candidates showing a good understanding of the effect of income tax changes on customers' disposable income and the consequences for businesses.
- (ii) Again, the majority of candidates demonstrated a good understanding of the effect of changing interest rates on the business.
- (d) The responses to this question were varied. Overall answers were a little weak as many of the answers were somewhat confused or inexact. Many candidates did not have a full understanding of the implications of moving from a private company to a public company so they wrote about gaining a separate legal identity and limited liability for their shareholders.

Coursework

Following a similar pattern of previous years the vast majority of centres adopted the coursework assignment issued by the WJEC, that of producing a business plan. One or two centres opted to submit work on the labour market issued by the WJEC.

The work produced by candidates from the vast majority of centres was of an excellent standard.

It would greatly assist the moderation process if the centre could produce a covering letter giving a brief summary outlining their teaching groups, and also a description of the moderation process that has taken place within the centre. The letter is in fact a requirement.

There were minor changes to the process of choosing the sample to be sent to the moderator. Please take note of the General Coursework Guidelines issued by WJEC.

The sample taken at regular intervals from the rank order on the BS1 form is dependent upon the number of candidates entered. The sample must include the highest and the lowest scoring candidate.

Centres must send at least 10 coursework projects to be moderated. If less than 10 candidates are entered for the examination then all pieces of work should be sent. A number of centres sent too few pieces of work to their moderator and moderators were required to request further samples from centres.

The finance section is probably the most challenging area of the project and in particular the area which I feel caused the most problems for candidates. Some candidates decided not to attempt this section at all. Some candidates did complete the cash flow forecast then failed to describe or analyse the figures.

A few candidates were awarded high level marks for analysis and evaluation without actually giving a detailed breakdown of the figures. For example, saying that the business was very successful but in reality had a significant negative cash flow throughout the year. To ignore financial problems is wrong. When centres used pro forma cash flow template this should have been identified as such. In such cases candidates should have been given a blank spreadsheet.

Final assessment of coursework left grade boundaries unchanged from last year,
A = 54 marks, C = 37marks and F = 17 marks.

I would like to remind all centres that this is the final year that coursework will be submitted, and I look forward to the start of a new era of controlled assessment in the next academic year.

I would also like to take this opportunity to thank the moderating team for their hard work, help and support throughout the moderation process. Many of whom have given many years of service to and I fully acknowledge that without their help and suggestions the process would not be possible.



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