

MRS. BARNETT'S GUIDE TO 10-MARK QUESTIONS

IB BUSINESS MANAGEMENT SL/HL

1. IB mark bands
2. Interpreting the mark bands
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1. The IB Mark Bands for 10-mark Questions:

Marks	Level descriptor
0	The work does not reach a standard described by the descriptors below.
1–2	<ul style="list-style-type: none"> • Little understanding of the demands of the question. • Few business management tools (where applicable), techniques and theories are explained or applied, and business management terminology is lacking. • Little reference to the stimulus material.
3–4	<ul style="list-style-type: none"> • Some understanding of the demands of the question. • Some relevant business management tools (where applicable), techniques and theories are explained or applied, and some appropriate terminology is used. • Some reference to the stimulus material but often not going beyond the name of a person(s) and/or the name of the organization.
5–6	<ul style="list-style-type: none"> • Understanding of most of the demands of the question. • Relevant business management tools (where applicable), techniques and theories are explained and applied, and appropriate terminology is used most of the time. • Some reference to the stimulus material that goes beyond the name of a person(s) and/or the name of the organization. • Some evidence of a balanced response. • Some judgments are relevant but not substantiated.
7–8	<ul style="list-style-type: none"> • Good understanding of the demands of the question. • Relevant business management tools (where applicable), techniques and theories are explained and applied well, and appropriate terminology is used. • Good reference to the stimulus material. • Good evidence of a balanced response. • The judgments are relevant but not always well substantiated.
9–10	<ul style="list-style-type: none"> • Good understanding of the demands of the question, including implications, where relevant. • Relevant business management tools (where applicable), techniques and theories are explained clearly and applied purposefully, and appropriate terminology is used throughout the response. • Effective use of the stimulus material in a way that significantly strengthens the response. • Evidence of balance is consistent throughout the response. • The judgments are relevant and well substantiated.

2. Interpreting the mark bands:

Interpreting the markband can be confusing for students. The different markbands rely on the judgement of the examiners in interpreting words like 'appropriate', 'effective', 'significantly', 'well', 'little', 'some'. Therefore, it can be very helpful to look at past *IB-marked* student responses along with the examiner's comments.

The markband can work a little bit like a game of *Snakes and Ladders*: if you miss out on one element of the mark band descriptors you may slip to the mark band below... and so on. So it is really important to know the requirements of the descriptors.

For a 9 or 10, you need to show the following:

- *Good understanding of the demands of the question, including implications, where relevant.*
- *Relevant business management tools (where applicable), techniques and theories are explained clearly and applied purposefully, and appropriate terminology is used throughout the response.*
- *Effective use of the stimulus material in a way that significantly strengthens the response.*
- *Evidence of balance is consistent throughout the response.*
- *The judgments are relevant and well substantiated.*

1. Understanding the Q.

- Circle the key words of the question (Q).
- Say the words over and over to yourself until you 'feel' the Q.
- Do not start writing until you really understand the Q.
- You cannot score more than 5-6 marks if you do not show proper understanding of most of the demands of the Q.

2. Use of tools/techniques/theories.

- Just re-telling the stimulus material as your answer is not enough.
- You are expected to apply relevant syllabus content in your answer.

3. BM terminology: use appropriately throughout.

4. Use of stimulus material: use purposefully and clearly to strengthen the response.

5. Balanced response: use clear 'for' and 'against' arguments to support a conclusion. Remember that 'balance' is required in answering all AO3 questions.

6. Judgements: make these clear and well-supported.

3. Tips and Tricks

Remember UT3 SBC:

U: Understanding of the demands of the question

T3: Theories, Tools and Terminology

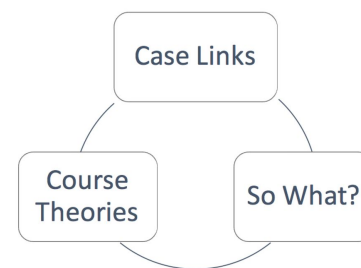
S: Stimulus material

B: Balance

C: Conclusions and Judgments

Remember CL + CT + SW

(Course Theory → Case Link → “So What?”)



Course Theory

Course theories basically means key words from the course. Find a keyword from the course which relates to the question somehow. Use it in a sentence. If you can use two keywords from the course (or more) in this sentence, that's even better. Go crazy.

Case Link

A case link is connecting the theory to what's actually going on in the case. Most people struggle with this with this part. Students do read the case, but then they forget to use it in their answer. They think it's all about the key words. But actually these connections are hugely valuable.

So What?

“So what?” pulls your insights together and has you show the reader the value of the points you've just made. So What is where you make sure the reader gets your point and understands its value (both in answering the question, but also for the business in other respects). This is your analysis - the connection of the theory and the case link.

Advice on timing:

- You have about 20 minutes to answer a 10-mark question.
- On IB answer paper (a bit narrower than normal A4) the average person with average-sized writing can write nearly 2 sides of paper.

Outline/Plan for 10-mark question

Paragraph	Plan
Intro	<ul style="list-style-type: none">● Opening sentence/introduce business -● Definition of key concept -● “Thesis” statement (answer the Q)-● What the response will examine –
Body 1	<ul style="list-style-type: none">● Topic sentence –● 1st advantage (with link/evidence from stimulus and explanation) –● 2nd advantage (with link/evidence from stimulus and explanation) –● Closing statement –
Body 2	<ul style="list-style-type: none">● Topic sentence –● 1st disadvantage (with link/evidence from stimulus) –● 2nd disadvantage (with link/evidence from stimulus) –● Closing statement –
Conclusion	<ul style="list-style-type: none">● Clear judgement which relates back to the question and your thesis statement –● Use of long-term v short-term framework to shape/develop your judgement –● Use of different stakeholder perspectives to shape/develop your judgement –● Use of financial v non-financial framework to shape/develop your judgement –● Concluding statement (potentially refer back to the business) –

4. Student Marking Checklist for 10-Mark Questions

Does the response ACTUALLY answer the question appropriately for the command term? ○ For an inappropriate format, such as listing, identifying or outlining (or any other AO1 or AO2 response) award up to a maximum of [3]	Yes/No	Comments/Marks
Examine the language used in the response. Is there vague phrasing ('people', 'money', 'good', etc.). Identify (circle) the terminology used in the response. Is it used correctly and appropriately?		
Is there explanation/elaboration/rationale for all arguments? Do the arguments use theory or tools from the BOOK or are they just based on personal opinions (or no basis at all)?		
Is there a balanced response? A balanced response provides at least <i>two arguments for</i> and <i>two arguments against</i> the option. ○ For <i>one</i> relevant issue that is one-sided, award up to [3] . ○ For two or more relevant issues that are one-sided, award a maximum of [4] .		
Does the answer refer to the stimulus material? ○ Does the answer show balanced analysis and understanding throughout the response but there is no specific reference to the case study?. Award a maximum of [4]		
Did they provide conclusions and judgment? ○ Does the answer show balanced analysis and understanding throughout the response but there is no judgment/conclusion? Award a maximum of [6] ○ Cannot reach the [7–8] markband if they give judgment/conclusions that are not based on analysis/explanation already given in their answer.		

5. Sample responses for a 10-mark question:

1: With reference to *DE*, discuss the merits of small organizations compared to large organizations. (10 marks)

In general, advantages of large businesses include:

- an enhanced ability to survive
- economies of scale
- higher status
- market leader status
- increased market share.

In general, advantages of being small include:

- greater focus
- greater cachet
- greater motivation
- competitive advantage
- less competition.

In the case of *DE*, the above advantages would in general apply. However, the circumstances can be further nuanced based upon the stimulus. Traditionally, the company was small and had a focus on quality, arguably its unique selling point. As the company grew, many insiders worried that *DE* would lose its focus on quality. Now, if it is to have cachet, it will have to rebrand itself and base its USP more on the security that its product offers.

Although the company probably also experienced a number of economies of scale, it was also experiencing some diseconomies, which invariably reflect that some inefficiencies from growth have crept into the business. With growth, *DE* has probably expanded its workforce. An increase in employees could change the character of the organization. Communication would be more difficult, both in the literal sense (having to communicate to a larger number of people) and in the figurative sense (new employees do not know the “unwritten” rules and norms of an organization, so greater care has to be taken in all communications).

An increase in size brings both advantages and disadvantages. In general, the larger the organization, the more it can benefit financially from size – more product lines and products and, with a diversity of revenue streams, an enhanced ability to survive. However, in *DE*'s case, it still has only one product. If the company grows and it increases its fixed costs, it takes some risks. If one of its competitors develops an ability to provide comparable security to the product of *DE*, *DE*'s sales could fall – but it may now be committed to higher fixed costs.

2. Discuss Vinn's decisions to re-shore back to the US and to produce only individually designed jeans. (10 marks)

Re-shoring:

In the near future *Vinn* may not be able to benefit from lower manufacturing costs as labour costs in China are rising faster than in the US. Producing jeans in China and Turkey will be less attractive and cost effective for *Vinn* and generally for multinational companies.

Offshoring resulted in some quality issues that negatively affected *Vinn's* brand image given customers' complaints. Given the increase in global competition, communication issues and the erosion of costs advantage, perhaps the decision to re-shore is appropriate, especially if coupled by the repositioning strategy. With a change / re-shoring, brand reputation may be gained and communication problems with offshored employees will be eliminated as manufacturing will now take place in the US. Moreover, re-shoring the production process could improve quality control processes and improve *Vinn's* quality standards.

However, re-shoring manufacturing to the US may not be that straight forward, *Vinn* will have to invest in the building of new factories, and the necessary finance may not be that easy to raise in a context of global economic recession. Nevertheless, one may judge these issues as less significant due to their shortterm nature.

Change of strategic focus to produce individually designed jeans:

Vinn is planning to change its strategic focus from standardized jeans to individually designed jeans to create a new competitive position. Although, management made the decision, does this have shareholder agreement? The

production of individually designed jeans requires specialized technology which is currently available in the US only. In addition, highly skilled creative labour such as designers are currently located in major American cities. Re-shoring production to the US will enable both market proximity and labour proximity to produce jeans for a niche market ready to pay high prices at lower costs. Transport cost will also be reduced. The strategic refocus may be judged as an appropriate one given the intense competition in the mass market and the discovery of an untapped and potentially profitable niche market in the US. To gain a first-mover advantage, *Vinn* must re-shore and change its strategic focus. These two strategies appear complementary.

However, *Vinn* is moving into a new market, one it is unfamiliar with. There are risks associated with possible misjudgments about the size and nature of the target market - how good is its market research? Designer branded jeans are not exactly new. Could there be competitive issues, either known or unknown?

Although the potential profits per unit in niche markets are usually high, by their nature, niche markets are small and success may attract other manufacturers that are possibly smaller and more flexible. Still, further niche markets usually emerge as part of trends, and this is especially so in fashion.

3. Discuss *DH's* decision to develop a policy of corporate social responsibility (CSR). (10 marks)

DH's decision to develop a policy of corporate social responsibility (CSR) fits well with trends in business today, whereby many companies are doing so. Indeed, sometimes today stakeholder groups exert powerful pressure on companies to practice CSR. The pressure to follow triple-bottom line reporting is also influencing companies to act in a more socially responsible way (despite some criticism of CSR by certain economists).

DH has adopted several approaches that are popular today: giving profits, lending employees, and being more environmentally friendly. All these methods have garnered *DH* favourable media attention, though less clear is if *DH's* brand identity has benefited. Sales growth has not improved. The gross profit margin decreased from 50 % to 48.28 %, and the net profit margin declined from 4.89 % to 4.48 %. The costs of donating profits, lending employees and presumably higher-priced biodegradable materials took a toll on profits. The situation also negatively affected the balance sheet, which saw a deteriorated working capital position, falling from \$2 000 000 to \$1 700 000.

One of the commonly cited reasons for practicing CSR is that it is a form of enlightened self-interest: doing good for others will in the long run lead to greater profits. In the case of *DH*, perhaps that was its intention. Employee morale improved, which can lead to greater productivity and loyalty (labour turnover would probably decline). CSR would enhance *DH's* reputation, socially responsible consumers would find an additional reason to purchase *DH* products, and, over time, the company would make more profits than it otherwise would have.

Some shareholders, however, are not satisfied with the results so far. At the annual general meeting, they complained about unimproved sales growth and lower margins, which they directly linked to the CSR programme. Several shareholders suggested that *DH* develop consumer awareness that it is a socially responsible company. The favourable media attention in the first year was insufficient to make an impact on the revenue side. Were *DH* to take this approach, reshape its brand identity and raise consumer awareness, it would have to invest in a promotional and public relations campaign, which might be costly. Profits and margins might go down before they go up, and possibly even more shareholders will be dissatisfied.