CONTENTS

BUSINESS ADVANCED LEVEL

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Paper 5171

Business Organisation and Environment

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General comments

The structure of the Advanced examination paper differs significantly from the Standard Level. The companion 5161 Paper contained eighteen 5-mark tasks and only two 10-mark tasks, whereas this paper offered candidates eight 5-mark and six 10-mark tasks. Both the implication and expectation are clear: whilst Advanced Level candidates are not required to write lengthy essay-type answers they should, nonetheless, produce more in-depth responses.

There is the impression that October's candidates produced scripts of a better quality than hitherto but poor examination technique still hinders the achievement of higher marks for most. Examination technique remains an issue and Tutors are advised to address the subject when preparing their candidates for the examinations. Equally, it is imperative that the entirety of the syllabus is taught; some tasks were badly tackled owing to a general lack of business knowledge. There are, perhaps, five areas of immediate concern arising from this examination:

- There are still candidates who do not read the tasks carefully enough. They must ensure that they understand what the Examiner wants them to do. All too often, candidates fail to do justice to themselves simply because they either misread or fail to comprehend a task. It must be reiterated that fifteen minutes reading time is provided in order to help candidates become acquainted with the case study and the general nature of the tasks. A common and recurring issue, committed by a significant minority, is for candidates to ignore the demand for, say, three features and offer four or five. Not only is this a poor use of examination time but the candidates run the risk of the Examiner accepting only the first three, regardless of the quality of other points.

- Candidates must learn to differentiate between the demands of 5-mark and 10-mark tasks. At no point in the examination paper are candidates required to submit lengthy essay-type answers but they must write a sufficiency of detail to demonstrate to the Examiner that they understand the tasks. A succinct and focused answer is preferable to one that is convoluted and offers little substance.

- The object of having the case study is to expect candidates' responses to be made in the appropriate context. This means that responses, unless the task really calls for the rehearsal of general business knowledge, should be clearly related to the case study. Marks may be lost if context is overlooked.

- Tasks mostly ask candidates to *describe* or *explain*, and a typical weakness is that candidates do not always submit a sufficiency of description or explanation. It is acknowledged that the majority of candidates undertake the examination in a second language. Incorrect spelling and grammatical errors are not taken into consideration. The demonstration of business knowledge and, where required, the evidence of reasoning, is more important that the quality of written language. However, it must be emphasised that very poorly expressed answers, especially those which expect the Examiner to guess the meaning, may not be marked very favourably.

- Time management is an area that needs to be addressed by the candidates. It is well understood that an examination will put candidates under pressure but they need to be encouraged to pace themselves and not panic because of the time constraint. It is often the worry of getting finished on time that produces the errors complained of above. A number of scripts seem to deteriorate towards the end clearly signalling that the candidates were running out of time and either miss out tasks or give the remaining tasks scant attention.

  No apology is offered for rehearsing these points yet again. They may seem obvious but they still occur and clearly some candidates are not earning the level of marks they would otherwise deserve.

Comments on specific tasks

Task 1

(a) This task asked candidates to explain the difference between authorised and issued capital. It is a fundamental point and yet few candidates had any real appreciation of the meaning of either authorised or issued capital. It represents a weakness in basic business knowledge. Essentially all that was required was the explanation that issued capital is the amount of capital that has been actually subscribed, whilst authorised capital is the maximum amount of capital a company is permitted to raise. For many, authorised capital represented the actual start-up capital which is not quite the same thing. Full marks could be awarded with a reference to the authorised capital being stated in the Memorandum of Association.

(b) Candidates were asked to define unlimited liability and to suggest why it was of concern to the partners. Overall, this task was well tackled earning most candidates 4 or 5 marks (out of 5). The definition posed no difficulty at all but a minority of responses ignored the second part of the task which really was designed to test the application of the business concept.

(c) Candidates were asked to identify and discuss three *likely* business objectives of PPL now that it was a private company. The reference to PPL having become a private company was really a distractor and so should not have significantly influenced the response. The key to this task was the word '*likely*' which gave candidates much scope in designing their responses, although better marks were awarded for the suitability of the choices. The text itself gave appropriate clues and the expected three objectives were *profit*, *satisfying customer demand*, and *market penetration*. Other acceptable objectives included economic survival, increasing sales revenue, and remaining competitive. A few candidates chose to describe the features of a private company which were most certainly not called for. Generally, this task was quite well done with a good number of candidates able to earn 6-8 marks.

Task 2

(a) The task called for an explanation of the difference between executive and non-executive directors of a company. This is another fundamental element of business knowledge which many candidates had failed to grasp and responses were, in the main, quite disappointing. Candidates needed to demonstrate that executive directors were employed by the company in senior roles, whilst the non-executive directors were drawn from 'outside' the company because of their expertise and connections. Candidates seemed to have some understanding of executive directors but displayed little or no knowledge of the non-executive directors. It was fairly common to read that the non-executive directors assisted the executives and were not allowed dividends!

(b) Listing three suitable incentives ought to have offered candidates an easy task but a number of candidates identified, for example, the provision of cars, housing, and free holidays. These may be offered in some companies but the responses needed to be focused on the case study and what PPL would be likely to support. The choices were really quite obvious and narrow e.g. pension scheme, medical insurance, subsidised canteen, performance related pay, bonuses, opportunity to buy/be given company shares. Training came up frequently in the responses and it was allowed as it would improve motivation, but candidates needed to appreciate that training was part of the overall employment responsibility of the employer.

(c) This task encouraged a number of excellent responses. Most candidates earned marks in the 6-8 range whilst a significant number were awarded 9 or 10 marks. The idea of team-working seemed to be well understood as were the benefits offered to both employers and employees. It obviously proved to be an accessible area of knowledge and the main points looked for were well rehearsed e.g. adaptability of staff, acquisition of several skills.

Task 3

(a) Assuming that most candidates have a degree of computer literacy this task was quite straightforward and, in most cases, it was rather well done. Candidates were asked to explain two likely problems posed by the increasing use of computer technology and mostly the main points were readily identified e.g. the cost of and the need for training and updating, skills shortages, changes in the working environment, health implications. The weaker responses mentioned problems with staff not being computer literate when the case study clearly referred to PPL as a computer based organisation. Equally, the point was made about redundancy arising from computers displacing personnel – this was disallowed as it was too general.

(b) The purposes of staff appraisal were appreciated and understood. This task was quite successful and candidates offered the essential points, namely, the identity of training needs, increasing motivation, promotion, salary increases, measuring performance. The responses tended to be quite strong and earned 4 or 5 marks.

(c) Explaining three expectations that the staff might reasonably have of their employer should, by now, be a familiar area. The task has become a standard part of the 5171 examination and should, as a result, be well considered and answered. It was approached quite well by most candidates although a number ignored the fact that, being a 10 mark task, the response needed to contain a little more detail than that demanded by a 5 mark task. Essay type answers are not required but candidates must offer a sufficiency of explanation to convince the Examiner of their depth of knowledge and awareness. Examples of expectations include the payment of fair wages and salaries, suitable training, safe conditions of work, opportunities for advancement, and appropriate incentives. The anticipated responses were mostly offered although some chose to reprise their answers to **Task 2 (b)** and list individual incentives. An unqualified identity of an expectation earned 1 mark and a candidate could only earn 6 or more subject to satisfactorily explaining three expectations.

Task 4

(a) This task presented many candidates with a problem largely because they did not read the rubric carefully enough. The task asked for three likely reasons why PPL, located in South Africa, benefited from using the printing works in Malaysia. This was seen as a question of location incentives and many answers tended to focus on South Africa itself. Responses were, as a result, concerned with cheaper land, tax advantages, government subsidies and the like. Even those answers related to Malaysia pursued a similar theme under the impression that PPL had set up Ng Fine Printing Ltd. *The likely reasons sought included lower printing costs, ready supply of trained labour, access to better quality paper, higher skills among the Malaysian workforce, reliability of the printer.* The response to this task needed to be deduced by candidates who were not expected to give a *right* answer but *likely* reasons.

(b) Candidates were asked to discuss the likely impact of Disposable Income and Competition on PPL. These two influences were rightly seen as PEST issues which encouraged many candidates to write about all four main areas of PEST activity.

Disposable income was defined well but the main weakness in the responses was the lack of interpretation and application to the case. It did not seem to occur to many candidates that when individuals had high disposable income they could afford the luxury of vanity publishing i.e. the very business of PPL. Conversely, when economic conditions reduced disposable income then PPL would face difficulty in attracting business.

The question of competition as an influence was either treated very badly or very well. On the one hand, there was little appreciation how PPL might be affected by other publishers entering their niche market whilst, on the other, candidates were able to articulate the impact of competition in terms of quality of delivery, pricing, and service to authors.

Task 5

(a) The task asked for the purpose of a code of ethics to be explained. The case study contained an appropriate clue e.g. the refusal of PPL to publish anything that was pornographic, defamatory or discriminatory. Candidates were expected to suggest that the code was a policy statement dictating the principles by which PPL ran its business. Responses tended to be limited to what was in the case study and so mostly earned 2 marks. The code of ethics was often confused with a code of conduct.

(b) This ought to have been an easy enough task but few candidates were able to offer a sound definition of a niche market. A lot of responses referred, rightly, to the small size of the market, and one with few competitors, but very few even described it in contrast to mass marketing. To be fair to candidates, those identifying the market as small and specialised attempted to illustrate their responses with references to certain international luxury brands that had limited (though expensive) markets. Candidates should have appreciated that responding in context helps earn marks.

(c)   Candidates were asked to suggest how PPL might ensure a high level of customer service. Although most candidates tended to talk around the subject, it was quite a successful task with many scripts earning 5-7 marks. There was a clear appreciation of the issues but the better marks went to those who picked up on the issues in the case study. The points that should have emerged were, for example, that PPL should be more sensitive in dealing with authors, staff should be trained in customer care, compensation in the form of full or partial refunds might be made to dissatisfied authors, introduction of quality assurance to avoid typographical errors.

Paper 5172

Effective Business Communication

General comments

The standard of performance in relation to this paper appears to be generally good overall. However, the depth of discussion in many instances was quite disappointing, with answers tending to be quite brief with little elaboration on key points.

As in previous years, the same issues tended to manifest themselves and were responsible for the low marks gained by some candidates. These include:

Misinterpretation of task requirements – This was very evident in **Question 3 (a)** where many candidates failed to realise that the focus on preparing for a meeting, would include development of agendas, identifying accommodation for the meeting etc. There were some very ambiguous answers, and others that focused on specific business areas. A further example of this was in **Question 4 (a)**, candidates were asked for types of questions, when actually they provided possible questions. There is a subtle difference, but one that in essence affects the overall awarding of marks. **Question 4 (b)** appeared to pose problems for a number of reasons, misinterpretation of the task, but also an inability to provide comparative answers. This means that there were a lot of confused answers, some of which barely applied to disciplinary interviews at all.

Time management – Many candidates seemed to perform quiet poorly in **Question 5** because they had run out of time. As this is a three part question it is quite unfortunate, particularly because most of the answers in relation to press releases in **Question 5 (c)** were very weak or mostly unanswered. The same applied to those answering **Question 5 (b)**. Additionally, writing tended to deteriorate quite considerably at this stage, and at times writing was barely legible. The structure of this paper has been the same for several sessions, and therefore it is apparent that there are five questions, which means that the two hours of the examination should be split into five equal sections, with each question totalling 20 marks.

On a more positive note, the *format and presentation of material* seemed to be quite good on the whole and there was evidence to suggest that candidates had been well prepared for the exam. There were clear heading and subheadings and plenty of space between writing. This is evidence of good practice and should continue.

On a final note in this section, can Centres please ensure that papers are clipped together in the appropriate order. Examiners spend a considerable amount of time re-ordering the script in order to be able to mark coherently.

Comments on specific questions

Question 1

(a)   This focused upon explaining the different methods of communication used to deal with customer complaints.

Candidates were asked to write about five in particular:

- *Team meetings* – focusing on the need for regular staff meetings or dedicated team meetings. A two-way form of communication.

- *Email* – this could be used to give information to staff, but not best in the situation given in the case study as this is not a technology driven company.

- *Seminars* – these are usually, presentation based, leading to discussions and used for training purposes or proposals – this is also a two-way method of communication.

- *Briefings* – candidates should highlight that management brief staff about key issues and problems. However, this is more of a one-way method of communication.

- *Written reports.*

This question was generally answered very well indeed and often a high level of marks were awarded. Candidates gained 2 marks for each of the methods of communications explained.

One weakness that could be identified within the answers provided is that the majority of candidates failed to identify whether or not the communication was either one or two-way communication. This is ultimately important in showing an understanding of appropriate communication methods.

(b)   This question is a short 4 mark question, asking candidates to identify the most appropriate method of communication to ensure that all staff are aware of the problems. The answer would have most likely been either a team meeting or even a quality circle. The point being that the communication should be two-way i.e. sharing information, discussing how it should be dealt with, getting feedback from staff on how to handle the issues most sensitively etc.

There was a rather mixed response to this question. Many candidates had suggested inappropriate methods because they did not fully understand the importance of the two-way communication issue.

(c)   The concept of different types of communications i.e. paralanguage, metacommunications and non-verbal communications appeared to cause the majority of candidates some discomfort, and it appeared that in the main they did not really understand what the different types of communication were. For many this meant that their ability to gain marks was severely hindered. In addition to this, not only could candidates not explain the different methods of communication, they could not provide the required examples either.

Paralanguage – the intonation used to emphasise what the real meaning of words are. It is not what is said but the way in which it is said. Candidates were then required to give an example, which might have included someone answering a question in a sarcastic tone.

Metacommunication – relating to the sense that humans have in feeling that there is more to what a person says than just words.

Non-verbal communication – the use of Kinesics, body language, dress, facial expression and posture would be the main thrust for this area. However, candidates still seem to keep including the written word, which is *not* what this is about. If they did this, they were penalised for doing so and failed to gain the marks available.

Question 2

(a) This task required candidates to write a letter apologising for the problems which the customers have experienced, and in the main this question was answered well, although the salutation seemed to cause some difficulties. Candidates must realise that when they are responding to a letter, they would use the name of the person, as opposed to dear sir or madam. Additionally, there was some confusion over the use of 'yours faithfully' and 'yours sincerely'.

Candidates were assessed equally on format and body of the letter, and it should have been structured as follows:

- letter heading of the company
- date
- reference number
- appropriate salutation – Dear Mr/Mrs
- letter heading – Customer complaint
- the body/content of the letter
- apology for problems and compensation
- appropriate closure and action
- signature and position.

The tone of this letter should have been apologetic, and in most instances candidates recognised this.

(b) This part of the question required candidates to explain the benefits of using email for communications. In the main this question was answered quite well, although the depth of discussion varied. Key components of the answer included speed of communication, two-way communication, facilitates faster feedback, ability to see and track what has been received, and ability to communicate overseas much quicker. There were a total of 6 marks available for this question and the majority of candidates achieved in the upper middle range.

(c) Candidates were expected to continue to expand upon their knowledge of e-communications, including looking at databases, desk top publishing packages and websites.

Answers relating to databases were very strong and tended to find candidates giving emails about mail shots, managing relationships and keeping in touch with customers. There was clearly a good understanding of the issues.

Answers relating to desk top publishing drew a rather more mixed response, with some candidates clearly failing to understand its nature and scope, and that it is a software package that can be used for the creation of professional mail shots, flyers and brochures.

Consideration of websites, however, was generally more positive with the majority of candidates identifying that is was a channel for promotion and sharing information, accessible on a 24/7 basis. Most candidates scored full marks for this part of the question.

Question 3

(a) The task facing candidates for this question was to prepare for a meeting. Generally this includes the following:

- aims and objectives outlines
- action points highlighted
- time constraints adhered to
- leadership provided
- preparation and use of an agenda
- the use of minutes
- the role of key participants – chair person, secretary, treasurer (examples).

Whilst this should have been the focus, many candidates presented a variety of answers, which were completely out of context, and seemed to be focusing more upon verbal and non-verbal communications, or written presentations. This is not what the question asked for and as a result saw many candidates failing to gain the marks available.

(b) Candidates seemed to like the question relating to characteristics of effective groups within an organisation, and seemed happy to expand upon the areas quite readily. Clearly there was a lot of confidence in the area. The focus for this particular question was looking at issues such as structure and culture within the group, the development of trust and commitment, support, consultation and communication. In addition to this group involvement in decision making was an issues and respect for others.

As you would expect, there was also the importance of the team building process, norming, forming, storming and performing.

The majority of candidates were gaining marks in the middle to upper range, this was very encouraging.

Question 4

(a) The task posed to candidates related to explaining four types of questions that could be used in an interview situation. The answers should have been closed questions, leading questions, open questions and hypothetical questions. Those candidates who answered this question as asked appeared to do very well, and seemed to answer the question and include examples as requested. However, there were those candidates who seemed to just provide a list of possible questions that could be used during an interview, but without categorising them as above.

- *Closed questions* offers a choice of very short direct one or two word answers, e.g. what is your name?

- *Leading questions* focused upon leading the interviewee to speak about specific issues, e.g. why do you think you are suitable for the position?

- *Open questions* are more searching questions, which gives the applicant an opportunity to talk about themselves in detail, for example, what are your ambitions if you were to join the company?

- *Hypothetical question* are usually based upon applicants being given a scenario (i.e. a situation) and they are to answer the question in context of the scenario. For example, you have just improved the company website, how could you use this to promote the company further?

For each one of these types of questions, candidates could achieve 2 marks, 1 for type and 1 for example. Many candidates did indeed gain full marks.

(b) This particular task required candidates to explain three ways in which a recruitment interview for new staff would different from a disciplinary interview with existing staff. However, it would appear that the knowledge of disciplinary interviews was limited, and candidates were unable to give much by way of comparison, resulting in some weak answers being presented.

Typical differences would have included, a recruitment interview being about filling a vacant position, whilst a disciplinary interview should try and find out causes to problems. Furthermore, recruitment interviews and disciplinary interviews are likely to be carried out by different people.

Some candidates prepared tables with recruitment interview on one side and disciplinary interview on the other side. This worked well particularly where there was some accompanying dialog.

However, as a result of the lack of knowledge in this area, marks tended to be quite variable overall.

(c) In this part of the question, candidates were asked to identify and explain three other types of business interviews which a manager may be expected to undertake in her or her role. These in the main focused upon counselling, performance review, terminate, induction, data-gathering and exit interviews. Again, there were some interesting answers, but in the main candidates stuck to the more traditional approach and were able to demonstrate a good overall understanding. Many candidates achieved full marks in this area.

Question 5

(a)   In the context of customer complaints, candidates were expected to explain the advantages and disadvantages of graphical forms of communication, which could be used to present data.

Candidates were given specific graphical forms as follows and should have been able to provide some of the following advantages and disadvantages for each:

- *Pie chart* – total value of items must be known, use of colours to enhance impact, limited amount of in-depth information can be conveyed, it needs to be worked out in terms of 360 degrees.

- *Line graph* – good for showing trends, cannot readily or clearly be interpreted if too many plotted lines of information, therefore, not helpful for complex information.

- *Bar chart* – vertical and horizontal scales showing the unit of measure, bars or equal lateral dimension, good for showing information, which is not too complex. However, limited visual impact if results are very close in value.

- *Table* – good for tabulating complex information, limited immediate visual impact and difficult to interpret readily.

Those candidates who managed time effectively, actually went on in the main to achieve the upper end of the spectrum in marks, which was encouraging. Those who did not tended not to because the answers provided were illegible or very brief, and showing a lack of understanding.

(b)   This particular task asked candidates to suggest how company brochures could be improved using modern technology. Based on the earlier question on technology in particular including desk top publishing, candidates should have found this relatively easy. Many candidates did provide some useful insights, but in the main only one or two, because time was running out. This is a really good question and candidates could have done really well, if they had only managed things more effectively.

(c)   Candidates were expected to demonstrate a knowledge relating to the characteristics of press releases. This question was very poorly answered, sometimes barely any information provided, and when it was, it was in brief bullet point format. Many candidates who did attempt to answer seemed to lack understanding of press releases and offered obscure answers to describe it overall.

The answer should have included:

- Written for publication to different audiences – journalist and target audiences.

- Content – information needs to be news worthy, credible and true.

- Structure and style – needs to include headline, facts, quotations, embargo data, need to be double line spaced, include photos etc.

- Needs to be checked internally before release.

The majority of candidates failed to identify more that about two of these characteristics, therefore, more effort is required to deepen their overall understanding.

> **Paper 5173**
>
> **Business Finance**

General comments

Overall the responses of the candidates who sat the October 2004 examination were rather disappointing with many candidates producing answers to some of the tasks that were irrelevant, unfocused or imprecise. Centres are urged to ensure that future candidates are better prepared for the examination by referring to previous papers and mark schemes. This should ensure that candidates provide more focused responses and that they manage their time more effectively.

Centres are reminded of the need for candidates to provide a formula when they are attempting tasks that require a calculation. A failure to do so often results in candidates losing marks when their calculations appear incorrect.

Comments on specific tasks

Task 1

Overall the answers to this task were satisfactory, with the majority of candidates being able to define the terms precisely and being capable of providing focused explanations of how the issues were likely to affect the firm's activities.

Task 2

Overall the responses to this task were satisfactory with many candidates scoring high marks. The task required that the candidates identified the PEST factors from the case study and that they then explained how the factors were likely to affect future profitability. This required the candidates to demonstrate how the factors would affect the revenues and costs of the firm and often candidates did not provide responses that addressed this particular aspect.

Task 3

Overall the answers to this task were disappointing, with a sizeable minority of the candidates being unable to calculate either the accounting rate of return or the payback period for the proposals. This represents a significant gap in the knowledge of the candidates and Centres are urged to address this issue as a matter of some urgency. Most candidates could only produce vague explanations as to why it is important to consider the time value of money. This is another area of the syllabus that Centres are urged to give greater attention to, in order to provide a sound knowledge base for the candidates.

Task 4

Overall the responses to this task were disappointing with many candidates producing imprecise answers to all of the elements of the task. It was surprising that candidates seemed to have only scant knowledge of the adjustments that may be required to produce accurate accounts. Centres are urged to review their delivery of the topics covered in this task in order to ensure that future candidates are better prepared for the examination.

Task 5

This task was answered well by many of the candidates and it is clearly a topic that Centres are covering in a thorough manner.

Task 6

This task was not answered well by the majority of the candidates. Many answers were too vague or they were irrelevant. Often candidates confused the role of the directors with the role of the managers. In some instances the candidates confused the public limited company with a public sector organisation and there appeared to be limited knowledge of the methods of 'going public'.

Task 7

This task was answered very badly by the minority of the candidates who attempted to provide a response. It is clearly a topic that has not been given much emphasis during the delivery of the syllabus and Centres are urged to address this issue as a matter of some urgency.

Paper 5174
Marketing

General comments

In this examination session candidates demonstrated both extremely good performance at one end of the scale, and very poor performance at the other end. Some candidates were able to respond well to all tasks, link their answers back to the Case Study, and explain relevant marketing theory. Others unfortunately wrote only a few words in answer to the tasks on the paper and made no attempt to link their learning to the Case Study scenario. Specific syllabus content areas are covered in the section on tasks below.

One key issue affecting performance that has been raised in several previous reports, but continues to cause problems for many candidates is that of not reading the task set. In some cases, although the task required an explanation, many candidates simply listed the items requested. In addition, there were several instances of misreading of the requirements of the task. This particularly applied to **Tasks 4 (a)** and **5 (b)**. Centres are encouraged to give candidates practice in answering tasks from previous papers to help them to understand the requirements of the tasks set.

Comments on specific tasks

Task 1

This task was set to assess understanding of the first section of the syllabus and specifically asked for *four benefits* in part **(a)**, and *four functions* in part **(b)**. Some candidates were unable to differentiate between a benefit and a function and this caused overlap between the answers to the two parts of the task.

(a)   This part of the task required candidates to explain four benefits that PlusCo would gain by setting up a marketing department. A number of answers would have been acceptable here – e.g. ensuring that the company's objectives were met, and focusing the attention of everyone in the company on the customer. Some candidates wrote about more than four benefits, which wasted valuable time as marks were only available for four.

(b)   This part of the task required candidates to write about four functions that would be carried out by a marketing department and once again there were many acceptable answers. For this part of the task there were 3 marks available for each function, and candidates were therefore expected to explain the function in each case. Examples of functions include marketing planning, marketing research, designing a marketing mix, managing a brand, developing new products as well as others. As in the first part, some candidates write about more than four, which wasted time and effort.

Task 2

The focus of this task was marketing research, and it specifically looked for candidates to identify how research could be used to assist the situation outlined in the Case Study.

(a)   The first part of this task gave candidates an opportunity to demonstrate their knowledge of two general marketing research terms – continuous research, which is research used on an ongoing basis to monitor the external environment, competitor activity or customer preferences, and ad-hoc research, which is research used to explore a specific issue or question. This part of the task was generally achieved by most candidates.

(b)   This part of the task gave candidates the opportunity to identify how the two types of research might be used to help PlusCo in the Case Study.

   (i)   This part looked at continuous research, which could be used to monitor trends in customer behaviour, competitor activity or the external environment. The task required candidates to choose one of these examples and explain suitable methods that might be used. Most candidates could explain the purpose, but had difficulty identifying suitable methods such as desk research or tracking studies.

(ii)   This part looked at ad-hoc research, which could be used for many purposes, although the obvious ones were linked to the launch of the new product – its name, customer opinion of it, pricing or promotion of it. The task again asked candidates to identify just one, and then explain a suitable method. Candidates who scored high marks were able to describe how focus groups might be used.

Task 3

This task was set to assess candidates' ability to apply their knowledge and understanding of segmentation to the situation in the Case Study. It gave candidates an opportunity to think creatively and use demographics to describe a suitable market for the snack. Candidates who simply explained demographic segmentation did not attract many marks for this task. Candidates who described the characteristics of a demographic segment and gave reasons for its selection scored well.

Task 4

This task was done very well by most candidates. Only a few did not know Ansoff's matrix and therefore were unable to answer part **(a)**.

Task 5

This final task was set to assess candidates' understanding of the elements of the marketing mix – specifically, price, product and promotion. Candidates who knew the new product development process did extremely well here with some gaining full marks in this task.

(a)   Many candidates were able to identify either a penetration or skimming pricing strategy for the launch of the new product.

(b)   Candidates who knew and explained the seven stages of NPD did well here. Unfortunately some candidates ignored what the task required and gave either the seven Ps of the extended marketing mix or seven stages of the marketing planning process. Clearly these were inappropriate.

(c)   This last part was again done well by those who read correctly that the task required two types of *advertising*. Unfortunately some read this as promotion and gave personal selling or public relations as answers. These were incorrect.

Paper 5175

Human Resource Management

General comments

The quality of responses from the majority of candidates was much improved this year with far fewer failing to answer the five questions required. However, it is still of some concern that there still appears to be some areas of the syllabus that are covered in far greater detail than is required whilst other areas are neglected or at best covered superficially.

Each year the examination paper is set to cover all of the five assessment objectives. No particular part of any assessment objective is favoured and a deliberate attempt is made to cover all parts of each assessment objective over a period of time. It is therefore essential that all parts of the syllabus are covered to the specifications laid down.

In addition it is equally important that candidates are taught how to answer examination questions. In many cases the failure of the candidate to answer the questions set severely restricts the mark they obtain. Answering examination questions is a skill without which even the best candidates will struggle. Knowledge of the subject matter alone is not enough.

Finally too many candidates are inclined to ignore the case study given. The whole point of the examination is to place the different parts of the syllabus into a real context. Candidates should be given as much opportunity as possible to practice answering questions or learning different concepts in a 'real' situation.

Comments on specific questions

Question 1

This question provided a classic example of candidates' wealth of knowledge, but also their inability to relate this to the case study.

(a) This part of the question was well answered, especially the first part, although the majority of candidates could explain how HRM had developed from a 'welfare activity' through a 'workforce centred activity' to 'supply the organisation with the resources it needs'. This knowledge gap needs to be addressed.

(b) Candidates clearly had problems with this part of the question. The majority repeated part of their answer to part **(a)** and few used the case study material. Even less understood the movement from a decentralised to a centralised system.

Question 2

This is without doubt the assessment objective, objective 2.0, that candidates find the most difficult. Alternatively it may be that this assessment objective is covered in less detail than many of the others.

This question consistently scored the lowest marks out of the five questions set.

(a) Candidates did not read this question properly or chose to ignore it. Candidates either wrote about 'labour markets' or 'the local labour market' but few connected the local labour market to IGL. The link between what was available and what IGL required was clearly laid out in the case study.

(b) Very few candidates had any idea how to answer this question. Few understood the difference between pay related and employment protection legislation, something that should be basic knowledge for everyone, and those that did failed to explain the legal implications, the harm this would do to the morale of the workforce or the implications for output and IGL's reputation.

Question 3

In contrast to **Question 2**, the topic of employment contracts is well taught and fully understood by the majority of candidates. Unfortunately the problem of relating knowledge to a particular situation, in this case IGL, continued to be a problem.

(a) Almost all of the candidates were able to list the different employment contracts that exist, although a few were confused between the employment contract and the ways of organising work. For example the 'flexitime contract', a way of organising work, was often wrongly quoted. The better candidates could also suggest which type of contract IGL should use with some detailed explanations of why.

(b) Once again the majority of candidates knew the different methods that could be used to end a contract and explained these. Unfortunately very few candidates were able to evaluate these and make the point that workers could not be forced to resign or retire, and so the only options for IGL were redundancy or dismissal.

Question 4

It is a mystery why candidates found this question so difficult. The material is straight forward and both parts of the question could actually be answered in a very theoretical way without losing that many marks.

(a) Candidates clearly did not read this question properly. Very few managed to produce the three systems that were required with the conflict resolution largely ignored. This severely restricted the marks of the majority. The communication system also caused a problem with only the best candidates able to describe anything beyond 'a meeting' or 'talking'.

(b) This question required the candidates to suggest three methods of monitoring and measuring performance apart form appraisal which was used by IGL. The question did state 'three other methods', but this was largely ignored and long explanations of appraisal were provided. It is of some concern that appraisal is covered in such depth, often beyond what is required by the syllabus, and that targets, standards, team performance, key accountabilities and competencies are covered so superficially.

Question 5

This question produced some excellent answers to the first part but clearly suffered because of time management problems by the candidates. Part **(b)** was often restricted to a flow chart because of this.

(a) Some good answers, but the majority took a theoretical approach and explained the different systems. The best candidates were able to put the systems into the context of the case. Some candidates are still confused between payments and rewards.

(b) Very few candidates answered this question satisfactorily. Many planned a training day and others concentrated on 'induction training'. The words in the question 'step-by-step' were largely ignored. The omission that is of most concern is the 'training needs analysis', a vital component of any training plan.

Rather ironically, a large number of candidates used the case study to produce a detailed plan of what each job required but not training plan.

Papers 5176, 5177 and 5178

Interpersonal Business Skills,

Business Start-up and

Customer Care

General comments

Centres need to be alert to the administration elements of this scheme. The use of the assignment cover sheets is strongly recommended and has benefits for the candidate, Tutor, Assessor and Examiner. Centres should only submit candidates' work if they feel it meets all of the requirements of the scheme and is complete. SAR sheets must be fully completed and signed by the Tutor before submitting work to be examined. Care must be taken in completing the list of names of candidates being put forward together with their assignments.

'Assignments Guidelines' and 'Criteria for Assessment' sections of the module booklets are very important and must be acknowledged and understood by Tutors and Centre Assessors.

Centres should try to be consistent with the lay out and presentation of candidates' work. The assignments submitted should always be set out in a logical way, embracing conventional styles such as title, page numbering, contents page, headed sections, appendices, bibliography, etc.

The modules require that the candidate makes a self evaluation of his/her performance in addressing a group, undertaking some research or simply commenting on the assignment. Tutor guidance is important with this issue (see the final item in the assignment cover sheets).

It is suggested that Tutors read all the comments below for each of the modules, as there are many points which could be applied to the majority of the on-demand assignments.

Paper 5176

The majority of Centres submitting assignments under this module were successful. Some weaknesses were identified such as: poor self evaluation; no reference sources used; very little evidence about a 'small group meeting'; minutes were sometimes not business like; and in a few cases, minutes had not been recorded by the candidate.

The general points made in the reports for other levels can be applied to this module.

Paper 5177

Generally speaking, most Centres had a good understanding of the requirements of this module. The majority of entrants had produced work which was well laid out and presented. Some candidates had not demonstrated the competence criteria (objectives) fully in their assignments; this is an essential part of all modules and detailed guidance is given under 'criteria for assessment' in the module booklet. It is important to link these objectives and the research undertaken in the assignment.

Also any reference to items in the appendices should have a bearing on what is written by the candidate. Candidates must include a proper 'action plan' in the assignment, as this is an integral part of this module. Self evaluation by the candidate is expected in their assignment; a reminder to do this can be found at the end of the 'assignment cover sheet' included within the module booklet.

On occasions, some candidates did not include references to sources used during their research or investigation; this could include a short bibliography, web site material, company reports, etc.

Paper 5178

If assignment cover sheets are not complete, then it is likely that the candidates' assignment is not complete; this serves as a double check for Tutor and candidate.

Centres are missing the requirement for candidate self evaluation, yet this is listed on the assignment cover sheet. Blank assignment cover sheets have been sent in with candidates' work not indicating whether they have been used or not, and some Centres failed to include SARs with the work. Weaknesses have included no page numbering, weak reference sources, and no self evaluation. One assignment was written in the third person and did not reflect on the candidates' ability to write a report. Sometimes important documents, like a copy of the questionnaire used by the candidate, were missing from the assignment and a proper check of assignment content had been omitted.

Pure theoretical analysis of customer care is not sufficient for this module and candidates must demonstrate their ability to undertake research and analyse the data. The questionnaire has to be designed in a certain way to be successful, and guidance for this can be found in the module booklet. One Centre encouraged candidates to use the objectives in the form of headings for the assignment; this proved successful in making sure that all objectives were demonstrated and that the work was complete. The module SARs are not interchangeable, as one Centre thought, and each only relates to the module for which it was designed.

> **Paper 5201**
>
> **Information and Communications Technology (ICT)**

General comments

There overall pass rate for this module was marginally lower than last year.

The most common error was:

- The failure to submit all the required printouts, particularly the two different copies of the document.

Other errors included:

- Errors in page layout with the failure to set margins or column widths as specified.

- The failure to resize the imported graphic or to text wrap around this graphic.

- The failure to understand the generic terms serif, and sans-serif. Many candidates tried to locate these as font styles rather than understanding that fonts such as Times New Roman contain short strokes or serifs on each letter, and that sans-serif fonts are without these.

- Charts that were inserted but were unreadable, either because of the scaling of the chart or because of errors in the data series (usually because too much data had been selected as it was created).

- Errors inserting new text into a numbered list and renumbering as specified in the question paper.

- Errors in searching and sorting the database extract (particularly in maintaining the data integrity).

Paper 5247

Organising Meetings and Events

Overall comments

The candidates' overall performance ranged from very good to poor. Some candidates were well prepared and correctly organised an event, as required. They then produced reports detailing how they had organised their event, together with the documentation and methods of communication that had been used.

Some candidates did not submit completed Student Assessment Records and/or completed Assignment Cover Sheets. These should be completed and signed by all candidates and Tutors (pages 73 to 77 of the Advanced Syllabus refer).

Comments on the work of candidates

Most of the candidates produced reports that were legible and detailed. However, some of the information contained within the reports appeared to have been produced from textbooks and explained how an event should be organised. Centres should note that a description of best practice is not sufficient evidence for success in this assignment.

Candidates often did not give specific information on what they actually organised, how they did it, when and where, with whom they communicated and how they did so, etc. Various documents had been produced but candidates' organising skills were not always apparent. Candidates, especially at this Advanced Level, should be using monitoring aids efficiently. These would include action plans, schedules and checklists. One or all of these aids should be used and copies submitted as part of the candidates' reports as clear evidence of how the event had been organised by the candidate.

Very few candidates mentioned the communication methods they used and the reasons they chose these particular methods. Copies of letters, emails, agendas, notices of meetings, minutes etc. (where meetings were held as part of the organisation of the event), invitations, various venue brochures, name cards, banners, notices and transcripts of telephone conversations had been submitted. However, no detail had been given of what communication methods were used and the factors that influenced their choice. (For example, a memo written to a colleague would use an informal approach and style of writing, whilst a memo to a senior manager would be more formal and take account of that person's role in the organisation.) Competence Criteria 1.1 (page 68 of the syllabus) and 2.1 (page 70) refer.

The selection and use of effective monitoring aids such as checklists, diaries, work schedules, etc. as a means of effective and efficient event planning should also have been highlighted. Candidates are required to assess the planning, organising and monitoring methods they actually used (Competence Criterion 2.2, page 63 of the syllabus refers). They should then state whether or not these monitoring aids were successful and what they would do differently when they organise their next event.

Many candidates included lengthy descriptions of the secretarial and chairpersons' roles and procedures and lists of meeting terminology. Although these are not required, candidates were not penalised for including this information in their assignments.

Some assignments were rather muddled. Candidates appeared to have included mini assignments undertaken during study time. It was often very difficult to decipher which information was part of the class exercises and which was part of the work of the final assignment and it is recommended that the final assignment only is submitted for assessment.

General comments

A Student Assessment Record (SAR) should be completed when the candidate has achieved all objectives reliably, consistently and without help. The SAR should be signed and dated by both candidate and Tutor. Each candidate must submit a completed SAR with his/her assignment (page 77 of the Advanced Syllabus refers).

Candidates and Tutors are advised to read the Assignment Guidelines given on pages 78 and 79 of the syllabus very carefully. The step-by-step approach included in the Introduction on page 78 is highly recommended, as this will help candidates to plan and carry out their assignments.

It is also recommended that candidates discuss with their Tutors the event they are able to organise. Some candidates have been rather ambitious and would be better advised to organise a small event. Once they have decided the actual event that they intend to organise, they should then work out how this could be done. Candidates should write a plan of how they intend to carry out the various tasks that will be required. (Those candidates who cannot organise an actual event may organise a simulated event but all the assessment requirements listed in the syllabus must still be met.)

Each candidate must produce evidence of his/her own planning and work schedule. Copies of documentation such as invitations, agendas and minutes of meetings (if appropriate), emails, notes, short reports, transcripts of telephone calls and face-to-face conversations, publicity for the event, etc. should be included in the report. Evidence can include video and/or tape cassette material but this should be authenticated by a Tutor's observation statement (page 79 of the syllabus refers).

Candidates should consider:

- what type of event they can organise

- the documentation which would be appropriate for the event

- the time, date and venue for the event

- how they propose to organise the event

- what facilities they have to help them in this task

- how to ensure everything necessary is organised – methodical working is crucial

- production of documentation that is complete and clear

- what communication methods would be appropriate and also the effect work roles and relationships will have on the communication methods they choose

- timescales involved.

The production of the report should be considered right from the start of planning, not left to the last minute. Candidates who made notes and who thought out the organisation of the event and the report from the outset were often the most successful in their assignments.

Candidates may wish to note the following points for successful report writing:

- a brief introduction at the start of the report should describe exactly what the candidate has organised

- the actual planning and organisation of the event

- full details on the organising and monitoring methods that were used

- a brief statement as to whether or not the organising and monitoring methods were successful

- a short paragraph of what the candidate would do differently next time, if appropriate

- a brief paragraph giving the communication methods used by the candidate, together with an explanation of the factors that influenced the communications they used

- copies of all documentation and transcripts of telephone and face-to-face conversations

- a conclusion on the success of the event.

Tutors may wish to note that lists explaining the purposes of meetings, the secretary's role, the chairperson's role at a meeting, meeting terminology and explanations on the essentials of minuting are not required as part of the final assignment.

Finally, Centres should submit the candidate's assignment to CIE together with the Student Assessment Record (SAR) and Assignment Cover Sheets, making sure that these have been completed, signed and dated.