CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN SECONDARY EDUCATION CERTIFICATE® EXAMINATION

"*"Barcode Area"*"
Front Page Bar Code

17 JANUARY 2023 (a.m.)

FILL IN ALL THE INFORMATION REQUESTED CLEARLY IN CAPITAL LETTERS.

TEST CODE | 0 | 1 | 2 | 4 | 0 | 0 | 2 | 0 |

SUBJECT PRINCIPLES OF BUSINESS – Paper 02

PROFICIENCY GENERAL

REGISTRATION NUMBER | | | | | | | | | | |

SCHOOL/CENTRE NUMBER					

NAME OF SCHOOL/CENTRE

CANDIDATE'S FULL NAME (FIRST, MIDDLE, LAST)

"*"Barcode Area"*"
Current Bar Code

DATE OF BIRTH | D | D | M | M | Y | Y | Y | Y |

SIGNATURE _____

"*"Barcode Area"*"
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FORM TP 2023032

TEST CODE **01240020**

JANUARY 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) State TWO responsibilities of management to EACH of the following stakeholders.

(i) Customers

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(2 marks)

(ii) Employees

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(2 marks)

(b) Identify TWO stakeholders of a business, other than customers and employees.

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(2 marks)

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(c) List FOUR strategies that could be used to motivate employees in a business.

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(4 marks)

(d) Outline TWO benefits of teamwork to the success of a business.

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(4 marks)

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(e) For quite some time, the employees of New Harbour Garment Factory have felt frustrated and shut out as a result of poor communication between themselves and management.

Explain TWO strategies that the management of New Harbour Garment Factory could implement to improve communication within the organization.

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(6 marks)

Total 20 marks

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2. (a) (i) Define the term 'invitation to treat'.

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(2 marks)

(ii) Identify TWO characteristics of a simple contract.

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(2 marks)

(iii) State TWO ways of terminating a contract.

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(2 marks)

(b) Describe TWO features which make a hire purchase agreement a type of specialty contract.

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(4 marks)

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(c) Distinguish between the insurance principles 'utmost good faith' and 'indemnity'.

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(4 marks)

(d) Explain TWO unethical practices that a business could engage in which could violate its contractual obligations to the government and society.

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(6 marks)

Total 20 marks

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3. (a) Define EACH of the following terms.

(i) Production

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(2 marks)

(ii) Productivity

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(2 marks)

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(b) Identify the type of production that takes place for EACH of the following activities.

(i) Sugar cane harvesting

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(1 mark)

(ii) Development of townhouses

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(1 mark)

(iii) The creation of a new line of furniture

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(1 mark)

(iv) The provision of online banking

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(1 mark)

(c) Outline THREE factors that could affect labour productivity.

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(6 marks)

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(d) Explain TWO strategies that managers could implement to ensure high levels of productivity within an organization.

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(6 marks)

Total 20 marks

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4. (a) (i) Define the term 'market' as it relates to marketing.

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(2 marks)

(ii) Identify TWO elements of the traditional marketing mix.

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(2 marks)

(b) State FOUR reasons for conducting market research.

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(4 marks)

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(c) Describe THREE factors which influence consumer behaviour.

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(6 marks)

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(d) Explain TWO ways in which businesses could use social media to promote sales.

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(6 marks)

Total 20 marks

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5. (a) Other than saving and investing, state TWO ways in which individuals could manage their personal incomes.

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(2 marks)

(b) (i) Differentiate between 'savings' and 'investments'.

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(2 marks)

(ii) Identify ONE form of savings and ONE form of investments.

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(2 marks)

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(c) (i) Identify TWO personal sources of capital for setting up a business.

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(2 marks)

(ii) Distinguish between 'short-term financing' and 'long-term financing'. Give ONE source of each type of financing.

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(d) Explain ONE benefit and ONE risk of investing in the stock market.

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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.

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CANDIDATE'S RECEIPT

INSTRUCTIONS TO CANDIDATE

1. Fill in all the information requested clearly in capital letters.

TEST CODE | 0 | 1 | 2 | 4 | 0 | 0 | 2 | 0 |

SUBJECT PRINCIPLES OF BUSINESS – Paper 02

PROFICIENCY GENERAL

REGISTRATION NUMBER | | | | | | | | | | |

FULL NAME _____

(BLOCK LETTERS)

SIGNATURE _____

DATE _____

2. Ensure that this slip is detached by the Supervisor or Invigilator and given to you when you hand in this booklet.

3. Keep it in a safe place until you have received your results.

INSTRUCTION TO SUPERVISOR/INVIGILATOR

Sign the declaration below, detach this slip and hand it to the candidate as his/her receipt for this booklet collected by you.

I hereby acknowledge receipt of the candidate's booklet for the examination stated above.

Signature _____
Supervisor/Invigilator

Date _____