

PRINCIPAL EXAMINER'S REPORT



BOTSWANA
EXAMINATIONS
COUNCIL

BGCSE BUSINESS STUDIES

2023



Paper 1: Written

Section 1: General comments

The year's paper was consistently like those of previous years making it easier to compare candidates. The candidates found the paper familiar due to same structure just as the previous year's papers. However, the attempt given to the paper by the candidates was unsatisfactory considering the reasonable level of demand of the paper. Most candidates showed limited basic knowledge on a wide range of concepts called for by the paper. However, all the questions were attempted by almost all candidates. The paper was marked through online marking which is an impartial and objective approach to scoring candidates work since the identity of the candidate and the centres are concealed to the examiner. The approach also enables all questions from one candidate to stand a chance of being marked by different examiners which further enhances scoring objectivity.

Section 2: Comments on Individual Questions

- 1 (a) Learners were expected to explain ways of measuring the size of business and most candidates did bring good answers and a few failed to explain the points well. The minority who scored 2marks failed to explain their points well.eg profit (1) the high the profit the business is larger, the smaller the profit the business is small (1). Candidates were supposed to state two ways of measuring the size of a business and explain them well.
 - (b) (i) Candidates were expected to state two external methods of business growth of which most did except a few who stated the forms of integration instead of stating the external methods of business growth e.g. horizontal and vertical instead of merger and takeover.
 - (ii) Candidates were expected to analyse two types of integration and this question was challenging to most candidates some were one sided analysing two ways of vertical integration while other did justice to the question. Candidates were expected to describe the types of integration with an application to score full marks.
 - (c) Candidates were to discuss advantages and disadvantages of franchising. Most candidates managed to discuss points well with application demonstrated. The question was partially answered. Some candidates managed to come up with the advantages and disadvantages of franchising to GAKZEN (Pty) Ltd some confused GAKZEN as a franchisee, so they failed give relevant answers, as the question required the advantages and disadvantages of franchising to the franchisor with a good application.
- 2 (a) Learners were expected to discuss characteristics of a successful entrepreneur and most candidates were able to answer this question well. The question was well answered as students managed to give a wide range of answers on the characteristics of a successful entrepreneur.
 - (b) (i) Candidates were expected to explain physical environment of which most failed to come up with a proper description. Most students scored below average on the definition of the physical environment, as a result the question was poorly answered as candidates were supposed to write physical Environment is the geographical areas and factors around us.



- (ii) candidates were expected to analyse two effects of Dulele's business on the physical environment and most candidates did. The question was well answered as most students scored above average.
- (c) Candidates were to discuss method used by government to influence the location of business, and they did well except that they failed to give the effects of how the method influences the location. It was not a well answered question, as most students managed to come up with methods used to influence the location but failed to discuss the effects of influencing the location. Most candidates scored 2 marks in this question for stating the methods but failed to come up with the effects. e.g. method grant. Explanation: these are ways the government funds ideas and project to provide a service such as travel and tours services.
- 3 (a) Most candidates were able to differentiate between product led and market led type of business. Most of candidates managed to come up with one difference hence scored 2 marks and lost 2 marks, one of the differences being product led is suitable for basic necessities while market led is suitable for luxurious goods.
- (b) (i) Most candidates were not able to define the meaning of diseconomies of scale. Diseconomies of scale is factors that lead to an increase in average costs as a business grows.
- (ii) The candidates were to analyse the diseconomies of scale that can affect the business. It was partially answered as some students failed to develop how diseconomies of scale can affect NOLS Enterprise as a large business. Most candidates scored 2 marks for listed points, hence failed to score marks in development as it was not answered well for example poor communication which led to tailors having clear instruction from management, instead of saying Poor communication which result as the chain of command becomes long due to more layers in hierarchy.
- (c) Candidates were to discuss the advantages and disadvantages of flow production, and most were able to give correct answers, which were also well developed and applied.
- 4 (a) Candidates were expected to explain reasons why an organizational structure changes as the business grows, this question was a challenge as most failed to give correct answers. the common answer given was of the business having to cater for many employees in the structure. Poorly answered most of candidates wrote new employees can change organisational structure, which was wrong, correct answer to eliminate excess job position and duplicate management roles and to accommodate new job positions and management roles.
- (b) (i) Candidates were to explain meaning of decentralization and most failed to give correct definition as they attached it to delegation.
- (ii) Candidates were to analyse two effects of decentralization, it was not well answered, learners were focusing more on subordinates instead of lower level of management. E.g.,



learners wrote subordinate feel more trusted and motivated instead of saying manager, hence loss of the 8 marks.

- (c) Candidates were expected to discuss two given management problems and this question was more challenging to most candidates as they scored less marks. they failed to give effect of the management problems.
- 5 (a) Candidates were to describe two types of industrial action and mostly candidates showed idea by providing one type of industrial action. The answer was supposed to be a stated type with explanation to get full marks.
- (b) (i) Candidates were supposed to define demand. Less candidates were able to explain the meaning of demand without fail. Most Candidates scored 1 mark and lost a mark for failing to write one of the key words e.g.: Demand is the amount of goods and services that a consumer is willing and able to buy at a given price.
- (ii) Candidates were to analyse two factors that could affect demand, and most were able to at least come up with one factor. The answer was supposed to be a factor with an explanation of how it affects demand and application.
- (c) Candidates were to analyse the advantages and disadvantages of hire purchase, and most gave correct answers well developed with application except a few. Poorly answered by majority of candidates. Candidates were writing about how the machine will benefit CAB (PTY) Ltd instead of writing about hire purchase hence loss of 8 marks.



Paper 2: Written

Section 1: General Comments

Generally, the performance this year was the same as the previous year. Some candidates still struggled to display the skills of application / analysis and evaluation. A common mistake that candidates continue to make as in the previous years is repeating points when justifying. Candidates will repeat a point they wrote either in the advantages or disadvantages hence losing justification marks. Candidates should also be encouraged to apply all their points for questions requiring two points in order to get the full two marks for application. Candidates were losing marks because they were applying on one point only or on the advantages only and not disadvantages. This continues to be a mistake candidates make over years.

Section 2: Comments on Individual Questions

- 1
 - (a) The question required candidates to explain the meaning of incorporated and unincorporated business units to the directors of Creamed Chicken (Pty) Ltd. The question was well answered by majority of the candidates. However, some candidates confused between the two terms and wrote answers for incorporated business units under unincorporated business units.
 - (b) Candidates were required to discuss the advantages and disadvantages of a private limited company. The question was well attempted by majority of the candidates. Candidates were able to discuss the advantages and disadvantages of private limited company and developed their points very well. However, some failed to apply to the given scenario of selling creamed chicken. Most students failed to develop the point on continuity.
 - (c) The question required candidates to discuss the advantages and disadvantages of research and development. The question proved very challenging to most candidates as they mostly emphasised market research findings like finding the price at which customers will buy creamed chicken. Expected answers from candidates were: - can create new market for the business, can strengthen the brand however it is costly and time consuming.
- 2
 - (a) The required asked candidates to explain roles played by shareholders directors of Creamed Chicken (Pty) Ltd. The question was well answered by majority of candidates and was also well applied. However, a few candidates failed to come up with correct answers. Expected answers were:-Shareholders: Contribute capital through buying shares, approve and remove directors, approve financial reports. Directors: oversee running of the company, registering the company for business taxes.
 - (b) Candidates were expected to discuss two ways in which the management can increase the job satisfaction of employees. The question was well answered by majority of candidates as they gave answers as job rotation, job enlargement, job enrichment, team working. Even though they had knowledge on the different ways, they failed to explain and show the effect of using the ways in increasing job satisfaction. However, some candidates gave answers on the financial factors of motivation like increased pay.

Expected answers:



Way: Job rotation

Explanation: It involves the cooks, chefs and waitresses doing specific tasks for only a limited time and then changing rounds on a regular basis.

Effect: Cooks, chefs and waitresses morale at work will be increased as job rotation may reduce boredom and increase productivity levels. OR requires a lot of supervision and monitoring / errors and mistakes will not be accounted for.

- (c) The question required candidates to discuss the advantages and disadvantages of hosting a multinational company to Botswana. Candidates did exceptionally well on this question as they could easily come up with a well-developed and applied answers.

Suggested answer:

Advantage: The multinational company will create jobs (K) as chefs will be employed (A) hence improve their standard of living (D).

Disadvantage: The multinational company will bring competition (K) to other fast food businesses selling chicken which may result in local businesses being forced out of business (DA).

Justification: I would advise Botswana to host the multinational company as it will pay tax which will be used to develop the country.

- 3 (a) Candidates were expected to describe two financial incentives that Creamed Chicken (Pty) Ltd can use to motivate employees. The question proved to be challenging for candidates as the question was misinterpreted to fringe benefits. The most common correct answer given was bonus. For some candidates who managed to get the incentives correct, they failed to describe and apply to the scenario.

Expected answers:- Commission: paid to sales staff and is related to the volume of sales- the more sales of chicken they make, the money they are paid.

- (b) Candidates were required to discuss two reasons why communication is important to Creamed Chicken (Pty) Ltd. The question proved to be difficult to candidates as they failed to come up with the importance of communication. The effects could also not come out clearly. Expected answers were:

Way: promotes understanding

Explanation: Information or ideas about how to improve the grilled chicken are effectively and clearly communicated to the cooks and chefs (A)

Effect: Tasks will be carried out appropriately.

- (c) The question required candidates to discuss how Creamed Chicken (Pty) Ltd can be affected by changes in exchange rates. The question proved very challenging to candidates. Most candidates scored zero in this question. Some candidates gave answers on the business



exporting creamed chicken to other countries yet the scenario states that the business imports spices from neighbouring countries.

Expected answers:

Appreciation of Botswana Currency

Explanation: When Botswana currency appreciates, it will be cheaper for Creamed Chicken to buy sauces and spices (KA) in the neighbouring country as the imports will be cheaper (D).

Effect: The business will have reduced operational costs and could offer their chicken at lower prices (K).

- 4 (a) Candidates were expected to explain two roles played by Creamed Chicken (Pty) Ltd in the economy of Botswana. The question was well attempted by majority of the candidates. They also managed to apply their answers well. Expected answers: Creation of jobs (K) as chefs and cooks will be hired by Creamed Chicken, this means unemployment is reduced in the country (DA).
- (b) The question required candidates to discuss two measures that the government can use to protect the employees of Creamed Chicken (Pty) (Ltd). The question proved challenging to most candidates as they confused measures taken to protect consumers with those of employees. The question was misinterpreted. The few candidates who had knowledge on the measures failed to develop and apply their answers.

Expected answers:

Measure 1: Health and safety at work

Explanation: Creamed Chicken should ensure that it follows the health and safety measures set to minimise dangers in the workplace especially in the kitchen (KA) where they use flames to grill their chicken.

Effect: Failure to exercise health and safety measures at work could lead to serious action taken against Creamed Chicken which may result in its closure (D).

Other measures: minimum wage, law against unfair discrimination, law against unfair discrimination, wage protection etc.

- (c) Candidates were required to discuss whether Creamed Chicken should continue using competitive pricing strategy. The question proved challenging to candidates as their answers were mainly on promotional pricing. Expected answers:

Advantages: higher rate of success, prevent market loss, remain competitive, used in conjunction with other strategies.

Disadvantages: relying on competitors pricing can make one end up with losses, competitors pricing strategy may not fit with the company's goals, need for research on competitors' prices may be costly.



- 5 (a)** Candidates were required to explain ways in which annual general meetings are important to Creamed Chicken (Pty) Ltd. The question was well attempted by majority of the candidates as they were able to explain the ways and applied them well.
- (b)** Candidates were expected to discuss how these two ways: identification of customer needs and building customer relationships are important to Creamed Chicken (Pty) Ltd. Majority of the candidates were able to discuss the two ways but most failed to state which of the two is more important hence lost marks on justification. Expected answers:
- Identification of customer needs: Through market research Creamed Chicken (Pty) Ltd will be able to know their customers would like to have their grilled chicken and how best to satisfy them.
- Building customer relationships: Creamed Chicken will be able to find out who its competitors are and their customer preference in service delivery. This will help Creamed Chicken (Pty) Ltd in meeting customer expectations and build customer loyalty (KDA).
- Justification: I think identification of customer needs is more important because it guides Creamed Chicken (Pty) Ltd on the type of chicken to produce in order to avoid producing grilled chicken that will not be bought. (KDA).
- (c)** Candidates were required to discuss the use of television as a medium of advertising by Creamed Chicken. The question was well attempted by majority of candidates. The answers were also well developed and well applied.