

GCSE

BUSINESS STUDIES

413001: Setting up a Business
Report on the Examination

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General Issues

The key to providing good answers in this paper was the ability of students to empathise with the characters in the three scenarios. Those that did showed analysis and evaluation that was rooted in the issues described in the scenarios. The three scenarios made different demands on students understanding with question 2 proving to be the most demanding with students needing to distinguish between the retailer and the manufacturer.

As in previous series the part (a) questions produced a wide range of marks. Whilst in the past there has been a tendency for students to over answer these knowledge questions this is now less of an issue. These questions will test a range of specification areas and need careful reading. A good example of this was in 3a where some answers described consumer rather than employee laws. For the nine mark evaluation questions there was a disappointing number of answers which included judgements which were insufficiently developed being either too short, superficial, or insufficiently linked to the data. Where answers started with a judgement these often worked well, but in some cases had contradictory arguments that were not resolved by the students.

Question 1

- (a) A reasonably well answered question with a variety of advantages identified. A minority of students answered from the point of view of the franchiser while others were too generic to be credited.
- (b) There were many good answers to this question. Most students used the scenario well and were aware of the advantages of a business plan to a new business that has no money and which requires a start-up loan.
- (c) This was a previously untested area of the specification. However, most students showed some understanding of the terms. Ethical was better understood than sustainable but either or both of the terms could have been developed for maximum marks. Only a minority of students applied the terms to the case study but those that did often used the link to charging a high price in order to gain access to Level 3 marks.
- (d) This was a well-answered question with a significant number of students analysing rather than just describing the two options. Many students used some form of calculation in their analysis and also commented on the point of targeting sick animals for future pet food sales which again produced answers clearly in context. Evaluation was reasonable but the majority of students did not gain Level Two as judgements were either too short or inconsistent.

Question 2

- (a) This was a well-answered question with most students showing subject knowledge. The scenario gave plenty of possible leads such as made to measure uniforms and good quality. Some students, however, did not focus on the supplier.
- (b) This was a disappointing question in that the majority of students had a good knowledge of the benefits of being a private limited company, e.g. limited liability, succession, raising funds, but then failed to put this into context. Many of the better students referred to the risks of the company, its cash flow problems, its need for an overdraft facility and the benefit, therefore, to the owners of limited liability. These 4 to 6 mark question will have at least 2 marks for application and students need to make sure their responses are in the context of the scenario.
- (c) For this question students made much better use of the case study material. The order problems in the scenario and the fact that there were competing shops were well used by most students.
- (d) By having the possibility of a 10% reduction given in the question, better students were able to analyse this option as to whether or not it would improve the cash flow. The better answers often contrasted the short term benefit in cash flow with the reduction in profit and showed how this would affect the closing position. More general answers tended to be more descriptive on the effect of the discount but provided little basis for a clear judgement.

Question 3

- (a) Many students developed the legal aspects of pay and conditions identified in the case study. Minimum wage and maximum hours were common responses which showed good understanding of the legal requirements that would affect the garage assistant. Other valid areas identified included health and safety and discrimination. Most students applied these to the garage but a minority of answers did not and in some cases referred to consumer law issues.
- (b) As in part (a) the majority of students were apply to apply their answer to the assistant's situation to gain Level 2 marks. Issues such as the working conditions and the boring basic work allowed responses such as responsibility, varied work and improved facilities to be easily developed.
- (c) Given the open ended nature of this final question many students provided answers that were applied to the case study and developed into some sort of supported judgement. There was a variety of contexts used including the motivation of the assistant (developed from the previous question). Other themes well used for arguments included the reaction of loyal customers and the financial arguments of rent vs. purchase, which was in many cases developed to a short term vs. long term judgement.

Mark Ranges and Award of Grades

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