



GCSE EXAMINERS' REPORTS

BUSINESS STUDIES

SUMMER 2011

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

Summer 2011

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General Comments

This was the first examination of the new specification. In previous years the paper was tiered, but this year it was one paper for candidates of all levels of ability. The outcome reflected this with marks distributed across the full ability range. There were very few extremely low marks suggesting that the weakest candidates were able to provide credit worthy answers to most questions. The more able candidates were able to show their knowledge and understanding of business in the more challenging questions. Some outstanding work was produced by the most able candidates.

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. Some went well beyond what was required to fill more than the number of lines available even though they had already gained the maximum marks available before using extension booklets.

The early questions were similar to those previously set in papers examining the old specification. They were answered well, generally, with most candidates gaining good marks.

- Q.1 Most candidates selected the correct options relating to partnerships.
- Q.2 Most candidates appreciated that net pay involved subtracting deductions from gross pay: although a few did add the numbers together.
- Q.3 Again, most candidates selected the correct answers although the most popular wrong answer suggested a national chain of electrical stores as being a multinational.
- Q.4 This was generally well answered although, for some candidates, there was some confusion between franchisee and franchisor and between fixed and variable costs.
- Q.5 Most candidates were able to interpret the organisation chart and to select the correct workers from the chart but many – not knowing the definition of span of control – offered the wrong answers to (d).

- Q.6 (a) This was not answered well. Many candidates did not realise that the focus was on how the increase in income tax reduced disposable income and, therefore, had some affect on sales of the business. Many thought it was the business paying the income tax and this could gain credit if explained appropriately.
- (b) Perhaps the bad weather earlier in the year helped most candidates to appreciate the effects of a fall of snow on workers, suppliers and customers and the consequent effect on business.
- (c) There were some good answers where candidates appreciated how a fall in the exchange rate resulted in a fall in the price of exports and a rise in the price of imports. Some suggested the reverse effects.
- Q.7 (a) Most candidates were able to suggest reasons why the business should be run as a partnership. The best answers then went on to explain or develop these reasons.
- (b) In terms of market research this was well answered although some candidates wrote about the information the business gathered rather than describing how the research is carried out.
- (c) Most candidates were able to suggest valid sources of finance. It was pleasing to see that the number suggesting jumble sales or sponsored walks or such like was much lower than in previous examinations.
- (d) This was generally well answered with most candidates being able to list the elements of the marketing mix and then suggest reasons why these would encourage customers. The best answers looked for disadvantages in their suggestions.
- Q.8 (a) Most candidates appreciated that job production was the method used to meet individual customer needs and they produced valid reasons for their suggestion.
- (b) Uniqueness and cost were the most popular suggestions for the advantages and disadvantages to the customers. A small number answered incorrectly from the point of view of the business.
- (c) Many were able to suggest some valid advantages and disadvantages to this manufacturer of running its own shops. There was one popular misconception however that manufacturers pay shops to sell the manufacturers' goods. Some wrongly interpreted the questions as the benefits and problems of becoming a franchisee.
- (d) This question was specifically on the best site for a shop. Locational factors such as raw materials and transport infrastructure and availability of skilled labour, therefore, do not apply.
- (e) Where candidates appreciated that the question was about selling goods abroad, there were some good answers relating to the advantages and disadvantages of international trade to businesses. However too many saw the question as relating to the business setting up abroad so answers considered the advantages and disadvantages of operating as a multinational.

- Q.9
- (a) This was well answered with most response realising that public limited companies have access to more investors even though these may take over their business.
 - (b) Most candidates filled in the correct numbers in the shaded areas.
 - (c) The nature of fixed assets was not appreciated by a sizeable minority who defined fixed costs.
 - (d) Most appreciated the mechanics of a Balance Sheet – as shown in (b) – but a smaller number realised the importance of the figures to shareholders.
 - (e) This question brought about some very good answers and just about everybody managed to gain marks by recognising that eco friendly businesses can attract customers.
- Q.10 This question was answered well by some but it proved to be the most difficult for most candidates. Knowledge and understanding were limited and many did not read the question carefully enough. Perhaps too much was assumed about the knowledge of some and particularly those – from a number of centres - who believed that the Royal Mail had something to do with newspapers.
- (a) There were some very good answers with candidates appreciating that workers' jobs were less secure as a result of the new methods and that customers would either lose (with the longer rounds) or gain (with the benefits of the new technology).
 - (b) The best answers here appreciated the consequences of the strike on customer confidence in the business and their search for alternative providers with the consequent loss of custom for the Royal Mail.
 - (c) A majority of candidates were unable to answer this question as they had no knowledge of other forms of industrial action such as work to rules and overtime bans.
 - (d) There were many suggestions of ways to improve the performance of the workers. In the main most suggestions were valid but the best answers also considered the disadvantages of the suggestions in terms of the cost and the effects on other workers. Some answers concentrated too much on training and left out other suggestions. Others did not really apply the knowledge they had gained to the specific case e.g. by suggesting that postmen be given company cars as a fringe benefit. Those answers which relied on motivational theories made some valid points but they did not always fully address the question.

Controlled Task

This is the first year Controlled Assessment has been offered to candidates following the GCSE Business Studies course. It was a significant departure from the traditional coursework project of previous years and teachers and their candidates, in the main, have coped well with its new demands.

The majority of centres chose to undertake the assessment which asked candidates to identify a gap in the market and write a report on the likely success of setting up a new business. A number of centres that did this did not focus the write up on the success of the venture. This may have restricted candidates' ability to analyse and evaluate.

A cash flow forecast would have been relevant for helping to judge the success of the business. If a cash flow forecast is relevant in future assignments it would be preferable if candidates calculated the net cash flow figures individually and did not rely on preset formulas from a spreadsheet. The cash flow forecast was often misinterpreted with candidates stating that the business was likely to be very successful when according to the cash flow figures it was not.

A few centres chose the task: investigating the impact on stakeholders of a major business development. The quality of the work varied but it was at its best when centres had a large new development in close proximity and where candidates could gather a wealth of information to be analysed and evaluated.

Most teachers followed the generic guidelines for Controlled Tasks on the WJEC website and many were able to attend CPD where controlled tasks had been discussed at length over the past three years. As a result work produced generally adhered to the assessment framework, it was similar to the expected outcomes and it was accurately marked. Centres should check their individual reports to see if any specific issues arose.

Grade boundaries were determined as A = 49, C = 35 and F grade = 16 It is important to understand that when a method of internal assessment has existed for a number of years and an element of stability has been established then the mark boundaries can be carried forward to the following year. Whilst it would be expected that the 2012 boundaries will be similar to those in 2011 it cannot be assumed that they will be identical.

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 the work that they do.

There are a number of issues that I would like to flag up in the delivery and administration of the Controlled Task in 2012.

Delivery of Controlled Task

There is a 200 word summary of the main findings that can be taken into the write-up. A number of centres in 2011 let their candidates exceed the limit whilst others took in 200 words but also added some annotation to graphs and charts which amounted to analysis and evaluation and neither of these practices is permissible.

The labelling of charts, tables, etc words on questionnaires is not part of the word count. If candidates are using newspapers articles or text from books and the internet these should be included in the research material as appendices but if this material includes analysis and evaluation it should be deleted/blackened out.

Before candidates undertake the write-up teachers should undertake a pruning exercise whereby they and their students take out of the files superfluous material or work which constitutes analysis and evaluation.

Candidates in some centres exceed the 2000 word limit. In the Guidance Notes it indicates that in order to give an element of flexibility the limit be 2200 words. What is evident is that it is often better students who exceed the limit but often they are repeating themselves or what they write is only marginally relevant. Where teachers have candidates that they know are likely to exceed the word limit it is advised that they spend some time giving advice on what is essentially writing an extended essay.

For the 3 hour write up candidates are required to write a report of up to 2000 words. The layout does not necessarily need to follow a formal report layout listing sections and subsections. A hand written or word-processed document, structured with some headings will suffice.

Marking criteria B awards marks for research and a number of centres awarded Level 4 marks to some candidates who merely collected four different sources of information. Centres need to be aware that candidates also need to use a wide variety of presentation techniques and have high a level of written communication to achieve Level 4 marks.

Candidates must submit all of their work to be assessed. This includes their research findings, the 200 words guidance and the three hour write up. All three sections need to be clearly identified.

Administration of the Controlled Task

Centres should despatch work to arrive by 5 May 2012.

Selection of the sample of work that was sent to moderators was not always correct. In 2012 it is expected that centres will follow other WJEC subjects and be asked to submit their marks via the WJEC secure website. If this is the case then the system will automatically inform centres which candidates' work should be sent to the moderator.

Centres need to complete a BS3 form for each candidate to show the amount of guidance given to candidates and this should be submitted with the BS1 and BS2 forms.

It should be noted that the four options of controlled assessments for 2012 are different from those submitted in 2011. The titles are available on the WJEC website.



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