

Examiners' Report

Principal Examiner Feedback

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Pearson Edexcel International
Advanced Subsidiary in Business
(WSB02/01)

Paper 2: Business structures and
processes

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Introduction

This was the last sitting of the paper with a reduction in the number of students compared to 2018. The paper was split into 2 sections: Section A had 6 supported multiple choice questions (SMC) and Section B had a total of 7 questions.

SMC:

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

Question 1:

Many candidates have clearly understood this question with many able to get the correct answer for part (a). Marks were awarded for a definition of delegation references to authority is being passed down the hierarchy. Many candidates just repeated the stem or their answer for part (a) so marks were not awarded for this. Credit was given for candidates who tried to explain how employees might feel valued or trusted and an additional mark was awarded if this was then linked to an increase in motivation. For the distracters, marks were awarded for a full explanation of why these were incorrect and many candidates used a combination of explaining the correct answer and explaining the distracters.

Question 2:

Some candidates were able to score full marks for part (a) and candidates could be rewarded for either for a definition or formula of PED. Application marks were available for showing how the correct answer for part (a) was calculated. Candidates did not have to explain the result and many were able to achieve at least 2 marks for this question.

Question 3:

This has proved to be a popular question with many candidates getting part (a) correct. Marks were awarded for the definition of mass marketing and why this example was an example of mass marketing in terms of Levi aiming its advert at all sexes and ages. An additional mark could be awarded for references to TV advertising reaching a wider audience. Again, for the distracters marks were awarded for why these were incorrect and not for defining the key terms.

Question 4:

Many candidates were able to score full marks for part (a) but unfortunately did not gain any further marks for part (b) as candidates were unable to explain how an increase in process innovation helped to speed up the goods getting to market. Some candidates were able to gain marks for the distracters and the most popular distracter was labour turnover.

Question 5:

Many candidates were unable to get part (a) incorrect so candidates could only access 2 marks for part (b). For the definition of cash flow a reference to money in and out of a business was rewarded. Additional marks could be gained by explaining how money would leave the business sooner than before therefore reducing cash flow as Aldi would have less time to sell the goods before having to pay. Overall, this question was not very well attempted.

Question 6:

This question proved to be a more challenging question with many candidates getting part (a) correct but not being able to explain why. For the definition of capacity utilisation marks were awarded for either the formula or the definition in words. Many were able to gain at least 1 mark for this but were unable to do add anything else of merit. Credit was given for references to costs being spread over more units and therefore reducing unit cost. The most popular distracter was C (profitability) and some candidates gained marks for a full explanation of why this was incorrect.

Section B

Application is very important for IAL and determines the level or mark given depending upon the type of question. Using the name of the company – Harry Potter Studio Tours or ASDA is not considered to be application. For the Levels of Response questions (9b, 10 and 11), there had to be some relevant context to access L4 otherwise award top Level 3 was awarded. If there was Analysis but no context present, then the top of Level 2 was awarded.

Question 7:

This was a points based question with K=2, App=2, Ana=2. Many candidates were able to gain a combination of all assessment marks by giving a reason, with context and then a consequence from this. Often, candidates did copy out large chunks of the Evidence rather than use any business theory but most candidates gained at least 2 marks for this question.

Question 8a:

Again, this was marked using a points based mark scheme and the AOs were K=2, App=2, Ana=2. Candidates were credited with a definition of part time employment or for giving 2 benefits such as reduced labour costs, more flexibility and more workers to choose from. Application was often missing and candidates gained marks for Knowledge and Analysis.

Question 8b:

As with Q7 and Q8a, this was a points based question with K=2, App=2, Ana=2. The Knowledge marks could be gained for the definition of external recruitment or for giving two reasons such as wider pool of applicants, new skills and ideas and internal applicants lack skills. Application could be references to the types of jobs available and again this had to be used in the response rather than 'standalone'. Unfortunately, Application was often lacking. For Analysis, credit was given for the consequences and how external recruitment might benefit the business.

Question 9a:

This was a 4 mark points based question with K=1, App=1, Ana=2. The Knowledge mark was only awarded for the reason and not for any definition of sales forecasting and many candidates gave both a definition and a reason. Credit was given for reasons such as economic changes, changes in tastes and fashion, too expensive – anything within reason as to why the forecast might be inaccurate. On the whole, most candidates were able to gain at least 2 marks for this question.

Question 9b:

This was the first Levels of Response question and this was marked in a different way to the previous questions. Application was crucial in these questions as it dictated which level to place the response into. This question was the highest scoring across the paper and many candidates were able to give contextualised advantages and disadvantages of training so scored 7 or 8 marks.

Question 10:

This question was well answered and candidates were able to give the benefits of holding enough inventory in terms of keeping customers happy as well as contrast this with the costs of keeping inventory. Some candidates did discuss the use of JIT which was not what the question asked.

Question 11:

This was the highest mark question on the paper and many candidates were able to evaluate and enter Level 4. Some candidates did confuse the product life cycle with the Boston Matrix so did not answer the question set. The context was much stronger on this question and candidates were able to use the information in the Evidence to give examples of the different products in the portfolio.