

EXAMINER'S REPORT
LEVEL I EXAMINATION - JULY 2020
(104) BUSINESS ENVIRONMENT

Introduction:

This paper has been constructed in order that it covers most of the components in the syllabus of Business Environment. The main focus on testing has been on knowledge. Majority of candidates have passed with higher scores while a limited number of candidates have failed due to the provision of unsuccessful answers.

Following are the facts put forwarded by the examiners:

SECTION A

Question No. 01

1.19 Most of the candidates have not been able to provide a successful answer to this question as they had no good understanding on small and medium scale enterprises.

1.20 Majority of the candidates could not answer this question successfully. It indicates that they didn't have proper understanding on Code of Ethics.

As a whole, this question was highly successful from the side of the candidates. Considerable number of candidates had scored full marks which is 40 and majority of the candidates had scored between 26 and 35. All the candidates had answered this question.

SECTION B

Question No. 02**Part (a)**

All the candidates had answered this part. But a considerable number of candidates have not explained features of a sole proprietorship business.

Part (b)

It was observed that there was a failure in providing answers to this part. It was noticed that some candidates had not understood what the communication is.

Part (c)

This question inquired about insurable risks. It was observed that majority of the candidates have successfully answered this part of the question.

As a whole, the performance was successful.

Question No. 03

Part (a)

Even though, the majority of the candidates had mentioned characteristics of local trade and foreign trade, most of them had not attempted to state clear differences between the two terms. They have used their general knowledge other than the subject knowledge and that is the reason for their low scores at the test.

Part (b)

Though, most of the candidates have answered this part, only 3 benefits of foreign trade have been stated. Considerable number of candidates had not identified the need to explain the answer, which had resulted failure in getting full marks.

Part (c)

Here, the requirement was to state the benefits of incorporation of the given company as a public limited company. It was obvious that most of the candidates had answered correctly and earned full marks.

It was observed that the number of candidates who scored full marks for this question was not adequate. Most of the candidates were able to score only half of the marks allocated and some others had scored less marks.

Question No. 04

Part (a)

Skills needed by an entrepreneur was tested from this question. Although, majority of the candidates had answered this question, there were no considerable number of successful answers. Though the skills were mentioned by considerable number of candidates, most of them lost marks, as a result of short comings in the given explanations.

Part (b)

It is noticeable that the candidates had answered successfully and scored high marks for this part which inquired about benefits of entrepreneurship. Most of the candidates had scored full marks for this part.

Part (c)

The requirement here was to mention the factors lead for small and medium scale entrepreneurs to become unsuccessful. Most of the candidates had not answered successfully this part and most of the answers were not clear and meaningful.

It was obvious that as a whole, the majority could not score higher marks.

Question No. 05

Part (a)

The need here was to explain two opportunities of globalization. Though the majority had answered the question, they had not described them clearly and adequately. Most of the candidates had answered with their general knowledge. It was also observed that answering the question was unsuccessful.

Part (b)

The question tested about areas of social responsibility. It was noted that the question was less understood by majority of candidates. Overall performance was also found to be unsatisfactory. Some had not even attempted the question. As a whole, this was the question that majority of candidates had scored least marks or none.

Part (c)

The question tested about the advantages that an organization would obtain through incorporating corporate social responsibility into their business operation. Most of the candidates had provided successful answers and scored well.

However, providing answers and scoring marks for the question at a whole was at a very low level. Most of the candidates have scored least marks especially for **parts (a) and (b)**. Also considerable number of candidates have provided irrelevant answers.

SECTION C

Question No. 06

Part (a)

It was inquired about the advantages and disadvantages of a limited liability company. Most of the candidates had scored full marks by providing successful answers. Some have stated advantages and disadvantages of a public company listed in the stock exchange without understanding the question properly.

Part (b)

Most of the candidates had provided incorrect answers when answering this part. It was confirmed that candidates had not aware of the documents that should be submitted for the incorporation of the given company as a limited liability company as per the Companies Act No 07 of 2007.

Part (c)

It cannot be satisfied that the candidates had a clear understanding on SWOT analysis. Only a very few candidates had scored full marks. Further, a limited number of candidates had avoided the question without answering.

Part (d)

The question was to test the reasons why an efficient transport service is important for a relevant institution. This part of the question was successfully answered by majority of the candidates. Therefore, a considerable number of candidates had scored full marks for this question. A limited number of candidates who had not understood the question properly had explained the basic features of transport.

Part (e)

Here, it was expected to mention the new trends in trade. Majority of the candidates who answered the question had scored good marks for this. However it was clearly visible that a minority of the candidates could not obtain any marks for this question. It was noted that the candidates had no knowledge on new trends in trade.

A considerable number of candidates had scored more than 15 marks for this question and a very few number of candidates had scored very low marks for this question. It was observed that a very limited number of candidates had ignored this question.

General points to be considered in developing the level of understanding of candidates:

- (1) When you get the question paper, read the instructions on the paper carefully before start answering the question paper.
- (2) Get the maximum use of Self-Study Text published by AAT Sri Lanka because it is the best guideline covering the entire syllabus.
- (3) Read the question carefully and answer only what is asked in the question. Do not write unnecessary explanations and details. A direct and an accurate answer is expected for the question.
- (4) When you answer, time management is very important.
- (5) Action verb Check List with definitions is attached to the question paper itself and each question will begin with an action verb excluding Objective Test Questions (OTQs). Candidates should answer the questions based on the definition of the verb given in the Action Verb Check List.
- (6) Before handing over the answer script, check whether the question numbers and your index number have been written correctly.
- (7) Do not write answers in the question paper itself and write the answers in the answer script.
- (8) By answering past question papers, you can improve the subject knowledge as well as the ability of writing skills.
- (9) Make use of recently published magazines, hand books, newspapers and text books to update the knowledge.
- (10) Never try to give up any questions as this habit may lead to fail the exam.
- (11) Face the examination with a good preparation and with the utmost hope of passing the examination.

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