Examiners' Report/
Principal Examiner Feedback

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Pearson Edexcel IAL in Business
(WBS02) Paper 01

Business Structures and Processes

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Introduction

This was the fifth sitting of the IAL Business paper with a relatively small number of students. The paper was split into 2 sections: Section A had 6 supported multiple choice questions (SMC) and Section B had a total of 7 questions.

SMC:
- Students can only access 3 marks for part (b) if they have part (a) correct
- Students are able to gain 1 Knowledge mark for a definition which are listed in the mark scheme for each question.
- Students are able to gain up to 2 marks for a fully explanation of the distracters (incorrect answers)
- Students **MUST** explain why their answer for part (a) is correct to be able to access all 3 marks for part (b) i.e. a definition and 2 distracters would still only be worth 2 marks if there is no explanation of why part (a) is correct.
- Students must explain **WHY** the distracters are incorrect.

Question 1

This SMC question involved students having to explain what an induction course was and why IBM may offer this to new employees. Unfortunately, many students simply repeated their answer from part (a) so scored no additional marks. Examiners did see some good explanations as to why some of the distracters were incorrect which did gain some students additional marks for part (b).

Question 2

It was clear to examiners that PED has been well taught as many gave this as the defintion for YED rather than the definition of YED! Many students incorrectly put Option C as they had not realised that the value food was an inferior good. For full marks, examiners were looking for an accurate formula or definition of YED. It is also essential that students are accurate and marks were not awarded if the % signs and the – sign was missing from -10%.

Question 3

This has proved to be a more challenging question with many students getting part (a) incorrect so they were only able to access 2 marks for part (b). It was very clear that many students had not read the question properly and were giving a range of responses for part (a). Examiners were looking for developed responses as to why sales forecasting was poor rather than just repeating the answer for part (a). The distracters had to be fully explained as to why these would not lead to a lack of inventory.

Question 4

It was pleasing to see many students able to correctly answer part (a) and link the increase in empowerment to motivation. Some students used the context to help support their explanations which was very pleasing indeed. Additional marks were gained by a full explanation **NOT** an definition of the distracters. Marks can only be awarded for distracters if they are fully explained. No marks are available for definitions of incorrect answers suchs as piecework in this particular question.

Question 5

Many students were unable to get part (a) correct and this question was more of a challenge to some students. Many students incorrectly put Lean as the correct answer and again, time taken to read the stem and question will benefit Students. Again, many students simply defined all the distracters rather than explain **WHY** these were incorrect. Examiners were looking for application of labour intensive and why this was the best way to describe this type of production method.

Question 6

Many students were able to get part (a) correct and therefore could access all 3 marks for (b). Again, many students simply defined the incorrect answers rather or stated that the distracters had nothing to do with budgets. Examiners will award marks for development of the correct answer in terms of Application to the stem and then a consequence.

Section B

For the IAL Business course, there is an emphasis on **Application/Context**. Students must **use** the evidence rather than just lifting figures from the case study. Using the name of the company – Tesco in this case or context from the stem, is not considered to be **Application/Context**.

There must be **Application/Context** to access **Level 4** otherwise the top of **Level 3** will be awarded. If there is Analysis but no **Application/Context**, then the top of **Level 2** will be awarded. This has definitely had an impact on the levels achieved this series.

Question 7

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. It was pleasing to see that many students were able to either define decentralisation or give 2 advantages to Tesco of having this type of organisation structure. Some students did give generic answers which were not applied to Tesco so dropped the 2 Application marks.

Question 8a

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. Many students were able to give at least one reason why Tesco has a range of distribution methods and good use of the Evidence was pleasing to see. Better students were able to link this to targeting a wider range of customers and increased sales or profit. Again, there were some great responses but no context so this was restricted to 4 marks.

Question 8b

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. Many Students were able to gain the 2 Knowledge marks from defining working capital as well as giving a factor which affects working capital. Again, Application proved problematic for some students as they gave generic responses which could have applied to any business. Analysis was well done with many students able to link to cash flow and problems which may occur.

Question 9a

This question was marked using a points based question with 1 Knowledge mark, 1 Application mark and 2 Analysis marks. Many students were able to gain 1 Knowledge mark for stating a reason why Tesco donates £2m to charities. However, many students gave generic responses so lost the 1 Application mark as they simply repeated that Tesco gave £2m – Evidence B was full of useful context which could have been used in this question.

Question 9b

This was marked using a Levels of response mark scheme (LOR). Many students were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. It was evident that many students were able to understand why Tesco used JIT for its food products and there was some good application in terms of food being perishable with expiry dates. In order to access Level 4, there must be **evaluation in context** which was often missing and generic evaluations were restricted to the top of Level 3 – 6 marks. Often examiners found great context on the benefits of JIT but then the alternative argument was not in context so restricted the mark to 7 rather than 8 marks.

Question 10

This was marked using a Levels of response mark scheme (LOR). Again, many students were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. Context was the issue again on this question and many students were writing generic evaluations of price comparison websites which were not applied to Tesco so the top of Level 3 was awarded. Better answers were able to look at the impact in prices as customers can compare to other supermarkets such as Aldi or Sainsbury's. In order to access Level 4, there must be **evaluation in context.** Level 4 Students were able to state that price is only one factor in deciding whether to purchase a product and that for many customers, the rangeor quality of products was more important. Examiners did think that some Students did not know what a price comparison website was and this is in the specification.

Question 11

This was marked using a Levels of response mark scheme (LOR) with a large proportion of the marks for Analysis and Evaluation. This was poorly tackled by some students and there were answers which just provided lists of ways to reduce labour costs such as redundancy. Students could access the range of marks for evaluation for evaluating the different methods which could be used by Tesco. As in question 9b and 10, there must be **evaluation in context to enter Level 4** and good examples included **using** the context from the different pieces of evidence to suppport the evaluation rather than just copying it such as the number of employees. There had to be real perceptiveness to access the higher evaluation marks but it was pleasing to see that there has been some improvement in the quality of evaluation seen this series but there were less students accessing higher Level 4 due to writing generic responses which could have applied to any business.

Summary

Based on their performance on this paper, students should:

- Ensure all SMC questions are completed for part (a) otherwise this will restrict part (b) marks to a maximum of 2 marks.
- Always define a key term (either from the stem of the question or in some cases, the correct answer).
- Fully explain the correct answer otherwise you will restrict your mark to 2 marks.
- Fully explain why the distracters (incorrect options) are incorrect and not just define them.
- Read the Evidence very carefully and ensure you spend enough time reading through the different pieces of Evidence.
- Ensure you know what is meant by the command words – Explain, Analyse, Assess and Evalute require different skills to be shown.
- **USE** the Evidence to contextualise your response rather than just lifting data or saying the name of the business.
- Assess or Evaluate – this is looking at both sides and coming to a conclusion.
- In order to enter Level 4, your response must be in context.
- Ensure that your time management allows you to answer all questions on the paper, especially the Q11 which is worth 14 marks.