

Examiners' Report January 2008

GCE

GCE Business Studies (8076/9076)

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Unit 6121/01 - Business Structures, Objectives and External Influences

General Comment

For many candidates, it was the first time that they had come across this paper in the question and answer booklet format. Centres need to ensure that candidates are aware that this will be the format of future papers.

The demands of this paper were commensurate with those of previous examination sessions. Candidates used the context on most questions to apply their knowledge, although there are still some areas of weakness here, where they demonstrated a good knowledge and understanding candidates remained at Level 1.

Allocating more lines to questions has certainly helped in terms of examination administration, but candidates should be informed they do not have to fill all the lines because it is there.

Question 1

- a) This question was largely done well. However, there were a surprising number of candidates who thought it had something to do with limited resources, limited responsibility, limited liability to legal threats or even got unlimited confused with limited liability. To obtain full marks we were looking for an answer that explained both the limited and liability aspect.
- b) Candidates' responses provided largely fluent analysis of how the Tussaud's Group could combine its resources to produce a 'magic moment' for its customers. Having discussed the co-dependency of human, physical and financial resources, most concluded that finance was essential to train staff and buy the rides that would enable the customer to experience their 'magic moment' through high levels of customer service. Some candidates failed to achieve the highest Level 3 marks because they did not address all three resources.
- c) Varied responses to this question with many candidates focusing on the international aspect rather than the private limited company aspect. Good answers demonstrated the extra work on operations that would be needed to translate, transfer and communicate generally with a global environment and some candidates even appreciated the fact that as a private limited company being global might cause bottlenecks, to such things as growth. A disappointing few confused Ltd with plc.

Question 2

- a) It was amazing how many actually got this question wrong, offering consumers and suppliers as internal stakeholders. Candidates should also be made aware that if asked to state two, they need write only the two words, many wasted a great deal of time explaining what stakeholders were and giving examples.

- b) Most candidates were able to identify that strategic objectives were some form of operational goal, but then they were not able to translate this theory into the context of the Tussaud's Group. Better candidates did appreciate that given that the Tussaud's Group is customer needs driven, the focus should be on staff training and customer care. Many focused on impact on motivation and how this would improve performance.
- c) Context was the main issue with this question, accepting 'multinational' as context saved many candidates from Level 1 marks. Many candidates recognised the advantages and disadvantages of geographical organisation for a world wide business, but had difficulty developing this into analysis. Knowledge of organisation by function was more limited and clearly not understood by a number of candidates.

Question 3

- a) Generally this question was well done by candidates, possibly given that they had been well prepared and that given the nature of Appendix 2 this question was anticipated. Most candidates were able to show at least some application either in terms of how the demographic changes might affect the Tussaud's Group in terms of growth and development eg by introducing attractions for older customers or developing Warwick Castle at the expense of Alton Towers. Some also considered how financial transactions might be affected by the growth in the use of debit and credit card transactions.
- b) Motivational theorist was not always identified, although asked for in the question. Those that were identified were not always applied to methods used by the Tussaud's group, despite the fact that there were so many references in the pre-release material. Most commonly, candidates were able to show an appreciation of how Maslow's hierarchy of needs was met by the Tussaud's Group. However, they did not always go on to analyse this or reach any form of conclusion eg that any particular set of motivational techniques may not suit all individuals within a group, particularly when many of the Tussaud's group are part time, perhaps students who just need the money.

Unit 6124/01 - Analysis and Decision-Making

General Comments

For many candidates, it was the first time that they had come across this paper in the question and answer booklet format. Centres need to ensure that candidates are aware that this will be the format of future papers and that additional lines had been added to questions to aid students and avoid the numerous additional sheets we had last summer. However, candidates were not expected to fill all the available space and should be reminded of this. Many candidates wrote far too much for question 1a at the expense of not completing the paper.

The issue of time was brought to my attention before marking commenced and this was taken into account during standardisation and awarding to ensure no candidates were disadvantaged.

Question 1

- a) The question on sales forecasting was done from the point of view of qualitative rather than quantitative data as has been the case in the past. However, this did not appear to cause problems to candidates, who demonstrated a good knowledge of the methods currently used by Cox & French. Better candidates were able to identify that as a long established firm, Cox & French had access to historical financial and sales data and so should also consider using this to aid their forecasting not just qualitative data alone.
- b) (i) Many candidates calculated nodes 3 and 4, but not nodes 1 and 2. A common error was using minus instead of plus. When candidates did calculate correctly and arrive at a decision they easily accessed Level 3.

However, this question was not accessible to all candidates, this could be because of the introduction for the first time of a two-stage tree calculation and also of the costs of making a decision as opposed to the costs being built into the outcomes, as in previous years. It should be noted that allowance was made for this, allowing Level 3 at the lower end for a candidate who had calculated nodes 3 and 4 only, but then went on to make a valid decision based on these calculations.

Question 2

- a) The majority of candidates were able to calculate at least 4 correct ratios. However, not all were able to draw relevant conclusions from the calculated data. Most did recognise the liquidity problem and many attempted to identify other information that might be useful, and some arrived at a contextualized conclusion.

- b) Context was clearly a problem with this question. Many knowledgeable responses addressing all costing methods failed to apply this to the furnishing industry or to a company that was well established, thus limiting marks to Level 1. Weaker candidates threw everything at the answer, discussing investment appraisal, moving averages, identifying trends etc.
- c) Quality and accuracy of responses seemed to be very much centre driven. There were clusters of responses which showed lack of knowledge. Few candidates referred to all three elements of cost, performance and aesthetic. Better answers focused on the socio economic group that Cox & French targeted, recognising that whatever the cost they would probably pay. What would matter to them was quality/appearance. Very few talked of performance ie durability in this case or suitability for purpose.

Grade Boundaries

Unit 1 (6121/01) - Business Structures, Objectives and External Influences

Grade	Max. Mark	A	B	C	D	E
Raw boundary mark	63	40	35	31	27	23
Uniform boundary mark	90	72	63	54	45	36

Unit 4 (6124/01) - Analysis and Decision-making

Grade	Max. Mark	A	B	C	D	E
Raw boundary mark	84	45	40	36	32	28
Uniform boundary mark	90	72	63	54	45	36

Notes

Maximum Mark (Raw): the mark corresponding to the sum total of the marks shown on the mark scheme.

Boundary mark: the minimum mark required by a candidate to qualify for a given grade.

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