

Examiners' Report/ Principal Examiner Feedback

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Pearson Edexcel IAL in Business
(WBS04) Paper 01

Business in a Global Context

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Introduction

This paper only attracted a small number of entrants and as such it is hard to reach many meaningful conclusions. The main reasons for some otherwise able students underachieving are the usual ones of not heeding command words and not reading the questions carefully enough. Command words are still being ignored by a sizeable number. Instructions to 'Assess' and 'Evaluate' were not followed by some students.

Some of the students missed out on marks because they did not answer the question that was set. This was particularly the case with question 3 where a number of response described 'push' factors rather than 'pull' factors. Some students missed out several whole questions.

It is worth reminding future students of the need to apply context to all responses. Repeating generic or stock answers will not access the higher levels of the mark scheme.

Nevertheless, there were some excellent responses showing high levels of considered evaluation backed up by relevant examples.

Q1a – Although most students knew what GDP stood for, few were able to develop a convincing explanation of what it represented with many vague offerings about wealth or riches.

Q1b – The key here was that trade liberalisation is an ongoing process caused by a reduction in barriers to trade. Too many responses equated it with free trade which, while it may or may not be the ultimate result of trade liberalisation, is not the same thing at all.

Q2 - The answers to this question were often discursive and rambling rather than setting out two clear reasons. Whilst most students could gain marks for one or two reasons for increased international trade, with some analysis, very few introduced any application to their response. A significant number of students repeated the answer to question 3 (trade liberalisation) without developing it to FDI. Others identified rising incomes without going on to show the link to increased levels of international trade.

Q3 - Most students attempted to identify two pull factors although a disappointing number described push factors such as saturated domestic markets or recession in the domestic market. There was a tendency for just one analytical point rather than the two needed to access all available marks. Some students developed their answer from the point of view of Africa as a country, rather than the KFC or Domino's business viewpoint.

Q4 - This question was a good differentiator in terms of student understanding. Most discussed price in terms of one of the 4Ps or in economic terms as a result of supply and demand factors. On the whole, there was a lot of analysis and good application, but most of the responses remained in level 3 because there was no discussion of the 'importance' of price. Better students were able to take the response further and access level 4 by considering other factors such as the remaining elements of the marketing mix and making a judgement as to the 'importance'.

Q5 - On the whole, there were some very good answers to this question. Responses often started in terms of the potential of the African market for western businesses and then developed the potential threat of expanding African businesses as evaluation. Stronger students made good use of the Sasol case in Evidence D to show this. Where students were able to get to evaluation this was generally much surer and stronger than the analysis sections.

Q6 - There was a good level of knowledge and understanding of FDI and its implications for the host country. This is clearly a popular and widely understood topic. There was good use of application, especially Mopani Copper and Debswana cases. Very little reference to trends or increasing levels of FDI. Quite a significant number of students continued to refer to KFC and Dominos but as long as the arguments presented were sound and sensible they were accepted (e.g. developing infrastructure to aid easier delivery of fast foods ensuring more local employment). Analysis points were often not fully developed.

Evaluation tended to be in the mid-range usually about repatriation of profits, footloose MNCs and pollution. There was a rather blasé attitude towards child labour issues with many students stating this was illegal everywhere and companies did not do this anymore from a significant number of students. There were a significant number of responses that discussed environmental issue, especially from those that discussed the mining operations of Mopani and Debswana. This often spilled over into discussion about CSR and stakeholder conflict which was the subject of Q7.

Q7- The majority of students clearly understood the concept of internal and external stakeholders and the idea of ethical conflicts, actual or potential. This was very well answered by some of the students with excellent use of application from the evidence with Zambia Sugar, Associated British Foods and Mopani Copper Mining discussed in some detail. Both analysis and evaluation levels were well developed.

However, many students just described lots of examples of ethical conflicts and did not get round to evaluating the extent or scope of these conflicts and did not get beyond level 3. A number of students carried out good analytical and evaluative responses but did not apply to the evidence so had to be limited to the previous level.

There were a few unanswered items but it cannot be identified whether this was from time management or lack of knowledge issues.

Based on their performance on this paper, students are offered the following advice:

- Do read the question carefully and answer the question that is set
- Do watch out for command words such as Assess or Evaluate
- Do use examples to illustrate your argument
- Do use the language of the subject and avoid generalities
- Do watch your timing and do not spend too long on one question
- Do write concisely
- Do add a conclusion to the longer questions

