**AQA**

ASSESSMENT and
QUALIFICATIONS
ALLIANCE

**General Certificate of Education**

# Business Studies 1131

## BUSS2      Managing a Business

# Report on the Examination

*2009 examination - January series*

**General Comments**

The quality of answers was high. Many candidates wrote fluent answers and exhibited strong analytical and evaluative skills in their responses. There were, however, a number of gaps in candidates' knowledge which was perhaps not entirely surprising given the limited teaching time available to prepare candidates for this first examination. This did, however, have a significant impact on the ability of these candidates to score reasonable marks on particular questions.

There appeared to be no problems with managing time as the majority of candidates developed full answers to all questions.

**Question One**

Candidates appeared to find this an accessible question and used the case study effectively and a high proportion drew on the numerical data which was pleasing to see.

(a)     This question was poorly answered by a large number of candidates because they lacked the necessary knowledge about capacity utilisation. Of those who possessed the required knowledge, a minority struggled to put this concept into the context of the question. There were, however, many good answers where candidates applied their knowledge effectively to Eastern Airways' circumstances.

(b)     This question was generally answered well with most candidates clearly familiar with the concept of niche markets. Candidates' answers were applied well to the context, but a disappointing number lacked the depth of analysis to gain top marks. Too many candidates offered many arguments rather than concentrating on developing two or three fully.

(c)     Offering too many points was probably the major weakness in the way many candidates tackled this question. It appeared that a large number of candidates felt that they should use every hook provided by the case study rather than selecting the two or three most important and relevant ones. The best answers looked at a small number of factors that promote competitiveness and made and supported judgements about the most important factor(s) that make Eastern Airways competitive.

(d)     There were some very good answers to this question. Generally, candidates responded well to the wording of the question and did exactly what it asked arguing the two cases clearly before making a judgement and justifying it. The most common failing was a lack of clear understanding of the term unit costs and capacity utilisation. This led to some candidates devoting their entire answers to discussing quality.

**Question Two**

This question was also very accessible to candidates. Most candidates drew heavily on the text that was provided, though very few candidates made effective use of the numerical information provided in the budget.

(a)    Most candidates calculated the answer correctly. The most common failing was for candidates to not complete the final stage of the calculation to arrive at the answer of £18 500, even though many of these said (correctly) that the variance was negative.

(b)    This question was answered poorly by many candidates. A significant number of candidates did not know the meaning of labour turnover and wrote instead about the business's sales turnover. Others, who did understand the term, wrote about the causes of high levels of labour turnover, rather than the consequences. Only a small number of candidates developed two arguments fully and applied them effectively to the context.

(c)    There were many good answers to this question. Candidates made effective use of the case study in devising answers and most addressed both sides of the question. The most successful candidates clearly said whether the strengths outweighed the weaknesses (or vice-versa) and justified their views. There were also some strong decisions based around the company's apparent need to appoint a supervisor.

(d)    There were many high quality responses to this question and diverse approaches to answering it. A small number of excellent responses were based around the concept of price elasticity, whilst others analysed the question in terms of reducing expenditure and boosting revenue. It was pleasing to see answers drawn from a number of areas of the specification. For example, some discussed using motivation to improve labour turnover. The most common error was to assume that Amil was reducing the level of advertising that the business carried out to promote itself.


**Mark Ranges and Award of Grades**

Grade boundaries and cumulative percentage grades are available on the **Results statistics** page of the AQA Website.