

CAMBRIDGE INTERNATIONAL AS AND A LEVEL BUSINESS

Paper 9609/12
Short Answer and Essay

General comments

- This proved to be a very accessible paper and most candidates had a sufficient knowledge of business concepts to answer most of the questions in **Section A** and to select an essay question in **Section B**.
- Answers to **Questions 1(b), 2(b) and 4(b)** were, however, often too short and descriptive. Explanation requires more than a simple statement. Examples should be used to develop the business application of the concepts and issues described.
- Many answers to the **Section B** questions contained quite low levels of evaluation or none at all. **Question 6** specifically required candidates to respond to a provocative statement while the requirement in **Questions 5(b) and 7(b)** to 'discuss' demands some measure of judgement or assessment of the relative importance of leadership styles identified or funding factors considered.

Comments on specific questions

Section A

Question 1

- (a) Most candidates were familiar with the term 'random sampling' and recognised it as a sampling method where members of a population are chosen at random. Strong answers avoided tautology by presenting a definition such as 'Random sampling is a type of probability in which every person has an equal chance of being selected from the entire population'.
- (b) Many candidates were able to give an accurate definition of quota sampling but could not then go on to explain any benefits and therefore could not be awarded a mark. Answers which did explain the benefits of using the quota sampling method referred to the likelihood of greater representation, speedier results, cheaper collection and more detailed information to analyse, as the prime benefits.

Question 2

- (a) Most candidates seemed familiar with the role of an entrepreneur with many gaining two marks for an answer such as 'an entrepreneur is a person who takes the financial risk of starting a new business venture.' Weaker answers drifted into explanations of the role of managers and leaders rather than that of entrepreneur.
- (b) The majority of candidates could state two qualities of a successful entrepreneur and gain at least one mark for a list. Whether they gained two or three marks then depended on how well they developed their explanation of these entrepreneurial qualities. The most frequently presented qualities were risk-taker, multi-skilled, innovative, resilient and leader. Many answers failed to apply these qualities to an entrepreneurial business context and consequently presented very limited descriptive material.

Question 3

Although questions on mass customisation have appeared on several papers recently, it is still a concept which causes candidates difficulty. Mass customisation is the use of large scale production techniques together with advanced technology and multi-skilled work forces to produce differentiated products on a mass scale. It is an example of a production method that essentially combines the flexibility of job production with the efficiency of flow production. Businesses gain scale economies (lower average costs) because of large-scale production, spreading out fixed costs over a larger output and added value through the production of differentiated products. By changing just a few components of the production process, Dell computers can quickly produce a number of customised products to suit specific customer needs. This can become a USP if the competition is not adopting this strategy. High customer satisfaction can lead to higher profits and an enhanced reputation. Together with increased product choice, this can lead to potentially more motivated employees, with a reduction in the repetitive boring tasks associated with mere flow production methods.

Question 4

- (a) Labour turnover was a familiar concept to most candidates although many were unable to give a precise definition such as: 'the proportion of the workforce that leaves a business during a specific time period'. Many candidates also gave a formula for labour turnover and, providing it was accurate, it was an alternative way of gaining two marks. Weaker answers did not define labour turnover as a rate or proportion of workers leaving and/or did not specify a time period. Answers such as 'the number of employees leaving a business' were seen as being too imprecise to be awarded any marks.
- (b) Even candidates who could not accurately define labour turnover successfully responded to the second part of the question by stating likely causes of high labour turnover. The most popular causes given were poor motivation, inadequate working conditions and relatively low pay. Once again, many answers gave very little explanation of the causes. A simple descriptive statement rather than a short explanatory paragraph is unlikely to be a sufficient response to this question.

Section B

Question 5

- (a) This was by far the most popular question in **Section B**. Having said that, many candidates were not equally familiar with job descriptions and person specifications, confusing the latter with a job applicant's CV. Many candidates were able to explain the benefits of a job description and a person specification to an employee, but were less effective in explaining the benefits to a business in a recruitment situation. Weaker answers ignored the 'recruiting of a new employee' part of the question and simply discussed the value of the two documents in a general human resource management context. Those answers that interpreted the question more accurately focussed on the saving of cost and time for the business by candidates using the two documents as a means of self-selection. Consequently, unsuitable candidates would not apply for the job in the first place; meaning less applications needed to be read and shortlisting was done more quickly. Some candidates also explained that the documents ensured that candidates knew what would be expected of them in the role and therefore misunderstandings and labour dissatisfaction leading to high labour turnover would be avoided in the future.
- (b) All candidates were able to show some knowledge of leadership styles and most gave a description of autocratic, democratic and laissez-faire. Others included paternalistic and bureaucratic. Many candidates, however, did not apply their answer to the context of a large clothing manufacturer, therefore limiting their mark. Even a very lengthy answer explaining and analysing different leadership styles could not move beyond a level 2 mark. The context of a large clothing manufacturer allowed candidates to consider a number of possibilities for an appropriate leadership style. Many thoughtful possibilities were considered and proposed. For some clothing manufacture involves designers who would be likely to be self-motivated and therefore may work well with a laissez-faire leadership style. Others saw low skilled sewing machine operators needing autocratic leadership to maintain high productivity and good quality clothing with minimal wastage or machine room supervisors being better motivated by democratic leadership to allow them to make decisions regarding their own area. A recognition of these different demands for leadership styles often led to evaluative comments in the strong answers to this question. In evaluating which

style would be most effective, the soundest answers reasoned that the most effective style would be significantly influenced by the type of employees and the specific business situation.

Question 6

This was not a popular question. Strong answers clearly understood the benefits and drawbacks of being a small family retail business which then chooses to grow. Description rather than analysis limited the marks which could be awarded for many of the answers to this question. The best answers, rather than give a comprehensive list of reasons to stay small or to grow, focussed on fewer reasons but with more application and analysis of each leading to an explicit consideration of the assertive statement in the question.

Question 7

- (a) A minority of candidates chose this question, but many of them demonstrated a good understanding of break-even analysis. The higher scoring answers discussed the importance of knowing how many products needed to be sold to cover all costs and then discussed the implications of this knowledge for different departments such as production, sales and marketing. Also discussed was the use of break-even analysis to investigate the effect of charging different prices for the new product and linking this to whether more marketing would have to be done to achieve the break-even sales at higher prices or whether at a lower price the production department would be able to produce all the products needing to be sold to reach the break-even point. The most sophisticated answers considered the effect of different locations and capital equipment purchases on the fixed costs for the new product and therefore the break-even point and margin of safety.
- (b) Some answers to this question simply focussed on providing an overview of sources of finance when the question was about the *factors* affecting the choice of finance. The strongest answers identified internal and external factors, which could affect the choice of growth finance such as the purpose, amount and cost of the finance as well as the extent of any existing borrowing, alongside the legal structure of the business and the external economic environment. These factors were then analysed as to how they might influence which type of finance the business might choose such as loan capital, share capital, overdraft, leasing and retained profit. Application for this question included the recognition that a pharmaceutical company may produce medicines, which involves expensive and lengthy R&D and that growth would possibly involve new research or new production facilities. Reference to demand for these medicines potentially being inelastic and therefore future growth of production potentially being very profitable added a further layer of sophistication to such answers. Where evaluation was most effective was when it was indicated throughout the answer as the candidates reasoned that the choice of finance would depend on different factors and that there probably is not only one factor which is more important than all the rest.

CAMBRIDGE INTERNATIONAL AS AND A LEVEL BUSINESS

Paper 9609/22
Data Response

Key messages

- This paper has two pieces of data which offer candidates contexts upon which to base their answers. Answers which ignore the data are unlikely to gain more than half marks in any of the longer questions. This will significantly hamper any chance for a candidate to gain a good grade. Any question that mentions the business (or a stakeholder of the business) must be answered from that perspective, explicitly using the context of the data.
- It is important in calculation questions to show working. If a candidate does not, then it is a risk because a wrong answer without working will receive 0 marks, whereas a wrong answer with some correct working may pick up all but the last mark.
- An examination is made up of a series of instructions with a command word. Each command word should elicit the correct response from a candidate. Therefore, centres should practice with their students how to respond when given each of the command words. On this paper the command words used were:
 - **Define** is a simple repetition of a learned piece of knowledge, no explanation or application is needed. A good definition (learned from a textbook) is usually a sentence with nothing else required. Vague, imprecise or unfocused definitions will not receive both marks.
 - **Explain** is used to show knowledge and application. Therefore, a candidate should that they know the term or concept and then apply their knowledge. Where a business or stakeholder is referred to in the question (as in the case of **Questions 1(b)(ii)** and **2(b)(ii)**), the answer must be applied to that specific business. Where the question does not refer to a specific business or stakeholder then the answer should be applied to any generic business (as in the case of **Questions 1(a)(ii)** and **2(a)(ii)**).
 - **Calculate** requires a series of processes using numbers to be carried out. Candidates should show each process and make their final answer clear to the examiner.
 - **Analyse** requires candidates to show knowledge, apply it to the data given and then show the effect, consequence, reaction or impact on the given business or stakeholder.
 - **Evaluation** requires candidates to show knowledge, application, good analysis and then come to a conclusion. Whilst it is possible to evaluate throughout a good answer, showing the skills of evaluation for each point that is made, the most common way to show evaluation is through a judgemental conclusion at the end of a response. However, this can only be rewarded if it is based on a good set of arguments.

General comments

The contexts of each of the two pieces of data contrasted with each other and relatively few candidates really understood these significant differences. PC is a relatively small sole trader with two branches in the tertiary sector. This contrasts with LC which is a public limited company selling \$50m of goods last year based in the secondary sector. By reading and understanding the two contexts, many of the questions will become easier to answer and, most importantly, the quality of the answer will be better because of the use of that context.

Candidates often had a good base of knowledge to use to answer the questions, could apply to the data in most questions and had some skills of analysis. However, the analysis was often not taken far enough with candidates giving superficial answers. Good analysis (which leads to good arguments) is the basis of high marks in **Questions 1(c)**, **1(d)**, **2(c)** and **2(d)** on this paper.

Comments on specific questions

Question 1

- (a) (i) Most candidates had a good idea of how to define 'Unique Selling Point' and good answers showed knowledge of a differentiating factor that set a product or feature or service apart from the competition. Some candidates struggled to find words to define the term without using the words in the term. For example, 'a unique selling point is a point that is unique'. Definitions can be learned but must take into account the need to use words that do not appear in the question.
- (ii) 'Business objective' as a term was well understood and most candidates exemplified their understanding with one of the common business objectives. Where some candidates did not gain full marks it was usually because the answer lacked the depth needed to explain their understanding.
- (b) (i) To answer this question required knowledge of the structure and calculations that go into a cash flow forecast. For many, little working was needed to come to an answer of 7. Whilst a correct answer can be rewarded with or without working, an incorrect answer can only gain some of the marks if there is valid working which shows where a candidate has made their error. Even in a seemingly simple calculation, a well set out piece of working is worth the small amount of time it takes to write just in case an error has been made.
- (ii) Methods to improve cashflow come down to two basic ways; reduce cash inflow or increase outflow. The key to full marks on this question was, as is always the case with a question that refers to a specific stakeholder or the business itself, context. Some candidates gave very long and detailed answers which showed excellent knowledge but were never in context and therefore could receive a maximum of two marks in total. Other candidates gave succinct answers that showed their knowledge and put it quickly into context.

For example, an answer such as 'Paul may be able to buy the computerised inventory management system using a loan which he can pay back when his cashflow has improved. This is likely to improve his cashflow and lead to a positive cashflow in Month 5', is excellent and would show knowledge, understanding and use the context well.

- (c) Again, the difference between a contextualised answer and a generic answer was often the reason for some candidates receiving half marks or less on this question. Good analysis cannot happen without context and candidates must respond in the context of the business (or a specific stakeholder) whenever the business is mentioned in a question. Most candidates knew a great deal about inventory management systems but less could show the advantages and disadvantages to PC.

There will always be sufficient case material to make contextual analysis when the command word is analysis. In this case, candidates could have referred to the nature of the stock, fickleness of the fashions in the market, etc. There was also data in the cashflow, the fact that without the system PC may stay in a positive cashflow position, the opportunity cost of having more cash in the business. There were other clues such as the availability of labour and the likely increase in the supply of labour because of the rising unemployment, the difficulty of coordinating stock across two shops, etc.

Candidates who choose not to engage with the data and use it in their answers to any question which references the data are risking relatively low marks on the entire paper.

- (d) Many candidates saw this question as an opportunity to tell the examiner everything they knew about legal structures of business. Whilst this is useful knowledge, the key is to apply it to Paul's decision. For example, the unlimited liability of owning two shops with poor cashflow forecast and a mortgage on his house. The benefit of Paul gaining all of the profits and the risk of having to cope with all of the losses. What could have been gained by Paul by having a different structure in the context and how can these be evidenced in the data.

A good answer analysed (in context) at least one positive point (or advantage) of Paul's decision, at least one negative point (or disadvantage) of Paul's decision and then came to a justified conclusion. Whilst more analytical points may help a candidate come to a rounded answer, these are unnecessary if the analysis is in context and has enough depth.

Question 2

- (a) (i) Productivity was reasonably well understood and many types of productivity were used in the definition, (e.g. employee, capital, time, etc.) As long as candidates demonstrated clear knowledge of the term then any reasonable definition was accepted.
- (ii) Public limited companies are well understood and candidates often wrote too much when explaining the term. Whilst candidates would never be penalised in the mark scheme for writing many aspects about public limited companies, they are unlikely to have enough time to write everything they know and complete all the other questions on the paper. As a general 'rule of thumb', candidates should aim to explain two aspects of a term and then exemplify their knowledge without using the data (as this does not show any real application).
- (b) (i) This calculation required a good understanding of segmentation and the ability to use percentages. Many candidates recognised that the hotel segment was 40 per cent of the entire market and that the market had grown by 25 per cent. However, there were relatively few who understood that the total revenue was only \$40000000 four years' ago, (i.e. 25 per cent smaller).

The multi-stage nature of this calculation meant that many candidates (who had clearly set out their working) gained some marks. It is worth noting that when a calculation has four marks on this paper, the nature of the calculation and the number of stages required to find the correct answer, will be more complicated than a two or three mark question.

- (ii) Using information in an income statement is very different to explaining sections of the income statement. Many candidates simply wrote everything they knew about income statements rather than answering the question. One of the obvious ways to use the context to answer this question could have been to suggest that potential investors into LC as a Public Limited Company could have used the profit figure to decide on whether to invest. Alternatively, any ratio based on the figures in the Income Statement could have been useful to Aziz, the Marketing Director, or have many other uses in content for the business.
- (c) Most candidates understood that worker participation was about including workers in the decision-making process in some way. Like any analysis question, context is required to gain more than half marks. There were many pieces of context that could have been used, such as the number of workers and the poor communication.
- To analyse a benefit requires candidates to show the impact, in this case on LC, of that benefit. What does the business get out of increasing worker participation? Good analysis will have a 'chain' of reasoning that shows this benefit to LC. For example, LC might have reduced their communication problems, increasing motivation of the 500 workers and improving the productivity, which may improve the revenue and profit.
- (d) The data made it clear that there are four segments of the market for LC. Most candidates engaged well with this and used this data in their answer. However, to gain all of the marks, candidates needed to use this to argue the relative importance of market segmentation to the business. The easiest and most common way to do this was to have a contextual argument why market segmentation may be justified judgement over the level of importance for LC.

One of the most common reasons for lower marks was the lack of good arguments. candidates needed to build a chain of analysis to make an argument which needed to be in context. Any judgement made without reference to or based upon a good argument was unlikely to be valid as it is unsubstantiated.

CAMBRIDGE INTERNATIONAL AS AND A LEVEL BUSINESS

Paper 9609/32
Case Study

Key messages

- Strategic implementation requires a cross functional approach.
- The completion of a network diagram and identification of the critical path is misunderstood by many candidates.
- Keep a clear focus on the question set.

General comments

The majority of candidates managed their time effectively providing answers that suggested an appropriate division of time between questions. Understanding of core business concepts was evident in most answers but there were a significant number of candidates that provided vague or inaccurate definitions. Analysis was simple in many cases with only a limited linking of points. Better candidates developed extended chains of argument and integrated information from the case into their response.

Section B, with its emphasis on strategic management and marks heavily weighted towards evaluative comment, frequently elicit answers that did not go into enough depth. However, there are examples of candidates work from a broad range of centres that demonstrate evaluative comment throughout and gave a thoughtful and supported perspective on the role of different strategic choice techniques or identified key elements of strategic implementation.

Centres should prepare and practise the use of unseen case studies before the examination. Candidates may benefit from spending time familiarising themselves with the case material, reading the questions and then re-reading the case before starting to write their answers. This process is likely to take at least ten minutes of the examination but has the potential to produce responses that are more focussed and better utilise the context.

Comments on specific questions

Section A

Question 1

There were many candidates who demonstrated a good understanding of the possible impact on AP of country X ending international trading agreements with neighbouring countries. Effectively structured answers first provided an explanation of international trading agreements, identifying free trade as a key component. Analysis frequently focused on the potential reduction in export earnings of AP due to the trade barriers such as tariffs following the ending of trading agreements. Good examples of analytical answers developed a chain of argument linking import tariffs to higher prices for AP products in neighbouring countries and therefore to a contraction in quantity demanded as consumers switched to substitute brands in their country. Effective context was provided by referring to the impact on AP costs if imports of raw materials from countries in Africa and Asia were affected by trade restrictions. Better answers then considered how this might affect AP's pricing decisions and demand.

The case material referred to the opportunities, for example, the reduction in competition from imported cosmetics in country X that could enable AP to benefit from increased sales and/or higher prices for their products.

A number of candidates misunderstood what an end to trading agreements would entail, assuming that there would be no trade at all with neighbouring countries. Other candidates explained the impact of a slow down in the economy and currency depreciation on AP but could have improved their analysis by linking the end of the trading agreements to these economic outcomes.

Question 2

There was a good understanding of dividend yield and this was used by many candidates as a basis for answering **Question 2(b)**.

- (a) Many candidates gained full marks on this question with accurate calculations of dividend yield. A number of candidates calculated the dividend yield for 2017 and 2018 but did not complete the question by calculating the change. The majority of candidates provided full working of their answers and were thus able to acquire marks under the 'own figure rule' if they made numerical mistakes. Nearly all candidates provided a formula for the dividend yield further demonstrating an appreciation of good examination technique.
- (b) Some candidates usefully started their response by identifying shareholders as the owners of AP and considering concepts such as shareholder value in relation to dividends and the market price of shares. The case material provided a range of evidence that could be used to analyse and recommend whether AP's shareholders should sell their shares in the company. Better answers used the case information regarding the change in the share price, potential profits resulting from ongoing investment, the reduction in the dividend yield and likely future reductions and the history of dividend payments to build a balanced argument for and against selling shares. The best answers sought to manipulate the data, for example, by calculating the forecast change in the profit margin. There were a few excellent answers that contrasted short term versus long term considerations, noting that shareholders were good because of the proposed investment and the history of increasing dividends in the past. Other answers considered the underlying reasons for holding shares, contrasting potential returns with ethical issues.

Evaluative comment often went no further than identifying that investment appraisal favoured one option or the other.

As in previous sessions, some candidates were limited in the marks they could achieve by not using their answer to **Question 2(a)** in their argument. To access full marks for analysis and evaluation, it is essential that candidates both refer to their results from **Question 2(a)** and use other information from the case.

Question 3

The majority of candidates demonstrated good knowledge of CSR, often linking this with ethics and considerations of external stakeholders in decision making, concern for society, communities and the environment. Many candidates started their answer with a suitable definition.

Many candidates were able to apply AP's activities well to inform their answer, which often, in good responses, formed part of a discussion about the impact and importance of each of AP's CSR activities. Some candidates took the approach of listing AP's CSR activities without developing them and subsequently, this was reflected in a lower application mark.

Strong candidates were able to explore perspectives of why CSR might have been both of higher importance and of lesser importance to the success of the proposed marketing strategy for international markets. In so doing, these candidates were focussed on the question set and considered CSR in relation to other marketing activities such as marketing tactics, setting marketing objectives and marketing budgets. Other candidates took the approach of discussing the impact (rather than the importance) of CSR, which, if not discussed in terms of importance as well, were often limiting their analysis marks. More developed arguments that considered both high and low importance of CSR often moved into L2 Analysis, but overall there was capacity for more candidates to enter L2 Analysis had they focussed on the exact question set.

Sophisticated evaluation was lacking in the majority of answers. Some candidates did not evaluate at all and some others took the approach of making statements such as 'CSR is very important for AP' without providing any supporting arguments, or more often, lacking conviction, evidence or detail. Higher performing candidates were able to provide reasoning for their judgement of the extent to which CSR was the most important factor for success of the proposed marketing strategy for international markets, but responses that

scored L2 Evaluation were only occasional. Many candidates did make some form of judgement, but these were often superficial. The better responses, which in terms of Evaluation were still in L1 for this answer, but at the top end, recognised that there were many aspects to a successful marketing strategy and that CSR ought to be well-integrated with other marketing activities to increase the chances of success. Some candidates recognised the effect of external factors on marketing strategy.

Question 4

Critical path analysis continues to be a topic that challenges candidates. Candidates should practice constructing network diagrams to help understand how links between activities are shown. There were a significant number of candidates who omitted this question completely.

- (a) (i) Many candidates accurately identified the EST and LFT for the different activities indicating that the factory would take 19 weeks to complete. A methodical approach should be followed with ESTs being completed from left to right and LFTs from right to left. A number of candidates did not recognise, faced with two or more paths through a network, that the ESTs were determined by the route taking the longest time; consequently many candidates identified the total time taken as being 18 weeks.
- (ii) A significant proportion of candidates offered no answer to this question. Even candidates that gained full marks for **Question 2(a)(i)** frequently gave the critical path as being ABCEFJ rather than ABCEGJ.
- (b) Candidates found this to be a difficult question, frequently providing only superficial comment on the usefulness of critical path analysis. Stronger answers analysed how CPA might help AP plan the use of resources including labour and that a just-in-time approach could be utilised, thus reducing costs as resources are not idle waiting to be used. Application was shown by candidates through specific reference to the tasks that needed to be completed for the project. Some answers commented on the contribution that CPA could make in controlling the project cost identified in the text. Simple evaluation was given through reference to the limitations of CPA, for example, the likely accuracy of the estimates made by the Operations Director. Greater depth of evaluation was rarely evident with only a few responses reaching a Level 2 standard. Higher level evaluation was shown through considering the relative importance of CPA within the factory project, for example, commenting that sourcing funds was essential to the completing the project within the timescale identified by the CPA.

Question 5

Most candidates demonstrated a sound knowledge of human resource management and were able to identify how the role applied to setting up the new factory. A majority of candidates appreciated that the new factory would need new employees and thus highlighted the importance of HRM in the recruitment process. This was developed in greater context by some candidates through acknowledging that the new factory would be more automated and so would require employees with different skill sets and qualifications. A few candidates highlighted the potential need for effective training of employees as relevant skills might not be available in the local labour market.

Most candidates incorporated analysis of the likely impact of the techniques outlined in the case. The principles of 'Kaizen' were well understood and often linked to improving operational performance in terms of productivity and quality. Some candidates appeared to lose sight of the wording of the question and so missed the opportunity to summarise how, specifically, human resource management could contribute to the success of the new factory.

A few candidates supported their view that human resource management was vital to the success of the new factory as there were many potential threats to AP's operations due to the possible redundancy of unskilled and unsuitable workers. Furthermore, the issue of communication problems between the company's head office and the African factory could have been used to access higher marks through analysis and evaluation.

The best answers acknowledged that the role of human resource management needed to be integrated with the roles played by operations management, financial management, marketing and good leadership.

Section B

Question 6

This was the more popular of the optional questions and candidates performed relatively better in comparison to **Question 7**.

Many candidates were able to identify appropriate strategic choice techniques such as Ansoff's Matrix and some usefully placed these techniques within the framework of strategic management.

In the best cases, use was made of the information provided in the appendix, related to the techniques and this was used in context to explain how, for instance, Ansoff's matrix might help make the decision. Through making use of the appendix application was frequently demonstrated. There was variation as to how the two options might be categorised, but this did not matter, as long as it was explained. This naturally led on to an analysis of the importance of risk in strategic choice. However, analysis was often restricted to L1, as explanations of how techniques may be used was generally simplistic.

Better answers developed analysis of how these techniques contributed to effective decision making but also explored the extent to which the techniques were reliable and commented on other information that might be required by decision makers within SA. However, most candidates included only limited evaluation of the techniques. Many candidates simply stated that each technique was either important or not important without providing supporting evidence. The best candidates attempted to provide evaluation of each technique within the main body of their answer highlighting, for example, the potential subjectivity of Force-field analysis. Many candidates identified limitations with the use of techniques, even if they had not succeeded in applying them to the context. As always, evaluation marks were only gained if the answer was applied.

In some cases there was confusion, usually between strategic choice and strategic analysis techniques, most typically SWOT and PEST.

As in previous sessions, there was some evidence that candidates see the strategic management concepts as a 'stand-alone' section and find it difficult to integrate other relevant material into their answers.

Question 7

Strategic implementation is the process of allocating and controlling resources to support chosen strategies. It follows strategic choice and is, necessarily, a very important cross-functional management task. Candidates' answers fell into a number of different categories. A small number of candidates focused on the choice aspect of strategic management and spent time justifying why option A was a good choice rather than addressing the question set. In some cases the candidate did progress to the issue of implementation but this approach wasted valuable time for little reward. Many answers focused on relevant issues such as the need to recruit suitable employees, the lack of management expertise within AP regarding this service sector or issues of marketing to attract customers. However, answers frequently dealt with only one functional area of the business giving answers a narrow consideration and a less strategic focus. The best answers discussed a range of issues suggested by the case with the need for business planning at the centre. For example, candidates referred to the issue of seasonal demand and considered AP's response from the perspective of both human resource management and marketing.

Overall **Question 7** was challenging and marks were, on average, lower than for **Question 6**. Strategic implementation has caused similar difficulties in previous sessions and this is evidently a topic that candidates need to practice. Candidates should be encouraged to read widely on this topic and seek out the many and varied examples of strategic change discussed in business literature.