



External Assessment Report 2015

Subject(s)	Business Management
Level(s)	Intermediate 2

The statistics used in this report are prior to the outcome of any Post Results Services requests

This report provides information on the performance of candidates which it is hoped will be useful to teachers/lecturers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding. It would be helpful to read this report in conjunction with the published question papers and marking instructions for the examination.

Comments on candidate performance

General comments

Overall candidates performed at a similar standard to last year.

Some candidates showed poor understanding of the command word *explain*. In particular, these candidates only *described* when the question asked them to *explain*. Candidates need to show how or why the factor identified is an advantage or a disadvantage, or show its possible impact on an organisation.

Some candidates showed poor understanding of certain business terms.

Areas in which candidates performed well

- ◆ sources of finance
- ◆ tactical and operational decisions
- ◆ ICT
- ◆ product life cycle
- ◆ use of financial information
- ◆ methods of promotion
- ◆ types of information
- ◆ charity features
- ◆ stock levels
- ◆ types of industrial action

The relevant questions were:

Section 1

- ◆ Question 1: Most candidates knew how to identify and describe two sources of finance.
- ◆ Question 3: Most candidates knew how to distinguish between tactical and operational decisions.
- ◆ Question 6 (b): Most candidates knew how to identify three types of ICT that could be used by a Marketing department.

Section 2

- ◆ Question 2 (a): Most candidates knew how to identify and describe three types of information.
- ◆ Question 2 (c): Most candidates knew how to describe the features of a charity.
- ◆ Question 2 (d): Most candidates knew how to identify and describe three stock levels.
- ◆ Question 3 (a) (i): Most candidates knew how to identify four stages of the product life cycle.
- ◆ Question 3 (a) (ii): Most candidates knew how to outline ways an organisation could extend the life of a product.
- ◆ Question 3 (b): Most candidates knew how to describe the costs of using ICT.

- ◆ Question 3 (d): Most candidates knew how to describe different reasons for using an organisation's financial information.
- ◆ Question 4 (d) (i): Most candidates knew how to identify four types of industrial action.
- ◆ Question 5 (e): Most candidates knew how to identify and describe three methods of promotion that an organisation could use to attract customers.

Areas which candidates found demanding

- ◆ decentralised decision making
- ◆ batch and flow production
- ◆ ratio analysis
- ◆ financial terms
- ◆ organisational structure
- ◆ primary information

The relevant questions were:

Section 1

Question 4: Few candidates were able to describe advantages and disadvantages of decentralised decision making.

Section 2

- ◆ Question 1 (c) (i): Many candidates were unable to distinguish between batch and flow production.
- ◆ Question 2 (b) (ii): Few candidates were able to outline 3 limitations of ratio analysis.
- ◆ Question 4 (f): Few candidates were able to define financial terms.
- ◆ Question 5 (b): Few candidates were able to define terms relating to an organisation's structure.
- ◆ Question 5 (d): Few candidates were able to explain advantages and disadvantages of primary information.

Advice to centres for preparation of future candidates

- ◆ Candidates should be prepared to answer questions on any aspect covered by the arrangements documents and past papers. It is important to appreciate that the arrangements are not proscriptive, and that where an area/topic is specified in the arrangements at a higher level, but not at the level immediately below, it is still likely that some level of knowledge of that area will be expected at the lower level. Similarly, centres should be wary of the designation of certain areas/topics as 'Higher only' or 'Intermediate only' in some commercial publications. The main differences between the levels are in the depth and breadth of knowledge and understanding expected.
- ◆ Candidates should have a clear understanding of all appropriate business terms.

- ◆ Candidates must have a clear understanding of what the command word used in the question requires of them when answering. Particular attention should be given to the best ways to answer *explain*, *distinguish* or *compare* questions.
- ◆ Candidates must take care to read the questions properly, the wording for which is carefully chosen.
- ◆ Candidates should be properly prepared by having the opportunity to practise past papers.
- ◆ When typed scripts are being submitted these are best done in double-line spacing, and with a right margin of (approximately) 4cm.

Statistical information: update on Courses

Number of resulted entries in 2014	2450
------------------------------------	------

Number of resulted entries in 2015	386
------------------------------------	-----

Statistical information: Performance of candidates

Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark - 75				
A	26.9%	26.9%	104	52
B	22.0%	49.0%	85	44
C	20.7%	69.7%	80	37
D	10.4%	80.1%	40	33
No award	19.9%	-	77	-

For this Course, grade boundaries have been stable for a number of years and the intention was to set similar grade boundaries to previous years. The Course assessment functioned as intended, therefore no adjustment to grade boundaries was required.

General commentary on grade boundaries

- ◆ While SQA aims to set examinations and create marking instructions which will allow a competent candidate to score a minimum of 50% of the available marks (the notional C boundary) and a well prepared, very competent candidate to score at least 70% of the available marks (the notional A boundary), it is very challenging to get the standard on target every year, in every subject at every level.
- ◆ Each year, SQA therefore holds a grade boundary meeting for each subject at each level where it brings together all the information available (statistical and judgemental). The Principal Assessor and SQA Qualifications Manager meet with the relevant SQA Business Manager and Statistician to discuss the evidence and make decisions. The meetings are chaired by members of the management team at SQA.
- ◆ The grade boundaries can be adjusted downwards if there is evidence that the exam is more challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ The grade boundaries can be adjusted upwards if there is evidence that the exam is less challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ Where standards are comparable to previous years, similar grade boundaries are maintained.
- ◆ An exam paper at a particular level in a subject in one year tends to have a marginally different set of grade boundaries from exam papers in that subject at that level in other years. This is because the particular questions, and the mix of questions, are different. This is also the case for exams set in centres. If SQA has already altered a boundary in a particular year in, say, Higher Chemistry, this does not mean that centres should necessarily alter boundaries in their prelim exam in Higher Chemistry. The two are not that closely related, as they do not contain identical questions.
- ◆ SQA's main aim is to be fair to candidates across all subjects and all levels and maintain comparable standards across the years, even as arrangements evolve and change.