Course Report 2017

Subject	Business Management
Level	Higher

The statistics used in this report have been compiled before the completion of any Post Results Services.

This report provides information on the performance of candidates which it is hoped will be useful to teachers, lecturers and assessors in their preparation of candidates for future assessment. 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 assessment documents and marking instructions.

Section 1: Comments on the Assessment

Summary of the Course assessment

Component 1: Question paper

The question paper consists of two sections. The first section contains questions which are based on a business case study and is worth 30 marks. The second section consists of four questions broken into two or three parts and is worth 40 marks overall.

Practitioners commented that the paper was a fair instrument of assessment. However, some areas saw candidates underperform: the number of marks allocated to question 1 (d) proved challenging; question 2 (a) saw many candidates respond with the generic benefits of positive employee relations, with no attempt to explain their answer in direct relation to corporate culture; and in question 3 (a) the direct uses of benchmarking were rarely given, with a large number of candidates responding with the general benefits of quality methods. These factors were taken into account when setting the grade boundaries.

Component 2: Assignment

The assignment requires candidates to research a business topic from the Higher course content, analyse the information, and provide appropriate conclusions and recommendations, writing it up in the form of a business report. The task carries 30 marks.

No change was made to the application of the marking instructions this year and the assignment performed as expected.

Section 2: Comments on candidate performance

Areas in which candidates performed well

Component 1: Question paper

Question 1 (a): Most candidates showed good use of the exhibit in the case study, and were able to make comparisons between the objectives of Ryanair and those of a public sector organisation, provided they did not confuse public sector organisations with public limited companies.

Question 1 (e): This question was handled well in that candidates recognised that Ryanair use a low pricing strategy and were able to distinguish this from premium pricing. They were also able to comment about how these strategies attract a different target market and gave a different image of each of the organisations using the strategies.

Question 1 (g) (ii): Candidates were able to describe the limitations of ratios well.

Question 2 (c): Examples of conflict of interest of stakeholders was handled well.

Question 3 (b): Candidates were able to describe a variety of ways organisations can become environmentally friendly.

Question 3 (c): Justifying the use of job production was handled well.

Question 4 (b): Candidates were able to describe the impact of having poor cash flow well.

Component 2: Assignment

Candidates who followed the instructions regarding headings and layout as exemplified in the Understanding Standards resources and webinar materials on the SQA secure website, performed well.

Those who chose an organisation for which they could find plenty of information to analyse produced a higher standard of report.

Areas which candidates found demanding

Component 1: Question paper

Question 1 (a): Some candidates compared Ryanair's objectives to those of a public limited company and not a public sector organisation, displaying a lack of knowledge of the type of organisation. It was necessary to use the objectives listed in exhibit 1 and not any of the other objectives set by private sector organisations.

Question 1 (b): Some candidates explained the impact of external factors which did not appear in the case study, eg the weather would delay flights. In this case study the higher fuel costs were seen as an internal factor because Ryanair is using a larger quantity of fuel and hence the cost rises; some candidates explained the impact of the rising price of fuel as an external factor, ie when the world market price of a barrel of oil increases, which is not mentioned in the case study. Similarly, there were candidates who did not know the difference between technology as an internal factor and as an external factor — the availability of technology that Ryanair does not possess would be an external factor, but the technology they are currently using is internal.

Question 1 (d): Many candidates showed a poor understanding of public relations, giving points about general advertising and promotions Ryanair could use.

Question 1 (e): A few candidates chose to write about loss leaders, destroyer or penetration pricing. These were not credited because the case study does not show them to be used by Ryanair.

Question 1 (f): Some candidates repeated points about field research, eg online survey and postal survey.

Question 1 (g) (i): The command word ‘explain’ was not applied well in this question. Candidates could describe the trend in revenue and profit for the year but were unable to explain why they changed.

Question 2 (a): Candidates made little attempt to relate their explanations to the features of corporate culture.

Question 2 (b): Many candidates tackled this question by incorrectly writing about delayering, not about widening a span of control. A manager’s span of control can widen without delayering taking place.

Question 3 (a): Many candidates discussed quality assurance and not benchmarking.

Question 3 (b): Some candidates wrote about business ethics, eg using Fairtrade suppliers.

Question 4 (a): Candidates found it difficult to explain the benefits of preparing a cash budget. There seemed to be a lack of understanding that a cash budget is a planning tool which shows the cash position in the future, not profits and losses made. Some candidates wrote about using the budget to make comparisons with competitors — the cash budget of a competitor is unlikely to be available.

Question 5 (b): Many candidates were unable to name employment legislation accurately. It was not necessary to refer to the Act, but if it was labelled then the correct title of the Act had to be given. The year of the Act is not required. Some candidates made references to outdated discrimination Acts that have now been taken over by the Equality Act. Some candidates described the Act itself and did not describe the impact on an organisation.

Question 5 (c): Knowledge of work-based qualifications proved to be a little shallow. Candidates gained marks by describing costs and benefits of general training.

Component 2: Assignment

Many centres did not follow the recommended structure/headings for the assignment.

Introduction

Some topics proved to be too narrow, eg the pricing strategies used by ‘xxx’. This meant there was very little to analyse and as a result candidates moved away from their topic. Points that did not relate to the topic gained no marks.

On the other hand, some candidates chose very wide, and in many cases, vague topics, eg the business model of ‘xxx’. Better reports tended to have a direct focus, as such a wide topic often led to a description as opposed to an analysis of facts.

Background information was often far too lengthy. A short statement indicating what the business does is sufficient. However, candidates should ensure they describe the main activities of the business and not assume that the marker will know.

The analytical technique must be explained, ie say why it is being used and how it will help in the preparation of the report.

Research

Many candidates gave textbook definitions of the value of their research method, eg ‘I chose to do a questionnaire because it would give me first-hand information’. To be given a mark, the candidate would have needed to explain this value. A better candidate might say ‘I chose to do a questionnaire because I wanted to find out what customers think of the proposals being made by the business and this will tell me if it is worthwhile going ahead or not.’

Some candidates stated a SWOT analysis was a research method when in fact it is used to collate research findings. If the SWOT was lifted from a website, it is indeed research, but the source must be referenced.

Analysis and interpretation

As was the case last year, there was evidence of poor analytical technique and very poor referencing, which resulted in low marks for many candidates.

Analysis must be based on research evidence. No marks are given for findings at Higher. The candidate needs to say what the evidence shows in relation to the topic, a comment or impact. Some candidates repeated the same basic analysis, eg ‘this increases profit’. This was credited once unless different development of the point was given based on the candidate’s research.

Care should be taken in phrasing analytical points. If a candidate makes a recommendation in this section (which sometimes can be a result of phrasing), then no mark is given.

Conclusions and recommendations

Conclusions appear to be one of the most difficult areas for candidates to tackle. Many repeated a list of their findings which were not credited. A conclusion should be a summary of the main points. Conclusions should be justified elsewhere in the report. No new information should appear in conclusions.

Likewise, any recommendations must be supported by evidence in the report. It is good practice to justify the recommendation in this section.

Section 3: Advice for the preparation of future candidates

Component 1: Question paper

Candidates should be reminded to read questions carefully, taking account of the command words and number of marks allocated to each question.

Section 1 requires candidates to make use of the case study. This style of questioning should be practised.

As far as possible, candidates need to make answers legible. Marks cannot be awarded for something that is impossible to read.

Word processed scripts should be printed in double line spacing and the end of the script clearly highlighted. Page numbering is recommended.

Practising past paper or specimen questions is recommended.

Candidate should be familiar with all areas of content as listed in the Course Assessment Specification.

Component 2: Assignment

Take care in choosing a topic and organisation for which there is plenty of information to analyse. Topics should be chosen from the Higher course content.

Use the headings that are listed in the coursework assignment task document.

Explain the chosen research methods, ie what it shows and how it helps in the preparation of the report. Candidates should explain the value of each method clearly.

Analyse each of the findings and base the analytical points on researched evidence. It is clearer if each point is referenced. Consider the use of footnotes or refer directly to the appendix. Appendices are not marked, but they should be legible so that referencing can be checked.

Be careful not to include conclusions and recommendations in the analysis section.

Link conclusions and recommendations clearly to evidence in the report.

Use a minimum font size of 11 point and 1.5 line spacing. The report should not exceed six pages with an additional four pages for appendices. Consider the use of page numbering.

In all cases centres must adhere to the specific requirements of the conditions of assessment for the assignment, including the timed write up.

Grade Boundary and Statistical information:

Statistical information: update on Courses

Number of resulted entries in 2016	9108

Number of resulted entries in 2017	9117

Statistical information: Performance of candidates

Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark -				
A	30.0%	30.0%	2739	66
B	24.5%	54.5%	2232	56
C	21.8%	76.4%	1991	46
D	8.0%	84.4%	731	41
No award	15.6%	-	1424	-

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.