

# PRINCIPAL EXAMINER'S REPORT



BOTSWANA  
EXAMINATIONS  
COUNCIL

## BGCSE BUSINESS STUDIES 2024

## **PAPER 1: WRITTEN PAPER**

### **General Comments**

The performance of the 2024 cohort is comparable to that of 2023. In comparison to the previous group, the candidates similarly showed ability to provide knowledge of the question and its development but had a weakness of application which usually limit obtaining high marks. Centres are encouraged to practice more of application skill across the syllabus.

### **Comments on Individual Questions**

- 1 The question was friendly since most candidates managed to score reasonable marks from it.**
  - (a)** The candidates were expected to explain needs and wants with examples which they did in great applaud since most managed full marks.
  - (b)**
    - (i)** The question required candidates to state characteristics of free market economic system, and most answers seemed to be a guess work since they were not really polished and accidentally some managed to score some marks. The answers were expected to be features of the free-market system to make it different to other systems.
    - (ii)** Candidates were to explain advantage and disadvantage of free market economic system to the business mentioned and most failed to gain marks because the showed a shallow content and failed to apply themselves. The merits and demerits mentioned were to be explained and applied.
  - (c)** The question required the advantages and disadvantages of globalisation to the business and candidates were able to bring correct points but most of them their development was not aligned to the requirements of the question since they brought the consumers into picture. They were supposed to develop to the business context
- 2 This question was clear to most of the candidates. The K study was not confusing and even the product used for candidates to apply was accommodative to all candidates. Most of the average performance candidates managed to tackle the question.**
  - (a)** Candidates were expected to describe the stages of production and most of them managed to identify the stages but failed to give a clear description of the stages. They didn't score full marks in the question because they failed to clearly describe the secondary stage of production. Most of them were saying it is the changing of semi- finished product to finished product, while they were supposed to write it as the changing of raw material to finished or semi-finished goods.
  - (b)**
    - (i)** Candidates were expected to give a good definition of closed corporation for them to score 2 marks. Candidates scored below average because most of them confused it with retail cooperatives because they describe it by saying it is formed by members of the society instead of saying it as a company that is held by a limited number of shareholders, and it is not publicly traded. It was not a well answered question.
    - (ii)** Failing to define closed corporation affected this question. Candidates were expected to give the advantage and disadvantage of a closed corporation, developed, and applied. The

question was partially answered as most of them failed to come up with the advantages and disadvantages of a closed corporation, they were giving general answers and most of them wrote it as if it has unlimited liability. They didn't do well in this question.

- (c) This was the most challenging part question to most of the candidates. They were supposed to give the advantages and disadvantages of increasing income tax by the government, how it will affect the activities of ALL-IN-ONE business. Most of them failed to answer it as they confused income tax with corporation tax. They answered it as; the business will have reduced profit because they will remain with little profit while they were supposed to say it will reduce the purchasing power of the people as a result reduce the profit of the business. They failed to give relevant answers.

- 3 This question was accessible to most of the candidates in part A and B except C which showed lack of understanding of what was required from them. The product used for application was accommodative to all candidates who managed to use proper application for the question when answering.

- (a) Candidates were expected to explain two types of costs. Most of the candidates did manage to identify the type of costs and gave a clear description except a few who did not have a clue of the type of cost. Others just came up with far fleshed answers such as transport cost, operational cost.

- (b) (i) Candidates were expected to define productivity. The question was accessible to most candidates except a few who scored no marks as the defined productivity as creation of utility or usefulness while others as the process of making goods and services to satisfy human needs and wants. This showed a lot of confusion to candidates.

- (ii) This question demanded candidates to analyse the negative effects of HIV/AIDS on productivity of the business. The question was accessible to most of the candidates, and they scored full marks. A few candidates who did not manage to get marks wrote answers like: The business spending a lot of money for funeral expenses of the employees who passed on due to HIV/AIDS. The business releasing employees during business hours to go and care for those who are sick.

- (c) This part question was the most challenging to most of the candidates. Candidates were supposed to discuss factors that impedes or encourage technological change focusing on cultural and infrastructure. Most of the candidates failed to answer the question completely. Others gave advantages and disadvantages of the use of technology by the business in general. Answers such as increase in output hence leading to customer demands being met. Under infrastructure they talked about the physical building not being able to accommodate the machinery to be used by the business which made it impossible for the business to adopt the use of technology. Under cultural they talked about employees sticking to sticking to the old-fashioned way of doing things not mentioning exactly what they used to do. This on its own disadvantaged most of the candidates to score marks on this question.

- 4 Generally candidates did well in this question. They found it easy to score marks except (b)(ii) as majority of them failed to score full marks but rather they settled for half of the marks (3/6).

- (a) Candidates were expected to explain two advantages of specialisation. The question was well answered by majority of the candidates. only a few got 2 marks out of 4 as they failed to explain their point correctly. They gave responses like “Time is saved because of doing one task “ instead of saying “Time is saved because of repeating the same task Time and again”.
- (b) (i) Define the term exporter. Most of the candidates got the definition correct. Only a few of them scored 1 mark because they failed to give a good definition, they gave responses “ an exporter is a person who move goods to another country” hence they scored a mark as they did not include selling, but they said move.
- (ii) Analyse two reasons why the government assists business like Raw Pty Ltd which are involved in exporting. The question was not well answered, candidates scored marks ranging from 3 to 0. Those who scored 2 marks came up with correct points but failed to explain them e.g. creation of employment the government will assist Raw Pty Ltd in order to reduce unemployment instead of saying creation of employment, will assist Raw Pty Ltd so that they can hire people to produce more rucksack or hire people so that they can improve their standards of living.

#foreign currency. Raw Pty Ltd will sell rack suck to other country and gain the currency of that country then use it to develop the country instead of saying

# foreign currency, Raw Pty Ltd will sell rucksack to other country and be paid in the currency of that country in which the government will use it to pay country 's imports

- (c) Consider the advantages and disadvantages of autocratic leadership style. would you advice Raw Pty Ltd to continue using this leadership style.

#The part question was perfectly answered by majority of the candidates, only a few who scored 3 marks for the advantage, as they wrote it correctly e.g. quick decision is being made as workers are not consulted on how to produce quality ruck sucks. but failed to come up with relevant disadvantage and Justification e.g. they wrote ‘bad decision making due to lack of consultation’, hence they scored zero instead of “workers become demotivated because they are not consulted, they will feel that they are of no importance in the company this will lower their morale hence become unproductive”.

Justification: candidates wrote there would be conflicts as workers are not consulted, hence they will go on strike while they were supposed to write # strong dependency on the skills of one person if he is absent production of rucksack won't continue

- 5 Candidates found the question to be friendly because of the correct responses they provided proved their understanding of the question.

- (a) Candidates were to explain benefits of market research to a business. most of the candidates provided correct points but could not develop well as most kept on repeating the same point they provided.
- (b) (i) Candidates were to define a business plan and only a few showed knowledge of the definition by providing key words in the definition.



- (ii) Candidates were to prepare a business plan using the guidelines provided. They mostly obtained at least half (3/6) of the marks allocated which was good enough to show correct interpretation of the question.
- (c) Candidates had to give advantages and disadvantages of business relocation. The knowledge displayed by candidates was enough to appreciate the content they possess. However, candidates were supposed to filtrate points that can apply to the question since some were already embedded in the scenario hence could not be applied as an answer. E.g. tax, because the business was moving within the country hence the tax charged will still be the same anywhere in the country, it will not cause the business to relocate.

## **PAPER 2: WRITTEN PAPER**

### **General Comments**

Generally, the performance this year was the same as the previous years. Some candidates still find it difficult to access the high order skills of application, evaluation and decision making. This year there was an improvement as candidates did not repeat points when justifying. They brought a different point hence earning marks. Candidates this year as compared to previous years were able to apply on all points in cases where they had to apply on two points. There were some candidates who left questions unanswered.

### **Comments on Individual Questions**

- 1 (a) The question required candidates to explain the objectives of training workers at BRAWLIE (PTY) LTD. The question was well answered by majority candidates and that was proof that they understood the concept of training. The question was also well applied by most candidates. Common correct answers brought by students included improved skills of designers who will design good quality boards.
  - (b) Candidates were required to discuss internal recruitment. Most candidates failed to apply their answers and managed to score only 6 marks. Some candidates provided answers for external recruitment and some with induction training and hence lost marks. Expected answers included: internal recruitment is cheaper as there is no need to advertise the posts which saves money for the business and will be able to produce more interactive whiteboards. No new ideas or experience will be brought into the business hence no initiatives like production of new whiteboards in order to elevate the company.
  - (c) The question required candidates to advise BRAWLIE (Pty) Ltd on whether they should continue using job production. The concept was confused with mass production. Candidates wrote that breakdown of machinery affects production which applies to mass production. The most common correct answer was that the business is able to meet customer requirements.
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- 2 (a) Candidates were required to explain two ways in which conciliation is important in resolving conflicts at BRAWLIE (Pty) Ltd. Candidates did not have any knowledge about the concept of conciliation. Most candidates answered the question by repeating the question and not stating how conciliation will solve conflict. Most answers were also not applied. Expected answers included: It is fast / a quicker way of solving conflicts, Less expensive, Restores relationships between the parties, Discussions are kept private, The process is fair.
  - (b) The question required candidates to discuss how business objectives may conflict with the objectives of stakeholders. Candidates failed to bring out the conflict between the stakeholders. They could not show how the business makes profits and how the business grows such that the conflict may come out clearly. The stakeholders should have been mentioned to make it easy to bring out the conflict. Example: Objective 1: To make profit

Explanation: The owners of the company would want the business to work towards making profit from the sale of interactive white boards in order to get a high return on their investment. (K) They do this without taking into consideration the welfare of the community and use cheap raw materials to produce the boards. (DA)

Conflict: The business may go for cheaper method of producing boards which will increase profits but cause pollution (DA)

Objective 2: Business growth

Senior management is interested in the growth of the business as their salaries are likely to depend on this (K) hence will vouch for the growth of the business. (D)

Conflict: A decision to expand could be expensive and this could reduce short term profits made from installing interactive white boards (DA)

- (c) Candidates were required to discuss negative effects of industrial action on production and workers. The effects on production were well articulated as candidates were able to write correct points and apply to the business. However, candidates responses on the effects of the industrial action on workers was not well done as candidates mostly thought the industrial action was a strike hence wrote answers as injuries / accidents due to the strike. Expected answers on the effects on production were: loss of output, loss of income, cash flow problems, poor reputation, quality may be compromised. Effects of workers answers included: loss of wages, threat to jobs, tarnishes reputation of workers.

- 3 (a) The question required candidates to differentiate between invention and innovation. Candidates failed to bring out the differences between the two. Candidates were able to define innovation correctly but failed to explain what invention was and also differentiate it from innovation.

- (b) Candidates were expected to explain why the two factors (amount of money needed and control) are important when choosing the source of finance. The question was poorly attempted. Candidates did not know what was expected of them. Most candidates just repeated the question as it was. Expected answers:

Amount of money needed: The money is used to buy new machinery and build another factory for manufacturing the boards (KA). It is important to identify a source that will give the business full amount needed (D).

Control: if the owners do not want to lose control of their business they may prefer loan capital than issuing shares (K) in order to raise money for buying machines for making the boards (DA)

- (c) Candidates had to explain preference shares and ordinary shares and decide on which type is likely to be preferred by the shareholders. The question was poorly attempted by most candidates. Candidates were not able to explain their points but just listed. Some candidates left the question unanswered. Expected answers: Preference shares: they receive a fixed rate of dividend from the profits made from sales of interactive boards (KA) which means shareholders will know how much they will receive each year and will be able to make budgets (D)

Ordinary shares: They receive varied dividends (K) depending on the performance of the company which means BRAWLIE (Pty) Ltd has made more profits from selling white boards (A) they will earn more dividends (D)



- 4 (a) Candidates were expected to explain ways in which branding is important to BRAWLIE (Pty) Ltd. The question was well answered by majority of candidates, and they were also able to apply it correctly.
- (b) Candidates had to draw a bar graph from the information given on customers preferences. The question was well attempted by majority of candidates. Most candidates were able to draw the bar graph correctly and managed to score 8 marks. However, some candidates drew a histogram and hence lost marks. Some mixed up the labelling of X and Y axis and also failed to properly label the axis. The expectation was that the X axis would have Type of internet package and the Y axis number of votes.
- (c) The question required candidates to discuss piece rate as a method of payment. Candidates were able to come up with correct answers to the advantages and disadvantages of piece rate. However, some failed to apply to the scenario. Common wrong answers given were that the workers will be paid immediately after working which applies to piece job. Expected answers were more output of white boards, motivates workers to work hard, minimal supervision as workers are self-driven. The disadvantages are: reduced quality, salary differentials, puts pressure on employees.
- 5 (a) Candidates were expected to explain factors to be considered by BRAWLIE when segmenting the market for its interactive white boards. Though an easy question, some candidates confused it with factors affecting demand of a product. A few candidates however were able to bring correct answers and apply accordingly. Expected answers were: income, region, use of the product, lifestyle, age, gender.
- (b) Candidates were expected to prepare a production plan for the interactive white boards from the information provided. The question was well attempted by most candidates as majority of them managed to score full 8 marks. However, for some, they failed to write the job order number in full hence losing marks. Candidates also lost marks under the totals column as they were wrong.
- (c) The question required candidates to evaluate interview as a primary method of research used by BRAWLIE (Pty) Ltd to collect information. The question was well answered by majority of the candidates, and they also applied it well. Candidates were able to come up with varied answers e.g. immediate response, firsthand information, high response rate, allows for clarification, captures non-verbal responses. On the disadvantages answers were it is biased, time consuming, expensive, limit response samples.