



General Certificate of Education

Business Studies 2130

BUSS2 Managing a Business

Report on the Examination

2010 examination - June series

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General Comments

Students appeared to enjoy answering the questions on this paper and produced some thoughtful and focused responses. Both questions proved to be very accessible to students and there were few examples of questions not being attempted. Timing did not appear to be an issue as most students wrote full responses to the final question and relatively few students failed to attempt to answer questions.

A notable feature of many students' responses was the impressive level of application. It was pleasing to see students use numerical and non-numerical data from within the case study material and often these were combined in a single argument to give examples of high quality application. A number of students used the data that was available on both questions to conduct business calculations in support of their arguments. Another pleasing aspect of answers on this paper was the willingness of students to make judgements, perhaps encouraged by the direct wording of the questions. Stronger students made use of the material in the cases to support their judgements and to help to weight their arguments.

The most common weakness in students' responses to this paper was a failure to develop arguments fully so as to earn high marks for the skill of analysis. Frequently, students moved on to make a new argument rather than to make their point fully by following the argument through to its conclusion. The best analytical answers take the argument back to the question. Thus, for example, if a student is arguing that the business has improved its competitiveness over time it is important to develop an argument using the context but also one which explains fully the reason why this factor has enhanced the business's competitiveness.

All students should be encouraged to plan their answers to at least the higher mark evaluative questions before commencing writing. There is limited evidence of planning for these questions with numerous students opting to write very lengthy responses some of which fail to address the question. Examiners are looking to reward the quality of the response, rather than its quantity and, to maximise marks, students should use some of the time available to plan responses to ensure relevance and the selection of the strongest arguments.

Question One

- (a) Many students tackled this question competently producing an answer that was either correct or contained a single error. A number of students either did not carry through the final stage of the calculation to arrive at the difference in unit costs or failed to express their answer in currency units. A major issue was that nearly 40% of students scored zero on this question suggesting a significant gap in students' knowledge and an important future teaching issue for many centres.
- (b) There were many sound responses to this question with most students making effective use of the context. The most common shortcoming was the failure of students to develop arguments to relate the events in the case to the creation of a negative cash flow. A minority of students clearly did not understand the distinction between cash flow and profit and answered this question in terms of the latter or switched between the two.

- (c) This question elicited a good range of answers. Stronger students were able to deploy relevant theories (such as those relating to motivation) to the circumstances set out in the case and drew clear judgements as to the most important action(s) that had been taken by the business's managers. The most common failing was the use of relevant theory but with little or no reference to the case. This approach made evaluation more difficult as well as resulting in the loss of marks for application.
- (d) Almost all students were able to define competitiveness or to demonstrate understanding of the term. Students drew heavily and effectively on the material in the case study to support their arguments and some made very effective use of the numerical data sometimes carrying through minor calculations. The major weakness was a failure to develop arguments fully and students chose to be insufficiently selective with their use of data. There was a lot of good evaluation with many students using the nature of the business to justify their judgements. Less effective evaluation occurred when students simply restated their earlier arguments.

Question Two

- (a) The quality of responses to this question was disappointing principally due to a lack of knowledge on the part of many students. Over 10% of students either did not attempt the question or scored zero. Many who did make some progress confused the marketing mix with the promotional mix to some extent. Many students who did have the required subject knowledge tackled the question effectively making use of the material in the case to develop their arguments with the best students considering the mix of promotional methods rather than the level used.
- (b) There were some good answers to this question and, although many students appeared to have a good understanding of this area, too many answers were generic without drawing on the material in the case study and especially the data in Figure 2. A number of students ignored the wording of the question to explain the advantages of the use of financial methods of motivation.
- (c) (i) Over 80% of students answered this question correctly although a significant proportion wasted time by carrying out unnecessary calculations.
- (c) (ii) The students who wrote the best quality answers to this question consistently linked their arguments to profitability as opposed to constructing more general arguments about the advisability of selling watches through retailers. Some students drifted into a more general argument about the use of retailers and the operation of different methods of distribution. Those who did focus on the issue of profitability were in a stronger position to make and support a judgement about the wisdom of this strategy.
- (d) It was pleasing to see that a substantial number of students were able to offer a good quality answer to this final question culminating in a clear and supported judgement. Weaker responses arose for a number of reasons. Some students had an incomplete understanding of the term 'quality assurance' and drifted into discussing other aspects of quality such as quality control. A number of students ignored the wording of the question to some degree by assessing the value of quality assurance as a management technique rather than the likelihood of its benefits being realised in the short as opposed to the long term.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results statistics](#) page of the AQA Website.