# BUSINESS STANDARD LEVEL

**Paper 8928/5169**

**Business Organisation and Environment**

## General comments

The degree of difficulty for this examination was no different to previous sessions. It is recognised that most of the candidates undertake the examination in a second language and so incorrect spelling and grammatical errors are ignored in favour of the quality of their responses. The demonstration of business knowledge and, where required, the evidence of reasoning are more important than the quality of language. Teachers must reassure their candidates that this is the case. However, it must be equally understood that poorly expressed answers, especially those expecting the examiner to guess the meaning, will not be very successful.

In the attempt to make this paper much more accessible, candidates were presented with the usual range of tasks, but with 28 assessment points. With the exception of **question 4(b)**, which was worth 10 marks, all the other tasks carried from 1 to 6 marks each. Candidates were offered, a number of short tasks, calling for crisp and succinct answers that demonstrate the knowledge required – as is appropriate at Standard Level.

Arising from this examination, there are some issues which still require discussion:

- Candidates must ensure that they understand what the Examiner wants them to do. *This means they must read the Examiner's instructions very carefully.* All too often candidates fail to earn good marks simply because they either misread or fail to comprehend a task.

- It needs to be reiterated that candidates are allowed 15 minutes' reading time in order to become acquainted with both the case-study and the tasks. It is appreciated that an examination will subject candidates to pressure, but teachers need to encourage them to pace themselves and not panic because of the time constraint.

- There is still a significant minority of candidates who, despite a task demanding, for example, *three* features, will *offer more* than is required. Not only is this a poor use of examination time, but the candidate runs the risk of the Examiner accepting only the first three, regardless of the quality of the other points.

- Many of the tasks ask candidates to *describe* or *explain* and a typical problem is that candidates do not offer satisfactory descriptions or explanations. A number of answers were limited not because of any specific weakness in knowledge, but rather because the explanations lacked substance. A description or explanation does *not* require a bullet-point answer. The essential points are rewarded, but the candidate is unlikely to gain full marks.

- The point of a case-study is so candidates' responses are made in an appropriate context. Some tasks test general business knowledge, but mostly, they are related to issues in the case-study and should be answered accordingly. If the context is overlooked, then marks will be lost.

- It is clear that some candidates are not earning the level of marks they would deserve. *Examination technique must always be a matter of concern and teachers are advised to give it full attention when preparing candidates for the examinations.*

**Comments on specific tasks**

The subject of the case-study was Universal Merchandising plc. The company, located in the Philippines, designed and manufactured a range of personalised merchandise, mainly for the sports and corporate markets. The company's main products were T-shirts, sweatshirts, tracksuits, sports bags, caps and towels, which are all produced in team colours with appropriate logos.

**Task 1**

**(a)** The company Chairman had referred to the four factors of production and mentioned land and labour. Candidates were asked to identify and describe *the other two* factors. Candidates needed to offer *capital* and *enterprise* [or *the entrepreneurial function*] i.e. no other answers could be accepted. 2 marks were available for each factor: 1 mark for identifying the factor and giving a basic description, and 2 marks for a complete answer. With *Capital*, reference to finance and shares was expected, but it should have also included equipment, machinery and buildings. Equally with *Enterprise*, managerial skill and an ability to read the market needed the additional ingredient of risk-taking. Candidates generally offered competent responses to this question.

**(b)** Candidates were asked to identify and describe three features of a public limited company. This was a standard activity and candidates could have offered a number of acceptable answers, for example, limited liability; quotation on the stock market (although not all PLCs are); distinction between ownership and control; continuity; ease of selling shares; separate legal identity; public listing potentially enabling a large amount of capital to be raised. Each feature needed some brief description and could earn 1-2 marks.

**(c)** The following information was offered to candidates with the instruction to *draw up* a break-even chart to calculate the break-even point of Universal Merchandising plc:

| | |
|---|---|
| Sales: | $40 million |
| Fixed costs: | $10 million |
| Variable costs: | 50% of sales revenue |

This was a limited and fairly easy break-even exercise, but one which proved challenging, as only a minority of candidates attempted it. Although a *chart* had been asked for, there were those candidates who instead used a formulaic approach (where this was the case then 7, not 10, marks were awarded for the correct answer). It seems that more candidates preferred the calculative method, but few progressed beyond the formula.

The chart needed to be drawn accurately in order to arrive at the correct break-even point, for which there was an award of 9 or 10 marks. Marks were awarded on an incremental scale for structure, identification of each axis, clarity, correct insertion of the fixed costs, variable cost and turnover (or revenue) lines. The correct break-even point was $20m.

**Task 2**

**(a)** This task proved to be unsuccessful. Candidates were asked to briefly outline two powers or duties of a company director; in other words, candidates needed to focus on the *legal responsibility* of a director. Very few candidates were able to respond correctly, as most discussed management roles. Candidates should have offered two of the following powers and duties, explaining that a director:

may sell company assets
may declare a dividend
may sue in the company's name
has the duty of trust
acts as an agent of the company

Each power or duty could earn 1-2 marks. In this case, 2 marks were awarded just for identifying an appropriate power or duty.

**(b)** Candidates were asked to explain the difference between executive and non-executive directors. With *executive directors*, candidates needed to demonstrate recognition that they were full-time employees of Universal Merchandising and occupy a senior managerial/executive role e.g. head of human resources or finance and that they were on the Board because of their internal roles.

The *non-executive directors*, being external, did not have an appointment within the company. They were chosen because they had sufficient business knowledge and experience that was of value to the company and that some may have been chosen from stakeholders e.g. the bank.

This should have been a relatively easy $2 \times 2$ marks, but many candidates demonstrated confusion with the roles. The topic of company directors is in the syllabus and should be addressed.

**(c)** This task explained that the company had a bureaucratic (or tall) structure, but that some managers preferred a flatter structure. Candidates were asked to describe both structures. A deep knowledge was not required, but many responses were of a high calibre and earned 5 or 6 marks.

**(i)** The main points looked for when describing the *bureaucratic* structure included, for example, that it took a pyramid form, was based on levels of authority (hierarchy) and responsibility, had a narrow span of control and had a long chain of command.

**(ii)** The *flat* (or flatter) structure should have been explained in terms of, for example, having fewer layers, but a wider span of control, offering more scope for initiative, improving communication flows and delegating more responsibility.

**Task 3**

**(a)** Candidates were asked to explain what *flexitime* was and to suggest one benefit of it to Universal Merchandising plc. 1-2 marks were available for the definition, plus 1-2 marks for the benefit. The definition should have indicated that flexitime was an employment contract allowing employees to complete the contracted weekly/monthly hours in a timetable to some extent convenient to them, but, although starting and finishing times were flexible, there were core hours when employees must be present. Most candidates emphasised the flexibility, but only a few mentioned the necessity of attending core hours.

Candidates tended to identify the benefit to the employees rather than the company. Universal Merchandising benefited because flexitime enabled valued staff to work and still care for their family; it also enabled staff to make, for example, hospital appointments without asking for or taking leave; there was and had to be a clear economic benefit.

**(b)** This task called for an explanation of the difference between the skilled and unskilled employees in Universal Merchandising plc. Most candidates just stated one employee as being trained and the other as untrained, without elaborating on their responses. Precise definitions were not necessarily expected, but an understanding of the difference should have been clearly demonstrated. The examiners were looking for the indication that these two categories represented differing degrees of skill. It was necessary to offer two clear points in each case to emphasise the difference. The *skilled employee* had probably undergone a craft apprenticeship, was involved in hi-tech work, received higher training and education, had appropriate qualifications, had the ability to undertake complex and responsible tasks. The *unskilled employee*, on the other hand, had no special skills, undertook those lower order, mundane and repetitive jobs.

**(c)** This by now should be a familiar task. It asked candidates to identify and explain three expectations that the *employees* of Universal Merchandising plc might reasonably expect from their *employers*. Candidates should have had a firm knowledge from which to choose three appropriate expectations, e.g. financial and non-financial incentives; fair treatment; realistic pay and conditions; training and retraining; safe working conditions; prospects of advancement; holiday entitlements; code of conduct. Each point needed to be suitably explained for each expectation to earn up to 4 marks.

**Task 4**

**(a)** This task also dealt with another familiar subject area, namely the influence of external (or PEST) factors. Candidates were asked to explain how Universal Merchandising plc might be influenced by both *changing technology* and *competition.* There were some excellent responses, with many candidates earning certainly 4, if not the full 5, marks.

**(a) (i)** *Changing technology*: the text mentioned the company's increasing use of computer technology and the key to this task was the recognition that innovation in computer technology was developing very fast. The changing situation therefore, raised certain questions, e.g. could the company afford the cost of change? Was the company setting aside sufficient finance to invest in new equipment? Would any inability to adopt new technology make Universal Merchandising uncompetitive? What would be the training implications? Candidates readily recognised these issues.

**(ii)** *Competition*: the text explained that the company relocated from Western Europe to the Philippines and candidates could clearly infer that the move was to make the company more competitive, i.e. the reason for locating in a lower wage and business cost area. Competition could be a threat or a stimulant and if the company was inefficient then the competition would penetrate further into the market. As far as Universal Merchandising was concerned, the company needed to be aware of market developments, so that it did not lose market share. A strong point to consider was that competition could bring about an improvement in UM's customer service, the quality of their products, and their pricing policy. Most candidates were aware of the arguments.

**(b)** This task dealt with location and the question was allocated 10 marks. Candidates were asked to explain why the company had chosen to relocate its business to the Philippines. The task did *not ask for any specific number of reasons*, rather a candidate was expected to compose a meaningful statement why Universal Merchandise plc relocated from Western Europe. Assessment was to be made on the demonstration of awareness. The reasons were mostly in the text i.e.:

- *rising business costs in Europe* – this clearly suggested that costs e.g. land, occupancy, labour were much lower in the Philippines;
- *ready availability of labour* – indicated the supply of people already skilled in textiles production;
- *salaries and wages are average for the region* – suggested lower wage levels (in European terms);
- *Government incentives* – the text did not specify what they were, but candidates could assume such benefits as tax, holiday and employment grants;
- *orders can be sent across the world in hours* – this implied ready access to efficient and frequent air freight.

On the whole the responses were descriptive, with limited use of the case study material and so earned about half the marks. However, there were some exceptional explanations that were awarded 9 or 10 marks.

**Task 5**

**(a)** The task called for the identity of the features of Universal Merchandising plc's customer services policy. This was a straightforward exercise, as the features were clearly set out in the text i.e. guarantees on delivery, quality and specifications; compensation paid for faulty goods and/or poor service. The candidate was expected to rehearse these points for a relatively easy 4 marks.

**(b)** Candidates were asked to explain the purpose and activities of marketing. This task was generally well answered, indicating a firm appreciation of marketing activity. A detailed response was not required, but examiners needed to be informed that the essential functions were to keep UM in business and to get the right product, to the right client, at the right time, at the right price. The full 4 marks were available subject to the identification of at least one of the tools, e.g. market research, marketing mix, image promotion, development of new products.

**(c)** This was a standard task and candidates were asked to explain, with reference to the 4Ps, what the UM Chairman meant by the statement that the company had the right marketing mix. Candidates were expected to *discuss the 4Ps in the context of the case study* i.e. the four standard Ps. Candidates offering the 7Ps were assessed only on the required 4Ps. The text clearly held all the information candidates required. Each P was worth up to 3 marks, with 1 mark being awarded just for the identification or mention of a P. The points expected to be included were:

- *Product*: range of personalised/endorsed textile goods; made to client specification.
- *Place*: chosen by client; sold at sports events, fan clubs, etc.
- *Price*: negotiated with client, price depends upon size of order and status of client.
- *Promotion*: website, catalogue, direct approaches to potential clients.

# BUSINESS STANDARD LEVEL

**Paper 8928/5162**

**Effective Business Communication**

## General comments

The standard of performance within the 5162 paper was perhaps slightly better than previously, however, with a smaller cohort of students, then perhaps proportionately the success appears slightly greater overall. Many of the answers continued to be quite basic however and there continues to be a lack of depth or breadth of discussion, a weakness that is continually highlighted as part of this report, but never really fully addressed by Centres. The continued over use of bullet points ultimately impacts upon the quality of the answer and the quality of the marks.

As always, time management appeared to be a problem, particularly towards the end of the paper. This may indicate a lack of examination practice and technique and that students clearly are not used to working under examination circumstances. This again is ultimately problematic in that is impacts upon the amount of marks a student can gain. This point is made each session and there are good techniques that could be employed by Centres, such as timing students when undertaking revision questions and encouraging them to time themselves a little better. There is more than sufficient time to answer the questions set and certainly more time available to help build a stronger framework to answers than currently provided.

A final problem that was quite worrying, is the number of students who seemed unable to attempt all of the questions and maybe only attempted two or three marks. Immediately when this happens, a student is losing their ability to acquire maximum marks and the success associated with high levels of achievement.

With the amount of CIE resource available to Centres, students should be prepared to the highest of standards, to avoid this situation arising in the future.

## Comments on specific questions

### *Section A*

### Question 1

**(a)** This question required students to explain why it is important for internal communications to be effective. This question provided the basis for a good number of students to give strong answers. However, there were few answers that achieved top marks, with many of them in the mid-range of 5 to 6.

Answers should have included reference to:

- The need for communications to support business operations
- A need to consider the needs of individuals within the organisation and to choose the best method of communicating to them, from shop floor workers, through to senior directors
- The need for immediacy of communications
- The need to provide feedback, both one-way and two-way feedback
- The need to consider electronic means of communication
- And the need to consider timings and costs involved in communication.

**(b)** This question was split into three parts and focused on asking students to identify the best methods of communication for three separate situations, giving a reason to support each answer.

These questions met with a varied response and students particularly seemed to struggle with the final one of the three.

**(i)** **A large college in Sri Lanka has just emailed an enquiry about new qualifications**. The mode of communication for this should be a telephone call, email or visit followed up by a new letter. The reasons for this were the requirement for a formal approach and the need to build a relationship.

**(ii)** **The Institute of Banking (the case study for this paper) wants to get a good article printed about the new qualifications in an international daily business newspaper.** The mode of communication for this was an email or to post a press release, with follow up call to journalist/editors. This question was asking students to identify the need to communicate and build relationships with different stakeholders, this time the press. It was pleasing to see just how many students got this particular question right.

**(iii)** **As a new administrative assistant, you need to find out more information about the new qualifications**. The answer should have included an informal discussion with colleagues, a telephone call or email to the appropriate department. The reason was that the administrative assistant needed to find out the information quickly and it was mainly informal. However, many students provided incorrect answers to this and tended to formalise the enquiry beyond what was required.

**Question 2**

**(a)** Letter and memo writing continue to be regular feature of 5162 Standard Level Effective Business Communication and again this time around, it was encouraging to see that some of the past issues raised in examiner reports have continued to be addressed, with students actually scoring more highly in this area than previously. Standard letter salutations/openings and closures have improved, with more students observing Dear Sir and Yours faithfully, or Dear Mr or Mrs, concluding with Yours sincerely. It is also encouraging to see a greater inclusion of calls to action.

Students faired quite well in the letter writing area and seemed more able to focus upon the structure of the letter, ensuring there was a date, company logo and title reference to the letter, along with appropriate closure. The salutations and closing also seemed to be improved upon previous occasions. The average mark overall for this question is around 7 out of 10, with some students excelling and achieving up to 8 or 9 out of 10.

A good answer would have included:

- Logo/letter heading of the company
- Date
- Reference (number or title)
- Appropriate salutation Mr/Mrs
- The body and content of the letter – well developed and applied
- Appropriate closure and call to action
- Yours sincerely (not Yours truly or Yours always)
- Signature and position

In order to maximise marks, students do need to try harder in developing the body and content of the letter, which is where it appears more difficult for them to gain marks.

**(b)** Writing a memo is again standard practice within the 5162 Effective Business Communications paper and as a result students did relatively well.

Students were again very good at the overall structure, but very poor in general with the body of the memo. The body of the memo should have included information on the presentation, confirming the date of the presentation and stressing the importance of the presentation. In essence, giving some background and rationale to the situation is very important and expected in this examination.

Good answers would include:

- Logo of the company
- Date
- Who the memo was to i.e. internal staff
- Subject; presentation
- The body and content of the memo

- Appropriate closure
- Initials or signature only

The content and tone of the memo should realistically be persuasive and impress upon staff how important the two new qualifications are to the business. Realistically, the application of the case study is very important, answers should be written in context or else they will fail to gain necessary marks to pass.

**Question 3**

This question was a three part question, focusing on the importance of communication methods appropriate use in group discussions and followed by a guide to help running meetings. The final question focused on verbal and non-verbal issues relating to planning and preparing for a presentation.

**(a)** This question required students, to identify with reasons, two methods of communication that Dr. Butcher could use to discuss the issue with the staff group.

Answers should have included:

- One-to-one interviews
- Regular meetings with staff
- One-off presentation to staff with group feedback
- Set a group project up to get the group to work together

Whilst these were the answers, many students failed to grasp the ‘two-way’ communication and included reference to letters and reports, which were not correct. Students must read the questions carefully to better understand the requirements of the question. Two-way methods of communication are very much about discussions, sitting face-to-face to discuss issues, not writing reports for someone to read. The questions gave two basic leads, one suggestion about discussions and the second question suggesting ‘meetings’, students should have been able to identify these hints.

**(b)** The second part of the question asked students to write a guide to help ensure that these meetings are successful. This answer met with a mixed response and often took the form of an agenda.

The answer should have included consideration of the following:

- The nature and scope of the meeting
- Who should be invited and what their role should be
- A notice of the meeting
- An agenda must be prepared
- An approximate time scale for the duration of the meeting
- The importance of taking minutes of a meeting
- The importance of noting action points
- The need to appoint a chair of the meeting
- A suitable room/location and venue must be selected
- Preparation of information for the meeting
- The date of the next meeting subsequent to the one your are preparing for

Students should have elaborated on the above points to gain good marks. This question was marked on the basis of banded marks and many students fell into the middle two grade bands (ii) being (3-5), (iii) being (6-8), few achieved the final grade band of 9-10 marks, even though this was a very straight-forward question.

**(c)** The final part of the question focused on identifying three verbal and non-verbal issues that Dr. Butcher should consider when planning for a presentation.

This question was quite poorly answered and probably not properly read, as many answers included; preparing resources, instead of focusing on the verbal issues of; use of voice, tone, ability to show warmth and sincerity. Some answers covered of non-verbal behaviour, focusing on the use of body language, gestures and eye contact, with particular reference to facial expressions.
Overall very disappointing attempts.

**Question 4**

This question almost always focuses on different types of interviews and on this occasion it was a promotional interview.

**(a)** Students were asked to explain what should be considered when planning this type of promotional interview.

A good answer required students not just to list the key points relating to preparing promotional interview guidelines. Students tended to give a list of bullet points in the main, with little elaboration, but the thrust of the answers was generally accurate.

In essence, good answers would recognise the need for setting aims and the purpose of the promotional interview, deciding who should be present; identification of appropriate questions, necessary documents; time and location confirmed; being aware of verbal and non-verbal behaviour; making the recruitment decision and providing appropriate feedback. Furthermore, there should have been consideration of the need to make notes during the interview, relating to critical issues that have arisen, along with ensuring that time is taken afterwards for the decision to be made. Finally, arrangements should be in place for acceptance and rejection letters to be sent out after the interview.

The mark scheme again worked in grade bands and like the other questions, students fell into the middle of the grade bands, with few getting full marks, i.e. in the final grade band of 9-12 marks. The majority of students fell into the 6-8 mark grade band.

**(b)** Students were asked to explain the purpose of a performance appraisal interview and on the whole did so quite well, although they offered very few points for discussion. The points raised were correct, but the majority only raised two or three points, with little elaboration. They demonstrated some knowledge and understanding of the issues, but did not analyse or apply the issues to the case study.

Good answers should have included:

- Need to identify which parts of the job they do well and could do better
- Need to identify if changes should be made to their job role, which might result in improved performance
- Need to identify training and development needs
- Need to identify key skills, knowledge and aptitudes, which could be made better use of within their job
- Need to consider career plans and methods of achieving these and employer ambitions
- Conclude positively with the action points being drafted and going back to the employee for approval before they are written.

**Question 5**

This question was also a three-part question and was based around the presentation of information.

**(a)** This question asked students to prepare data and to present it in a line graph format. Many students answered this question well and scored quite highly. However, a few students seemed to think that they must prepare two graphs in order to pass this question, i.e. one graph for each line of data. This is not the case and if they did this, they only achieved half marks, as the question asked them to present the data as ‘a line graph’. Students seem to grasp the important of labelling the graph correctly and also managed to plot the axis well. This was encouraging.

**(b)** Again, students appeared to do quite well, where they had not run out of time and were able to explain both a table and a line graph.

**(c)** Finally, this question asked students to provide one advantage and one disadvantage of using a slide presentation to show the target data to potential students. Good answers recognised that advantages included:

- The ability to show data in a range of formats, including using movement, sound and colour, and how presentation in slide formats can be a powerful tool in communicating messages about data.

For disadvantages, credit was given to students who were able to identify the following:

- That slides can be over crowded and sometimes flat and boring. There is also the potential for information overload. If the power failed on the day, it was also acknowledged that this may cause some difficulties.

# BUSINESS STANDARD LEVEL

**Paper 8928/5163**
**Business Finance**

## General comments

It is pleasing to report that there was a marked improvement in the performance of many candidates who sat the October 2006 examination. It appeared that the candidates were better prepared for the examination and that they had also managed their time better during the examination. As a result many candidates produced complete answers to all of the tasks and therefore achieved higher marks.

However, Centres should be reminded to be precise when providing definitions of terms, as this will guarantee the award of higher marks.

## Comments on specific tasks

### Task 1

The majority of candidates were able to provide good answers to all parts of this task and therefore scored highly. However, candidates were a little vague when defining both the percentage mark up and the gross profit margin and only a minority of candidates presented the formulae.

### Task 2

The answers to both parts of this task were very satisfactory, with many candidates scoring high marks. This is clearly a part of the syllabus that is being taught well and Centres are to be congratulated for their efforts.

### Task 3

Overall the answers provided to Part **(a)** were satisfactory, with the majority of candidates aware of the how to produce an accurate balance sheet. As marks were available for identifying the correct format of a balance sheet, most candidates scored some marks even, if their calculations had errors

The responses to Part **(b)** were a little disappointing, as many candidates were unable to explain why their chosen reasons would lead to difficulties in achieving a balance.

### Task 4

Generally the answers to both parts of this task were good with candidates correctly identifying stakeholders and being able to give explanations as to how they would use the accounting information.

### Task 5

The responses to this task were rather disappointing, as many candidates were unable to produce an accurate cash budget statement. However, the process of constructing the budget was known and therefore Centres should allow extra time for candidates to practice the application of this knowledge.

The answers to Part **(b)** were very satisfactory and the majority of candidates were able to apply their knowledge of finance well.

# BUSINESS STANDARD LEVEL

**Paper 8928/5164**

**Marketing**

## General comments

It is pleasing to report that some Centres achieved very good marks for this paper in this session. Good candidates know the syllabus well, and are able to identify the relevant concepts required by each task. They also apply these concepts to the material in the case study.

- Some candidates appear not to know the whole of the syllabus, and so answer incorrectly and inappropriately for the situation described.
- Some candidates know the basics of the syllabus, but do not or cannot apply the relevant concepts to the case study scenario. These candidates tend to waste time by writing all that they know about a particular topic, without any attempt to make it relevant to the wording of the task. It is very important that answers to the Tasks are related to the case study throughout the paper.
- Some candidates do not attempt all the tasks on the paper.

It is pleasing to see that fewer candidates are misinterpreting what is asked for in Tasks and Teachers who have done examination preparation work with their candidates are to be congratulated in this respect. The specifics of each task for this paper are detailed in the sections that follow.

## Comments on specific tasks

**Task 1**

**(a)** This part of the task caused problems for many candidates. It looked for the following factors to be covered:

- Whole organisation working together for the benefit of the customer
- Understanding customer needs both now and in the future through research
- Producing products and services to meet both customer needs and organisational goals (for example, profitability)

**(b)** Most candidates performed well in this part of the task, easily recognising and explaining the advantages of a market orientation.

**(c)** The final part of the task required only a list of four marketing activities. Most candidates did this well, but some wasted time by expanding on the activities. Only four marks were available here and so this ‘expansion’ could not be rewarded. Candidates should take note of the command word used in the question and how many marks are available for a task, and then respond accordingly.

**Task 2**

**(a)** This part of the task required candidates to identify **bases** for segmenting the consumer market, for example Demographic, Psychographic or Geographic. Some candidates listed elements of demographic segmentation, for example age, gender, income and this limited their ability to gain marks.

**(b)** This part of the task was generally done very well, with advantages being recognised and illustrated through relevant examples from the mobile camera phone market.

**Task 3**

This task brought forward a mix of styles of response, all of which earned marks. The task asked for slides which should have shown the key points in bullet point format, and brief notes which should have provided a bit of detail for the presenter of the slide. Candidates are encouraged to note the number of marks available for each part of the task as this is an indication of the amount of effort which should be given to each part.

**(a)** This was generally done well, with a brief definition provided.

**(b)** This part of the task was again done well by most candidates. It required one slide on primary research and one on secondary.

**(c)** Many candidates did exactly as required in this part of the task and explained three methods of primary data collection. A few candidates confused sources of secondary research with primary data collection methods and were unable to gain the marks available.

**Task 4**

**(a)**

**(i)** Most candidates were able to explain the SWOT analysis, and a few went so far as to explain its link to decisions about strategy and tactics.

**(ii)** This section attracted six marks, so a little more than a one sentence explanation was expected. Strong answers explained that objectives set out what the company was looking to achieve, explained what SMART means, and gave an example.

**(b)** This part of the task was generally done well, with competitive markets, needs of customers and direction for employees being given as reasons for Sani developing a marketing plan.

**Task 5**

**(a)** It was pleasing to see that most candidates had a good understanding of the product life cycle and were able to reproduce the diagram and label it appropriately. Some were not able to label the axes and so were unable to gain the marks available.

**(b) and (c)** Again, it was pleasing to see that many candidates recognised how the marketing mix needs to change as a product moves through its life cycle.

# BUSINESS STANDARD LEVEL

**Paper 8928/5165**

**Human Resource Management**

## General comments

The general standard of answers this year was very pleasing. There is real evidence that candidates understand the format of the examination paper and have been using past papers and taking note of the comments produced after each examination. However, some Centres fail to utilise the examiners comments and do not prepare candidates adequately for the examination, but the number of Centres taking this approach is rapidly diminishing.

More candidates are using the case-study materials and realise that the basis of the answer is generally contained within the case-study. The candidates' ability to apply their knowledge is also improving.

## Comments on specific tasks

### Task 1

This task was designed to test Assessment Objective 1.0, especially the purpose of HRM and the different approaches that companies may use.

**(a)** The task consistently produced the best answers. Candidates clearly recognised the specialist roles quoted in the case-study.

**(b)** The majority of candidates understood the concept of decentralisation, but too many failed to answer the task fully by providing an example.

**(c)** It is apparent that some confusion still exists between the meaning and purpose of HRM. Candidates usually approached this task by covering all aspects of HRM rather than selecting the correct information. This inevitably wasted time that could have been spent on the other tasks.

### Task 2

This task was designed to test the full range of competence criteria for Assessment Objective 2.0.

**(a)** Despite seven areas being quoted, many candidates failed to do so. A number of candidates simply quoted areas dealt with by trade unions, but not necessarily at MComm.

**(b)** Candidates failed to read the task properly and instead of "explaining the importance" of employment protection and equal opportunities, they simply defined them. This was a very important difference that reduced the mark for many candidates.

**(c)** The majority of the candidates were able to explain how MComm had reacted to the technological changes, but few were able to offer a suitable alternative. The failure by many to answer the full task once again reduced the marks obtained.

### Task 3

This task was designed to test Assessment Objective 3.0, principally the candidate's knowledge of contracts and means of selection.

**(a)** Five means of selection were given in the case-study and the majority of candidates managed to produce four, although once again a number ignored the task and produced their own list.

**(b)** This task was well answered, but a number of candidates described contracts not used by MComm. The contracts used by MComm were clearly given and so this should have been an easy task for candidates.

**(c)** This task was extremely well answered and candidates clearly have an excellent grasp of the different ways in which contracts can end. The majority only described the methods used by MComm.

**Task 4**

This task was designed to test Assessment Objective 4.0 and part of Assessment Objective 3.0.

**(a)** Candidates found this task particularly difficult and the majority were unable to extract the four systems from the case. The candidates chose instead to produce their own list.

**(b)** Candidates appear to favour tasks set on appraisal and many wrote in great length about how an appraisal system works. The link to MComm was often missing and this reduced the marks of many candidates. Candidates should realise that the length of the answer should be tailored to the marks available and making the selection of the material important.

**(c)** The responses to this task were good. Candidates were able to extract the information from the case-study and describe the working patterns used. Unfortunately, only a minority managed to explain how the working patterns might reduce costs.

**Task 5**

This task was designed to test Assessment Objective 5.0, especially competence criteria 5.4 and 5.3.

**(a)** Candidates found this an easy task and were able to select at least four of the seven features mentioned in the case-study.

**(b)** The answers to this task showed that candidates had a good knowledge of training and training methods, as the majority of answers were accurate and well developed.

**(c)** The majority of candidates found this to be a difficult task to answer. It seems that many candidates only understand motivation in terms of more money or fringe benefits. The competence criterion clearly shows how individuals can be motivated to work by other means and Centres need to concentrate more on all aspects of motivation. It should also be remembered that the application of the different theories of motivation, such as Maslow and Mayo, are not required at this level.

# BUSINESS STANDARD LEVEL

**Paper 8928/5166**

**Interpersonal Business Skills**

## General comments

Candidates have made a good effort in the layout and presentation of their reports.

Those candidates who included an Assignment Cover Sheet with their submissions were able to check that all the module criteria had been covered. This included evidencing and demonstrating specific objectives in the text of their reports. Candidates using the cover sheets were more likely to be successful in being awarded a 'pass' or higher grade by the examiner. The inclusion of an Assignment Cover Sheet is also valuable to the teacher and examiner in checking that the submitted work is complete in every way.

It is essential that Centres include the Student Assessment Record sheet with all candidates' work when submitting this for marking, in the majority of cases where this had not been done candidates' work was returned. The SAR is very important as it demonstrates specific areas of the module that have been covered by the candidate at the Centre. This provides the evidence that the candidate has achieved each objective consistently and without help.

There have been instances where the reports from a particular Centre were similar in content and layout. This was considered to be acceptable as there was enough evidence in each report to show that individual candidates had submitted their own work.

## Specific Comments

Some candidates were not successful and a number of weaknesses contributed to poor grades. These included:

- A number of objectives had not been demonstrated in the text of the report. The missing objectives could have been identified by the candidate or the Centre if the assignment had been thoroughly checked against the criteria before submitting the work for assessment. This type of check helps to identify gaps in the assignment and shows where the candidate must provide further work or evidence.

- The objectives relating to 'assertiveness' had not been demonstrated or were not adequately covered by the candidate. If this is an issue that relates to the culture of the candidate or the country where the Centre is located, then the candidate should mention this in his or her report.

- Evidence of the candidate chairing a meeting or making a presentation to a group was not always apparent yet these are requirements of the module.

- Where minutes of a meeting were written out by the candidate these did not follow business-like conventions.

- On some occasions self -evaluation was not included as part of the report and in a small number of instances it had been written in the 'third' person. The self -evaluation should be written in the 'first' person e.g. "I found it difficult be firm when I was chairing the meeting but my teacher stepped in and helped me".

- The report was very basic in content and many areas could have been extended, it would have been helpful if the candidate had been more outward looking towards the business community.

- Although most candidates produced a contents page and page numbering to their reports, cross-referencing to the Assignment Cover Sheet was not accurate.

- Reference sources were not always listed as part of the report or quoted in the text. Use of, and reference to, a variety of sources enhances the quality of the work and demonstrates to the examiner that the individual carried out research using a range of sources and methods.

# BUSINESS STANDARD LEVEL

**Paper 8928/5167**

**Business Start-up**

## General comments

The majority of Centres submitting candidates' reports under this module were successful. Where Assignment Cover Sheets were used by candidates, this provided a useful tool for the candidates and the examiner in checking that the content of the work was complete.

A number of candidates placed an emphasis on the organisation/business to the detriment of how the business plan was assembled. Some reports were very bulky because of this. It is helpful if the reports are kept within the recommended word count as described in the module booklet.

Some reports were written in the 'third' person when it was more appropriate to write in the 'first' e.g. "I felt that I could have achieved more by researching alternative sources of funding". The presentation of reports is important and teachers should give better guidance on how to complete a report so that it meets the assessment requirements, as given in the assignment guidelines.

Please use the most recently published module syllabus, this can be found on the Cambridge Assessment website at www.cie.org.uk .

## Comments on specific questions

Some candidates were not successful with their submissions. These assignments showed a number of weaknesses which included:

- Incomplete Student Assessment Sheets
- Incomplete or missing Assignment Cover Sheet for Candidates
- Weak financial plans, which also showed a very limited understanding of finance in a business context
- Candidates did not demonstrate, or provide enough evidence of, all the relevant module objectives
- There was no self-evaluation included
- Reference sources were not quoted either as a bibliography or mentioned in the text of the report.

## Assignments: Guidelines

The syllabus outlines the procedure for conducting the assignment for the Business Start-up module. The syllabus also includes an assignment cover sheet for students to fill out and a student assessment record for completion by the tutor.

Tutors should read the **'Assignment Guidelines**' and **'Criteria for Assessment'** sections of the module before starting to teach the module. It is important to begin to identify possible classroom activities at the planning stage. Tutors can then ensure that relevant information is covered in teaching sessions and build up a bank of essential resources. Any visits required to ensure the successful completion of the assignment can be scheduled into the module programme.

The assignment should be given to students early in the module. This will allow students to begin their own research and planning.

When the assignment brief is distributed, tutors should provide an oral briefing for students. They should talk through the assignment and explain clearly what is expected. Tutors can indicate to students where the relevant information can be accessed but should not assist the student with the research and selection of material, other than arranging appropriate visits and providing opportunities for the completion of specified tasks. Depending on the nature of the investigation, it is quite acceptable for the Centre to issue candidates with appropriate data recording sheets such as checklist pro-formas.

Candidates are encouraged to use local knowledge as well as investigating business in other countries. Any tasks given in class time or conducted by the candidate must also be linked to the Criteria for Assessment given in the syllabus. In this way students are encouraged to carry out research, put information together and start their bibliography. Both the tutor and the Candidate should be clear which part of the module is being assessed in each task so that they can easily reference the evidence when they have finished the whole assignment.

It is pleasing to note that the majority of Centres are now checking coverage of the criteria for assessment before submitting work to Cambridge. However, it is useful to remind other centres, especially those who are new to the on-demand modules of the Diploma in Business, that assignments are complete by checking that:

- all the assessment objectives for the relevant module in the syllabus are covered
- each assessment objective is identified, especially where one task or piece of information covers a number of assessment objectives
- evidence of the required competence criteria, as given in the syllabus, is noted
- the work shows evidence of the relevant knowledge and skills, but does not have to cover all items listed in the knowledge and skills criteria section
- the information provided is clear and focused

Candidates should be discouraged from collecting and inserting large amounts of secondary information which does not correspond to the assessment objectives. Where secondary information is included, it should be attached as an appendix and clearly referred to in the text. There is no point in students including material unless direct reference is made to it in a section of the written report. Material extracted from websites must be interpreted and applied appropriately by students.

Assignments can be presented in different ways using graphics, charts, diagrams etc as well as text. As assignments are restricted in word count, a student may want to use tables and other illustrations. Words included within tables, on graphs or annotated on illustrations are not part of the overall assignment word limit. No matter which way the information is presented, it is important that the candidate clearly identifies how the information is related to the different aspects of the module being assessed.

# BUSINESS STANDARD LEVEL

**Paper 8928/5168**

**Customer Care**

## General comments

Some reports submitted by candidates were very bulky and it was obvious that the assignment guidelines had not been followed. The recommended number of words for a report is stated in the module booklet. Excessive wordage should be discouraged as it wastes the candidates' own time. It also prevents them from focusing on the core requirements of the assignment, as given in the module booklet. The examiner will continue to grade assignments according to the quality of the work and not the length.

One Centre submitted a batch of candidates' reports which were very similar in content and presentation. Although each report was obviously the work of an individual candidate, the strict model provided by the Centre may have discouraged the development of the assignment by each person and also limited the ability to demonstrate initiative.

It is strongly recommended that Centres use the most recently published module booklet with their candidates as these are upgraded and more 'user friendly' than earlier versions.

One Centre submitted work by candidates who had used watermarked paper throughout their work. It was difficult to read these reports and hindered a proper layout and presentation of work to the examiner. On the other hand another Centre submitted a batch of reports that were of very good quality. These followed a good layout and the work was clearly presented.

Overall, the reports submitted for this module were of very good quality and candidates had made a determined effort with their work.

## Specific Comments

Some candidates were not successful. The work of these candidates showed a number of weaknesses which included:

- Writing the self-evaluation in the 'third' person when it is more appropriate to write in the 'first'
- Omitting the self-evaluation
- Only minimal use of reference sources, which could have been extended to demonstrate research
- Objectives were not covered or evidenced. In one batch the objective 1.2 'Recognise how customer care operates in different organisations' was omitted
- The contents page and Assignment Cover Sheet numbering did not match page numbering in the report
- Assignment Cover Sheets were not fully completed by candidates and the reports were incomplete
- There was no proper analysis of the results of the survey

# BUSINESS STANDARD LEVEL

**Paper 8928/5191**

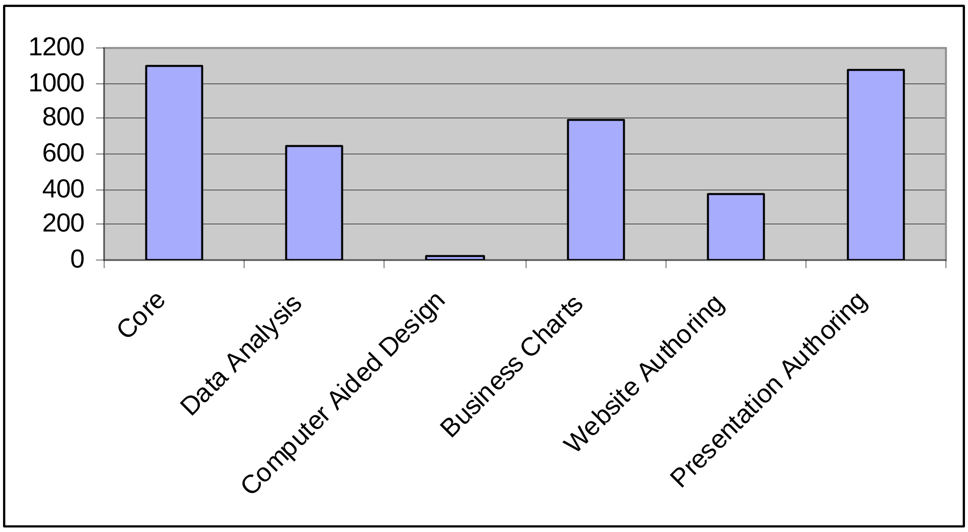
**Information and Communications Technology**

## General

The scheme has had a successful year with entries of 8307 marginally below the 8480 in 2004-5. The award was available in English, Spanish and Greek. The total numbers of entries in English were 6530, of which 1460 entries were at Foundation Level, 3987 were at Standard Level and 1083 at Advanced Level. This indicates a significant increase in numbers in the Standard Level entries. The entries in Greek remained static and the entries in Spanish have shown a small increase on the previous year, with a total of 653 entries during this year.

## Standard Level

This level comprised a Core module and five enhancement modules.




There was an overall improvement in the quality of candidates' entries across all modules this year. Many candidates demonstrated a good understanding of the subject knowledge and practical skills required in these modules.

The general standard of entries for this module was high, although there were a number of errors which included:

- Errors in searching, either by trying to search using the results of a previous search rather than all the data, through errors in the search criteria, or in the selection of the data for the database extract.
- Errors in sorting the data as specified in the question paper, particularly by sorting only the specified field and therefore failing to maintain the integrity of the data. Candidates who made this error were usually using a spreadsheet package rather than a database. Some candidates confused ascending and descending sorts.
- When the page break has been removed in the second version of the document the line spacing was not maintained.
- Errors in page layout with the failure to set margins or column widths as specified.
- Some candidates could not correctly align text, especially when asked to fully justify the body text of a document.
- The failure to include a calculated control in the data manipulation report, or where a calculated control was included it was not the one specified on the question paper.
- 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.

# BUSINESS STANDARD LEVEL

**Paper 5237**

**Organising Meetings and Events**

## General comments

The overall performance of the candidates ranged from very good to quite poor. Some candidates were obviously well prepared and correctly organised **a meeting**, as required. They then produced reports detailing how they had organised their meetings and the documentation and methods of communication they had produced and used.

Some candidates did not submit completed Student Assessment Records and/or completed Assignment Cover Sheets. These confirm that the Assignment is the candidate's own work and should indicate that work taken from another source is appropriately referenced and acknowledged. Assignment Cover Sheets have also been designed to enable candidates to check that their work is complete and has covered all the required competence criteria. Both documents should be completed and signed by candidates and teachers.

## Comments on the work of candidates

Most of the reports produced were legible and detailed. However, some candidates only included information on how a meeting **should** be organised and detailed the various aspects that make a meeting successful, but there was often no specific information on what the candidates actually organised, how they did it, when and where, with whom they communicated and how they did so.

Some candidates did not mention the communication methods they used. Copies of letters, emails, agenda, notice of meeting, minutes, chairperson's agenda and transcripts of telephone conversations were submitted by most candidates. There was often no detailed information of what communication methods were used and the factors that influenced their choice. (For example, a need to inform someone urgently of a meeting would most likely be dealt with by telephone. However, if the person was not available, a message could be left on the person's telephone answering machine and then an e-mail or a text message sent to ensure the person receives the information as quickly and efficiently as possible.)

Candidates are required to assess the planning, organising and monitoring methods they actually used. They should then state whether or not these methods were successful and what they would do differently when they organise their next meeting.

Many candidates included lengthy descriptions of the secretarial and chairperson's roles and procedures and lists of meeting terminology. These are not required, but candidates were not penalised for including them in their assignments.

A brief introduction describing the meeting would be very helpful, as it was often difficult to determine what meeting the candidates had actually organised. However, a comprehensive description of the business for which the meeting is being organised is not required.

Some candidates produced a variety of documents but did not include a work schedule or action plan.

**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 teacher. Each candidate must submit a completed SAR with his/her assignment. Assignment Cover Sheets should also be completed and submitted by every candidate.

Candidates and teachers are advised to read the Assignment Guidelines given in the syllabus very carefully. The step-by-step approach to the final Assignment is highly recommended, as this will help candidates in the planning and undertaking of their Assignments.

It is also recommended that candidates discuss with their teachers the meeting they are able to organise. Some candidates were too ambitious and attempted to organise a large, complex meeting. They are advised to organise a small, informal meeting if at all possible. Once they have decided the meeting they intend to organise, they should then work out how this could be done. They 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 meeting may organise a simulated meeting. All the assessment requirements listed in the syllabus, however, should still be met.)

Candidates may choose to work on their own or may wish to work with a fellow student or work colleague. They should plan their duties and negotiate the allocation of these duties. However, each candidate must produce evidence **of his/her own** planning and work schedule. Copies of documentation such as agendas, minutes, notes, short reports, notices of meetings, chairperson's agendas, transcripts of telephone calls, etc should be included in the report.

Candidates should consider:

- what type of meeting they will be organising
- the documentation which would be appropriate for that meeting
- the time, date and venue for the meeting
- how they propose to organise the meeting
- what facilities they have to help them in this task
- how to ensure everything required is organised – methodical working is essential
- production of clear documentation
- what communication methods would be appropriate and the factors that influenced their choice
- timescales involved.

The production of the report should be considered from the beginning, not left to the last minute. Candidates who made notes and who thought out the organisation of the meeting 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 meeting
- 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 – including a chairperson's agenda, if appropriate, and transcripts of telephone and face-to-face conversations
- a conclusion on the success of the meeting.