

# Principal Examiner Feedback

## November 2009

IGCSE

### IGCSE Business Studies (4330) Paper 03

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## **Examiners' Report Business Studies IGCSE 4330 Paper 03**

### **GENERAL COMMENTS**

Only a very few candidates found it necessary to add additional sheets to their answer books. All Centres are thanked for working with candidates in a manner that has begun to bring this issue under control and, hopefully, benefit candidates in containing their responses to what is required by the question and the relevant assessment objective attached to each question.

Some candidates are still not reading the questions with sufficient rigour. When questions are not properly read then candidates have a tendency to select a key word or phrase that they recognise and then respond to that, often in term so just knowledge. Such responses if found in any question other than 1 (a) or 2 (a) is unlikely to generate an appropriate answer. In this paper such responses were found in 1 (a) and 1 (c).

There are still some candidates who continue to respond to the (b), (c) and (d) questions with just knowledge-based responses. Candidates are again reminded that such responses are unlikely to be correct. In this paper too many candidates spent time in 1 (b) stating what batch production was rather than applying it to the context they had been given in the stem. The same was true to a lesser extent in 2 (b) where definitions of skimming were given, often incorrect definitions. Candidates are reminded that each question has a specific assessment objective attached to it. Some candidates need to have a greater understanding and awareness of the importance of the command word used in each question, usually, but not always, the first word in the question. It was noted that in this series fewer candidates were highlighting command words or even information that could be used in a response. Candidates who did do this tended to benefit.

There remain a number of candidates whose responses to a given question consists of a re-phrasing of the stem and or the question that has been asked. This is unlikely to provide an appropriate response for those candidates. This was most noticeably in Q 1 (d) in this paper. This does not mean that candidates cannot use such information as an opening to their own response but that is all that it should be used for.

### **Question 1 (a)**

This was surprisingly poorly answered by some candidates. Too many of these candidates failed to appreciate that the definitions referred to the cash flow forecast that had been provided and built their definitions around either profit or capital, which was incorrect. Where candidates did manage to get some definitions correct they tended to have an issue with definitions for income and expenditure and did not always understand the simple concept in a cash flow forecast on inflow and outflow respectively. Often the definitions only referred to the sale of a product or the payment of wages, not realising that inflows and outflows refer to all items of income or expenditure. This question was set to test basic knowledge and no more.

### **Question 1 (b)**

Many candidates attempted to answer this question with just a description of batch production and did not apply their responses to the context. Other candidates gave good responses that clearly demonstrated their ability to apply their knowledge to a given business context. Only a few candidates explored the necessity of her having to have two types of production if she continued to supply small businesses as well as the supermarkets. Some candidates mentioned the area of quality control and this was added to the mark scheme as a valid area of application.

### **Question 1 (c)**

Most candidates understood that the change in the exchange rate favoured the pound although there were candidates who said that it would favour the dollar. A number of candidates did little more than repeat the stem and the question. This approach has been mentioned in every report and candidates should be very clear that any information given in the stem and question will not gain recognition when responses are being marked. The assessment objective attached to this question relates to analysis and whilst many candidates showed an ability to do this it was not all candidates. However, all candidates did have some knowledge of exchange rates and this could be further developed so that they can use that knowledge to apply, analyse and, if required, make judgements.

### **Question 1 (d)**

There were some good responses to this question. The best were where a candidate began by looking at the ways by which business success could be judged, e.g. size, growth, expansion, shareholders, capital number of employees and customer awareness, satisfaction. These candidates then used the information provided to show success. This was a question where too many candidates just rewrote the information they had been provided with no evidence of evaluation or judgements. Such responses gained few, if any, marks.

### **Question 2 (a)**

This question was generally well answered with most candidates scoring between three and five marks. The most common error was to state that grievance procedures were the responsibility of the finance function. A few candidates thought that the distribution of product was also a function of a finance department.

### **Question 2 (b)**

Candidates who had a correct knowledge of skimming generally had a satisfactory approach to this question. Such candidates were capable of linking the fact that it was a new product, that there was no competition (some candidates did miss this piece of information provided in the stem) and that supply was unlikely to meet the initial demand. The best candidates then continued to mention the opportunity to recoup R&D costs and the probability of a lowering of price as competitors began to introduce a similar product and the supply demand equation changed. There was a significant minority of candidates who thought that skimming meant a low price to encourage consumers to buy the new product.

### **Question 2 (c)**

Most candidates managed to score two or three marks for this question. These candidates were those who made constant reference to the fact that the product was a desk. Some candidates did not do this and hence their responses just demonstrated their knowledge of the three sectors and were not usually worthy of many marks. The number of candidates who made reference to transport, marketing, advertising, banks and insurance was limited and yet they play an important role in the tertiary sector.

### **Question 2 (d)**

The last time a question was set on hygiene factors it was poorly answered by virtually all candidates. Many of the responses seen in this series showed that candidates did know what they were talking about. Of particular note was the number who clearly indicated that the presence of hygiene factors remove dissatisfaction although, in themselves, they will not motivate workers. However, as previously, too many candidates think that hygiene factors only apply to the dirtiness or not of the workplace.

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