Cambridge Assessment International Education

Cambridge IGCSE™

ENTERPRISE **0454/11**

Paper 1 Case Study **May/June 2021**

MARK SCHEME

Maximum Mark: 100

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the May/June 2021 series for most Cambridge IGCSE™, Cambridge International A and AS Level components and some Cambridge O Level components.

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Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

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GENERIC MARKING PRINCIPLE 5: Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).
GENERIC MARKING PRINCIPLE 6: Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

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Social Science-Specific Marking Principles
(for point-based marking)

1 Components using point-based marking:

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

  From this it follows that we:

  (a) DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
  (b) DO credit alternative answers/examples which are not written in the mark scheme if they are correct
  (c) DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g. State two reasons …).
  (d) DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
  (e) DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
  (f) DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
  (g) DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

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3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

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Question	Answer	Marks	Guidance
1(a)	**Describe <u>two</u> ways of being enterprising at home or at school, other than by taking the initiative.** Each way should be marked as follows: Identification of a way [1] Description showing understanding [+1] Examples might include: • developing new skills • making reasoned evaluations • organising activities/yourself • problem solving • taking the initiative • thinking creatively • using technology for learning • working as part of a team.	**4**	**AO1 – 4**
1(b)	**Identify <u>three</u> of the six stages in the enterprise process.** 1 mark per correct stage. Answers might include: • identifying the problem or need • exploring creative solutions • (Action) planning • implementing (the plan) • monitoring progress • evaluation (of successes and failure).	**3**	**AO1 – 3**

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Question	Answer	Marks	Guidance
1(c)	**Explain how <u>one</u> of the six stages in the enterprise process helped in the operation of <u>your enterprise project</u>. Use an example to support your answer.** Basic explanation of how stage assists enterprise [1] Detailed explanation showing how the stage assists enterprise to operate effectively [+1] Example from own enterprise experience showing how stage was used [1] Example: We spent a lot of time identifying what people wanted from a cupcake [1] this meant we only made the products that people wanted [1] therefore we avoided wasting money. [+1]	3	**AO2 – 1** **AO3 – 2**

Question	Answer	Marks	Guidance
2(a)	**Explain <u>one</u> purpose of the action plan that Josiah wrote.** Correct identification of a purpose [1] Explanation of the purpose [+1] Answers might include: • helps to organise all the tasks Josiah needed to do [1] so the right thing done at the correct time [+1] • identify key stages of the enterprise [1] to stop any waste of effort [+1] • identifies risks/obstacles [1] so they can be tackled [+1] • lists who is responsible for each task [1] so you can check if they have done their work [+1] • provides a checklist [1] so you can identify delays before it is too late. [+1]	2	**AO1 – 2**

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Question	Answer	Marks	Guidance
2(b)	**Identify <u>one</u> document produced for formal meetings.** Answers might include: • meeting notification/notice • agenda • minutes.	**1**	**AO1 – 1**
2(c)	**Describe <u>two</u> financial records which are usually produced by enterprises.** Each financial record should be marked as follows: Identified financial record [1] Description showing understanding of the financial record. [+1] Answers might include: • cashflow forecast/statement [1] predicts / shows money going into and out of an enterprise [+1] • income statement [1] records the income and expenditure (finances) of an enterprise to calculate profit or loss [+1] • budget [1] estimates income and expenditure/ attempts to limit overspending [+1] • receipt [1] acts as proof of purchase. [+1]	**4**	**AO1 – 4**

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Question	Answer	Marks	Guidance
2(d)	**Explain how <u>one</u> financial record helped, or could have helped, in the success of <u>your enterprise project</u>. Use an example to support your answer.** Identification of how the financial record helps an enterprise [1] Explanation showing developed understanding [+1] Example from own enterprise experience. [1] Answers might include: Income statement: • shows profit to be reinvested • if turnover is sufficient to carry on the enterprise • areas where costs need to be cut. Cashflow statement: • identified when costs would be highest so we could arrange finance • when revenue would be highest so we could plan to purchase items then. Example: The budget helped us to avoid overspending [1] when we bought ingredients for the cupcakes [1] because it gives the maximum amount available for us to spend. [+1]	3	**AO2 – 1** **AO3 – 2**

Question	Answer	Marks	Guidance
3(a)	**State <u>two</u> possible problems with email communication.** 1 mark per correct point. Answers might include: • easily misunderstood/ tone misunderstood • system may be hacked so not secure • may not know they have been read/ people do not check emails frequently • failure of internet may mean they are not delivered • seen as junk mail /spam.	**2**	**AO1 – 2**
3(b)	**Explain <u>one</u> way that the language Josiah used when communicating with students could be different from the language used with teachers.** Identifies a difference [1] Explains why the difference [+1] **communication with teachers:** • should be formal/ professional [1] to be polite to an elder [+1] • may contain subject related jargon [1] because the teachers will understand the terminology. [+1] **communication with students**: • maybe informal/casual [1] because they are friends/peers [+1] • should not contain jargon [1] which they may not understand [+1] • may contain slang [1] which they will understand. [+1]	**2**	**AO1 – 1** **AO2 – 1**

Question	Answer	Marks	Guidance
3(c)(i)	**Explain <u>one</u> possible reason why profit was <u>not</u> important to Josiah's study buddy enterprise. Use an example to support your answer.** Identification of a reason profit was not needed [1] Explanation showing why this was not important [+1] Example from Josiah's enterprise. [1] Answers for knowledge might include: • finance not required for provision of service [1] • items are not sold (no revenue) [1] • other methods used to measure success [1] Example: Josiah's is a social enterprise [1] he wants to help his fellow students [1] so money is not important to his enterprise. [+1]	**3**	**AO1 – 1** **AO2 – 1** **AO3 – 1**

Question	Answer	Marks	Guidance
3(c)(ii)	**Explain <u>one</u> reason why profit was, or was not, important in <u>your enterprise project</u>. Use an example to support your answer.** Identification of a reason profit was /was not needed [1] Explanation showing why this was important [+1] Example from own enterprise. [1] Answers for knowledge might include: • evidence of success • a source of finance (reinvested) • used as evidence that loan can be repaid • main aim of the enterprise • reward for entrepreneur's effort. Example: We could not keep the profit [1] the school insisted all money go to charity [1] because we were a social enterprise [+1] Making a profit was our main aim [1] as a new school enterprise [1] we would need the funds to reinvest [+1] Our food enterprise was successful as we made the biggest profit. [2]	**3**	**AO1 – 1** **AO2 – 1** **AO3 – 1**

Question	Answer	Marks	Guidance
4(a)	**Explain <u>two</u> disadvantages of operating as a sole trader.** Each point should be marked as follows: Identification of a disadvantage [1] Explanation showing why this is a disadvantage [+1] Answers may include: • unlimited liability [1] so the owner risks losing their own assets [+1] • difficult to raise finance [1] as only one person provides capital/it is seen as risky [+1] • lack of expertise [1] as only one person to organise the enterprise. [+1]	**4**	**AO1 – 4**

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Question	Answer	Marks	Guidance
4(b)	**Explain how <u>two</u> enterprise skills helped an entrepreneur you have studied to become successful.** Each point should be marked as follows: Identification of a skill [1] Explanation showing understanding of the skills use [+1] Example related to entrepreneur [1] Answers may include: • creativity • delegation • innovation • initiative • leadership • perseverance /determination • practical skills • problem solving • self confidence • taking calculated risks • taking responsibility • teambuilding • time management / prioritising Example: Richard Branson was innovative [1] he developed new ways to promote his products [+1] for example completing stunts such as flying a balloon around the world. [1]	**6**	**AO1 – 2** **AO2 – 2** **AO3 – 2**

Question	Answer	Marks	Guidance
5(a)	**Explain <u>two</u> reasons why marketing was needed for Josiah's enterprise. Use an example from the case study to support each reason.** Each reason should be marked as follows: Identification of a reason for marketing [1] Explanation of a reason in the context of the case study [2] Answers might include: • inform customers [1] • create interest/ awareness [1] • persuade people. [1] Examples: • inform [1] students that the mentors service was available [+1] • to persuade [1] students to sign up for tuition [+1] • create awareness [1] that students could become tutors. [+1]	**4**	**AO1 – 2** **AO2 – 2**

Question	Answer	Marks	Guidance
5(b)	**Explain <u>two</u> methods of market research which were, or could have been, appropriate for <u>your enterprise project</u>, other than a questionnaire. Use an example to support each answer.** Each method should be marked as follows: Identification of a method of market research [1] Example showing how it was /or could have been used in context [1] Explanation showing why appropriate in this context [+1] Answers will depend upon their own enterprise experience but might include: • surveys • interviews • focus groups/consumer panels • observations • test marketing • sales records • government statistics • published articles in newspapers or magazines • trade journals Example: We observed [1] where students bought their snacks [1] so we knew who our main competitors were. [+1]	**6**	**AO1 – 2** **AO2 – 2** **AO3 – 2**

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>6(a)</td><td>
Josiah identified a need within his school.

Analyse the importance of considering the needs and wants of <u>two</u> stakeholders to the success of Josiah's enterprise. Use examples from the case study to support your analysis.
<table>
<tr><td>Level</td><td>Description</td><td>Mark</td></tr>
<tr><td>3</td><td>Good analysis consistently applied to the case study

Demonstrates good knowledge of concepts</td><td>8–10</td></tr>
<tr><td>2</td><td>Some analysis supported by good application to the case study

Demonstrates knowledge of concepts</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to the case study

Demonstrates knowledge of concepts</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:
• identifying stakeholders
• understanding the needs and wants of different groups
• measurements of success

Phrases which demonstrate some analysis may include:
Josiah needs to have the skills to teach the subjects that students require.
</td><td>10</td><td></td></tr>
</table>

Question	Answer	Marks	Guidance
6(a)	**Phrases which demonstrate good analysis will show why considering the needs of stakeholders is important to Josiah. These may include**: Teachers need students to be taught the correct subject content. If Josiah does not do this, teachers will not support his enterprise and it may be stopped.		

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>6(b)</td><td>
Josiah had used leaflets and social media to persuade students to be involved in his enterprise, but Ms Wood wanted him to consider his methods carefully.

Evaluate the appropriateness of leaflets and social media as methods to persuade students to become involved in the enterprise. Use examples from the case study to support your evaluation.
<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>4</td><td>Clear reasoned evaluation is present

Good analysis applied consistently to the case study

Demonstrates good knowledge of relevant concepts</td><td>12–15</td></tr>
<tr><td>3</td><td>Good analysis applied consistently to the case study is leading to evaluation

Demonstrates knowledge of relevant concepts</td><td>8–11</td></tr>
<tr><td>2</td><td>Some application to the case study supported by some analysis

Demonstrates knowledge of relevant concepts</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to the case study

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<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
</td><td>15</td><td></td></tr>
</table>

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Question	Answer	Marks	Guidance
6(b)	**Knowledge may include:** The content of leaflets/social media Other communication methods. **Phrases which demonstrate some analysis will explain how the methods would persuade students and may include:** Leaflets are more appropriate as they can be placed all over the school so no student will miss them. **Phrases which demonstrate good analysis will show why this is appropriate:** Leaflets are more appropriate as they can be placed all over the school so no student will miss them, therefore all students who may require help will be made aware of the study buddy enterprise. **Evaluation maybe shown by a two sided approach considering the negative aspects of each method.**		

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>7(a)</td><td>
Analyse the effectiveness of <u>two</u> sources of help and support used within <u>your enterprise project</u>.
<table>
<tr><td>Level</td><td>Description</td><td>Mark</td></tr>
<tr><td>3</td><td>Good analysis consistently applied to their own enterprise experience

Demonstrates good knowledge of concepts</td><td>8–10</td></tr>
<tr><td>2</td><td>Some analysis supported by good application to their own enterprise experience

Demonstrates knowledge of concepts</td><td>4–7</td></tr>
<tr><td>1</td><td>Limited application to their own enterprise experience

Demonstrates knowledge of concepts</td><td>1–3</td></tr>
<tr><td>0</td><td>No creditable response</td><td>0</td></tr>
</table>
Knowledge may include:
• sources of help and support
• the types of help that they offer

Phrases which demonstrate some analysis explain the advice given in context, this may include phrases such as:
Previous enterprise students explained which retailers were willing to give discounts on snack foods to students.
</td><td>10</td><td></td></tr>
</table>

Question	Answer	Marks	Guidance
7(a)	**Phrases which demonstrate good analysis will show how the sources of help and support assisted the enterprise. These may include**: The principal of our school posted an electronic advert to all parents and students. This resulted in many customers and was the way we earnt most of our sales.		

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td>7(b)</td><td>
There are a number of different sources of finance that are available for start-up funding. These include:
• bank loans
• crowdfunding
• family and friends.
Evaluate which <u>two</u> of these sources of finance would have been <u>most</u> suitable for the start-up of <u>your enterprise project</u>. Justify your choice, including why you rejected the other source.
<table>
<tr><th>Level</th><th>Description</th><th>Mark</th></tr>
<tr><td>4</td><td>Clear reasoned evaluation is present

Good analysis applied consistently to their enterprise

Demonstrates good knowledge of relevant concepts</td><td>12–15</td></tr>
<tr><td>3</td><td>Good analysis applied consistently to their enterprise is leading to evaluation

Demonstrates knowledge of relevant concepts</td><td>8–11</td></tr>
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</table>
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</table>

Question	Answer	Marks	Guidance
7(b)	**Knowledge may include:** • understanding of the features of the methods identified • knowledge of other methods of finance. **Phrases which demonstrate some analysis will show how the sources would be used in their enterprise, for example:** We only required a small amount of money for buying ingredients, and family and friends were willing to lend the amount. **Phrases which demonstrate good analysis will show why the source was /was not suitable in their situation. For example:** We only required a small amount of money for buying ingredients, and family and friends were willing to lend the amount. As they did not charge interest this reduced out costs allowing us to charge lower prices for the cakes. A bank loan was not possible because we are all under 18 years of age and this is the minimum age to apply for a bank loan.		