

Autumn 2011

To: SQA Co-ordinator
BDMs
Local Education Authorities
Directors of Education
All centres
HMIE

Action by Recipient	
<input type="checkbox"/>	Response required
<input checked="" type="checkbox"/>	Note and pass on
<input type="checkbox"/>	None — update/information only

Contact: Alistair Wylie
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Dear Colleague

Subject update — Business Education

The contents of this letter should be passed to the member of staff responsible for Business Education subjects.

Examination Diet 2011 Update

External Assessment Reports for Diet 2011 will be published on the SQA website in due course. All centres are advised to read and action the content of these reports as appropriate.

It was pleasing to note continuing increases in presentations and achievement in several subjects/levels within the Business Education portfolio of qualifications this year. The highlights include:

- Strong performance in Advanced Higher Economics.
- Strong performance in Intermediate 2 Accounting.
- Significant increase in the number of A Grades awarded in Higher Accounting.
- Increase in performance of candidates sitting Advanced Higher Accounting.
- Continued increase in the number of candidates being presented for Higher Business Management.

Appeals

When generating estimates and compiling evidence for absentee consideration and appeals, you should refer to:

- ◆ SQA's Guidance on Estimates and Appeals
- ◆ Course Arrangements documents, which include Course Grade Descriptions
- ◆ Course Assessment specifications
- ◆ SQA question papers, including specimen question papers
- ◆ SQA Marking Instructions
- ◆ External Assessment Reports, which include information on grade boundaries
- ◆ exemplification materials
- ◆ any other relevant information (eg Course reports, subject update letters)

These materials, and more, are available on the subject-specific pages of SQA's website.

All centres should also note that if SQA past papers are used to construct a prelim, questions must be carefully selected from a **minimum of three** papers, preferably adapted and must be checked to ensure that they meet the current standard of the external examination paper.

A well-designed commercially-produced question paper can, as long as it is checked to ensure that it meets the national standard, provide valid and reliable evidence for estimates of a candidate's expected performance in a Course assessment. It can also provide full or partial evidence to support an external assessment appeal. The use of these question papers is both convenient to centres and acceptable to SQA — provided that centres adhere to SQA's guidance on validity, reliability and security.

Commercial question paper producers make considerable effort to meet Course requirements with regard to validity and reliability. However, SQA does not prior-verify commercially-produced question papers, and there is **no guarantee** that these question papers meet all Course requirements. Centres are responsible for the validity and reliability of the assessment evidence submitted to support external assessment appeals, and therefore **must** evaluate these papers in the same way as centre-devised papers.

Only the current year's commercial papers can be considered in their entirety for external assessment appeals. Past papers cannot be accepted in their entirety to support external assessment appeals because they may find their way into the public domain. The security of these papers cannot be guaranteed.

Further important information relating to Higher Business Management is included in Appendix 3. All centres are urged to read and action this information as appropriate.

Further subject-specific information is contained in the following appendices:

- Appendix 1 — Accounting and Finance
- Appendix 2 — Administration
- Appendix 3 — Business Management
- Appendix 4 — Economics

Should you require further information about the content of this letter or any other matter relating to Business Education subjects, please contact the staff listed below:

Alistair Wylie — Qualifications Manager
0845 213 5488 or alistair.wylie@sqa.org.uk

Gordon Moffat — Qualifications Officer
0845 213 5487 or gordon.moffat@sqa.org.uk

Yours faithfully

A handwritten signature in black ink that reads "Alistair Wylie". The signature is written in a cursive style with a large initial 'A' and a distinct 'W'.

Alistair Wylie
Qualifications Manager
Humanities, Arts and Business

Appendix 1: Subject update — Accounting

VAT rates

In light of the fact that the UK Government increased the rate of VAT to 20% during January 2011, the new 20% rate of VAT will be applied to question papers from Diet 2012 examinations onwards and should therefore be used in teaching and assessment during Session 2011–2012.

At present, there is no plan to revise the NABs to reflect this change. Centres should carry out amendments in relation to the VAT change themselves. If this position changes, centres will be informed.

National Certificate in Accounting level 5 (GD0L 45)

A new National Certificate Group Award in Accounting level 5 is available to be delivered by centres. This award has recently been validated and added to our catalogue. Further details are available at www.sqa.org.uk/nqga

Appendix 2: Subject update — Administration

National Qualifications Group Award developments

The following National Progression Awards (NPAs) have been developed and are available now for centre delivery:

- ◆ Administration: Information Technology and Audio
- ◆ Administration: Office Skills and Services
- ◆ Administration: Medical (Administrative Secretary)
- ◆ Administration: Medical Receptionist

Further details are available on the NQGA section of SQA's website at www.sqa.org.uk/nqga

Developing centre devised Assessment Support Packs

If you are thinking of developing centre devised ASPs we advise that ASPs are prior verified by SQA. This is not a mandatory requirement, although prior verification is strongly recommended. Please contact Linda McAdam (linda.mcadam@sqa.org.uk) for further information.

Important update: Administration Intermediate 1, Intermediate 2 and Higher — changes to NABs and Arrangements documents for Session 2011–12

All NABs and associated e-files have been updated to reflect assessment and marking practice in external assessment, and also to address anomalies in previous versions. The updated Arrangements documents and NABs are now available on SQA's website.

All centres **must** use the replacement NABs for Session 2011–12 onwards. Old versions of NABs were removed from SQA's Secure website during July 2011. For Verification purposes, NABs which are sat during the current academic session must be selected from the list of replacement NABs. Old NABs will not be accepted and will result in a "Not Accepted" decision if your centre is selected for verification later in the session.

We hope that you will find the changes to these documents and assessments useful. If you have any queries, please do not hesitate to contact us.

Advanced Higher Administration

Diet 2011 was the last presentation available for Advanced Higher Administration. The Units will remain on our catalogue, however, the External Assessment will no longer be available meaning that a Course award is not attainable.

Appendix 3: Subject update — Business Management

Advanced Higher Business Management

Centres are reminded that there is a wealth of information and exemplification available on the subject page for Advanced Higher Business Management. This information should be used by teachers **and** candidates.

Important Update for all presenting centres:

Additional exemplification material for the Business Report exists on the subject page under “Arrangements documents” which is headed “Advanced Higher Business Management Report Exemplar Instructions”. This document has recently been amended to fit current practice, specifically bullet 2 of page 1. These instructions are not exhaustive and have been devised by a school (amended by SQA) for shared use to assist teachers and candidates.

Candidates should be made aware that the report must be based on a **single** strategy. Although this strategy may have several different parts, all of these must be connected to the basic strategy. The Explanation and Analysis section of the Marking Instructions for the Business Report clearly states that candidates are required to explain “what the business intends to do for a forthcoming specified time period”. The strategy therefore consists of what concrete steps the organisation plans to take to achieve its objectives. An objective should therefore not be described as a strategy. In 2011 a significant number of candidates failed to recognise the difference between objectives and strategy. As a result they presented reports which dealt with a number of unrelated courses of action, linking them to the achievement of one particular objective, rather than one overall strategy – for example stating that the strategy was “to increase profitability” and then giving various examples of how this might be done, such as adopting e-commerce, reducing costs and redesigning the product. These are all different strategies rather than strands of a single overarching strategy. Candidates need to make sure that they focus on a strategy that consists of definite and specific action that a firm intends to take to achieve its objectives. Centres should note that, in future, reports which confuse objectives with strategies are likely to score very low marks.

Please note that Business Reports must **not** be marked by centres prior to submission to SQA. The Business Report is treated as part of the Course award and, as such, is subject to external marking by SQA.

Centres are also reminded that a copy of the associated NAB as completed by the candidate and marked by the teacher MUST be submitted with the report. Business Reports cannot be marked without the accompanying NAB.

Centres are again asked to make sure that they are using the most up-to-date copy of the “Advanced Higher Business Report Guide” which is available to download from the subject page (www.sqa.org.uk/files_ccc/NQBusManAdvHReportGuide.pdf).

Professional Development Workshop: Advanced Higher Business Management

SQA are running a Professional Development Workshop (PDW) for Advanced Higher Business Management on Saturday 29 October 2011 in Glasgow. This is a chargeable event which aims to exemplify marking standards and raise awareness of the National Standard for the subject. It will cover both the Question Paper and the Business Report and will be led by the Principal Assessor and members of the Examination Team.

Places are limited but if you would like to attend please contact the SQA Events team as soon as possible on 0845 279 1000.

National Progression Awards in Business with Information Technology levels 5 and 6 (G9X0 45 and G9WW 46)

These qualifications have been recently validated and have been available for delivery in centres since 1 August 2010.

The NPAs in Business with Information Technology at SCQF levels 5 and 6 aim to provide candidates with the fundamental knowledge in the business and information technology sector and assist with progression onto further academic qualifications. These NPAs have been created to help candidates achieve a Group Award if the NC in Business has not been achieved. The NPA will be supported by Assessment Support Packs (ASPs) which mainly cover new and mandatory Units in the framework.

Further details are contained in the Arrangements documents which can be found on SQA's website: www.sqa.org.uk/sqa/43014.html and www.sqa.org.uk/sqa/43016.html.

National Progression Awards in Business and Marketing levels 4 and 5 (GA4D 44 and GA4R 45)

These qualifications have been recently validated and have been available for delivery in centres since February 2011.

The NPAs in Business and Marketing have been designed to provide learners with the basic theoretical knowledge of the marketing-based principles of business. The NPAs will aid learners with seeking employment in this area or for progression to further academic qualifications.

Further details are contained in the Arrangements documents which can be found on SQA's website: <http://www.sqa.org.uk/sqa/46205.html> and <http://www.sqa.org.uk/sqa/46206.html>.

Equality Act 2010

The Equality Act 2010 is now in force. Candidates at Higher and Advanced Higher level will be expected to have an awareness of the main provisions and coverage of the Act. It should be expected that knowledge of this new piece of legislation will be examined in due course.

Important update: Business Management, Intermediate 2 and Higher — changes to NABs for Session 2010–2011

New NABs are available for use and can be found on SQA's Secure website.

All centres **must** use the replacement NABs for Session 2011–12 onwards. Old versions of NABs were removed from SQA's Secure website during July 2011.

Centres should note that they may also make use of the following Assessment Support Packs (ASPs) which are available via SQA Secure:

- Business Enterprise DV4G 11 - ASP001
- Business Decision Areas: Marketing and Operations DV4K 11 – ASP001
- Business Decision Areas: Finance and Human Resource Management DV4L 11 – ASP001
- Business Enterprise DV4G 12 - ASP001
- Business Decision Areas: Marketing and Operations DV4K 12 – ASP001
- Business Decision Areas: Finance and Human Resource Management DV4L 12 – ASP001

Higher Business Management – producing alternative evidence for absentee cases and assessment appeals

We have become increasingly concerned over recent years with the poor standard of alternative evidence submitted by many centres to support absentee cases and assessment appeals. In particular, we are concerned with the number of commercially produced prelim papers which do not meet the required standard. As with all absentee and appeals cases, SQA must be convinced that the evidence provided meets the National Standard set for the subject and level. Appeals cases, in particular, made by centres request that SQA consider overturning a previous decision that was made on the basis of the National Standard. It is only fair and equitable, therefore, that any alternative evidence provided meets or exceeds this agreed standard.

The following information is provided in the spirit of openness to all centres and is based on information that has already been communicated whilst also taking into account the experience of dealing with many cases over recent years. Centres should note that following all provided guidance cannot guarantee that their submission of alternative evidence for absentee or appeals cases will result in a successful outcome. Each case stands on its own merit and the production, and subsequent consideration, of alternative evidence is a complex matter with many variables. Further advice is always available from the Business Education team at SQA by email or telephone.

Section One

Case study:

- Use appropriate stimulus material. For example, it must not be fictitious.
- It is acceptable to use a past paper case study stimulus in its entirety without amendment. This requires that Section One Question 1 is used without alteration.
- The case study stimulus must be in the region of 750 words (as per the Course Assessment Specification) with a deviation of plus/minus 10%. Excessively long (or short) case studies can affect the validity of the entire paper.

Question 1:

- Always attracts 10 marks.
- Always relates to the case study.
- Includes 3/4 headings under which the question should be answered.
- All 10 marks cannot be gained under one heading.
- Headings will attract a maximum number of marks per heading (usually 3).
- There will be a maximum number of marks available if no headings are used.
- If the question asks only for concerns/problems/issues, 'solutions' to the concerns/problems/issues will not be accepted – this question asks for identification of problems/issues **only**.

Other questions in Section One:

- The remaining 40 marks should ideally sample the full spread of topics within the Course.
- Internal Organisation **must** be tested – this is not assessed in the NABs.
- Questions other than Question 1 can be related to the case but they can relate to any knowledge from any other part of the Course without reference to the stimulus material.

Section Two

- Questions must be integrated in nature – at least 2 topic areas per 25 marks.
- Questions must not test content already assessed in Section One.
- Questions set across Section Two should result in equal difficulty so that candidates are neither advantaged nor disadvantaged by choice.

Both Sections

- Within SQA Marking Instructions, “professional judgement” is inferred although limited (given the comprehensive nature of the marking instruction).
- If past paper questions are used they must be from a selection of at least 3 years, preferably with amendments. Centres should be careful not to lift questions en bloc.
- One word answers for “describe” questions are very unlikely to gain marks.
- Valid responses should be accepted even if they are not in the marking scheme.
- Maximums are likely to be applied at markers’ meetings. These are exemplified in published Marking Instructions.
- A command word must be used in every question. “Explain” is one of the most testing commands and should appear in both Section One and Section Two.
- An equally testing question can be achieved by selecting a more difficult topic area and using the command word “describe”.
- There should be an equal balance of difficulty across Section Two (as well as the entire paper in general). This relates both to the use of command words as well as content tested.
- Business in Contemporary Society is a large topic area and this should be reflected across the paper in the mark allocation.

- Marketing, Operations, Human Resource Management and Finance all carry roughly equal weighting of marks to reflect the fact that they are equally weighted topic areas within the Course.
- Internal Organisation must be tested in Section One but, in addition, may also be assessed in Section Two.
- When changing or adapting questions from previous papers, centres should take care if command words are altered. Specifically making sure that the question is still valid and can be answered.
- Do not use “identify” outwith Section One Question 1 as this instantly lowers the demand of the paper. 10% of the paper is already dedicated to “identify”.
- Do not compound command words e.g. “Identify and describe...”. The only combination now used is “Describe and justify...”.
- When marking, it is useful to underline or bracket where the mark is being awarded as well as writing the mark(s) awarded in the margin.
- Do not award marks for “development” outwith the marking instruction.
- Remember to include sources for all questions. This also (and perhaps most crucially) applies to commercial papers which have been amended. Where this is not clearly stated, SQA will assume that the paper has been used in its original form.
- Full marking instructions must be provided and applied consistently to the marking. They are just as important as the assessment instrument.

Finally, it should be remembered that even if the instrument of assessment is produced to a valid and reliable standard this will not guarantee a successful outcome. The Marking Instruction must also be valid and reliably applied in a consistent manner in line with the National Standard. The best examples of evidence generated by centres have the following general characteristics:

- Full instrument of assessment provided including a breakdown of topics areas assessed and mark allocations.
- All sources listed and referenced.
- Full Marking Instructions provided.
- Marking Instructions applied consistently and to the National Standard.
- Marking correctly and clearly annotated on scripts.
- Appropriate cut off scores provided and applied.
- Cross marking (at least 10% of the cohort) carried out and evidence of this visible.

Appendix 4: Subject update — Economics

Advanced Higher Dissertation Topics

We will shortly be publishing a suggested list of topics for the Dissertation. Whilst the list is not meant to be exhaustive, it will act as a guide to centres and candidates. Centres should note that candidates are not obliged to pick a topic from the SQA list. Candidates are still free to choose their own topic in discussion with their class teacher.