

ENTERPRISE

Paper 0454/11 Case Study 11
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Key messages

Candidates showed an improved achievement in the examination this session. This was particularly noticeable within **Section A** and **Question 6(a)**. However, candidates continue to struggle to display some of the skills required by this specification particularly application. Candidates would benefit from spending more syllabus time applying the concepts learnt to case studies and their own enterprise project. Mathematical calculations continue to present a challenge for some candidates who would benefit from greater practice in this area.

It is important that candidates ensure examiners can clearly read the answers provided and that they recognise which question is being answered. Candidates should be discouraged from squeezing additions to answers into the margins around the body of the answer. The answer booklet contains extra blank pages which candidates can use as additional answer spaces if needed. Candidates who make use of the additional answer spaces should ensure that they clearly label the answer with the question number to which it relates.

General comments

Candidates generally had a good understanding of the theory relating to questions within **Section A** of the paper. Some areas of the specification however were not well understood by candidates who displayed gaps in their knowledge. The areas which require further attention include the impact of legal obligations (Topic 4.3), calculations within financial terms (Topic 6.3) and the purpose of documents within enterprise (Topics 6.4, 7.2 and 7.3)

Candidates continue to struggle to gain the highest marks available in **Section B** especially in **Question 7**. This was generally due to a lack of application to their own enterprise project. A small but noticeable number of candidates did not attempt either part of **Question 7**. This may indicate issues with time or a lack of knowledge of the concepts covered in this session.

There are some considerations that might be helpful in enabling candidates to achieve the best marks in future exam sessions:

- learn precise definitions for all key terms
- practise the calculations which are specified in **section 6.3** and **6.4** of the specification
- read the whole question, including the stem carefully, taking note of the command word in the question and instructions such as to include an example
- within **section B** candidates should be encouraged to embed relevant examples from either the case study (**Question 6**) or their own enterprise (**Question 7**), in both their analysis and evaluations
- when discussing their own enterprise experience, such as in **Question 7a** and **7b**, candidates should ensure that the examiner understands what actions the candidates took by providing relevant examples. An introductory paragraph describing the enterprise is not sufficient to show application.

Comments on specific questions

Section A

Question 1

- (a) Many candidates had a strong understanding of these terms and a mark of two was common. Some candidates thought incorrectly that a social enterprise was one that operated only online.
- (b) Generally, well answered by most candidates. The strongest answers explained why suppliers and teachers or parents would be interested in their enterprise. Candidates who scored fewer marks frequently ignored the requirement to link the stakeholder to their own enterprise project, not gaining the application marks.
- (c) Well answered by most candidates who clearly understood this type of business organisation.
- (d) A small number of candidates did not gain a mark on this part of the question by making incorrect assumptions. Such candidates often stated that each partner would gain half of the profit that they could have gained as a sole trader. This may not be true as the partners may be sharing a portion of an increased profit.

Question 2

- (a) Well answered by virtually all candidates. A very small number of candidates confused primary and secondary research.
- (b) Some candidates answered the question they expected to see rather than the one written in the exam paper. Such candidates explained the information that they found from websites not the benefits of using a website as a source of research. The strongest answers identified a benefit, such as the low cost, and then explained why this was important to their enterprise project. A significant number of candidates did not apply the answer to their own enterprise project and did not gain the two application marks available.
- (c) Candidates were aware of the possible impacts of not dealing with customer complaints but only some provided detailed explanations.

Question 3

- (a) This question discriminated well between candidates of different abilities. There was evidence that some candidates did not fully read the question before answering. Such candidates often stated elements that would be included in a business plan, such as the objectives of the enterprise, not the specific elements included in the human resources section.
- (b) Candidates struggled to gain full marks on this question. The strongest responses identified a reason for completing a business plan, such as to gain finance. They then explained how the business plan would be used by a potential financier in this situation. A quote from the case study was then used to show why finance would be important to this entrepreneur. The weakest responses often simply stated that a business plan would help Chinmaya be organised, gaining one benefit of the doubt knowledge mark.
- (c) This area of the syllabus was not well understood by many candidates. A mark of 1 was common. The strongest responses often identified that expansion or a need for finance would be a reason to alter the plan. Very few candidates could develop these points fully to gain both marks. The mark scheme shows examples of fully developed points.
- (d) This question discriminated well between candidates of different abilities. The strongest responses identified an action plan as the relevant document. They explained the purpose of the action plan. Most candidates struggled to show how the document could have helped the operation of this photography enterprise. A mark of two was therefore common. A small but noticeable number of candidates did not understand the term non-financial. Such candidates often either identified a financial document such as a receipt or stated market research.

Question 4

- (a) This part of the specification was well understood. Only the weakest answers were unable to provide a clear definition of the two terms.
- (b) A range of correct reasons were identified and explained. Many candidates were able to effectively apply their answers to the situation in the case study.
- (c) A significant number of candidates did not attempt this part of the question. The most able candidates recognised that copyright infringement could be a considerable issue for Chinmaya's online photography enterprise. Such answers often successfully built upon the ethical arguments raised in **Question 4(b)**.
- (d) This topic was not well understood by many candidates. The strongest explained the benefit to the local community of charity donations. Weaker answers stated the effect of pollution but struggled to apply this to the context of an online photography enterprise.

Question 5

- (a) This calculation was well understood by 87 per cent of candidates. Some candidates confused revenue with contribution and calculated the selling price as US\$9.50. Such candidates gained one mark for providing the correct method with incorrect figures. A small number of candidates did not attempt this question.
- (b) Break-even calculations continue to be an area of weakness for many candidates. A small but noticeable number of candidates did not attempt this calculation. An error made by some candidates who were aware of the calculation was to present their answer as 52.63 photographs. Such candidates did not recognise that it is impossible to sell this number of photographs and therefore gained 4 rather than 5 marks.
- (c) As with **part (b)** some candidates did not attempt this question. The strongest answers explained a way of reducing costs that could be used in the photography enterprise. Weaker answers simply stated that the entrepreneur should sell more. As these answers did not identify how these higher sales could be achieved such answers were too vague for credit.

Section B

As in previous years candidates' scored most highly in **Question 6a**. **Questions 7a** and **7b** require candidates to embed examples from their own enterprise experience throughout their answers, this continues to be a difficulty for candidates. It should be noted that very little, if any, credit is given to candidates who write an introductory paragraph describing their enterprise experience.

Question 6

- (a) Some very good answers were presented for this question, although the majority were awarded marks within the bottom of Level 2. The strongest answers identified an example from the case study to illustrate Chinmaya's use of each skill. Level 3 marks were awarded when the impact of using this skill in the photography enterprise was explained. Most frequently this was shown by candidates who described how Chinmaya's creativity would allow his photographs to attract attention and therefore gain more sales revenue. The weakest answers described the meaning of some enterprise skills with no reference to the context or success criteria.
- (b) This question required candidates to evaluate the benefits and costs of online communications and social media as methods of marketing. The strongest answers gained marks within Level 3 by recognising the danger that Chinmaya faced from these methods due to unauthorised copying of his photographs. Candidates also recognised that an effective online presence requires constant monitoring and postings which would reduce the time available to take photographs for sale. Weaker answers described in detail the various parts of social media with no attempts to link this to the enterprise under discussion.

Question 7

- (a) To do well in this question candidates needed to explain actions they could have taken to improve a presentation that they gave. There was some evidence that some candidates had not fully read the question before starting their answer. Such candidates wrote in detail about improvements to their enterprise project, or the product or service provided. Such answers did not address the question set and gained zero marks. Stronger responses stated the purpose of the presentation. They then explained using examples how further research, or improved content on slides, would have persuaded the audience of the products worth.
- (b) Many candidates struggled to explain the reasons why each of the stages of the enterprise process are important. The weakest answers simply described each of the 6 stages presented in the question. Stronger answers used an example from their own enterprise project to explain how they completed two stages of the process. They then explained why this was important by showing how completing this stage assisted the operation of the enterprise. Most frequently marks in Level 3 were achieved when the candidate explained the importance of action planning and monitoring to ensure that no tasks were forgotten.

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Key messages

Candidates showed an improved achievement in the examination this session. This was particularly noticeable within **Section A** and **Question 6(a)**. However, candidates continue to struggle to display some of the skills required by this specification particularly application. Candidates would benefit from spending more syllabus time applying the concepts learnt to case studies and their own enterprise project. Mathematical calculations continue to present a challenge for some candidates who would benefit from greater practice in this area.

It is important that candidates ensure examiners can clearly read the answers provided and that they recognise which question is being answered. Candidates should be discouraged from squeezing additions to answers into the margins around the body of the answer. The answer booklet contains extra blank pages which candidates can use as additional answer spaces if needed. Candidates who make use of the additional answer spaces should ensure that they clearly label their answer with the question number to which it relates.

General comments

Some topics on the specification were not well understood by candidates. Although knowledge was often displayed, candidates struggled to show full understanding of the concepts and gain the explanation marks available. Topics which caused some issues were:

- Topic 2.2 – the advantages and disadvantages of types of business organisation
- Topic 4.4 – ethical considerations
- Topic 6.3 – financial terms and calculations
- Topic 8.3 – customer retention.

Many candidates continue to struggle to gain marks in Level 2 in **Section B** questions. This was generally due to a lack of application to the case study or their own enterprise project.

There are some considerations that might be helpful in enabling candidates to achieve the best marks in future exam sessions:

- learn precise definitions for all key terms
- practise the calculations specified in **section 6.3** and **6.4** of the specification
- read the whole question
- within **section B** candidates should be encouraged to embed relevant examples from either the case study (**Question 6**) or their own enterprise (**Question 7**), in both their analysis and evaluations
- when discussing their own enterprise experience, such as in **Question 7a** and **7b**, candidates should ensure that the examiner understands what actions the candidates took by providing relevant examples. An introductory paragraph describing the enterprise is not sufficient to show application.

Comments on specific questions

Section A

Question 1

- (a) The majority of candidates were able to accurately state two sources of help and support. Weaker responses had misunderstood the question and described the support available, often finance, not the organisation or person offering that help. Many candidates continue to incorrectly believe that help and support relates only to provision of finance.
- (b) Well answered by most candidates who correctly identified examples from the case study to illustrate the use of enterprise skills. The most common answers being creativity through converting the van and teaching himself new skills using technology. Some candidates incorrectly thought that research and communication were examples of enterprise skills.
- (c) (i) A range of correct answers were provided for this question. The strongest responses identified examples from the case study and used these to explain why being a sole trader was a disadvantage to Finn. The most common reasons being the lack of finance and limited expertise that Finn displayed. Weaker responses identified a generic disadvantage faced by sole traders but could not explain why this was a disadvantage. Candidates frequently struggled to explain why unlimited liability can be a problem for entrepreneurs.
- (ii) A small but noticeable number of candidates did not attempt this question. Candidates who attempted the question frequently gained two marks by stating and explaining the business organisation. Only the most able gained all marks by explaining the potential benefit to Finn of operating under the specified business organisation.

Question 2

- (a) 90 per cent of candidates correctly identified a method.
- (b) Candidates found this question difficult. The strongest responses explained the advantages of up-to-date original data which could be tailored to the needs of the enterprise. Weaker responses stated generic points such as the enterprise 'can find out information'. Such points could relate to any type of research and therefore did not answer the question set.
- (c) This was one of the most difficult questions on the exam paper for many candidates. A noticeable number of candidates misunderstood the question. Such candidates incorrectly explained how customer satisfaction could be measured. Stronger responses recognised that the question required explanations of how the enterprise could improve customer satisfaction. The most common correct answer was by offering good customer service.
- (d) A straightforward question for many candidates. Most recognised that Finn's reliance on word-of-mouth advertising would require him to ensure customer satisfaction. Candidates who identified brand loyalty as a reason struggled to apply their point to this small sole trading enterprise.

Question 3

- (a) This question discriminated between candidates of different abilities. Several candidates simply repeated that cashflow forecasts and budgets would reduce the risk of overspending using different phrasing in each case and gained a maximum of two marks.
- (b) (i) – (iv) Over 80 per cent of candidates were able to correctly complete **parts (i) to (iii)** but only 36 per cent were able to correctly calculate the final cashflow figure required for **(iv)**. A common issue was that candidates did not recognise that the final figure was a minus or deficit. A small but noticeable number of candidates did not attempt **part (iv)** of this calculation.
- (c) Candidates often successfully identified a way to improve cashflow by increasing selling price or reducing costs. Only the most able could develop their explanation to gain both marks available. Weaker responses simply stated that the enterprise could increase revenue, as no method for causing this change was explained the marks could not be awarded. A small number of candidates did not attempt this question.

Question 4

- (a) This question discriminated between candidates of different abilities. The strongest answers often explained the need to protect consumers from unsafe products. A common error was to state that 'without legislation enterprises would perform illegal activities'. Such confused answers could not be credited.
- (b) Many candidates found this to be the most straightforward part of **Question 4**. Most candidates were able to identify a correct example from the case study such as using photos of Eric's van without his permission.
- (c) This part of the question was less well understood. The strongest answers recognised that for Finn the risk of being sued and possibly fined would be a considerable problem given his financial situation. The mark scheme provides alternative examples of complete answers. Weaker answers often identified the risk of closure. Such candidates struggled to explain why this was a problem for Finn and gained one mark.
- (d) This part of the specification was not well understood. The correct answer most given was that this would save Finn some time when advertising the van. As this answer was in the context of the enterprise in the case study it scored two marks.

Question 5

- (a) This question was well answered by most candidates.
- (b) Candidates were aware of different sources of help and support and therefore frequently gained one of the three marks available for stating a source. However, many candidates seem to believe incorrectly that help and support means sources of finance. Such candidates could not add to their marks in this answer.
- (c) (i) The majority of candidates gained one mark by identifying an objective that an enterprise may have. The strongest responses added an example from their own enterprise project to show this objective related to their experience. The most simplistic example of a two-mark answer being the candidate who identified that their object was to 'sell all the candles we produced'.
- (ii) A small but significant number of candidates did not attempt this question. The strongest responses explained how the use of a business or action plan assisted the organisation of their enterprise project. Examples showing the product or service produced allowed the candidate to achieve all marks available. Weaker responses confused non-financial and financial documents and provided another example of a financial document. Some candidates thought incorrectly that market research was an example of a document.

Section B

As in previous years candidates' scored higher in **Question 6a** and **6b** which both relate to the case study. **Questions 7a** and **7b** require candidates to embed examples from their own enterprise experience throughout their answers. It should be noted that very little, if any, credit is given to candidates who write an introductory paragraph describing their enterprise experience. An improvement this session was that only a very small number of candidates did not attempt **Question 7**.

Question 6

- (a) Some good answers were presented for this question, although the majority were awarded marks within Level 2. The strongest responses identified two suitable examples from the case study to illustrate Finn's use of enterprise skills. Candidates who gained Level 3 often explained how Finn saved money or generated revenue from the use of his enterprise skills. The mark scheme shows an example of such an approach. The weakest responses showed that communication, marketing and arranging a meeting were examples of enterprise skills. Such answers could not be rewarded.
- (b) This question required candidates to evaluate the risks and rewards of continuing this new enterprise before coming to a decision. The strongest responses gained marks within Level 3 by using the information within the case study to justify their points. Such candidates often explained

the rewards of Finn being able to gain employment and the risks of unlimited liability and lack of revenue. The weakest responses simply stated a list of benefits or copied material from their answer to **Question 3(b)** with no commentary. Such answers lacked analysis and gained marks in Level 1.

Question 7

- (a) There was some evidence that candidates had not carefully read this question before starting their answer. Such candidates described the importance of the bullet points in the question to the success of their enterprise not their negotiation. Many candidates struggled to gain marks above Level 1 due to this error. The most successful candidates gained marks in Level 3 by providing specific examples of how using stages in the process assisted their negotiations. Most frequently this was through completing research and choosing the evidence to use. The mark scheme shows one example of how this could be successfully presented.
- (b) Many candidates struggled to answer this question effectively. A key issue which limited candidates' answers was a misunderstanding of the concept of income. Candidates frequently explained how their income levels impacted upon their ability to purchase raw materials rather than the level of income of potential customers affecting the opportunity for their enterprise. The strongest responses recognised that rising incomes provided an opportunity to sell products which were considered luxuries. They then focused upon how this led to greater sales revenue. Very few candidates attempted the two-sided approach required for Level 4 answers. Those that did often identified other more important factors which impacted their enterprise, most noticeably the impact of Covid restrictions.

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Key messages

There was some evidence that candidates did not understand some of the terminology used within the pre-issued case study, particularly the word recycled. Centres should encourage candidates to make effective use of their time to actively read and analyse the case study material before the examination.

Centres should encourage candidates to focus directly and clearly upon the question being asked. There was clear evidence that some candidates had not read the question fully before starting their answers. In some cases, this meant that very good answers scored zero as they did not answer the question set. This was an issue in **Question 6(a)**. Additionally, failure to apply answers hindered achievement within **Questions 2(c), 2(d), 3(b) and 4(b)**.

Some areas of the syllabus were not well understood by candidates particularly enterprise capability covered in **Question 1(c)**, trade credit covered in **Question 4 (d)** and break-even calculation covered in **Question 5(b)**. Candidates would benefit from spending more syllabus time considering financial calculations and why documents are useful to an enterprise.

General comments

Candidates displayed strong knowledge of many areas of the syllabus. There was evidence that schools and candidates had focused upon the skills required to do well in this section of the paper. Many candidates produced strong answers within **Section B** especially **Question 6**. Candidates continue to struggle to gain the highest marks available in **Question 7**. This was generally due to a lack of application to their own enterprise project.

There are some considerations that might be helpful in enabling candidates to achieve the best marks in future exam sessions:

- read the whole question, including the stem carefully, taking note of the command word in the question and instructions such as whether an example is required
- candidates should be encouraged to make effective use of any calculations produced in **section A** questions to support their analysis in **Questions 6 (a) and (b)**
- within **section B** candidates should be encouraged to embed relevant examples from either the case study (**Question 6**) or their own enterprise (**Question 7**), in both their analysis and evaluations
- when discussing their own enterprise experience, such as in **Question 7a and 7b**, candidates should ensure that the examiner understands what actions the candidates took by providing relevant examples.

Comments on specific questions

Section A

Question 1

- (a) Generally, very well answered with many candidates accurately stating a precise definition.
- (b) Well answered by most candidates who correctly identified the reinvestment of profit and focus on education as evidence.

- (c) This question tested topic 1.1 of the specification which was not well understood by candidates. Many candidates found this to be the most challenging question on the paper. Stronger responses identified two of the four characteristics of enterprise capability and provided examples of how they showed this within their own enterprise project. Weaker responses either confused enterprise capability with enterprise skills or incorrectly discussed their ability to communicate. Such answers gained no credit.

Question 2

- (a) Generally, very well answered. Some candidates did not gain a mark by stating that primary research was 'completed by oneself' an answer too vague for credit.
- (b) Candidates correctly identified that secondary research may be outdated or not specific to the enterprise needs. Only a few candidates developed their answer sufficiently to gain both marks available. The mark scheme shows examples of such developed points.
- (c) Candidates were aware of the general benefits of internet research such as those listed in the mark scheme. However, many candidates struggled to develop their answers sufficiently to gain all three marks available. A mark of one was common. The strongest responses recognised that Giacomo needed to complete research quickly and had very little finance. These points were then related to the easy availability of internet research or its low cost.
- (d) Although candidates were aware of the benefits of primary research, they often struggled to apply this knowledge to the specific context of the question. The strongest answers recognised that given Giacomo required very specific information on pricing only replies from potential customers would be valid. As a result primary research would be suitable. A small number of candidates did not attempt this question.

Question 3

- (a) Generally, well answered by many candidates. Several candidates however confused the action plan with the business plan and gained zero marks.
- (b) Candidates found explaining the purpose of the action plan and applying this to their own enterprise project challenging. The strongest answers recognised the importance of identifying key activities to ensure that none are forgotten especially for short term enterprises. An example from their own enterprise helped to show why this was important. Weaker candidates gained one mark by stating that the document helped planning or acted as a checklist.
- (c) Some candidates had a strong understanding of this term recognising that the key elements are that it relates to laws which must be followed. A noticeable number of candidates did not attempt this definition.
- (d) The strongest responses identified health and safety legislation and provided an example from the case study to show why this was particularly important to a food enterprise. The mark scheme shows an example of such a successful answer. A small number of candidates did not answer this question.

Question 4

- (a) This term was well understood by over 80 per cent of candidates who recognised the two essential elements that this is a discussion and that its aim is to reach an agreement.
- (b) Candidates were less strong in their understanding of the purposes of each stage in the negotiation process. The strongest answers gained two marks by identifying and correctly explaining one stage. Only a few attempted to link this explanation to the negotiation between Giacomo and Mrs Tan. Frequently candidates who were able to do so gained the application mark for recognising that Mrs Tan needed to be persuaded that the new enterprise would break even quickly. The weakest answers confused the negotiation and enterprise processes.
- (c) Candidates gained two marks for appreciating that this related to money given to enterprises and that it would not need to be paid back.

- (d) This topic was not well understood by candidates. A significant number misunderstood the concept and explained how the restaurant would gain by offering trade credit to customers. A small number of candidates did not attempt the question. Stronger answers recognised that this form of finance would improve cashflow at the start of the new delivery service by delaying payments for raw materials until revenue had been earned.

Question 5

- (a) There were some very strong answers to this question. These often recognised that the college's social objectives noted in **Question 1(b)** could be met by caring for the environment. Some candidates confused recyclable with reusable and discussed the lower cost due to only buying the items once. Such answers could not be credited.
- (b) Calculations continue to be a difficult area for many candidates in this paper. Very few candidates were aware of the calculation for break even. Some candidates were able to gain one mark by correctly identifying the variable cost per container. Candidates would benefit from more practise with this aspect of the specification.
- (c) The strongest answers gained two marks by explaining how increasing prices would increase the revenue per sale or reducing costs would increase profit margin. Very few of these candidates were able to effectively apply their answer to the delivery enterprise. The weakest answers suggested that break even could be improved by selling more. As the candidates did not explain how the enterprise would achieve increased sales such answers were too vague for credit.

Section B

Unlike previous years candidates' scored more highly in **Question 7b** which related to an area of the specification that they were clearly very comfortable with.

Question 6

- (a) Some strong answers were presented for this question, although the majority were awarded marks at the bottom of Level 2. The strongest answers recognised that a food delivery enterprise would need to offer loyalty rewards and effective customer service to retain customers. Level 3 was achieved by candidates who explained the implications of such changes in terms of the costs being lower than attracting new customers or increased total revenue. Weaker answers focused on methods to attract new customers via advertising or reduced prices. Such answers did not answer the question set.
- (b) This question required candidates to evaluate the two stated options and decide which would be most appropriate for the enterprise. It was expected that candidates would make some reference to their calculation from **Question 5(b)** in this answer. The best answers recognised that the primary objective of the college was to educate, however, to do this the college must make revenue. Such candidates then evaluated each option to assess the extent to which it would help to achieve these aims. Candidates who gained a mark in Level 4 were able to explain both the risks and rewards of each of the two options discussed. However, candidates struggled to provide the clearly reasoned evaluation of both options which is a requirement for the highest marks. An error made by the weakest answers was to focus on the costs and benefits to the customers rather than the enterprise. A significant number of candidates incorrectly thought that the students would be the customers for the enterprise rather than the workers.

Question 7

- (a) This question required candidates to discuss examples from their own enterprise project. The strongest responses provided examples to show how each skill was used when operating their enterprise project. Level 3 marks were gained when the candidate explained the impact that this had on their aims and objectives. Most frequently successful answers focused on how problem-solving reduced costs or lead to higher sales. Weaker responses gained a mark in Level 2 by providing suitable examples of their use of a skill. There was some evidence that some candidates did not fully understand the meaning of the skills listed in the question.

- (b) The strongest answers to this question gained a mark in the bottom of Level 3 by explaining the impact that their method of marketing communication had on the number of sales made. Very few candidates attempted to evaluate the method by considering the positive and negative aspects before making a conclusion. Although application was present in many answers the weakest answers implied rather than stated application. For example, a candidate wrote that 'this increased my costs for printing' had they stated the amount of increased costs this would have been a good analytical point in the context of their enterprise.

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Paper 0454/02 Coursework

Key messages

- It is essential candidates use the syllabus for the year of examination. This is to ensure work submitted matches the relevant task descriptors to access the full range of marks.
- Business plans are unnecessary and there are no marks for including them.
- Marks for analysis and evaluation continue to be awarded generously. Candidates must provide detailed explanations to develop and justify points made. All points made should clearly link to their chosen project, and not simply outline general theory.
- Assessors should annotate the coursework using the assessment criteria. This will help to show how and why a particular mark is being awarded.

General comments

- Candidates selected a variety of appropriate and interesting projects. Popular choices include food and craft activities such as jewellery or printed t-shirts.
- Candidates must include evidence for all elements of each task to access the full range of marks. **Section 4** of the syllabus provides clear guidance about what candidates must submit for each task. Many continue to include additional materials which takes time that candidates could use more productively elsewhere.
- Most candidates show good knowledge but struggle with application, analysis and evaluation. The School Support Hub includes skills exercises (under the teaching and learning section) to help learners develop these skills.
- Many candidates struggle to develop points effectively. A list of advantages and disadvantages or descriptions of what they did is not analysis. There is no need to comment on every point identified. Candidates should be encouraged to focus on two or three key points, which they then analyse in detail. Good analysis means each point being further developed to show the consequences of an action. For example, because of this X happened, which (could) lead to Y, and therefore Z. Each point should be in context. Context means using examples from the project as supporting evidence.
- Evaluation is more than the decision. It requires candidates to provide a clear reason, ideally with evidence, to support any decision made. To access the higher mark bands, good analysis and evaluation must be shown throughout the relevant tasks.
- Most candidates exceeded the word limit. While they are not currently penalised for this, it is important candidates present their work in a clear and precise format.
- It is a syllabus requirement that assessors annotate the work. Assessors must clearly show where and which skill is being awarded. For example, writing 'AO1', 'AO2' and 'AO3' or comments such as 'good analysis' at appropriate points. This should be done on the work itself, at the point of award.

Comments on specific tasks

Task 1

All candidates presented the work in a report format. Most candidates were able to identify advantages and disadvantages for two ideas and gathered market research. Better performing candidates attempted to develop points and reviewed market research to outline what the results showed. Only the strongest responses used the data to support decisions made. Weaker responses listed theoretical points or included charts without any commentary. All candidates should be encouraged to develop key points showing why each one is significant, either in a positive or negative way. When making a final decision, candidates could quote the results from their market research to help explain why the chosen option was better than the alternative.

Task 2

- (a) Most candidates did identify two significant issues based on their action plan. Some included more than three problems, which was unnecessary. Stronger responses were able to outline problems and offer suggestions about how they planned to manage each one. Only the best responses offered two solutions for each problem. This was essential for the work to be considered for Level 3 marks. Instead of discussing problems, weaker responses tended to outline activities they needed to do as part of their action plan. Many did not link points made to their chosen project. Others described actions taken retrospectively. Candidates should be reminded this is a planning activity so it must be forward looking – focusing on what they might do, and not what they did.

Some candidates presented ideas in the form of a risk assessment. This should be discouraged as this format includes complex information such as the severity and likelihood of risk, which is not required at this level. Nor does it encourage candidates to focus on the required elements in sufficient detail – namely, what is the problem, why is it a problem, what would happen if not managed as well as offering detailed explanations of at least two possible solutions for each problem.

- (b) Most candidates provided written evidence explaining possible sources of finance or methods of marketing communication. Only the strongest responses included detailed explanations to support why each option might be appropriate (or not) and linked points to their enterprise. Weaker responses stated general advantages and disadvantages of each option but did not apply the theory to their project. Without context, candidates cannot access Level 3.

The second part is a presentation outlining their proposals for finance or marketing communications. The presentation and written element must cover the same option. Slides should be included but these are for reference purposes only. It is important to note, the witness statement is the assessed element. This should focus on communication and enterprise skills shown by the individual during the presentation, and not summarise the content. Some of witness statements did name skills but there were no details outlining what the candidate did to demonstrate them.

Many candidates did not include a signed witness statement. Without clear evidence of both parts of this task, this is likely to restrict the work to Level 1.

Task 3

This task was generally well attempted. It was pleasing to see that most candidates included negotiation as one of the five skills, and the best responses included detailed plans for negotiation.

The strongest responses included detailed examples to show how they had used each of the five named enterprise skills when implementing their project. Instead of naming individual skills, weaker responses simply described activities that they had carried out. Others stated why they needed the skills instead of providing examples as to how they had used these skills to implement their plan. Some commented on the success of their monitoring which was unnecessary.

Task 4

Candidates should be reminded that they are only required to submit a 1000-word report, so having a clear focus is essential.

Most marks awarded were generous. **Task 4** is challenging as only it only assesses analysis and evaluation. Candidates are required to discuss the positive and negative outcomes of two areas – one area must be planning and implementation. Most did not indicate whether points made represented a positive or negative outcome. Candidates should also be encouraged to focus on one significant positive and one negative outcome for each area. Each point should be developed, using phrases such as ‘therefore’, or ‘this means’. This can help candidates develop their observations to explain why they were important and how it affected their project. Only the strongest responses attempted to analyse key issues. Most reviewed all actions taken which tended to encourage description, not analysis. Such work cannot gain more than **Level 2** marks.

Some candidates did offer simple conclusions and make recommendations for improvement. However, only a small number of candidates used evidence collected to support their conclusions. Many submitted a variety of documents including photographs and receipts, but it was not clear why these materials had been

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Principal Examiner Report for Teachers

included. Any evidence used should be clearly referenced and used to clearly support the point being made. If the material is not relevant, it should not be included.