

**C A R I B B E A N   E X A M I N A T I O N S   C O U N C I L**

**REPORT ON CANDIDATES' WORK IN THE  
SECONDARY EDUCATION CERTIFICATE EXAMINATION  
JUNE 2004**

**PRINCIPLES OF BUSINESS**

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## **PRINCIPLES OF BUSINESS**

### **GENERAL COMMENTS**

The June 2004 examination in Principles of Business (POB) was offered for the twenty-fifth year. This was the sixth year in which the revised POB syllabus, which includes a School-Based Assessment (SBA) component, was examined.

This year 37 066 candidates wrote the General Proficiency examinations and 256 candidates wrote the Basic Proficiency. Both the General and the Basic proficiency examinations consisted of three papers:

Paper 01	–	Multiple Choice
Paper 02	–	Essay Paper
Paper 03/1	–	School-Based Assessment (SBA)
Paper 03/2	–	Alternative to SBA (Private candidates)

### **GENERAL COMMENTS**

#### **General Proficiency**

##### **Paper 01 – Multiple Choice**

Paper 01 consists of 60 multiple choice items taken from the three profiles of the syllabus. The performance of candidates on Paper 01 was quite outstanding.

The mean mark was 42.86 out of 60. Approximately 94 per cent of the candidates scored half or more of the marks for this paper. No candidate earned full marks, however, 6 candidates earned 59 out of 60 marks on this paper.

##### **Paper 02 – Essay**

Paper 02 comprises two sections. In Section I, candidates were required to answer 3 compulsory questions; one on each profile. In Section II, candidates were required to choose 1 question from each of the three profiles. The mean mark was 56.66. Three (3) candidates earned full marks, while 6 candidates earned 99 out of the 100 marks available on this paper. Approximately 65 per cent of the candidates earned more than half the available marks on this paper.

##### **Paper 03/1**

Paper 03/1, the School Based Assessment (SBA) is offered to school candidates. Candidates were required to undertake an investigation and produce a written report which spans the three profiles.

Performance on this paper was quite good. The mean mark was 27.64 out of 40 marks. 429 candidates earned full marks. Approximately 89 per cent of the candidates earned more than half the available marks on this paper.

##### **Paper 03/2**

Paper 03/2, the Alternative to the SBA, is an external examination offered to private candidates. For this examination candidates were required to answer 14 structured compulsory questions on a case-study spanning the three profiles.

Performance on this paper was fair. The mean mark was 22.03 out of 40 marks. One candidate earned full marks on this paper. Approximately 67 per cent of the candidates earned more than half the available marks on this paper.

## Detailed Comments

### Paper 02 – Essay

#### Section I – Compulsory

##### Question 1

Question 1 tested candidates' ability to distinguish between

- (a) a planned economy and a market driven economy,
- (b) the private sector and the public sector, and to
- (c) state the legal requirements for a public limited company before it commences operation.

It was attempted by about 90 per cent of the candidates. Candidates' performance was generally fair. The mean mark was 4.74 out of 10. Approximately 10 per cent of the candidates scored full marks.

Part (a) of the question was generally well done. The weaker candidates were unable to state three differences as required.

Part (b) posed a great deal of difficulty, as many candidates were unable to distinguish between public and private sector. In many instances, they distinguished between public and private limited companies. Some candidates also confused the sectors with the characteristics of the planned and market driven economy.

On the whole Part (c) of the question was well done. Many candidates scored the maximum available marks for this part of the question. However, some candidates stated the legal requirements of the public limited company after it commenced operation instead of before it commenced operation as was required.

##### Question 2

Question 2 tested candidates' knowledge of

- the benefits of small firms to Caribbean countries,
- the ways in which small firms are different from large organizations, and
- the features of cottage industries.

It was attempted by 94 per cent of the candidates. The mean mark was 5.78 out of 10.

Part (a) of the question posed a great level of difficulty because some candidates were unable to differentiate between the benefits of small firms to the Caribbean and the features of small firms.

Part (b) of the question was satisfactorily done. However, some candidates were unable to differentiate between limited and unlimited liabilities, and small and large firms. Additionally, some candidates attempted to describe firms generally without indicating whether they were referring to small firms or large firms.

Part (c) of the question was generally well-answered. However, some candidates misinterpreted the word "features" and gave "examples".

##### Question 3

Question 3 tested the candidates understanding of demand and supply and market structures. It was attempted by approximately 98 per cent of the candidates. The mean mark was 8.16 of 20 marks.

Most candidates scored only 50 per cent or less marks for Part (a). Few candidates were able to give complete and accurate definitions of demand and supply. One of the essential aspects of "at a price" was evident in only a minority of the candidates' responses. Some candidates explained the laws of demand and supply instead of defining the terms "demand" and "supply".

Part (b) of the question was generally well done. Most candidates were able to list two (2) factors affecting the demand for coffee sold by Mary.

Part (c) and (d) required specific knowledge of market structures. Many candidates did not respond to these sections. Of those who responded, very few gave suitable answers.

In Part (c) (i), only a small number of candidates were able to give the name of the market structure required. Some confused monopolistic competition with monopoly and a large number named business units such as partnership and private limited companies. In a few instances economic systems were also given. Some candidates responded with the answer “sole trader”, it was evident that they felt that “sole trader” and “monopoly” are synonymous.

Although many were not able to correctly name the market structure for part (c) (i), they were able to score points in (c) (ii) as the characteristics they gave were in line with those required for monopoly. Others however, simply gave the characteristics of business units or economic systems, consistent with their answers for (c) (i).

As with (c) (i), few candidates were able to name the correct market structure required for (d) (i). Some answers were very general, such as “imperfect competition” and “oligopoly”.

Some candidates scored marks in (d) (ii) even though they failed to do so for (d) (i). However, as with (c) (ii), some candidates gave characteristics of business units and economic systems in line with their response to (d) (i). Some candidates compared market structures in their responses to (c) (ii) and (d) (ii) instead of stating the specific characteristics of the market structures.

Part (e) of the question was omitted by a number of candidates. Many of those who attempted it did not reflect the effects of Susan’s opening of a shop on the PRICE of the coffee sold by Mary. These candidates expounded other general effects.

## **SECTION II – OPTIONAL**

### Profile 1

Candidates were required to answer either Question 4 or Question 5

#### Question 4

This question was designed to test candidates’ understanding and analysis of

- a) leadership styles,
- b) how a leader’s action may affect the business operations,
- c) qualities of a good manager,
- d) how the lack of a particular quality can affect the business, and
- e) responsibilities of management to employees.

It was attempted by about 50 per cent of candidates, with the majority of them giving satisfactory responses, and more than half scoring between 16 and 20 marks. The mean mark was 16.55 out of 20 marks.

It was evident that the majority of candidates were familiar with this aspect of the syllabus. They demonstrated the ability to analyze the situation presented and suggested plausible outcomes. However, some candidates confused leadership styles with either types of economic systems or types of business units. Others were uncertain of the differences between an autocratic and a democratic leader. While some candidates knew the term “laissez-faire”, they were not aware of its meaning, as many of them thought it meant a lazy leader.

The major misconceptions noted in the responses were

- many candidates confused functions of management with qualities of a leader, and
- rather than focusing on management responsibilities to employees, some candidates stated the responsibilities to owners/shareholders, customers and even government.

Recommendation to teachers:

- Ensure that students understand the different leadership styles as well as the correct spelling of these terms. Students must use the jargon of the subject.
- Use role play and case studies to highlight the differences in leadership styles.
- Emphasize qualities of the effective managers by citing examples within the school community, nationally, regionally and internationally.
- Discuss how leaders affect their teams' performance. Examples may be drawn from business.

#### Question 5

This question tested candidates' understanding of the concept "contracts"; its features, breach of contracts and remedy, ways in which a contract can be terminated, and to apply the concepts to a case study.

It was attempted by 52 per cent of the candidates, 75 per cent of whom gave satisfactory responses (scoring between 12 – 16 marks)

Part (a) of the question was generally well done. However, about 20 per cent of the candidates failed to define contracts as agreements which are "legally binding" or "enforceable at law".

Part (b) was also satisfactorily done by the candidates who performed well in Part (a). Some candidates however, confused 'conditions of a valid contract' with 'ways of terminating a contract' and some with 'principles of insurance'.

Part (c) posed some difficulty to candidates as they failed to conceive of the concept of "offer" and to determine that information was requested and supplied.

The better candidates were able to give reasons why (c) (i) was not an "offer" and detected "invitation to treat" or serious intention to create a contract.

Part (d) (i), 70 per cent of the candidates gave a good response for "breach of contract". Responses to (d) (ii) ranged from court fines, heavy penalties to sue the party.

Part (e) seemed difficult to some candidates who confused the conditions of a valid contract with the ways in which a contract may be terminated. The good candidates gave good responses.

Part (f) was fairly well done as 50 per cent of the candidates detected that Luton would not be successful in court and gave supportive reasons. The weaker candidates suggested that Luton would succeed in court because they failed to recognize that there was no "firm offer" and therefore no contract.

In some cases candidates used colloquial expressions such as "legit" for legal and "death" and "fight" for remedies of breach of contract.

## Profile 2

Candidates were required to answer either Question 6 or Question 7

### Question 6

Question 6 was attempted by approximately 55 per cent of the candidates. The responses were generally satisfactory.

The question tested candidates' understanding of "tourism" as a product and its benefits to the region.

Part (a) required candidates to state the benefits of tourism to a country. This was generally well done.

Part (b) asked candidates to state two disadvantages of tourism. Some of the weaker candidates failed to respond to this part of the question.

In part (c) where candidates were required to give three advantages and three disadvantages of advertising tourism as a region, candidates encountered two main problems. Firstly, candidates seemed to have had difficulty differentiating between advantages and disadvantages. Secondly, the concept "tourism product" was seen as a tangible product by many students and not as a service. This part of the question posed the most difficulty.

In part (d), candidates were required to state two methods, other than advertising, that a country can use to promote its tourism products. Candidates responded well to this part of the question. However, about 50 per cent of candidates had no clear concept of advertising. They presented other methods of advertising, rather than giving alternative promotional methods.

Teachers need to make clear distinction between advertising in general as apposed to advertising a 'product'. Teachers also need to give students the opportunity to engage in more problem solving activities. Students should be encouraged to use the technical terms associated with the subject rather than native jargon.

### Question 7

This question was intended to test the candidates' understanding of the concept of marketing and in particular, marketing research.

This question was not a popular choice, as only approximately 40 per cent opted for it.

Generally, the responses were good. Approximately 65 per cent of the candidates scored between 15 and 20 marks.

In Part (a), many candidates failed to provide an adequate definition for 'market research' with the majority providing a definition for 'marketing' or 'research' instead.

Part (b) was well done but in Part (c), some candidates failed to provide proper explanations. Instead, they associated the success of the business to the types of information given.

Part (d) was fairly well done, however, some candidates had difficulty in applying their knowledge of marketing to the situation given.

### Profile 3

Candidates were required to answer either Question 8 or Question 9

#### Question 8

This question tested candidates' knowledge and understanding of taxation and environmental issues.

Approximately 80 per cent of candidates attempted this question and the majority gave good responses.

Part (a) (i) of question 8 was generally well done. Candidates were able to correctly identify the purposes of taxation. However, responses could be enhanced by the use of appropriate economic jargon e.g. redistribution of income, curb inflation, stabilize the economy, control of the economy and finance government expenditure.

In Part (a) (ii), candidates did not clearly make the distinction between direct and indirect taxes. Candidates should have mentioned the impact and the incidence of tax. Despite this, most candidates were able to give appropriate examples.

While candidates were able to demonstrate a general understanding of the concept of standard of living, in Part (a) (iii), they were unable to give an explicit definition of the term.

- (b) (i) Candidates were able to earn full marks in this part of the question. They demonstrated a comprehensive understanding of environmental issues with reference to the manufacturing, tourism and agricultural industries.
- (ii) Desirable responses should have included specific measures such as: legislation, education, use of technology to reduce waste and to a lesser extent clean up campaigns and reforestation.

#### RECOMMENDATIONS

- Teachers should give precise definitions of terms and concepts such as direct taxes, indirect taxes and standard of living
- Students should be made more aware of examples of specific taxes with reference to their own economies and be able to classify such taxes.

More emphasis should be placed on developing the use of subject matter vocabulary and not rely on layman expressions.

#### Question 9

This question tested candidates ability to:

- Identify major economic institutions of the Caribbean and their functions.
- Explain the term "economic dualism" and its effects on a country.
- Differentiate between "savings" and "investment".
- State the importance of foreign investment to the Caribbean.

The question was attempted by approximately 10 per cent of the candidates. Those who answered the question either scored very high or very low marks. The majority of the candidates scored low marks.

Part (a) was poorly done as candidates were unable to identify the economic institutions of the Caribbean. Many candidates gave other types of institutions for e.g. commercial banks, central banks, Kentucky.

The responses to part (b) followed from the poor responses in part (a).

In part (c), the performance was average. Those who responded gave the appropriate definitions and effects of economic dualism on a country.

In part (d), the performance was good. The better candidates were able to differentiate between “savings” and “investment.”

Part (e) was generally well done by most candidates who also did well in the other sections of the question.

## **GENERAL COMMENTS**

### **Basic Proficiency**

#### **Paper 01 – Multiple Choice**

Paper 01 consists of 60 multiple choice items taken from the three profiles of the syllabus. Performance on Paper 01 was fairly good. The mean mark was 35.77 out of 60 marks. No one scored full marks on this paper. However, 82 per cent of the candidates scored more than half the available marks on the paper.

#### **Paper 02 – Essay**

Paper 02 comprises two sections. In Section I, candidates were required to answer 3 compulsory questions; one from each profile. In Section II, candidates had to choose 1 question from each profile. Performance on this paper was unsatisfactory. The mean was 28.11 out of 60. Forty-five per cent of the candidates earned more than half the available marks on this paper.

#### **Paper 03/1**

Paper 03/1, the School Based Assessment (SBA), is offered to School candidates. Candidates were required to undertake an investigation and produce a written report, spanning the three profiles. The performance on this paper was satisfactory. The mean mark was 18.15 out of 30. Seventy-four per cent of the candidates earned at least half of the available marks on this paper.

#### **Paper 03/2**

Paper 03/2, the Alternative to the SBA, is an external examination offered to private candidates. For this paper, candidates were required to respond to 14 compulsory structured questions based on a case study spanning the three profiles. Performance on this paper was very poor. The mean mark was 7.04 out of 30. Only twelve per cent of the candidates earned half the available marks on this paper.

## Detailed Comments

### Paper 02 – Essay

#### Section 1 – Compulsory

##### Question 1

This question was designed to test candidates' ability to:

- Define and state the characteristics of the sole trader.
- Identify regulatory practices instituted by the government for the setting up of business.

Question 1 was poorly done by a large number of candidates. Out of a possible 8 marks, 39 per cent of the candidates scored 1 – 3 marks, 29 per cent scored 4 – 5 marks and approximately 4 per cent did not attempt this question.

The responses in Part (a) were generally clear and acceptable. The weaker candidates claimed that the sole trader managed a business on behalf of the actual owner(s).

In part (b), the candidates who experienced problems with this part confused characteristics with examples. Additionally, there were too many one-word answers that were not self-explanatory. As such, candidates could not be credited for some of their attempts.

In part (c), most candidates had a general idea of situations related to government regulations, however, many answers were too vague.

##### Recommendations

Teachers should highlight the importance of the various government regulations together with the possible consequences of not having those regulations. In addition, teachers should attempt to update their students about current regulations. The National Budget may provide a good source for such information. No community is without a sole trader and as such teachers should assist students in analysing the business activity of vendors, parlours, small shops, garages etc., people who they deal with everyday.

##### Question 2

This question tested candidates' knowledge and understanding of various forms of transportation and the advantages and disadvantages of these.

Approximately 51 per cent of the candidates who attempted this question obtained high scores (between 6 to 8 inclusive). Very few candidates did not respond to this question.

In part (a), approximately 40 per cent of the candidates failed to give the methods of transportation e.g. Road, Rail, Sea etc. Instead, they gave several examples of transportation by road, e.g. car and bus.

In part (b), 30 per cent of the responses were not fully developed. For example, candidates mentioned that transportation by road is cheap whereas a better response would have been that it is cheaper than some other method of transport being discussed.

Candidates' inability to identify the methods of transportation resulted in their inability to answer part (c) of the question.

##### Recommendations

Teachers should distinguish between the 'methods' of transport and the various examples of each using examples that candidates can relate to.

### Question 3

This question was designed to test candidates' ability to:

- Lists types of risks.
- Distinguish between 'insurance' and 'assurance'.
- Explain the principles upon which insurance is based.
- List the functions of the commercial bank.
- Differentiate between short-term and long-term capital.

This question was attempted by approximately 97 per cent of the candidates. However, only 29 per cent of the candidates were able to obtain a score between 7 and 14.

In part (a), candidates were able to clearly identify the risks. However, many candidates were unable to make the distinction between 'insurance' and 'assurance'.

Part (b) presented some challenge to the candidates. Many candidates had no idea of the concepts 'proximate cause' and 'insurable interest'. Approximately 20 per cent of the candidates failed to respond to this part of the question.

In part (c), most candidates gave good answers. They were best able to say how loans can be used to assist the business, however, they experienced difficulty with regards to the services offered by the other commercial bank.

Part (d) proved to be problematic for most candidates. In general, responses referred to 'short periods' of time and 'long periods' of time, as opposed to specific time periods in terms of months or years. The weaker candidates were of the view that short-term capital was used by small businesses and long-term capital by large businesses.

### Recommendations

Teachers should use a wide range of real examples apart from those provided in the textbooks to illustrate the principles of insurance.

The subtleties of Proximate cause, contribution and subrogation should always be emphasised as critical elements in discussions on insurance.

## **SECTION II OPTIONAL**

### Profile 1

Candidates were required to answer Question 4 or Question 5

### Question 4

This question tested:

- Candidates' understanding of the conditions under which a contract is valid. The differences between a simple contract and a social agreement.
- The ways by which a contract may be terminated or discharged.

Question 4 was attempted by approximately 36 per cent of the candidates. Generally, the question was fairly well done. Over 60 per cent of the candidates obtained at least half of the available marks for this question.

In part (a), many candidates were able to recognise a contract to be an agreement, but approximately 40 per cent of them failed to define it as a legally binding agreement.

In part (b), many candidates could not list four clear requirements of a valid contract, but about 80 per cent of them were able to give two clear features of the speciality contract.

Part (c) of the question was poorly handled. Over 80 per cent of the candidates could not distinguish between a simple contract and a social agreement. Many of them felt that a simple contract had to be in writing. Additionally, they failed to recognise that a social agreement did not necessarily mean that there was face-to-face contact.

In part (d), candidates responses to this question were favourable with most of them identifying death and bankruptcy as the main reasons for the termination of a contract. Their main difficulty was with the use of the correct terminology as well as with spelling.

### Recommendations

It might be a good idea to use a wide range of situations that students are familiar with to assist them with clarifying the technical differences between a simple contract and a social agreement. Role-play can be a useful tool for reinforcing the point. Numerous examples can be found around them, such as, everyday agreements between friends and family. Contracts that we discharge everyday, that we take for granted. e.g. purchasing a bus ticket, it's consequences, positive and negative and how it can be terminated or discharged, buying an E Card or an ordinary telephone card.

### Question 5

This question tested candidates' ability to:

- Identify ways in which management can improve workers' performance.
- Define the term trade union
- List the roles of a trade union

Question 5 was attempted by 64 per cent of the candidates, and generally, the question was well done.

In part (a), candidates were not able to adequately identify the reasons why most people work. Their responses were limited to the satisfaction of basic needs such as food, shelter and clothing. Most candidates did not mention the broad categories of needs e.g. physiological, psychological and social.

Part (b) of the question was generally well done. Acceptable responses included improved working conditions and monetary incentives.

In part (c), approximately 40 per cent of the responses did not define 'trade union'. In many cases candidates erroneously suggested that the trade union was directly involved in some trade.

In part (d), those candidates, who correctly defined 'trade union', were able to articulate how they assist their members.

### Recommendations

Maslow's hierarchy of needs can be used as a guide when teaching the broad categories of needs. This will help students to get a greater appreciation for the various types of needs:- basic, safety, social, esteem and self-actualisation.

## Profile 2

Candidates were required to answer either Question 6 or Question 7

### Question 6

This question was designed to test candidates' understanding of:

- linkage industries and the types of linkages.
- the benefits of cottage industries.

Question 6 was attempted by approximately 40 per cent of the candidates.

The term linkage was not well defined and the responses clearly showed that candidates were not very knowledgeable about the different types of linkages.

In part (a), many of the responses were vague. Candidates did not indicate that the output of one firm was the input for others. In many cases, the concept of linkages was confused with horizontal integration.

While the answers to part (b) of the question were rich with examples, very few candidates clearly identified and linked the terms 'forward linkage' and 'backward linkage' to their general discussion.

In part (c), the responses were generally weak and many candidates seemed to lack an understanding of cottage industries.

### Recommendations

Many examples from the larger industries, within the candidates' community, neighbourhood or school environment can be used to clearly distinguish between backward and forward linkages. e.g. poultry farming, pottery etc.

### Question 7

This question tested candidates' ability to:

- Differentiate between packaging and labelling
- Identify the functions of packaging and branding.

Approximately 60 per cent of the candidates attempted this optional question. Sixteen per cent of the candidates obtained at least 70 per cent of the available marks. The majority of candidates scored less than 6 out of 10 marks.

In part (a), most candidates showed a comprehensive understanding of labelling and packaging thereby obtaining full marks in this section.

In part (b), most candidates were only able to give two ways in which packaging can lead to increased sales. Acceptable responses included the fact that packaging can be used to attract customers.

In part (c), most candidates were only able to give one reason why branding is an important marketing tool, e.g. branding distinguishes one product from other competing products.

### Recommendations

A useful tool might be the use of a wide cross section of brands for a variety of products. Students can identify why they have a preference for different brands. This tool can help candidates to identify and remember a number of reasons why branding may be important.

### Profile 3

Candidates were required to answer either Question 8 or Question 9

#### Question 8

This question tested candidates' ability to:

- Define demand
- Explain how price is affected by demand
- Discuss factors affecting demand

Question 8 was attempted by 87 per cent of the candidates. Most candidates found this question to be very challenging. Forty-eight per cent of the candidates scored less than 4 marks. Thirty-three per cent scored between 4 and 6 marks, and nineteen per cent above 6.

In part (a), many students were unable to define the term demand. They confused it with the literal definition of the term demand. In many instances when it was defined, candidates failed to capture both 'willingness' and 'ability' to buy goods at a certain price. Most responses dealt with desire only.

In part (b), most candidates discussed how price would impact on demand rather than how demand would impact on price.

Part (c) was fairly well done. Acceptable responses included income, availability of the good, price of substitutes and the choice of different types of coffee.

#### Recommendations

Emphasis should be placed on distinguishing between how changes in demand can impact on prices; and how changes in prices can impact on the quantity of demand. The use of diagrams in determining demand and supply schedules, price changes, changes in supply and demand, shortages and surpluses may prove to be very effective aids to a better understanding of the concepts related to supply and demand.

#### Question 9

Candidates were required to:

- Identify the major economic institutions associated with, or which are of the Caribbean and state their functions
- State the importance of foreign investment to Caribbean territories.

Approximately 13 per cent of the candidates attempted this question and 67 per cent of them scored less than 4 out of 20 marks. The majority of candidates failed to score any marks for their answers.

In part (a), very few candidates were able to identify at least one economic institution such as CARICOM., C.D.B. or O.E.C.S. Many candidates confused 'economic institutions' with 'economic systems'. As such most responses included information about planned, mixed and free economies. A few responses included 'banking' and 'insurance', which were also unacceptable.

In part (b), most of the responses were irrelevant because of the failure to name at least one institution in part (a).

Part (c) was particularly problematic for most. The minority of candidates correctly identified employment as a way in which foreign-owned businesses could assist Caribbean countries.

### Recommendations

Teachers need to ensure that students are aware of the economic developments in the region, taking into account the influence of Caricom and the impact of foreign investment. The use of the newspaper in the classroom is important in keeping abreast of these developments, their advantages and disadvantages. Awareness of other areas or aspects of the integration process, outside of Caricom, and the impact of free trade on the region as a whole can be part of open discussions in the classroom, a simple newspaper headline could be a good set induction.

## **School-Based Assessment**

### **General Proficiency**

### **General Comments**

### Assignments

The topics chosen were generally appropriate and candidates showed evidence of the use of knowledge and enquiry skills.

### Responses

Responses indicated an understanding of the topic, but careful analysis was lacking. Many responses were not well structured.

### Language and Presentation

The use of graphs, tables and charts should be encouraged for the enhancement of projects. Attention should be paid to the relevance of these charts to the topic.

### Suggestions for Improvement

Teachers need to reread the section of the syllabus that deals with the SBA as guidelines were not always followed carefully.

For example marks were not awarded to students for expanded discussion of some points while marks were sometimes awarded inaccurately.

Candidates should guard against presenting too much irrelevant information. In many instances, too much attention was paid to computer graphics which is not awarded any marks. They should stick rigidly to the guidelines and mark scheme for maximum credit.

## **Performance of Candidates**

There was a noted improvement in the quality of the candidates' SBA. Projects were generally well presented with the required information on the folder and inside pages.

Most candidates identified the research sources. Candidates, however should be encouraged to utilize acceptable and proper formats of research acknowledgement. Candidates must be reminded that table of contents and the numbering of pages are important aspects of the research presentation. Grammatical and spelling errors greatly detract from the research presentation and hence should be avoided.

While many teachers complied with the SBA requirements, some did not present the mark scheme for the individual candidates as required. Teachers also need to pay closer attention to marking guidelines as marks were not always appropriately awarded. Key words like identify and discuss are good indicators of how marks should be allocated.

Teachers must ensure that candidates address all the relevant issues i.e. topics and subtopics that are stipulated in the syllabus.

#### Profile 1

This profile was well done overall. There was an improvement in terms of the discussion related to management and legal issues.

#### Profile 2

Many candidates did not discuss the factors of production in relation to the business/organization being investigated. Candidates should refrain from plagiarising. Two important topics often omitted are linkages and consumerism. Where these two topics were discussed they revealed that candidates had not grasped these concepts properly.

#### Profile 3

This revealed that the majority of candidates were able to identify sources of capital but did not discuss the related terms. Many candidates listed the types of insurance but did not discuss the importance of insurance to the business or the implications of not being covered. Discussion on profit-ability remains a problem as many candidates did not assess the business profitability as required. Charts and graphs were inserted but without the relevant discussion.

While graphical and other forms of presentation should be encouraged candidates must utilize these to enhance their written presentation.