



GCSE

BUSINESS

8132/1: Paper 1: Influences of Operations and HRM on business activity
Report on the Examination

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Overall, the paper effectively discriminated between candidates, with the most successful students being able to offer responses to all the questions. The less successful students tended to demonstrate a lack of analysis and application skills, particularly in their responses to the 9- and 12-mark question. The responses that failed to access the higher levels of the mark scheme for extended responses generally made too many undeveloped points, sacrificing depth. In addition, such responses were often generic and descriptive, making very limited use of the context.

Most students appeared to have had sufficient time to complete their answers to the final question. A number of students did use additional pages. However, in most cases when additional pages were used to answer the longer evaluative questions students tended to add more reasons rather than extended their line of argument and therefore struggled to add any real value to their answers. Consequently, it was unusual that the use of additional pages enabled an answer to move to a higher level. In general, students should only look to use additional pages if they have large handwriting or where there is a need to replace an answer or a part of an answer.

If students do use additional pages, it is vital that they make it clear which question they are answering and indicate in the exam question that their response has been continued on another page.

When answering the extended responses students must remain on the topic and links to profits, sales etc must be fully explained and justified. Generic lines of argument will limit the analysis to basic or sound. Detailed analysis of the topic requires a line of argument closely linked to the question and only at the very end of a line of argument must a student be considering the link to, say, sales or profit. A stem is given attached to each questions to help students focus their response and evaluation.

Students can follow a number of different approaches to answer the 9 mark evaluation questions. For example in response to the question on Premium Motors takeover if they are choosing the takeover, students can analyse an advantage and then give a conclusion drawing on a disadvantage to give a balanced responses and justification for their decision. Equally they can give an advantage of the takeover and compare this with organic growth to add balance in their conclusion. Students do not need to cover both sides of each argument in detail to gain full marks. Detailed analysis must be present in their main paragraph either in support of the takeover or in disagreement and then a detailed conclusion justifying their decision with context and a counterargument can gain full marks.

The 4 mark level of response questions are driven by the explanation; sound understanding of the topic area is the key that will drive the level. However, if answers are generic then it will limit the mark. For example, in the question on a private limited company the context related to expanding the business and therefore sound understanding must focus on this area. Any other advantages which were not linked to growth could not gain full marks.

When answering the 12 mark question students must cover both bullet points. The effect of lean production and of changing the organisational structure on productivity could have been positive or negative. However, an answer does not need to analyse both the advantages and disadvantages of each bullet to achieve a detailed line of argument. The key to achieve level 4 for these questions is through an evaluation. It is, therefore, strongly recommended that students provide a detailed judgement. The final element of the question must be answered ie students must argue which of the two options should have been chosen first and would have the biggest impact in the short term. The judgement is where the decision must be made with evidence of why. More effective responses must weigh up both options in the judgement.

The quality of handwriting continues to be a concern and students need to try and ensure their responses are legible in black pen.

Overall, the most effective responses tended to display a number of common characteristics that included:

- a demonstration of relevant knowledge with concise development of this knowledge on shorter questions
- evidence of using the information in the case study relevant for the question
- a line of argument for one point/reason fully developed
- a balanced argument for the evaluative questions leading to a clear, supported judgement based on these earlier arguments
- a judgement drawing together the evidence for the 12 mark question and evaluating the most important information.

Section A

Section A was generally, well attempted, most candidates demonstrated knowledge for at least one mark. Very few answers were left blank.

Questions 1.1 – 1.6

The six multiple choice questions enabled students to demonstrate their knowledge and understanding across a range of the GCSE subject content. The most challenging questions proved to be numbers 5 and 6. The responses to question 5 suggested some lack of understanding of the difference between TQM and quality control, with response A proving to be the most common incorrect answer. Question 6 indicated that a significant number of students were unable to identify one of the four factors of production; response D was the most common incorrect answer.

Questions 1.7

Whilst the majority of students demonstrated knowledge in this question, some students failed to gain one or both marks because of vague responses such as 'sharing of profits' or 'sharing of jobs'. Students must give a reason what the agreement may be for sharing profit or workload. Many responses focused on sharing decision making, and explaining how the profits will be split.

Question 1.8

A large number of students were able to score at least one mark on this question. Many responses focused on the flow of communication and passing of information. However, students who were unable to access the second mark often failed to explain the importance, which was clearly a key word in the question

Question 1.9

This is a question which identified a gap in knowledge for many students, with almost a quarter of responses failing to score any marks or leaving the question unanswered. Many students confused proving safe goods and services with quality control. The most successful responses discussed food allergies, and how labelling would make products safe.

Question 1.10

This is a question which identified a gap in knowledge for many students, with more than half of responses failing to answer or to score any marks. There were many vague responses such as 'ensures the right person get the job' and many students confused job analysis with job description. These responses mistakenly said the job analysis would be made available to potential employees rather than recognising it as an internal document. The best responses looked at how job analysis is used for the next stage of recruitment and helps design the person specification and job description.

Question 1.11

Many students demonstrated a good understanding of the reasons for setting objectives, often making links to providing direction or securing finance in their responses. A few responses clearly did not read the questions and gave examples of objectives. A number were unable to develop their reason why they are used, especially when setting them to motivate employers; these answers tended to focus on the importance of motivation and not how the objectives can help motivate.

Question 1.12

Overall, a topic of which many students were able to identify benefits. A minority of responses focused on the fact that less time or money may be needed for training but did not specially mention induction training and were unable to gain further marks. In a small number of responses students incorrectly focused on benefits to employees such as opportunities that they might achieve as result of internal recruitment. Students need to read the question carefully. The benefits needed by the question relate to the business and this must be clear in the answer.

SECTION B**Question 2.1**

On the whole a well answered question. Most responses referred to profit and growth. Students must ensure that responses do not overlap i.e. two growth objectives.

Question 2.2

A mixture of both calculation methods was used throughout the responses. Answers were not labelled very well, which at times limited the marks available to be given if it wasn't clear what each answer was for. The majority of students were able to calculate total costs, many then were unable to work backwards to calculate sales. A common mistake was deducting the £200 profit rather than adding on to total costs. Students who were unable to calculate total costs, usually assumed that both fixed and variable costs were to be multiplied by 4.

Question 2.3

Not many responses to this question were able to develop a detailed line of argument. The key to the 9 mark questions is that the impact of the takeover must be analysed effectively. There are no marks for definitions of what a takeover is or descriptions of how a takeover works.

Some of the more effective responses reviewed the fact that although costing £400,000 the takeover would result in quicker sales than organic growth in a competitive market. Alternative responses used the £400,000 cost as a reason why the takeover did not represent good value for money given that the contracts only lasted for one more year. However, few students picked up on the fact the market was highly competitive and that organic growth had taken them 10 years to achieve. The stem to the 9 mark questions should be used to help students evaluate and focus their response.

Many responses are jumping to the same line of argument such as 'this leads to higher sales which then means that profits will increase' without explaining the cause of the higher sales. Students should use the information provided about LLCs customers to enable them to analyse the impact in context.

Question 2.4

More than a third of responses did not correctly identify an economic change. Of the students who were able to score on the question the majority were then able to develop their answer.

Question 2.5

This 6 mark question proved challenging for many students. They were often unable to analyse one reason in depth; they often listed several points instead. A small number of responses missed the fact that it was about induction training and talked about training in general.

A lot of information was given in the case study and students who accessed this and develop an argument were able to answer the question set effectively. The most popular context was the role play exercise. However students need to use the context as part of their line of argument; simply listing it or throwing it in without analysing the impact for the business will limit marks awarded.

Students who had read the case study and used the stem answered this well and provided clear application. Linking the induction training to higher levels of customer service if the drivers were trained to deal with difficult customers enabled student to develop a detailed line of argument

Question 2.6

This 9 mark question proved challenging for many students. Whilst they clearly understand e-commerce, many failed to recognise that this question was focusing on e-commerce and its role in customer service. For paper 1 e-commerce will not be assessed in terms of marketing/sales and centres need to ensure that the difference is made clear to students.

Many responses were unable to develop their argument past the benefit of 24/7 sales. They didn't answer the question in terms of improving customer service, rather the focus was very much on ease of access. Many were confused and thought that the business was a taxi service and failed to grasp the fact they were booking a car for a special event.

The few better responses used the fact that it was difficult to estimate the price of the car given there were so many different variables. Therefore, it was highly likely that the option of booking online would not work for this business and expanding the sales teams' hours would be better. Some responses did consider the online chat facility and combined with the online service may then work.

Some students confused the question with whether the business should develop a webpage or offer online chat, which the stem of the question clearly outlined had already been introduced.

Overall centres need to ensure that e-commerce for services is explored more in the delivery of the course.

SECTION C**Question 3.1**

A large number of students were able to demonstrate knowledge of an LTD. However, many students did not explain how or why this is a benefit in context of the expansion. Quick decisions from the family or limited liability were common responses. A small number of responses were talking about a PLC rather than LTD and made links to competitors buying them out. The best responses made use of the information regarding the £2 million loan.

Question 3.2

This is a question which identified a gap in knowledge for many students, with almost half of responses failing to score any marks or leaving the question unanswered. Students who were able to explain the trade-off/loss that occurred were able to score high on the question.

Question 3.3

On the whole many students were able to analyse the way in which a person specification can be used with many using the context regarding essential and desirable skills. The better responses were able to analyse essential first and then how desirable is used to reduce the number of candidates down further. The few responses that used the information in the stem about the large number of applications received provided the top responses.

Question 3.4

This question proved challenging for the majority of students with less than a quarter of students correctly identifying a diseconomy of scale. Some students gave a definition rather than a reason and a large number of students did not attempt this question.

Question 3.5

Many students understood how to calculate an average; some however misread the question and calculated the average for all months in the table and not April to June as was required. Over a quarter of students were not able to score any marks on this question.

Question 3.6

Students who clearly analysed flow production for this business were able to provide a detailed line of argument for this question. They linked their answers to increased output, the new technology and the data which was provided. Few used the information on unit costs which would have enabled them to analyse economies of scale. Some students gave generic responses, which limits their argument to “sound” at best.

Question 3.7

The 12-mark question proved challenging for many students. The way in which students approached this question varied. Many responses focused on too many advantages and disadvantages of both options. Students should be discouraged from this approach; one detailed paragraph on each bullet is sufficient. Responses are limited by making a series of points that remain undeveloped as the answer then lacks depth. A number of students tried to link their analysis to other functional areas and learned responses linking it to operations, or finance etc were generic and not necessary. The key is to draw on different areas of business in the conclusion.

Over half of students entered for the exam were able to provide a sound response to this question but most struggled to move into the highest level. Others were able to identify the benefits of lean production or changing an organisational structure but struggled to link their arguments to the context of productivity. A significant number failed to develop integrated analysis which requires both bullets/areas to be analysed in detail or did not give a detailed conclusion.

Level 4 could be achieved by concluding that either option would work for Fone Ltd. The data could have been used to justify either option as the first choice their decision. However fully developed answers must consider the integrated nature of business and the conclusion is very important in doing this. It must consider both options and draw together the two functional areas the bullets focus on. It is possible to explore the interdependent nature of business by bringing in other areas of business that could also impact on the success of the options in increasing productivity.

A sustained evaluation is one which considers which area will have the biggest impact on productivity in the short-term using the data from the case study. For example, the data in the table suggested that some department have high levels of productivity and the main issue was with the production department. A small minority of students considered that in the smaller departments both options may not be useful and not necessary, therefore concluding that lean production may be best in operations as this is where the most improvements could be made.

Some of the better lines of argument analysed the different ways in which the two methods motivated employees. They considered the fact that a one-off payment may not motivate as effectively as long term pay rises. Or they considered how many employees were in each department to allow the lean production groups to be effective. Many incorrectly considered the costs, which were deliberately set to be £20,000 for both options.

Mark Ranges and Award of Grades

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