



ADVANCED
General Certificate of Education
2011

Business Studies

Assessment Unit A2 2

assessing

The Changing Business Environment

[AT221]

TUESDAY 24 MAY, MORNING

**MARK
SCHEME**

AO1: Demonstrate knowledge and understanding of concepts and issues relating to the report.

AVAILABLE
MARKS

Level 0	[0]	No knowledge and understanding.
Level 1	[1]–[4]	Little knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes limited use of specialist terms.
Level 2	[5]–[8]	Some knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes satisfactory use of specialist terms when appropriate.
Level 3	[9]–[12]	Good knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes good use of specialist terms when appropriate.
Level 4	[13]–[16]	Excellent knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes excellent use of specialist terms when appropriate.

Candidates cannot achieve the top band if the report is not in an appropriate format.

Report format should be:

Title – “The Future of Wrights Ltd.”.

Aim – The aim of the report is to examine the problems currently faced by Wrights Ltd., analyse and evaluate the options of selling the business or seeking to grow the company through an export strategy.

Introduction – Should set the scene by briefly describing the current market situation relating to Wrights Ltd. and explain how the report intends to achieve its aims.

Analysis and discussion of findings – Should examine the problems faced by Wrights Ltd. and identify and analyse the strategic options open to the company by discussing the advantages and disadvantages of each.

Conclusions/Evaluation – The report should reach a conclusion on whether the company should sell to Moy Park, export their produce to West Africa, or export to Europe and justify the conclusion reached using evidence from the case study.

Recommendations – The report should make recommendations to the management team of Wrights Ltd.

Knowledge and understanding demonstrated in this report might include: problems of international trade, trend of globalisation, ethical issues, the impact on corporate image, exchange rates, EU membership, economies of scale, managing change effectively, government objective of increasing exports, multinational businesses, takeovers/mergers.

AO2: Apply knowledge and understanding to problems and issues relating to the report.

AVAILABLE
MARKS

Level 0	[0]	No evidence that knowledge and initial understanding has been applied.
Level 1	[1]–[6]	Little evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
Level 2	[7]–[11]	Some evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
Level 3	[12]–[16]	Good evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
Level 4	[17]–[21]	Comprehensive evidence that excellent knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

Candidates should draw on information presented in the case study. They must apply their knowledge and understanding to select that information relevant in order to effectively assess the problems faced by Wrights Ltd. and analyse and evaluate the strategic options open to the company. They must also apply their knowledge and understanding to consider recommendations for the management of Wrights Ltd.

Information selected might include evidence relating to the size of the company, the worsening liquidity and profitability situation, the costs of the business relative to competition, globalisation, problems associated with international trade, help from InvestNI, EU standards and concerns over product quality.

AO3: Analyse problems, issues and situations relating to the report.AVAILABLE
MARKS

Level 0	[0]	No analysis of the problems, issues and situations.
Level 1	[1]–[5]	Little analysis of the problems, issues and situations relevant to the report. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
Level 2	[6]–[10]	Some analysis of the problems, issues and situations relevant to the report. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
Level 3	[11]–[15]	Good analysis of the problems, issues and situations relevant to the report. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
Level 4	[16]–[19]	Comprehensive analysis of the problems, issues and situations relevant to the report. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

Candidates must analyse the selected information in order to gain a full awareness of the extent of the problems currently faced by Wrights Ltd. They should proceed to discuss the advantages and disadvantages of the three options. Information selected and analysed should include:

- arguments in favour of selling – quick and easy solution, Moy Park's reputation, the statement regarding the size of successful organisations in the sector
- arguments against selling – loss of ownership, the degree of help and assistance provided by InvestNI, resistance from shareholders, possible loss of product quality, impact on company culture, corporate image tarnished, effect on local economy and workers of factory closure
- arguments in favour of Exporting to West Africa – less regulations, untapped market
- arguments against exporting to West Africa – loss of reputation, ethical issues, problems of international trade such as exchange rates, language and cultural differences
- arguments in favour of exporting to Europe – support from InvestNI, experience from existing exporters, stable exchange rates
- arguments against exporting to Europe – rules and regulations, size of the company and competition.

AO4: Evaluate, distinguish between and assess appropriateness of fact and opinion, and judge information from a variety of sources.

AVAILABLE
MARKS

Level 0	[0]	No evaluation of the evidence.
Level 1	[1]–[6]	Little evaluation of all the evidence to arrive at reasoned and valid conclusions. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
Level 2	[7]–[12]	Some evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
Level 3	[13]–[18]	Good evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
Level 4	[19]–[24]	Comprehensive evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

Candidates should draw conclusions, based on their analysis of the issues regarding whether Wrights Ltd. should sell to Moy Park, export their produce to West Africa, or export to Europe. They must use different sources from the case study and be able to show that they know the difference between fact and opinions. In the evaluation they must show both the positive and negative sides of options considered and they must make a final judgement regarding which option management should follow. The final judgement is likely to be that Wrights Ltd. needs to export to Europe. In reaching this judgement candidates should recognise the conflict of interest between the shareholders and the stakeholders of Wrights Ltd.

Candidates should also make realistic recommendations for the attention of the management of Wrights Ltd. [80]

Total

80

80