

Course report 2026

National 5 Business Management, SCQF level 5

We've written this report for teachers and lecturers. We recommend you read this with the published course assessment documents and marking instructions.

Note: we've made changes to the course assessment from session 2026–27.

Check your [subject page](#) for more information.

The report:

- provides a summary of how each course component performed
- highlights areas of the question paper and coursework where candidates performed well and areas where they did not perform well
- has advice you might find useful when preparing candidates for assessment

We collect and prepare the statistics in course reports before we complete the appeals process.

Statistical and grade boundary information

Course entries

Number of resulted entries in 2025: 10,444

Number of resulted entries in 2026: 11,173

Distribution of course awards (including minimum mark to achieve each grade)

Course award	Number of candidates	Percentage	Cumulative percentage	Minimum mark required
A	4,620	41.3	41.3	84
B	2,339	20.9	62.3	72
C	1,967	17.6	79.9	60
D	1,315	11.8	91.7	48
No award	932	8.3	100	Not applicable

We've not applied rounding to these statistics.

In this report:

- 'Most' means greater than or equal to 70%.
- 'Many' means 50% to 69%.
- 'Some' means 25% to 49%.
- 'Few' or 'a few' means less than 25%.

You can find [statistical reports](#) on our website.

General commentary on grade boundaries

Our main aim when setting grade boundaries is to be fair to candidates across all subjects and levels, and to maintain comparable standards across the years, even as arrangements evolve and change.

For most National Courses, we aim to set examinations and other external assessments and create marking instructions that allow:

- a competent candidate to score a minimum of 50% of the available marks (the notional grade C boundary)
- a well-prepared, very competent candidate to score at least 70% of the available marks (the notional grade A boundary)

It's very challenging to get the standard on target every year, in every subject, at every level. Therefore, we hold a grade boundary meeting for each course to bring together all the information available (statistical and qualitative) and make final decisions on grade boundaries based on this information. Senior Qualifications Scotland staff normally chair these meetings.

Principal assessors use their subject expertise to evaluate the performance of the assessment and propose suitable grade boundaries based on the full range of evidence. We can adjust the grade boundaries as a result of the discussion at these meetings. This allows the pass rate to be unaffected in circumstances where there is evidence that the question paper or other assessment has been more, or less, difficult than usual.

- We can adjust the grade boundaries downwards if there's evidence that the question paper or other assessment has been more difficult than usual.
- We can adjust the grade boundaries upwards if there's evidence that the question paper or other assessment has been less difficult than usual.
- If levels of difficulty are comparable to previous years, we maintain similar grade boundaries.

Every year, we evaluate the performance of our assessments in a fair way, while ensuring standards are maintained so that our qualifications remain credible. To do

this, we measure evidence of candidates' knowledge and skills against the national standard.

For full details of the approach, please refer to the Awarding and Grading for National Courses Policy.

How the course assessment performed

Question paper

The question paper performed as expected and notional grade boundaries were set.

Assignment

The assignment performed as expected. The average mark was the same as in 2025.

How candidates performed

Areas where candidates performed well

Question paper

- 1(a) Almost all candidates performed well in this question, showing sound knowledge of ways the business could be ethical and environmentally friendly.
- 1(d) Many candidates described sources of finance.
- 1(e) Most candidates demonstrated strong subject knowledge of this topic and accurately identified methods to provide customer satisfaction.
- 1(f) Many candidates demonstrated a strong understanding of location factors.
- 2(a) Almost all candidates performed well in this question, with most identifying promotion methods.
- 2(e) Most candidates showed sound knowledge of understocking.
- 3(a) Many candidates distinguished between the primary sector and the tertiary sector of the economy.
- 4(a)(i) Most candidates accurately calculated the gross profit.
- 4(a)(ii) Many candidates showed sound knowledge of ways to improve gross profit.
- 5(c) Most candidates described factors affecting choice of suppliers, although a few candidates only identified factors, so did not gain marks.
- 6(a)(i) Most candidates correctly identified methods of industrial action.
- 6(a)(ii) Many candidates described the effects of industrial action, showing sound knowledge.
- 7(a)(ii) Many candidates described an advantage and a disadvantage of branding.

Assignment

Many candidates performed well in each of the five sections of the assignment. Marketing mix and customer service were the most popular topic choices.

Areas where candidates did not perform well

Question paper

- 1(b)(i) Many candidates did not identify the 'stage' of recruitment.
- 1b(ii) Many candidates did not give enough detail when describing recruitment stages, with some candidates only outlining the stage.
- 2(c) Some candidates had knowledge of internal factors but did not apply the topic to the case study material.
- 3(d) Many candidates identified factors of production instead of describing them, which did not gain marks. A few candidates confused factors of production with methods of production.
- 4(b) A few candidates did not attempt this question. Many candidates did not accurately draw and label the break-even chart.
- 4(c) Some candidates did not name a type of technology; for example, by answering 'use technology to create an income statement' instead of 'use spreadsheets to create an income statement'. Some candidates did not give a financial use of their named technology. A few candidates gave benefits of technology and not uses.
- 5(a)(i) Some candidates, while demonstrating knowledge of production methods, only identified the method, meaning their answer did not gain marks.
- 6(c) Many candidates did not accurately describe the use of the named technologies in the human resources department.
- 7(a)(i) Some candidates did not accurately define the term 'branding'.

- 7(b)(i) Some candidates did not give a second comparison between desk and field.
A few candidates did not qualify one side of their comparison.

Assignment

Background information

Some candidates wrote long responses that gave irrelevant and unnecessary detail. A few candidates did not state their assignment topic or chose topics that were too complex (for example, having two topics in their purpose).

Research methods and sources

A few candidates did not adequately explain the values of their research.

Findings, analysis and interpretation

A few candidates gave findings that were not relevant to their topic, so these did not gain marks. Some candidates gave findings about competitors but did not compare them to their chosen business, so these could not gain marks.

Conclusions and recommendations

Some candidates gave research findings that they had not previously mentioned in their findings, analysis and interpretation. They could not gain marks for this.

Some candidates did not justify their conclusions and recommendations, which meant they could only gain a maximum of 1 mark for the section.

Collating and reporting

A few candidates did not include two display materials. Some candidates used inaccurate headings. A few candidates exceeded the maximum word count.

Preparing candidates for assessment

You can use the materials on the [Understanding Standards](#) website to help you prepare candidates.

Question paper

You should use the updated specimen question paper (70 marks, reduced from 90 marks) to show candidates the format of the revised exam.

You should remind candidates:

- To address the command word in their responses. For example, a 'describe' response requires more detail than an identification only.
- They should give a single response to 1-mark 'identify' questions. They will not gain the mark if they provide more than one response.
- To be prepared to 'draw' both diagrams included in the course specification. These diagrams should include all elements; for example, appropriate axis labels and diagram labels.
- They can be asked about 'technology' in each of the four functional areas. Technology questions always require candidates to name a technology before describing its use in the functional area.

Encourage candidates to:

- Practise answering questions using case studies and a variety of command words.
- Write as clearly as possible and space work out in the answer booklet, so that their responses are clear for markers to read.
- Submit typed scripts if their handwriting is difficult to read. To help markers, print scripts using 1.5 or double line spacing, and use double-sided printing where possible.

Assignment

Candidates must use the Qualifications Scotland template on the [subject page](#) on our website. Make sure they use 1.5 line spacing and print double-sided where possible.

Encourage candidates to keep their assignments within the 1,300-word limit. They must include an accurate word count on their flyleaf. Appendices do not contribute to the word count.

Background information

Ensure that candidates choose only one topic/purpose for their report. The purpose and three short statements are enough to gain full marks for this section.

Research methods and sources

The Understanding Standards resources demonstrate the difference between a list value and an explained value. List values do not gain marks. Candidates should avoid repeating values with the same explanation for different sources.

Findings, analysis and interpretation

Candidates should avoid including subheadings in this section. They should be careful using the word 'affect', as on its own it can be vague. Encourage candidates to explain the direction of the effect to make the statement clearer. For example, they could improve the statement 'it will affect profits' by changing it to 'it will increase profits' or 'it will reduce profits'.

Conclusions and recommendations

Encourage candidates to make clear when a statement is a conclusion or a recommendation; for example, by stating 'In conclusion...' or 'I recommend...'. They should clearly justify all conclusions and recommendations by linking to their research findings. Candidates should not introduce new research findings in this section.

Collating and reporting

Remind candidates to include two graphics in their reports, either in the main report or in the appendices. Graphics can include charts, images and screenshots.

Headings must be in full (for example, 'findings, analysis and interpretation' rather than 'findings and analysis').