



General Certificate of Education

Business Studies 2130

**BUSS4 The Business Environment and
Managing Change**

Report on the Examination

2010 examination - June series

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General Comments

This was the first summer sitting of the BUSS4 examination. Reaction to the examination, and indeed the unit as a whole, has been extremely positive from centres and the paper proved very accessible for all whilst also providing opportunities for stronger students to shine.

There was clear evidence of research for the Section A questions which, in many cases, added a real depth to the arguments presented. Similarly, in the essays in Section B, students often referred to business cases they had studied which were not in the stem of the question, but were relevant, and helped strengthen the arguments made. Answers demonstrated that students were engaging with the business world and were able to use the insights they had gained from case studies in their responses.

The nature of the paper, with two essay questions, could have proved daunting but seemed to offer many students the opportunity to demonstrate what they knew and to produce coherent and valid arguments. Students were able to develop arguments at length and gave them the opportunity to explore interesting lines of argument rather than rehearsed lines of analysis. There were some excellent examples of essay technique and, in general, students made a genuine attempt to answer the question and develop appropriate arguments rather than rely on pre-rehearsed arguments or lines of analysis. There were many answers that were a pleasure to read and were interesting, given the variety of examples and cases used.

There were, of course, some responses that were not especially strong and there are various lessons to be learnt. The first is obvious but critical; students must make sure that they answer the question set rather than their own version of it. Occasionally, students misinterpreted the question entirely – for example, writing about entering a market rather than responding to an entrant; in other cases they missed the focus of the question – for example, writing about types of culture or how to change culture rather than specifically examining how easy it is to change. Better responses kept absolutely focused on the question in hand and often referred back to it directly at the end of paragraphs.

Students should also aim to write an effective conclusion; better answers almost invariably pulled together the earlier analysis at the end and provided an answer to the question. Typically good answers had four or five good paragraphs each of which analysed an argument in context and had a judgement at the end; this then led to an effective overall conclusion. Weaker responses tended to have a generic set of assertions at the end, eg “it depends on the type of business, short run and long run and stakeholders”.

In this session, there was evidence of more planning than on previous examinations of this type. More students set aside time to select their arguments, to plan their structure and to consider the judgements to be made. There was less evidence of approaches that were almost entirely content heavy, with more seeming to select key arguments and attempt to evaluate them. As ever, weaker students, did adopt a list type approach but the majority went far beyond this.

Administration

Centres are thanked for so thoroughly preparing their candidates to work with the new numbering system and the new style answer book. The majority of candidates responded well to the changes to the June 2010 exams, but where difficulties were experienced, centres are asked to draw candidates' attention to the comprehensive range of guidance material that is available on this subject in order that they are confident about what is required of them in future examinations. Support available on this issue includes Guides for teachers and students, and specimen question papers and mark schemes showing the changes in action.

All documents published in support of the changes to exams can be accessed via notices published on all qualification homepages, all subject notice boards, and on the parent and student area of the web.

Section A – Pre-Released Research Theme

- 1** Of the two questions in this section the first on cost cutting was by far the most popular, although the effectiveness of both questions, in terms of comparability, was statistically similar. Students generally produced relevant arguments on the benefits and problems of cost cutting. Better answers usually compared this strategy with other strategies such as more investment or differentiation to decide which was “best”. Conclusions often discussed the value of cost cutting in the short term but considered the potential benefits of investing and innovating for the future. Students also often highlighted that the need to cut costs was not the same in all industries and that some businesses had experienced an increase in sales in the recession. There were many examples of how car companies and other types of business had responded and students did often engage with the question of whether cost cutting was indeed the ‘best’ strategy.
- 2** Although less popular, Question Two generated some excellent responses as students weighed up the relative merits of subsidising the car industry. Some students were concerned about how the money might be used in this industry whilst many considered the case for subsidising other industries such as banking, retail or steel. Some convincing arguments were made for the relative merits of each of these industries.

In both of these essays students were able to demonstrate an awareness of key issues or events in the recession and could support their arguments using relevant examples or data, exactly as intended. Relevant examples were selected by students to substantiate or illustrate an argument. There were a few instances of lists of examples or very descriptive responses but most could use their research to add to their analysis and evaluation. Many referred to the data provided in the Item as intended but rightly developed their arguments on their own research which enabled them to compare and contrast their own findings or further support the information in the item.

Section B – Essays

There was a good spread of responses to the three essay questions in Section B although Question Three was the most popular. The essay questions were similar in terms of their mean marks and their effectiveness, in terms of comparability, was statistically similar.

- 3** The question stem provided plenty of hooks which students could use in their arguments: the scale of BP, the desire for quick change and the role of a new Chief Executive recruited internally, all provided opportunities to apply and evaluate. Students could also, of course, refer to other examples of culture change in their responses. Obviously, the question was focused on changing culture and a good answer did have to address how easy this was likely to be given the context, rather than discuss general issues related to culture. Weaker responses tended to lose focus on the question and considered issues such as why culture mattered or how to change culture, without the emphasis on how easy this would be.
- 4** This question focused on why bad decisions might be made by big businesses. Students often referred to the examples in the question but also referred to their own examples such as other failed ventures abroad. Good responses considered issues such as the pressure from shareholders for growth, the difficulty anticipating some

external change which might turn a good decision into a bad one and whether it was the decision or the implementation that was likely to be bad. Weaker responses remained descriptive or focused on the effects of a bad decision.

- 5** This question focused on the best way to respond to a new entrant and good answers obviously made a judgement about this. The Ansoff matrix often provided a framework for the analysis but a good response would have to relate this to the context and make good judgements. Better responses often considered the relative power of Coca-Cola and companies such as Danone, and the potential strengths of the established companies which might influence which strategy they chose. Weaker responses described a list of measures any business might use to boost sales in any situation.

Overall, the majority of students understood the demands of the questions in Section B and applied using the stem and/or their own examples or data. In general, this made for some interesting responses in which students were clearly able to demonstrate their skills. The stronger answers kept a clear focus on the question putting the case for, say, the best strategic response in the given situation or being clear how easy they felt culture change was in the set circumstances.

Summary

The performance of students as a whole suggests that they are engaging well with this unit and are applying their theory to real business in action. They are able to express their ideas in extended answers and combine their learning from their research and studies with a given context. The paper produced a variety of responses and examples from students and gave them the opportunity to demonstrate their skills.

Mark Ranges and Award of Grades

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