

Examiners' Report/
Principal Examiner Feedback

Summer 2016

Pearson Edexcel GCE
in Business Studies (6BS02)
Unit 1: Managing the Business

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Paper Introduction

This was the penultimate paper for the legacy series 6BS02 with a significantly reduced entry as a consequence of the series drawing to a close. The overall standard of answers was, however, similar to recent papers with a larger entry and had a good spread of marks. Candidates were able to complete the paper in the allotted time and whereas some scripts were difficult to read, the vast majority were able to be marked without reference back to the principal examiner.

Section A of the paper was confidently answered by many candidates and all questions seemed accessible with no question proving to be particularly difficult in comparison to the others in the section. The difference in performance in Section B was more marked, with the gap between the good and very good candidates on the one hand, compared to the performance of the average and below average on the other, principally being down to the use of the evidence provided. At times the evidence was used confidently in the required manner but at other times and in particular on questions, 8, 9, and 12, it was virtually ignored. Candidates often had good knowledge of concepts but were unable to apply it in context.

Q1

The most pleasing aspect of question 1 was that almost all candidates were able to score marks on it making it a good introduction to the paper. Most candidates were able to define price elasticity of demand and those who used the key piece of evidence, i.e. that all tickets were sold for every game, grasped the idea of inelastic demand and were able to score well.

Q2

Many candidates were familiar with the concept of the Boston Matrix and could draw and/or list its component parts. Whilst drawing out the areas of market growth and market share and the constituent types that occupied those areas in respect of how they were achieved, candidates often failed to apply this to Reckitt Benckiser's range of products and therefore missed out on a third mark for part (b), or alternatively plumped for an incorrect answer but were able to score marks due their knowledge of the concept.

Q3

Historically there has always been at least one supported multiple choice question on this paper where candidates have been asked to select the option that is not correct. Despite the frequency of these questions (there are 2 on this paper) some candidates have difficulty with this. I am pleased to say that, on this occasion, this does not appear to be the case. Many candidates were well rehearsed on what marketing objectives are and were able to identify that, in the context of this question, mass marketing was not suitable for a small scale electronics manufacturer due to the niche nature of the business. Not only that but there was an increasing number of marks awarded for explaining positive points rather than reverting to explaining distracters, although this is still a valid route to gain marks.

Q4

Whereas there were many candidates who not only chose Kaizen as the correct response and were then able to state succinctly that Kaizen was a form of continuous improvement, there was a disappointing minority who didn't know what this concept was at all - disappointing in that it is well flagged up in the specification and had appeared at regular intervals on past papers. Too many candidates gave (correct) definitions of capacity utilisation - the wrong answer here, and even Taylor's motivational theory, again the wrong answer, but in mitigation large numbers of candidate were able to say why distracter A - Taylor, was an incorrect response.

Q5

This question achieved the highest average score in section A which is possibly a little surprising as many candidates chose to start their answer by naming the 3 elements of the design mix and a mark was not awarded for this as the functions were stated in the available responses to choose from. Most candidates were able to explain that the fault in the ignition switch was a fault of the function of the car, with economic manufacture being the most chosen incorrect alternative. In being able to dismiss aesthetics and/or trademarks, candidates who chose the wrong option were still able to score one or two marks.

Q6

Question 6, traditionally requires candidates to choose an answer that is incorrect when the other 3 options are correct and this time the question proved a little difficult for some candidates, the saving grace being that, even when the incorrect response was chosen, at least one mark was achieved because a reason why JIT management would help alleviate the problem of too much capital tied up in stock was explained well. Even when the correct response D was chosen, the explanation of this was relatively weak, compared to explanations in the other questions.

Q7

Those candidates who remembered, from past papers, that there are usually two knowledge marks, found this question straightforward and were often able to pick up full marks. Many candidates were able to define cash flow but then failed to contextualise their answer which also made it more difficult to pick up the analysis mark.

Q8

This question was not well answered primarily because candidates did not pick up enough context from the evidence. They did not seem aware of the inexperience at board level, (at the Co-op) or if they did, were reluctant to use it in answering this question. An experienced Human Resources Director would have helped reduce this problem by making more appropriate appointments, thus reducing the chance of high labour turnover. All too often candidates turned their answer into a contest between internal appointees and external ones.

Q9

Question 9 had the lowest average score on the paper, the majority of marks gained being from definitions of 'loan' in part (a), although there were some vague definitions, and from 'supplier credit terms' in part (b). Once again the main criticism is that candidates did not use the evidence. Better candidates were able to explain that with huge debts a major problem for the Co-op, getting a loan in the first place may be difficult and that the interest rate charged (the drawback most cited) would likely be very high. In part (b) the better candidates were able to spot that the co-op would have difficulty getting extended credit terms, or even getting them in the first place, given their parlous financial position.

Q10

This was the best performing question on the paper. Candidates were able to use the evidence to show their understanding of the effects of ethical trading on the business market, often with very well balanced answers.

Q11

There was some confusion amongst those candidates who thought the concept of centralisation referred to spans of control but on the whole the concept itself was well understood and when placed in context was thoughtfully answered.

Q12

The most common mark on both sections of this question was 4 and whereas most candidates achieved this very few went beyond it. It was as though candidates, nearing the end of the paper, had forgotten about the context of the question, i.e. how the suggested measures could help the Co-op retain staff. Candidates understood the two concepts well enough but failed to make any real attempt to go beyond the theoretical benefits and drawbacks of each.

Grade Boundaries

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