

New  
Specification



*Rewarding Learning*

**General Certificate of Secondary Education  
2019**

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**Business and Communication  
Systems**

Unit 2: The Business Environment

**[GSY21]**

**MONDAY 17 JUNE, MORNING**

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**MARK  
SCHEME**

## General Marking Instructions

### **Introduction**

Mark schemes are intended to ensure that the GCSE examinations are marked consistently and fairly. The mark schemes provide markers with an indication of the nature and range of candidates' responses likely to be worthy of credit. They also set out the criteria which they should apply in allocating marks to candidates' responses.

### **Assessment Objectives**

Below are the assessment objectives for Business and Communication Systems

Candidates must:

- AO1** recall, select, and communicate their knowledge and understanding of concepts, issues and terminology;
- AO2** apply skills, knowledge and understanding in a variety of contexts and in planning and carrying out investigations and tasks; and
- AO3** analyse and evaluate products, make reasoned judgements and present appropriate conclusions.

### **Quality of candidate's responses**

reflecting the level of maturity which may reasonably be expected of a 16-year-old which is the age at which the majority of candidates sit their GCSE examinations.

### **Flexibility in marking**

Mark schemes are not intended to be totally prescriptive. No mark scheme can cover all the responses which candidates may produce. In the event of unanticipated answers, examiners are expected to use their professional judgement to assess the validity of answers. If an answer is particularly problematic, then examiners should seek the guidance of the Supervising Examiner.

### **Positive marking**

Examiners are encouraged to be positive in their marking, giving appropriate credit for what candidates know, understand and can do rather than penalising candidates for errors or omissions. Examiners should make use of the whole of the available mark range for any particular question and be prepared to award full marks for a response which is as good as might reasonably be expected of a 16-year-old GCSE candidate.

### **Awarding zero marks**

Marks should only be awarded for valid responses and no marks should be awarded for an answer which is completely incorrect or inappropriate.

### **Marking calculations**

In marking answers involving calculations, examiners should apply the 'own figure rule' so that candidates are not penalised more than once for a computational error.

### **Types of mark schemes**

Mark schemes for tasks or questions which require candidates to respond in extended written form are marked on the basis of levels of response which take account of the quality of written communication.

Other questions which require only short answers are marked on a point for point basis with marks awarded for each valid piece of information provided.

**Levels of response**

Tasks and questions requiring candidates to respond in extended writing are marked in terms of levels of response. In deciding which level of response to award, examiners should look for the 'best fit' bearing in mind that weakness in one area may be compensated for by strength in another. In deciding which mark within a particular level to award to any response, examiners are expected to use their professional judgement. The following guidance is provided to assist examiners.

- **Threshold performance:** Response which just merits inclusion in the level and should be awarded a mark at or near the bottom of the range.
- **Intermediate performance:** Response which clearly merits inclusion in the level and should be awarded a mark at or near the middle of the range.
- **High performance:** Response which fully satisfies the level description and should be awarded a mark at or near the top of the range.

**Quality of written communication**

Quality of written communication is taken into account in assessing candidates' responses to all tasks and questions that require them to respond in extended written form. These tasks and questions are marked on the basis of levels of response. The description for each level of response includes reference to the quality of written communication.

For conciseness, quality of written communication is distinguished within levels of response as follows:

Level 1: Quality of written communication is limited.

Level 2: Quality of written communication is satisfactory.

Level 3: Quality of written communication is good.

In interpreting these level descriptions, examiners should refer to the more detailed guidance provided below:

**Level 1 (Limited):** Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

**Level 2 (Satisfactory):** Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

**Level 3 (High standard):** Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

1 Quality Cars Ltd was set up seven years ago selling low-cost cars throughout Northern Ireland.

(a) What type of business ownership is Quality Cars Ltd?

Private Limited Company

(1 × [1]) (AO1) [1]

(b) Explain **two** advantages of this type of business ownership.

Any **two** from:

- Quality Cars Ltd has limited liability.
- The amount of capital available to Quality Cars Ltd is much greater than a sole trader or partnership.
- Control of Quality Cars Ltd is retained by a small group of shareholders.
- Quality Cars Ltd has a number of directors and managers in the business, so responsibility and workloads are shared.
- Quality Cars Ltd has continuity, if one shareholder dies the business is not affected.
- Quality Cars Ltd has a separate identity from that of its owners and may take legal action on its own behalf without involving the owners.
- Quality Cars Ltd can benefit from economies of scale.
- There are opportunities for specialisation and division of labour.

Any other suitable response.

[1] advantage identified

[2] advantage identified and explained

(2 × [2]) (AO1, AO2) [4]

(c) Name the **two** legal documents that must be completed before this type of ownership starts trading.

- Memorandum of Association
- Articles of Association

(2 × [1]) (AO1) [2]

(d) This type of business ownership must be registered with whom?

Registrar of Companies/Companies House

(1 × [1]) (AO1) [1]

Quality Cars Ltd is planning to externally recruit an IT specialist to maintain its website and social media accounts.

(e) Analyse **two** suitable methods of external recruitment that Quality Cars Ltd could use.

- Media, e.g. newspapers/magazine – these usually contain a jobs section that IT specialists would be familiar with. National newspapers/

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magazines would be suitable for jobs which are more highly paid and for which people would be more willing to travel.

- Internet – there will be various/specialist websites where Quality Cars Ltd could advertise this post. It is fairly cheap to use these sites. A wide audience of potential applicants could view the posting. It attracts candidates who are up-to-date with the latest technology.
- Job Centre – run by the Government which advertises job vacancies to potential applicants. It is free to advertise through the Job Centre.
- Private Recruitment Agency – people looking for work register with the agency and employers contact the agency with details of available work. The agency matches the candidate with the most suitable work available. When a person is appointed Quality Cars Ltd pays the agency for the service.

[1] method identified

[2] method identified with basic analysis

[3] method identified and fully analysed

(2 × [3]) (AO1, AO2, AO3)

[6]

**(f)** Analyse **two** suitable methods of selection that Quality Cars Ltd could use.

- Application form/digital application form – this will allow Quality Cars Ltd to ask questions relevant to the position of an IT specialist. This will make it easier for the management team to compare potential applicants.
- Curriculum Vitae (CV) – Quality Cars Ltd may ask for a CV because it shows all the applicant's details. It will also show how well the applicant can organise and display information. This is easier for management because the applicant is simply listing their qualifications, work and achievements to date.
- Testing – is useful in the selection process for manual, practical jobs. In a practical test the applicant may be asked to undertake a skills test reference creating/designing a website or updating social media.
- Interview – an interview will be useful for Quality Cars Ltd as they will be able to assess communication, IT skills, working independently and personal presentation of applicants. This is important as an IT specialist needs to be up-to-date with the latest developments in their area of expertise.
- Presentation – this will allow Quality Cars Ltd to see the personality of the applicant, do they have excellent communication skills, level of presentation and ideas about the job.

[1] method identified

[2] method identified with basic analysis

[3] method identified and fully analysed

(2 × [3]) (AO1, AO2, AO3)

[6]

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- (g) Quality Cars Ltd must keep its website up-to-date on what cars are available for sale.

Explain **one** advantage and **one** disadvantage to Quality Cars Ltd of using a website for its business.

**Advantage**

Any **one** from:

- Quality Cars Ltd can sell and advertise their products 24/7. (Not comfort of home.)
- Quicker, easier and cheaper to update their website than paper leaflets.
- Quality Cars Ltd can communicate with a wider audience.
- No need for Quality Cars Ltd to communicate face-to-face.
- More information about Quality Cars Ltd can be communicated to customer.
- Communication can be instant if required.

**Disadvantage**

Any **one** from:

- Quality Cars Ltd will have a cost to construct, maintain and secure their website.
- Website optimisation, Quality Cars Ltd can get lost in the vast amounts of websites available unless they spend a lot of money to promote it.
- Competition to Quality Cars Ltd is increased.

Any other suitable response.

[1] advantage identified

[2] advantage identified and explained

(1 × [2]) (AO1, AO2)

[1] disadvantage identified

[2] disadvantage identified and explained

(1 × [2]) (AO1, AO2)

[4]

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2 Legoshapes Summer Scheme runs for eight weeks during July and August. Each year the team leader, Molly, must provide training to volunteers and staff.

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(a) Give **two** reasons why staff training is important.

Any **two** from:

- Induction – introduce staff to the summer scheme.
- Health and Safety – this is to ensure the volunteers and staff are made aware of the correct policies and procedures to be followed, ensuring their own safety and the safety of others participating in the summer scheme.
- CPD – training will help the volunteers and staff in the process of lifelong learning and aid their development, e.g. do job better/helps staff know what to do
- Changes in procedures – so the volunteers and staff are familiar with new ways of doing things.
- Legislation – to meet any changes to the legal requirements placed on summer schemes.
- New technology – volunteers and staff will need training to ensure they stay up to date and can use technology effectively and efficiently.

Any other suitable response.

(2 × [1]) (AO1)

[2]

(b) Explain **two** benefits to Molly of providing staff training.

Any **two** benefits:

- to increase productivity for volunteers and staff – volunteers and staff at Legoshapes Summer Scheme should be better able to do their job and work quicker to a higher standard of quality.
- to remain competitive – better trained volunteers and staff will be more efficient and therefore Legoshapes Summer Scheme should become more competitive.
- to increase staff motivation – volunteers and staff may gain a recognised qualification.
- to improve health and safety – reducing the risks of accidents and subsequent issues at the summer scheme.

Any other suitable response.

(2 × [2]) (AO2)

[4]

(c) Molly plans to provide off-the-Job training for the volunteers.

Define what is meant by off-the-job training and give one example of how Molly could do this.

Off-the-job training is training provided by a specialist and takes place outside the summer scheme. The training is paid for by Legoshapes Summer Scheme and may be on a day release basis or for a longer period of attendance at a full-time course for a term or longer. Examples of off-the-job training are: lectures, demonstrations, role play, distance learning and simulation exercises.

(1 × [3]) (AO2)

[3]

(d) Evaluate the advantages and disadvantages of off-the-job training to Molly.

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**The quality of written communication is assessed in this question.**

#### Advantages

- Training is carried out by specialists and it is usually of a high quality. The volunteers should be properly trained. This will give the volunteers confidence in completing any tasks required of them.
- The volunteers are trained away from their place of work so any mistakes will not impact on the summer scheme.
- The costs of training are easy to calculate per volunteer on completion of the training. Did Molly receive value for money for each volunteer?
- The volunteers may gain a formal qualification. This could enhance the reputation of the summer scheme for Molly.
- The training will allow volunteers to concentrate especially as they are away from the distraction of the summer scheme. This will benefit Molly because hopefully the volunteers will be competent.
- Volunteers have the opportunity to meet people from other organisations and can exchange ideas. They may also be introduced to new equipment, and can bring their experience back to the summer scheme.
- Some training may take place through evening classes which means that the volunteers do not miss their work and this reduces cost for Molly.

#### Disadvantages

- Off-the-job training is more expensive than on-the-job training, due to the costs of taking part in a training course and time off work.
- The training is not taking place in the normal work environment, therefore it may be difficult to apply to the summer scheme. For example, equipment/tools used may not be the same as that used in the summer scheme.
- Training may not be specifically related to the summer scheme. Molly could be wasting money unnecessarily.
- Causes disruption to normal work patterns as volunteers may need time off – leading to a loss of productivity at the summer scheme.

Any other suitable response.

#### Level 0

Answer not worthy of credit.

#### Level 1 ([1]–[3])

The candidate has made a limited evaluation of the advantages and disadvantages of off-the-job training. Candidate makes limited use of specialist terms. Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

#### Level 2 ([4]–[6])

The candidate provides a satisfactory evaluation of the advantages and disadvantages of off-the-job training. Candidate makes satisfactory use of

specialist terms. Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

### Level 3 ([7]–[8])

The candidate provides a good evaluation of the advantages and disadvantages of off-the-job training. Candidate demonstrates a good use of specialist terms. Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

(AO2 [2], AO3 [6]) [8]

- (e) Legoshapes Summer Scheme has a number of stakeholders.

Define what is meant by the term stakeholder.

A stakeholder is an individual, group or organisation that has an interest or concern in the activities and performance of a business.

[1] simple explanation

[2] accurate explanation

(1 × [2]) (AO1) [2]

- (f) Identify and describe **two** stakeholders who would have an interest in Legoshapes Summer Scheme.

Any **two** from:

- Managers – Molly will be interested in the success of the summer scheme and would want an excellent reputation.
- Volunteers and employees – they are looking for a fair wage/salary, good working conditions, job security, training and development and career progression.
- Competitors – they are looking to compare prices, products/services, quality of the products/services.
- Suppliers – to see that Legoshapes Summer Scheme are financial stable to pay their suppliers, are paying promptly, are continuing the order regularly.
- Customers – parents/children will be looking for competitive prices, good range of products/services, quality of services/products, customer service and that there is a good reputation for Legoshapes Summer Scheme.
- Financial Institutions – they will be looking at the financial stability of Legoshapes Summer Scheme, do they have the ability to meet repayments and are their business plans sound.
- Trade Unions – fair treatment of workers, negotiate a wage/salary at least in line with inflation, good working conditions, job security.
- Local community – corporate social responsibility, noise reduction, traffic congestion, opening hours, care for the environment, community involvement (general public).

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Any other suitable response.

- [1] stakeholder identified
- [2] stakeholder identified with basic description
- [3] stakeholder identified, and fully described
- (2 × [3]) (AO1, AO2, AO3)

[6]

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3 Matilda is planning to open a new coffee shop called Teacake Delights, providing all types of cakes and sweet treats.

(a) Matilda plans to carry out market research to find out what products are most likely to be popular with customers.

(i) Explain **one** advantage and **one** disadvantage of primary research to Matilda.

Advantage:

Any **one** from:

- Information is obtained directly from Teacake Delights potential customers and staff etc. Information will be very accurate because it is up-to-date and specific for its purpose.
- Data obtained is more likely to be reliable as Teacake Delights have designed the questionnaire to suit their needs
- Specific.

Disadvantage:

Any **one** from:

- People may not give accurate answers, e.g. they may say they will buy something at Teacake Delights when they will not.
- Teacake Delights will spend a lot of time and money designing the primary research, carry it out and analysing the data.

Any other suitable response.

[1] advantage identified

[2] advantage identified and explained.

[1] disadvantage identified

[2] disadvantage identified and explained.

(2 × [2]) (AO1, AO2)

[4]

(ii) Explain **one** advantage and **one** disadvantage of secondary research to Matilda.

Advantage:

Any **one** from:

- Information is cheaper for Teacake Delights to obtain as it has already been collected.
- Information is available immediately for Teacake Delights.
- If taken from a reliable source the information should be reasonably accurate for Teacake Delights to use.

Disadvantage:

Any **one** from:

- The information could be out-of-date for Teacake Delights to use.
- The data is unlikely to have been collected for exactly the same purpose as Teacake Delights requires so may not meet the coffee shops needs exactly.
- The information is available to every other business in the coffee shop market.

Any other suitable response.

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- [1] advantage identified  
 [2] advantage identified and explained.  
 [1] disadvantage identified  
 [2] disadvantage identified and explained.  
 (2 × [2]) (AO1, AO2)

[4]

- (b) Analyse the impact digital technology could have on the market research process for Teacake Delights.

**The quality of written communication is assessed in this question.**

#### Advantages

- Market research is conducted more easily through Teacake Delights social media. Teacake Delights should have lots of followers for example on Facebook, Twitter etc.
- Feedback and results can be processed quicker, e.g. Goggle docs or Survey Monkey.
- There could be less time and cost for Teacake Delights saving them money. The results will be analysed for them.
- No interviewer is required to be appointed by Teacake Delights. This process is good for sensitive questions if Teacake Delights felt they needed them.
- Questionnaire is easily accessible using a variety of digital methods with the results more easily gathered by Teacake Delights.
- Technology gives more choice and options for when, where and how to research different markets that Teacake Delights may have.
- Using technology allows Teacake Delights to interact with people across a wide geographic area who may be travelling to where Teacake Delights is located.
- It's more convenient. People can complete the market research anywhere by using any digital device 24/7.

#### Disadvantages

- There will be limited sampling and respondent availability. Certain populations are less likely to have internet access and to respond to online questionnaires created by Teacake Delights.
- No interviewer provided by Teacake Delights to clarify and probe can possibly lead to less reliable data.
- Possible cooperation problems. Users today are constantly bombarded by messages and can easily delete Teacake Delights promotions.
- The downside, though, is that 'online research' can give the false impression that it is as statistically reliable as traditional research. All research has an element of uncertainty attached to it but research from digital technologies cannot be certain of a respondent's profile.

Any other suitable response.

#### Level 0

Answer not worthy of credit.

#### Level 1 ([1]–[3])

The candidate has made a limited analysis of the advantages and disadvantages of the impact digital technology has on market research.

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Candidate makes limited use of specialist terms. Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

**Level 2 ([4]–[6])**

The candidate provides a satisfactory analysis of the advantages and disadvantages of the impact digital technology has on market research. Candidate makes satisfactory use of specialist terms. Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

**Level 3 ([7]–[8])**

The candidate provides a good analysis of the advantages and disadvantages of the impact digital technology has on market research. Candidate demonstrates a good use of specialist terms. Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

(AO2 [2], AO3 [6])

[8]

(c) Matilda plans to promote her coffee shop. Define the following:

**Advertising**

Advertising is a form, either written or orally, that attempts to sell something whether it is a product or service. It encourages people to buy. Advertising takes the form of leaflets, radio, television and Internet and much more. Advertising is designed to inform and persuade customers to purchase a product/service.

**Sales promotion**

Sales promotion is a promotional marketing technique designed to encourage customers to buy a product. Examples include money off coupons, buy one get one free, competitions, discounts, e.g. 20% off.

(2 × [2]) (AO2)

[4]

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Teacake Delights is currently considering introducing contactless payment.

- (d) Explain what is meant by contactless payment and describe **two** benefits to Teacake Delights of using this method of payment.

Definition:

Contactless payment involves the use of a range of devices including credit/debit cards, key fobs, watches and mobile phones to pay for goods and services (currently under £30) quickly.

Any **two** from:

- Customers will experience faster transactions. Teacake Delights may see the number of customers increase due to its convenience.
- Improved staff productivity at Teacake Delights as customers make contactless transactions with minimal staff intervention.
- Teacake Delights will see a reduced cost of cash handling therefore less chance of human error.
- Teacake Delights will experience reduced receipt handling costs. Receipts will only need to be produced for a contactless payment when a customer requests one or it is company policy to do so.
- As with all card payments, the risks to Teacake Delights are lower than other payment types for a number of reasons; a clear trail exists for record keeping and accounting and money is transferred straight into Teacake Delights bank account.

(AO1 [1]) (AO2 [2])

[6]

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**Total**

**75**

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