



GCSE EXAMINERS' REPORTS

BUSINESS STUDIES

SUMMER 2012

Statistical Information

The Examiner's 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.

Annual Statistical Report

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 2012

Chief Examiner: D Salter

Chief Moderator: J Price

General Comments

The accessibility of the paper is shown by the mean mark and by the mark required for a C grade. Once again there were very few extremely low marks indicating that the weakest candidates were able to be rewarded for their responses in most questions. The more able pupils were able to show their knowledge and understanding of business in the more challenging questions; some outstanding answers were produced.

Again most candidates attempted all the questions. Even when they were unfamiliar with a topic, candidates gained marks by thinking through the information provided. The number of lines available for the extended questions was increased but some candidates continued answers into the additional pages available at the end of the question paper and even into additional booklets.

The best answers were produced by candidates who took time to read the questions carefully to produce responses to questions set rather than those which candidates believed or wanted to be set. Candidates need to know and understand business terms and concepts.

The quality of written communication has been improving in recent years. This trend was continued this year with most candidates producing well written answers. Legibility was not an issue in most cases although the hardest answers to mark were those where the writing was very small.

Comments relating to specific questions are as follows:

- Q.1 Most candidates selected the correct options relating to public limited companies.
- Q.2 Most candidates selected the correct options but some selected the apparently contradictory ideas that there are barriers to trade between British and European Union business and there is more trade with other European Union countries.
- Q.3 (a) Most candidates appreciated that charity donations are a voluntary donation.
(b) Calculations, on the whole, were correct.
- Q.4 (a) Most correctly offered "bank loans" and "government grants" as examples of external sources of finance but there was much difficulty in suggesting a third example with many incorrectly suggesting "selling assets".
(b) This proved to be the most difficult of the early shorter questions. Many did not understand the question or did not know or could not deduce factors which determine where businesses find sources of additional finance such as size and term of borrowing, interest rates or reduced control of the business.

- Q.5 Parts (a) and (b) were generally answered well but there was much confusion between trade unions and worker co-operatives and between fixed and current assets.
- Q.6 (a) Most realised that Anvil Engineering produces goods.
- (b) Most correctly linked a fall in interest rates to disposable incomes or to the effects on borrowing costs. Incorrect answers often confused interest rates with wage rates or workers' interest in doing the job.
- (c) (i) In the main candidates appreciated that the inclusion of the age range was illegal as it discriminated between applicants.
- (ii) Here most suggested a medium for communication but to gain full marks an explanation needed to have been given. Some did not answer the question as they suggested improvements to the application process e.g. allowing on line applications whilst the question asked for improvements to the advertisement.
- (d) There were good responses here with many valid suggestions regarding a job description but too many included features of a person specification.
- (e) There were some excellent answers where candidates appreciated the benefits of cheap labour and resources and of local government assistance to multinationals whilst appreciating the problems of communication with far off branches and of local laws. Too many however confused multinationals with international trade or did not make the distinction between the two. This was indicated most clearly by answers which included disadvantages relating to transport costs and tariffs - issues reduced by multinational firms.
- Q.7 (a) This was a fairly standard question which produced the usual textbook responses.
- (b) Most suggested valid advantages and disadvantages of internet buying. Some failed to gain the full marks available because they did not provide explanations.
- (c) Even though the concept of market segment has not been tested for some time, there were many sound definitions.
- (d) There were many valid suggestions for market segments aimed at by Fran supported by reasoning, bordering on mild ageism and sexism, regarding the buyers of greetings cards.
- (e) Most used the scenario to be critical of Fran's leadership style. The best answers also included the benefits of her style regarding control and the increase in profits before giving an overall reasoned assessment. A number of candidates mentioned theories relating to motivation. These are specifically excluded from the specification but their citing neither added to nor distracted from answers.

- Q.8
- (a) Most appreciated that Ruby and Dean operate a private sector business.
 - (b) A number of alternatives were given and accepted for alternatives to Inflow: profit was not one of them.
 - (c) Most produced correct answers but a number incorrectly subtracted opening bank balance from net cash flow to calculate the closing bank balance for March.
 - (d) Most were able to suggest and explain examples of the use of ICT by businesses. Many limited their answers to using websites to sell and advertise their businesses: the wider use of ICT to keep records or control stock or to communicate was ignored by many.
 - (e) There were many valid examples of where businesses have legal responsibilities to their customers and their workers. It was a pity that a large number of answers just concentrated on safe shopping and safe working environments.
 - (f) Most were able to discuss a range of advertising media with regards to the cost and the spread of the advertising. The best answers considered both the advantages and the disadvantages of their suggestions. Some however concentrated on the message or the aim of the advertising rather than on answering the question. Others considered above the line and below the line promotion: not particularly relevant to the question nor an area included in the specification.

- Q.9 (a) This was a question where candidates either knew or did not know how to plot a total revenue line: the better candidates did. It was however a pity that many did not read the question and failed to label the line.
- (b) Answers to (i) and (ii) did not depend totally on a correct drawing of the Total Revenue line. Where an incorrect line was drawn the candidates reading from their diagram was accepted. Indeed, in some cases, where the line was not drawn valid calculations were carried out. However even where the line was drawn correctly too many considered the profit to be £400 in (ii).
- (c) As only one mark was available for this question, no credit was given for costs which change. Those who linked the answer to output or sales were considered to be correct in their definition. However, most provided acceptable examples.
- (d) (i) There were many attempts to answer this question. Those who merely linked the need to attract providers of finance produced the best answers.
- (ii) Most were able to suggest two items on a business plan but again those who failed to read the question included the name and address of the business.
- (e) Many clues were provided in the scenario as to what was required by this question. Candidates added these to their knowledge of franchises to produce some well balanced answers. The best answers finished with a reasoned recommendation as to what Ali should do. Some substituted the term royalty with the word loyalty. Others misread the question by incorrectly answering from the point of view of Ali becoming a franchisor. There was one common misunderstanding about the nature of franchises stated in both good and not so good answers. The choice was not between Ali remaining as a sole trader or becoming a franchisee. Even as the latter, he would still be classified as a sole trader and still be subject to unlimited liability.

Controlled Assessment

Firstly I wish to highlight a number of procedural issues with regards to controlled assessment. Centres need to follow the guidelines set down by WJEC. A few centres varied the assessment task slightly and it should be stressed that centres are not allowed to do this under any circumstances.

Where it was found that centres changed the brief of the assessment it was felt that their candidates did not fully answer the set question and therefore lost valuable marks in the higher levels of the analysis and evaluation criteria.

The guidelines clearly state that the assessment should be done in three clear sections, the six week research section, the 200 words guidance section and finally the 3 hour write up. All three sections should be included in the portfolio sent to the moderator for assessment. It is difficult for moderators to award marks for research if centres have not included any in the portfolio.

Candidates are not allowed to annotate the research. It should be taken into the write up in it's raw form. Candidates should construct a 200 word guidance document which may also include graphs, charts and tables, these can then be used to assist candidates to structure their work in the three hour write up.

A number of centres failed to follow guidelines and either annotated the research to include analysis and evaluation or exceeded the 200 word guidance. Where this has occurred centres have been made aware of this in their centre report. Centres who fail to comply with WJEC guidelines may have their marks adjusted.

Both the BS2 and BS3 forms need to be signed by both the teacher and the candidate. Centres must indicate on the BS3 form what assistance has been given to candidates.

This year we saw a greater variety of work produced by centres.

The majority of centres chose to undertake the task to investigate the marketing strategies of one large and two or three small businesses. The second most popular choice was the causes and consequences of an industrial dispute, a few centres opted for the effects of e commerce and the impact of the closure of a major employer.

The assessment on the marketing strategies was done well in general, however a number of centres included a significant amount of marketing theory in the final write up. One or two of centres developed this theory to an extent that the work contained considerably more detail than the requirement of the specification and included theories by Ansoff and the Boston Matrix. Candidates would have been better served if they had directly analysed and evaluated the strategies used by the businesses under investigation.

A number of centres submitted work on the causes and consequences of an industrial dispute. Centres that choose a well-known business generally performed well in this assessment. A list of stakeholders was identified and described and it was fairly easy to assess and evaluate the impact on those stakeholders, with regards to differing effects on the range of different stakeholders.

The assessment on e commerce tended to be well written on the whole. Some weaker candidates gave a basic description of the websites of chosen businesses while the more able were able to give a more analytical development of the many aspects of e-commerce.

The assessment on the effects on stakeholders of the closure of a business was attempted by a few centres and was completed to a fairly high standard with no significant issues arising. A number of centres choose to undertake an assessment from organisations or businesses where it was difficult to obtain information from stakeholders. I suggest that centres choose businesses where it is possible to gather enough information to complete the assessment to a high standard and cover a wider range of the specification content.

It should be noted that the four options of controlled assessments for 2013 are different from those submitted in 2012. Titles are available on the WJEC website.

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 and I fully acknowledge that without their help and advice the process would not be possible.

Grade boundaries were determined as A grade = 50, C grade = 36 and finally, F grade = 16.



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