



**Business Management  
Advanced Higher  
External Assessment Report 2008**

**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

The average performance in the external exam improved by several marks this year. A small improvement was to be expected in light of Section One in the 2007 paper having been more challenging than in previous years, but the improvement was slightly greater than anticipated. This is a pleasing trend. However, disappointingly, the improvement in performance in the external exam was more than matched by the drop in the average mark awarded for the Business Report.

The 2007 pass mark had been adjusted downwards by 3 marks to allow for the increased level of challenge in the external paper that year. As this year's external paper was judged to be back on track, equivalent in level of demand to previous years, the 3 mark allowance was removed and the pass mark for a grade C set at 75.

Poor performance in the Business Report is therefore the major cause of the low pass rate this year.

## The Business Report

There was a significant decline in the overall standard of Reports this year. This is extremely disappointing in the light of the fact that detailed information about how to construct the Report, and the way in which it will be marked, is readily available on the SQA website, and was added to at the start of the academic session 2007-8.

Despite the clear instruction in the Arrangements that the Researching a Business NAB must be submitted along with each candidate's Report, several centres failed to include NABs with their submissions. The Marking Guidelines included in the Specimen Paper also make it clear that the Report should be based on the information in the NAB plus supplementary research undertaken by the candidate. Failure to include the NAB means there is no foundation for the Report and makes marking it impossible.

Candidates from a few centres produced Reports on the same business. This is contrary to the SQA's stipulation that each candidate within a Centre should research a different organisation.

## The External Examination

Average performance in the external examination improved this year. Candidates seemed to have a better grasp of exam technique and a greater awareness of the need to offer well developed points. Relatively few appeared to encounter time pressures. Both of these indicate good preparation by teachers.

## Areas in which candidates performed well

### The Business Report

Candidates who followed SQA guidelines and constructed well researched Reports meeting the criteria scored highly. There were several instances where all the candidates from a particular centre did well, indicating that both teachers and pupils had a sound grasp of what was required. Most candidates successfully edited their work to ensure it was within the word count, and only a handful lost marks for excessive length this year. For several candidates a good Report compensated for a poor performance in the external exam.

## **The External Examination**

Most candidates had clearly been well prepared for the Case Study, and many scored high marks in Section One. Although most candidates seemed to be aware of the need to relate points in Section One specifically to the Case Study material, a few continued to offer general points only. However, overall performance in this section was considerably improved on last year.

In Section Two most candidates wisely chose to answer questions 8 and 9, which proved to be the highest scoring ones. There were some good answers to question 8a on EU enlargement, and question 9 on resistance to change and the challenges of e-commerce was well answered by most who attempted it, although candidates were less sure of the benefits of e-commerce for manufacturers than those for retailers.

## **Areas which candidates found demanding**

### **The Business Report**

Many candidates appeared to be unaware of the requirements of the Report.

Several proposed “strategies” which were unclear or consisted of a collection of unrelated actions with no unifying theme.

Common errors were failing to appreciate the difference between strategic objectives and strategic plans; confusing internal and external factors in SWOT analysis - e.g. describing weaknesses as threats; including discussion of competitors in the section on stakeholders.

Many Reports gave little evidence of much research having been undertaken, with candidates writing about matters such as stakeholders and resources needed to carry out the strategy in general terms with no supporting evidence specific to the particular business they were investigating.

### **The External Examination**

Performance in Section Two was more variable than in Section One. As in previous years, candidates often achieved a good mark in the first part of a question and a very poor mark in the second part. This would seem to imply that their choice of questions may have been restricted by a lack of breadth of knowledge. Coupled with the generally good performance in Section One the cause seems more likely to be lack of revision, possibly owing to places at university having been already secured, rather than lack of ability.

Some candidates misread Question 8a about the effects of EU enlargement on UK businesses and wrote about the effects on the UK economy in general. A surprising number of candidates who answered Question 8b on time management did not understand this topic. Others wrote about the principles of good time management rather than the effects of poor time management as required by the question.

Question 10 was not chosen by many candidates and the second part was answered badly by most who attempted it. Many did not appear to know what is meant by Management by Objectives.

Question 11, another less popular question, was also poorly done, particularly part b on the Contingency School of Management.

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

It is of first importance that Centres ensure that all the information relating to the course on the SQA website is made available to candidates. This includes the Advanced Higher Arrangements, Specimen Question Paper (which contains a detailed marking scheme for the Report as well as a specimen external paper), Guidance Document (an expanded syllabus of the entire course), Business Report Guide and Exemplification of Business Report.

### **The Business Report**

Familiarity with the SQA's requirements is fundamental to producing a high-scoring Report. Teachers should ensure that they and their pupils are thoroughly familiar with the following documents, all to be found on the SQA website:

- ◆ The section on the Business Report in the AH Arrangements
- ◆ Business Report Marking Guidelines and Grid (to be found in the Specimen Paper)
- ◆ Business Report Guide
- ◆ Exemplification of Business Report

The Business Report is a research task which requires candidates to find information about their chosen organisation. When constructing their Reports candidates should adhere closely to the marking guidelines supplied in the specimen question paper. They should be made aware that marks in the Report will only be awarded for analysis and evaluation relating to the specific organisation they have chosen and backed up by their own research. Knowledge of business theory is tested by the external exam; no marks are awarded in the Report for points - e.g. discussion of stakeholders' interests in general terms - which could apply to any organisation.

Whilst Reports unsupported by evidence in the form of the NAB and appendices score low marks, there is no point in including appendices if the information they contain is not discussed in the body of the Report.

Several candidates this year wrote about complex businesses which they clearly did not understand, and consequently were unable to analyse and evaluate the information received. As a general rule candidates are advised to select a business which they can readily understand and where they can make regular contact with those in charge. For most this will mean choosing a small organisation in preference to a large one.

### **The External Examination**

Points made in previous reports are still relevant. Candidates need to be familiar with the syllabus, the meaning of the command words and the depth of answer required at this level. Although bullet points are not actively forbidden, their use should be discouraged as they almost invariably lead to overly brief answers which score few marks.

Candidates need to be encouraged to make good use of the Case Study material in answering Section One. For Section Two they need to ensure that they revise in sufficient depth. Because of the holistic nature and fairly limited choice of questions, revising only a handful of topics severely reduces the chances of finding 2 that can be answered in sufficient detail to score well. Greater awareness of topical business issues would help to equip students to develop their answers more fully.

Centres should be aware that questions may be based on syllabus material from any of the 3 units. This necessitates revision of some Higher topics, such as Human Resource Planning and Market Research, both of which are relevant to the Business Report but were poorly understood by many of those who wrote about them in the exam.

## Statistical information: update on Courses

Number of resulted entries in 2007	216
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Number of resulted entries in 2008	234
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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 - 150	-	-	-	-
A	1.7%	1.7%	4	105
B	8.1%	9.8%	19	90
C	29.5%	39.3%	69	75
D	21.4%	60.7%	50	67
No award	39.3%	100.0%	92	-

### 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.