

# A LEVEL BUSINESS

7132/2

Report on the Examination

7132

November 2020

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#### **General Introduction to the November Series**

This has been an unusual exam series in many ways. Entry patterns have been very different from those normally seen in the summer, and students had a very different experience in preparation for these exams. It is therefore more difficult to make meaningful comparisons between the range of student responses seen in this series and those seen in a normal summer series. The smaller entry also means that there is less evidence available for examiners to comment on.

In this report, senior examiners will summarise the performance of students in this series in a way that is as helpful as possible to teachers preparing future cohorts while taking into account the unusual circumstances and limited evidence available.

## **Overview of Entry**

A key element to this series is the substantially reduced number of entrants compared to a normal summer entry. In essence this manifests itself in not presenting the same range and diversity of student entry. A common weakness on this paper was that although students were able to access the material many struggled to follow this through with the development of effective analysis, often due to a lack of targeting the key aspects of the question asked, in many cases this seemed to reflect a lack of preparation in exam technique and understanding of the demands of individual questions. Most responses had some relevant content but, especially on extended answers there was a lack of understanding of effective analysis. Students frequently needed to read the question more carefully to understand clearly what was actually being asked of them. For weaker students there were also instances of clear gaps in their knowledge with questions either not attempted or responses that indictaed they were unfamiliar with the topic being examined.

A number of students built their analysis and arguments well but their final judgement let them down: the conclusions or lack of them often restricted potentially very good answers. Students should note A04 on the 16 mark questions account for 7 marks, therefore the absence of a conclusion/judgement severely restricts the maximum mark they can achieve on that question. If repeated across the paper this then has a major impact on any final grade. In contrast there were some clear cases of students who understood the demands of individual questions and were able to structure responses well, answer the question asked and when relevant give conclusions based on their analysis.

#### **Comments on Individual Questions**

- 1.1 the current ratio was particularly well done but the gearing ratio less well. Students also need to pay attention to the the format of their answers: the current ratio is presented as a ratio or just the figure, gearing though is a percentage.
- 1.2 most students were able to demonstrate knowledge of sensitivity analysis and perhaps describe/point out the relevant data. However, the question asked was why it had been used specifically for the investment proposal and very few students responded to this demand of the question.

- 1.3 This question was generally very well done. Students understood the functions of HR and issues of seasonality, fluctuations in demand. Although, there were a few students that drifted away from HR particularly into areas of costs, revenues and profit.
- 1.4 This question required students to recommend and justify whether Drake should go ahead with the investment. All too often students gave reasons for and reasons against, sometimes doing little more than describing pieces of data, and then just saying I recommend. Justify requires the response to say why the recommendation that is made is the right move. Better abled students made good use of their earlier calculations, link aspects of the data together to build strong arguments and counter arguments and make a judgement on the relative weight to make a justified recommendation.
- 2.1 Most students performed well here and had a good understanding of the relevant theory although many were unable to specify philanthropic and some minority had no familiarity at all.
- 2.2 Protectionism was generally well understood and relevant responses developed. A minority did, however, make suggestions that were clearly not in the remit of a marketing manager and some students presented purely theoretical responses with no reference to Nari's context.
- 2.3 JIT was well understood with most students able to develop the various benefits and drawbacks with clear links to impact on profit provided, but many again were unable to set these in the context of the data and situation provided for Nari .
- 2.4 Although there were some very good answers to this question, a surprising number of students were clearly unfamiliar with Taylor and scientific management. Poor exam technique was also a feature of some responses students often described Taylorism and its benefits and argue other theories might be better but not address the question of whether Taylor was a good way for all businesses to motivate employees. Responses frequently lacked depth, focus on the question asked and context(s). The majority of students relied upon generic arguments for and against Taylorism or pros and cons of different motivational theories.
- 3.1 This was a straightforward definition that produced some very vague responses or basic rewording. Students either knew the definition or not.
- 3.2 Power culture was generally quite well understood and the reasons for moving away from it developed. Not all students were able to set this in the context of shareholders.
- 3.3 This has traditionally been a difficult topic for students. Therefore, it was pleasing that this question produced some excellent responses both in terms of understanding of price elasticity of demand and the context in which it is presented. Good answers clearly described the theory, the context and the following causal relationship. Inevitably, a minority of students still have have an unclear or limited understanding of this topic.
- 3.4 Students knowledge of franchising was generally good but the question itself was frequently poorly answered. Too many students never got beyond outlining the pros and cons of franchising. The question asked whether it is a good way for any business to grow (not the best way as some suggested) and wanted a consideration of the circumstances where it might or might not be good. In doing this drawing a justified conclusion as to whether it was a good way for any business to grow was required. Poor focus on the questions demands meant fewer students managed to attain the top mark band in this question despite obvious knowledge of the content.

### **Concluding Remarks**

The demands of the paper, expectations from students and type and range of questions asked were entirely comparable with previous series. This paper proved to be accessible for students on all questions. Students responded well across all sections of the paper and frequently used the stimulus material appropriately in their responses. Issues of timing were not apparent and there was a good balance in responses across all parts. Perhaps more apparent in this series than previous was where students did have gaps in knowledge/understanding as evidenced by either no response answers or very low to zero marks awarded.

There were some exceptionally well considered and developed responses, but mainly students who did possess the base knowledge lost marks through either providing very generic answers and not considering the context in the case, and this was evident in all levels of question or in the extended responses failing to recognise the importance and weight of an in-depth conclusion/judgement that has its foundations in the analysis provided. Too many students still approach this key AO4 skills by offeringonly a simple limited statement.

# **Mark Ranges and Award of Grades**

Grade boundaries and cumulative percentage grades are available on the <u>Results Statistics</u> page of the AQA Website.