

# Moderators' Report/ Principal Moderator Feedback

June 2011

GCE Applied Business (6917)  
Paper 01

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## **INVESTIGATING BUSINESS**

The majority of the centres that submitted this unit for moderation were centres experienced with this qualification.

The candidate is required to investigate planning starting a business. Candidates should not investigate an existing business as this will not allow them to cover the assessment criteria.

### **Strand A**

This strand covers AO1, 2 & 3. It also is the strand in which QWC is assessed. This results in the strand's content being marked out of 12.

Candidates should cover the key planning factors associated with starting a business. The candidate is required to investigate aims and objectives, legal aspects of starting a business, stakeholders and research the market.

The majority of candidates undertake target market primary research using a questionnaire. The weaker candidates produce graphs describing the result rather than analysing the results and using these outcomes to support/ reject the choice of business.

There are an increasing number of centres requiring candidates to produce a marketing mix. This is not a part of this unit. In mark band three, candidates are required to cover pricing strategies but not the marketing mix.

### **Strand B**

The candidate is required to show knowledge and understanding of physical, human and financial resources plus show how quality will be managed within the business.

This continues to be problematic in that candidates do not cover all physical, human and financial resources, often missing vital aspects, e.g. stock, premises, cost of loans, etc.

Costs of these resources and potential for sales should be given and these figures then carry through to strand C.

The choice of business is vital to this strand. Too small a business, e.g. dog walking, window cleaning results in little to cover in B. However, too large a business, e.g. manufacturing gives the candidate too large a task to cover the physical, human and financial resources

### **Strand C**

This section covers financial monitoring and management with candidates required to produce start up and running costs, break even and cash flows. The advantages and limitations of using these statements in financial monitoring and management. Other financial statements are produced to show how these are used in financial management.

This strand is usually well covered but there are still problems where figures do not have any basis, inaccurate cash flows, cash flows that are too limited, etc. Start up and running costs are often not explicitly given.

**Strand D**

Often seen as an add on, this strand covers business software. Generic applications are initially covered and dedicated packages covered to move into higher mark bands. Candidates must look at how these packages improve efficiency in the business.

Most centres assessed the criteria appropriately within the tolerances of the unit

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