



External Assessment Report 2010

Subject	Business Management
Level	Advanced Higher

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

Business report

The average mark in the report fell very slightly this year. Despite this, Markers commented that they felt overall performance in this element had improved. The reason for this appears to be a significant increase in the gap in competency from centre to centre. Performance in the report tended to be polarised this year:

- ◆ There were many very well structured reports based on excellent research by candidates. Several centres had clearly given excellent guidance to their candidates, leading to the production of many good reports which adhered closely to the criteria.
- ◆ Unfortunately, there were also a number of weak reports based on weak strategies.
- ◆ Very poor performance in the report resulted in some candidates who had scored well in the external examination failing to achieve any award.
- ◆ A very small number of candidates attempted to pass off strategies introduced by firms some years previously as their own strategies for the future. They received no marks.
- ◆ Successful centres had clearly taken on board advice from the SQA website and Understanding Standards event in 2008, but a few centres still appear to be unaware of the requirements. The fact that many centres do not offer this subject every year, but move in and out of presenting candidates on the basis of demand, would suggest that some teachers may have been delivering the subject for the first time, and are perhaps unaware of the vast amount of helpful information on the SQA website. In such circumstances it is crucial that the site is regularly consulted for guidance, especially as, owing to the small numbers of pupils involved, there may be no colleague with the necessary expertise to assist.

External examination

Performance in the examination improved on last year, with a 5% rise in the average mark. More candidates demonstrated good knowledge of the syllabus and handled the case study well. Even where the marks were relatively poor, most candidates demonstrated that their understanding had moved on from Higher level.

Very few candidates failed to finish the paper, but there were some omitted and overly brief answers, indicating that some still find it hard to complete the paper in the time allowed.

Areas in which candidates performed well

Business report

Marks at the top end of the scale were higher than in previous years, and the growth in expertise of the more successful centres clearly contributed to this improvement.

The choice of a suitable business to investigate proved crucial for many candidates. Reports based on a simple strategy with several elements to it tended to score most highly. Several centres submitted reports of a very high quality across the board, and had advised their candidates well.

These centres had clearly taken on advice given in previous Principal Assessor reports and in Understanding Standards materials and events. Their candidates' reports were well structured under the headings specified in the marking scheme, and supported by appropriate research.

External examination

Answers to Question 1 of Section 1 were generally good, with students picking up on many relevant points from the case study and explaining them well. More candidates than in previous years scored 4/4 for drawing the force field diagram in answer to Question 2. Students now seem very comfortable with questions on motivation, and Question 3 was well answered by most.

In Section 2 there were many excellent answers to Question 8 (a), on multinational firms. Part (b), on autonomous teams, was less well done — relatively few candidates knew what 'autonomous' meant — but, as a number scored full marks for part (a), they still gained a good overall mark for the question.

Question 10 (a), on different styles of leadership, was also answered well by most of those who attempted it.

Areas which candidates found demanding

Business report

A few candidates lost marks by writing about several 'strategies' which were completely unrelated to each other, rather than one strategy with many strands.

In general, candidates fared better in the explanation and analysis section than the evaluation section.

In part (b) of the explanation and analysis section, some candidates confused objectives with strategy or failed to link them to the strategy.

In part (c) of this section, several candidates confused internal and external factors, eg describing the possibility of making better use of spare facilities as an 'opportunity', or the possibility of demotivated workers seeking alternative employment as a 'threat'.

Several candidates simply transferred their SWOT analysis from the Researching a Business NAB to their report, without relating it to the strategy in any way. Others provided SWOT analysis of the strategy itself, rather than the business, before deciding on the strategy. Both of these mistakes led to no marks being awarded for that section.

In part (d) of this section and part (a) of the following one, a number of candidates lacked sufficient evidence for their assertions.

In part (b) of the evaluation section, many candidates made theoretical points about sources of information and did not provide much evaluation of the specific information used to decide on the strategy.

Part (d) of the evaluation section was often poorly done, with candidates repeating points about how the strategy fitted in with objectives, rather than why it was likely to be successful.

Several candidates enclosed large appendices with their submission, but referred to them very little or not at all.

Several candidates made hypothetical statements, eg 'The firm might need extra finance', which often simply served to advertise their lack of research.

A few candidates submitted reports of strategies that had been fully implemented before they began their research. These scored no marks.

Several candidates claimed to have invented strategies themselves, where the evidence clearly showed that the firm itself had devised the strategy. Such reports generally did not score well.

A few centres appeared to be unfamiliar with the criteria for the business report, leading to very low marks indeed across their whole candidature.

External examination

In Section 1, explanation of the force field analysis diagram was weak in many cases, with candidates tending to describe the headings in their diagrams, rather than explain or evaluate them. Question 6 proved problematic to several candidates who clearly did not understand the term 'targets' and consequently missed the point of the question.

In Section 2, candidates did not always make the link between environmental responsibility and gaining competitive advantage in answer to Question 7. Many found Question 9 challenging. In part (a), there was a general lack of knowledge about the ways in which the government influences organisations; in part (b), while most were able to describe the ideas of Fayol and Mintzberg, they were less confident when trying to explain how these impacted on the achievement of objectives.

Advice to centres for preparation of future candidates

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), and Business Report Guide (for candidates – note that this is **not** the Marking Scheme), all on the SQA website, provide detailed guidance for centres and candidates as to what is required. Understanding Standards material is also available for both the report and the paper.

Centres should ensure that they are using the most up-to-date version of the core notes published by LTS. Interactive material for all three Units is also available on the Scholar website.

Business report

Centres and candidates must ensure that they are familiar with the requirements for the report and the marking scheme, both of which are readily available on the SQA website. Many marks are lost through ignoring these requirements. For example, the marking scheme makes it clear that the objectives, SWOT factors and stakeholders must be those discussed in the NAB, and a reason must be given if this is not the case.

Candidates are strongly advised to choose a small business that they can readily understand, rather than a larger, more complex one, for their research.

Candidates are well advised to focus on a single strategy, with as many elements to it as possible. They should ensure that they fully understand the strategy. Choosing a complicated strategy devised by a large firm is all too often a route to very poor marks.

Although it is open to candidates to devise their own strategy, the expectation is that most candidates will examine the strategy decided on by the firm. One reason to adopt the latter approach is that the firm is likely to have gathered much more information to support its strategy than an individual candidate could have, giving a much sounder basis for explanation, analysis and evaluation in the report. On the other hand, sometimes candidates who devise their own strategies are able to support them with extensive evidence from their own research.

Candidates should note that the Arrangements state that the strategy is 'what the business intends to do for a forthcoming specified time period', and they will score no marks for explaining and evaluating strategies already fully in place. A few candidates need to be made aware that examiners are usually able to spot when an already completed strategy is being passed off as pertaining to the future.

Candidates are strongly advised to structure their reports according to the headings in the marking scheme.

All candidates must be aware of the difference between internal and external factors in SWOT analysis, and of the fact that competitors are not stakeholders.

All objectives, SWOT factors and stakeholders discussed in the report must have been explained in the NAB. If a new objective, SWOT factor or stakeholder is mentioned, candidates must give a reason for this.

Candidates should be aware that no marks are awarded for repeating points made in Section (d) of the explanation and analysis section in Section (a) of the evaluation section.

Candidates should be aware that each method of measuring success in Section (d) of the evaluation section should involve a comparison of some sort.

There is no need to include background information in the report, as this is supplied in the NAB. However, candidates do need to support their findings with evidence from their research, and additional information is needed for some sections, such as those on the resources needed for the strategy and the changes in the functional areas necessitated by the strategy.

Candidates should not enclose material in appendices that is not referred to in the body of their reports.

It is strongly recommended that candidates use 1.5 or double line spacing, and a font size no smaller than 12 points, when keying in their reports, to enhance clarity and legibility.

The Understanding Standards material on the business report on the SQA website provides further guidance about how it is marked.

NB

- ◆ In the vast majority of cases, the simple and straightforward is **far better** than the complicated and complex.
- ◆ The strategy **must** relate to the future.
- ◆ Candidates **must** meet the specific criteria set.

External examination

The need for in-depth revision across the syllabus remains.

Candidates should be dissuaded from writing lengthy introductions or conclusions to answers, especially when time is at a premium for so many.

Candidates need to make sure that they are familiar with the full syllabus prior to the examination, including topics in the Unit *Researching a Business*.

Candidates should be familiar with the command words, and aware that marks will not be given for identification alone at this level.

Practice in dealing with Section 1 should focus on the need to assimilate the case study material and extract relevant examples from it to illustrate answers. Candidates should however be discouraged from copying out large chunks of case study material with no evaluative comment.

In Section 2, candidates should read the questions carefully before making a choice, to ensure that they can answer both parts adequately.

Candidates who download marking instructions from the SQA website should be aware that these are not comprehensive or exhaustive. Also, the marking instructions are designed to be used by educational professionals. Students should not base judgements about their own or fellow students' performance on these instructions without discussing them with their teacher.

An Understanding Standards event was held in Glasgow in May this year to give teachers practical advice and hands-on experience in marking the external examination. Seventy-three teachers attended and feedback was very positive.

Although the event occurred too late in the academic year to affect this year's candidature, it is to be hoped that the experience will impact positively on the preparation of next year's candidates, and lead to a consequent improvement in performance in the 2011 external examination. As only one person from each centre was able to attend, it is vital the information gained is retained within departments and made available to other staff delivering the Course from year to year.

Teachers will also find guidance on the marking of the external examination in the Understanding Standards material available on the SQA website.

Statistical information: update on Courses

Number of resulted entries in 2009	240
Number of resulted entries in 2010	224

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	4.9%	4.9%	11	105
B	17.9%	22.8%	40	90
C	29.9%	52.7%	67	75
D	19.6%	72.3%	44	67
No award	27.7%	100.0%	62	–

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.