

CAMBRIDGE TECHNICALS LEVEL 3 (2016)

Examiners' report

BUSINESS

05834–05837, 05878

Unit 1 January 2022 series

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Introduction

Our examiners' reports are produced to offer constructive feedback on candidates' performance in the examinations. They provide useful guidance for future candidates.

The reports will include a general commentary on candidates' performance, identify technical aspects examined in the questions and highlight good performance and where performance could be improved. The reports will also explain aspects which caused difficulty and why the difficulties arose, whether through a lack of knowledge, poor examination technique, or any other identifiable and explainable reason.

Where overall performance on a question/question part was considered good, with no particular areas to highlight, these questions have not been included in the report.

A full copy of the question paper and the mark scheme can be downloaded from OCR.

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Unit 1 series overview

This series has uncovered one area of the specification where candidates do not appear to have been fully prepared – LO6 the external influences and constraints on businesses. Responses to Section A Question 12, Section B Question 22 and Section C Question 30 vividly highlight this issue. Nevertheless, those candidates who showed a sound understanding across the entire specification, coupled with an ability to analyse and evaluate, did well on this paper.

<i>Candidates who did well on this paper generally did the following:</i>	<i>Candidates who did less well on this paper generally did the following:</i>
<ul style="list-style-type: none"> • researched a wide variety of businesses, targeted to the research brief (for Section B) • demonstrated numerical skill (in Questions 9, 14, 29 and 31(a)) • answered questions contextually (in Sections B and C) • made judgements from Filmore Pancakes' perspective (Section C extended response questions). 	<ul style="list-style-type: none"> • left answer spaces blank (including multiple-choice questions) • showed little evidence of studying the topics indicated in the pre-release research brief • ended extended response questions abruptly, without making an overall judgement • answered a slightly (or significantly) different question to the one actually set (Section C extended response questions).

Section A gives time for candidates to settle into the exam. This section of the paper was generally well answered by most candidates. Once again, a minority of candidates lost marks because they ticked two responses, say B and D. Such hedging cannot be awarded. Candidates should be instructed not to take this approach. Where a candidate indicates an answer and then changes their mind, they should clearly cross out their original tick. In addition, some candidates lost marks by leaving an MCQ entirely question blank. This is poor examination technique. Candidates should be encouraged to indicate a response to all twenty questions.

Section B was still not as well answered as might be expected, given the clear guidance on areas to focus on in the pre-issued research brief for this examination. In particular, weaker scripts showed little evidence of preparation for Section B, the one area of the paper where candidates can prepare in advance. Some candidates appeared to have done no research at all, certainly no research targeted to this series' pre-issued research brief. Centres are advised to devote adequate time to the preparation of candidates for Section B of this paper; the research brief is issued well in advance of the examination.

How the research brief linked to the questions in Section B

- | | |
|---|--|
| <ul style="list-style-type: none"> • The role of the chief executive in limited companies. • Corporate social responsibility in practice. • The use of internal sources of finance. • Complying with the Consumer Rights Act. • The evolving role of the marketing function. | <ul style="list-style-type: none"> • Question 23 - Explain two key tasks of the chief executive at a company that you have researched. • Question 22 - Describe two corporate social responsibility activities of a business you have researched. • Question 24 - Analyse one advantage and one disadvantage to a business that you have researched of using reserves as a source of finance. • Question 25 - Explain how a business you have researched complies with the Consumer Rights Act. • Question 21 - Identify two forms of promotional media used by the marketing function of a business you have researched. |
|---|--|

The wording of Questions 22, 23 and 25 linked extremely closely with the wording of the pre-issued research brief, but some candidates still showed very limited knowledge or understanding. Centres are advised to emphasise to candidates the importance of focusing their business research on the topics indicated in the corresponding series' research brief.

Evidence suggests that those candidates who chose to answer all five questions in Section B on the same business did less well than those who selected a business according to the question. Candidates should be encouraged to select the business they use depending on the question i.e. to choose a specific business for which their understanding is suitable for answering the question. This was especially important for Question 24, where the business chosen needed to have used reserves as a source of finance.

As always, Section C contained three high tariff, extended response questions. These questions were level of response marked. Candidates needed to demonstrate the skills of analysis (Level 3) and evaluation (Level 4) to gain the highest marks.

Analytical skill (Level 3)

Analysis requires candidates to develop their responses to include impacts on the business as an organisation, in this case a pancake takeaway.

Examples appropriate for this paper include impacts on costs, revenue, cash flow, profit, improved decision-making, customer loyalty, publicity, reputation, legal action, compensation claims, fines, number of customers, bankruptcy, etc.

It should be noted that phrases such as 'this will impact on costs' or 'this will affect the firm's reputation' cannot be awarded because the direction of the impact is unclear. Candidates need to make explicit the direction of the impact i.e. higher costs or lower costs, a better reputation or a worse reputation.

Evaluative skill (Level 4)

Evaluation requires a reasoned decision that answers the question. E.g. the worst disadvantage of being a sole trader (Question 28), the worst impact of not listening to complaints (Question 30) and a judgement as to which social factor would best secure long term success for the pancake takeaway (Question 32).

Candidates should be encouraged to reach decisions and give detailed justification to support their argument using contextual information. While an accurate judgement that applies to most businesses would achieve a Level 4 mark, a response which argues using the particular circumstances of the business scenario, in this case a pancake takeaway, would be more highly rewarded.

Areas which caused most problems on this paper were share issues as a source of finance (Question 3), confusion over political and legal factors (Question 12), corporate social responsibility activities (Question 22), span of control (Question 26b) and social factors (Question 32). On the other hand, Question 25 on compliance with the Consumer Rights Act, Question 28 on the disadvantages of being a sole trader and Question 29 calculating whether objectives have been achieved, were extremely well answered.

Section A overview

The vast majority of multiple-choice questions were well answered. Those that were more problematic are discussed below.


Question 3

3 A share issue is a:

- A long-term source of finance that is available to all businesses
- B long-term source of finance that is only available to limited companies
- C short-term source of finance that is available to all businesses
- D short-term source of finance that is only available to limited companies

[1]

This question was testing sources of finance, in particular a share issue. Candidate responses were fairly evenly split across all four options. This indicates that many candidates were unaware that only limited companies can issue shares and a significant number were unable to distinguish between a short-term source of finance and a long term source.

	AfL	Centres are advised to give students plenty of practice distinguishing between short and long term sources of finance and internal and external sources of finance. The distinctions could be reinforced on a frequent basis as part of lesson starter or plenary activities.
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Question 12

12 The introduction of a new government initiative is an example of:

- A a legal change
- B an environmental change
- C a political change
- D a social change

[1]

This question was testing candidates' ability to identify different types of changes in the external environment. While few candidates opted for B or D, option A was quite common, suggesting confusion between legal and political factors.

	<p>AfL</p>	<p>Centres are advised to give students plenty of practice distinguishing between legal and political issues. Possibly an electronic card sorting exercise matching-up factors to types, might help reinforce the learning.</p>
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Question 19

19 A business is conducting a SWOT analysis. Which pair of categories contains factors which the business can control?

- A Opportunities and Strengths
- B Opportunities and Threats
- C Strengths and Weaknesses
- D Threats and Weaknesses

[1]

This question was testing which elements of a SWOT analysis are within a business' control. Despite C being the correct answer, this option was rarely chosen. By far the most common incorrect answer was A. In a SWOT analysis Strengths and Weaknesses come from internal sources within the business e.g. the skills of the owner or the business' current location; these factors are within the business' control because they can be changed e.g. going on a training course, appointing a specialist or by relocating.

	<p>Misconception</p>	<p>A common misconception among students appears to be that businesses can control the positives but not the negatives. This is not the case. Strengths (positives from internal sources) and Weaknesses (negatives from internal sources) can both be controlled by the business. Whereas, in contrast, Opportunities (positives from external sources) and Threats (negatives from external sources) cannot be controlled by the business and must be dealt with accordingly.</p>
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Question 20

20 An income statement shows:

- A assets and liabilities
- B cash inflows and outflows
- C inputs and outputs
- D revenue and expenses

[1]

This question was testing knowledge and understanding of the contents of an income statement. The correct answer, D revenue and expenses, was rarely seen. Answer A assets and liabilities i.e. the contents of a statement of financial position, possibly an understandable confusion, was rarely selected either. Instead B was the most commonly selected answer. Answer B would relate to the contents of a cashflow forecast/statement. Perhaps B was chosen because it is the financial document that students are the most familiar with, or perhaps students cannot distinguish between cash inflows and outflows (dated at time of receipt/payment) and revenue and expenses (charged to the accounting period they refer to). Whatever the reason, this area of the specification would benefit from further study.

	<p>AfL</p>	<p>Centres are advised to give students plenty of practice identifying the contents of different financial documents. The difference could be reinforced on a frequent basis as part of lesson starter or plenary activities.</p>
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Section B overview

The questions in Section B should be answered with direct reference to candidates' personal research, as directed by the pre-released research brief available in advance of the examination. How each question in this section links to the research brief is tabulated in the Series Review section of this report.

For each question in this section, candidates are advised to select an appropriate business that they have researched, rather than answer all questions on one business. Evidence suggests that choosing a specific business on which to answer each question leads to better focused answers and higher marks.

Question 21

- 21 Identify **two** forms of promotional media used by the marketing function of a business you have researched.

Name of business

Activity of business

1

2

[2]

Most candidates were able to score full marks on this question. The most common media suggested were social media, billboards and television. Where full marks could not be given, the most common error was to give responses about promotion that did not state the medium of delivery. Responses such as 'advertising' could not be awarded as the medium was not given, 'radio advertising' on the other hand would gain marks.

Question 22

22 Describe **two** corporate social responsibility activities of a business you have researched.

Name of business

Activity of business

1

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2

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[4]

Despite corporate social responsibility (CSR) being a named topic in the pre-release research brief for this examination, many students were unable to suggest a CSR activity undertaken by a business of their choice. Most confused CSR activities (which are itemised in the specification) with solely ethical activities. To be classed as CSR activities the activity suggested need to specifically benefit society/community directly, rather than, say, employees or customers or the environment.

Of those who gained marks the most common correct answer was giving money to charity or donating food to local foodbanks. Other good answers, occasionally seen, were giving humanitarian aid to foreign countries and supporting sporting and educational initiatives in the UK and abroad.

	<p>Misconception</p>	<p>A common misconception among students appears to be that corporate social responsibilities are the same as ethical/environmental responsibilities. This is not the case. CSR involves activities which specifically benefit society be it the local community, national community or international community.</p>
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Question 23

23 Explain **two** key tasks of the chief executive at a company that you have researched.

Name of business

Activity of business

1

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2

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[4]

There was evidence that many candidates had studied the role of a chief executive, however many did not distinguish the difference between the responsibilities of the job role and the tasks involved in the job role. This question asked about key tasks. Examiners were primarily looking for strategic, high level tasks e.g. making important decisions. Please see the mark scheme for more suggested answers to this question.

Question 24

24 Analyse **one** advantage and **one** disadvantage to a business that you have researched of using reserves as a source of finance.

[6]

Name of business

Activity of business

Advantage

.....

.....

Disadvantage

.....

.....

Examiners were looking for specific advantages and disadvantages for a company of using reserves as a source of finance. To gain full marks the advantage/disadvantage needed to be developed by a chain of argument through to analysis. Many candidates achieved this. Their responses showed a clear understanding of business reserves as a source of finance and were able to work through a logical chain of argument. The most common correct response for the advantage referred to 'no borrowing being required' (1), therefore 'no interest charged' (+1), therefore 'higher profits' (+1). The most common correct response for the disadvantage referred to 'when it's gone it's gone' (1), therefore 'no financial contingency' (+1), therefore 'increased risk of insolvency if the business encountered an emergency' (+1).

As might be expected, many other candidates were unclear as to what reserves were and gave vague responses which gained few if any marks. Some candidates went down a discursive route of describing what the reserves had been spent on. This detail may have shown evidence of some actual study of a real business, however without including advantages or disadvantages in the response, there was nothing that was rewardable.

Question 25

25 Explain how a business you have researched complies with the Consumer Rights Act.

Name of business

Activity of business

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[4]

Most candidates achieved at least 3 of the available 4 marks on this question. They were able to identify at least one provision of the Consumer Rights Act and were able to apply it contextually to their business of choice. 'Make sure that advertisements about the new range of jeans are accurate and truthful' would have gained 3 marks, for a contextually specific explanation of how to comply with the Consumer Rights Act. Answers relating to goods being 'as described', 'of satisfactory quality' and the 'right to return with the issuing of refunds' were the most common correct responses.

Those candidates who did less well on this question tended to make one of two mistakes. They either wrote an entirely generic answer e.g. 'good must be as described' but with no practical explanation of how the business of their choice achieved this or they wrote about the wrong piece of legislation (the Data Protection Act was fairly common in this regard).

Section C overview

All of the questions in this section should be answered contextually, i.e. with appropriate reference to the scenario.

Business scenario: *Filmore Pancakes*

Filmore Pancakes is a hot food takeaway restaurant. The takeaway sells a range of whole-grain, buttermilk, American-style pancakes with healthy toppings. Beth Filmore, a single parent, set up *Filmore Pancakes* just over a year ago, shortly after her daughter started secondary school. All of the pancakes are cooked fresh to order using a low-fat, high-fibre recipe. The takeaway's best sellers are a savoury pancake topped with wild mushrooms and tomato and a sweet pancake topped with fresh pineapple and mango sauce. Beth, a sole trader, employs five part-time assistants to help run the business.

Filmore Pancakes operates from small premises on the edge of a large housing estate in the Midlands, where disposable income levels are low. The takeaway is open five days a week (Wednesday to Sunday); lunchtimes from noon to 3 pm and evenings from 6 pm to 9 pm. Most lunchtime customers are local, mainly students from the nearby college or residents returning home after shopping. *Filmore Pancakes* is also receiving an increasing number of lunchtime orders from workers at a business park two miles away, who phone in their orders in advance to save time. In the evening its customers tend to be young couples and families, many from the estate but also some who live further away. *Filmore Pancakes* is also popular with local teenagers, who like to gather on the pavement outside to eat whilst chatting to their friends.

To fund the start-up of the business Beth took out a second mortgage of £80 000 on her 3-bedroomed house, traded in her car for a small van and applied for a bank overdraft. The bank requested a copy of *Filmore Pancakes*' business plan before agreeing to an overdraft limit of £6000. The business plan includes specific objectives for the end of Year 1, together with plans for developing the business' service provision when finances permit. In Year 2, Beth would like to obtain planning permission from the local council to add a canopy to the front of the premises and put tables and chairs on the pavement in the summer months. In Year 3, she would like to add a home delivery service.

Being a sole trader has proved far more difficult than Beth thought it would be. New ideas are difficult to come by. The hours are long and hard. There are always more tasks to be done, such as buying stock or banking cash. She has had no time to enjoy her hobbies all year and she has not been out with friends since her birthday. Money is in short supply. Childcare, especially in the school holidays, is problematic and visiting her mother in the USA is impossible. In addition, Beth constantly worries about her or her daughter becoming ill, an employee having an accident at work or a customer having an allergic reaction.

Nevertheless, Beth believes that the sacrifices will be worth it. She hopes that by the time her daughter is 18 the business will be making enough money to not only pay the household bills, but also fund her daughter through university. She wonders whether the business is on target and which, if any, of its Year 1 objectives (see **Table 1** below) have been achieved.

Table 1: Objectives for end of Year 1 (from *Filmore Pancakes*' business plan)

Objective A	Number of customers per month (on average)	1500
Objective B	Revenue per customer (on average)	£10.00
Objective C	Total costs per month (on average)	£12 000
Objective D	Profit for the year	£10 000

Question 26 (a) and (b)

26 (a) Circle the organisational structure of *Filmore Pancakes*.

You should only draw **one** circle.

Tall structure

Matrix structure

Flat structure

[1]

(b) Identify Beth's span of control.

..... [1]

Question 26 (a) and (b) tested candidates' understanding of organisational structure. While question 26(a) was answered correctly by most candidates, 26(b) was answered incorrectly by most candidates. Very few candidates gave the answer '5' as Beth's span of control. The business scenario clearly told candidates that Beth managed five members of staff, however it appears that without an organisation chart many candidates did not link the required concepts. Instead, many talked about Beth being a sole trader, having limited liability or left the answer blank.

Question 27 (a)

27 Beth needed finance to start up *Filmore Pancakes*.

(a) What is a mortgage?

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..... [2]

Examiners were looking for two main pieces of knowledge – the type of finance e.g. long term loan, etc and the purpose of the finance e.g. for the purchase of a property. Those candidates who expressed both of these concepts were awarded full marks. The question was well answered by most candidates, with almost all scoring at least one of the available 2 marks.

Question 27 (b)

(b) Explain how the bank might have used *Filmore Pancakes'* business plan before agreeing to the overdraft.

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..... [2]

This question was answered less well than Question 27(a). Examiners were looking for an understanding that the bank would use the document to assess the financial risk of whether or not to agree to the overdraft or decide on the overdraft limit. Those candidates who also suggested a specific aspect of the business plan that the bank might study e.g. financial figures, cash flow, profit, aims and objectives, etc, were given full marks.

Many answers were vague, simply suggesting that the bank would be checking the business plan to see if the business is 'likely to be successful', such answers were not awardable.

Question 28

28 Evaluate disadvantages to Beth of operating as a sole trader.

[12]

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As with all 12-mark questions on this paper, the question is level of response marked. The type of response examiners were looking for is shown in the exemplar response in the published mark scheme. This question centres around sole tradership as a form of business ownership. Candidates only needed to discuss the disadvantages.

By far the most common correct disadvantage was 'unlimited liability' (Level 1) and such a technically accurate understanding was good to see. In addition, many candidates were able to explain its meaning (Level 2) and move through to the potential impact on Beth if she became bankrupt (Level 3), scoring seven of the available 12 marks solely for discussion of the concept of unlimited liability.

Other commonly cited disadvantages (i.e. Level 1's) were 'high workload', 'no absence cover' and 'lack of ideas'. Many candidates were able to develop their answers through a chain of argument to the impact on Beth or her business, gaining additional Level 3 marks.

Once Level 3 has been achieved, a selection of one disadvantage with appropriate justification as to why it was the worst was awarded Level 4. Those candidates who gave a contextual justification achieved a minimum of 11 marks.

On this question, approximately half of candidates did attempt to make a decision as to which was the worst disadvantage. Those that gave a valid reason for their choice gained a Level 4 mark.

Those candidates who did less well on this question tended to waste valuable time talking about the advantages of being a sole trader. A discussion of the advantages was not required by the question. The importance of reading and re-reading the question both before beginning to plan an answer and during the writing of the answer cannot be overemphasised. A further check of the wording of the question, immediately before making overall judgements, can also reap significant rewards.



AfL

Centres are advised to reinforce to students that all 'evaluate' questions, indeed all 12-mark question on this paper, require a judgement to be made. The easiest way to achieve this on this question is to make a judgement at the end of the response by picking one of the disadvantages as the worst and supporting this judgement with valid reasoning.

Question 29

29 *Filmore Pancakes*' financial figures at the end of Year 1 are shown below.

- Total number of customers served: 11 400
- Total revenue: £123 120
- Total costs: £121 550

By referring to **Table 1**, identify:

- **one** objective that *Filmore Pancakes* has achieved
- **two** objectives that *Filmore Pancakes* has not achieved.

Give your answers in the table below. A box has been provided for your workings.

Objective that has been achieved:	
1	
Objectives that have not been achieved:	
1	
2	

Box for workings

[3]

Generally well answered, the vast majority of candidates were able to score at least 2 marks on this question, and many gained full marks. Very occasionally a candidate left the answer space totally blank; this is poor examination technique similar to that of omitting to answer a multiple-choice question.

Question 30

30 Beth has begun to receive complaints from local residents who say that the takeaway has increased levels of litter, noise and anti-social behaviour in the area.

Evaluate likely impacts on *Filmore Pancakes* of **not** listening to the complaints of local residents.

[12]

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.....

As with all 12-mark questions on this paper, this question was level of response marked. The type of answer the examiner was looking for is shown in the exemplar response in the published mark scheme. This question required candidates to evaluate likely impacts on Filmore Pancakes of not listening to the complaints of local residents. There were plenty of impacts to choose from.

Those who scored most highly were able to analyse the impact on Filmore Pancakes e.g. one impact would be fewer customers (Level 1) because they disagree with how the business is behaving (Level 2), leading to reduced cash inflows for the business (Level 3), thus gaining a minimum of a Level 3 mark. The identification and analysis of further impacts leading to higher marks within Level 3.

To access Level 4 one of the impacts needed to be selected as being the worst, with justification to support this decision. Very few candidates attempted to make a judgement, instead their answer ended abruptly after they had analysed their last impact.

One of the easiest ways of achieving Level 4 on this question is to rank the severity of the impacts and justify your ranking, in particular why is one of them worse than the others and why the others are less of a concern. Those candidates who gave a contextual justification were liberally rewarded, gaining a minimum of 11 of the 12 marks available.

	<p>AfL</p>	<p>Centres are advised to reinforce to students that all 'evaluate' questions, indeed all 12-mark question on this paper, require a judgement to be made. The easiest way to achieve this on this question is to make a judgement at the end of the response by selecting one of the impacts as being the worst and supporting this judgement with valid reasoning.</p>
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Question 31 (a)

31 (a) *Filmore Pancakes'* estimated costs and revenues for Year 2 are given below.

- Fixed costs (labour): £5000 per month.
- Fixed costs (other): £3400 per month.
- Variable costs (averaged): £1.00 per pancake.
- Revenue (averaged): £5.50 per pancake.

Calculate the minimum number of pancakes *Filmore Pancakes* needs to sell in Year 2 to avoid making a loss.

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..... [4]

This question tested candidate understanding of the meaning of break-even and how to calculate it. Candidates appeared to grasp that the minimum number of pancakes needed to avoid making a loss meant the break-even level of output. Candidates then made a good attempt at the calculation. The vast majority managed to correctly calculated annual fixed costs. Those who also correctly calculated contribution tended to go on to score 3 or 4 marks. Some candidates came unstuck on the calculation of the contribution rather than '£4.50' (£5.50 - £1.00) there was evidence of other variants including '£6.50' (£5.50 + £1.00) and '£5.50' (£5.50 x £1.00).

The modal mark on this question was high. Many candidates gained 3 out of the available 4 marks by candidates calculating the monthly break-even quantity (1867) rather than the annual quantity (22400).

	AfL	Centres are advised to reinforce to students the importance of checking the timeframes in any financial question relating to costs, revenues or profit. It is common that timeframes could vary, some figures may be given as annual ones, but others may be quarterly or monthly. Good practice in the examination would be to ring or highlight these time frames to make sure that these details are not lost amidst the complexity of any calculation.
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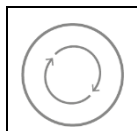
Question 31 (b)

(b) Beth realises that to be successful *Filmore Pancakes* needs to attract a lot more customers. The business' margin of safety is far too low.

State what is meant by the term 'margin of safety'.

.....
 [1]

This question tested candidates' accurate understanding of financial terminology, in this case 'margin of safety'. Very few candidates were able to give an accurate answer. Many came close, but with a common misunderstanding that it was a monetary measurement. Others appeared not to have heard of the term and provided answers relating to health and safety.



AfL	Centres are advised to reinforce to students the importance of having a clear and accurate understanding of all specialist terms on the Specification, especially financial ones.
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Question 32

32 Analyse **three** social factors which might have a positive impact on *Filmore Pancakes*.

Which one of the three social factors would best secure the long-term success of *Filmore Pancakes*? Justify your view.

[12]


.....

As with all 12-mark questions on this paper, this question was level of response marked. The type of answer examiners was looking for is shown in the exemplar response in the published mark scheme. This question centres around social factors i.e. factors from the external business environment that are derived from changes in society. Candidates needed to discuss three social factors that could have a positive impact on Filmore Pancakes.

By far the most common correct Level 1 responses were the trend towards healthy eating, the trend towards veganism and higher disposable income. Other good responses included more people moving into the area and an increase in the number of students. To move through the levels, candidates needed to give further details about their social factor (Level 2) to arrive at a chain of argument about the positive impact of this social factor on Filmore Pancakes bookshop (Level 3).

In an attempt to encourage all candidates to make a justified judgement for Level 4, the question demanded this explicitly. The majority of candidates, therefore, wrote a final paragraph which selected which social factor would best secure the long term success of Filmore Pancakes. Those that gave a valid reason for this choice were awarded Level 4. Those candidates who gave a contextual justification achieved a minimum of 11 marks.

However, many candidates performed less well than expected on this question. Many of the suggested answers were not social factors and could not be awarded even at Level 1. Common errors included writing about environmental, ethical, technological and economic factors, rather than social factors. Other candidates suggested three strengths of the business. Even more gave three suggested improvements for the business. None of these variants answered the question set, so could not be awarded.

	<p>AfL</p>	<p>The specification splits the external environment in which a business operates (LO 6) into eight distinct categories – social, technological, economic, environmental, political, legal, ethical and competition. It is important that candidates can distinguish and categorise the different elements correctly. On a 12-mark question, say, evaluate three ethical factors or evaluate three economic factors, discussing the correct classification of factor could be the difference between 0 and 12 marks.</p>
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