



## External Assessment Report 2011

Subject	<b>Business Management</b>
Level	<b>Intermediate 1</b>

The statistics used in this report are pre-appeal.

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. However, many candidates seemed to have a poor understanding of business terms other than the most basic terms.

Many candidates used the word *money* when referring to income or profit and may have lost marks accordingly.

Many candidates seemed to be guilty of failing to take account of all the words in some questions and consequently answered what amounted to a different question entirely.

Some candidates are giving very brief answers (often only one word) for 'describe' questions.

## Areas in which candidates performed well

Candidates performed well in questions on:

- ◆ customer satisfaction
- ◆ needs and wants
- ◆ types of ICT
- ◆ understocking

The specific relevant questions were:

### Section 1

Question 3: Most candidates knew how to name and describe types of ICT.

Question 5: Most candidates knew how to define needs and wants and give examples.

### Section 2

Question 1: Most candidates knew how to describe methods of ensuring customer satisfaction.

Question 5: Most candidates knew how to describe problems of understocking.

## Areas which candidates found demanding

Candidates found these areas demanding:

- ◆ balance sheets
- ◆ interest rates
- ◆ limited companies
- ◆ market segmentation
- ◆ premium pricing
- ◆ sectors of the economy
- ◆ selection of staff
- ◆ stakeholders
- ◆ types of training

The specific relevant questions were:

### Section 1

Question 1: Few candidates were able to describe the benefits of market segmentation.

Question 2 (a): Few candidates were able to describe premium pricing. Many thought it meant low prices.

Question 4: Few candidates were able to correctly identify the stakeholders described and many of those who did were unable to give an influence.

Question 6 (a): Few candidates were able to identify a sector of the economy different from private.

Question 6 (b): Many candidates gave 'make money' as an objective — this gains no credit. Phrases such as 'make profit' or 'increase donations' are acceptable.

Question 6 (c): Few candidates were able to describe disadvantages of a limited company.

### Section 2

Question 3 (a): Few candidates were able to describe two methods of selecting employees. Most confused recruitment with selection.

Question 3 (b): Many candidates were unable to correctly identify induction training as training given to new employees.

Question 4 (b)(i): Few candidates were able to describe the purpose of a Balance Sheet.

Question 4 (b)(ii): Few candidates were able to identify and describe one other financial statement.

Question 7: Few candidates showed any understanding of the term 'interest rates'. Many guessed that it meant the extent of interest in buying the product.

## **Advice to centres for preparation of future candidates**

Candidates should have a clear understanding of all appropriate business terms.

Candidates should try to give developed answers (ie several words at least) when answering 'describe' questions.

Candidates should be properly prepared by having the opportunity to practise past papers.

Candidates must take care to read the questions properly. Every word is there for a reason.

# Statistical information: update on Courses

## Intermediate 1

Number of resulted entries in 2010	1,049
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Number of resulted entries in 2011	1,088
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## Statistical information: performance of candidates

### Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark 50				
A	27.8%	27.8%	302	35
B	26.7%	54.4%	290	30
C	21.0%	75.4%	228	25
D	8.0%	83.4%	87	22
No award	16.6%	100.0%	181	—

## **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, therefore, SQA 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 Head of Service 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.