



General Certificate of Education

Applied Business 8611/8613

A2 Portfolio Units

Report on the Examination

2007 examination - June series

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General comments

All of the A2 portfolio units require candidates to frame and solve business problems. Consequently, successful candidates:

- are set realistic problems to solve which are neither too complex nor too simplistic (Requirement A)
- carry out sufficient primary and secondary research to analyse the nature of the problem (Requirement C)
- develop practical solutions which address key parts of the problem (Requirements B and D).

The best portfolios demonstrated a real sense of purpose and a genuine interest in the problem being investigated. It was both a joy and a privilege to read them.

Where candidates and centres struggled, it was nearly always the case that one or more of the above conditions were missing. Too many candidates produced voluminous portfolios where it was not at all clear what problem was being solved. A mechanical approach was adopted which encouraged candidates to trawl through each unit's specification rather than selectively applying concepts to the problem at hand.

Further improvement in performance can come from centres setting candidates appropriate problems and from candidates developing an applied understanding of each unit's content.

Assessment issues

In some centres the annotation of portfolio evidence was exemplary, ie specific assessment objectives and mark bands were indicated and these were accurately matched against each candidate's portfolio evidence. This greatly assisted moderators and, in these cases, it was a simple task to check whether the correct mark bands were being selected by assessors.

Unfortunately, too many centres failed to annotate evidence or only annotated the assessment objective. Centres should annotate key evidence with the assessment objective and the mark band achieved, eg AO3/MB3. To quote from last year's AS report:

"Annotation does not need to be copious. However, it does need to be accurate and sufficient for moderators to understand how and why particular marks have been awarded to each assessment objective for each candidate."

BS08

Successful candidates produced business plans which were fit for purpose. To quote from page 62 of the specification:

“The plan should be suitable to present to an external lender, such as a bank, who might provide finance to a new or existing business, or to an internal stakeholder, such as a senior manager, who may have the authority to give the go-ahead for the business proposal.”

These candidates made good use of appendices to back up their proposals. They avoided any extraneous material and stuck to the point. For example, instead of telling the reader why SMART objectives are a good idea, successful candidates provided a clear explanation of their proposal’s actual objectives. These objectives were inherently SMART.

Successful candidates were given very sound support by their centres. For example, spreadsheet templates were provided which took most of the tedium out of generating key financial reports such as Cash Flow Forecasts and Profit and Loss Accounts. These templates ensured that the accounts would balance and enabled candidates to carry out a series of “what if” calculations. Risk analysis templates were also provided which helped candidates to consider how their proposals might respond to external shocks and internal problems.

Successful candidates produced concise proposals, perhaps because their centres had not allowed them to digress. An appropriate focus was given to the marketing, operations and financial plans – the proposal was balanced. These candidates got to the point, but they made sure that they had the facts and figures to back up their points. In short, a senior manager or a bank manager would have read their proposals.

Consequently, centres are advised that their candidates should avoid producing long proposals which quickly lose their focus and contain theory for the sake of it. Centres should encourage their candidates to carry out research and analysis before attempting to solve the problem. This research and analysis could be presented in a separate analysis folder.

While the use of group work is perfectly acceptable for the collection of data, each candidate should carry out their own selection and analysis of data. In addition, although it is not mandatory, the synoptic nature of this unit possibly implies that each candidate should investigate their own unique business proposal. It appears to be the case that when the whole class investigates the same business idea, creativity is restricted and focus is lost.

BS09

As in BS08, successful portfolios were succinct and analytically sound. Candidates produced portfolios which made sense and had a continuous line of thought running through them. It was clear why the strategy was being used and how it would be implemented.

It is strongly recommended that centres:

- restrict the context to small scale business operations, eg small local businesses or local branches of larger organisations
- provide candidates with an initial marketing strategy to act as a starting point
- help candidates to focus on the marketing tactics (4 Ps) which will implement the marketing strategy.

Candidates should avoid trawling through all the marketing strategies listed in the specification content. They should also avoid using concepts for the sake of it, eg the Boston matrix. Context is certainly vital in this unit and will dictate which concepts will prove useful.

Perhaps the strongest recommendation is that candidates should avoid investigating large scale businesses such as Cadbury's and British Airways. These contexts are clearly too complex given the level of study and time available to a GCE candidate. Suitably small scale contexts should be chosen, eg a local retail outlet.

BS10

This unit produced some very pleasing work. When candidates chose small scale contexts, and stuck to a limited promotional budget, they invariably constructed concise and informative campaign plans.

Successful candidates carried out effective research into buyer behaviour. They understood how their target market might respond to different styles of communication. They could support their choice of promotional activities and media.

Successful candidates were very aware of the promotional activities available to their business. Unlike many unsuccessful candidates, they avoided describing every single promotional activity listed in the specification. They were selective and had a very clear understanding of what promotional activities their business was capable of supporting. This choice was aided by being given a restricted budget (sometimes as small as £50!). In short, the portfolio evidence was practical and realistic.

This realism extended to a clear understanding of 'how' the promotional activities would achieve the objectives of the promotion campaign. Successful candidates often made life easier for themselves by detailing aspects of their promotional activities. For example, they 'fleshed out' their sales promotion and merchandising activities so that the reader could understand what it was they intended. The accompanying GANTT chart then made perfect sense and it was clear how AIDA had been used to structure the campaign.

It is very strongly recommended that candidates avoid investigating large scale organisations such as Nintendo or Virgin Trains. They should definitely not be given budgets in the hundreds of thousands (sometimes millions!) of pounds – this is inappropriate and will inevitably result in a lack of focus.

BS13

This unit had the lowest candidate entry figures, perhaps due to its perceived technical nature. It is this perception which caused the greatest problem for candidates, ie too many centres interpreted this unit as an ICT unit.

Centres that provided a focused context gave their candidates the best chance of producing coherent portfolios, eg an information system for an end-of-year school prom. This ensured that information and data needs could be defined in sufficient detail. Candidates could also spend more time thinking about the individual needs of users – they could be identified and their place in the system defined.

Unfortunately, too many centres provided very open ended contexts to their candidates, eg an entire information system for a new business. Given this vague context, candidates will only be able to outline the requirements of the system. Indeed, this could have been a way forward – the centre could have outlined aspects of the system and each candidate could have developed a component of it.

It is hoped that, in the future, more centres will opt for this unit: it is an inherently applied and practical unit, given the right context for candidates. It does not require any specialist ICT knowledge and acts as a progression route for AS candidates who studied BS05.

BS14

As in BS10, this unit produced some very pleasing work. Centres often provided candidates with sensible contexts so that each candidate could realistically explore the features of the change programme.

As in BS08, successful candidates were clear about the objectives of the change programme and carried out focused research. They analysed their findings before considering the components of the change programme. They worked effectively in their team and were enthused by the whole process. The best work was a genuine joy to read and both centres and candidates are to be congratulated.

Candidates were less successful when the scenario for the change programme was too complex and diffuse, eg improving productivity within a factory. This unit demands a focused scenario which is complex because it contains a variety of competing stakeholder opinions, eg introducing healthy eating within a school or college.

BS16

Candidates should be provided with a focused and small scale scenario. This will help them to demonstrate the required problem solving skills. Some of the better work seen by moderators was based on small scale scenarios such as a local hairdresser or restaurant. Candidates then focused on aspects of planning, managing and improving the efficiency of production. As a result, the work was genuinely problem solving and, above all else, made sense.

Unsuccessful candidates often demonstrated some or all of the following weaknesses:

- very large businesses were used (eg a car manufacturer) which could not possibly be investigated by a GCE candidate
- no focus was provided by the centre and candidates were left to trawl through all possible improvements, however remote they were
- the evidence was often descriptive, descending into a case study of the business, and referenced a 1001 other businesses for good measure
- critical path analysis had become a tool which every single business in the world must surely use.

Mark Ranges and Award of Grades

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