BUSINESS AND MANAGEMENT

Overall grade boundaries

Higher level

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 11	12 - 22	23 - 35	36 - 47	48 - 58	59 - 69	70 - 100

Standard level

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 13	14 - 25	26 - 37	38 - 49	50 - 61	62 - 73	74 - 100

Higher level internal assessment

Component grade boundaries

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 3	4 - 6	7 - 9	10 - 12	13 - 15	16 - 18	19 - 25

The range and suitability of the work submitted

The majority of the higher level internal assessments (HL IAs) fulfilled the format requirements of the IB. It is increasingly rare for candidates to omit the action plan in the research proposal and it is clear that centres are paying more regard to examiner reports. There are, however, still some issues that need addressing. Word counts, for example, are not universally known. For instance, the executive summary has a limit of 200 words, which was frequently exceeded. Many candidates, and indeed whole centres, appeared to be unaware that the word count for the research proposal of 500 words must include the words in the action plan as well, even if the action plan is in a table. The *teacher support material* (*TSM*) should be consulted before the beginning of the session.

There were more internal assessments focusing on quantitative issues than in previous sessions, but the majority of projects still investigated the “softer” topics of marketing and human resource management. Projects on marketing remained generalized and superficial and too often addressed the entire marketing of an organization, which was not achievable within the word limit, especially when it was a service organization and/or a multinational organization.

The number of business tools used in internal assignments has reduced over the years and some centres are clearly advising all candidates to include a SWOT and possibly a PEST analysis. These tools are perfectly acceptable and often relevant, but at times, reports appeared too formulaic and the link between the PEST and SWOT and the research question was far from clear. In addition, a large number of candidates did not really understand the tools and applied them inaccurately and inappropriately, including strategic analysis.

It is clear that the HL IA is intended to be an investigation requiring the candidate to conduct primary research and to work with a business or non-profit organization. It was disappointing that this session saw some candidates producing a project based only on secondary data.

Despite the issues identified, most reports were professionally presented and well researched and were a credit to the candidates writing them and to their teachers who supervised the process.

Candidate performance against each criterion

The following comments highlight the strengths and weaknesses in candidate work judged against each criterion.

Criterion A: Research proposal and action plan

The research question is crucial to the final success of the project as it provides the focus for all research. It was often clear from reading the title of a report that the work that followed was likely to be descriptive and generalized. Centres should spend more time on ensuring that their candidates' research questions demand clarity on what is to be investigated and set some measurable success criteria. Fortunately, fewer research questions were backward looking, but many were still too broad in scope for effective treatment within the word limit.

One way to ensure that the research question is focused is to include a clear rationale for the investigation. This was a weakness this session. Candidates continued to provide personal reasons for their research, such as interest or personal links, rather than providing a business and commercial rationale, such as falling sales, profits or other problems such as poor productivity and high staff turnover.

Candidates are expected to explain their choice of both methodology and theory, and why these will help answer the research question, but it was relatively common for candidates only to explain one or neither and simply provide a list. Teachers and candidates need to pay close attention to the criterion requirements.

Anticipated difficulties of the research were generally addressed. Projects that did well not only identified potential research problems, but also suggested some sensible solutions through careful planning.

Criterion B: Use of theoretical concepts, sources and data

Few candidates provided the context for their investigations. It would help the reader if secondary data was included to explain the nature of the market in which the organizations operate, the market share held and the relevant economic issues affecting demand patterns. It was common to reach the end of a report and to not fully understand the role that the organization played in the market place and the competition it was facing. Information on markets is readily available and it is surprising that many candidates did not present some background.

Projects are intended to show that the candidate is able to apply theory and tools learned in the classroom to a range of business situations. Although it is beneficial for the owners and managers of businesses to be provided with a purely practical report addressing a business problem, this type of report does not achieve a high mark according to the assessment criteria. Projects were often practical with little evidence of sources and data being used effectively and integrated with the theoretical framework.

Criterion C: Analysis and evaluation

Analysis and evaluation are higher order skills and require more than the simple presentation of tools and theories. There needs to be a connection between the data collected, the research tools and theories and the research question. It is worrying that many candidates described the data collected and the theories and tools used, but did not apply these tools and theories to underpin their analysis and evaluation. Synthesis was a skill found only in the highest achieving assignments.

The range of business tools and theories being applied continued to be limited. SWOT analysis was used almost routinely and often where an advantages and disadvantages analysis would have been more appropriate. It appeared that candidates regarded these tools as simple; requiring one or two entries in each quadrant, often without any evidence or citation. SWOT and PEST analyses are connected and require high order skills to provide a basis for detailed analysis and evaluation linked to the research question. Many SWOT analyses were inaccurately prepared with entries in the wrong categories particularly in the case of the 'opportunities' section, which included internal, controllable factors. Similarly, force field analysis was often presented as a stand-alone section with no clearly signposted link to the research focus. Weights were estimated by the candidates in many cases, without any basis for the selection of these weights. In the conclusion, it was then common for candidates to say that the SWOT, PEST and force field analysis provided evidence for a conclusion or recommendation, when they did not, because all three were purely the opinion of the author with no backing from secondary or primary sources.

The lack of integration of tools, theories and data, made it difficult for candidates to achieve the higher mark bands, because they could not provide consistent evidence of critical and reflective thinking.

Criterion D: Conclusions and recommendations

As in previous sessions, it was unusual for candidates to cost their recommendations and consider whether these were viable for the organizations under investigation. Poorly focused and descriptive research titles led candidates to introduce new ideas and information in the conclusions section, which should have been examined in the main body of the report. Many candidates did develop their conclusions and recommendations, but few identified future action to address limitations in the research, with many unnecessarily evaluating their research, but not suggesting ways the weaknesses could have been addressed in the future.

Criterion E: Value to management

The majority of assignments were acceptable in their use of footnotes and candidates produced sources for most of the data presented in diagrams or tables or in the text, but bibliographies and appendices were both limited and poorly presented. Indeed, some candidates had no use of footnoting and sources were not acknowledged, opening up the issue of plagiarism. Limited bibliographies continued to be a problem as they indicated that research was not adequate and many included little more than text books.

Most reports followed the IB written report format. Presentation (format, layout, font size and line spacing) was normally very professional with clear, labelled diagrams and well laid out logical sections.

Recommendations and guidance for the teaching of future candidates

Teachers should ensure that candidates:

- Have access to the assessment criteria before starting their project.
- Know the word counts for all sections of their reports, check that their projects are within the word limit and are clear regarding the penalties for exceeding this limit.
- Have a clear and focused research question, so as to make the project realistically achievable and forward-looking with a title that is not too broad in scope or over-ambitious.
- Include a business rationale rather than a personal rationale for the investigation.
- Include a research proposal containing all the required components and show that they understand all IB requirements before beginning the written report (with particular emphasis on the inclusions of a detailed action plan).
- Present an adequate balance of both primary and applicable secondary data effectively used in answering the research question.
- Analyse and integrate their ideas in a logical and coherent manner.

- Use a variety of presentation techniques and statistical tools when they are analysing their data, with well-labelled, titled and properly sourced diagrams.
- Show adequate critical and reflective thinking throughout the report and not just in a few segments of the report.
- Provide limitations of their research including giving future action to resolve any weaknesses identified.
- Provide full references and acknowledge all sources they have used to support their data.
- Include financial analysis, such as the costing of recommended courses of action.
- Have the IA criteria at the beginning of the course which is clearly explained to them. The candidates should also be encouraged to assess themselves with these criteria before they hand in their final drafts.
- Include executive summaries that are “summaries” of the report as a whole (in the past tense) and not just a repeat of the introduction.
- Assess their own work against the assessment criteria on completion of their reports.
- Include in their appendices, comments from the supporting organization on the completed assignment, as evidence that it was at least submitted to them.

Standard level internal assessment

Component grade boundaries

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 3	4 - 6	7 - 9	10 - 12	13 - 16	17 - 19	20 - 25

The range and suitability of the work submitted

The standard level internal assessment (SL IA) written commentary was first assessed in May 2009; by May 2013, the majority of centres had clearly understood the guidelines and expectations, although some new centres did not properly follow the instructions to meet the requirements, typically about the inclusion of supporting documents in the appendix. This, however, heavily penalizes candidates, as no documents presented results in 0 for criterion A.

This year's report for this component is largely similar to that of May 2012.

The 1500 word limit is a tight one and it is important that candidates choose a well-focused issue. The range and breadth of the supporting documents must allow candidates to apply relevant tools, techniques and theory from the course within this tight word limit. Exceeding the word limit (even just by a couple of words) results in 0 for criterion F.

The commentary must be based round a single business organization. It may be appropriate to look at industry-wide issues and how they relate to the organization, but the primary focus must be a single business organization. The commentary is an overall commentary of all the supporting documents and should not be done as a commentary on each separate document.

Among some candidates, there was some confusion as to the difference between a "research project" (as for the HL) and a "written commentary". The commentary does not require a forward-looking research question, but is simply a commentary on the way in which the supporting documents help to analyse a particular business issue or problem. As such, no setting out of methodology is required and there is no required structure either. Lengthily presenting the rationale for the choice of subject, the objectives and the methodology is not appropriate. Candidates should rather clearly identify, at the end of their introduction, the 3 to 5 documents on which they are basing their commentary, and these documents must be provided in the appendix.

Candidate performance against each criterion

The standard of the work submitted was generally encouraging and most centres had clearly understood and applied the assessment criteria very well.

Centres that provided clear internal mark sheets and showed where and why the marks had been awarded for each criterion helped the work of the moderator significantly, as they could see the reasoning behind each mark allocation.

Criterion A: Supporting documents

In many ways this is one of the most important criteria, not because of the number of marks offered, but because the choice of supporting documents can be a contributory factor towards several other criteria.

This link is particularly true with criterion C (Use, analysis and synthesis of data), but also to a lesser extent with criterion B, D and E. The right choice of supporting documents will not only give candidates the highest marks for this criterion, but will also set them up effectively for the rest of the commentary.

In some cases the supporting documents were very long. It is sufficient for the candidate to provide the relevant section of the annual report of a company as a supporting document, highlighting the relevant passages used in the commentary. This may be the financial statements if they are looking at financial issues, or perhaps the relevant sections relating to their corporate social responsibility if this is the topic under investigation.

The highlighting is a crucial step in the process. Not only will it help the candidate to plan and organize the data they require for the commentary, but it will also help the moderator to judge the performance on criterion C – the extent to which the candidate has synthesized the data from the documents. If the supporting documents are not in the language of submission, the highlighted sections must be translated.

The supporting documents must be documents that are externally sourced or are generated from primary sources. It is not appropriate for a SWOT analysis or PESTLE analysis prepared by the candidate to be used as a supporting document. A summary of results from primary research may be used as a supporting document, but not documents that have been directly written by the candidate. If the candidate is able to source strategic documents from the organization itself (*eg* a company-prepared SWOT analysis) then this may be appropriate, but not if it is prepared by the candidate themselves.

It is helpful for the moderation of this criterion if the supporting documents are clearly labelled as such. Candidates may want to offer additional material in other appendices, but this material should be clearly differentiated from the supporting documents. The supporting documents should be given as a separate section to any other appendices and should be clearly labelled, for example “Supporting document 1”, “Supporting document 2” and so on.

To access the top level of this criterion, candidates need to ensure that the supporting documents are:

- Relevant – this is where the choice of documents is crucial. The documents must be directly related to the issue chosen and not just general company documents.

- Sufficient in depth – to ensure this, the choice of documents will be important. Newspaper and journal articles will often be good sources of supporting documents, but the level of analysis in newspaper articles may differ significantly from one to the other. Candidates should ensure that the source chosen is a suitable one in terms of the level of depth of analysis in the articles. Documents such as company price lists or product lists will not allow candidates to access the top levels of this criterion.

- Recent – the instructions refer to documents written a maximum of two years before the submission of the IA.

- Providing a range of ideas and views – to ensure that they meet this requirement; candidates need to choose a number of different sources. While it may be possible to choose five different journal or newspaper articles as supporting documents, these will need to be very carefully chosen if they are to offer a range of ideas and views. For most candidates, it is better to avoid this situation and have the documents from a broader range of sources in order to ensure they meet this criterion. If it is not immediately clear from the supporting document itself, the document should be clearly labelled with the date in order to show that it meets the requirements of the task.

Criterion B: Choice and application of business tools, techniques and theory

The two key elements to this criterion are the selection of appropriate business tools, techniques and theory and then their application. Given the word limit, it is important that the issue chosen is well-focused to allow for the choice of appropriate tools. This was generally well done, though the application of the business tools was not always as effectively done.

A SWOT analysis is not a requirement for the commentary. In some cases, a SWOT analysis may be appropriate, but this is a strategic tool and so may be difficult to apply effectively within the word limit. Given the word limit, the use of a SWOT analysis should be carefully considered before its inclusion. It may be an effective planning tool for the candidate while preparing the commentary, but it may not always be appropriate to include it. If a SWOT analysis is included, all elements should be appropriately sourced and evidenced. It is not possible to do a SWOT analysis of an individual strategy/situation/proposal and these should not be attempted.

Ensuring that "a broad and appropriate" selection is made of theory/tools/techniques does not necessarily require theory/tools/techniques from different topics within the syllabus. Indeed, given the constraints faced by the candidate, this may prove very difficult to achieve. To meet this requirement, it is more appropriate to simply choose a range of theory/tools/techniques from within the topic area under investigation. In many cases candidates were trying to offer too broad a range of theory resulting in the depth of application being more limited.

Criterion C: Use, analysis and synthesis of data

To achieve the top levels of this criterion, candidates must show where material has been sourced from. In other words, they need to show clearly where, from within the supporting documents, the evidence for their analysis appears. The best commentaries directly referenced the material they used and showed the sources as footnotes. This made it very clear how the material had been synthesized and it was very helpful to moderators.

It is helpful for this criterion to refer directly to the supporting documents in the body of the commentary and to use the material from them to illustrate their analysis. This is, after all, a “commentary” and so candidates should ensure that they use the supporting documents effectively and integrate the information from them appropriately with their chosen business theory, tools and techniques.

Criterion D: Conclusions

The requirements of this criterion are fairly clear from the levels of the criterion and were generally very well met, though the conclusions should be clearly set out as a separate section. While it may be perfectly appropriate to draw conclusions about the arguments raised in the body of the commentary, there should also be an overall conclusion offering a direct answer to the question or topic chosen. Recommendations for action are not required (this is different from the HL IA).

Criterion E: Evaluation and critical thinking

The performance on this criterion was varied, as may be expected. The key phrase in the top level of this criterion is the need for judgments to be “substantiated”. This process of substantiation will partly depend on the choice of supporting documents. The greater the range and depth of views offered in the supporting documents, and the higher the level of analysis within them, the easier candidates will find it to substantiate their judgments.

Criterion F: Presentation

Some commentaries exceeded the word limit of 1500; in such cases, candidates could only be awarded 0, no matter how well presented the written commentary was overall. Even 1505 words is above the word limit and leads to a mark of 0 for this criterion. Internal markers need to be very strict on this. The word limit is a constraint on what candidates can offer, making it all the more important that they use the word limit effectively.

Descriptive and introductory material should be trimmed as far as is possible in favour of the more analytical material and this will leave more time to apply business tools, techniques and theory. The best commentaries were clearly structured, well laid-out and neatly presented.

The bibliography should first source and date the supporting documents, and then any other sources used. These must be clearly footnoted. The dates and times of access to web sites must be given and the full web address of the pages used, not just the homepage.

Recommendations and guidance for the teaching of future candidates

- The use of a checklist (possibly based on the SL IA checklist in the *TSM* can help ensure that candidates meet all the requirements of all criteria. Centres may want to adapt the SL IA checklist to their own requirements and perhaps add to it to suit their own local context and deadlines. This checklist and other relevant material can be downloaded from the Online Curriculum Centre (OCC).

- Giving candidates access to the assessment criteria before starting the commentary will allow them to see in detail the requirements of the task.
- Candidates will need support and help in the identification, choice, preparation and use of the supporting documents. The impact that this choice has across the assessment criteria makes this a vital element of the commentary process.
- Candidates should be encouraged to to use theory, tools and techniques explicitly in the commentary and to apply them appropriately to the business issue/problem chosen.
- Candidates should be provided with precise guidance and support for referencing, also ensuring that the supporting documents are referenced throughout the commentary.
- Candidates should use only 3 to 5 supporting documents as stipulated in the subject guide.
- Any documents or material that is used that is not in the language of submission should be translated.
- Candidates should ensure that documents are less than two years old.

Higher level and standard level paper one

Component grade boundaries

Higher level

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 8	9 - 16	17 - 26	27 - 35	36 - 43	44 - 52	53 - 80

Standard level

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 6	7 - 12	13 - 19	20 - 24	25 - 29	30 - 34	35 - 50

The areas of the programme and examination which appeared difficult for the candidates

It is difficult to generalise on some areas that appeared difficult for all candidates. In previous years, finance (Topic 3) and marketing (Topic 4) always seemed challenging for most candidates. The May 2013 paper 1 (P1) exam included some questions about marketing (for example 1c about primary and secondary research for marketing purposes) and about finance (for example 4b about the working capital cycle) – and indeed many candidates found these difficult, especially in terms of applying their knowledge (for example about research methodology and about working capital) to the case study. Besides, many candidates struggled to follow the instructions given, for example 1b asked for “two reasons” but many candidates did not write about two, or for 4(a) in standard level paper 1 (SLP1) candidates were asked for “two causes and two consequences” but did not do so: there was a noticeable tendency to write just a block of text, in the hope that the examiner will find the relevant elements of answer in that paragraph. Candidates need to be reminded to structure and signpost their answer: the role of the examiner is not to dig out what may be a valid point of answer.

The level of knowledge, understanding and skill demonstrated

As can be expected, the level of knowledge, understanding and skill that was demonstrated varied both by centre and by candidates within a centre. The difference in performance between centres was also noticeable. The range between the high achieving and lower achieving groups of candidates is quite significant in the subject: some very academically able candidates and some lower achieving candidates opted for the subject, hence a substantial standard deviation.

Nearly all candidates were able to complete the paper. No issue of lack of time was apparent for SL candidates.

A very small number of candidates answered three questions from Section A. This practice is a waste of valuable time. Those candidates were awarded the marks for the best two answers.

As expected, the better scripts were analytical and evaluative in their approach and produced “very good” to “excellent” quality answers. A more significant number of candidates were more descriptive than analytical. Such candidates were not able to apply their theoretical knowledge to the particular scenario of the case study and/or evaluate various issues.

The strengths and weaknesses of the candidates in the treatment of individual questions

Question 1 SL and HL

(a) Candidates were asked to define two terms: “regional trading bloc” and “corporate social responsibility”. Most candidates answered well, yet surprisingly many did not; although the terms were present in the case study (line 30 for “regional trading bloc”, lines 88–89 for “corporate social responsibility”), it seems that many candidates had not searched for and learnt their meanings. In terms of preparation for paper 1, candidates should slowly work through the case study and identify potential terms whose definitions might be asked (*ie* the terms that are in the syllabus). This would ensure that all candidates, even the lower achieving ones, score top marks for the definition questions.

(b) Most candidates scored at least a couple of marks (as most clearly understood the meaning of the word “innovation”). Examiners, however, had to deplore the fact that many candidates did not write about two reasons, although the instructions were explicit and unambiguous. Many candidates produced a block of text about innovation in general, expecting the examiner to identify where the two reasons were. In terms of exam preparation, it is important to remind candidates that they must follow the instructions given – in this case, clearly stating what the first reason is, and then what the second reason is. Using short paragraphs is a simple and logical way to structure such an as answer. Many candidates did it very well, yet some seemingly read the question as “write a paragraph about innovation and *RDB*”.

(c) Many candidates duly defined and illustrated the difference between primary and secondary research (for example with reference to interviews/questionnaires and to the use of data already existing) – but they stopped there, without applying their knowledge to *RDB* and to its marketing department. Some answers were very good, but others were disappointing, as some candidates wrote very long answers, yet only theoretical ones, without any link to the case study and the marketing situation given.

Question 2 SL and HL

(a) Many answers were very good, though others confused threats (which have to be external) and weaknesses (which have to be internal). That same mistake is often encountered in the SWOT analyses of IAs. With proper coaching, all candidates should be able to avoid such errors and to score full marks for such questions. Surprisingly, several candidates wrote an entire SWOT analysis, including strengths and opportunities too, which was a waste of time and did not result in any bonus point. Again, candidates need to be reminded to follow the instructions closely: displaying extra knowledge will not result in any extra mark, if this is not part of the question itself.

(b) Candidates were asked to calculate four efficiency ratios. Although the formulaes were provided, many candidates were not able to do the calculations correctly. Such numerical questions should be accessible to all candidates, especially the non native speakers who may otherwise struggle with more discursive questions. For many candidates, more practice may be necessary; this could be done in collaboration with Maths teachers, which would also help candidates realise that the two subjects of Business and Management (from Group 3) and Mathematics (from Group 5) overlap in the area of "business maths" (ratio calculations, *etc*). Moreover, although candidates were not penalised if they forgot to include the unit (*eg* %), they should be trained to so include the unit, through classroom practice.

(c) Candidates were asked to interpret their results from part (b). Some candidates answered very well (and showed that they understood what ROCE and stock turnover mean), others however only reiterated their results from 2(b). Some coaching may have to be done on the command term "interpret", which does not mean "repeat", as some candidates seemed to believe. Merely restating the results from 2(b) did not help candidates score any mark, so the marks for 2(c) proved disappointing, in several cases.

Question 3 SL and HL

(a) Candidates were asked to define two terms used in the case study: "retrenchment" (line 133) and "commission" (line 153). The comments made about 1(a) apply here too: most candidates answered well, yet surprisingly many did not; it seems that they had not sought to clarify, in class and as part of their P1 preparation, the meaning of "retrenchment" and "commission"; many definitions were inaccurate, as if the candidates were trying to guess what these words may mean.

(b) This is a question that the vast majority of candidates answered well; some of the answers were sometimes solely theoretical (ignoring the words "with reference to *RDB*" at the start of the question), but it was good to see that this section of the curriculum (which can be confusing for candidates) was well mastered. Surprisingly, a small number of candidates answered about batch production – maybe because they read the question too fast.

(c) The quality and relevance of answers was polarised. Some candidates understood very well what a strategic alliance is (many started with a definition) and were able to address both the advantages and the disadvantages (with several instances of balanced, analytical answers); some others clearly did not know the meaning of strategic alliance (which they confused with Anna's *RDB* 2020 plan to open small factories in Brazil, China and India). Again, although the concept is in the syllabus, many candidates had not learnt about the topic, and misunderstood the question.

Question 4 SL only

(a) The examiners were very surprised to see that few candidates answered correctly, although this was meant to be an accessible question, very open and largely based on understanding the case study. Two reasons may explain the disappointing results:

- Firstly, many candidates did not seem to understand the meaning of "cause" and "consequence", although those are not difficult, subject-specific notions. Some candidates mixed the two, others thought that they were synonymous, others thought that causes are positive and consequences are negative, others wrote about advantages and disadvantages.

- Secondly, candidates did not clearly structure their answer as "cause 1", "cause 2", "consequence 1", "consequence 2": many answers took the form of a block of text about the relocation, even without using the words "causes" and "consequences", leaving it up to the examiner to find out what/where the correct elements of the answer were. As noted about question 1(b), candidates should structure their answers; it may seem obvious to state so, but candidates need to be reminded that, if the question asks, for example, about two causes and two consequences, they need to answer about two causes and two consequences.

(b) Although the phrase used in the question is in the case study (line 83) and in the syllabus (Topic 3.3), it seems that some candidates did not understand the meaning of "working capital cycle". Many candidates managed to achieve some marks, writing about liquidity and cash flow, yet few scored top marks, applying the notion to RDB. Questions about finance (Topic 3) are notoriously difficult for many candidates.

(c) Answers were satisfactory overall; some candidates answered well about the advantage, but not the disadvantage; others answered well about the disadvantage, but not the advantage. The vast majority of candidates clearly knew what B2B means; the question here was more demanding than asking for a definition of B2B, as candidates were intellectually stretched to think about advantages and disadvantages of a business operating in the B2B market (as *RDB*, as opposed to B2C), but this did not cause any problem to candidates.

(d) Examiners were impressed to see that candidates answered this question well, sometimes very well, sometimes remarkably well. Candidates were able to show that they understood both the case study and the notion of ethics – linking them, extracting relevant elements of the answer from the case study, presenting a balanced argument. The last question of SLP1 is the most demanding one (and it is worth 8 marks out of a total of 50 for SLP1, so almost one fifth of the overall SLP1 mark); candidates here have to be congratulated, as many demonstrated maturity and critical thinking (which was sometimes lacking in their answers to earlier questions). Question 4(d) was open and had no correct, expected answer: candidates could equally conclude that Anna's plan was ethical or not; interestingly, half of the candidates concluded that it was ethical, half concluded that it was not (after a balanced evaluation of both arguments). Partly disappointed by the answers to some earlier questions (*eg* 4a and 4b), the examiners were very pleased to see that so many candidates had paradoxically done (very) well for 4(d).

Question 4 HL only

(a) The examiners were very surprised to see that few candidates answered correctly, although this was meant to be an accessible question, very open and largely based on understanding the case study.

Three reasons may explain the disappointing results:

- Firstly, many candidates did not seem to understand the meaning of offshoring. There were many interpretations including subcontracting, outsourcing, moving overseas and production overseas. To be fair, as there are also many different interpretations in various textbooks and other sources, the examiners were lenient as long as there was a clear understanding of the strategy.

- Secondly, candidates did not refer to the case – too often they gave textbook answers and missed the context.

- Finally many candidates did not clearly structure their answer as "advantage 1", "disadvantage 1": many answers took the form of a block of text about the relocation, even without using the words advantage and disadvantage leaving it up to the examiner to find out what/where the correct elements of the answer were.

As noted about question 1(b), candidates should structure their answers; it may seem obvious to state so, but candidates need to be reminded that, if the question asks, for example, about one advantage and disadvantage then they need to answer about one advantage and disadvantage.

Far too often in a big block of text the candidate introduced two (or three) advantages instead of just one or indeed went on and wrote far too much because they failed to organize their answers adequately.

(b) Although the phrase used in the question is in the case study (line 83) and in the syllabus (Topic 3.3), it seems that some candidates did not understand the meaning of "working capital cycle". Many candidates managed to achieve some marks, writing about liquidity and cash flow, yet few scored top marks, applying the notion to *RDB*. Questions about finance (Topic 3) are notoriously difficult for many candidates.

(c) Answers were satisfactory overall; some candidates answered well about the concepts; others answered about Kaizen but not TQM and of course many candidates did not refer to the case study except in general terms, which was not rewarded. Kaizen as a concept was understood more than TQM, which was often condensed to just a general description about quality.

(d) Examiners were impressed to see that the majority of candidates understood Lewin and candidates answered this question well and sometimes very well.

Of the Section B questions, whilst many examiners were disappointed by the answers to some earlier questions (*eg* 4(a) and 4(b)), the examiners were very pleased to see that so many candidates had paradoxically done very well for 4(d).

If there were any issues it was mainly to do with candidates either just producing pre-learned responses that were not put into enough context or candidates just "lifting" details from the case study that were actually not forces but merely events, comments or suppositions.

Finally, many candidates failed to "finish off" the question with a relevant and sufficient concluding paragraph that included a substantiated "judgment". Too many just noted that the driving forces outweighed the restraining forces.

Question 5 HL only

(a) This question was meant to be relatively straightforward; the candidates were asked to simply interpret a set of data. Many candidates managed this effectively and this was pleasing. However, a significant number of candidates still only "lifted" some data no matter the relevance. These candidates struggled to put this data into context.

(b) This question proved to be tricky as it required the candidates to show their knowledge of the difference between management and leadership but most importantly also strategic decision making. Simply parroting pre-learned knowledge of human resources was only part of the required response. Moreover, many candidates failed to make the connection and merely produced character descriptions that were only paraphrases of the text. Nevertheless, a significant number of candidates did make the connection.

(c) This was a difficult question and examiners were aware of this and the question became a notable differentiator. There were some very good and thoughtful answers and of course the majority of solid responses with a significant number of candidates that failed to manage to meet the demands of the question.

Of the two concepts the decision tree was clearly more understood than critical path – and was more applicable to the question. Candidates who were able to use the concepts in the context of the question were well rewarded.

Candidates were also not penalised if they misinterpreted the question when calculating the “five-year net profit” as the “Own Figure Rule” was used.

(d) The final question of the exam seemed to take many candidates by surprise and they were the ones that produced pre-learned responses following a formula without addressing the actual question. For those that did answer the question set then this proved to be rewarding, especially for those that made constructive use of the extra material and included a justified conclusion.

As might be expected from the last question in a difficult section, some candidates suffered from a lack of time. However, the single biggest cause of lost marks was due to poor organization, whereby candidates who wrote pages of continuous text without any structure or organization lost their way and indeed wrote too much and with too much description and too little analysis and judgment. Candidates could have saved themselves time and marks by writing less with more clarity.

Of course this is a common theme, which we have mentioned earlier in this report, however, the effects are more marked for the extended response questions.

Those candidates that were more adaptable and answered the question about crisis management/contingency planning were well rewarded.

Recommendations and guidance for the teaching of future candidates

Examination techniques

- Read the questions carefully. Identify command terms such as: describe, analyse, examine, discuss and evaluate. These words have different meanings; expectations consequently vary and marks are allocated accordingly.
- Plan the answers, especially for responses achieving four or more marks. Use paragraphs and present the responses clearly, for example if the question asks for three features, write three separate sentences/paragraphs.
- Use the subject terminology, concepts and theories when appropriate.
- Be more analytical and refer to the case study. Evaluate when appropriate, rather than just describe.

- For quantitative questions, show your workings when asked.

Teaching

- Practice as many case studies as possible to reinforce application of theories / subject concepts to a particular event or issue.

- Practice questions that require discussion and evaluation.

- Higher level only: Practice the strategic question and the application of strategic tools to a wide range of information.

Higher level paper two

Component grade boundaries

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 9	10 - 18	19 - 28	29 - 37	38 - 45	46 - 54	55 - 75

The areas of the programme and examination which appeared difficult for the candidates

The most notable areas were:

- The concepts of “cell production” and “stratified market research”.
- Some definitions of “productivity”.
- The drawing of the break-even model in an accurate way and to scale.
- The understanding and the application of the concept “cell production”.
- The understanding and the application of the concept “job enrichment”.

The areas of the programme and examination in which candidates appeared well prepared

It was noticeable that more candidates were analytical in their approach and produced “very good” responses, while some other candidates were evaluative and produced “excellent” quality answers.

Nearly all candidates answered all the questions required. No issue of lack of time was apparent.

As in previous sessions, the candidates that produced very sound theoretical answers with specific application to the stimulus material were able to reach the top markband.

The level of knowledge, understanding and skill demonstrated

The level of knowledge, understanding and skill that was demonstrated varied considerably between candidates. The range between the high achieving and lower achieving groups of candidates is still very significant and perhaps inevitable in this subject. It is still clear that some very academically able as well as some lower achieving candidates opted for this subject.

All of the candidates I marked were able to complete the paper.

The main weaknesses were apparent mainly due to difficulties in:

- A lack of specific application to the stimulus material beyond the name of the organization was quite noticeable in some questions, especially those with lower level command terms. Many candidates only referred to the organization by name rather than incorporating the issues in question. Simply mentioning the name of the organization cannot be qualified as application.

- The interpretation of command terms. Although an improvement was noticeable throughout this session, far too often unbalanced responses were found in level 3 questions. At the same time some candidates exceeded the expectation of the command term and provided judgment for level 3 or a two-sided approach for level 2 command terms. No credit was given for the extra work.

- An inability to go beyond the printed materials in the stimulus material. Many candidates simply regenerated the information given in the exam paper without further expansion regarding the exact effect on the specific organization in the stimulus material.

- Unsubstantiated conclusions/judgment

It is still apparent that many candidates were coached to end up with some conclusions for level 4 questions. Still, a disappointing number of candidates produced unsubstantiated conclusions. Many just repeated the points they mentioned before. Hence the top markband was not accessed by the majority of the candidates.

A substantiated conclusion/recommendation must be based on a secure analysis and on exercising some judgment regarding the significance of the arguments. Some candidates suggested that the organization in the stimulus material will carry out a SWOT analysis, use a decision tree or Lewin's force field analysis and so on in order to make a judgment. The candidates were asked to make a substantiated judgment that goes beyond a summary of the points mentioned throughout.

Some comments have been made that the examination did not enable the candidates to use/demonstrate a secure theoretical knowledge. On the contrary, while answering level 3 and level 4 command term questions, the candidates are expected to go beyond the stimulus material in the examination paper and to embed theoretical knowledge in an applicable manner to the organization or the issue mentioned in the stimulus material.

Many candidates failed to give full definitions to gain full marks.

There was some evidence to suggest that question 1 was more popular than question 2 in Section A.

The strengths and weaknesses of the candidates in the treatment of individual questions

Question 1: Las Rosas (LR)

(a) A disappointingly low number of candidates were able to reach the top mark for this rather simple question. The main reason was due to lack of application. Some candidates did not show a clear understanding of the concept of cell production. Many candidates just mentioned the name of the organization without writing their answer in context.

(b) Again, while most candidates could have provided good theoretical responses, many did not actually write their response in the relevant context. Some repeated the same benefit in slightly different words. For example – create a USP as one benefit and increase market share as the other, while the link is evident.

(c) (i) Many candidates were awarded the full 2 marks as they provided clear, accurate working and “final result” figures. On the other hand, some candidates showed limited knowledge and produced incorrect answers.

(ii) Many candidates failed to provide an accurate response. The main reasons were; not subtracting the initial costs and/or not averaging the figures.

(iii) It was disappointing to see that a notable number of candidates did not arrive at the correct final figures. Some just calculated the total of the discounted cash flow without subtracting the cost of investment from the total present value. Some reversed the order.

Please note that an answer which states 9.59 is not the same as 9.59 million! Moreover, candidates are strongly advised to indicate currencies.

(iv) Given the availability of the formula, it was not surprising to see that most candidates got the correct figures. While benefit of doubt (BOD) was given this time for a figure when the percentage was not mentioned, such generosity may not be given in the coming sessions.

(d) Many candidates produced good and relevant responses and were able to reach the top markband. Other candidates produced a one-sided response or simply regenerated the information from the stimulus without much further expansion/explanation.

(e) A significant number of candidates produced a one-sided response, and as such, were not able to reach the top markband. Others simply repeated the information from the stimulus material without further expansion.

Question 2: Icarus

(a) (i) Many candidates showed an understanding of the concepts and some described the advantages in context. However, it was disappointing to see that a notable number of candidates referred to families buying the product or did not write their response in context by applying their idea in a relevant manner to *Icarus*.

(b) Most candidates did not demonstrate the required understanding of the stratified sampling method. Many assumed that only one segment/strata is researched. Many responses simply referred to the issue of sampling.

(c) (i) Nearly all candidates got the calculation of the break-even point correct. Few did not produce working. Some candidates however, showed no ability to calculate the break-even point.

It is expected that the word “rooms” or at least “quantity” is added to the figures. Candidates were not penalised this time.

(ii) Most candidates did not get the correct answers as the revised figures were not incorporated. BOD was given to candidates for 1 mark if some understanding was shown.

(d) (i) Despite the fact that OFR was used, many candidates produced untidy break-even charts. Some did not use the graph paper that should be provided in the exam, and/or did not use an acceptable scale.

The labelling of the break-even chart on many occasions was also disappointing and on many occasions it was difficult to see how the candidates arrived at particular figures.

Candidates should pay more attention to the presentation of the break-even chart and provide evidence that the figures that are used (on top of the break-even) are actually correct.

(ii) While candidates clearly demonstrated good theoretical knowledge of some possible limitations of the model, many did not apply to the organization and just produced a text book answer. For example, if the candidate says that the model ignores the quantitative issue, the candidate should say which one(s) and how this issue is relevant and applicable to *Icarus*.

Moreover, candidates often ignored the fact that the question referred to the first break-even point.

(f) Many relevant, applicable and balanced responses were evident. Those who did not achieve the top markband were the candidates who produced unbalanced responses or just lifted some relevant issues from the stimulus material without further explanation/expansion.

Question 3: Construir

(a) (i) A relatively small number of candidates were able to provide an accurate definition that refers to the ratio between input and output. Many mentioned efficiency or speed.

(ii) Most candidates provided reasonable definitions. Some just referred to the environmental issue or simply repeated the words “put pressure on”. These candidates were not awarded the full marks.

(b) Given the nature of the stimulus, nearly all candidates were able to identify as the starting points of their answers two non financial rewards used by the organization. The use of appraisal and training was rewarded, although there was a separate question on these practices.

As a general rule, candidates are strongly advised to read all of the questions before answering to avoid unnecessary repetition of the same points.

While most candidates explained well the features of empowerment, teamwork, training and appraisal, the relevant application was often lacking. On many occasions, again, only the name was mentioned but the responses were not put in context. A notable number of candidates confused job enrichment with job enlargement. Some candidates provided suggestions as to how to improve motivation but this was not the question asked.

Some candidates wasted valuable time in answering the cons of such practices. These candidates should have paid attention to the command term as credit was not given when a candidate exceeded the command term used.

(c) This question was largely well answered. Those candidates who provided a balanced response with expansions on just the stimulus material were able to reach the top markband. However, some provided a one-sided response and others just lifted information from the case study.

Again, candidates are advised to pay attention to the command term.

(d) Many candidates produced good and balanced responses that incorporated on-the-job, off-the-job training and the appraisal system with reference to the stimulus material. The lower level responses simply repeat the information from the stimulus material with no further depth/expansion of the topic.

Many ended up with the word “conclusions” but no evidence of real substantiated evaluation was evident, just a short summary of the points mentioned. This issue is commented upon in every subject report. The top markband was reached by relatively few candidates.

Ideally, to reach the top markband candidates should have:

- Made explicit use of some subject concepts/terminology.
- Commented on the significance of their argument and hence produced a substantiated/well-supported conclusion.

- Provided some suggestions as to what the organization could do to improve on the current limitation of the training and appraisal system. Suggestions need to be fully explained and substantiated.

Question 4: Oktopus Air (OA)

(a) Most candidates were able to distinguish between above the line and below the line promotional methods. The reason why some were not awarded more than 2 marks was due to lack of application / the provision of a theoretically correct method.

Please note that when the candidates are expected to write their responses in context, it does not mean that all the information is printed in the stimulus material. The candidates are expected to give examples that are applicable to a particular organization, in this case to an airline.

(b) This was a relatively easy question. It was expected that the three groups comprise of explicit stakeholders with a clear explanation of the exact conflict / the opposing interest of each stakeholder will be covered. Those candidates who followed the exact requirement of the questions were awarded the full marks.

Still some candidates were either too vague in the identification of the exact conflicts and the exact stakeholder(s). Moreover, some candidates tried hard to anticipate future conflicts or theoretical conflicts rather than refer to the stimulus material.

The name of the organization can not be used as a stakeholder.

(c) One can accept that there might be some overlap between this question and question (b) as in essence the conflicts could stop *Oktopus Air* from caring for everyone. Nevertheless, the expectation was that the candidates elaborate more on the social issues of obesity and the increasing number of afflue*nt families* who travel with their children in business class. A constant reference to the mission statement was also expected. Some did and were awarded accordingly.

Many candidates were able to identify the social changes and apply. However, many of the responses were one-sided. Given the command term, these candidates were not able to reach the top markband.

Some candidates did not refer to the social changes and/or referred to the conflicts as the changes. Hence the response for question (c) was very much like a repetition of the response to question (b).

(c) This question was possibly one of the most challenging for many candidates.

It was pleasing to notice that most candidates provided a relevant, applicable and creative marketing mix for the proposed service. However, few candidates followed the command term and provided a balanced response and substantiated conclusion/ evaluation.

Those candidates who provided a descriptive response and wrote a sentence or two as conclusions were not credited as the command term “discuss” expects a thorough analysis followed by an evaluation.

To reach the top mark band candidates should have:

- Produced a balanced response for each marketing mix suggested.
- Made a final decision regarding the final choice of the marketing mix with substantiated arguments like the priority for the organization, the significance of their arguments, time span and so on.

Question 5: Metro Town (MT)

(a) (i) Many candidates provided a somewhat relevant definition. Those who were not awarded the full marks were the candidates who just used the example from the stimulus material or did not articulate their response clearly enough.

(ii) It was disappointing to see that many candidates could not articulate the characteristic of the matrix structure. Some repeated the same characteristic twice in slightly different words. Some even referred to the Boston consulting group matrix or the Ansoff matrix.

(b) Most candidates were able to provide reasonable to good responses. However, the lack of application to specific issues *MT* is facing was often ignored.

Also, many candidates referred to the issue of outflow only as part of a budget and ignored any positive or negative issues regarding the inflow of cash.

As stated before, it is vitally important to put the answer in context.

(c) Most candidates chose two relevant theories with a reasonable to good explanation of their chosen theories. Some good and relevant application by many candidates was also evident. However, the reasons why many candidates did not reach the top markband was due to unbalanced/one-sided responses.

(d) On the positive side, many candidates attempted to provide a balanced response to the issue of the proposed joint venture. Many candidates indeed picked relevant issues from the stimulus material. However, to reach the higher markbands the candidates were expected to go beyond the stimulus material and expand using some secure theoretical knowledge. Some did and were awarded more marks. Moreover, for a level 4 question, it was expected that the candidate would provide some substantiated conclusions/recommendations.

Again, to reach the top markband candidates should have:

- Made explicit use of some subject concepts/terminology, including the possible benefits or otherwise of a joint venture.

- Commented on the significance of their argument and hence a substantiated/ well-supported conclusion.

- Provided some suggestions as to what *MT* can possibly do to alleviate the arguments against the joint venture.

Recommendations and guidance for the teaching of future candidates

See standard level paper 2 page 32.

Standard level paper two

Component grade boundaries

Grade:	1	2	3	4	5	6	7
Mark range:	0 - 8	9 - 16	17 - 22	23 - 30	31 - 37	38 - 45	46 - 60

The areas of the programme and examination which appeared difficult for the candidates

As in previous sessions, candidates often did not achieve full (or sometimes even high) marks on questions requiring higher-order thinking. Many responses lacked depth, balance, or appropriate business language. On level 1 command term questions, candidates generally did rather well, though some candidates rushed responses, which then lacked appropriate detail, or appropriateness. Though many candidates could do the balance sheet (question 2), a surprising number could not. In more than a few instances, candidates appeared to have virtually no knowledge of what a balance sheet was.

Four questions deserve some special attention here. On question 1(e), many candidates did not focus on Sayaka's role but rather discussed the business growing. On question 3(e), most candidates did not consider financial information in their responses (even in otherwise good responses), which lowered the total mark awarded. On question 4(d), virtually every candidate knew the difference between cost-based pricing and competition-based pricing, but candidates struggled to develop their responses. Virtually all scored basic marks (3 to 4 marks), but appeared not to know how to develop their responses. On 5(e), many candidates answered the question from the wrong perspective (that is, from the volunteer's perspective), and many others did little more than list advantages and disadvantages, which certainly earned candidates some marks. That kind of listing, however, is not evaluation, which "discuss" asks of the candidates.

The areas of the programme and examination in which candidates appeared well prepared

Though some candidates could not do the cash-flow forecast in question 1, many could and did so accurately. Many candidates could identify an appropriate source of finance in question 2(a) and there were many good responses to question 2(e). Apart from the lack of financial information, candidates generally responded well to question 3(e). On question 4(b), many candidates wrote good responses: they could identify appropriate stakeholders and explain the importance of the business plan to them. Despite the overall "newness" of the questions related to the stimulus material for question 5 on volunteering, many candidates wrote quite good responses to the various questions. Overall, for the examiners the generally good answers on the stimulus material for question 5 was rather rewarding, as it demonstrated real higher-order thinking on the part of candidates. Our compliments to the teachers for teaching their candidates so well.

The strengths and weaknesses of the candidates in the treatment of individual questions

Question 1: Office Cleaners (OC)

(a) Most candidates earned 1 to 2 marks and knew what the tertiary sector is.

(b) Most candidates earned 2 marks. Problems sometimes arose when candidates identified features of a small business that did not apply exclusively to a sole trader.

(c) (i) On the whole, candidates did well.

(ii) Far fewer candidates earned the full 2 marks here. A common problem was reducing the total cash by $600, not 6 x $600, which equals $3600.

(d) Many candidates earned 1 to 2 marks, which was relatively easy to do. We use the "Own figure Rule (OFR)," so any reasonable comment on the figures the candidates produced resulted in some marks. Few candidates knew how to make more than a basic comment.

(e) When candidates focused their responses on Sayaka's role, they typically often earned 3 or more marks. When they did not focus on her role, they typically got 0 marks.

Question 2: Khalil Damascus Supplies (KDS)

(a) Generally candidates could earn 1 mark here and many earned 2. Many candidates wasted time by providing answers that were far longer than necessary for the command word "describe".

(b) Some candidates knew how to define retained profit but many did not and wrote that it was profit after expenses.

(c) (i) As noted above, a surprising number of candidates did not know how to construct a balance sheet. In many instances, they used lines from the profit and loss account. Even when candidates knew which items belong on the balance sheet, they struggled to produce one in a generally accepted format.

(ii) Candidates who did well on question 2(c)(i) tended to do well on this question. Also, many candidates who did not do 2(c)(i) fully correctly nonetheless earned partial marks because of the OFR.

(d) Because the OFR applies, many candidates who made a comment earned at least 1 mark and many earned 2. To get a second mark really required a second idea, which teachers should show candidates how to do when preparing them for the exams (when teaching test-taking strategies).

(e) The key here for candidates was to go beyond merely repeating the stimulus material. Though many candidates did that (merely repeated the stimulus material), most candidates responding to this question earned solid marks and many received 4 or 5 marks.

Question 3: Brandon Canoes (BC)

(a) Many candidates earned 1 mark for segmentation by age but many could not appropriately identify a second way to segment.

(b) Many candidates correctly calculated the break-even quantity.

(c) Many responses to this question lacked precision. Candidates conveyed a sense of understanding but their responses were not particularly focused. This question was of the type that required candidates genuinely to explain, which many candidates struggled to do. Most candidates earned some marks, but few earned 4.

(d) Most candidates knew the Ansoff matrix and applied it to the situation, but responses often could have been more effective.

(e) As noted above, many candidates had generally good responses, though many did not include financial information in their response, which lowered their awarded mark.

Question 4: Kabaret

(a) Branding always seems difficult on standard level exams. Candidates often have a general sense of branding but not a precise one. Such was the case again this examination session. Some candidates earned 2 marks, but many earned only 1 because of vagueness.

(b) Many candidates did well on this question. Some candidates did not receive such high marks when they chose a stakeholder for whom the business was not fully appropriate (as there would be little of value actually to say).

(c) Most candidates attempting this question could identify and describe two or three problems that start-ups face, but few candidates did genuine analysis.

(d) Virtually every candidate knew the difference between cost-based pricing and competition-based pricing, but candidates struggled to develop their responses. Virtually all scored basic marks (3 to 4 marks), but appeared not to know how to develop their responses.

Question 5: Volunteering (le bénévolat, voluntariado)

(a) Many responses to this question lacked precision. Candidates conveyed a sense of knowing what a pressure group is but many responses were sufficiently imprecise such that only 1 mark was awarded.

(b) Again, many responses to this question lacked precision. Candidates conveyed a sense of why training is a form of investment, even for volunteers, but many responses earned only 1 mark because of imprecision.

(c) Responses to this question covered a whole range. It is hard to generalize. Some candidates knew exactly how to answer the question and rather efficiently earned 4 marks while others wrote long responses that earned them limited marks.

(d) Most candidates, indeed a very high percentage, knew Maslow's hierarchy of needs and could apply it at least basically (thus earning at least 2 marks) and many candidates wrote strong responses earning 4 to 5 marks.

(e) Many candidates answered the question from the wrong perspective (that is, from the volunteer's perspective), and many others did little more than list advantages and disadvantages, which certainly earned candidates some marks. That kind of listing, however, is not evaluation, which "discuss" asks of the candidates.

Recommendations and guidance for the teaching of future candidates

Teach examination techniques:

- Ensure that candidates are provided with graph paper.
- Allocate time and effort according to the mark allocation.
- Candidates should read the questions carefully and know that different command terms require different kinds of responses. Candidates should not go beyond the requirement of the command terms. They will not be rewarded for such practice.
- Use the subject terminology/concepts and theories when appropriate.
- Candidates should be more analytical and refer to the stimulus material. Evaluate when appropriate, rather than just describe. Carefully consider recommendations; there are always costs as well as benefits.
- Practice as many stimulus materials / case studies as possible to reinforce application of theories / subject concepts to a particular event or issue.
- Practice questions that require discussion and evaluation.
- Encourage your candidates to write in full prose to reward clear and detailed analysis and evaluation.

Guidance on analytical and evaluative questions:

There are obvious constraints on the length of each question stimulus material in paper 2. It is not possible to include an endless amount of information/data.

The stimulus material is given to stimulate the candidates' thinking, awareness, understanding, selectivity, *etc* through application to a particular scenario given. In their answers, however, candidates must go further than just regurgitation of the information in the stimulus material. When asked to analyse or examine (the final part to section A questions and the penultimate part to section B questions), many candidates do not go beyond the issues that are printed in the stimulus material. The candidates can and should use their theoretical knowledge and understanding of the particular subject matter(s) presented in the stimulus material to put forward some arguments for and against the relevant issue(s)/option. The candidates should make the connection in a relevant and applicable manner. Doing so can be judged as application/reference to the stimulus material beyond just mentioning the name of the organization. Similarly, candidates should use their theoretical knowledge to elaborate and fully explain each particular issue presented rather than just lift the relevant issues from the stimulus material. In doing this, candidates will be able to reach the top markband.

When asked to discuss/evaluate/recommend, *etc*, candidates should reach substantiated conclusions/recommendations judgment. To do this, candidates must:

- Refer to and make use of the relevant information in the stimulus material as much as possible but selectively (uncritical regeneration of the information is judged as descriptive work).

- Use theoretical knowledge of a particular topic (or topics) to enhance the quality of the answer. The use of theoretical knowledge can provide many other arguments for and against an issue/proposal/action that is covered in the stimulus material.

- Avoid a re-narration of the stimulus material. Even with a judgment, re-narration of the stimulus material will not enable candidates to reach the top markband.

- Identify missing information/gaps that could support decisions/recommendations.

- Address the weakness of an option when an evaluation is made or a conclusion is reached for the judgment to be fully substantiated. When appropriate, candidates should offer some sort of solution as to what the organization should and can do, to overcome some of the weaknesses.

The candidates who follow the above will be more likely to reach the top markband for the final part of section B questions.

Further comments:

Overall, candidates did rather well on SLP2. There were some problems. For example, given how few quantitative options are available under the standard level syllabus, it remains disappointing that candidates come into the exam lacking basic knowledge of a balance sheet or an income statement. On the other hand, the question on volunteering was unusual both in its approach (focused on a concept rather than an organization) and in its content – though it is certainly fair to ask questions on volunteering in a standard level exam, this was the first time that we have done so. Candidates largely responded effectively to the challenges of the stimulus for question 5, which shows competence and skill on the part of the candidates and on the part of the teachers who prepare them for the exam.