

## A2 1 and A2 2 Frequently Asked Questions

A21 Queries	Response and link to resources
<p>What detail is required in 'evaluation' questions?</p>	<p>These will be worth either 20 or 25 marks. In addition to detailed evaluation, the responses will require the candidate to be fully competent in their knowledge, understanding and analysis of the evaluate topics assessed at A21 and A22 – to attain the highest level of marks.</p> <p>For breakdown of marks available at A2 1/A2 2, see launch slides from May 2017.</p>
<p>How do I evaluate the Handy and Hofstede (Multi-Focus) models of culture?</p>	<p>The Handy model looks at culture within an organisation and the Hofstede model, examines the regional/national way culture impacts on an organisation. It is possible that a question may be asked in relation to perhaps:</p> <ul style="list-style-type: none"> <li>• decision-making in the business,</li> <li>• or possibly in the success of the business,</li> <li>• or in relation to motivation.</li> </ul> <p>Candidates should use the model (if specifically asked for), to evaluate the business or situation explained in the case study, an example may be an evaluation of cultural issues arising due to a merger</p> <p>See factfile for overview of models. NB The Hofstede model to be examined is the Multi-Focus model as per factfile.</p>
<p>Cultural issues: what are the key functional business areas?</p> <p>How do we analyse and evaluate in this scenario?</p>	<p>Key functional business areas: Marketing/Sales; Supply Chain Management; Finance/Accounting; HR</p> <p>The question will give the key and the case study will provide the necessary stimulus, to give the application and context for analysis and evaluation.</p>
<p>Do we evaluate 2 models of culture in a business or various cultures in a business, i.e. power, masculinity etc?</p>	<p>You should respond appropriately to the question, the question will provide direction and the case study will have relevant information.</p> <p>Candidates should read the question carefully and they will be directed by the information in the case study.</p> <p>If it is a 20 mark question then 2 points evaluated in detail will be appropriate and if a 25 mark question then 3 points evaluated in detail will be appropriate.</p>

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<p>How do we evaluate factors influencing culture?</p>	<p>Candidates should know/understand the factors which may include the following:</p> <ul style="list-style-type: none"> <li>• founder member influence;</li> <li>• size and development stage;</li> <li>• leadership and management style;</li> <li>• organisational structure;</li> <li>• policies and practices;</li> <li>• reward system;</li> <li>• market in which it operates;</li> <li>• working environment;</li> <li>• external environment;</li> <li>• attitude to risk and innovation.</li> </ul> <p>The case study will provide the application and candidates will evaluate within a given context.</p> <p>Resources: <a href="https://www.tutor2u.net/business/blog/organisational-culture-the-businessof-business-is-people-says-herb">https://www.tutor2u.net/business/blog/organisational-culture-the-businessof-business-is-people-says-herb</a></p> <p><a href="http://www.managementstudyguide.com/factors-affecting-organizationculture.htm">http://www.managementstudyguide.com/factors-affecting-organizationculture.htm</a></p>
<p>Does 'analyse and evaluate the changing organisational culture... ' refer to the benefits and drawbacks of a changing culture? If not what?</p>	<p>Yes, again the context of the case study will give enough information – for example in the instance of a merger, best cultural practices of both businesses may be adopted, as far as possible.</p> <p>For current examples look at the Donald Trump administration and the changes in policy from the Obama administration.</p> <p>Trump has reintroduced traditional industries such as fossil fuels and withdrawn from Paris climate agreement. Therefore, the company's environmental policy is completely reversed.</p> <p>It is easier to change policies; rules and working practices rather than attitudes and beliefs in a business.</p> <p>To change culture strong leadership needed; it can be a lengthy process, and it may not be without problems.</p> <p>Potential benefits include:</p> <ul style="list-style-type: none"> <li>• can motivate workers;</li> <li>• provides a sense of identity;</li> <li>• may improve working relationships;</li> <li>• reinforces values of the organisation;</li> <li>• gives employees greater understanding;</li> <li>• helps management set strategy for way forward.</li> </ul>

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<p>What are the 'communication channel's' that are referred to?</p>	<p>These may be verbal, written, or email – they can be any channel/method through which a message is sent or received in an organisation. It also could refer to the direction of message – up or down, or across an organisation. They can be formal or informal.</p> <p>Resources:  <a href="https://www.tutorialspoint.com/management_concepts/communication_channels.htm">https://www.tutorialspoint.com/management_concepts/communication_channels.htm</a></p>
<p>'Evaluate issues relating to productivity and investment', what issues may be considered? How much depth is required?</p>	<p>Examples of issues may include the following:</p> <ul style="list-style-type: none"> <li>• Finance;</li> <li>• staffing;</li> <li>• training;</li> <li>• technology;</li> <li>• attitude to risk;</li> <li>• innovation;</li> <li>• legislation;</li> <li>• environment;</li> <li>• ethics</li> </ul> <p>This leads on from similar content to assess AO1 to AO3 at AS level. At A2 it could be a 20 or 25 mark question. As an example, we may provide information on a topic such as the introduction of electric cars by 2040; the question would provide the key to what should be evaluated and the candidate would select 2 or 3 relevant points, dependent on the marks available and context/application given.</p> <p>Context may be how a business/consumer may respond to a scenario, e.g. growth.</p>
<p>With regard to the following strategies: Porter; Kaplan and Norton and Elkingtons Triple bottom line – what evaluation is expected here?</p>	<p>Porters Model and Bowmans Strategy Clock – an example may be evaluate how price and/or perceived added value are of a competitive advantage to the organisation.</p> <p>Kaplan/Norton – an example may be to evaluate each/or elements of the score card with respect to vision and strategy of a business.</p> <p>Elkingtons Triple Bottom line – an example may be to evaluate business performance in terms of people/planet and profit.</p> <p>Direction from the question and the case study will be given.</p> <p>Resources:</p> <p>Porters:  <a href="https://www.tutor2u.net/business/reference/porters-generic-strategies-for-competitive-advantage">https://www.tutor2u.net/business/reference/porters-generic-strategies-for-competitive-advantage</a></p> <p>Bowman's Strategy Clock:  <a href="http://www.differentiateyourbusiness.co.uk/bowmans-strategy-clock-yourstrategic-options">http://www.differentiateyourbusiness.co.uk/bowmans-strategy-clock-yourstrategic-options</a></p> <p>Kaplan and Norton: <a href="https://www.tutor2u.net/business/blog/the-balancedscorecard-explained">https://www.tutor2u.net/business/blog/the-balancedscorecard-explained</a>          Elkingtons Triple Bottom Line: <a href="https://www.tutor2u.net/business/reference/csr-elkingtons-triple-bottomline">https://www.tutor2u.net/business/reference/csr-elkingtons-triple-bottomline</a></p>

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<p>Are students expected to use Porters and Bowman’s strategy to evaluate how a strategy may help maintain competitive advantage?</p> <p>Which Bowman’s Clock strategy should we use?</p> <p>Are there case studies available?</p>	<p>Porters Model and Bowman’s Strategy Clock</p> <p>Yes, candidates will be expected to able to analyse and evaluate businesses using these strategies.</p> <p>Whilst there are various ‘clock’ diagrams, they all are giving the same information, so it does not matter which you use. There are many resources available online. Tutor 2u is a good example. There are also fact files available.</p> <p>Resources: <a href="https://www.tutor2u.net/business/reference/strategicpositioning-bowmans-strategy-clock">https://www.tutor2u.net/business/reference/strategicpositioning-bowmans-strategy-clock</a></p> <p><a href="https://www.tutor2u.net/business/reference/bowmans-strategic-clock">https://www.tutor2u.net/business/reference/bowmans-strategic-clock</a></p> <p><a href="http://www.brighthub.com/office/entrepreneurs/articles/122654.aspx">http://www.brighthub.com/office/entrepreneurs/articles/122654.aspx</a></p> <p>Resources:</p> <p>There are no case studies available on the microsite. However there are some online:</p> <p><a href="http://www.studylecturenotes.com/management/bowmans-strategy-clockmodel-its-eight-competitive-directions-for-edge">http://www.studylecturenotes.com/management/bowmans-strategy-clockmodel-its-eight-competitive-directions-for-edge</a></p>
<p>Are the KPI’s referred to at A2 the ratios in Accounts, or</p>	<p>Whilst there are numerous KPI’s that a business may use, you will be directed within the case study/question to the appropriate response.</p>
<p>what other KPI’s may be expected to be taught?</p>	<p>KPI’s are targets to evaluate the success of a business. Generally relating to people, profit and productivity, and relationship to external environment.</p> <p>Resources: <a href="https://www.clearpointstrategy.com/18-key-performanceindicators/">https://www.clearpointstrategy.com/18-key-performanceindicators/</a></p>
<p>Where is there more information on the evaluation of management of risk? What depth is required?</p>	<p>In this case the question may be 20 or 25 mark questions, requiring 2 or 3 points respectively– the stimulus and/or question will give the candidate direction.</p> <p>Resources: <a href="http://www.managementstudyguide.com/evaluation-of-riskmanagement-plan.htm">http://www.managementstudyguide.com/evaluation-of-riskmanagement-plan.htm</a></p> <p><a href="https://www.mindtools.com/pages/article/newTMC_07.htm">https://www.mindtools.com/pages/article/newTMC_07.htm</a></p>

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<p>How do we evaluate the relationships between mission statements, aims and objectives?</p>	<p>The differences between an objective and a mission statement can be great, but also may be subtle. The mission statement inevitably gives the big picture/target for the company, whilst the objectives are more practical and should be more attainable. The objectives are designed to be stepping stones to achieve the mission statement.</p> <p>The context of the case study will enable students to evaluate perhaps the importance of certain objectives in the company's goal to meet their mission statement.</p> <p>Resources: <a href="https://smallbusiness.chron.com/difference-between-objective-mission-statement-24872.html">https://smallbusiness.chron.com/difference-between-objective-mission-statement-24872.html</a></p> <p><i>In the 2017 CCEA A22 paper the case study gives an example of a business mission statement v objectives.</i></p> <p><i>Edexcel AS/A Level business Textbook 5<sup>th</sup> edition, Hall; Jones; Raffo Lego example : page273 AQA A Level Textbook ; Wolinski and Coates Disney example: Page 3 Sainsburys example page 9/10</i></p>
<p>How do we evaluate the factors influencing business objectives?</p>	<p>Candidates should know the factors which may include;</p> <ul style="list-style-type: none"> <li>• profit</li> <li>• level of competition</li> <li>• business efficiency</li> <li>• demand</li> <li>• state of economy</li> <li>• spare capacity</li> <li>• growth</li> <li>• size of market</li> <li>• competition</li> <li>• state of the economy</li> <li>• financial health of the business</li> <li>• survival</li> <li>• minimum sales to cover costs and maintain market share</li> <li>• holding stock levels to meet demand</li> <li>• maintaining staff levels to meet demand</li> <li>• strategy to meet demand if it increases/decreases</li> </ul> <p>The question/case study will provide direction, and depending on 20/or 25 mark question the candidate will evaluate 2 or 3 points in detail.</p> <p>Resources: <a href="https://www.tutor2u.net/business/reference/internal-andexternal-influences-on-operational-objectives">https://www.tutor2u.net/business/reference/internal-andexternal-influences-on-operational-objectives</a></p>

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<p>How do we evaluate the use of short/long term objectives of a business?</p>	<p>A short-term objective could be just a first step to a major objective. Use SMART technique to evaluate the given objective.</p> <p>The candidate needs to understand what short and long term objectives are and understand the relationship between the two, and evaluate the issues with respect to the stimulus.</p> <p>For example if the context is survival in new market (short term) with 5 yr growth strategy (long-term objective), the candidate may be required to evaluate the impact on shareholders dividends, market share, profit etc.</p> <p>For example if the context was the goal on electric cars, candidates may be required to look at the short term infrastructure required, e.g. charging stations, costs; long term coverage, increase in market share; how other forms of transport will be impacted etc.</p> <p>Resources: <a href="http://smallbusiness.chron.com/shortterm-mediumtermlongterm-planning-business-60193.html">http://smallbusiness.chron.com/shortterm-mediumtermlongterm-planning-business-60193.html</a></p>
<p>How do we evaluate the influence stakeholders have over determining business objectives?</p>	<p>The candidate should consider the structure of the business, the market, the location, banks/investors etc. They will be given a context to consider, for example a charity will have different considerations/objectives to a for profit business.</p> <p>If it is a highly competitive business, the customer will have more influence. Various stakeholders may have competing views but overall the business objectives will be key.</p> <p>Candidates are required to consider individual stakeholder groups, so in a given context they could compare/contrast the views and potential influence on a business as per stimulus.</p> <p>The more powerful the stakeholder the more powerful the influence; for example they may be asked to consider trade unions influence?</p> <p>Resources: <a href="http://yourbusiness.azcentral.com/stakeholders-influence-businessactivities-16433.html">http://yourbusiness.azcentral.com/stakeholders-influence-businessactivities-16433.html</a></p>
<p>Is the reference to non-financial objectives, referring to corporate image and environmental objectives?</p>	<p>Certainly, these would be included. It could refer to anything that may assist company in its long-term corporate goals – or it may assist the company in achieving its financial goals in long term.</p> <p>Resources: <a href="http://smallbusiness.chron.com/list-nonfinancial-performance-objectives35524.html">http://smallbusiness.chron.com/list-nonfinancial-performance-objectives35524.html</a></p>

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<p>What are the internal and the external factors influencing business objectives?</p>	<p>Internal may include: finance; owners; shareholders; employees; managers; company structure; corporate objectives; trade unions</p> <p>External may include: customers; suppliers; competitors; creditors; technology; legislation; potential investors; government agencies; pressure groups; local community; trade associations</p> <p>Resources: <a href="https://www.tutor2u.net/business/reference/internal-and-externalinfluences-on-operational-objectives">https://www.tutor2u.net/business/reference/internal-and-externalinfluences-on-operational-objectives</a></p> <p><a href="http://smallbusiness.chron.com/internal-external-environmental-factorsaffect-business-69474.html">http://smallbusiness.chron.com/internal-external-environmental-factorsaffect-business-69474.html</a></p>
<p><b>A22 Queries</b></p>	<p><b>Response and link to resources</b></p>
<p>With regard to 'business cycles' what should be taught?</p>	<p>There is a fact file on the topic. Candidates need to know what the business cycle is and potential impacts on a business in its various stages</p> <p>Resources: <a href="http://businesscasestudies.co.uk/cima/decision-making-across-the-businesscycle/the-business-cycle.html">http://businesscasestudies.co.uk/cima/decision-making-across-the-businesscycle/the-business-cycle.html</a></p> <p><a href="http://wvco.com/blogs/how-business-cycles-affect-construction-firms">http://wvco.com/blogs/how-business-cycles-affect-construction-firms</a></p>
<p>What content is to be covered to 'evaluate the mixed economy'?</p>	<p>Candidates need to understand a mixed economy, what it is, and why it is important. They will be given a context with which to evaluate in a case study.</p> <p>An examination question may require analysis or evaluation of the significance of a mixed economy to a business, as specified in case study, maybe business start-up, or re-location with respect to funding and resources. Perhaps a context of privatisation may be given and an analysis/evaluation of an impact on services/cost etc. will be required.</p> <p>If the context was the charitable/voluntary sector the business is more likely to be reliant on government funding, so impacts on employment, development etc would be discussed.</p> <p>For example: Teachers could discuss with students the difference with extremes such as communist economies (Korea/Russia/China) and free economies(USA)</p> <p>The NI economy is a mixed economy, but very reliant on the public sector– 65% government, 35% private</p> <p>Also, discuss companies partially funded by government, such as health care; charities; the hospice; social housing; energy; schools; healthcare.</p>

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	<p>Resources: <a href="https://www.boundless.com/business/textbooks/boundless-business-textbook/economics-and-business-2/businesses-under-mixed-economicsystems-32/the-benefits-of-mixed-economies-169-8913/">https://www.boundless.com/business/textbooks/boundless-business-textbook/economics-and-business-2/businesses-under-mixed-economicsystems-32/the-benefits-of-mixed-economies-169-8913/</a></p> <p><a href="http://www.economicshelp.org/blog/glossary/mixed-economy/">http://www.economicshelp.org/blog/glossary/mixed-economy/</a></p>
<p>With regard to 'government policy objectives', are the pros and cons of each policy to be evaluated?</p>	<p>Fact file available.</p> <p>The spec requires evaluation of the significance (or impact) –positive or negative on a business.</p> <p>For example:  Employment: introduction of training schemes will improve workforce skills and availability of opportunities; leading to higher level of disposal income, reduction in benefits paid. An impact is also increased government spending on training at expense of other areas potentially – e.g. healthcare. There is also no guarantee of jobs at the end, and the training may be unsustainable in the longer term.</p>
<p>What 'counter strategies' are to be covered to deal with government policy</p>	<p>For example:</p> <ul style="list-style-type: none"> <li>• Businesses may increase/reduce sales prices to counteract increase/decrease in VAT.</li> <li>• If interest rates increase; businesses may look to other more cost effective sources of finance; or stop purchasing of new assets thus increasing life of the original. (Delay tactics.)</li> <li>• If exchange rates change – look for alternative exchange rates/alternative country suppliers</li> </ul> <p>In 2017 A22 examination CCEA Case study: 'Senebus' – may receive less government funding, so it could become more costly for residents, the business may close, or they could look at becoming totally private.</p>
<p>What issues are to be evaluated relating to foreign direct investment?  Are there notes?</p>	<p>Candidates need to understand what FDI is – the type/nature of investment; amount, cost and purpose.</p> <p>Examples of potential questions may include advantages and disadvantages of multi nationals to the economy in the host country and/or to multi nationals operating in the host country.</p> <p>This learning outcome is very specific to an evaluation using the Bartlett and Ghoshal model</p> <p><a href="https://www.tutor2u.net/business/reference/bartlett-ghoshal-modelinternational-strategy">https://www.tutor2u.net/business/reference/bartlett-ghoshal-modelinternational-strategy</a></p>
<p>Is 'exporting' included in the evaluation of methods of entering global markets?</p>	<p>No</p>

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<p>What 'assistance' do we include for trading globally?</p>	<p>Knowledge that there is government assistance in some instances; this could be financial: grants for purchase equipment/training of staff and/or nonfinancial assistance such as investment advice, documentation/information on language/packaging/local regulations/trade missions, country info files/market research etc)</p> <p>Private assistance could be available from Banks, in the form of advice – or established companies that may act as mentors. e.g. invest NI is example of a government agency which facilitates local companies to export.</p>
<p>Are 'trade barriers' or 'protectionism' considered as assistance for trading globally?</p>	<p>Yes – to protect home industries (infant industries) vs free trade e.g. quotas and voluntary export restraints/tariffs</p> <p>Resources: example: <a href="https://www.thebalance.com/what-is-trade-protectionism3305896">https://www.thebalance.com/what-is-trade-protectionism3305896</a></p>
<p>What needs taught for 'evaluate issues relating to the spectrum of competition'?</p>	<p>Candidates may be asked to consider issues that determine how competitive the business is in a given context/market sector. The application in the case study will give the market structure for the given industry.</p> <p>For example: Candidates will take into account the number of suppliers, buyers, size of industry, barriers to industry; consumers etc– see Porters 5 forces model.</p> <p>e.g. NI Water; BT; Vodaphone; Apple; Supermarkets</p> <p>The market structures referred to are from perfect competition through to monopoly.</p>
<p>What needs taught for 'evaluate the management of information as a resource in businesses'?</p>	<p>Candidate will need to know what types of info a company may have access to such as – internal (sales/employee records etc); external (industry reports/trends); government (access to databases/ONS databases); global(access to worldwide data), research agencies(Mintel); social media</p> <p>For decision making candidates may asked about new products or funding, or possible relocation, to evaluate the benefit of certain information to the business.</p> <p>They may also be asked to consider security issues around information and the relevance/timeliness; cost effectiveness etc.</p> <p>Resources: <a href="http://smallbusiness.chron.com/types-information-resourcesbusiness-usually-need-4753.html">http://smallbusiness.chron.com/types-information-resourcesbusiness-usually-need-4753.html</a></p>
<p>Are the sources of finance to be included at A2 the same as at AS?</p>	<p>YES</p>

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<p>Under globalisation – should students study ‘multinationals; emerging markets and free trade’.</p>	<p>Yes, these terms may come up as they are implied throughout the content.</p> <p>In Foreign Direct Investment; multi nationals will come up. In opportunities for trading globally; emerging markets In reasons for trading globally; free trade.</p>
<p>What are the ‘key global strategies’ to be studied?</p>	<p>The Bartlett &amp; Ghoshal Model indicates the strategic options for businesses wanting to manage their international operations based on two pressures: local responsiveness &amp; global integration.</p> <p>See also fact file on global business strategy. (Global/Transnational/International and Multinational)</p> <p><a href="https://www.tutor2u.net/business/reference/bartlett-ghoshal-modelinternational-strategy">https://www.tutor2u.net/business/reference/bartlett-ghoshal-modelinternational-strategy</a></p>