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# Examiners' Report Principal Examiner Feedback

## January 2018

Pearson Edexcel International A Level  
In Business Studies (WBS02)

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## Introduction

The paper is split into two sections: Section A has six supported multiple choice questions (SMCQ) and Section B has a total of seven questions.

### SMCQ:

- Candidates can only access 3 marks for part (b) if they have part (a) correct
- Candidates are able to gain 1 Knowledge mark for a definition which are listed in the mark scheme for each question
- Candidates are able to gain up to 2 marks for a full explanation of the distracters (incorrect answers)
- Candidates **MUST** explain why their answer for part (a) is correct to be able to access all 3 marks for part (b) i.e. a definition and two distracters would still only be worth 2 marks if there is no explanation of why part (a) is correct.
- Candidates must explain **WHY** the distracters are incorrect.

### Question 1

This SMC question involved candidates having to explain why a flat organisational structure may have resulted in quicker decision-making for Software Mill. Many candidates were able to get the correct answer for part (a). Examiners were looking for a definition of a flat organisational structure - references to fewer levels/layers. Many candidates were able to fully explain the distracters in order to pick up additional marks. Again, some candidates are not fully explaining an incorrect answer and examiners are looking for **WHY** a distracter is incorrect.

### Question 2

Some candidates were able to score full marks for part (a) so could access all 3 marks for part (b). Marks were awarded for showing the correct formula for the reorder quantity and for all the stages of the calculation. Some candidates were able to give the formula for the reorder quantity as well as show how they arrived at their answer for part (a). Showing the stages of the calculation without a definition/formula could only be awarded 2 marks. Candidates did not have to explain the result - just show the calculation.

### Question 3

This has proved to be a popular question with many candidates getting part (a) correct. Many candidates were able to define either the Boston Matrix or Problem Child for 1 mark. Many candidates gave both definitions (only 1 mark can be awarded) and then tried to explain why the Blaze was considered to be this type of

product on the Boston Matrix. Many candidates fully explained the distracters to gain additional marks.

#### Question 4

Many candidates were able to score full marks for part (a). Examiners looked for an accurate definition of a normal good. Many candidates just repeated the stem and the correct answer for part (a) rather than explaining why clothing could be considered to be a normal good. Candidates who did use the distracters to gain additional marks, but again, often definitions were given rather than an explanation of why these were incorrect.

#### Question 5

Many candidates were able to get part (a) correct. Examiners rewarded an accurate definition of cash flow and many candidates were able to score at least 2 marks for part (b). Candidates were able to explain why the use of a factoring service would give immediate cash to the business and therefore help alleviate the cash flow problem. There was a much better performance on this question compared to the other questions in this section.

#### Question 6

This proved to be a much more challenging question with many candidates unable to get part (a). Many candidates did not understand what was meant by a low PED and therefore struggled to gain the distracter marks. Some candidates did however manage to gain 1 mark for an accurate definition or formula of PED.

#### Section B

For the IAL Business course, there is an emphasis on **Application/Context**. Candidates must **use** the evidence rather than just lifting figures from the case study. Using the name of the company – Nike in this case or context from the stem, is not considered to be **Application/Context**.

There must be **Application/Context** to access **Level 4** otherwise the top of **Level 3** will be awarded. If there is Analysis but no **Application/Context**, then the top of **Level 2** will be awarded. This has definitely had an impact on the levels achieved this series.

#### Question 7

This question was marked using a points-based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. It was pleasing to see that many candidates were able to either define recycled material or give two benefits to Nike of using recycled materials. Some candidates did give generic answers which were not applied to Nike so dropped the 2 Application marks. Some candidates just copied out large chunks of the evidence and for this to count as Application, it must be used in relation to the Knowledge and Analysis points. For Analysis, examiners were looking for the

consequences of using recycled materials - linking to things such as increased sales and profits or cost savings and waste minimisation.

### **Question 8a**

This question was marked using a points based mark scheme with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. This proved to be a popular question with candidates and examiners were pleased to see good use of the context as well as detailed analytical points. The way candidates structured their response for this question was much better than the other 6 mark questions and it is always advisable to make sure that if a question asks for two benefits or reasons, that these are separate benefits or reasons as often it is difficult for examiners to determine where one reason ends and another reason starts.

### **Question 8b**

This question was marked using a points-based mark scheme with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. This was poorly answered and it was clear to examiners that many candidates did not know what was meant by a short product development lead time. Many candidates confused this with inventory control so were unable to any score marks.

### **Question 9a**

This question was marked using a points-based mark scheme with 1 Knowledge mark, 1 Application mark and 2 Analysis marks. Many candidates were able to gain 1 Knowledge mark for giving a benefit of using 3D printing to manufacture shoes. However, many candidates gave generic responses so lost the 1 Application mark. Examiners were looking for references to how the new 3D printing would lead to a competitive advantage or cost reductions in terms of waste for Nike.

### **Question 9b**

This was marked using a Levels of response mark scheme (LOR). Many candidates were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. It was evident that many candidates knew what was meant by the term labour turnover and they were able to give the benefits of having a low labour turnover for Nike. However, many candidates did not evaluate the disadvantages of having a low labour turnover in terms of a lack of new ideas and only gave a one-sided response. Evaluation with context needs to be present to access Level 4. Context on one side of the response can achieve 7 marks, and evaluation with context on both sides, can score 8 marks.

## Question 10

This was marked using a Levels of response mark scheme (LOR). Again, many candidates were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. Context was the issue again on this question and many candidates were writing generic evaluations of internal and external recruitment methods which were not applied to Nike - so the top of Level 3 was awarded. Better answers were able to look at how Nike could use a combination of both internal and external recruitment levels. In order to access Level 4, there had to be **evaluation in context**.

## Question 11

This was marked using a Levels of response mark scheme (LOR) with a large proportion of the marks for Analysis and Evaluation. Many candidates were able to use the evidence to support their response rather than just copying out large chunks of the evidence. As in question 9b and 10, there must be **evaluation in context to enter Level 4** and good examples included **using** the context from the different pieces of evidence to support the evaluation. The benefits of Mark Parker's laissez-faire leadership style were often better than the counter arguments. Candidates need to ensure that both sides of the argument are in context and this often did not happen so marks were restricted to 9-10 marks if context was lacking on one side.

## Summary

Based on their performance on this paper, candidates should:

- Ensure all SMC questions are completed for part (a) otherwise this will restrict part (b) marks to a maximum of 2 marks.
- Always define a key term (either from the stem of the question or in some cases, the correct answer).
- Fully explain the correct answer otherwise you will restrict your mark to 2 marks.
- Fully explain why the distracters (incorrect options) are incorrect and not just define them.
- Read the Evidence very carefully and ensure you spend enough time reading through the different pieces of Evidence.
- Ensure you know what is meant by the command words – Explain, Analyse, Assess and Evaluate require different skills to be shown.
- **USE** the Evidence to contextualise your response rather than just lifting data or saying the name of the business.
- Assess or Evaluate – this is looking at both sides and coming to a conclusion.
- In order to enter Level 4, your response must be in context.
- Ensure that your time management allows you to answer all questions on the paper, especially the Q11 which is worth 14 marks.