



A-level **Business**

7132/2

Report on the Examination

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Overall

This paper generally proved accessible to students with few questions not attempted and it was rare to see evidence of issues with timing. Many students used the additional space and pages. The majority of students appeared to be well versed in exam technique and demands of each type of question. More able students demonstrated thought, planning and a fluent construction that focussed on the question set. Good responses often reflected precise and selective use of the data and information provided or were supported by the students' understanding of wider context and relevant examples.

If students struggled on particular questions this was mostly a direct result of a lack of knowledge and understanding (A01) of key gateway information. Not knowing key models like 'Bowman's Strategic Clock' or limited understanding of key terms such as labour productivity or trade unions made it difficult for some students to respond to these questions with creditworthy responses. As in previous series a number of students suffered from a lack of knowledge of the required formula for the calculation question.

The development of analysis (A03) was a common problem. Many students identified accurate points, evidenced with context but then did not develop their ideas, preventing them progressing to higher mark bands. Chains of argument must be developed with depth and focus on the question for progression up the levels. Many students relied on building arguments based on assumption or assertion or just describing what is happening in the case study given.

In relation to evaluation (A04) many students struggled to create an effective evaluation within their responses. Judgement was often rushed with underdeveloped ideas or a lack of focus on the question. There was often a lack of balance. A familiar issue with A04 is a tendency by students to just summarise and repeat their arguments in conclusion rather than actually evaluating the arguments they have made. When balance was introduced, it produced more powerful arguments that then supported a more effective means of evaluating by making a judgement and explaining why.

Overall, the paper discriminated very well with marked differences between students of varying ability and knowledge of the specification.

Questions

1.1

This question was very accessible with the data clearly laid out in Appendix A. Most of the students were able to gain at least one mark on this question by correctly selecting the payables. A common mistake was to select revenue for the bottom of the formula instead of cost of sales. Some students struggled to calculate cost of sales from gross profit and revenue, which led to marks being dropped. Good knowledge of the formula was a definite benefit.

1.2

This question proved a challenge for many students. There were some correct answers that did demonstrate clear understanding but also many that did not clearly differentiate between Gross Profit and Gross Profit Margin. Most learners could identify and increase in cost of sales and apply the context of rising cost of raw materials but did not relate this in context of revenue rising as well.

1.3

This question proved troublesome for some students who made an assumption that lower labour productivity automatically translated into less overall output or meant lower quality goods. Most students were able to understand Appendix B and the trends of this data. Effective answers identified the impact on unit cost or inefficiency and contrasted this to rival performance data in a competitive and price sensitive market. A few students thought market share was about the company's share prices and/or market capitalisation.

1.4

This question demonstrated a mixture of responses with many students being able to produce a well-developed, detailed, and balanced response that enabled them to reach a reasoned conclusion (AO4). Higher scoring responses were able to link the data together in their arguments to show depth and detail in their chains of analysis. Data selection was important here and those students who either did not plan or did not think carefully enough about their use of data in relation to the question struggled. Many students failed to focus their evaluation on whether or not the campaign was a good idea, instead just concentrating on arguments for and against. A key limiting factor here were those students who were only able to provide a one-sided argument. Not many students noted that the data was out of date or questioned the sample sizes and some misinterpreted the data as the campaign had already taken place. It is key here that students learn to examine the data carefully and critically.

2.1

Overall this was a well answered question. Most students could apply their knowledge of Bowman's Strategic Clock to the case study in how the business had moved from position 1 to 4. Higher scoring responses were able to elaborate and fully analyse why the business changed their strategy in relation to reasons such as competition and increased costs. In lower scoring responses there was often quite a lot of description of the change with some reasoning mixed in, rather than a clear focus on why. There were a few instances of students who clearly did not know the model.

2.2

Many students were unable to reference turning a loss into a profit. Most students were able to identify difficulties in relation to the context of the case. Students often focused on costs (for example, pay and labour turnover) but they often ignored the revenue side. Higher scoring answers provided chains of argument linked to profit, the best applied to the context of turning a loss into a profit.

2.3

Most students were able to at least access level 2, as they were able to discuss the pros and cons of trade unions or general theories of resistance to change. Many were able to develop straightforward arguments but then there was often a lack of consideration on the focus of trade unions, consultation, and strategy. Higher scoring responses were able to access level 3, by referencing wider examples where consultation with unions has not worked eg rail workers or junior doctors or using examples of industries where unionisation (density) is not strong eg retail. Some students brought in models such as Kotter and Schlesinger or Lewin but at times became too generic and descriptive of these models and lost focus to "consultation." A few confused trade unions with trading blocs or the pros and cons of trade.

3.1

Some students mixed terms of profit and revenues in a question about cashflow. However, overall this was a well answered question. Students were able to clearly demonstrate their knowledge of cash flow and then apply to the case. Some students suggested to increase the number of fitters or multi-product lines but showed no awareness of the increase in outflows that this would lead to. A small minority suggested a bank loan which was not acceptable from the context of the case.

3.2

The higher scoring answers here were able to focus on the context of multiple products and suggest how and why the company might change to a more matrix style of organisational design. The majority of students were able to suggest changes, many picking up on the lack of Research and Development department or the current flat structure and explaining how this could change, but more than found it tricky to relay the why these changes might be made.

Some students misinterpreted the question and referred to design of products instead of the organisation.

3.3

Overall, this was a well answered question. Most students were able to achieve at least level 2 by referring to the issues faced by WWH Ltd. In the case study. The more developed answers that accessed higher marks were able to refer to wider contexts with many examples used to support.

The most common approach restricting students' progress was confusing legislation for ethics. The argument against often looked at the benefits of business' taking the environment into account at any time, ignoring the fact that the question was about legislation. Many answers suggested the firm could get a USP from following the legislation despite the fact that all other firms would be forced to act in a similar manner and instead discussed the benefits of CSR and Elkington's Triple Bottom Line.

Few students developed a clear judgement with most just making a statement that they agreed that not all businesses are damaged by the legislation.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results Statistics](#) page of the AQA Website.