

NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)

Assessment date: 29 November 2019

Paper Number: P001043

This report contains information in relation to the external assessment from the Chief Examiner, with an emphasis on the standard of learner work within this assessment window.

The aim is to highlight where learners generally perform well as well as any areas where further development may be required.

Key points:

- grading information
- administering the external assessment
- standard of learner work
- Regulations for the Conduct of External Assessment
- referencing of external assessment tasks
- evidence creation
- interpretation of the tasks and associated assessment criteria
- planning in the external assessment.

It is important to note that learners should not sit the external assessment until they have taken part in the relevant teaching of the full qualification content.

Grade Boundary Information

Each learner's external assessment paper is marked by an Examiner and awarded a raw mark. During the awarding process, a combination of statistical analysis and professional judgement is used to establish the raw marks that represent the minimum required standard to achieve each grade. These raw marks are outlined in the table below.

NYA	Level 1 Pass	Level 1 Merit	Level 1 Distinction	Level 2 Pass	Level 2 Merit	Level 2 Distinction
0	16	22	29	36	47	59

Grade boundaries represent the minimum raw mark required to achieve a certain grade. For example, if the grade boundary for the Pass grade is 25, a minimum raw mark of 25 is required to achieve a Pass.

Maximum UMS Score*	Level 1 Pass	Level 1 Merit	Level 1 Distinction	Level 2 Pass	Level 2 Merit	Level 2 Distinction
160	24	47	70	92	115	138

** In order to ensure that levels of achievement remain comparable for the same assessment across different assessment windows, all raw marks are converted to a points score based on a uniform mark scale (UMS). For more information about UMS and how it is used to determine overall qualification grades, please refer to the qualification specification.*

Administering the external assessment

The external assessment is invigilated and must be conducted in line with our Regulations for the Conduct of External Assessment. Learners may require additional pre-release material in order to complete the Tasks within the paper. These must be provided to learners in line with our Regulations.

Learners must be given the resources to carry out the Tasks and these are highlighted within the Qualification Specific Instructions Document (QSID).

Standard of learner work

The majority of learners attempted all questions. For questions where stimulus material is provided, learners needed to make use of this in their answers to produce contextualised answers and access the full range of marks available.

Regulations for the Conduct of External Assessment

Malpractice

There were some reported instances of malpractice in this assessment window. The Chief Examiner would like to take this opportunity to advise learners that instances of malpractice (for example, copying of work from another learner) will affect the outcome on the assessment.

Maladministration

No instances of maladministration were reported in this assessment window. The Chief Examiner would like to highlight the importance of adhering to the Regulations for the Conduct of External Assessment document in this respect.

Responses of the tasks within the sections of the external assessment paper

Q1 Correct answer: A – increases her ability to raise finance. Learners overall performed least well on this, the first of the 7 multiple choice questions.

Q2 Correct answer: A -improving its customer satisfaction ratings. This proved to be the multiple-choice question on which learners performed best.

Q3 Correct answer: D – the franchisee will receive training from the franchisor. Less than half of the learners chose the correct answer.

Q4 Correct answer: D – telephone surveys. Most learners answered this correctly.

Q5 Correct answer: A – Corporation tax. This also proved a challenging question and less than half of learners chose the correct answer.

Q6 Correct answers were A: An increase in families choosing in the UK rather than abroad and E: the

restaurant raised prices by 5%. The average mark on this question was 1.24 out of 2 marks.

Q7 Correct answer: B Some employee will need to take on additional responsibilities and may need training. Most learners had the correct answer.

Q8 Learners were asked to identify one diseconomy of scale. Correct answers could have included control, coordination and communication but accurate descriptions of one of these diseconomies of scale were accepted if one of the three previously named correct answers were not given. However, such descriptions were seldom seen. This question was incorrectly answered by the majority of learners

Q9 Learners were asked to identify one source of finance that is available to limited companies that is not available to sole traders. Only a minority of learners correctly identified access to shares as the correct answer.

Q10 Learners were asked to identify one method of lean production. The most common correct answers provided were kaizen and JIT. Less than half of learners were able to answer this question correctly.

Q11 Learners were asked to identify two characteristics of a mass market. A large number of possible answers were possible, and the most common rewardable answers seen were high number of sales, many rivals and low profit margins. Answers that suggested that mass markets were larger/bigger are not precise enough.

Q12 The majority of learners scored at least 1 mark on this question. More learners identified correctly that the equilibrium price would rise than identified that total market sales would increase.

Q13 A number of learners confused span of control with chain of command. Similarly, a minority of learners defined span of control accurately but did not use the provided organisation chart to provide an example and therefore missed out on a mark.

Q14(a) Focus groups were not accurately described by a minority of learners. Some suggested focus groups were employees. Better answers suggested it was a meeting of the business and consumers or that it was a form of primary research that allowed in depth discussions and follow up questions and explanations.

Q14(b) Too many answers were answers that could be attributed to any form of primary market research rather than advantages of using a focus group.

Q15(a) Few learners used the stimulus provided accurately. The business already paid a wage 5p above the Living Wage and therefore the 12p increase would only require wages to rise by 7p. It is important the learners read the stimulus materials provided and where possible use these in their answers. Most learners did suggest that the increase would require the business to increase wages and therefore its total wage bill would increase. but missed out an application mark as they did not use the stimulus provided.

Q15 (b) A number of learners did not appear to understand the concept of an interest rate and therefore could not explain how a decrease in interest rates might affect the business. Again, the stimulus needed to be used – the business had an overdraft of £5000 and therefore a correct answer would have suggested that the cut in interest rates would benefit the business as the interest charges on their £5000 overdraft were likely to fall.

Q16 This was well answered by many learners as they were able to identify an internal and external stakeholder for the named business and how they would be affected by the change in its opening hours. Many learners scored full marks on this question.

Q17 Very few learners scored full marks as they were unable to provide a different rewardable point in their 2nd choice of promotional methods. However, there were many 3-mark answers and few learners scored less than 2 marks on this question. To access the AO2 marks learners needed to suggest how the method would work e.g. advertising on TV (AO1) to raise awareness/inform/attract /appeal to/ target a wide range of potential customers [AO2] or use money off coupons or short-term discounts (AO1) as this will make the product more affordable/cheaper [AO2].

Q18 Learners scored well on this question which asked learners to analyse one advantage and one disadvantage to the business that will arise from its decision to stop the use of microplastics in its cosmetics. Learners tended to make a good use of the stimulus and provided rational arguments as to the advantages and disadvantages of the change in the use a key ingredient by the business.

Q19 This question focused on how staff performance and therefore knowledge of pay methods were not necessary but the effects of pay on motivation/performance needed to be explained.

Q20(a) Learners needed to identify a named strategy not just suggest a cut in prices. Acceptable answers included competitive pricing, promotional pricing, loss leaders and psychological pricing.

Q20(b) This question was not about the impact on sales but on the business' reputation. Many learners ignored this and wrote detailed answers on how their suggested change in pricing strategy would affect sales. Only a minority of learners made any reference to "reputation" which was what the question specifically asked for.

Q21(a) The majority of learners correctly identified that this product was in the growth stage of the product life cycle.

Q21(b) Few learners scored 3 marks on this question. Whilst profits would be expected to increase during this stage learners needed to grasp that advertising spend will also be high and rival products may also appear. Therefore, whilst profits are likely to rise, they are unlikely to be maximised.

Q22 This question focused on skills and therefore learners did not need any knowledge of off-the-job training and/or on-the-job-training. As this business was one which was innovative and produced a high quality product, learners needed to suggest that new techniques and skills from outside the business were needed, if the business was to remain at the forefront of technological development and this was unlikely to be achieved if training was done in-house

Q23 A minority of learners ignored what the question asked for and explained the impact on sales rather than on the ability of the business to maintain its customer service levels. Some learners also suggested solutions to the problem rather than answering the question set – learners needed to explain that the increased sales might lead to increased calls to technical support. Given that no new staff were to be employed then waiting call times were likely to exceed the promised 90 seconds and therefore the level of customer service provided was likely to fall.

Q24 A significant number of learners did not have an accurate grasp of any advantage or disadvantage of flow production. Learners needed to use the stimulus. The main potential disadvantage was the investment required was significant and if the demand for this product fell then the investment in machinery that would last 10 years might not be cost effective.

Q25 The majority of learners displayed an understanding of the concept of quality control. Better answers suggested that it might lead to increased inspection costs and staffing requirements but could lead to a reduction in faulty products which in turn would lead to a better business reputation and a decrease in complaints.

Q26 Most learners scored at least 2 marks as they were able to identify at least 1 advantage or disadvantage to each site. However, the consequences were seldom accurately explained. It is too simplistic to simply state that the cheaper rents will increase profits. Learners need to explain that cheaper rent will reduce (fixed) costs and therefore total costs will fall. Only a minority of learners identified that site B might cause an issue in terms of staff retention – the better answers suggested that the business might lose skilled staff who would not travel that distance each day or move to a new house. They then went on to explain how this would increase costs in terms of recruitment and training.

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Date: February 2020