
AS

Business

7131/2

Report on the Examination

7131

June 2019

Version: 1.0

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Overview

The paper proved to be accessible with all questions providing opportunities for students to demonstrate their skills to varying extents.

Most students demonstrated skills across the range of assessment objectives. The stronger students developed thoughtful and contextualised responses that focused directly on answering the questions set. Weaker responses demonstrated limited understanding of core concepts and often failed to address the specific demands of the question.

Planning was evident in many of the best responses to longer questions. Time spent planning is useful in allowing the selection of the most pertinent points to include – and, equally important, which points to exclude.

Most students seemed to manage time effectively and few struggled to complete the paper in the time available. Good responses should not be excessively long: students do not need to fill all the space available. Effective answers are clear, concise and well-focused throughout.

The quality of handwriting remains a concern – it is difficult for examiners to follow an argument that is difficult to read and illegible numbers are impossible to credit. However, this seemed to have been less of an issue than in the past, possibly as more centres are facilitating the use of word processors when students have this problem.

In preparing students for future examinations teachers should encourage students to:

- Be precise in their use of business terminology
- Practise reading and interpreting business data
- Practise developing supported judgements that are based on decisions related to the question set.
- Develop arguments in the context of situations – using case materials.
- Encourage students to empathise with events in the case to help to make thoughtful judgements
- Practise breaking down questions, looking at the specific demands of the question as this should help students to plan answers that are more clearly focused.
- Ensure that, in evaluative questions, there is a balance in arguments and counter arguments.
- Build clear and supported judgements when responding to evaluative questions that focus on the question set rather than generic unspecific conclusions.
- Provide judgements that reflect preceding arguments not simply repeat issues.

Question 1

It was anticipated that this question should have proved very accessible. Many students did demonstrate the basic numeracy skills needed to calculate the percentage change accurately, it was a common error to fail to use minus sign or state 'decrease'. There was, however a disappointingly high proportion of incorrect answers. Success in this subject involves students being confident with basic numeracy.

Question 2

It was pleasing that many students were able to perform well on this question. The question proved reasonably accessible with very few students gaining zero marks. A common wrong response was to use total costs as actual profit and then subtracted budgeted profit to get £30,000.

On all numerical questions it is advisable to lay answers out clearly and show workings – this gains credit for processes even when an error may have led to an incorrect final answer

Question 3

Responses to this question covered the full range of marks fairly evenly. A common wrong answer was to discuss organisational structure rather than ownership. Most focused well on the business being a private limited company, but in particular the 60% control by Claudia with 40% by the charity. Better responses then linked this to guaranteeing the flow of money through to Bangladesh in line with the business's core purpose.

Question 4

It was pleasing to see a high proportion of good responses to this question on outsourcing – a topic that in some cases has been poorly understood in the past. Many used the case well and focused on the distribution function as directed in the question. However, there were common errors of analysing the reasons for using outsourcing in general or of drifting to discuss production. These were clear examples of not focusing clearly on the demands of the question. Overall, however, this question was answered well.

Question 5

Good responses to this question analysed the benefits for the business, whilst many less effective answers restricted their answers to the benefits to the warehouse manager e.g. through their improved motivation. This limited the response to being 'reasonable' at best illustrating the importance of addressing the question fully by meeting all of its demands. Most answers to this question were well structured with two arguments.

Question 6

There were too many disappointing responses to this question. Students frequently simply described the data and failed to link any analysis of data to 'predicting future sales'.

Some responses were one-sided failing to have a balancing argument. Students who did not really understand the data concentrated on criticising the value of the data, generally in generic terms. There were examples of top level responses that addressed the question fully, but fewer than would have been anticipated with most responses failing to get beyond level 2.

Question 7

The students faced a choice as to whether Claudia should choose to delay payments to suppliers or to use debt factoring in order to solve the cash flow problems when answering this question. Good responses provided a clear decision having previously considered the two options. There was clear evidence of the best students making effective use of the case – for example delaying payments going counter to the business ethics and was there enough debt to factor with just 25% of sales on credit – and of having a clear view from the outset.

This question proved to be accessible to those that understood debt factoring, but a significant minority did not have this understanding. Students who did not demonstrate relevant understanding limited their response to discussing the pros and cons of delaying payments and a decision but without support of understanding the alternative. A common misconception was that the debt factoring business would chase payments aggressively – demonstrating poor understanding of the concept.

Question 8

The best responses focused their answers on 'businesses generally' and did not restrict their responses to the business in the case study. This provided an opportunity for a wide range of examples to illustrate arguments. The issue of e-commerce and retail has been very much in the news and the best students made effective use of topical examples. This question proved very accessible, but lower level responses tended to be very generic.

Students should be encouraged to use the specific phrasing of the question as an aid to them structuring their response and use the wording as stimulus to their evaluation. For example, 'operating only online' in the question was used effectively by some of the best responses to cause them to disagree and suggest that many retailers would be successful in doing both. Such an approach helps improve the focus of responses and can be improved with a careful reading and appreciation of the wording of the question. Once more planning played a vital role in developing good quality responses.

Mark Ranges and Award of Grades

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