Business subject report

2021 cohort

February 2022

Contents

Introduction

Despite the challenges brought about by the COVID-19 pandemic, Queensland's education community can look back on 2021 with satisfaction at having implemented the first full assessment cycle in the new Queensland Certificate of Education (QCE) system. That meant delivering three internal assessments and one external assessment in each General subject.

This report analyses that cycle — from endorsing summative internal assessment instruments to confirming internal assessment marks, and designing and marking external assessment. It also gives readers information about:

- applying syllabus objectives in the design and marking of internal and external assessments

- patterns of student achievement.

The report promotes continuous improvement by:

- identifying effective practices in the design and marking of valid, accessible and reliable assessments

- recommending where and how to enhance the design and marking of valid, accessible and reliable assessment instruments

- providing examples of best practice where relevant, possible and appropriate.

Audience and use

This report should be read by school leaders, subject leaders and teachers to:

- inform teaching and learning and assessment preparation

- assist in assessment design practice

- assist in making assessment decisions

- help prepare students for external assessment.

The report is publicly available to promote transparency and accountability. Students, parents, community members and other education stakeholders can learn about the assessment practices and outcomes for General subjects (including alternative sequences (AS) and Senior External Examination (SEE) subjects, where relevant) and General (Extension) subjects.

Report preparation

The report includes analyses of data and other information from endorsement, confirmation and external assessment processes. It also includes advice from the chief confirmer, chief endorser and chief marker, developed in consultation with and support from QCAA subject matter experts.

![icon] Subject data summary

Subject completion

The following data includes students who completed the General subject.

Note: All data is correct as at 17 December 2021. Where percentages are provided, these are rounded to two decimal places and, therefore, may not add up to 100%.

Number of schools that offered the subject: 267.

Completion of units	Unit 1	Unit 2	Units 3 and 4
Number of students completed	5463	5221	4452

Units 1 and 2 results

Number of students	Satisfactory	Unsatisfactory
Unit 1	4853	610
Unit 2	4753	468

Units 3 and 4 internal assessment (IA) results

Total marks for IA
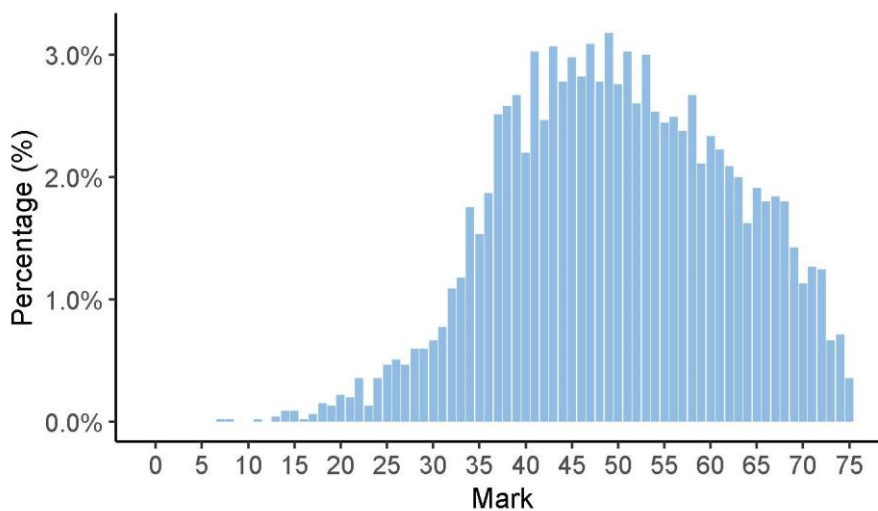
IA1 marks

IA1 total
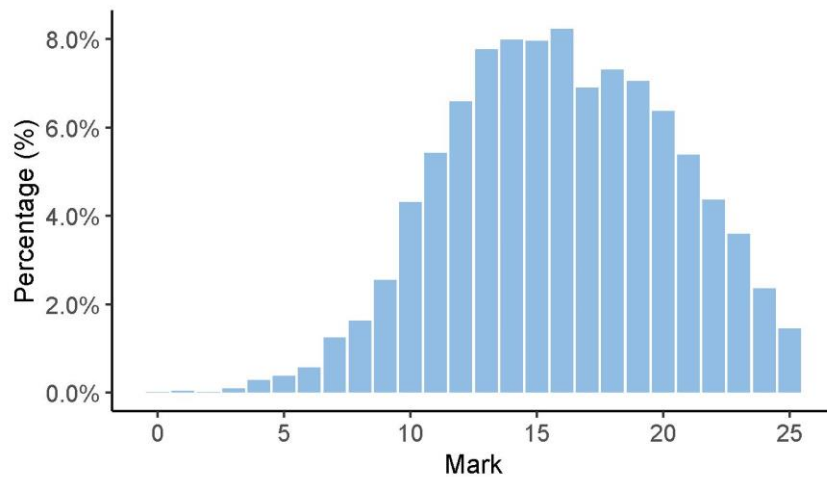
IA1 Criterion: Explaining
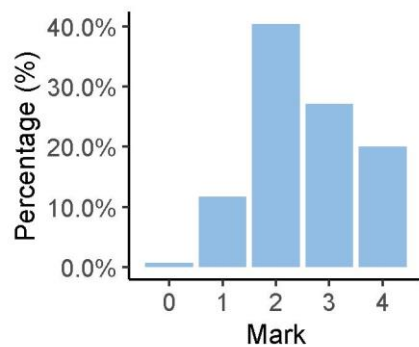
IA1 Criterion: Describing
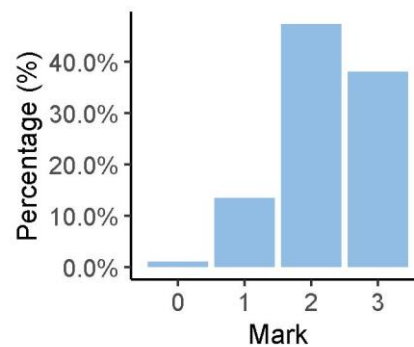
IA1 Criterion: Evaluating
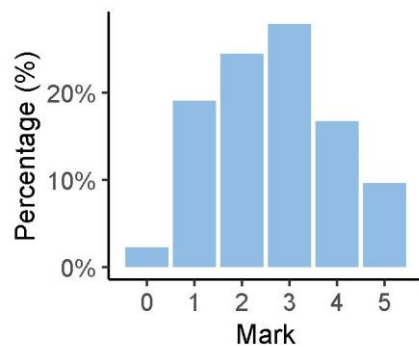
IA1 Criterion: Analysing
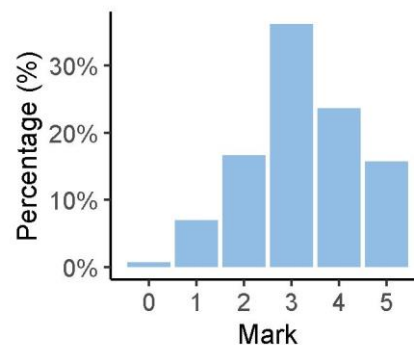
IA1 Criterion: Synthesising
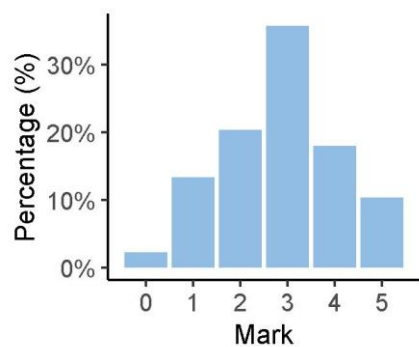
IA1 Criterion: Communicating
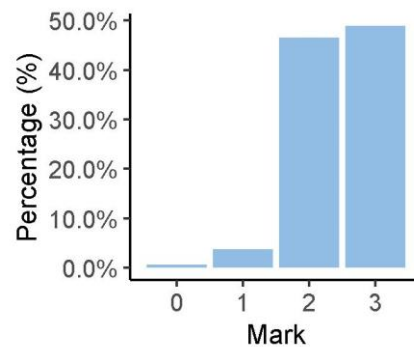
IA2 marks

IA2 total
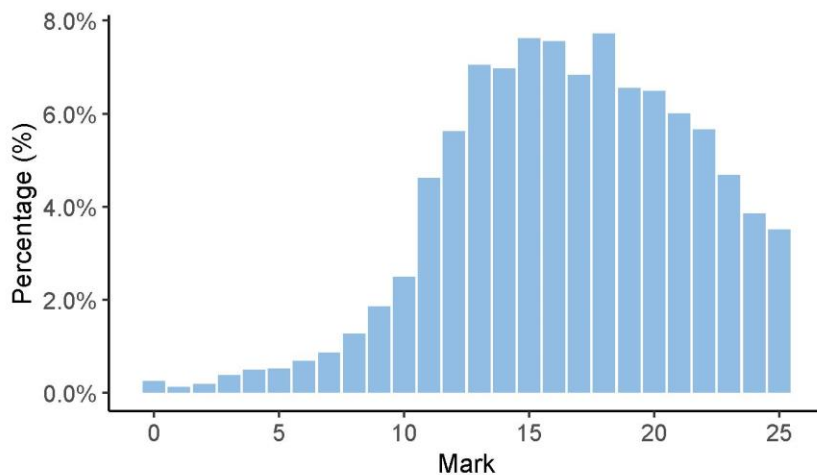
IA2 Criterion: Describing
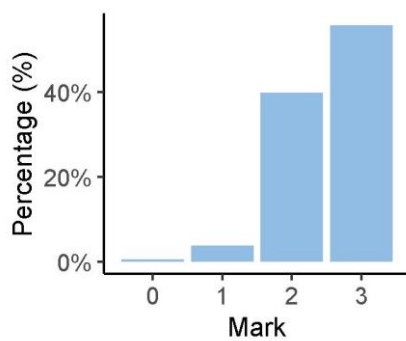
IA2 Criterion: Explaining
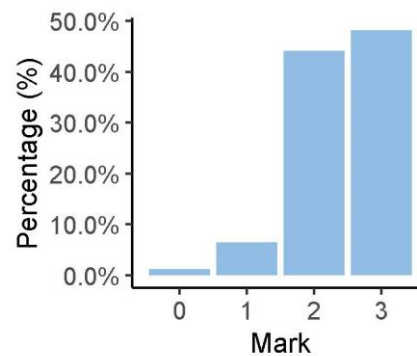
IA2 Criterion: Analysing
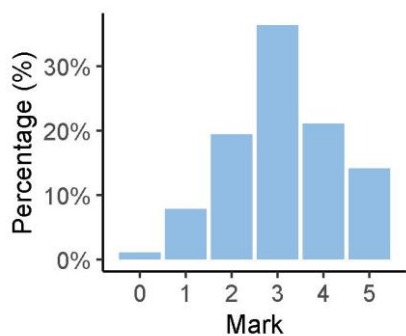
IA2 Criterion: Synthesising
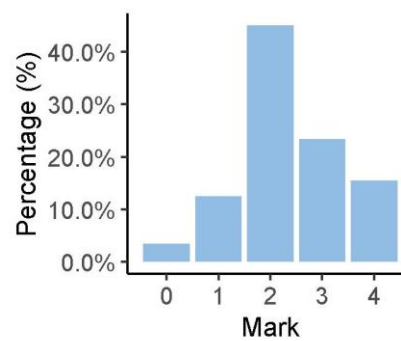
IA2 Criterion: Evaluating
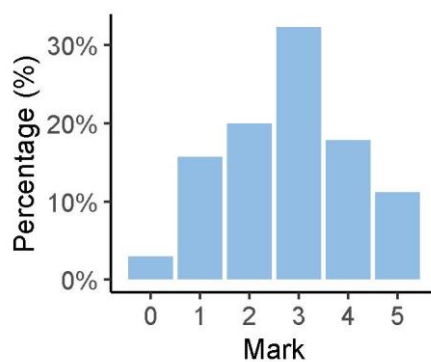
IA2 Criterion: Communicating
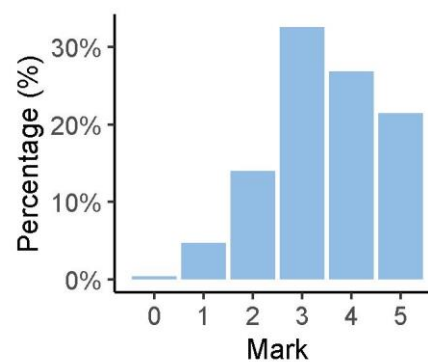
IA3 marks

IA3 total
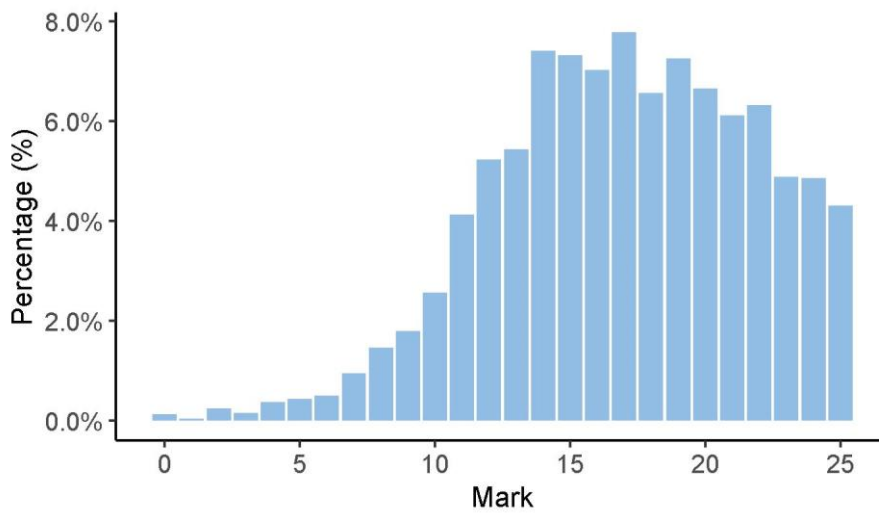
IA3 Criterion: Describing
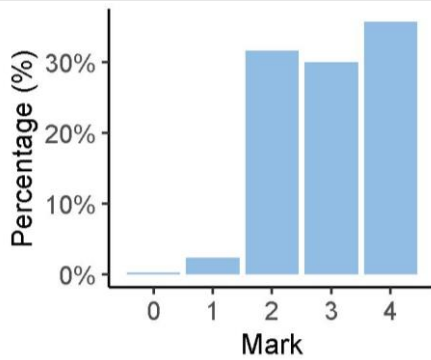
IA3 Criterion: Explaining
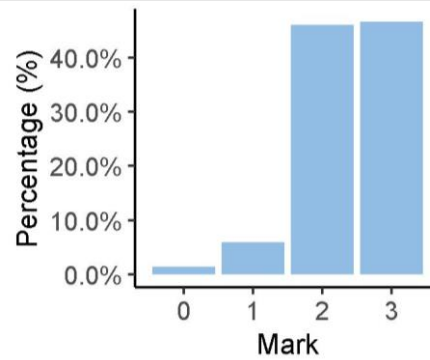
IA3 Criterion: Analysing
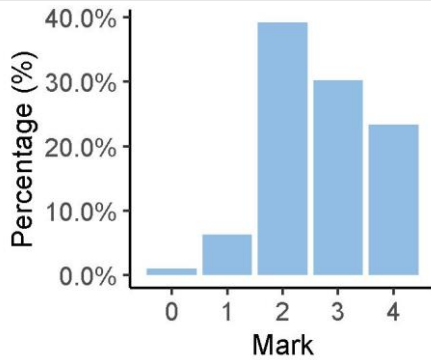
IA3 Criterion: Synthesising
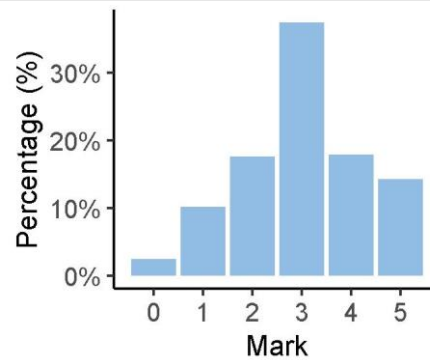
IA3 Criterion: Evaluating
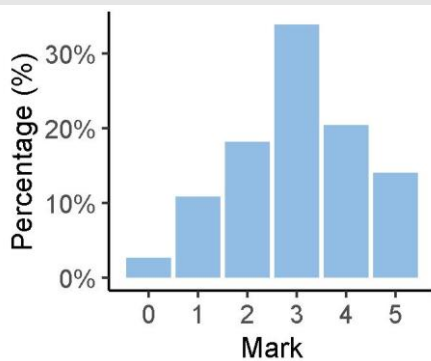
IA3 Criterion: Communicating
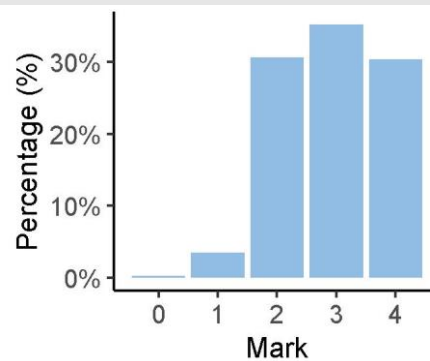
External assessment (EA) marks
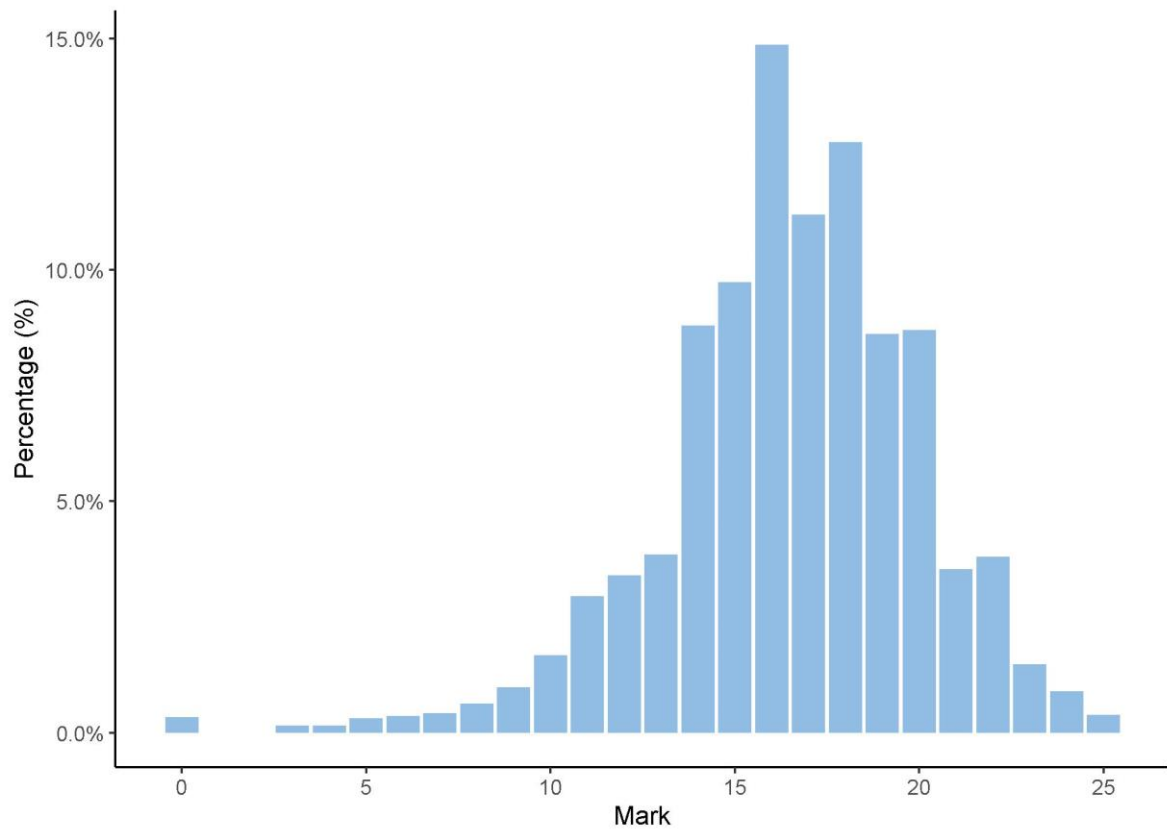
Final subject results

Final marks for IA and EA
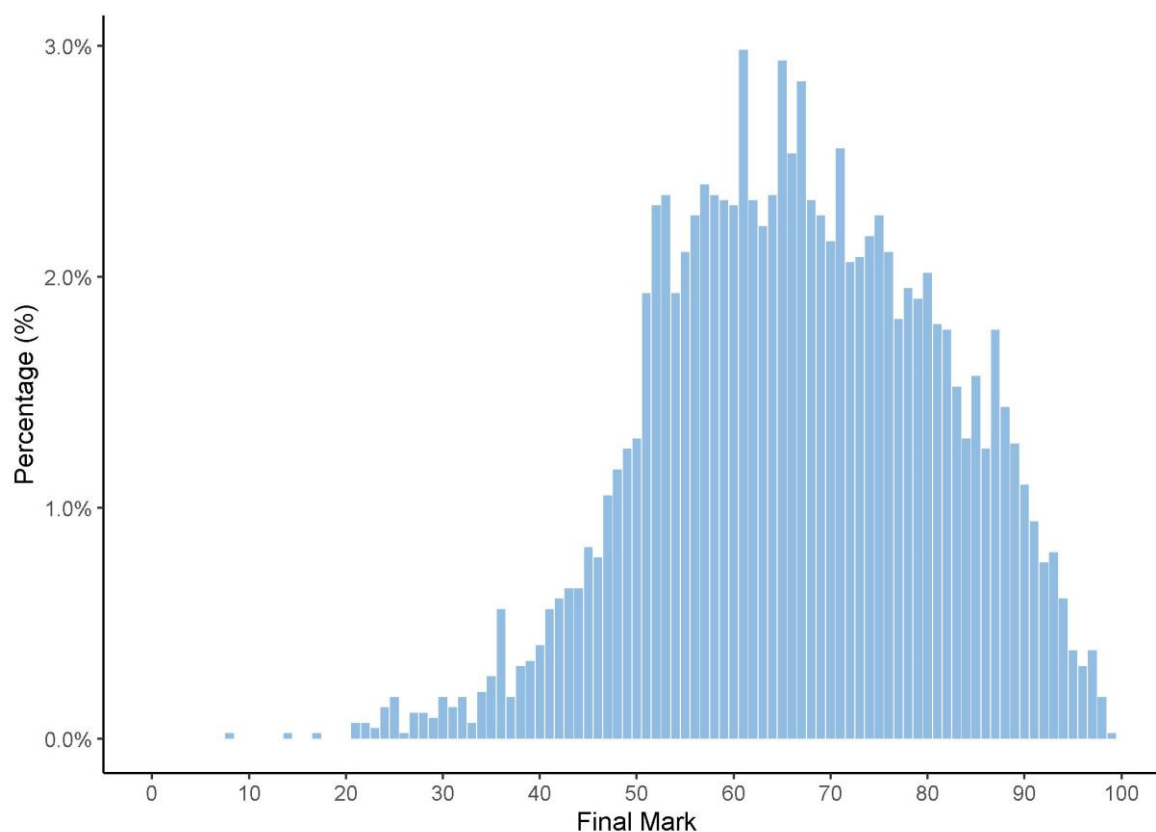
Grade boundaries

The grade boundaries are determined using a process to compare results on a numeric scale to the reporting standards.

Standard	A	B	C	D	E
Marks achieved	100–82	81–65	64–44	43–19	18–0

Distribution of standards

The number of students who achieved each standard across the state is as follows.

Standard	A	B	C	D	E
Number of students	776	1682	1747	244	3

Internal assessment

The following information and advice pertain to the assessment design and assessment decisions for each IA in Units 3 and 4. These instruments have undergone quality assurance processes informed by the attributes of quality assessment (validity, accessibility and reliability).

Endorsement

Endorsement is the quality assurance process based on the attributes of validity and accessibility. These attributes are categorised further as priorities for assessment, and each priority can be further broken down into assessment practices.

Data presented in the Assessment design section identifies the reasons why IA instruments were not endorsed at Application 1, by the priority for assessments. An IA may have been identified more than once for a priority for assessment, e.g. it may have demonstrated a misalignment to both the subject matter and the assessment objective/s.

Refer to the quality assurance tools for detailed information about the assessment practices for each assessment instrument.

Percentage of instruments endorsed in Application 1

Number of instruments submitted	IA1	IA2	IA3
Total number of instruments	267	267	267
Percentage endorsed in Application 1	81%	85%	89%

Confirmation

Confirmation is the quality assurance process based on the attribute of reliability. The QCAA uses provisional criterion marks determined by teachers to identify the samples of student responses that schools are required to submit for confirmation.

Confirmation samples are representative of the school's decisions about the quality of student work in relation to the ISMG and are used to make decisions about the cohort's results. If further information is required about the school's application of the ISMG to finalise a confirmation decision, the QCAA requests additional samples.

Schools may request a review where an individual student's confirmed result is different from the school's provisional mark in one or more criteria and the school considers this result to be an anomaly or exception.

The following table includes the percentage agreement between the provisional marks and confirmed marks by assessment instrument. The Assessment decisions section of this report for each assessment instrument identifies the agreement trends between provisional and confirmed marks by criterion.

Number of samples reviewed and percentage agreement

IA	Number of schools	Number of samples requested	Number of additional samples requested	Percentage agreement with provisional marks
1	264	1601	86	87.88%
2	264	1509	269	74.24%
3	264	1497	112	85.98%

Internal assessment 1 (IA1)

Examination — combination response (25%)

The combination response examination assesses all cognitions through multiple items under supervised conditions. Items include short response (explaining), interpretive (describing, evaluating) and extended response (analysing, synthesising and communicating) items, with students responding to unseen stimulus for the interpretive items and the extended response item (Syllabus section 4.5.1).

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions*
Alignment	46
Authentication	0
Authenticity	0
Item construction	10
Scope and scale	5

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- selected appropriate contexts that reflected the stage of the course, i.e. a business in the maturity stage of the business life cycle, operating in a competitive market

- used items designed to adhere to the syllabus specifications, including contextualised stimulus containing both data and information for Parts B and C

- contained questions able to be completed within the conditions and with the depth to demonstrate all performance-level descriptors, including the qualifiers, e.g. comprehensive, adequate. For instance, Part B interpretive item 1 required students to describe operating or macro environmental factors relating to competitive markets.

Practices to strengthen

It is recommended that assessment instruments:

- only draw subject matter from Unit 3 Topic 1, not from other topics or other senior syllabuses, and that the subject matter relates to financing and human resources functions

- adhere to syllabus specifications and align to all aspects of the ISMG to provide opportunities for students to demonstrate the assessment objectives, e.g. to demonstrate Assessment objective 5 — Evaluating, in Part B interpretive item 2, students must be directed to evaluate a current or proposed business or competitive strategy using at least two criteria, and to make decisions (plural) and propose recommendations (plural)

- include stimulus material with sufficient contextualised data and information to allow opportunities for students to demonstrate their understanding at all performance levels. This includes adhering to syllabus specifications, so ensuring

  - stimulus for Part B and Part C is for businesses in the maturity stage of the business life cycle relating to competitive markets

  - stimulus for Part C contains data and information relating to human resources and competitive markets

- in Part A, provide short response questions of sufficient complexity to allow students to demonstrate their understanding of subject matter at all performance levels, including the top performance-level descriptors. For instance, the question should allow for responses that can demonstrate the top performance level for the Explaining criterion through comprehensive explanation of the significant and relevant relationships.

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions*
Bias avoidance	1
Language	1
Layout	1
Transparency	0

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided clear instructions using cues that aligned to the specifications and assessment objectives, e.g. used cognitive verbs

- ensured all task requirements were stated in terms of what students were being asked to complete and the instructions stood out from detailed context /situation descriptions

- featured well laid out stimulus material (e.g. text, graphs, tables and diagrams), including labelling of stimulus for ease of reference and to ensure data and information were accessible and readable.

Practices to strengthen

There were no significant issues identified for improvement.

Assessment decisions

Reliability

Reliability is a judgment about the measurements of assessment. It refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Explaining	95.83%	3.41%	0.76%	0%
2	Describing	95.45%	3.03%	1.14%	0.38%
3	Evaluating	90.53%	8.33%	0.76%	0.38%
4	Analysing	93.94%	4.55%	1.52%	0%
5	Synthesising	93.94%	5.68%	0.38%	0%
6	Communicating	97.35%	1.52%	1.14%	0%

Effective practices

Accuracy and consistency of the application of the ISMG for this IA was most effective when:

- for the Explaining criterion, responses matched to the upper performance-level descriptors provided *comprehensive* explanations of *significant* and *relevant* relationships associated with business concepts, strategies and/or processes relating to competitive markets. Business terminology used demonstrated an astute understanding of meaning when employed purposefully in responses, e.g. to identify elements of business concepts, strategies and processes

- for the Describing criterion, discrete decisions were made about each of the three descriptors

  - the *recall of business facts and characteristics*, e.g. a response recalled knowledge relevant to a particular question and stimulus relating to competitive markets in the maturity stage of the business life cycle, including environmental factors that affect human resources and financing

  - the *descriptions of a business environment or situation*, e.g. a response makes a connection between the information in the stimulus and the subject matter such as the operating and macro environmental factors in a domestic and global market

  - the *use of business terminology*, e.g. terms such as 'competitive' and 'diversification' were used purposefully in responding to a question about the business environment or situation

- for the Analysing criterion, consideration was given to what constitutes the selection of relevant data and information (first descriptor, 4–5 performance level), e.g. selection of data and information relating to human resources and competitive markets using an analytical tool.

Samples of effective practices

The following are excerpts from responses that illustrate the characteristics for the criteria at the performance level indicated. The excerpts may provide evidence of more than one criterion. The characteristics identified may not be the only time the characteristics have occurred throughout a response.

This student response excerpt has been included:

- to demonstrate descriptors in the upper performance level of the Explaining criterion. The response
  – exemplifies purposeful use of business terminology to explain a business concept, including but not limited to maturity stage, business life cycle, competition, market and decline stage
  – illustrates a comprehensive explanation of relationships associated with business concepts related to competitive markets. The response explains a challenge faced by the business in the maturity stage of the business life cycle, e.g. satisfying customer needs to remain competitive.

Explaining (4 marks)	
• accurate identification of significant and relevant elements of business concepts, strategies and/or processes relating to competitive markets • comprehensive explanations of the significant and relevant relationships associated with business concepts, strategies and/or processes relating to competitive markets • purposeful use of business terminology	The maturity stage of the business life cycle is where a business's revenue sales are at peak and their customers needs are evolving, the business is considered to have matured. One challenge a business may face in this stage is increasing competition, as a number of new businesses would open and older businesses will remain competitive in the market to reach the top spot. This is a challenge as the business may have difficulty in catering for the changing needs of their customers and lose them to a smaller business who provides. This could be detrimental as they would lose sales and could eventually enter the decline stage of post-maturity.

This student response excerpt has been included:

- to show the *accurate* recall of *significant* and *relevant* business facts and characteristics of factors the case study business needs to consider during expansion, e.g. legal and socio-cultural factors. The response provides *comprehensive* descriptions of two macro environmental factors using information from the stimulus, e.g. increase in demand for organic products.

**Describing
(3 marks)**

- accurate recall of significant and relevant business facts and characteristics
- comprehensive descriptions of a business environment or situation relating to competitive markets
- purposeful use of business terminology

Redacted for copyright is a small business in the Maturity stage seeking to expand domestically. Macro environmental factors need to be considered for this expenditure. The first factor that will impact the business is the legal factor of not being able to export their product to WA, SA and Tas (SB) as this limits the options of where they can expand to and their Potential domestic market size. The Second factor that will impact the business is the socio-cultural increase in demand for organic Products as they are Perceived as healthy (SD), This confirms there is a demand for Redacted for copyright s product going forward with expanding.

This student response excerpt has been included:

- to illustrate a high-level response in relation to selecting data and information from the stimulus using a SWOT analytical tool. The response makes *discerning* use of data and information from the stimulus by identifying a strength to support the analysis, e.g. benefits for employees, including study leave, parental leave and an effective superannuation system. The response provides an *insightful* analysis of the strengths and the benefits to the business, e.g. by increasing staff satisfaction, workplace productivity will increase.

**Analysing
(4–5 marks)**

- considered selection of relevant data and information for competitive markets
- discerning use of data and information to support analysis
- insightful analysis for competitive markets

Analysis

The business has numerous strengths which allow it to progress & grow in the marketplace, these include; perks for employees, particularly, Study Leave, Paid Parental Leave and an effective superannuation system (source 1), this reduces staff turnover, and increases staff satisfaction; increasing productivity in the workplace. In terms of weaknesses, _____ must address its management/leadership team, who are voted as 3.1/5, this could reduce the inflow of skilled employees, and reduce productivity. The business should take advantage of its opportunities, with 66% of staff recommending _____ to a friend, which is further reflected by a decline in staff turnover, from 76% in 2010 to 35% in 2016 (source 5). The business must however, avoid the threat which are apparent in the Industry, with (source 6) a decline in industry revenue of 10%. _____ must balance its staff/HR costs, while maintaining profitability.

_____ Redacted for copyright

Practices to strengthen

To further ensure accuracy and consistency of the application of the ISMG for this IA, it is recommended that:

- for the Synthesising criterion, evidence across the response should

    – demonstrate *insightful* recognition of relevant relationships, patterns and trends in the analysis at the upper performance level. It is necessary at the upper and mid performance levels that a response recognises all three elements in the analysis, i.e. relationships, patterns and trends

    – identify the effects on the business situation when interpreting relationships, patterns and trends. Responses at the upper performance level need to show *discriminating* interpretations of the effects of the business in a competitive market

    – provide a synthesis of the implications of competitive markets to draw conclusions for the business situation. Responses matched to the upper performance level for this descriptor are *insightful*. The syllabus glossary defines 'insightful' as 'showing understanding of a situation'

- for the Evaluating criterion, evidence across the response should

    – focus on judgments, rather than statements at the upper and mid performance levels. A judgment will be made using business criteria, whereas a statement will express an opinion only

    – include business criteria to make a judgment for a business or competitive strategy, e.g. a judgment about effectiveness and efficiency of a business expanding its operations by developing a niche market

    – show judgments that are perceptive and not merely a discussion of the business or competitive strategy. These judgments about business practices and strategies are used to make justified decisions for the business situation and to propose recommendations.

Internal assessment 2 (IA2)

Investigation — business report (25%)

The focus of IA2 is on using the inquiry approach to research a specific problem through collection, analysis and synthesis of primary and secondary data and information. The investigation is of a specific problem relating to Unit 3 Topic 2: Strategic development for a business in the maturity stage of the business life cycle. It requires students to use investigative practices to assess a range of cognitions in a particular context (Syllabus section 4.5.2).

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions*
Alignment	45
Authentication	0
Authenticity	3
Item construction	0
Scope and scale	1

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- provided meaningful, contemporary contexts to challenge and engage students in a specific problem relevant to Unit 3, Topic 2 and businesses operating in a hostile, competitive market, e.g. contexts that focused on branding and integrated communications as a marketing strategy, and an operational strategy such as outsourcing to achieve economies of scale
- aligned to all specifications, including use of the inquiry approach, undertaking research to collect data and information from a range of primary and secondary sources, analytical tools (plural) and evaluation to make decisions and propose recommendations
- included strategies to manage the scope and scale of the task, e.g.
  - required students to clearly define the problem to be investigated through a specific marketing problem and an operational problem (singular)
  - specifying the number of criteria for students to use when evaluating, e.g. using two or using three (as using all four would present a scale issue).

Practices to strengthen

It is recommended that assessment instruments:

- align with the subject matter from Unit 3, Topic 2 (not Unit 3, Topic 1 or Unit 2, Topic 2) and direct students to include both business focus areas, i.e. marketing *and* operations
- include the assessment objectives in the task instructions to ensure students are directed to demonstrate each assessment objective in a task-specific manner, e.g.
  - describe the current business situation, its competitive environment and the specific problem the business currently faces
  - explain the relationship marketing and quality management goals, processes and strategies relating to its strategic development
- use the language of the syllabus and the assessment objectives without alteration. Avoid use of cognitions that are not part of the Business syllabus, e.g. substantiate
- allow students the opportunity to produce their own report structure. Providing a scaffolding template limits students' opportunity to demonstrate all Communicating criterion performance levels
- adhere to syllabus assessment objectives and specifications, e.g.
  - instruct students to plan and implement research that includes the collection of data and information from both primary and secondary sources
  - direct students to use analytical tools (plural) from the range that are identified within the subject matter
  - instruct students, when evaluating, to make decisions and propose recommendations (plural)
- incorporate cues to manage student responses for scope and scale, e.g.
  - focusing on a specific problem the business faces
  - specifying the number of criteria for students to use when evaluating.

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions*
Bias avoidance	0
Language	0
Layout	0
Transparency	3

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided a clear and succinct description of the conditions of assessment and required evidence

- included clear instructions that used cues that aligned to the specifications, objectives and ISMGs.

Practices to strengthen

It is recommended that assessment instruments:

- do not duplicate instructions or include instructions that are contradictory.

Assessment decisions

Reliability

Reliability is a judgment about the measurements of assessment. It refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Describing	95.83%	3.41%	0.76%	0%
2	Explaining	94.32%	5.3%	0.38%	0%
3	Analysing	80.3%	19.32%	0.38%	0%
4	Synthesising	88.64%	10.98%	0%	0.38%
5	Evaluation	82.95%	15.53%	1.14%	0.38%
6	Communicating	88.64%	10.61%	0.38%	0.38%

Effective practices

Accuracy and consistency of the application of the ISMG for this IA was most effective when:

- for the Analysing criterion

  – responses matched to the upper performance level demonstrated *discerning* selection of *significant* and *relevant* data and information from both primary and secondary sources. Primary sources could include survey results, observing activities at a business premises, interview notes

  – consideration was given to the analytical tools used to support the selection and analysis of business data and information for strategic development, e.g. inclusion of a USP analysis, SWOT analysis or power interest grid

- for the Synthesising criterion, consideration was given to what constitutes *insightful* recognition of relevant relationships, patterns and trends when matching evidence to the first descriptor at

the upper performance level, e.g. recognition of trends used in marketing platforms for a mature business

- for the Communicating criterion, features of a business report genre and referencing conventions were consistently adhered to when matching evidence to the second descriptor at the upper performance level. The syllabus glossary defines a 'business report' as a formal business document containing information organised in a narrative, graphic and/or tabular form. A business report may be presented in a variety of ways. Students must have the opportunity to develop their own business report structure for organising and sequencing their ideas.

Samples of effective practices

The following are excerpts from responses that illustrate the characteristics for the criteria at the performance level indicated. The excerpts may provide evidence of more than one criterion. The characteristics identified may not be the only time the characteristics have occurred throughout a response.

This student response excerpt has been included:

- to illustrate the use of a USP analytical tool to select data and information to support the analysis. Graph 1 clearly shows the relationship between the selected criteria and the businesses (supermarkets) being analysed. It identifies that technology is a major concern for the case study business (supermarket), which affects its ability to meet customer needs.

Analysing (4–5 marks)
- discerning use of analytical tools to select data and information to support the analysis

Unique Selling Proposition (USP)
Table 1 and *Graph 1* outlines the results collected from the survey. The range of results is determined by one being the lowest and ten being the highest.

Table 1	Supermarket Competitors		
Criteria			
Customer Service	7	7	5
Quality	7	8	7
Variety	8	8	6
Technology Available	8	8	3
Pricing	7	7	8

USP Analysis of Competing Supermarkets

Graph 1
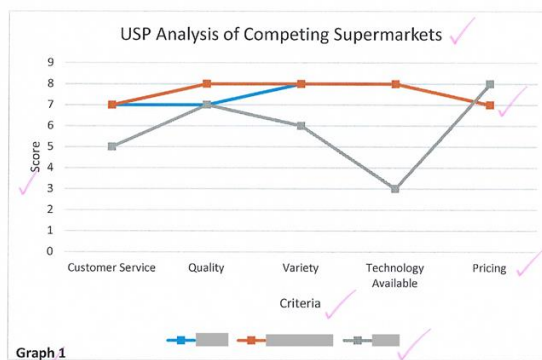
The USP analysis supports the current problems that ▆ is facing. ▆▆▆▆, ▆ and ▆ all score relatively similar with regards to quality. ▆ is severely behind on the technology available to customers with ▆ and ▆▆▆ scoring an eight and ▆ scoring a three. This result, coupled with the inability to provide new technologies, means that ▆ is not meeting consumer needs. This could lead to a loss in consumers and a switch to other competing supermarkets who have modern technology available; ultimately impacting ▆s triple bottom line.

▆▆▆▆ Redacted for copyright

This student response excerpt has been included:

- to illustrate the interpretation of relationships, patterns and trends from the analysis. The response recognises a pattern in the business's performance identified in the USP analysis. It shows a *discriminating* interpretation of the effects of this pattern on the business situation.

| **Synthesising (4–5 marks)**
- insightful recognition of relevant relationships, patterns and trends
- discriminating interpretation of the effects on the business situation | **6.0 Interpretation**
The pattern displayed in the USP graph (figure 1) shows that ▓▓▓▓ does not outperform the other real estate agencies in any of the chosen criteria, and rather performs moderately/poorly for the majority of the chosen criteria. ▓▓▓▓ did however perform highly for the ranking of customer reviews, which suggests that the company has marketed itself and operated efficiently in the perspective of clients. It is evident that the company's major weaknesses are its recruitment of staff and its lack of allied businesses when compared with other real estate agents. These internal factors can have a major influence on the overall success of ▓▓▓▓ as these factors determine the businesses efficiency within its operations. Although the company's ability to hire professional staff is listed as a strength in the SWOT analysis (table 2), if ▓▓▓▓ were to diversify its workforce and improve its training programs to employ inexperienced staff the company would potentially gain an advantage over competitors. This is because this strategy would impact positively on internal activities through the employment of staff with unique skills, knowledge and background. Potential opportunities available to the business through macro-environmental factors could also allow the business to stand out within the monopolistic competitive structure of its industry. The USP graph (figure 1) shows that ▓▓▓▓ has a moderate digital presence, however further digitalisation of the business could be improved in order to broaden the businesses target market and attract more potential clients. If ▓▓▓▓ were to improve its online presence by implementing online listings the company would be offering a unique service to clients compared with other traditional real estate agencies.

The USP graph (figure 1) shows that ▓▓▓▓'s sales over the last 12 months have been lesser than the sales of ▓▓▓▓, ▓▓▓▓ and ▓▓▓▓. This could be a result of the business's high customer class concentration. This means that the business has a small number of clients, however each client contributes significantly towards the company's total revenue. Retaining loyal customers is integral for the success of the business, as this weakness creates a more hostile competitive environment within the real estate industry as competing agencies require a minimum number of clients in order to remain profitable. ▓▓▓▓'s lack of allied businesses as shown in the USP graph (figure 1) poses as a significant weakness for the business additionally. If ▓▓▓▓ were to expand into new markets through allied businesses the company would have the ability to become an 'end to end' business. This would improve the company's profitability as clients' needs would be able to be met without ▓▓▓▓ having to refer clients to other businesses.

▓▓▓▓ Redacted for copyright |

Practices to strengthen

To further ensure accuracy and consistency of the application of the ISMG for this IA, it is recommended that:

- for the Analysing criterion, evidence across the response should

  - include data and information from primary and secondary sources to enable students to achieve in the upper and mid performance level. Students select data and information relating to a hostile competitive business situation and environment from primary and secondary sources to analyse the business situation

  - show analysis of data and information using analytical tools. Evidence of analysis must be included within the report and not in the appendix. Appendix items should contain only supplementary material that will not be directly used as evidence when marking a response

- when making judgments for the Evaluating criterion, teachers first consider whether there is evidence of judgments for both marketing and operational strategies using criteria for strategic development, e.g. a judgment about effectiveness and efficiency of a branding strategy used in marketing and a quality control strategy in operations. Responses at the upper performance level demonstrate *proficient* use of criteria to make *perceptive* judgments.

Extended response — feasibility report (25%)

The IA3 extended response focuses on the analysis, interpretation and evaluation of ideas and information. It is an open-ended task responding to stimulus material relating to Unit 4 Topic 1: Repositioning a business. Students create a written response in the form of a feasibility report to examine a business situation in the post-maturity stage of the business life cycle (Syllabus section 5.5.1).

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions*
Alignment	15
Authentication	3
Authenticity	12
Item construction	0
Scope and scale	0

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- featured a suitable choice of business situation aligned to the post-maturity stage in the business life cycle, with appropriately challenging contexts for the stage in the two-year course

- adhered to the specifications, including analytical tools (plural) and an evaluation of at least two, and no more than three, repositioning strategies

- supplied stimulus materials (4–8 A4 pages) on an authentic business and its competitors, including data and information with a range of stimulus types, e.g. news articles, press releases and magazine articles (or extracts of), graphs, statistical data, images and infographics

- clearly specified the requirement of supporting evidence for additional sources (not those supplied in the stimulus) that may have been used by students in developing their response, i.e. reference list and the use of in-text referencing.

Practices to strengthen

It is recommended that assessment instruments:

- align with assessment objectives and syllabus specifications, e.g. specifying analytical tools (plural) and including all assessable objectives in the task design

- include stimulus material of 4–8 A4 pages relating to the selected case study business and its competitors that allows for the selection and use of data and interpretation of relationships, patterns and trends. Using stimulus material from a case study that has already been analysed, interpreted and evaluated in a publication such as a textbook limits students' opportunity to demonstrate the assessment objectives

- provide a context that directs students to the post-maturity stage of the business life cycle

- instruct students to provide a reference list that identifies additional sources they used (not sources supplied in the stimulus) and include a reference list and in-text referencing as per the syllabus specifications.

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions*
Bias avoidance	0
Language	5
Layout	0
Transparency	0

*Each priority might contain up to four assessment practices.

Total number of submissions: 267.

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided clear instructions that aligned to assessment objectives, specifications and the ISMGs, and that were not duplicated (in whole or part) under 'task' and 'scaffolding' sections

- supplied stimulus materials that

    – were sequenced appropriately, e.g. had business profile as the opening stimulus

    – were presented clearly, with some white space, for clarity of information, accessibility and readability, and included a variety of modes of data and information, e.g. news articles, infographics, tables, graphs

    – contained sources labelled so students could readily cite them in their responses.

Practices to strengthen

It is recommended that assessment instruments:

- model accurate spelling, grammar, punctuation and other textual features, and are free of errors.

Assessment decisions

Reliability

Reliability is a judgment about the measurements of assessment. It refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Describing	97.35%	1.52%	0.76%	0.38%
2	Explaining	96.59%	2.27%	0.76%	0.38%
3	Analysing	93.18%	5.3%	1.52%	0%
4	Synthesising	93.56%	5.68%	0.76%	0%
5	Evaluating	94.32%	4.92%	0.76%	0%
6	Communicating	96.21%	2.65%	1.14%	0%

Effective practices

Accuracy and consistency of the application of the ISMG for this IA was most effective when:

- for the Describing criterion, responses matched to the upper performance level demonstrated *comprehensive* descriptions of the business environments and situations. Business environmental factors include internal, operating and macro environments that influence the repositioning of a business in the post-maturity stage of the business life cycle

- for the Analysing criterion, responses matched to the upper performance-level descriptors provided *discerning* selection of *significant* and *relevant* data and information from the stimulus for repositioning a business. Responses at this level engaged with the stimulus to select data and information to analyse a case study business using analytical tools, e.g. SWOT analysis, STEEPLE, Porter's five forces

- for the Communicating criterion, responses at the upper performance level demonstrated

  - *concise* and *logical* sequencing and organisation of ideas in the feasibility report, e.g. use of subheadings, tables, figures

  - features of a feasibility report that assessed potential solutions to determine a viable option for repositioning a business, e.g. analytical tools, decision-making matrix

  - *minimal* errors in spelling, grammar, punctuation and referencing. Responses matched to the upper performance level do not need to be flawless.

Samples of effective practices

The following are excerpts from responses that illustrate the characteristics for the criteria at the performance level indicated. The excerpts may provide evidence of more than one criterion. The characteristics identified may not be the only time the characteristics have occurred throughout a response.

This student response excerpt has been included:

- to illustrate the use of the analytical tool Porter's five forces to identify and understand patterns, trends and relationships within a business at the post-maturity stage. Table 2 clearly shows analysis of the relationship the business has with its competitors, e.g. rivalry among existing competitors. It identifies data and information from the stimulus to support the analysis.

Analysing (4–5 marks)					
• discerning use of analytical tools to select data and information to support the analysis	**Table 2:** Porter's Five Forces Analysis on ▨				
	Threat of new entrants	**Threat of substitutes**	**Bargaining power of suppliers**	**Bargaining power of buyers**	**Rivalry amongst existing competitors**
	• High costs to continuously purchase new content (Source 10) • Difficultly to tap into existing supply links to secure content, as major operators have established agreements with film studios, channels and networks (Source 10) • Existing operators have established extensive content catalogues (Source 10)	• Many alternatives to ▨ including, free-to-air television and streaming services, such as ▨ or ▨ • Streaming services (starting from $6.99/month) are less expensive than ▨ (minimum of $49/month), which may be more attractive to customers (▨, 2021) (▨, 2021) • ▨ and streaming services have exclusive content offerings, which may be more desirable to different target markets • Easy for customers to switch between operators, with month to month payments and no lock-in contract options (▨, 2021) (▨, 2021)	• Limited content suppliers and increased competition for new and popular content, gives suppliers high degree of bargaining power (Source 10) • ▨ produces and retails original content, such as Australian dramas (Source 6) • Creation of 'originals' by streaming services	• Large customer base; nearly 70% of Australians have subscription TV service (Source 4) • No switching costs, due to lack of lock-in contracts offered by ▨ and streaming services (▨, 2021) (▨, 2021)	• ▨ is ▨'s main competitor, with 13.28 million viewers in 2020, compared to ▨'s 5.5 million (Source 3) • Lots of competitors, particularly streaming services • Competition has increased costs to acquire broadcasting rights, particularly sports (▨'s USP) (Source 5) (Source 9) • ▨ and competitors offer similar services, differentiating themselves by their content offerings • Majority of customers have multiple streaming services (Source 4) • High industry concentration (Source 12)
	Low to medium	High	Very high	Medium	High
	▨ Redacted for copyright				

This student response excerpt has been included:

- to illustrate the interpretation of relationships, patterns and trends from the analysis, e.g. the response recognises trends, relationships and patterns in the business' performance identified in the STEEPLE and SWOT analysis using supporting evidence from the stimulus.

Synthesising (4–5 marks)	
• insightful recognition of significant and relevant relationships, patterns and trends	**3.1 Implications of Analysis** After close analysis of the STEEPLE and SWOT, there are clear gaps within ▨s current operations that should be addressed to ensure the future feasibility of the business. The apparent **trends** seen are, an overall 37% increase in online retail sales **(Source 5)** and customers desire for loyalty and positive luxury experiences **(Source 2)**, this is beneficial for ▨ as it opens possible opportunities, and it highlights what customers are looking for. Furthermore, there was a negative trend of a 2% decline in retail trade over the past year, this destructively implicates ▨ as it is their operating industry, meaning there is current low demand for retail **(Source 4)**. The **relationship** between an increase in online retail sales and significant technology development (Mgunda, 2019) has provided an opportunity for ▨ to develop and expand into. Moreover, the customers' evolving needs and wants for diversification in terms of payment methods and accessibility has negatively inclined ▨'s customer dissatisfaction **(Source 7)**. In 2019 a decline in retail sales was a reoccurring pattern **(Source 4)**, resulting in a 3.3% shortfall of ▨ and ▨'s sales **(Source 8)**. As sales decreased, the business environment of Australia remained strong, this brought vertically integrated businesses into the market, which meant a change in price points, accelerated speed to the market and buying power **(Source 6)**. There was a strong influence of mini-major internationals imposing on the market, reinforcing the trend of consumer behaviour **patterns,** preferred efficiency, relevance, service, quality and price. For ▨, this meant the 'new' and 'innovative' competitors replaced their consumer's mindshare and negative connotations were associated with their business, as they had an overall review rating of 1.8 stars (▨, 2020). The hostile industry and increased competition implies that market repositioning and operational repositioning will be of great benefit.

This student response excerpt has been included:

- to provide an example of a *thoroughly justified* decision based on evaluating repositioning strategies. The response clearly shows the decision being made to reposition the business with justifications. Recommendations have been provided that are *appropriate* to the business situation. **Note:** Justifications for recommendations are not required.

| Evaluating (4–5 marks)

• thoroughly justified decisions related to the business situation
• appropriate recommendations significant to the business situation | **Decision:** Increase their offerings of higher quality products at a more affordable price. ✓

Justification:
- ▇ currently lacks a distinct USP and at risk of losing market share to online retailers and other department stores. ✓
- Offering higher quality products at a more affordable price allows ▇ to become more competitive as it gives them a competitive advantage ✓
- Having a competitive advantage = lower risk of losing customers and market share to competitors ✓
- Allows ▇ to compete against more speciality and middle-market offerings and keep ▇ and ▇ from cannibalising one another's sales

Recommendations:
- Grow/improve online retailing platforms (i.e. app and website) to encourage online growth and profitability ✓
- Invest in customer research to determine the business areas that require improvement or whether they should introduce additional products/services that aligns with customers' needs and wants |

Practices to strengthen

To further ensure accuracy and consistency of the application of the ISMG for this IA, it is recommended that:

- for the Explaining criterion, the performance-level descriptors require the use of business terminology. The relevant terminology is specific to Unit 4 Topic 1: Repositioning a business. At the upper performance level the use of terminology is *purposeful*

- for the Analysing criterion, an effective response requires the selection of *relevant* data and information from the stimulus to analyse the business situation using an analytical tool. Focused teaching and learning of analytical processes supports students to develop the skills to analyse business data and information

- for the Synthesising criterion, attention should be given to ensuring there is recognition of relationships, patterns and trends about the implications of repositioning the business. The upper performance-level descriptor requires the recognition to be *insightful* and include *significant* and *relevant* relationships, patterns and trends, e.g. recognising data and information from the analysis and stimulus.

External assessment

External assessment (EA) is developed and marked by the QCAA. The external assessment for a subject is common to all schools and administered under the same conditions, at the same time, on the same day.

Examination — combination response (25%)

Assessment design

The assessment instrument was designed using the specifications, conditions and assessment objectives described in the summative external assessment section of the syllabus. The examination consisted of one paper:

- Paper 1, Section 1 consisted of four short-response items (15 marks)

- Paper 1, Section 2 consisted of an extended-response item (20 marks).

The examination assessed subject matter from Unit 4. Questions were derived from the context of Topic 2: Transformation of a business.

The assessment required students to demonstrate their understanding of a post-maturity business by exploring strategies that influence the transformation of a business, focusing on change management and renewal outcome.

The stimulus items were presented as two separate case studies and related to businesses in the post-maturity stage of the business life cycle. The unseen stimulus items presented a range of specific business data and information, including graphs, media articles, business documents and other information relating to the business context and society. The stimulus material was designed to elicit unique responses to short response items and an extended response item through the application of a range of cognitions.

Assessment decisions

Assessment decisions are made by markers by matching student responses to the external assessment marking guide (EAMG). The external assessment papers and the EAMG are published in the year after they are administered.

Effective practices

Overall, students responded well to:

- understanding and application of Unit 4 Topic 2 subject matter, particularly in comprehending business concepts, strategies and processes relating to business transformation and change management

- identifying and selecting relevant business data and information from the stimulus to analyse the business situation using an analytical tool

- evaluating change management strategies using business criteria to provide a justified decision for the business situation and propose an appropriate course of action drawn from the evaluation.

The following excerpts have been selected to illustrate effective student responses in one or more of the syllabus assessment objectives. The characteristics identified may not be the only time the characteristics have occurred throughout a response.

Samples of effective practices

Short response

Criterion: Describing

Question 2

This question required students to describe one operating environmental factor that could influence a business manager to initiate change.

Effective student responses:

- described explicitly how the operating environmental factor influences a business manager to initiate change

- provided an example to describe the situation.

This student response excerpt has been included:

- to demonstrate a high-level response when describing business environments and situations relating to drivers for change and the post-maturity stage of the business life cycle

- to show a comprehensive description of an operating environmental factor that could influence a business manager to initiate change. The response clearly provides a relevant example that is connected to the operating environmental factor identified and supports the influences for change by a manager.

| Describing (3 marks)	**Excerpt 1**
	Operating environmental factor can significantly influence change within a business. One operating environmental factor that does this is competition. Competition would significantly influence a business manager to initiate change as other businesses competing in the same industry may be performing well and dominating the market, thus influencing a business manager to initiate change in order to compete with these other high-performing businesses. For example, a business who is underperforming may not be hitting sales targets or production levels due to other competitors in the same industry who are generating high levels of profits or increased production output due to efficient technologies/machines. Therefore, this will significantly influence a business manager to initiate change in order to combat competitors to experience growth and penetrate the market again.

Criterion: Analysing

Question 4

This question required students to analyse two forces for and two forces against change to the manufacturing operations of the surfboard business in Case study 1.

Effective student responses:

- identified two relevant forces for change with explicit links to relevant stimulus

- identified two relevant forces against change with explicit links to relevant stimulus

- provided an insightful analysis of the forces for and against change.

These student response excerpts have been included:

- to demonstrate high-level responses when selecting data and information relating to drivers for change to analyse the business situation using a force field analysis

- to show the effective selection of data and information to determine forces for and against change relevant to the business situation. Excerpt 1 clearly illustrates the use of a force field analysis table to classify driving and restraining forces using weightings that draws on data and information from Stimulus 1, 2 and 3

- to demonstrate identification of relevant forces for change and insightful analysis with specific references to stimulus. Excerpt 2 recognises customers and competitors as driving forces for change. It provides an insightful analysis of the driving forces to determine the need for change in the manufacturing operations.

Analysing (5 marks)	**Excerpt 1**

Excerpt 2

Driving Forces~

Customers → Customers are vital to a business, determining revenue generated, industry reputations/perceptions market share and viability of the business. Via altering manufacturing operations to Thailand, the company are producing higher volumes at lower prices (1). Via ~~providing~~ providing cheaper alternatives, the company is increasing its customer base to first-time surfers (1). This directly increases the customer base for the company, ~~whilst~~ whilst also creating a competitive advantage and appealing to a wider ^market niche. Therefore, as the byproduct of outsourcing is cheaper products, which appeals to a wider market it can be inferred that customers are a relative strong driver for shifted manufacturing at 4/5. Competitors → The surfboard company wishes to 'increase [their] ability to compete with other manufactures' (1). Additionally, via decreasing price, it enables a potentially increased market share. Therefore, due to the presence of hostile competitors a change must be initiated to gain and fortify a competitive advantage. As competitors are a relatively strong driver for the change in operations it can be seen they are a 4/5.

Extended response

Criteria: Analysing, Synthesising, Evaluating, Communicating

Question 5

This question required students to use Case study 2 to analyse the business situation using a SWOT analysis. Students were required to interpret trends in the analysis to determine the implications for the business transformation, then evaluate marketing strategies used in the transformation to propose recommendations for future success. Using evidence from the case study, students were required to present their findings as a business report to the owner of the business.

Effective student responses:

- identified significant and relevant factors from the stimulus

- correctly classified factors as strengths, weaknesses, opportunities and threats, and provided an insightful analysis of strategies in the business transformation

- recognised significant and relevant trends and provided a discriminating interpretation of the effects on the business situation

- provided an insightful synthesis of the implications of transforming the business and drew valid conclusions about the business transformation

- identified relevant marketing strategies from the stimulus

- demonstrated effective use of business criteria to purposefully evaluate the strategies

- provided a thoroughly justified and relevant decision for the business situation and made appropriate recommendations drawn from the evaluation

- succinctly and fluently conveyed ideas relating to the question, using the business report genre purposefully to suit the audience.

This student response excerpt has been included:

- to demonstrate the interpretation of trends to draw conclusions about the implications of business transformation. The response recognises the growth in vegetarian and vegan trends in Australia and interprets the effects on the business. The response synthesises the implications of transforming the product range offered to draw valid conclusions about the implications on the business, e.g. retain existing meat product range to achieve customer satisfaction and business success.

Synthesising (5 marks)	**Excerpt 1**
	Interpretation of Analysis and Implications Essentially, the butcher business holds significant strength as its in holding a competitive edge over the local area by capitalising on growing vegetarian and vegan trends (Source 6), where this consumer segment is growing from 9.7% to 12.1% (Source 6). Francis has been able to do this by introducing an innovative meat range, capitalising on a growing socio-cultural opportunity. Promotion of the business is also done through social media (source 4) allowing addressing technological trends that prom of that focus on the 18-24 and 25-34 target market (Stimulus 10). However, the family butcher has significant drawbacks that could inhibit the successful transformation of the business. Ultimately, Francis has decided to "phase out all meat-based products" which, in turn, excludes his current market (source 2). Although veganism is steadily increasing, sales for meat products continue to outperform 'vege-meat' by at least $40 000 as of 2021 (Source 8). As a result of the exclusion of current consumers, the butcher business threatens to enter a state of decline as businesses the business loses significant sales (source 1). It is essential marketing strategies surrounding the product itself does not entirely phase out meat to retain consumers for successful change.

These student response excerpts have been included:

- to demonstrate effective use of business criteria to evaluate the marketing strategies and provide a decision and propose recommendations.

  - Excerpt 1 shows a decision-making matrix to clearly identify two *relevant* marketing strategies and two business criteria. The response demonstrates the *effective* use of business criteria to *purposefully* evaluate the marketing strategies and makes clear links to the stimulus. For each business criterion, a focus has been provided that is specific to the business situation, e.g. profitability and engagement

  - Excerpt 2 illustrates a decision being made for the business situation with recommendations drawn from the evaluation. The response demonstrates a *justified* and *relevant* decision related to the marketing strategies evaluated with *appropriate* recommendations drawn from the evaluation, e.g. broaden the use of social media and hire a consultant to assist with the website.

Evaluating (5 marks)	Excerpt 1

4.1 Evaluation Table

Marketing Strategy	Efficiency Criteria	Stakeholder Satisfaction
Social media as emerging technology.	**Profitability** social media has a 60% return on costs (S9). As the second most cost-effective promotional strategy, social media is an efficient strategy to reach a large new audience of customers. Thus, increasing sales and ultimately profitability.	**Engagement** 92.9% of 25–34 year olds and 84.2% of 35–44 year olds access the internet to use social networking (S10). This means that more potential customers have the opportunity to come across the business' social media. Social media is the main source of new customers hence, it engages with the largest market segment (S4)
website where customers can review, rate and products and identify how they found the business.	**Profitability** similar to social media, the website marketing strategy has a 60% return on costs (S9). However, customers indicated that the website only provided a small number of new dealt customers. This means that this strategy relies on other marketing techniques to draw customers to the website where they can purchase goods. Hence, contributing to profit.	**Engagement** Between 77% and 84% of the target market access the internet to purchase goods (S10). However, only 23% to 24% purchase food (S10). This indicates that the website is not a very effective marketing strategy as consumers do not use technology, instead are introduced to the business using more traditional strategies such as word of mouth. As a result, customers may not yet be aware of the new vege-meats products.

Excerpt 2

Decision:

The promotional strategy social media is the better choice of p—.
Although both website and social media have a theoredical return on cost
of 60%, the website has failed to do so for Francis and is less efficient
for bse. in his business (stimulus 4) (stimulus 9). Additionally social media
has been for more effective in bringing new customers to the business (stimulus 9)
Although social media is currently better, both are cost effective and if done properly

Recommendations: should both still be used.

Recommendations:
• Continue and broaden the use of social media to maximise the gross—
with the 25-45 year old age group
• Hire a consultant to assist in eff increasing the efficiency and
effectiveness of the current website.

Practices to strengthen

It is recommended that when preparing students for external assessment, teachers consider:

- providing focused teaching and learning of analytical processes to build students' skills of selecting data and information from the stimulus to analyse the business situation using an analytical tool. Effective responses in Question 4 clearly showed two relevant forces for and two relevant forces against change, and made explicit links to relevant stimulus. In Question 5, effective responses selected and classified internal factors (strengths and weaknesses) and external factors (opportunities and threats) using a SWOT analytical tool

- providing opportunities for students to engage with unfamiliar stimulus relating to drivers for change and change management theories that require an in-depth analysis of a business situation using an analytical tool (power interest grid, SWOT analysis, force field analysis)

- emphasising to students that the criterion of synthesising is a progression from analysis whereby student responses consider the stimulus and analysis to recognise business relationships, patterns and/or trends for a business situation. Effective responses clearly articulated the effects on the business to synthesise implications in order to draw conclusions about the business transformation

- providing further practice with the use of business criteria when evaluating a change management strategy. It is advised that teachers re-engage students with the process of evaluating and ensure that when students evaluate, they use business criteria to evaluate business practices and strategies to make decisions and propose recommendations.