
GCSE **BUSINESS**

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

8132
June 2019

Version: 1.0

Further copies of this Report are available from aqa.org.uk

Copyright © 2019 AQA and its licensors. All rights reserved.

AQA retains the copyright on all its publications. However, registered schools/colleges for AQA are permitted to copy material from this booklet for their own internal use, with the following important exception: AQA cannot give permission to schools/colleges to photocopy any material that is acknowledged to a third party even for internal use within the centre.

Overview

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 precise subject knowledge and understanding of the specification content that was being assessed, particularly on shorter questions. The responses that failed to access the higher levels of the mark scheme for extended responses tended to lack structure and generally made too many undeveloped points, sacrificing depth. In addition, such responses were often generic and descriptive, making very limited use of the context.

There was little evidence to suggest that students were struggling to complete the paper in the time allowed. Most students appeared to have had sufficient time to complete their answers to the final question. A significant 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. The most successful students were generally able to develop effective answers to the 6, 9 and 12 mark questions within the confines of the answer book provided. In general, students should only look to use additional pages if they have large handwriting or 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.

A few students used extra space given after the final 12 mark question to answer other questions for the exam. This must be avoided and this is when the additional pages must be used.

Students should be encouraged to plan their answers, particularly the 12 mark questions, and to write in a concise but focused manner; simply writing more does not in itself improve the quality of their response.

The 9 mark evaluation questions can follow a number of different approaches to answers the question. For example in response to the question on Just In Time stock control students can analyse an advantage and then a disadvantage to give a balanced responses. They can then make their decision. Equally they can give an advantage of JIT and compare this with a disadvantage of Just In Case stock control to add balance if they are choosing JIT. Students do not need to cover advantages and disadvantages of both methods to gain full marks.

When answering the 12 mark question students must cover both bullet points. The effect on sales of job production could have been positive or negative and once again an answers does not need to analyse both the advantages and disadvantages to achieve a detailed line of argument. The key to achieve level 4 for these questions is through an evaluation, therefore it is strongly recommended that students provide a detailed conclusion.

The final part of the question must be answered ie students must argue which of the two options will have the biggest impact on sales, the conclusion is where the decision must be made with evidence of why. More effective responses must weigh up the two options to make a supported decision.

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

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

- a demonstration of relevant knowledge with precise understanding on shorter questions
- evidence of identifying and using the information in the case study relevant for the question
- planning the extended responses before writing
- 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 conclusion drawing together the evidence for the 12 mark question and evaluating the most important information.

Section A

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 4 and 5. The responses to question 4 suggested some lack of understanding between lean production and flow production, with response C proving to be the most common incorrect answer. Question 5 indicated that a significant number of students were unable to identify the formula for average unit costs; response C was marginally the most common incorrect answer.

There were a few students who did not know how to show their answer and ticked or crossed out the circle instead of filling it in as per the instructions. A small minority choose more than one response, which invalidated the answer.

Question 1.7

Whilst the majority of students demonstrated knowledge in this question, some students failed to gain one or both marks for vague responses such as 'people being unhappy with their job' or 'having got a better job'. Students must give a reason why people are unhappy or why the job is better. Many responses focused on wanting better terms and condition and starting their own business.

Many students repeated points ; for example, stating possible reasons as being unhappy with terms and conditions, unhappy with pay and unhappy with hours . This response would only score one mark, as these are all reasons why employees are unhappy with terms and conditions

Discrimination, lack of health and safety or unfair treatment at work are not valid reasons for leaving a job, as employees have rights regarding these.

Question 1.8

A large number of students failed to answer or scored no marks on this question. Those that were able to explain the term achieved the development mark by giving an example of middle or assistant managers. Popular consequences given to develop the response were to save costs or to increase the span of control. There were a few vague responses, such as 'remove jobs'.

Question 1.9

This is a question which identified a gap in knowledge for many students, with almost half of responses failing to answer to score any marks or leaving the question unanswered. There were many vague responses such as 'giving out of jobs' and some students confused delegation with centralisation. The most successful responses used an example of a job role and how they allocated work to a subordinate to illustrate and develop their answer.

Question 1.10

A large number of students demonstrated knowledge of a job description and were able to give a definition but many failed to answer the question set, which asked for its purpose. Students must read the question carefully. The most effective responses could give tasks/duties which a job description contained and were able to link this to how this would attract applicants to apply for a job. A number of responses explained the purpose of a person specification and the qualifications/experience needed by applicants.

Question 1.11

On the whole a well answered question. Most responses referred to services as non-physical. Hairdressing was a popular example.

Question 1.12

There was a wide spread of answers across all four marks for this question. A full-time worker will usually work 35 hours or more a week; the most effective responses explained this by describing that part time is less hours a week than full time employees. Many students also confused fixed and full time contracts and flexible working hours with part time contracts. The most popular choice was zero hours with students being able to give a clear accurate description.

Section B**Question 2.1**

Almost two thirds of students failed to correctly answer this question. Many misread the question and focused on types of production or factors of location.

Capital and labour were the most popular, a small minority failed to gain marks for indicating cost of labour which is a factor of location.

Question 2.2

Many students did not know the difference between TQM and quality control. Many stated that 'total' meant that all products are checked for quality but did not know by who. Those that did know the difference could explain how TQM expected all employees to check quality but few were able to develop their answer and explain how this leads to good quality. More effective responses focused on how faulty products are identified before they reach the end of the production line.

Question 2.3

This question produced a range of different responses. Although the majority of students knew how to calculate profit the question specifically stated 'state the formula used' and at times this was not given. A lot of responses stopped a step too early and gave the overall profit but did not give the answer per bike as the question asked. The majority of students did clearly show their workings and incorrect answers were easy to award marks for own figure rule where mistakes had been made.

Question 2.4

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

Some of the more effective responses reviewed the fact that the loss of the 10% discounts would result in higher costs than the saving of storage space that JIT may bring. Others compared this with the fact that the extension may not be needed if less stage space is used and that it could save interest costs on the loan and improve profit.

Many response are jumping to the same line of argument 'this leads to higher sales which then means that profits will increase' without explaining the cause of the higher sales.

Very few responses referred to the previous questions which calculated the profit per bike; despite getting this correct students missed the opportunity to justify their decision by using this data. Previous questions can help give a student a better understanding of the issues the business faces.

Some answers focused on how JIT may impact on reliability as the 3 hour delivery may be late. They compared this with the how the demand for children bikes was unknown as it was a new market. They built into their argument the effect on reputation if supplies were delayed and the promise to deliver within 24 hours may result in lower customer satisfaction. Very few students picked up on the fact the main sales of this business were to large retailers which placed large orders and gave two weeks for delivery. This suggested that JIT was not suitable for this business.

Responses which did not score well made vague generic responses which did not use any of the data given, focusing on potential storage costs savings when the item specified that the company had issues with storage facilities.

Question 2.5

Almost half of the responses demonstrated no understanding of induction training. There were many vague references to the general benefits of training eg better skills or higher motivation. The most popular correct responses were health and safety training or getting to know other employees.

Question 2.6

The 6 mark questions proved challenging for many students. They were often unable to analyse one reason in depth; they often listed several points instead. 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 48 hour exchange. Many students were able to analyse how this ensured that customers were confident making their purchase and that this would lead to high levels of customer service. The more effective responses then linked this to selling online and how this gave a higher level of customer service as the children had not been able to ride and test the bike. Some also used the information that this was a new service and it made further guarantees to the customers as they had not used the business before. Some students also developed their answer further by linking the exchange to positive reviews and how a new business needed these to establish market share.

Many responses jumped straight to how this will lead to sales and then higher profits. This is a consequence and the cause must be examined first; the method must be explained and linked to good customer service to allow the argument to flow.

Less effective responses gave generic answers about the benefits of customer service which did not score any marks. Many described how the method of customer service worked rather than the impact it had on good customer service.

Question 2.7

The topic of recruitment on the whole seemed to be an area which allowed more students to develop a detailed line of argument. This sound knowledge and analysis of internal and external recruitment was at times hindered by the lack of clear judgment.

Less effective responses once again were evident through their generic answers and many assumed that the cost of the recruitment agency would be taken off the applicant's salary rather than be paid by the company.

More effective responses recognised that although new skills would be brought in with external applicants Brian's sales experience would prove to be more valuable. They argued that the knowledge of the children's' bikes, which at present he was lacking, could be quickly changed compared with the time it took to employ an external applicant.

Section C

Question 3.1

This question required application to producing chocolate and more than two thirds of students failed to recognise this. A very small number achieved both marks. The few that were able to access both marks gave the answer of repeat customers as chocolates are consumed and Thornton's needed to meet quality standards for taste. A few linked the higher price to the quality of the fair trade ingredients. There were many generic answers, such as 'standing out from competitors', 'improved reputation' or 'get more customers' which were not awarded as these are not linked specifically to Thorntons.

Question 3.2

This question proved accessible for the majority of students who gained both marks.

Question 3.3

Another question on which many students were able to gain all marks. A small minority did not recognise that the purchase was over 30 days or that it was the 'increase' they were to calculate.

Question 3.4

A higher number of students were able to access level 3 for this question, those that analysed the reputation of the supplier and linked to the fact Thornton's want to be seen as an ethical business were able to do this successfully.

Many students did not use the case study and wrote about cost, availability, location, reliability, in generic terms; this meant they did not score well.

Question 3.5

Overall this question was answered well, with the majority of students gaining both marks with a wide range of different answers. Many explained their answers when the questions clearly said 'state'. This is not an effective use of time in an exam. Some less effective responses were too vague, for example, giving the answer 'work better' or they focused on how motivation benefits the business.

Question 3.6

As with question one in this section this question was not answered well as students did not recognise its demands. This is an application question and knowledge of employment law needed to be linked to the recruitment process and the sales assistants' job.

A significant numbers give answer of gender, religion and disability discrimination with no link to the sales assistants advert. Although many could re-state the equality act they were often unable to identify its effects on recruitment. Therefore a large number were unable to score any marks for this question.

Question 3.7

A number of students did not attempt this answer, perhaps down to lack of knowledge or they may have ran out of time. Those that did respond often showed little understanding of commission and confused this with bonus payments. Many simply analysed the benefits of motivation without explaining how commission causes motivation; this limited marks to level 2.

The most successful answers explained how commission works and linked this to the daily sales targets as indicated on the job advert; they then went on to analyse the impact for the business in terms of covering extra commission payments with higher sales of chocolate.

Question 3.8

It is obvious that many centres have prepared their students effectively for this style of question. However some 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.

Over half of students entered for the exam were able to provide a sound responses to this question but many struggled to move into the highest level. Some responses were limited by making a series of points that remained largely undeveloped and so provided a long answer which lacked depth. Others were able to identify the benefits of job production or franchising but struggled to link their arguments to the context of increasing sales. 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.

Definitions are an appropriate way of opening a response to the 12 mark question and, in this case, a definition of 'job production' proved to be an effective starting point. However to achieve level 2 students must then explain what impact it has for a business.

Too many students repeated large sections of the case study in their answer or were listing benefits and drawbacks of the options and therefore limited their response to level 1.

Some of the most successful responses reviewed the data of the market and how chocolate sales volume is falling. They linked this to the USP that job production would create and how a higher price can be charged. They argued that this would mean that the business can increase sales value in the third of the market which splash out on premium products. Students recognised that although it would take up to 5 years and not all stores would have the space this was the better option.

Level 4 could be achieved by concluding that either option would work for Thornton's; data could have been used to justify either option as their final choice. 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 sales. For example, market research may be needed before a final decision is made.

A sustained evaluation is one which considers which area will have the biggest impact on sales using the data from the case study and possibly considering other areas of business which can affect sales. For example, the finance available to complete job production may limit the expansion to increase sales to the level they need. Will enough staff be available to make the products using job production? A small minority of students considered that the Derby store being near to the factory had influenced the success of the introduce of job production, and that it would be unlikely this could be replicated in 200 stores due to the need to have the trained chocolate marker. Some students suggested that shop workers may need significant training to do this and concluded that franchising could be better as it would increase sales to people who are buying a card and therefore they are likely to buy chocolate as a gift.

Some responses did not show sound understanding of how a franchise works. Others lost sight of the question and talked about the benefits of flow production or even Just In Time.

Use of statistics

Statistics used in this report may be taken from incomplete processing data. However, this data still gives a true account on how students have performed for each question.

Mark Ranges and Award of Grades

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