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Examiners' Report Principal Examiner Feedback

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Pearson Edexcel International A Level
In Business Studies (WBS03)

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Introduction

This paper followed the style, format and structure established in the published sample assessment material and previous live papers, with the same Assessment Objective (AO) and Mark Band (MB) weightings. Examiner reports are a valuable resource for helping prepare candidates for external assessment, as they contain lots of general advice that is still relevant and likely to be useful for staff and students in preparation for future papers.

This report should be read together with the examination paper and the Mark Scheme for this paper. My own observations, supported by reports from all examiners who worked on this paper, will sometimes repeat problems or advice that have been raised in reports on other papers. However, any repetition is because these issues continue to reappear in papers and have not been resolved or even show signs of improvement. This was the first WBS03 paper for an October series, and it was unclear how long candidates had been studying for this assessment; some may have completed the full, two-year course of study, starting in September 2015, others will have started their work on this unit in September 2016, some may have even taken the paper as practice, after just a couple of months study.

For support, candidates could have used sample assessment material, plus the past papers, mark schemes, and reports from previous series. This was clearly evident by the way that many candidates structured their answers to mirror the format used in the Mark Schemes for this paper. Some candidates appeared to have been 'drilled' by teachers to follow a particular format for their answers, inserting key words at what they consider to be appropriate points in their answer.

As outlined in the Specification: 'These International Advanced Level qualifications in Business Studies require students to:

- investigate different types of businesses that develop and sell products and/or services in a local, national or international marketplace. At IA2 level, students will study the ways in which companies make decisions, and grow and operate in the global market place
- be able to analyse numerical information and understand how it assists the decision making process of a business
- understand how a business is managed, how its performance is analysed and how it could trade internationally.'

Specifically: 'this unit (Unit 3) develops the content of Unit 2, which is designated at IA2 standard.' This sets the standard required for this unit, but it was evident from some of the answers and papers, that some candidates were not fully prepared, showing gaps in knowledge of specific business terms, a tendency for generalisation, using a rehearsed formulaic approach to answer questions, plus a lack of application in some of the responses, and little depth of assessment or evaluation.

The October 2017 paper was based on the business of *Wilkin & Sons*, principally producers of internationally distributed jams and preserves; the business is also involved in fruit farming, ice cream, sauce and condiment production, tea shop catering and more recently the production of reed diffusers.

Although focussed on one particular business, evidence was provided to candidates which outlined its operation, background, history and more recent developments which affected how it was run; as such, this case study does not appear to have caused any problems for candidates.

All questions should have been accessible to candidates of all grades, and, in practice, most candidates attempted all questions.

Question 1 (a)

Despite the apparent simplicity of questions 1(a) and 1(b), some candidates gave vague generalisations rather than the more precise answers which are expected at this level.

For question 1a, 'What is meant by the labour productivity', many candidates gave a definition similar to that in the Mark Scheme, however, some were given zero marks as a result of lack of precision, missing the 'time' element that is essential in the calculation of labour productivity. Some candidates answered this question with a written formula - this was credited with marks, if correct and including the 'time' element.

For question 1b, many of the answers displayed a generally low understanding of the precise definition of redundancies, resulting in low marks for this question. Many candidates using the term synonymously with 'firing' workers, which may be a perception but is not strictly accurate. The wide range of incorrect definitions given for this question suggest a lot of guesswork based on misunderstanding the term, something that could be corrected in the classroom.

Examiner tip:

Encourage candidates, when asked for a definition, to give precise, knowledge-based answers rather than vague generalisations.

Question 2

This question asked candidates to explain how the introduction of a new, computer-based system for the management of its employee information could affect the competitiveness of the business.

Despite advice in previous reports, many answers to this question started by giving a definition - candidates should be made aware that there are no marks for a definition in this question. The knowledge marks are given for knowledge/understanding of how the introduction of a modern computer-based system could affect competitiveness. There were also a good many answers which went beyond what was asked, and included a conclusion/evaluation - again, candidates should be advised that there are no marks for this level of development in this question.

Answers also tended to be somewhat generic, with little or no application to *Wilkin & Sons* or any other business. This limited marks to knowledge/understanding, but candidates could have increased their mark if they had provided some context and analysis.

Question 3

At the start of this question, candidates were given some additional evidence about the business, its background and history, and noting that after over 150 years of specialising in making jam and food products, *Wilkin & Sons* launched a range of scented candles and incense-like reed diffusers, which perfume a room with the scent of fruit grown on the Tiptree farm. Candidates were then asked use Ansoff's Matrix to analyse the strategy behind this decision.

Similar to Q2, most answers to Q3 started with a definition of Ansoff's Matrix, what it is, but again, there are no marks here for definition, or for the conclusion/evaluation which inevitably appeared at the end of many answers.

Lots of answers included drawings of Ansoff's Matrix, which was then not used to support or illustrate the answer, just drawn for the sake of showing that the candidate knows what it is - not how it is used - which was the basis of the question.

Many candidates were not clear about what development and diversification mean, resulting in lots of vague generalities, little clarity or precision in the answers. To improve marks, candidates would have needed to provide some analysis, in context, and go beyond generic definition, actually applying their knowledge to the business - based on the evidence provided. It may help candidates if they read the answer back and confirm that it does, in fact, apply to the question asked and is not just an extended definition or a piece of written theory.

Question 4

Question asked candidates to assess the claim that 'Increasing market share through organic growth in UK and overseas markets is key to the continuing success of the business...'

This was the first question on this paper to be marked on levels.

Lots of answers were about takeovers and mergers i.e. inorganic growth, getting the basis of the question wrong and then developing long, well-written answers along the wrong lines. Some answers were based on organic produce, a total misunderstanding of the topic of the question, despite the fact that 'organic growth' is featured clearly in section 3.3.4 Company growth section of the Specification.

Some well written answers had to be limited to lower level marks as the candidate missed the focus of the question. Weaker candidates tended to write generic answers about organic growth - what it is - but not applied to *Wilkin & Sons*, the subject of the paper. Candidates need to be reminded that application in context is an important way of improving their marks in this paper. No matter how well written, generic answers can only be given marks limited to the level below that which they would have achieved had the answers been in context.

Question 5

Candidates were asked to assess the impact on *Wilkin & Sons* of its strategic decision not to build the new factory, as explained in given evidence.

Question marked on levels of response.

There was a lot of speculation and assumption in many answers, rather than dealing with and answering based on evidence provided. For many candidates there was an (incorrect) assumption that just because a building may be over 100 years old, that the production lines within the building will also be old, and that the building must be replaced for no other reason than being old.

Most candidates knew something about strategic decisions, and could explain the basic role they play in running a business. However, applying this basic knowledge to the business as described in the paper and the evidence provided, proved to be quite challenging for many candidates. The advice to candidates remains - that to improve marks, any analysis and evaluation should be in context and applied to the business.

Question 6

This is an essay length question, question marked on levels of response. Having been provided with a new set of evidence, Section B on the question paper.

Evidence F provided candidates with financial data, and the question asked candidates to evaluate the extent to which ratio analysis can be used to judge the performance of *Wilkin & Sons* in 2013 and 2014.

Level 1, knowledge marks could be gained from basic understanding of what is meant by 'ratio analysis' but to get Level 2 marks for application candidates were expected to produce some calculations from the given data - this would then provide information on which they could build their answer through Level 3 analysis and into Level 4 evaluation.

Many answers tended to be limited to calculation with little analysis or descriptive answers showing basic knowledge but without context or application to the data provided. To improve marks, the calculations should not only be correct and meaningful, but should include some interpretation of what the figures mean in ratio terms and what they could mean for the business itself, going well beyond the pages of description of figures and description.

As we have seen in previous series, some candidates tried the trick of concluding their answer with a phrase starting 'However...' and making a few comments that countered their positive descriptions of ratio analysis. Such answers appear to be trying to put the answer into Level 4/evaluation - but unless the evaluation, or analysis, was in context the answer was capped at a lower level.

Candidates need to know that simply rewriting the evidence provided is not answering the question and that generic answers which just write about the concept of ratio analysis, but do not apply the answer to the evidence related to the business itself, will only produce low level marks. Candidates are advised to base their answer on what they know, rather than relying on a pre-learned format for the answer.

Question 7

Essay length question, marked on levels of response.

Evidence G was a statement of company strategy from the chairman. The question simply asked candidates to evaluate the corporate strategy as outlined in the chairman's statement.

The quality of answers at this grade was similar to those for question 6 i.e. basic knowledge and lots of description, often just rewriting the chairman's statement, with little analysis. To raise the answer up through the levels, and consequently to improve marks, the answer should go beyond a rewrite of the chairman's statement, and start to analyse what it means for the business itself. Evaluation comes from identifying problems that could arise as a result of the strategy outlined by the chairman, taking their answer through L4 and into the middle of L4.

Paper Summary

Based on the work seen from candidates in October 2017 the main issues are summarised as follows:

- **Preparedness**

Some candidates were not fully prepared, showing gaps in knowledge of specific business terms, a tendency for generalisation, using a rehearsed formulaic approach to answer questions, plus a lack of application in some of the responses, and little depth of assessment or evaluation.

However, in contrast, it has become obvious that some candidates are being over prepared, trained, drilled almost, in the process of answering questions on this paper. Many answers are laid out in a format that matches the mark scheme i.e. being split into distinct sections to cover knowledge, application, analysis and evaluation - this can be seen clearly by the regular use of 'however...' or 'in conclusion...' to signal to the marker that the answer was about to present some 'evaluation'. This is certainly one approach, but it is the candidate's business knowledge, application, analysis and evaluation that we are looking for - not their ability to lay out an answer in a given format.

- **Rewriting question and copying given evidence**

Whilst it would appear that some candidates find it a good way to lead their thoughts into an answer, candidates should be reminded that simply rewriting a question is not usually sufficient to gain marks.

Rewriting the question or information given in the evidence will not produce marks unless it is being used in context, to support a statement being made in the answer. The question asked needs to be answered.

- **Not answering question**

Some candidates pick a word or topic from within the question, and then write all they know about that particular word or topic, rather than answering the question asked.

This could be a way of demonstrating knowledge of general business terminology, but candidates need to understand that marks are only given for an answer that addresses the specific question asked.

Candidates need to focus on the question asked, and answer it, rather than just writing about something referred to in the question which they may know about.

Linked to this is a tendency for weaker candidates to throw into their answer general expressions such as '...increase profit...', '...grow market share...', '...sell more...' etc.

Again, candidates should be made aware that such general terms are unlikely to result in marks unless they are related directly to an answer to the question asked.

Just writing '...which means or which will lead...to more sales and more profit...' at the end of an answer will not lead to more marks.

- Overwriting

Quantity does not necessarily equate to quality nor to higher marks.

Some candidates appear to think that if they fill the space in the answer booklet, plus several extra pages, then they will get higher marks: this is rarely the case.

Often the sense of what the candidate is writing gets lost in the words which just fill the pages.

Markers read every word to see if there are points worthy of credit within the text, but this can be difficult if they are hidden within long general descriptions.

The space provided in the answer booklet is planned to match the marks available and consequently the amount of writing that candidates should produce: any more than this and they are usually wasting time in the exam. As candidates move from education and into the world of business they will soon learn that a concise analysis or report is much more useful than a long and rambling piece of writing.

