Course Report 2016

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

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.

This year, section one proved to be accessible to most candidates. Section two proved more challenging for many candidates especially where new topic areas were covered. Overall the paper proved more demanding than intended and this was 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.

The mark allocation was adjusted this year, removing a mark each from the introduction and collating/reporting sections, and adding them to conclusions and recommendations. This was done in an attempt to achieve a fairer distribution of marks across the cohort. The statistical evidence proves this to have been a successful strategy.

Section 2: Comments on candidate performance

Areas in which candidates performed well

Component 1: Question paper

Section one of the question paper was handled well. The candidates were able to make use of the case study when answering the questions. The command words were handled well.

Section two proved to be more challenging, particularly with questions set on the new course content. Candidates also found it difficult to relate the use of technology to one specific functional area, ie finance. However, candidates did display good knowledge of topic areas which have been tested in the past as part of the old Higher Course.

Question 1 (a) (i) Candidates were able to describe pricing strategies well.

Question 1 (b) An explanation of the benefits of having a diverse product portfolio was well done. A few candidates failed to give examples from the case study, which meant they could not gain all available marks for the question. For example, a candidate was credited with a mark if they wrote that having more than one product can mean that brand loyalty is created, but only if they made reference to Mackie's crisps and ice cream. At least one explained example from the case study was essential this year for the candidate to gain all available marks for this question.

Question 1 (c) The reasons for investing in renewable energy methods was well handled. Candidates made reference to the case study — for example, many identified that they would save money on electricity bills. However, direct lifts from the case study are not credited at Higher level; candidates are expected to develop evidence contained in the text and provide a reasoned response to the question in their own words.

Question 1 (d) Candidates made a good comparison of batch/flow production with job. There now appears to be very little difference between the batch and flow methods used in modern industry, and this was taken into account when deciding how this question was marked.

Question 1 (e) The methods of ensuring quality used in the case study proved to be an accessible question for candidates. Depth of knowledge was rewarded, with many candidates benefiting from development marks.

Question 2 (a) The methods used to motivate were handled well.

Question 2 (b) Candidates were able to explain the benefits of an appraisal system well.

Question 3 (a) The advantages of internal growth was handled well overall, although not always in sufficient depth to gain 4 marks.

Question 3 (b) Candidates displayed understanding of the use of geographical grouping but again not always in sufficient depth to gain full marks.

Question 4 (a) (ii) The impact of external factors on an organisation was answered well.

Question 4 (b) This question was answered well in terms of content. Candidates may have found the command word ‘distinguish’ difficult. Candidates who answered using ‘whereas’ to distinguish between two points tended to perform better.

Component 2: Assignment

Most candidates knew to follow the instructions regarding headings and layout.

The majority of candidates chose a suitable topic and appropriate analytical tool. Those following the instructions issued gained good marks in this task.

Areas which candidates found demanding

Component 1: Question paper

Question 1 (b) Many candidates failed to describe ‘out of the pipeline’ methods in the case study. There were only two — special offers and competitions. The other promotional methods, such as advertising and social media, were not acceptable.

Question 1 (f) (i) Candidates who gained the marks here did so because of their knowledge of correct formulae. However, as predicted, ratios still proved to be a difficult topic for many candidates.

Question 1 (f) (ii) This was intentionally set as a discriminating question, and many candidates showed little depth in their response. Finance remains a challenging topic for many candidates who have had no previous exposure to this area of study.

Question 2 (c) Many candidates displayed very poor knowledge, or none, of workforce planning; one of the new topics clearly stated in the Course Assessment Specification.

Question 3 (c) The advantages of being a social enterprise was poorly done. The third sector is part of the Higher course content.

Question 4 (a) (i) The impact of competition *policy* was very poorly done, and in many cases omitted. This is also a new area, stated in the Course Assessment Specification. Some candidates attempted an answer but wrote about the effects of competition in general.

Question 5 (a) Candidates had some difficulty in justifying the use of a spreadsheet in the finance department. The answers often did not refer specifically to a spreadsheet, making reference to tasks that could be done on paper or by using a calculator.

Question 5 (b) Candidates needed to name the technology they were writing about and clearly link its use to the finance department. The uses of technology that many candidates described were very general. As a provision this year, general answers were credited to a maximum of 3 marks for this question.

Component 2: Assignment

Overall, assignments were generally poorer than last year. There was evidence of poor analytical technique and very poor referencing, which resulted in lower marks than last year.

Sometimes candidates moved away from their chosen topic, which was often a little vague.

Topics were not always from the Higher Course but from National 5 suggesting that some reports produced this year were simply a re-hash of a report initially started or completed at National 5. Centres must ensure that the topic chosen is suitable and from the Higher Course.

Some candidates tried to research two businesses and the reports became difficult to follow at times. Conclusions and recommendations in many cases were poorly justified, not being supported by appropriate evidence.

In section one, the purpose, background and an explanation of the analytical tool all had to be present to gain the two marks available. The purpose of the report was not always clearly stated, nor was sufficient background given. Candidates should ensure they describe the main activities of the business and not assume that the marker will know. The use of the analytical tool should be clearly explained, ie say what it is being used to show in the report. For example, it would be acceptable to say that a SWOT analysis had been chosen to show the advantages and disadvantages of different marketing strategies, allowing the candidate to identify the most useful.

The marking instructions require candidates to explain the suitability of the research used. Many candidates just stated the purpose of their research method and gave no explanation as to why it would be of value in compiling the report. Some centres used tables for this section, ie source, purpose and suitability, and this sometimes helped candidates to include all the necessary information. This approach is only an option (not mandatory) and did not necessarily help all candidates who used it.

Some candidates stated a SWOT analysis was a research method when in fact it is used to collate research findings. If, as was the case with some candidates, the analytical technique was lifted from a website, it is indeed research, but the source needs to be referenced.

Analysis must be based on research evidence. Many candidates gave statements that could not be linked to any evidence at all. Facts and findings that are not analysed gain no marks. Some candidates repeated the same basic analysis, eg 'this will increase sales' several times, and this was credited only once unless different development of the point was given, based on the candidates' research.

Like analysis, conclusions and recommendations should be clearly drawn from the evidence contained in the report. It is important that the conclusions and recommendations link to the purpose of the report. Some candidates included comments that had nothing to do with their chosen topic. Candidates should also be careful not to simply replicate their findings in this section.

Section 3: Advice for the preparation of future candidates

Component 1: Question paper

Candidates need to be aware of all of the content stated in the Course Assessment Specification, particularly the new content brought into the Higher.

Candidates need to be aware that technology can be tested across all functional areas.

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

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 in double line spacing and the end of the script clearly highlighted. Page numbering is recommended.

Practising past paper or specimen questions is recommended.

Component 2: Assignment

Candidates should choose a topic from the Higher Course, and an organisation for which there is plenty of information available, to make sufficient analytical points to gain the maximum amount of marks.

Candidates should avoid writing about two different organisations in their report unless they are able to make their comparison very clear. It is recommended that the report focuses on one business only.

The background information should inform the marker what the business does. It cannot be assumed that a marker will have knowledge of every business chosen by a candidate.

Research methods chosen must be explained, ie what does it show and how does it help the report. Candidates should explain the value of each method clearly.

Centres should be aware that there are no marks for findings at Higher, only analysis. The analytical points must be based on researched evidence and developed. 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.

Candidates need to make sure their conclusions and recommendations are clearly linked to evidence in the report and not just their own thinking as to how the business could improve.

A minimum font size of 11 point and 1.5 line spacing is recommended. The report should not exceed six pages with an additional four pages for appendices.

Grade Boundary and Statistical information:

Statistical information: update on Courses

Number of resulted entries in 2015	5259

Number of resulted entries in 2016	9108

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	27.8%	27.8%	2530	65
B	24.3%	52.1%	2217	55
C	23.0%	75.1%	2096	45
D	8.4%	83.5%	765	40
No award	16.5%	-	1500	0

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.