



**General Certificate of Education (A-level)
June 2012**

Business Studies

BUSS3

(Specification 2130)

Unit 3: Strategies for Success

Report on the Examination

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General Comments

The paper was accessible to the vast majority of students and the case study scenario was one that students were able to relate to.

As with previous papers, the stronger students are those that reveal good subject knowledge, are able to make well-developed arguments that are consistently focused upon the question and are supported by evidence from the case study. This enables them to write well-supported conclusions (when required) that addresses the question set.

Less successful students tended to show a lack of subject knowledge (this was particularly evident in Question 1), generally described the case study material rather than analysing key arguments and would often lose focus on the question.

Question One

Although most students were able to correctly calculate the asset turnover and ROCE (however a significant number subtracted non-current liabilities from total equity), only a minority were able to analyse the possible reasons for, or the implications resulting from these calculations. This was particularly evident for asset turnover. Disappointingly only a few students revealed understanding of this ratio and would often confuse it with inventory (stock) turnover. Furthermore, many students revealed a lack of understanding by also calculating gearing and current ratios, neither of which were relevant to the question.

In light of these responses, centres should be encouraged to spend more time with their students developing their understanding of what each ratio actually measures, as well as analysing the significance of their importance.

Question Two

Generally, there was good understanding shown of market analysis. Stronger students were able to link the fact that the business spent 20% of its revenue on marketing with the fact that new product designs were launched every six weeks.

Other factors that contributed to the popularity of the brand were usually also identified, the most common being the quality of the product and that celebrities were seen wearing the clothes.

The best answers were able to identify, apply and analyse both the contribution of market analysis and at least one other relevant factor, to the popularity of the brand, followed by a conclusion that provided a well-justified conclusion that stated which factor was the most important.

Question Three

There was generally good knowledge of the contribution that employees made to the success of the business, with effective use of the case study material.

Knowledge of lean production was also good, however, many students seemed to think that the use of these techniques was the reason why the business achieved high levels of capacity utilisation. Better students scored well for application by linking data from the appendices, eg higher than average number of kaizen groups with lower than average faulty products.

The skill of evaluation was less evident. Often students would simply provide a summary of their previous arguments. Alternatively, they would fail to provide a justified conclusion stating whether it was the employees or lean production that contributed the most.

Less successful students tended to lose focus by often simply repeating their arguments from Question 2 and/or identifying several points but failing to apply and analyse them in any depth.

Question Four

The best students were able to make selective arguments both for and against the proposed strategy, which were well-developed and supported by material from the case study. This led to a fully justified recommendation as to whether the strategy should be adopted.

It is disappointing to report that many students are still producing lengthy, unstructured answers which tend to lose focus. Typically, many relevant points are identified but often these are simply 'lifted' from the case study and are not analysed in sufficient detail.

Many students misread the appendices and made incorrect interpretations of the data. Centres need to stress to their students the importance of spending time analysing the case study and appendices as well as planning their answers.

Often students would include new points in their conclusions (indicating a lack of planning) and also suggest unsupported alternative strategies and not, assess whether the proposed one should be adopted.

Mark Ranges and Award of Grades

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