

# **BUSINESS (ADVANCED LEVEL)**

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**Paper 8923/5171**

**Business Organisation and Environment**

This paper was available for the last time in November 2009. There were no candidates for the paper.



# BUSINESS (ADVANCED LEVEL)

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Paper 8929/5172  
Effective Business Communication

## General Comments

Centres need to ensure that candidates read the case study and the tasks carefully before starting the paper. Too many candidates tended to look at the first part of the task or pick out a word or phrase and write all they knew about it, leaving the examiner to sift through the answer and pick out the relevant points. This will not be done, so it is the candidate's responsibility to read the task carefully and answer it as it is set.

If, for example, four points are asked for with an explanation of their importance, then listing six or eight in bullet point form will only gain a maximum of four marks, one mark for each point, and no access to the marks available for the development and explanation of those points.

These points are particularly relevant to tasks **2(a)**, **4(c)** and **5(a)**.

## Task 1

- (a) This task centred around a 'presentation'. The majority of candidates failed to understand that a presentation is centred on using verbal communication, and is not the same as written communication. Verbal communication is oral i.e. spoken. The points that should have been made are listed in the mark scheme with the addition of 'using suitable language i.e. avoiding technical jargon'. Many candidates failed to answer or gave a list of examples of written communication. However, candidates did much better with non-verbal communication, correctly identifying: kinetics; body language; eye contact; facial expressions etc.
- (b) A considerable number of candidates misunderstood the task and listed telephone, letters, memo, fax, e-mail, but these are methods of communication not parts of the process. The Examiner refers Centres to the points outlined in the mark scheme. Candidates should have addressed themselves to the six elements of the communication process from the origin of the message (the sender) to the ultimate destination of the message (the receiver). The process will include; (i) the need; (ii) the encoding (iii) transmission; (iv) receipt; (v) decoding; (vi) responding (feedback).

## Task 2

- (a) Memo: The layout was much improved and most candidates gained four marks. The content however, is still a problem. Candidates must read the case study and the task carefully in order to identify the purpose of the meeting and the date, time and place. In many cases only very vague references were made regarding the purpose and date, time and place of the meeting. Candidates must be mindful also of the fact that the memo is being sent to members of the board of directors and the tone of the memo should reflect this. It is not being sent to a person of the same rank in the organisation as the sender and should therefore be more formal and respectful in tone.
- (b) Candidates answered the e-mail and website tasks well and gained at least three marks. Answers to the extranet task however were much vaguer and not specific enough to differentiate the extranet, as a private and password protected network, from the internet.

### Task 3

- (a) Generally well answered, the majority of candidates identifying four points correctly. However, explanation or development of these points was limited in some cases. References to Chairperson were not allowed in this section as it was asked in (b).
- (b) Generally well answered, there was however some repetition of points made in (a). There was also a lack of development or explanation.
- (c) The majority of candidates gained full marks for this task.

### Task 4

- (a) Many candidates did not know what an appraisal interview was. Many confused it with a recruitment interview or a disciplinary interview. The few candidates who did identify it correctly made valid points but then failed to develop them. This task was not concerned with 'types of tasks' to be asked, but rather who should be present, the preparation and location of the meeting.
- (b) Most candidates identified 'closed' or 'open' tasks but the explanations and examples given were weak. Hypothetical tasks would not be used as appraisal interviews would deal with hard facts.
- (c) Candidates wrote too much detail regarding the reasons why Peter Zhanti should face a disciplinary interview, lifting much of it directly from the case study. Three concise points were sufficient. Most candidates correctly described a disciplinary interview.

### Task 5

- (a) Few candidates got beyond two marks for each type. One mark was given for a clear diagram. Candidates spent too much time merely describing each graph type and not describing the benefits of using each type of graph, which was where the other three marks were allocated.
- (b) Unfortunately few candidates knew what a press release is, and so could not access the marks available.
- (c) Candidates were able to describe a Gantt chart but were unable to apply its functions to the situation specified in the task.



# BUSINESS (ADVANCED LEVEL)

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Paper 8929/5173  
Business Finance

## General comments

Overall the performance of the candidates in the October 2009 examination was satisfactory with many candidates demonstrating that they had a reasonable knowledge of the subject areas covered by the examination paper. However, it is disappointing to report that many candidates underachieved as they did not produce complete answers to all parts of the tasks. It appeared that the candidates managed their time effectively with most candidates producing answers to all parts of the tasks. Once again, it is necessary to report that many candidates lost marks when undertaking the calculations required in the tasks because they did not produce a formula and/or show their workings. This issue must be addressed by Centres in order that future candidates are afforded the best opportunities for success.

Centres are also urged to instruct candidates in the need to provide simple, precise definitions of terms in order to achieve the full mark awards.

## Comments on specific tasks

### Task 1

Overall the responses to this task were rather disappointing with many vague or irrelevant answers being provided.

- (a) The answers were often vague and it is disappointing to note that a fundamental concept of accounting appears not to be known by a sizeable minority of the candidates.
- (b) The answers were disappointing with many candidates providing vague responses that attracted few marks.
- (c) The answers provided were again disappointing with many candidates providing answers that related to carrying large volumes of stock rather than a wider range of stocks.
- (d) The answers were satisfactory with many candidates able to identify the PEST factors and explaining the effects that these factors could have on the business. However, Centres are urged to impress on the candidates the need to discuss the effects that the changes are likely to have on both future revenues and costs. It is only by doing so that the candidates can make a judgement on the effect on future profits, as required by the task.

### Task 2

- (a) The answers provided were rather disappointing as there were many vague responses and very few candidates were able to provide a meaningful and correct example of double entry bookkeeping.
- (b) The answers were again disappointing and examples to illustrate the nature of historical cost were often presented in a vague manner.
- (c) The answers provided were slightly better with most candidates able to identify the additional accounting principles, but in many cases the explanations did not relate to how the principles would contribute to accuracy in the accounts.

### Task 3

- (a) The answers were quite pleasing with the majority of the candidates able to employ the appropriate method to complete the calculation. However, many candidates did not complete the task as they did not provide a figure for the amount of stock that had been issued. As a consequence they lost marks.
- (b) The answers were quite pleasing with the majority of the candidates able to employ the appropriate method to complete the calculation. However, many candidates did not complete the task as they did not provide a figure for the amount of stock that had been issued. As a consequence they lost marks.
- (c) The answers were often rather vague and few of the candidates were able to provide a relevant reason for employing the AVCO method of stock valuation.

### Task 4

- (a) The answers to this part were quite pleasing, with the majority of the candidates being able to present the information in a recognisable format. Some candidates lost marks simply because they produced a balance sheet that did not balance. This was often because they had misinterpreted the data and made entries that were incorrect. This type of task is very common on the paper and Centres should ensure that candidates are better prepared for this type of task in future examinations.
- (b) The answers were rather disappointing and many candidates produced vague answers. Again, this is a common task in the examination and Centres should ensure that candidates are better prepared for this type of task in future examinations.

### Task 5

Generally the answers to this task were good and candidates were able to provide relevant responses to all elements of the task.

- (a) The answers were often relevant and correct.
- (b) The answers were often sensible and illustrated a sound knowledge of the subject area.
- (c) The answers were either good, attracting full marks or they were irrelevant because they did not relate to the financial advantages and disadvantages of a limited company. Candidates should be reminded that they must read the tasks carefully so as to produce answers that are relevant.

# BUSINESS (ADVANCED LEVEL)

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Paper 8929/5174

Marketing

## General comments

It is pleasing to report that many candidates achieved good marks for this paper this session. Good candidates know the syllabus well, structure their answers in a clear and well-organised style, and are able to identify the relevant concepts required by each task. They also apply these concepts to the material in the case study.

However, there were unfortunately still a considerable number of fail grade candidates, and Centres should note the points that follow as there are some common reasons for candidate failure or poor pass grades.

- some candidates appear not to know the whole of the syllabus, and so answer incorrectly and inappropriately for the situation described. Tasks are asked across the whole syllabus.
- some candidates know the basics of the syllabus, but do not or cannot apply the relevant concepts to the specific Case Study scenario. These candidates tend to waste time by writing all that they know about a particular topic, and without any attempt to make it relevant to the wording of the task.
- some candidates do not attempt all the tasks on the paper – this was evident this session for some Centres' candidates in particular.

Candidates often, under the pressure of the examination situation, do not read and/or analyse the requirements of the task sufficiently. This was particularly apparent in **Tasks 1, 2 and 4** this session. Teachers can help candidates develop this skill by discussing past paper tasks during teaching sessions.

## Comments on specific tasks

### Task 1

- (a) The first part of this task looked for candidates to explain the term 'market orientation' to members of the organisation's sales team. The key fact here is that market orientation puts the customer at the centre of the organisation and everything that it does. This is the responsibility of all employees, including the sales team. However, it was disappointing to note that many candidates only described this in general terms and very few made reference to the sales team and how they could benefit from marketing and focus on the customer.
- (b) The second part of this task was generally covered appropriately by candidates. Most were able to identify and describe three responsibilities of the marketing department. However, there were very few who linked these to the achievement of company objectives. For example, many identified the fact that awareness of products and services needed to be improved, and went on to describe how that might be achieved through promotional activity. However, the link to the fact that this might in turn lead to an increase in sales and improved profitability was rarely made. Those who did this were rewarded with high marks for this task.

## Task 2

- (a) This part of the task asked candidates to identify three key issues that needed to be investigated through market research to inform the marketing plan. Most candidates could do this part of the task quite well. Candidates who simply listed three issues were only able to gain half of the available marks and so the importance of reading the task and responding to the command word 'explain' should be stressed to candidates. Each explanation could have attracted four marks.
- (b) In this part of the task, candidates were asked to identify sources of secondary research and types of primary research that could be used in the investigation of one of the issues from part (a). Some candidates did this well. However, many candidates did not read the task and suggested methods for all of the issues in part (a) and so limited their ability to gain marks as only sources and methods for one issue were awarded marks. Also, general descriptions of secondary and primary research without links to the case study were awarded only very low marks.

## Task 3

This task explored buying behaviour in organisational/business-to-business markets in detail.

- (a) Generally, candidates either knew the required response to this part of the task or did not know this part of the syllabus. Examiners found that they were either awarding full marks for this section or no marks at all.
- (b) This part of the task asked for an explanation of the six stages of the organisational buyer decision process. Once again, those who knew the syllabus and read the task correctly were awarded high marks. Some candidates did not respond at all, and some listed the five stages of the consumer buying decision process. Once again, candidates should be reminded to read the task carefully.
- (c) Most candidates defined segmentation well.

## Task 4

Some candidates gave good responses to the whole of this task. Unfortunately, although many were able to answer the first section well, parts (b) and (c) proved more difficult. Part (b) asked about the objectives that were given in the case study and candidates had to identify how they might be made SMART. This required the application of the knowledge of what SMART means and many found this difficult. In part (c) many were not able to identify control mechanisms for the marketing plan.

## Task 5

- (a) Responses to this part of the final task were generally very good. Many candidates were able to identify all 7Ps correctly and apply them to the business-to-business stationery market as required.
- (b) In this final part of the last task candidates generally performed well. Most were able to identify two options from the following:
- product might be affected by the development of technology
  - online promotion is possible
  - place – new distribution channel through Internet ordering
  - people – may need further training because of technology

# BUSINESS (ADVANCED LEVEL)

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Paper 8929/5175  
Human Resource Management

## General comments

Overall the majority of candidates were able to show knowledge in all areas covered by the syllabus for this unit. Candidates were usually capable of demonstrating knowledge for those tasks that relied mostly on repeating what they had learnt in the subject and providing some practical examples to support their underlying understanding of this subject. There was also an improvement in the ability of candidates to apply their understanding to the evaluation and analysis of the company used in the case study. However, most candidates were still incapable of applying their knowledge in the correct analysis of the situations presented in the case and consequently frequently fail to achieve more than average marks in each task.

A large proportion of candidates are under-achieving because of poor examination technique and failure to allocate suitable time to answering each task. Marks awarded to candidates invariably got lower in the later tasks, especially **Tasks 4** and **5**. In most cases even the limited amounts written for these latter tasks showed that candidates had a good understanding of the topics but had simply not left sufficient time to expand their answers to a level detailed enough to achieve the higher marks. Candidates at this level should recognise that a short and focused answer for all tasks is preferable to one or two over-complicated answers, not just in parts **(a)** and **(b)** but throughout the whole paper. Candidates often fail to differentiate between the tasks with different mark values. Large numbers of candidates wrote more detailed answers covering two or three pages to the four mark and six marks tasks in **Tasks 1** and **2** than they did to the part **(c)** parts of **Tasks 4** and **5** worth ten marks. In many cases a candidate's answer was lengthier for a four mark answer than they were for a ten mark answer. Candidates are not required to submit detailed essay-type answers but they must write in enough detail to demonstrate to the Examiner that they understand the tasks.

Candidates at this level need to clearly read both the case study and the accompanying tasks carefully. Better candidates were able to understand precisely what the tasks asked them to do and applied their knowledge in the appropriate context. Not all candidates recognised that responses should be clearly related to the case study. Marks were frequently not awarded because the context was not considered. Candidate's knowledge needs to be applied to the case study. Teachers should ensure that their candidates understand the importance of context.

## Comments on specific tasks

### Task 1

- (a)** Possibly the weakest answer for most candidates in the whole paper. Whilst many candidates were unsure of the difference between strategy and operations even the more able candidates struggled to relate this specifically to Clean Oil plc (COplc). Many answers were far too detailed for the amount of marks available for this task and candidates suffered for this by having insufficient time to answer later tasks.
- (b)** Some candidates interpreted the task as relating to the changes at COplc and commented upon the changes in technology even though the task clearly refers to changes in Human Resource Management (HRM). Some candidates did mention welfare; contracts and working structures but very few candidates were able to show high levels of understanding. Many answers were far too detailed for the amount of marks available for this task and candidates suffered for this by having insufficient time to answer later tasks.

- (c) Candidates understood the operational purpose of HRM and often explained each of these in some detail whilst a significant number of candidates were also able to explain the link between these and the need to carry out operations locally. There were some well considered answers that recognised the difficulties for HRM in companies operating in different countries.

## Task 2

- (a) This task required candidates to explain the concept of lifelong learning at COplc, many of them simply produced a definition of lifelong learning and occasionally made mention of changes in technology. The best answers were from candidates that made the connection between lifelong learning and the need for staff at COplc to constantly update their skills because of the changes in technology. Many answers were far too detailed for the amount of marks available for this task and candidates suffered for this by having insufficient time to answer later tasks.
- (b) This was normally the best answered task for all candidates as most were able to extract the relevant information direct from the case study. Top level candidates were able to draw some conclusions about the similarities/differences in the work forces which helped prepare their answers for part (c).
- (c) This task did manage to test a candidate's ability to distinguish between the work forces and draw some valid conclusions. Very few candidates were unable to produce a reasonable answer to this task but a disturbing number assumed that because the workers in North Africa were described as having high levels of technical skills they therefore must work in the secondary or tertiary sectors. Weaker candidates also padded out their answer with descriptions of the different sectors that were more appropriate to the Business Organisation paper.

## Task 3

- (a) Generally poorly answered by most candidates, few were able to recognise the need for Human Resource (HR) planning linked to the changes in technology mentioned in the case study and most candidates merely gave a definition of HR planning.
- (b) Some very good answers from well prepared candidates who were able to enhance their explanations with realistic examples often matched to COplc. A small number of candidates were confused between redundancy and retirement whilst others were unaware of the forced nature of redundancy.
- (c) Almost all candidates recognised the two strategies referred to in the case study but the level of detail provided in the answers often reflected each candidates overall level of understanding of HRM. Weaker candidates generally quoted the relevant section from the case study, average candidates were able to make some reference to how each strategy could be related to the growth in technology and the most able candidates fully explained how all four strategies would affect COplc.

## Task 4

- (a) A significant number of candidates called upon their Business Organisation knowledge in their answers to this task, which whilst being acceptable for lower level mark bands these answers often failed to consider the structures from the HRM perspective which was essential for top level mark bands.
- (b) Candidates tended to have a good understanding of how Total Quality Management (TQM) operates but were much weaker on the how this could improve the HRM role in COplc. Many answers were surprisingly brief for a topic that should have been covered in a number of different subjects.
- (c) Some very variable answers to this task and candidates tended to discuss either the use of market forces to set wages or the current proposals for changes but rarely consider both. Too many candidates had failed to allow sufficient time for answering this task which was often unfortunate as

many of these were able to write down a planned structure for their answer which demonstrated that they appeared to have a good understanding.

### Task 5

- (a) Again a well answered task but few candidates gained top marks as they were unable to back up their answers with suitable examples or make reference to the information provided in the case study.
- (b) Weaker candidates, or those who had not allocated sufficient time, would merely provide bullet point lists of the benefits of using external trainers. In most cases these lists did not contain enough detail to show that candidates fully understood the benefits. The most able candidates not only detailed the benefits but also explained some of the weaknesses of using internal trainers.
- (c) Marks awarded for this task were unequally distributed because of the number of candidates who had not allocated themselves sufficient time to answer in any amount of detail. Answers ranged from lists of different consultation and negotiation systems to very detailed explanations of each system, often including an analysis of the benefits and drawbacks for each system. There were some very good answers showing good levels of evaluation skill from candidates but a very large proportion of candidates lost a significant number of marks as they were not able to complete this task due to their poor time management.



# **BUSINESS (ADVANCED LEVEL) AND OFFICE ADMINISTRATION (ADVANCED LEVEL)**

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**Paper 8929/5176  
Interpersonal Business Skills**

## **General comments**

Please note that only a small number of submissions were received for this module during the year, the following comments reflect this, however in general the reports from the Centre were well laid out and presented for marking.

## **Specific Comments**

- The course teacher had not completed the Assignment Cover Sheets for the candidates; this is a recommendation as it assists the candidate, marker and teacher to check that the work is complete.
- A candidate failed because a number of objectives were not evidenced in the report.
- The reference section or bibliography was weak and should have been shown in a conventional academic format, as this was appropriate to the work.

# BUSINESS (ADVANCED LEVEL)

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Paper 8929/5177  
Business Start-up

## General comments

Overall, most of the work submitted for this module was of very good quality, candidates had made a big effort with their reports and the dedication of teachers was apparent.

The teachers and candidates who used the Assignment Cover Sheets were more confident that the submitted reports were complete and ready for marking. This is also helpful to the marker so that the content of the report can be checked alongside the comments and page numbering of the Assignment Cover Sheets.

Some candidates were marked as a fail or received a lower grade as there were certain weaknesses in the reports; listed below are a variety of reasons why some candidates were not successful or received a lower grade.

## Specific Comments

- No reference sources were quoted or listed in the report as a bibliography.
- Some candidates omitted a 'self-evaluation' section in their reports; this would normally include an approach to developing a business plan for the business idea and the strengths and weaknesses of the report.
- Comments in one report lacked depth and did not always match the syllabus or assessment criteria.
- Some Centres failed to complete the candidates' Candidate Assessment Record sheets, which show when individuals complete certain parts of the module syllabus. Completion of the Student Assessment Record is a mandatory requirement of the Scheme.
- Some candidates had omitted an action plan or check list in relation to the business or service they were proposing to start; this is an important inclusion for this module.
- Some submissions lacked a contents page and had a poor lay out in general, others were not really business-like in their style. These are expected with this Scheme particularly at Advanced level.
- Most candidates used the Assignment Cover Sheets but some were not fully completed by the teachers/candidates.
- Positive comments include:
  - Excellent work submitted by the Centre, all had a good lay-out.
  - Business plans and action plans were kept separate which was an excellent idea.
  - One report had an excellent reference section that was used throughout by the candidate.
  - A concluding paragraph in the report enhanced what the candidate had written.

# **BUSINESS (ADVANCED LEVEL) AND OFFICE ADMINISTRATION (ADVANCED LEVEL)**

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**Paper 8929/5178**

**Customer Care**

This paper was available for the last time in November 2009. There were no candidates for the paper.

# BUSINESS (ADVANCED LEVEL)

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**Paper 8929/5179**  
**Business Organisation and Environment**

## General comments

Each examination session highlights areas of continuing concern. Poor examination technique remains an ongoing issue and still hinders the achievement of higher marks for many candidates. Teachers are strongly advised to address this subject when preparing their candidates for the examinations. Previous examination papers and the Principal Examiner's reports are readily available and it is recommended that they are used as resource material during the revision period.

- (i) It would be helpful if invigilators were asked to guide the candidates before they start the examination. The information on the front page needs to be read out aloud in a clear voice to the candidates so there is no question of misinterpretation of how they should proceed.
- (ii) Candidates must read both the case study and the accompanying tasks carefully in order to understand precisely what the Examiner wants them to do. All too often, candidates fail to do justice to themselves, simply because they either misread or failed to comprehend a task. Prior to the start of the examination, it must be reiterated that 15 minutes reading time is provided in order to help candidates become acquainted with the contents of the examination paper.
- (iii) The purpose of having the case study is to expect candidates' responses to be made in the appropriate context. This means that responses should, where appropriate, be clearly related to the case study. Access to the full range of marks is not available to a candidate if the context is disregarded. It is not enough to display knowledge; it needs to be applied to the case study.
- (iv) It is equally important that the entirety of the syllabus is covered; some tasks were poorly answered owing to a general lack of business knowledge.
- (v) Candidates must learn that a succinct and focused answer is preferable to one that is lengthy and offers little substance. They need to differentiate between the demands of different value tasks. There is little to be gained from writing a detailed answer to a two mark task and then giving little attention to one offering four marks. At no point in the examination paper are candidates required to submit lengthy essay style answers but they must write in sufficient detail to demonstrate to the Examiner that they understand the tasks.
- (vi) Where candidates use loose sheets rather than an examination booklet, invigilators should check that the sheets have been assembled in the correct order.
- (vii) When a script is handed in at the end of an examination, it is not necessary for the invigilator to collect and return the examination paper as well.
- (viii) The majority of candidates undertake the examination in a second language. Incorrect spelling and grammatical errors are not taken into consideration. The demonstration of business knowledge is much more important than the quality of written language. However, it must be emphasised that very poorly expressed answers, especially those which expect the Examiner to guess a candidate's meaning and intention, will not be able to access the full range of available marks.
- (ix) Candidates must not underestimate the importance of time management. Candidates are mostly able to attempt all the tasks within the allotted time but it is quite clear in every examination that some answers are hurried. It is appreciated that an examination will put candidates under pressure but candidates need to learn how to pace themselves and not to panic because of the time constraint.

- (x) Layout is still an issue although, overall, scripts seem to be better presented. It must be acknowledged that unclear or untidy scripts can present Examiners with unnecessary difficulties. No marks are deducted from scripts where candidates ignored advice about, for example, leaving margins clear, or starting each task on a separate sheet of paper, but teachers and candidates must acknowledge that these instructions have a purpose.
- (xi) There are candidates who still insist on copying out the tasks. It is not necessary and wastes valuable examination time. Weaker candidates often respond to tasks by copying out segments of the case study which prohibits the award of full marks.
- (xii) There are those candidates who answer tasks with bullet points. A series of bullet points may well contain the correct information or data but they do not conform to any instruction to 'describe' or 'explain'. Marks will be awarded for bullet points but candidates will not be able to access the full range of marks available.

### **Comments on specific tasks**

The case study was about the Jewel of India Partnership. Despite the title, the business was a private company and the term 'Partnership' referred to the fact that it was owned and run for the benefit of its employees rather than for shareholders. In 2009, the company owned 50 department stores and 350 supermarkets spread throughout India with a turnover of \$9 billion. Mr Ghopal was the Chairman and Chief Executive Officer.

### **Task 1**

- (a) This task examined the features of the Jewel of India Partnership.
  - (i) Candidates were asked to explain what Mr Ghopal meant when he said that although the company was a private company it had elements of a partnership and a cooperative society. Specific knowledge of types of company was not required but candidates needed to demonstrate a general appreciation of Mr Ghopal's comment. Essentially, the candidates should have emphasised profit sharing as the partnership element and the democratic basis of the organisation as the cooperative element. Most responses were limited in their understanding, only a few were awarded more than two of the four available marks.
  - (ii) The second part called for an explanation of two features of a private company. Each feature was worth two marks – one for its identity and one for a brief supporting statement. The task required the rehearsal of two familiar features which could have been drawn from the following examples: limited liability; a minimum of two shareholders; not publicly quoted; no obligation to publish accounts; separate legal identity from that of its members; transfer of shares only possible with the consent of other shareholders (in this case, impossible, as they are held in trust). This task was quite well done.
- (b) Candidates were asked to explain and justify two business objectives of the Jewel of India Partnership.
  - (i) The first objective was to help provide employment and better living standards for the community at large. A general argument was required which was based on simple deduction of the facts presented in the text. The company owned 400 outlets and provided 60,000 jobs. The employees or partners were paid fair wages plus a profit-sharing bonus. The knock-on effect of these points was that employees were released from poverty; they were able to maintain their families and enjoy a reasonable standard of living; and as they spent more money, so more jobs were created within the community. Most candidates understood the issues.
  - (ii) The second objective was that of sustained growth. This was not particularly well done as many candidates concentrated only on the term 'growth'. The key here was one of incremental growth i.e. steady and continued real annual growth, ahead of any inflation increases. Clearly, growth implied more business activity, higher turnover, better profits, and enhanced market share. There was the implication of cost controls in order to aid profit-making and internal investment in future development.

- (c) Candidates were asked to describe what was meant by break-even analysis. Most candidates defined break-even but did not develop their answer as required. Nearly all candidates understood that the break-even point was reached when total revenue = total costs i.e. it was the point from which the company moved into profit. However in order to earn three or four marks, a candidate needed to explain that break-even analysis helped the Partnership to calculate what it needed to sell in order to cover costs; that it could assist the Partnership to calculate/forecast results given changes in both cost and selling prices, costs, level of suppliers and so on.

## Task 2

- (a) The directors of the Partnership had certain duties and powers. This task called for an explanation of what was meant by the duty to act as an agent of the company. This task was unsuccessful because candidates did not have sufficient knowledge to offer an acceptable response. A statement was expected, pointing out that directors were not personally liable for their actions if they acted within their legal authority i.e. that they must not act beyond the powers they possess. This is a safeguard against the misuse of shareholders' funds.
- (b) The Jewel of India Partnership had a hierarchical business structure and a democratic structure for employee participation. Candidates were asked to explain aspects of company structure.
- (i) The first task was to explain what was meant by a hierarchical structure. This was familiar ground for most candidates who were able to earn good marks for their responses. A good explanation needed to say that a hierarchy contained a large number of ranks or levels between the 'shop floor' and the senior leadership team: a key term to use was a top-down structure. There were many layers with narrow spans of control but each employee or partner had a clear role and responsibility.
- (ii) The second exercise was to describe what was meant by the span of control. Most candidates understood it but few actually managed to earn the full four marks. Responses tended to be partial. A good answer would have pointed out that the span of control reflected the number of subordinates under the direction of one manager/supervisor; that as each manager/supervisor in the Partnership had a large number of staff, it was essential to delegate effectively. A wide span meant many subordinates; a narrow span meant few subordinates.
- (iii) The third and last task called for an explanation of how the structure of employee participation contributed to motivation and the flow of internal communication. Despite the clues in the case study and the required answer to 1 (a) (i) above, only a few candidates tackled this task with much confidence. The text clearly indicated that the company was owned and run for the benefit of the employees or partners. Motivation was encouraged because the employees felt important as stakeholders; they were able to contribute in a meaningful way to the progress of the Partnership. The store and regional committees plus the Partnership Parliament required and enabled the employees' representatives to report back to Partners i.e. to keep channels of communications open.
- (c) The Partnership had some important stakeholders and candidates were asked to explain why two particular stakeholders could be considered the most important.
- (i) The first stakeholder group was employees. Candidates readily appreciated this task and completed it well. As this was only a two mark task, it was only necessary to develop one convincing point e.g. employees were a major factor of 'production'; that the Partnership relied on their effort, expertise, commitment and cooperation; that the quality of the employees enhanced image and reputation and so improved turnover.
- (ii) The second stakeholder group comprised the customers. Again, candidates coped with this task very well and pointed out that without customers there would be no business; that they were another major resource; that customers provided the turnover and profit – and therefore the jobs; that the security and future of the company relied on them. Being a two mark task it was appropriate to develop one strong point.

### Task 3

- (a) The task asked candidates to explain why the employees had an obligation to work for the improvement of the business. There seemed to be some awareness of the point(s) to be made but most responses lacked depth. What needed to be recognised was that the Jewel of India Partnership treated their employees with respect and dignity and considered their happiness to be important. The employees had good pay plus the profit-sharing bonus; the better they performed, the better the profit i.e. they had a very strong incentive to work hard. The democratic process encouraged their motivation and commitment and to all intents and purposes it was their business.
- (b) This task focused on the Partnership's several employment arrangements. Candidates had to define two of them:
- (i) The first was temporary full-time. Candidates were mostly able to define this category and pointed out that an employee was in every sense a full-time member of the business but was, perhaps, unlikely to enjoy all the employment benefits of a permanent full-timer e.g. a pension scheme. Being temporary, the position was only available for a limited period and maybe for a specific purpose e.g. to cover maternity leave, a major project etc. The position could be subject to a fixed term contract.
  - (ii) The second was flexitime. This term was also understood by most but all too often the key element was omitted. While candidates argued that the arrangement permitted certain staff (those not committed to working shop opening hours) to complete their agreed weekly hours at times largely convenient to themselves, they did not explain that there was essential attendance during core hours.
- (c) Candidates were asked to describe three following expectations that the employees might reasonably have of their employers. This is familiar and regular feature of the paper and yet few responses were awarded three or four marks.
- (i) The first expectation of employees was to be treated with respect. The majority of the responses suggested it meant no gender, race, or faith discrimination; that as employees were expected to be honest and courteous so management should be the same. These points were acceptable but the text, and some of the tasks, offered the clues that they wanted acknowledgement of their contribution to the business; that they wanted recognition along with customers as the main stakeholders. Candidates were expected to emphasis that the company did treat its employees with respect.
  - (ii) Another expectation was to have training and retraining opportunities. That the company was successful, enjoying growth and profit, and was employee-orientated, meant that this expectation was met. It did not say so in the text but that employees could expect training was a reasonable deduction i.e. there was an assumption that the Partnership considered training as a priority; that the success of the business depended upon training staff and permitting them to update and/or improve their skills; that training was all part of the employees' obligation to work for the improvement of the business.
  - (iii) Lastly, there was the expectation to have suitable and safe conditions of work. As the business was employee-oriented, it was safe to assume that working conditions at least meet minimum health and safety standards; there were no illegal or unsafe practices; protective clothing was provided where appropriate; there was appropriate training; and the effectiveness of health and safety would be monitored by the Partners' committees. Most responses were descriptive and limited.

### Task 4

- (a) Like every business, the Jewel of India Partnership was influenced in some way by external or PEST factors. Explanations were called for how the business might be influenced by three specific factors. Although PEST factors are a familiar area in the paper, few candidates really interpreted and applied the tasks with any authority.

- (i) The first factor was social, ethical and environmental issues. The key point here to have developed was that the Jewel of India Partnership responded to these issues by demonstrating good citizenship in its business behaviour within the community. Candidates recognised that the company showed respect for the environment by replacing plastic bags with recycled bio-degradable shopping bags but did not extend the argument to include responsible sourcing. Being a large organisation, the Jewel of India Partnership was a target for environment (or green) pressure groups so behaving responsibly and ethically was essential.
  - (ii) The next factor was business confidence. The candidates' general interpretation here was to focus on customers i.e. their confidence in the business, whereas the company saw it in the context of the trade cycle, government policies (e.g. taxation, employment law), and its own policy-making in terms of investment and planning. The key influence to be explained was how the Jewel of India Partnership was likely to respond.
  - (iii) Finally, there was the disposable income of customers. This factor also created confusion as many candidates related it to the business rather than to customers. Disposable income was seen as money available to the business after the settlement of costs, taxes and distribution of profits. That in itself was not wrong but the focus should have been on the company's concern that if customers had sufficient personal disposable income then perhaps they would spend it on the more expensive and impulse lines in the Jewel of India Partnership's shops. Taxation and rising prices could negatively affect the amount of disposable income. However if economic conditions improved or remained positive then more people may be able to earn more and enjoy a higher disposable income. The knock-on effect would benefit the Jewel of India Partnership.
- (b) This task dealt with location issues. Candidates were asked to describe two factors which were likely to influence the location of the Partnership's stores.
- (i) The first was the suitability of sites. This task was not well done although most candidates recognised the need for any site to be accessible for customers and suppliers. The company needed to be in busy areas like town/city centres (for their department stores) or serving residential centres (for their supermarkets), and served by a reliable infrastructure. An important point which was overlooked by candidates was that sites should not be affected by town planning problems or local policies which would create trading difficulties.
  - (ii) The second was occupancy costs. This was not tackled with any degree of relevant application. Many responses indicated some awareness but only in a very few cases was it acknowledged that every square metre of warehouse, supermarket, department store, garage and office had to pay for itself. This was a key issue and occupancy costs needed to be monitored and controlled. Town centre locations tended to be expensive e.g. rents, leases, mortgages, services, security, upkeep, and it could be argued that the Jewel of India Partnership needed to reside in prime locations. Hopefully, the company was important enough to carry enough influence to negotiate advantageous terms.

## Task 5

- (a) Candidates were asked to explain two marketing objectives of the company.
- (i) The first was to achieve and maintain a targeted market share. Candidates demonstrated a general lack of appreciation of the meaning of a targeted market. The keynote to emphasise here was that targeting represented a deliberate 'attack' on the market in an effort to achieve a certain degree of penetration. Calculating and/or targeting market share indicated to the Jewel of India Partnership where it stood in relation to the market as a whole. Market share could be measured by units sold or by value (turnover).
  - (ii) The second objective was to establish the image of the company and its products. Only a few candidates acknowledged that the marketing mix, especially promotion, should be used to encourage customers' attention and better sales. The image of the Partnership and the goods it sold should be seen as meaning quality, value for money, and reliability. The company needed to employ methods to boost the awareness of the Jewel of India Partnership logo as its 'brand'.



- (b)** Mr Ghopal said that the Partnership's market was dictated by two specific factors. Candidates were asked to offer explanations of the possible effect on the Partnership of each of two factors.
- (i)** The focus here was the state of the economy. In the main, candidates appreciated that it was reflected by the trade cycle i.e. if the economy was in a downturn then that would be reflected in the company's turnover declining. Only essential items would be sold because of the decline in disposable income. Likewise, if the economy was growing strongly then the business would be expanding and profitable.
- (ii)** The next factor was competition. This was a familiar issue for candidates who treated the task with confidence. Most understood that competition could sharpen the Partnership's focus on its market and that ignoring the competition could potentially result in the closure of stores and a loss of sales and profits. It all depended on how many other big store companies there were in the market. Competition would make the Jewel of India Partnership monitor its costs, prices, quality, customer service policy, and employment policy.
- (c)** The Partnership was keen to promote customer service in order to develop loyalty and further business. An explanation of the importance of a customer service policy to the Partnership was required. Responses tended not to focus on the key point that a customer service policy dealt with customers' experience of shopping with the Jewel of India Partnership. The policy would ideally include how the employees behaved towards customers e.g. manners, speech, and how well the employees were trained. The policy should have as its aim the development of customer loyalty and further business, by recognising the customer as the Jewel of India Partnership's main resource.



# BUSINESS (ADVANCED LEVEL) AND ICT (ADVANCED LEVEL)

Paper 8929/5201

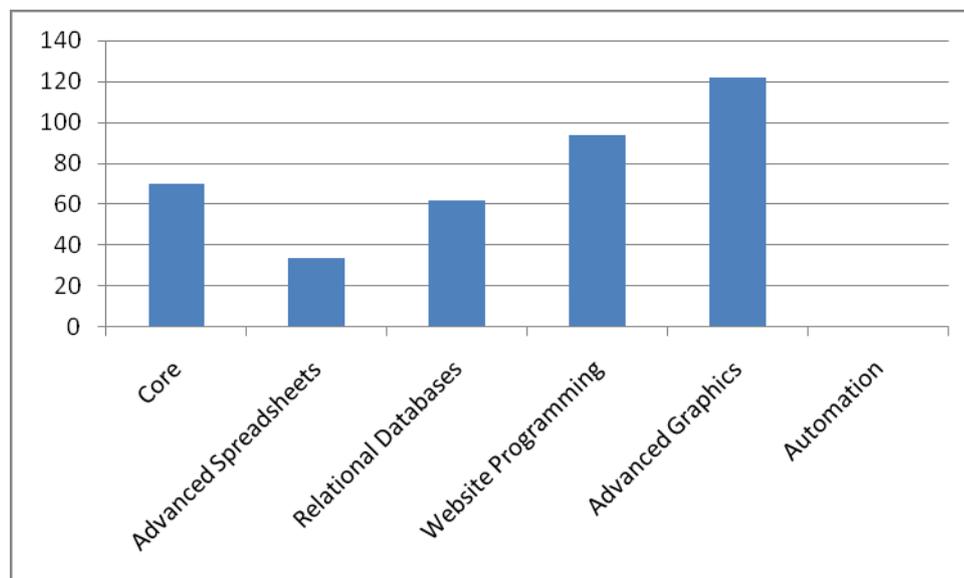
Information and Communications Technology and Core

## General

Despite the scheme ceasing to accept new entries, it has still retained almost 50% of the English entries with 2449. The total numbers of entries at each level in English were 518 entries at Foundation Level, 1549 were at Standard Level and 382 at Advanced Level. Due to the demise of this scheme the entries had declined from the previous year.

## Advanced Level

This level comprised a Core module and five enhancement modules.



There overall pass rate for these modules was very similar to last year's rate.

## 5201 Advanced Core

The most common errors were:

- The failure to submit all the required printouts, particularly the two different copies of the document production section. A significant number of candidates completed and printed the final version of the document but failed to submit the intermediate printout of their work.
- The failure to understand the generic terms serif, and sans-serif. Many candidates tried to locate these as font styles rather than understanding that fonts such as Times New Roman contain short strokes or serifs on each letter, and that sans-serif fonts do not contain these.
- Errors in page layout with the failure to set margins or column widths as specified.
- Errors inserting new text into a numbered list and renumbering as specified in the question paper.

86% of all entries passed this module.