



# Examiners' Report June 2010

GCE Business Studies (6BS03/6EB03) Paper 01





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# PE Report On Examination Paper 6BS03/01

#### **General Comments**

This is the second time that this part of the new specification has been examined. Able candidates did well and showed considerable ability and insight, often with a pleasing awareness of the real world. Conversely there were some centres that did not appear to have been adequately prepared or briefed for the exam, for example the role of an ethical policy in Q4 was clearly a mystery to many students. On the other hand there were candidates who had been well prepared with both knowledge and technique and reaped the benefit accordingly.

A number of candidates weakened their responses by failing to apply the terms and theory they had been taught, preferring instead to use generalities and non-specialist language. At this level candidates really ought to be able to use the correct terminology and apply concepts and theories as necessary. As in the preceding exams there were some candidates who ignored the questions set and produced their own preferred responses.

Quality of language was often poor, this was not only evident in the specialist vocabulary of the subject, but often in general English usage. This time round, there were a surprisingly large number of barely literate or illegible scripts and sometimes both. In some cases to the extent that meaning could not be reliably interpreted. Elsewhere the use of hyperbole did little to enhance the answer. The key is to write succinctly, relevantly and without repetition.

The main general areas where centres could do much more to help their students are in picking up on the command words, understanding evaluation and how to use context. So many good candidates throw marks away because of a failure to heed the command words to assess/evaluate/discuss, or they fail to use the context to reinforce their answers. Context is all about the candidate relating their answer to the specific settings of the question. Answers that are textbook perfect but could be about any country/business/MNC lack context and will not reach the higher levels of the mark scheme.

One way to see context if a student is not sure, is to try substituting another country/business/MNC in the place of the one used and see if the meaning changes at all. For example, in q9, 'India would benefit from FDI as it would create lots of jobs and increase incomes' is not in context because you could use say, Brazil or the UK in place of India and it would still be valid as a statement. On the other hand if you saw something like 'India would benefit from FDI as 40% of its population is under the age of 30 and would gain from more jobs being created', that is in context because you could not substitute Brazil or the UK for India.

#### Comments on Individual Questions

# Section A

# Question 1

Good candidates were able to trace the connection between a recession or downturn in the western economies and the closure of toy factories in China, looking at a fall in income, less expenditure on non essential goods and the resulting excess supply in the market with unfortunate consequences for Chinese suppliers. Many candidates seemed unable to grasp this chain of events and repeated phrases from the stimulus material; others, rather naively, blamed the closure of 1800 toy factories on the activities of the CLW.

# Question 2

Two reasons were needed and marks were awarded for knowledge, application and analysis. In this question that meant 4 marks for each reason with 2 marks for the analysis. Whilst many candidates could identify two reasons, application and full analysis often proved difficult. Nearly all candidates used cheap labour as a reason. One disappointing aspect was the number of responses that resorted to vague assertions such as 'companies will do well' or 'this gives an advantage' without explaining why, with the use of analysis.

# Question 3

Not a good question for many candidates who saw it as an invitation to pour out everything they knew about comparative advantage and to ignore the main point of the question. Those that did get round to the main point often saw it as all doom and gloom for UK toy manufactures and failed to note the command word 'assess'. Reassuringly there were many good responses with a thoughtful evaluative section.

# Question 4

Most students were aware of what an ethical policy is and were able to offer an idea of its value by looking at both the pros and cons. What let many answers down, was that they were highly theoretical and lacked application and use of context. Given that this topic is a key area of the specification students should be able to come up with some examples and some recent ones at that. Nike must be getting fed up for being remembered for incidents of nearly 20 years ago! (Just for the record they are now ranked as the 14<sup>th</sup> most ethical company in the world). It was good to see some students use more recent examples and to go beyond face value and question the motives some companies have when claiming an ethical policy.

#### Section B

#### **Question 5**

Most candidates were familiar with the idea of a joint venture and many were able to link this to the idea of a form of protectionism. Most talked about protecting Indian businesses by encouraging their growth alongside western multinationals or keeping at least some of the benefits from FDI in the Indian economy. Quite a number erroneously seemed to think it was so that the Indian Government could run these businesses, but on the whole, this was well answered.

# Question 6

This was probably the best answered question on the paper with most students achieving good marks. Most made use of the evidence and linked it to valid reasons with a pleasing number bringing in concepts such as the product life cycle, saturated home markets or first mover advantage. A number of candidates classed low wages and cheap raw materials as a reason without considering that M&S is a retailer and not a manufacturer.

#### Question 7

Again joint ventures were well understood, unfortunately too many candidates stated the standard theory on why they were a good thing without any context, or, as the question asked, assessment of the benefits. At best there might have been a throwaway comment on the sharing of profits. Only a few seemed capable of real assessment.

#### **Question 8**

This was possibly the least well answered question on the paper, not because of lack of knowledge, far from it, but due to a failure to evaluate. Most students showed a good grasp of context and could use a good range of examples, indeed this part of the specification has clearly caught many student's interest. The problem was that many students got carried away producing a long list of possible difficulties and failed to evaluate them. As 5 out of the 10 marks were awarded for doing so, this limited many students to half marks at best. Those that did evaluate often only did so from a narrow perspective and did not take full advantage of the marks on offer.

#### Question 9

This final question is deliberately designed to be as open as possible and to give students the chance to show their skills and understanding and bring in a wide range of ideas and examples. Unfortunately many treated this as a textbook exercise and ignored the question, which was specifically about the Indian economy and FDI. The stimulus material had plenty of material and of course both India and FDI are key parts of the specification. Unfortunately, many students ignored the context completely and under the mark scheme

this limited them to 7 marks maximum. Their answers, although technically correct, could just as easily have referred to Brazil, Zambia or even the UK. Those that did discuss India specifically and evaluated their ideas were duly rewarded.

# **Grade Boundaries**

# GCE2008 A2 Unit Grade boundary model

Grade	Max Mark	a*	A	В	С	D	E	N	U
Raw mark boundary	80	58	53	48	43	39	35	31	0
Uniform mark scale boundary	100	90	80	70	60	50	40	30	0

 $<sup>\</sup>mathbf{a}^{\star}$  is only used in conversion from raw to uniform marks. It is not a published unit grade.

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