

Examiners' Report

June 2023

International Advanced Level Business WBS14 01

Introduction

Once again this proved to be an accessible exam paper for most students. The questions discriminated well, with candidates accessing a wide range of marks, with some good, and occasionally very good, responses to the questions set.

Strong candidates did well, with some excellent and thoughtful responses, particularly for the longer questions. By contrast, there were also some very weak responses that showed little understanding of, or even familiarity with, the specification content.

The main reasons for some students underachieving were the usual ones of not heeding command words and not reading the questions carefully enough. Once again, command words are still being ignored by a sizeable number. Instructions to 'Assess' and 'Evaluate' were not followed by some candidates.

Some of the students missed out on marks because they did not answer the question that was set. For example, for Q3 some candidates concentrated on protectionism in general, discussing its impact on an economy and its domestic firms, rather than focusing on the impact it has on global businesses. Too many candidates just relied on copying the text from the case study rather than considering the wider implications of the question, this was particularly prevalent with Q1c.

It is worth reminding future students of the need to apply proper context and to use examples to reinforce their responses. Repeating generic or stock answers is very unlikely to access the higher levels of the mark scheme.

Question 1 (a)

Most candidates were able to identify an advantage of using tariffs for a country such as Peru and then develop the consequences. Application was usually taken from the evidence such as clothing imports having increased their market share by 13.4% and 420,000 employed in the clothing industry. Overall the question was answered well and the marks were accessible to most candidates.

This response scored all four marks.

1 (a) Explain **one** advantage of using tariffs for a country such as Peru.

(4)

70% security

An advantage of imposing tariffs would result in domestic firms and employment being protected. The clothing industry employs over 100,000 workers. Imposing tariffs will make the importation of cloth more expensive which in turn leads consumers to switch to domestic producer when purchasing clothing thus causing for demand to increase ^{which in turn causes increase} and prevents businesses from shutting down. Imposing tariffs will help Peru reduce the level of unemployment that can occur and can allow output of the clothing industry to be more than 80%.



ResultsPlus
Examiner Comments

A good and well written response that clearly identifies an advantage and then develops it. It has two separate and relevant pieces of evidence to support the argument.



ResultsPlus
Examiner Tip

The four mark 'Explain' questions have two marks for application. Make sure that you include two pieces of evidence in your answer and make sure that they support the point you are making.

Question 1 (b)

This calculation seemed to cause quite a few candidates some difficulty. The ability to calculate percentage changes is one of the quantitative skills required of candidates as detailed in the specification. There seemed to be many candidates who blindly followed the buttons on their calculator and did not recognise that their answer must have been wrong with some claiming that the percentage of the total workforce employed in the clothing industry was several thousand percent!

For those that did know how to calculate percentage change this was an easy and quick way to gain 4 marks.

This response scored 2 marks.

According to the World Bank, the number of people in Peru's labour force in 2021 was 18,566,813.

(b) Using Extract A, calculate to two decimal places the percentage of the Peruvian labour force working in the clothing industry in 2021.

(4)

$$\frac{420,000 - \text{employees}}{18,566,813} = 2.3\%$$



This response shows the need to do what the question asks. The answer should have been given to two decimal places but this has been rounded up and therefore can only score 2 marks (for the correct figures in the formula) instead of the full 4 marks.



When you finish a calculation always check that you have added the relevant units or correct number of decimal places.

Question 1 (c)

A straightforward but disappointing question as many candidates seemed more intent on rewriting the evidence rather than addressing the main question. Few seemed able to go beyond the extract and discuss the importance of different tastes and preferences

Those that did were able to show why it could be important for some products depending on the nature of the product and/or the cultural requirements. Common examples were fast food chains such as McDonald's and Dunkin Donuts. By contrast designer goods and electronic products such as Gucci and Apple were used to exemplify products that needed little or no adaptation.

This response is a level 2 and scored 4 marks.

(c) Discuss the importance of different tastes and preferences for a global business.

(8)

Global business, is a business that has many departments around the world. By a company that has different tastes ~~flavours~~ around the world, this will help the company's gain more customers. For example, Inca Kola is the market leader in Peru with 26% of soft drink sales. As a result, this shows they prefer their local brand rather than the global brand which is Coca-Cola. This is because Inca-Kola has made the drinks specifically to the locals' likings.

Also, this would mean some brands in Peru may not be suitable in other countries as every country has their own tastes and likings. For example, Inca-Kola has found it difficult to sell the Peruvian cola into global markets. As a result, this shows how people have different tastes depending where they're from; this means companies have to change their recipes to be able to ~~set~~ gain customers all around the world.

However, some businesses don't have to change their products to be able to sell around the world. For example, Apple sells the same product globally. This shows that people around the world have the same preference for phones.

Also, it not only about taste and preference, it could just be a trendy product, ~~as~~ ^{this means} that if a product is trendy, it would be ~~popular~~ ^{popular} around the world.



ResultsPlus
Examiner Comments

It relies on some basic points with some application taken directly from the evidence. Development is lacking and although it does have some brief balance it does not convince.

Question 1 (d)

A surprising number of candidates did not know what disposable income is. Many seemed to think it meant the amount of money available for investment by a business. This made it very hard for the response to move out of the lowest level and achieve more than a mark or two. Some did not read the question carefully enough and discussed a country as a production location rather than a market and although there is some crossover the responses were not that convincing.

Better answers looked at the ability and willingness of potential customers to buy a product, depending on its necessity and whether it was a luxury or not, some made good use of income elasticity here. Some very good responses took care to examine both the level and growth of disposable income separately, contrasting the short term ability to buy with the long term potential of increased sales if growth was strong. This was backed up by the figures given in the extract. Balance was usually achieved by contrasting the importance of disposable income with that of other factors such as ease of doing business and exchange rates.

A good response that just reached level 4 and scored 9 marks.

(d) Assess the importance of the level and growth of disposable income for a business when considering entering a market such as Peru.

(12)

Disposable income is the income that is left for an individual after the payments of tax.

'The average salary of an employee in Peru increased by 9% every 17 months; ^{this} ~~the~~ indicates that the disposable income for individuals in Peru is increasing due to higher salary.

This is a huge attraction for FDI. One reason is because higher disposable income indicates higher purchasing power of customers.

This may have been the reason for Peru attracting ~~\$4.4~~ \$3.47bn of FDI in just the first quarter of 2021. Furthermore, the GDP

is expected to grow by 3.9% in 2022, indicating higher GDP per capita in 2020-2022. FDI for food, retail and technology

will largely increase due to expected high demand coming from ^{thus increasing profits and revenue.}

high disposable income. Additionally, the increase in disposable income, would mean higher education and better healthcare for individuals,

as they can afford it now. Thus, FDI looking for skilled staff

may get attracted due to skilled labour who will improve

productivity and efficiency for them. eg:- Coca cola may be

interested in a ~~graphic~~ ~~des~~ marketing manager who can properly market both Inca kola and Coca cola. This smooth operation

gained from skilled workers will increase profits overall. This increase

in sales and profits will make Peru the best location for as a market.

However, disposable income is not the only factor. Another factor is political stability as Peru has 21 FTAs and 28 investment agreements with other countries. This will make trading globally much easier, making Peru the best location as a market.

Furthermore, Peru has low inflation rate, which means that exchange rate won't get affected largely. This makes speculation and hedging much easier, attracting foreign firms and FDI into Peru. Additionally, just because GDP and GDP per capita increases, it doesn't mean every Peruvian's disposable income rises. Likewise, Peruvians have completely different tastes (they like Inca Kola which foreigners don't like), thus making it harder to do business (no easy of doing business) as costs will increase due to research and development, making Peru market unattractive.

Nevertheless, level and growth of disposable income is indeed one factor that will affect the FDI and MNC's from entering Peru's market.



ResultsPlus
Examiner Comments

Good knowledge and understanding with development and chains of reasoning. The balance is reasonable but could have been developed further and the conclusion adds nothing.



ResultsPlus
Examiner Tip

When you add a conclusion, don't just repeat the points you have already made. Try to add something extra and reach a supported judgement.

This is a level 3 response which gained 5 marks.

(d) Assess the importance of the level and growth of disposable income for a business when considering entering a market such as Peru.

Disposable income is the money ~~of~~ the people in the population have left after they paid all their costs. This enables a business to see if the population will have enough money to spend on their goods and services ~~if~~ when they enter the market. Other factors to consider when entering a market like Peru is the skills of the labour force, the costs, it's infrastructure and the political influences.

Peru has a stable economy with strong growth. The average salary for an employee in Peru increases by 9% every 17 months. This percent is a lot higher than the global average. This means that Peru has a good level of growth of disposable income therefor it's an advantage for a business when considering entering the Peru market. ~~Even though this disposable income is important other factors need to be analysed before entering a market.~~

~~As~~ However, even if disposable income is important a business will need to analyse other factors before entering a market. One important factor would be the infrastructure. Peru has a good infrastructure which will benefit the business entering the market and avoid ~~any~~ many negative effects. It is also important

to know about the political influences in the country. Peru has a supportive government with a stable legal framework. This allows a business to avoid corruption or illegal problems.

In conclusion, Peru is a really good market to enter due to all its positive factors. Even though disposable income is ~~a~~ really important before taking a decision, it will ^{also} need to rely on other researches. All factors will need to be analysed before making a decision. If a business only relies on disposable income research and doesn't look at anything else it will face problems. It all depends on the type of business and its needs.



ResultsPlus
Examiner Comments

It does have knowledge and understanding and some balance but it relies too much on assertions without development and supporting evidence.



ResultsPlus
Examiner Tip

When you make a point, be sure to develop it and show chains of reasoning.

Question 1 (e)

On the whole, this question was not well answered. A significant number of candidates interpreted it as an instruction to write all they knew about migration, often accompanied by large sections copied directly from the extract which added nothing. They missed the point of how migration has increased globalisation by the exchange of ideas, skills and cultures and how it has increased incomes and GDP leading to more global trade and growth. Better responses placed migration into the context of other factors influencing globalisation and examined its relative importance.

This is an excellent level 4 response and scored all 12 marks.

(e) Assess the role of migration in increased globalisation.

(12)

Globalisation is the process of ~~the~~ economies becoming more integrated and reliant on each other. Migration is the movement of people between different countries, usually to live there.

Migration has drastically increased over the past 30 years. The World Bank reports that the amount of people living outside the country they were born in has risen ~~to~~ from 153 million people in 1990 to 270 million in 2020. This increase in the movement of people has also increased the integration of cultures and customs. In the USA, there are many migrants from China, who have brought over their traditions and customs which has increased the popularity of Chinese food within the country for example. This increased integration has made the world more globalised not just in cultures but also company cultures. The Japanese manufacturer of Toyota ~~also~~ created a strategy called kaizen which has spread around the world as with an increase in migration also comes spreading of skills that domestic firms might not have making migration a key part in globalisation.

On the other hand, there are other factors that have also aided in increased globalisation such as improved technology and communication. These advancements have allowed businesses

from around the world reach consumers from the other side of the globe through the use of e-commerce*. Better communication has also allowed for businesses to collaborate or merge with other global businesses. For example, a British company acquired T-mobile in Germany to be able to sell their phone plans.

* online shopping has integrated stores from Spain like Zara into the USA which now has one of the highest market shares for a fashion store - increasing globalization.

In conclusion migration was aided in the increase of globalization, however, other factors like better transportation and communication have helped to increase migration. In order to increase globalization therefore there are other considerable reasons behind the increase in globalization.



ResultsPlus
Examiner Comments

An excellent response that shows clear knowledge and understanding throughout. The arguments are clear and logical and supported throughout by well-chosen examples. The assessment is balanced and shows a clear awareness of competing arguments. Note the good use of examples throughout, this is often what characterises a good response.



ResultsPlus
Examiner Tip

Always use examples to support your arguments. Use the source material but don't just copy it out. Better still, use examples from your wider reading.

This response just makes level 3 and scored 5 marks.

(e) Assess the role of migration in increased globalisation.

(12)

Globalisation is the increased integration of international economies over time, ~~this is due to it~~ allowing increased international trade and higher interdependence between countries. Due to many reasons; migration, ease of communication and transport, etc.

Migration refers to the moving of people from one country to another.

Migration has allowed for the sharing of skills and increased workforce for some areas, with a high amount of people working outside their home country it allows them to send money back home as remittances, the World Bank estimates \$689 billion to be sent back home by migrants overtaking FDI as the biggest inflow of funds to developing countries this meaning higher ~~development~~ amounts of development and economic growth for these countries this therefore results in higher growth in GDP, wage and disposable income as these rise the amount of middle class citizens rise ~~the~~ and as a result a higher demand for goods and services due to more people being able to afford it where there is demand MNCs will swoop in to take advantage of the opportunity. Therefore increasing integration of countries and increasing globalisation

However, Other factors also play into increased globalisation; over time countries have opened up more and have allowed trade to flow more freely through trade blocs and free trade agreements, through ~~advances~~ advancements in technology transport and communication has been made easier and cheaper meaning more accessible

In conclusion, migration played a big role in increasing globalisation but ~~as~~ I feel technological advancements played a bigger role as it allowed trade to be accessed by anyone



ResultsPlus
Examiner Comments

It has knowledge and understanding and makes one main point well but the balance is superficial and assertion based. The points made are valid but they need to be explained and developed, for example, why do advancements in technology, communication and transport make trade easier and how does this increase globalisation.



ResultsPlus
Examiner Tip

Avoid making unsupported assertions, the examiner wants to know *why* or *how* something might happen.

Question 2

The better answered of the two 20 mark questions. Despite this, a number of candidates interpreted the question as being all about the advantages and disadvantages for Mercedes of production in Thailand and ignored the instruction to focus on the benefits of a joint venture. As a result some candidates struggled to access the higher levels as they were simply not answering the question. A minority of candidates did not know what a joint venture was and described a merger or takeover instead.

Those that did focus on the question usually did well. Points that were developed included the benefits of a local partner in understanding differences in language and culture, help with governmental and legal requirements, using established supply chains and the sharing of risk and costs. Balance usually took the form of culture clashes and communication problems.

A good low level 4 response that scored 16 marks.

2 Evaluate the benefits of entering a joint venture for a global business such as Mercedes.

(20)

Joint ventures are ~~two~~ agreements between two or more businesses to pool their resources in order to come up with a new product or meet a certain objective. Mercedes has gotten into a joint venture with TAA P.

One benefit to Mercedes ~~to~~ of ~~jointly~~ entering a joint venture is that they are able to share resources and expertise from TAA P as we can see in Extract E, batteries will be supplied to Mercedes by TAA P thus being able to achieve ^{economies} of scale as batteries will be bought in bulk which may give Mercedes a chance to reduce their costs and hence their low cost will be passed on to consumers in the form of low price for Mercedes ^{electric EAS} cars, thus increasing their revenue and customer base.

However, there may be a conflict between Mercedes and TAA P as Mercedes would want to operate ethically by not polluting the environment whereas TAA P might want

to maximise their profits. Thus this difference in objectives could in turn cause a clash between these businesses as they may want to favour or manipulate certain data or managers to favour their own objectives. Therefore, the joint venture may eventually fall or end as which could increase Mercedes's sunk costs.

Moreover, as the government has provided tax breaks and subsidies, this would allow the joint venture Mercedes and TAAP to reduce their costs and will be able to focus on improving the quality of the electric cars and also provide higher wages to their employees and enjoy a high profit margin. This can lead to employees and shareholders being motivated and thus may ~~man~~ be more productive as they will receive higher ~~to~~ pay thus resulting in ~~the~~ the capacity being utilised and better quality electric cars being produced which can result in an increase in their brand image as consumers will post positive feedback on social media such as Instagram and Twitter.

In contrast, some consumers ^{may} have a ^{different} mindset about the electric cars being produced in Thailand if they see a label of 'manufactured in Thailand'. ~~as~~ This may result in consumers

not liking the ~~product~~ cars and may choose not to purchase them. Also, producing electric cars ~~for~~ can require TAAAP means that ~~the~~ Mercedes is ethical and is sourcing batteries ethically from TAAAP as well. This ~~may~~ result in an increase in the cost of production which can dissatisfy consumers and hence may not purchase the cars resulting in low revenue and profits for Mercedes and TAAAP.

Overall, ~~though~~ a joint venture would mean that there is loss of control as there are two owners. In my opinion, Mercedes should takeover TAAAP so that ~~extra~~ supply chain costs are reduced and is owned by one ~~one~~ person so may have better control over their resources and employees.



ResultsPlus
Examiner Comments

A good response that shows clear understanding with well developed chains of reasoning. It shows good awareness of competing arguments, including a valid point about the possible compromising of Mercedes' image. The conclusion is good with an interesting and perceptive recommendation.

A solid level 3 response which scored 12 marks.

2 Evaluate the benefits of entering a joint venture for a global business such as Mercedes.

(20)

joint venture : when two or more than two firms working on a same project together.

↓ businesses

There are many advantages for Mercedes of doing a joint venture. Firstly, Mercedes located its factory in Thailand to manufacture its new electric cars. To coordinate with local business TAAP & could reduce the AC of production, because local businesses usually have higher understanding of the market/supply chain, so maybe its cheaper for Mercedes to buy batteries from TAAP than produce batteries by themselves. Secondly, Thailand gov't has many policies to encourage investment in vehicle industry (e.g.: tax breaks, grants and etc.) it could lower the AC for FDI, but maybe FDI have to coordinate with local businesses by merging, takeover or joint venture. Moreover, Mercedes can spread risks and explore ECS (as its now doing a joint venture with local business, Thailand banks may willing to offering a ~~at~~ loan with lower IR, financial ECS can help Mercedes to ~~lower~~ decrease its AC, so Mercedes can charge lower price in Thailand market, &

in order to compete with Toyota or Great Wall Motor.)

However, there ~~can~~ are some potential problems. TAAIP maybe not efficient enough, the batteries they ~~sed~~ supplies can be expensive, and this would increase the cost for Mercedes. Another problem is, Foxconn has set up a joint venture with Thailand state-owned oil & gas and oil giant PTT, and it ~~has~~ also plans to invest between \$1bn to \$2bn to build electric vehicles for other manufactures, so the ^{overall} competition can be high for Mercedes & can be high, ~~they~~ maybe they should use tools like SWOT analysis or Porter's Five Force to analyze the competition from rivals. ①

One argument is that, Mercedes is a well-known brand, then maybe they won't care about pricing too much because PED tends to be inelastic. In comparison Toyota is a relatively cheaper brand, it's targeting different consumer group, so Mercedes don't have to worry about competition too much since they have high consumer loyalty.

① In addition, due to the different culture and consumer preferences, global business like Mercedes ~~needs to~~ may have to adjust their products in order to cater local tastes. However, maybe consumers in Thailand like ~~more~~ western

culture, so maybe ethnocentric approach is more suitable, Mercedes needs information from market research while doing global business, and maybe use different investment appraisal (e.g. NPV) to see which approach is more profitable, and this can be costly too.



Good understanding of a joint venture and a reasonable discussion of its pros and cons. However, whilst the arguments are mostly developed there are some assertions which are not supported. Saying that they should use a SWOT analysis or use an ethnocentric approach without explaining why, is not convincing. The response also lacks a judgement or conclusion.

Question 3

Although most responses had some idea about protectionism and how it worked, few seemed able to apply it to global businesses as per the question. Many candidates just wrote all they knew about the pros and cons of protectionism from the point of view of the consumer and the economy. As a result these responses did not answer the question and gained just a few marks for knowledge. Where points were valid, application was often forgotten, and chains of analysis were relatively basic and lacked the development needed to access the higher levels.

Having said that, there were some very good responses that did focus on how global businesses were affected by protectionism, with some good points made about the nature of the businesses involved, the PED of their products, producing inside a trade bloc and the short versus long run situations.

A good response at the top of level 3 which scored 14 marks.

3 Evaluate the impact of protectionism on global businesses.

(20)

Protectionism is when the government seeks to protect its industries from foreign competition through trade barriers and laws and legislation. According to Europe Commission, about 66 countries have introduced unjustified trade barriers. This prevents global businesses from competing in the market fairly as this can result in increase of costs which reduces their international competitiveness against local businesses.

Such barriers are non-tariff and includes health controls, customs administration fees and limits on the foreign ownership which impact the business. Such as Apple from establishing operations in countries like China easily which has the largest number of 40 trade barriers, therefore Apple maybe unable to provide their products easily without increase in price that may shift towards consumers, reducing their surplus and may look for alternatives which decreases their sales as well as customer base, so their revenue may fall which may push them out of the market as their market share in China would be lower compare to Oppo and Huawei.

Norway has also imposed high tariffs on processed foods so this would increase cost for imports and for global businesses this would prevent them from providing the right price for consumers as well as this can also be an incentive for local businesses to increase their price that may make them competitive against ~~and~~ foreign businesses as this can create tensions between trading partners and global brands which may impact the distribution channel which can reduce the supply for food.

Furthermore, US has the most number of protectionist measures of about 740 between 2008 and 2014, such measures may also include quotas which is a physical limit on goods imported so can decrease the supply, although businesses like Aldi may still earn profit and sale of it but may not reach the potential which won't increase their market share so won't have as much influence in the grocery / supermarket market.

Other protectionism measures may also include subsidies by Government, such as fish industry in Europe, this can make local businesses to reduce

their costs of production therefore lower prices for consumers which for a global business are unable to compete for the local price and may lose their competitiveness. Countries like UK, India and Germany are in the top 4 with the most measures in order to protect their industries as well as avoid any exploitation.

However as much as it affects the global business to compete in international markets with protectionist measures, they may still compete through joint ventures with local business to provide and distribute their products. Certain countries like India and Brazil have corruption which can be used as a key factor to enter the market easily.

Although quotas may try to prevent them but similar price offered by a local business may lead to quality of the product which the global business provide a high quality leading to more sales and market shares. Subsidies leads to inefficiency which a global business may take advantage as they are more productive and efficient. Not long when these countries may reduce these measures as they may lose FDI inflows and tax revenue in long term.



This response has some good points although they are not always expressed clearly or with full development. Nevertheless their argument is supported by valid examples and there is a partial awareness of the significance of competing arguments.

A level 2 response which scored 7 marks.

3 Evaluate the impact of protectionism on global businesses.

(20)

~~Protection~~ Protectionism is when the government imposes barriers such as taxes, red tape, etc. ~~Extract~~ Extract F states that "According to a report by the European Commission, 66 countries, including many ~~have~~ having trade deals with EU, have introduced ~~unjustified~~ unjustified trade barriers. This would lead to high costs for global businesses because of these trade barriers. As a result the demand for ~~global~~ goods and services of global businesses would decrease, resulting in a decrease of sales and profitability. Due to these protectionist measures the competition would decrease/fall resulting in ~~traffic~~ x-inefficiency and lower levels of investment, not only that ~~but~~ this would also lead to businesses no longer innovating. As a result due to costs increasing the global ~~businesses~~ businesses would seek to minimise their loss by decreasing the number of employees in the ~~businesses~~ business as a result this would lead to an ~~increase~~ increase in the level of unemployment ~~and lower~~ and ~~lower~~ ^(lower) incomes so as a result demand would fall. Global businesses ~~are~~ would be ~~be~~ unable to do/conduct ~~research~~ research and development (R and D) programmes ~~due~~ due to higher costs again leading to a market failure and decrease in innovation. Many global businesses would ~~fall~~ shut down due to protectionism which would result in an increase in the

level of unemployment. Also due to these protectionist measures there would be an increase in the price of global goods and services which would result in a consumer loss due to high prices they ~~would~~ won't be able to purchase.

~~How~~ However, ~~that~~ ~~pro~~ protectionism would be there to reduce competition for domestic businesses, infant industries so that ~~they~~ they can grow. This would ~~also~~ ^{also} increase competition in the country which would allow the domestic businesses to run ~~eff~~ efficiently → leading to an increase in allocative ~~eff~~ efficiency. Higher tax revenues could be generated ~~which would lead~~ for the government ~~the~~ therefore, the government ~~can~~ can use ~~these~~ these ~~for~~ ~~new~~ in order to spend more on infrastructure and in the development of the country (Also, due to these higher tax revenues the government can reduce their current ~~account~~ account deficit)



ResultsPlus
Examiner Comments

This response starts well with clear understanding and describes the negative impact of protectionism on global businesses. Unfortunately it then becomes very negative and lacks balance, describing the outcome as totally negative. There is some evaluation on the second page but this focuses on domestic businesses and not global ones.



ResultsPlus
Examiner Tip

Do read the question carefully and make sure you respond to what it asks for. Don't seize on a key word such as 'protectionism' and then wander off the point.

Paper Summary

Based on their performance on this paper, candidates are offered the following advice:

- Do read the question carefully and answer the question that is set
- Do watch out for command words such as Assess or Evaluate
- Do use examples to illustrate your argument
- Do use the language of the subject and avoid generalities
- Do watch your timing and do not spend too long on one question
- Do write concisely (and neatly please!)
- Do add a relevant conclusion to the longer questions