

AS LEVEL

Examiners' report

BUSINESS

H031

For first teaching in 2015

H031/02 Summer 2024 series

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Introduction

Our examiners' reports are produced to offer constructive feedback on candidates' performance in the examinations. They provide useful guidance for future candidates.

The reports will include a general commentary on candidates' performance, identify technical aspects examined in the questions and highlight good performance and where performance could be improved. A selection of candidate answers is also provided. The reports will also explain aspects which caused difficulty and why the difficulties arose, whether through a lack of knowledge, poor examination technique, or any other identifiable and explainable reason.

Where overall performance on a question/question part was considered good, with no particular areas to highlight, these questions have not been included in the report.

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Paper 2 series overview

This paper proved to be challenging for candidates. The paper tested a wide range of concepts from the specification. Some candidates left gaps and some candidates struggled to answer the numerical questions. Exam technique let many candidates down – often failing to use the context. There were several examples of excellent scripts, demonstrating very good exam technique.

Candidates who did well on this paper generally:	Candidates who did less well on this paper generally:
<ul style="list-style-type: none">• demonstrated a good ability to structure longer questions• showed a good range of knowledge• made good use of the context in Section B• made effective use of the time allowed for the paper, for example did not write too much on shorter questions, allowing time to fully analyse points on the later questions.	<ul style="list-style-type: none">• had significant gaps in knowledge, particularly in Section A• did not fully focus on the demands of the question, particularly Question 10.

Section A overview

Section A examined some challenging concepts which many students struggled with. This highlighted the importance of full coverage of the specification. Many candidates left questions blank.

Question 1

- 1 Explain what is meant by a 'kanban' stock control system.

.....

.....

.....

..... [2]

Many students did not know what was meant by 'kanban.' Some attempted to provide a generic answer based on stock control. Very few students picked up on the idea of it being a visual noticeboard style system to show items moving through the production process.

Questions 2 (a) and 2 (b)

2

(a) Explain **one** advantage to a business of good employer/employee relations.

.....

.....

.....

.....

..... [2]

(b) Explain **one** disadvantage to a business of poor employer/employee relations.

.....

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.....

.....

..... [2]

Questions 2 (a) and (b) were generally very well answered. Many candidates were able to pick up marks by using the inverse argument, for example higher motivation/lower motivation. Some candidates did not make the explanation business focused, losing the second mark.

Question 3

3 Some budgeting data for a business is shown below.

	Budgeted	Actual
Revenue	£31 000	£30 000
Cost of sales	£19 500	£20 000
Gross profit	£11 500	

Calculate the gross profit variance, stating whether the variance is adverse or favourable.

Answer [3]

This was a simple question; however a number of candidates did not calculate the correct answer of £1500 adverse. Most candidates were able to calculate the actual gross profit amount of £10,000, but then did not finish the final step.

Question 4

- 4 Explain **one** way national government policies could affect an estate agent selling houses.

.....

.....

.....

..... [2]

This was one of the most challenging concepts for candidates in Section A. Candidates sometimes referred to interest rates, which are not a government policy so could not be given marks. Students who were able to identify a correct policy such as taxation, then found it difficult to apply to an estate agent selling houses.

Exemplar 1

If national government increases taxes this ~~can~~ will affect estate agent negatively. Because due to increases of taxes customers sales might be decrease so (selling houses).

In Exemplar 1, this candidate has correctly identified taxes as a national government policy, however, did not effectively link this to an estate agent selling houses.

Question 5

- 5 A tomato farmer has monthly fixed costs of £500. The monthly break-even level of output for the farm is 2000 kg of tomatoes, at a selling price of £0.60 per kg.

Calculate how many kilograms of tomatoes the farmer needs to sell to achieve a monthly profit of £3000.

.....

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.....

.....

Answer [3]

This question proved to be the most challenging on the paper. Many students attempted to answer the question and showed knowledge of break-even, such as a formula, but were not able to rearrange the equation to get the correct answer.

Question 6

- 6 Explain **one** difference between the law and ethics.

.....

.....

.....

..... [2]

This question was well answered. Most students were able to differentiate between the two concepts and pick up both marks.

Question 7

7 Explain **one** way a restaurant might use benchmarking.

.....

.....

.....

..... [2]

Benchmarking proved to be a difficult concept for many students and many candidates did not achieve either of these marks. Of those who were able to provide knowledge of benchmarking; being able to link it to a restaurant proved to be difficult. Students would benefit from exposure to a range of contexts when learning theories.

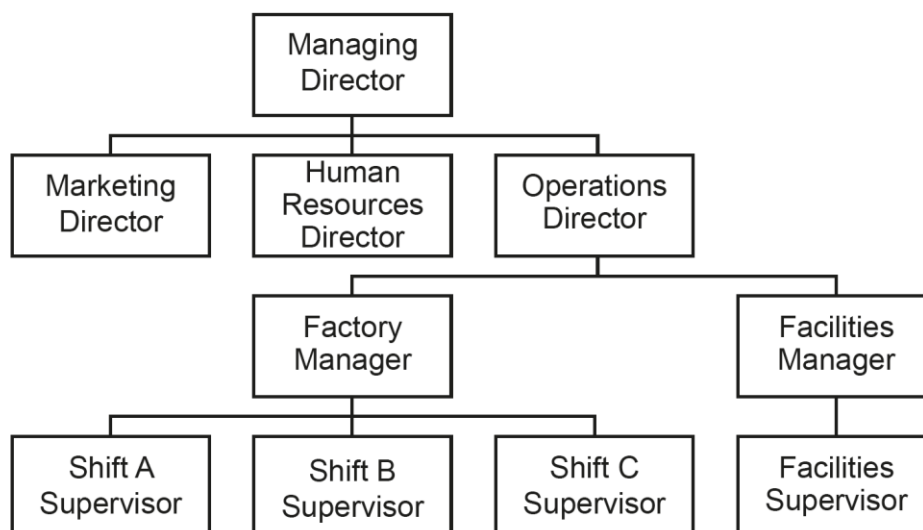
Exemplar 2

Restaurant can look the most competitive or challenging
restaurant's product or how they provide service. ~~They~~
~~have~~ And then after identifying the 'best practice' restaurant
can improve their products and services. [2]

In Exemplar 2, this candidate has shown a good knowledge of benchmarking. The application of benchmarking to a restaurant is just enough to achieve the second mark, through referencing the service that it would offer.

Questions 8 (a) and 8 (b)

8 An extract from a company's organisational model is shown below.



(a) Identify how this hierarchy is organised.

..... [1]

(b) Identify the Operations Director's span of control.

..... [1]

Candidates found this question challenging. Very few identified that this hierarchy is organised by function. In terms of the span of control, some candidates simply wrote 'factory manager and facilities manager' as opposed to '2' which was not enough to achieve the mark.

Section B overview

Section B overall showed good use of the context. Many candidates have clearly been taught how to structure answers, which was beneficial to them in the essay questions.

Question 9

9 Explain what is meant by cash-flow.

.....

.....

.....

..... [2]

Several candidates struggled on this question. Many referred to profit or revenue, which could not be awarded.

Question 10*

10* Evaluate the impact on **two** of GAME's external stakeholders of opening the central London gaming arena. [12]

Many candidates have been taught how to structure this well. It is vital that students are using the context from the case study. Many students repeated the phrase 'the central London gaming arena', which is from the question and therefore could not be awarded as context. Responses without use of context from the case study are limited to two marks, and therefore this is a vital skill for candidates to work on.

External stakeholders do not include shareholders. GAME is a private limited company; therefore, all shareholders are considered internal.

Misconception



Some students confused stakeholders with shareholders. It is important for students to be aware of the difference between these two terms, particularly as they are commonly examined.

Question 11

11 Calculate GAME's market share in 2019.

.....

.....

.....

.....

Answer [2]

This question was generally well answered. The skill was in selecting the correct numbers from the text, which most candidates were able to do.

Question 12

12 Explain **two** likely reasons why GAME chooses to operate in non-physical markets.

1

.....

.....

.....

2

.....

.....

.....

[4]

Candidates generally showed good knowledge of why a business may prefer to operate in non-physical markets, but many lost marks as they did not apply their answer to GAME.

Assessment for learning



Provide students with as many opportunities as possible to apply theories to a case study. Encourage students to use the information in the case study as opposed to their own knowledge of the business.

Question 13*

13* Evaluate the importance of Martyn Gibbs' leadership to the success of GAME.

[20]

Many candidates relied too heavily on the context for this question, making it difficult to award knowledge marks. Without accessing knowledge marks, the other skills cannot be awarded.

There was a lot of useful information in the context which helped students, however some stated the information from the case study but did not analyse why this led to the success of GAME.

Assessment for learning



Encourage students to start essays by demonstrating knowledge of a concept – in this case leadership (for example different leadership styles).

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