FORM TP 2023116

TEST CODE 01240020

MAY/JUNE 2023

CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN SECONDARY EDUCATION CERTIFICATE® EXAMINATION

PRINCIPLES OF BUSINESS

Paper 02 – General Proficiency

2 hours

READ THE FOLLOWING INSTRUCTIONS CAREFULLY.

1. This paper consists of FIVE questions. Answer ALL questions.
2. Write your answers in the spaces provided in this answer booklet.
3. Do NOT write in the margins.
4. You are advised to take some time to read through the paper and plan your answers.
5. If you need to rewrite any answer and there is not enough space to do so on the original page, you must use the extra lined page(s) provided at the back of this booklet. **Remember to draw a line through your original answer.**
6. **If you use the extra page(s) you MUST write the question number clearly in the box provided at the top of the extra page(s) and, where relevant, include the question part beside the answer.**

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO.

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Answer ALL questions.

1. (a) List FOUR sources of conflict that may arise within an organization.

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(4 marks)

(b) Describe EACH of the following strategies used by employees to gain the upper hand during periods of conflict.

(i) Work to rule

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(2 marks)

(ii) Picketing

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(2 marks)

(iii) Strike action

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(2 marks)

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(c) Outline TWO strategies that could be used by management to resolve conflict within an organization.

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(4 marks)

(d) Explain TWO legal or ethical principles that business owners should adopt in the operations of a business.

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(6 marks)

Total 20 marks

2. (a) Define the term 'entrepreneur'.

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(2 marks)

(b) List THREE characteristics of a typical entrepreneur.

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(3 marks)

(c) (i) Define the term 'collateral'.

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(2 marks)

(ii) List THREE types of collateral.

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(3 marks)

(d) State TWO government regulations with which the entrepreneur must comply when establishing a business locally. In your response, provide an example of EACH regulation.

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(4 marks)

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(e) Explain TWO ways in which entrepreneurship contributes to the economic development of a country.

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(6 marks)

Total 20 marks

3. (a) Identify TWO factors that must be considered when packaging goods for resale.

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(2 marks)

(b) (i) List FOUR qualities of successful salespersons.

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(4 marks)

(ii) Describe TWO sales promotion techniques.

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(4 marks)

(c) Distinguish between a 'cash discount' and a 'trade discount'.

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(4 marks)

(d) (i) Kylie created a new rhythm of Caribbean soca beats and wants to sell it online to overseas producers.

Explain to Kylie the importance of obtaining the copyright for her music.

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(3 marks)

(ii) Jovan excels in the culinary arts. A new local nut was discovered with high nutritional value and he created a unique dessert, 'NuttyJo', for the young and health conscious.

Explain to Jovan the value of obtaining a trademark for his product.

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(3 marks)

Total 20 marks

4. (a) State TWO functions of EACH of the following intermediaries in the chain of distribution.

(i) Retailers

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(2 marks)

(ii) Wholesalers

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(2 marks)

(b) Identify TWO links in the distribution chain, other than retailers and wholesalers.

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(2 marks)

(c) Identify the MOST suitable type of transportation for EACH of the following products.

(i) Meat products from local farm to restaurant

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(1 mark)

(ii) Bricks from construction company to building site

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(1 mark)

(iii) Crude oil from oilfield to refinery

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(1 mark)

(iv) Cars from Country A to Country B

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(1 mark)

(d) List FOUR problems that may occur in the distribution of goods.

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(4 marks)

(e) Explain TWO measures that can be implemented to minimize challenges that may occur in the distribution of goods.

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(6 marks)

Total 20 marks

5. (a) (i) Define the term 'standard of living'.

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(2 marks)

(ii) Identify TWO factors that determine a country's standard of living.

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(2 marks)

(iii) Define the term 'rate of infant mortality' as a factor of quality of life.

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(2 marks)

(b) Describe EACH of the following measures of national income.

(i) Gross national product (GNP)

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(2 marks)

(ii) Gross domestic product (GDP)

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(2 marks)

(iii) Per capita income

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(2 marks)

(c) State TWO reasons why countries engage in international trade.

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(2 marks)

(d) Explain TWO ways in which foreign investments could positively impact Caribbean countries.

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(6 marks)

Total 20 marks

END OF TEST

IF YOU FINISH BEFORE TIME IS CALLED, CHECK YOUR WORK ON THIS TEST.