



**Coimisiún na Scrúduithe Stáit  
State Examinations Commission**

**LEAVING CERTIFICATE EXAMINATION 2005**

**BUSINESS**

**CHIEF EXAMINER'S REPORT ORDINARY LEVEL**

**CHIEF EXAMINER'S REPORT HIGHER LEVEL**

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## **ORDINARY LEVEL**

### **1. INTRODUCTION**

This was the seventh examination since the introduction of the revised Business Syllabus into schools in 1997. The first examination of the revised Business Syllabus was held in 1999.

The terminal written examination paper is of two and a half hours duration and has two mandatory elements, SECTION 1 and SECTION 2.

SECTION 1, carrying 100 marks, consists of 15 short-answer questions and candidates are required to answer any ten. This section, which is returned with the candidate answer book, ranges over the entire syllabus. Until 2001, this section was a separate question paper and was returned with the candidate's answer book. Since 2002, SECTION 1 has been integrated physically into the question paper and the entire question paper is returned with the candidate's answer book for marking.

SECTION 2 consists of eight questions and candidates are required to answer four of these. There are two Parts to SECTION 2 and candidates are asked to take one question from Part 1 (three questions), two questions from Part 2 (five questions) and one other question from either Part 1 or Part 2. All questions in SECTION 2 carry 75 marks each. The marks for the four questions required for this section (300 marks) are combined with the 100 marks for SECTION 1 to give the total marks for the paper of 400.

This report should be read in conjunction with the examination papers and marking schemes, which are available on the State Examinations Commission website using the following address: [www.examinations.ie](http://www.examinations.ie)

The following table shows the total number and percentage of candidates taking Business at Ordinary Level from 2002 to 2005.

**Table 1      Popularity\* of Business at Ordinary Level 2002-2005**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Candidates</b>	7370	7504	7205	7100
<b>Total Number of Leaving Certificate (Established) Candidates</b>	42522	42278	41657	39816
<b>Percentage taking Business (O.L.)</b>	17.3	17.7	17.3	17.8

From Table 1, the number of candidates taking the Business examination at Ordinary Level (O.L.) in the period 2002-2005 has remained broadly similar given the decrease in the overall number of Leaving Certificate (Established) candidates. This is also reflected in the percentage of candidates taking Business at Ordinary Level over the same period of time.

\*Popularity is used, in this report, in the context of the subject/section/question most chosen by candidates.

## 2. PERFORMANCE OF CANDIDATES

A total of 7100 candidates sat the examination in 2005 compared with 7205 in 2004.

This represents a drop of 105 (1.5%) candidates sitting the paper.

The results for Business at Ordinary Level for 2002 to 2005 inclusive are presented in Table 2, 3, 4 and 5 below.

**Table 2: 2005 Leaving Certificate Business Ordinary Level Results**

Grade	A	B	C	D	E	F	NG	Candidates
Percentage	11.4	30.2	31.6	21.5	3.3	1.7	0.4	7100
Summary	73.2			21.5	5.4			

**Table 3: 2004 Leaving Certificate Business Ordinary Level Results**

Grade	A	B	C	D	E	F	NG	Candidates
Percentage	15.2	34.7	29.2	17.1	2.6	1.1	0.2	7205
Summary	79.1			17.1	3.9			

**Table 4: 2003 Leaving Certificate Business Ordinary Level Results**

Grade	A	B	C	D	E	F	NG	Candidates
Percentage	13.5	30.0	30.1	20.0	4.0	2.0	0.3	7504
Summary	73.6			20.0	6.3			

**Table 5: 2002 Leaving Certificate Business Ordinary Level Results**

Grade	A	B	C	D	E	F	NG	Candidates
Percentage	13.3	30.7	29.8	20.9	3.6	1.7	0.2	7370
Summary	73.8			20.9	5.5			

Analysis of the results for 2005 and 2004 show the percentage gaining an A grade was down by 3.8 percentage points, a B grade was down by 4.5 percentage points, a C grade was up by 2.4 percentage points while the D grade shows an increase of 4.4 percentage points. Overall, the ABC rate was 73.2% and shows a decrease of 5.9%

from 2004. The D grade shows an increase of 4.4 percentage points and the combined E, F and NG rate shows an increase of 1.5 percentage points.

However, the results for 2005 were broadly in line with the 2003 and 2002 figures with a lower A rate, a slightly lower ABC rate and a lower combined E, F, NG rate.

Examiners found that the question paper was very fair and covered a wide variety of topics. However, the general feedback from examiners was that the standard of answering was not as good as in 2004.

### 3. ANALYSIS OF CANDIDATE PERFORMANCE

In 2005, the results of the candidates show the following pattern:

**Table 6: 2005 Analysis of Pattern of Answering and Marks Earned**

Question	Topic	Taking questions	Marks earned	Popularity ranking	Ranking of marks
<b>SECTION 1</b> (100 marks)	Multiple Test	100%	71%	1	1
<b>SECTION 2</b> <b>PART 1</b>					
1. (75 marks)	Consumer/ Industrial Relations	83%	67%	4	3
2. (75 marks)	Business Organisations/ Environmental Responsibilities	46%	54%	5	5
3. (75 marks)	Transnationals/ International Trade/EU	28%	48%	8	8
<b>PART 2</b>					
4. (75 marks)	Communication/ Types of Control/Finance	84%	59%	3	4
5. (75 marks)	Enterprise/Advertising/ Delegation	86%	70%	2	2
6. (75 marks)	Insurance/Recruitment/ Household & Business Management	28%	49%	7	7
7. (75 marks)	Finance/ Financial Analysis	23%	37%	9	9
8. (75 marks)	Job Production/ Expansion/Market Research/ Promotion	42%	50%	6	6

The most popular question area was obviously the compulsory SECTION 1 with a 100% take-up. It also returned percentage marks earned which ranked first overall.

## SECTION 1

SECTION 1, carrying 100 marks, consists of 15 short-answer questions and candidates are required to answer any ten.

In 2005, SECTION 1 was generally well answered with 18% of candidates achieving 90 marks or higher. An average of 2.7% of candidates achieved full marks in this section of the question paper. The average percentage mark earned was 71%.

The average percentage mark for SECTION 1 for the period 2002-2005 inclusive is presented in the following table.

**Table 7: 2002-2005 Average Percentage Mark for SECTION 1**

Year	Average percentage mark
2005	71
2004	69
2003	70
2002	71

From Table 7, it is evident that the average percentage mark for SECTION 1 is broadly consistent over the four-year period, 2002-2005.

In 2005, examiners felt SECTION 1 was student-friendly, well laid-out with a good mix of questions which allowed all candidates to score well.

**Question 1. Acronyms:** This question was very popular and most candidates scored well for AGM and LRC. Many candidates did not know the words for EC in IBEC.

**Question 2. Management Skills:** This was a very popular question and the more able candidates scored full marks. Common mistakes were listing the management activities or general characteristics of managers.

- Question 3. Global Marketing:** This question was very popular but, in general, poorly answered.
- Question 4. Semi-state Organisations:** This was not a popular question, with a wide variety of semi-state organisations identified. Most candidates who attempted this question scored full marks.
- Question 5. True or False:** This was a very popular question with good answers demonstrated. Most candidates scored full marks.
- Question 6. Elements of a Contract:** This question was not popular but candidates scored well. The most common elements of a valid contract were: Offer, Acceptance and Capacity to Contract.
- Question 7. Mazlow's Hierarchy of Needs:** This question was very popular and well answered by the majority of candidates.
- Question 8. Interest Rates:** This was not a popular question and, in general, was poorly answered.
- Question 9. Chain of Distribution:** This was a very popular question and most candidates scored full marks.
- Question 10. Business Taxes:** This question was very popular and the more able candidates scored full marks.
- Question 11. Small Claims Court:** This was a very popular question with the majority of candidates scoring full marks.
- Question 12. World Wide Web:** This was a very popular question and most candidates scored full marks.
- Question 13. Line Graph:** This was a very popular question and the vast majority of candidates scored full marks.

**Question 14. Categories of Industry:** This question was very popular and the more able candidates scored full marks. A small minority of candidates lost marks for incorrect examples.

**Question 15. Human Resource Manager:** This was a very popular question and most candidates scored full marks. The most common functions were: Rewarding, Recruitment/Selection and Industrial Relations.

A summary of the most popular questions in SECTION 1 for 2002-2005 inclusive is provided in the table below.

**Table 8: 2002-2005 Most Popular Questions in SECTION 1**

<b>Year</b>	<b>Most popular questions</b>
<b>2005</b>	1,2,3,5,7,9,10,11,12,13,14,15
<b>2004</b>	1,2,3,5,6,7,8,9,14,15
<b>2003</b>	1,2,3,5,7,9,10,15
<b>2002</b>	4,5,6,8,9,11,12

## **SECTION 2**

SECTION 2 was perceived by examiners as being very fair and covered a wide variety of topics. This section was reasonably well answered with the majority of candidates attempting just four questions. Most had no difficulty in attempting the appropriate number of questions available in the two parts and candidates rarely omitted the minimum number of questions from each part. The majority of candidates chose a question from Part 2 as their fourth question. An average of 19% of candidates attempted at least one extra question in SECTION 2. This represented an increase of 6% in 2004 and possibly reflected, in general, the poorer quality of answering and indecisiveness on the part of candidates.

The most popular ranking questions in SECTION 2 were Q.5, Q.4 and Q.1 with an uptake of over 80% for each question and also yielding the highest return in marks to candidates. Two questions, namely Q.2 and Q.8, recorded an uptake of over 40% with candidates.

The least popular ranking questions in SECTION 2 were Q.7, Q.3 and Q.6 with an uptake of less than 30% for each question and also yielding the lowest return in marks to candidates.

## **PART 1**

<b>PEOPLE IN BUSINESS</b>
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### **Question 1 Consumer/Industrial Relations**

This was the third most popular question on the paper and the majority of candidates scored well (67% of the marks available). This question was attempted by 83% of the candidates.

Examiners felt this question was a good test of standards and noted that the standard of answering was not as good as in previous years. In the period 2002-2004, this question was the most popular question in SECTION 2 and the average mark recorded was 70%, 70% and 69%.

- (A) The majority of candidates performed well in this part. Some candidates named the incorrect Act.
- (B) Reasonably well answered. The majority of candidates referred to the 'redress' provisions of the Act.
- (C) Very well answered. The majority of candidates scored full marks for the non-legislative method. Some candidates confused 'non-legislative (non-legal)' with 'illegal'.
- (D) Reasonably well answered. Most candidates displayed a good understanding of the term 'Picketing' and scored full marks. The term 'Secret Ballot' was not well answered.
- (E) Poorly answered. The role of the Labour Court caused difficulty for candidates.

<b>DOMESTIC ENVIRONMENT</b>
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**Question 2 Business Organisations/Environmental Responsibilities**

This was the fifth most popular question and was attempted by 46% of the candidates. The average percentage mark at 54% was also fifth in the ranking of marks.

- (A) Very well answered. The vast majority of candidates scored full marks for explaining the term 'Sole Trader' and giving two advantages.
- (B) Well answered by the more able candidates. Most candidates listed advantages about (i) limited liability and (ii) more share capital.
- (C) Poorly answered. The majority of candidates could not distinguish between Articles of Association and Memorandum of Association. A minority of candidates either did not attempt this part of the question or scored no marks.
- (D) Well answered. The vast majority of candidates attempted to explain the role of 'Managing Director' and 'Company Secretary'. The role of 'Auditor' was rarely attempted by candidates.
- (E) Well answered by most candidates. The environmental responsibilities of business were well known by most candidates.

<b>INTERNATIONAL ENVIRONMENT</b>
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**Question 3 Transnationals/International Trade/EU**

This was the eighth most popular question on the paper and was attempted by 28% of the candidates. The average percentage mark at 48% was also eighth in the ranking of marks.

- (A) Not well answered. A lot of candidates explained one benefit about employment.
- (B) Reasonably well answered. The more able candidates scored full marks but the less able candidates had difficulty with the figures and workings.
- (C) Reasonably well answered. Many candidates confused Invisible Exports with Invisible Imports and gave poor examples.
- (D) Very well answered. The advantages of EU membership were well known and most candidates scored full marks.
- (E) Reasonably well answered. The vast majority of candidates were able to name two institutions. However, the role of an institution was not well answered.

Each year from 2002-2005, Question 1 has been the most popular question and Question 3 has been the least popular question in SECTION 2, Part 1 of the question paper.

## **PART 2**

The majority of candidates attempted three questions from this part. The most popular questions were Q.5 and Q.4. The least popular questions in this part were Q.7 and Q.6.

<b>MANAGING</b>
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### **Question 4    Communication/Types of Control/Finance**

This was the third most popular question and was attempted by 84% of the candidates. The average percentage mark was 59%.

- (A) Reasonably well answered. The factors to be considered when deciding on a method of communication to be used in a business were not as well answered as examiners had expected. Many candidates lost marks for giving one-word answers with no explanation or giving barriers to communication.
- (B) Well answered. Very few candidates included a title for the bar chart.
- (C) Very well answered. The vast majority of candidates scored full marks when dealing with the importance of a stock control system.
- (D) Reasonably well answered. The two most common sources were: mortgage and long-term loans. Candidates scored full marks for an adequate explanation of one of the sources.
- (E) Reasonably well answered. The terms 'Credit Control' and 'Quality Control' were known by more able candidates who scored well. The terms proved difficult for less able candidates and led to vague answers.

**Question 5    Enterprise/Advertising/Delegation**

This was the second most popular question on the paper and was attempted by 86% of the candidates. The average percentage mark at 70% was also second in the ranking of marks.

- (A)    Very well answered. The vast majority of candidates scored full marks for identifying three enterprising characteristics/skills.
  
- (B)    Reasonably well answered. The words for SWOT were well-known but the less able candidates lost marks for not elaborating on the importance of a SWOT analysis for business.
  
- (C)    Reasonably well answered. Most candidates scored full marks for describing three methods of advertising. Less able candidates lost marks for giving one-word answers and not describing the methods of advertising.
  
- (D)    Very well answered. Most candidates scored full marks for identifying two risks and two rewards of setting up one's own business.
  
- (E)    Well answered. Most candidates scored full marks for defining the term 'Delegation'.

<b>MANAGING</b>
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**Question 6 Insurance/Recruitment/Household and Business Management**

This was the seventh most popular question and was attempted by 28% of the candidates. The average percentage mark at 49% was also seventh in the ranking of marks.

- (A) Not well answered. Most candidates lost marks for failing to show workings for the compensation and not knowing the relevant rule of insurance. Only a minority of candidates scored full marks.
- (B) Well answered. Most candidates scored full marks for naming three other types of business insurance.
- (C) Reasonably well answered. This part of the question yielded a wide variety of responses from candidates, with only the more able candidates scoring full marks. Some candidates could state three principles of insurance but not explain them, whilst others could only explain the principles in their own words.
- (D) Reasonably well answered. The vast majority of candidates were able to outline at least two methods for recruiting new employees, out of the three requested.
- (E) Not well answered. Most candidates achieved only eight marks out of fifteen in this part of the question. A common mistake made by candidates was to outline a similarity and a difference in managing a household and a business.

<b>MANAGING</b>
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**Question 7 Finance/Financial Analysis**

This was the ninth most popular question on the paper and was attempted by 23% of the candidates. The average percentage mark was 37% was also ninth in the ranking of marks. Many candidates did not score well due to a poor knowledge of ratios, as tested in the final two parts of this question.

- (A) Very well answered. Most candidates scored full marks for explaining and giving one advantage of leasing.
- (B) Reasonably well answered. Most candidates were able to outline two reasons for a business preparing a cash flow forecast, out of the three requested. Less able candidates tended to present vague answers.
- (C) Well answered. The majority of candidates scored well. Some candidates lost marks for not listing two items of 'financial' information requested for a business loan.
- (D) Not well answered. The 'Working Capital' ratio proved difficult for many candidates. Less able candidates used incorrect formulae and figures for this part of the question.
- (E) Poorly answered. The standard of answering for the 'Return on Capital Employed' ratio was poor, with only a small minority scoring full marks.

<b>BUSINESS IN ACTION</b>
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**Question 8 Job Production/Expansion/Market Research/Promotion**

This was the sixth most popular question on the paper and was attempted by 42% of the candidates. The average percentage mark was 50% was also sixth in the ranking of marks.

- (A) Reasonably well answered. The term 'Job Production' proved difficult for many candidates who gave answers relating to creation of employment. The more able candidates scored full marks for explaining the term.
- (B) Well answered. In general, most candidates scored full marks for outlining three benefits of expansion.
- (C) Very well answered. The majority of candidates gave three reasons for market research before developing new products.
- (D) Well answered. The majority of candidates were able to outline two methods of sales promotion though some candidates could not outline an example for treadmills.
- (E) Poorly answered. In general, candidates experienced difficulties explaining PR and giving two examples of PR for the business.

In SECTION 2, over 80% of all candidates attempted Q.1, Q.4 and Q.5. Questions 3, 6 and 7 were attempted by less than 30% of all candidates.

The average percentage mark for all the above questions is also reflected in their popularity ranking for questions on the examination paper.

#### 4. CONCLUSIONS

- The percentage of candidates taking the Business examination at Ordinary Level in the period 2002-2005 remained broadly consistent ranging from 17.3% to 17.8% (see Table 1).
- The Ordinary Level examination is accessible for candidates, judging by the overall results, particularly the small number of lower grades (5.4% of candidates received E, F or NG). The ABC rate for 2005 of 73.2% is broadly consistent with the rates recorded in 2003 and 2002. Furthermore, the D rate for 2005 of 21.5% is also broadly consistent with the rates recorded in 2003 and 2002.
- The Business examination at Ordinary Level is highly regarded as being very fair to candidates and student-friendly in both layout and choice of questions.
- Most well prepared candidates tend to record good scores in SECTION 1 of the question paper. In the period 2002-2005 inclusive, candidates scored an average percentage mark of between 69 and 71 in SECTION 1.
- The majority of candidates tend to choose a question from PART 2 as their fourth question in SECTION 2. In 2005, most candidates had no difficulty in attempting the appropriate number of questions in each section of the question paper.
- There is a continued reliance by candidates on well-aired aspects of the syllabus, e.g. topics like the Consumer, Communication, Marketing and Insurance. Each year from 2002-2005, Question 1 has been the most popular question in SECTION 2, PART 1 of the question paper. In 2005, the depth of knowledge demonstrated by candidates with regard to Insurance (Q.5 A & C) and Marketing (Q.8E) was disappointing. The poor support by candidates for Question 3 in SECTION 2 continued in the period 2002-2005.

- Candidates tend to score well in questions involving a diagram, e.g. Q.7, Q.9, Q.13 in SECTION 1 and Q.4(B) in SECTION 2 of the question paper in 2005.
- In 2005, candidates in general scored less well in questions in SECTION 2, which involved calculation elements (Q.3, 6 and 7). Furthermore, these three questions were also the least popular questions in SECTION 2 of the question paper.
- Some candidates continue to misinterpret questions, e.g. Q.4(A) and Q.6(E) in SECTION 2 of the question paper.
- The results show that the majority of candidates performed well in the Business examination in 2005 and obtained grades that matched their understanding of the topics on the syllabus.

## 5. RECOMMENDATIONS TO TEACHERS AND CANDIDATES

### Teachers

- Candidates should be given regular practice in examination type questions, and should be made familiar with the layout of the paper and the requirements/meaning of each question.
- The teacher guidelines/syllabus documents should be referred to in teaching Business. For instance, the teacher guidelines/syllabus set out the meaning of the outcome verbs ‘describe’, ‘distinguish’, ‘explain’, ‘outline’, etc.
- The annually published marking scheme and explanatory support notes are beneficial for teaching Business and should be downloaded from the following website [www.examination.ie](http://www.examination.ie) when preparing candidates for the Business examination.
- Candidates should receive regular practice in calculation type questions on the syllabus, e.g. insurance, taxation and ratios.
- Candidates should be encouraged to present all work in a neat and tidy fashion. All questions should be numbered and labelled correctly.
- Reference should be made regularly in class to current business and economic issues will help candidates to put theory into perspective and help motivate the more practical candidates in the class. Local events, relevant well-known examples and developments can be used to improve understanding and thus memory.
- Group work within classes should be initiated to help formulate answers to examination questions. Formal and informal debates on popular issues such as the consumer, industrial relations, marketing, insurance and international trade etc. will help reinforce learning and aid the retention of such information.

- Candidates should be given the experience of activities such as role-play, visits to businesses and public information centres, talks by visiting speakers and accessing the media.
- Candidates' scripts do not indicate general pressure of time and they should be encouraged to utilise any spare time in checking their responses for accuracy and completeness.

### **Candidates**

- Candidates should receive regular practice in examination type questions.
- Candidates should be familiar with the layout of the question paper. The question paper is divided into two sections and details on the number of questions to be attempted in each section are printed on the question paper.
- Candidates should be clear on the meaning of the outcome verbs used in the Business syllabus and question papers. These outcome verbs include: 'calculate', 'describe', 'distinguish', 'explain', and 'outline'.
- Candidates should regularly practice calculation type questions on the syllabus, e.g. insurance, taxation and ratios.
- Candidates should attempt all parts of a question selected, where appropriate.
- Candidates should present all work in a neat and tidy way. All questions should be numbered and labelled correctly.
- Candidates will find the marking schemes and support notes for past question papers, on the internet at [www.examinations.ie](http://www.examinations.ie), useful when preparing for the Business examination and these should be used as an extra resource.

## HIGHER LEVEL

### 1. INTRODUCTION

The examination held in 2005 is the seventh examination since the introduction of the revised Business syllabus in schools in 1997. The examination at Higher level comprises a terminal written 3 hour paper with three mandatory elements, Sections 1, 2 and 3. Section 1, totalling 80 marks, contains ten questions, ranging over the syllabus, and candidates are required to answer any eight. The examination paper incorporates spaces for answers to be completed/filled in by the candidate. Until 2001 this section was a separate insert in the question paper to be returned for marking with the candidate's script.

Since then, Section 1 has been integrated into the question paper and the whole examination paper is now returned with the script for marking. This change is intended to minimise the incidence of omission/loss of the insert which occasionally happened when Section 1 was printed separately. The return of the total paper has improved the candidates' chances of including the Section 1 answers for marking.

Section 2 of the paper consists of a single practical Business question, based on the 'case study' approach, carrying 80 marks. For this reason it is known as the Applied Business Question or ABQ. The text of the ABQ, and the questions thereon, are based each year on three specified units of the syllabus (out of a total of 7 units in the syllabus) that are changed on an annual predetermined cyclical basis.

The remainder of the paper, Section 3, has two separate divisions, Parts 1 and 2, comprising 7 questions, 4 of which must be answered. Part 1 is called People in Business/Business Environment and Part 2 relates to Enterprise. Candidates are asked to attempt one question from Part 1 (out of 3 questions), two from Part 2 (from 4 questions) and one other question from either Part 1 or Part 2.

All questions in Section 3 carry 60 marks and the four of these are combined with the 80 marks for Section 1 and the 80 marks for Section 2 to give the overall marks for the examination paper of 400 marks.

## 2. PERFORMANCE OF CANDIDATES

A total of 13,406 candidates sat the Higher Level examination in 2005 compared with 15,030 in 2004, a drop of 11.2%. The numbers opting for Ordinary level in 2005 at 7,100 were only marginally down on last year (-1.5%). These changes have resulted in the percentage of Business candidates taking the examination at Higher Level declining to 65.4% from 67.6% last year.

The overall results this year were slightly lower than in 2004 with aggregate ABC grades down by 2.6% to 69.3%, grade Ds up by 1.4% to 23.3% and combined E, F and NG grades up by 1.2% to 7.4%. These results were somewhat balanced by an increase in the level of A grades of 0.3% to 11.1%. A summary of the results in both years is set out in the following tables:

### **2005 Leaving Certificate Business Higher Level Results**

<b><u>Grade</u></b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	11.1	27.5	30.7	23.3	6.0	1.3	0.1	13406
<b>Summary</b>	69.3			23.3	7.4			100.0%

### **2004 Leaving Certificate Business Higher Level Results**

<b>Grade</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	10.8	29.0	32.1	21.9	4.7	1.3	0.2	15030
<b>Summary</b>	71.9			21.9	6.2			100.0%

The examination paper was generally well received. It contained a wide choice of topics and candidates had little difficulty in finding suitable questions to answer. The questions did require long and comprehensive answers and there was little evidence of candidates attempting more than the stipulated number of questions. Five percent of candidates failed to complete the entire 6 questions required.

While the labelling and numbering of questions by candidates were generally good, presentation, neatness and layout could be improved by some candidates.

Some candidates tended to misinterpret questions. They need to read and understand the requirement of each question before attempting their answer. They should pay particular attention to the outcome verbs used. For example, in questions where candidates are asked to ‘evaluate’ (Section 3 Questions 1 (C), 2 (C) and 4 (C)), some attempt must be made to give an opinion/judgement on the issues covered in the answer.

Similarly, where they are asked to ‘explain’ (Section 3 Questions 1 (B), 3 (A) and 7 (C)) it is expected that relevant definitions will be given with a full and clear exposition of the points and issues raised. Candidates sometimes did not develop points as well as might be reasonably expected in a Higher Level examination.

However, the answers to the only question in Section 2, the Applied Business Question, are improving with relevant quotes (often in a different colour ink) from the text of the ABQ. The higher level skills of synthesis and evaluation required in this question can cause difficulty for a proportion of the candidates.

For comparison purposes, the results over the past 5 years are as follows:

#### **2005 Leaving Certificate Business Higher Level Results**

<b><u>Grade</u></b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	11.1	27.5	30.7	23.3	6.0	1.3	0.1	13406
<b>Summary</b>	69.3			23.3	7.4			100.0%

#### **2004 Leaving Certificate Business Higher Level Results**

<b><u>Grade</u></b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	10.8	29.0	32.1	21.9	4.7	1.3	0.2	15030
<b>Summary</b>	71.9			21.9	6.2			100.0%

#### **2003 Leaving Certificate Business Higher Level Results**

<b><u>Grade</u></b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	9.7	27.1	33.7	24.2	5.3	0.9	0.1	16027
<b>Summary</b>	69.5			24.2	6.3			100.0%

**2002 Leaving Certificate Business Higher Level Results**

<b>Grade</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	7.6	28.0	33.8	24.2	5.4	0.9	0.1	16238
<b>Summary</b>	69.4			24.2	6.4			100.0%

**2001 Leaving Certificate Business Higher Level Results**

<b>Grade</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>NG</b>	<b>Candidates</b>
<b>Percentage</b>	9.5	27.0	32.2	23.3	6.2	1.6	0.2	16415
<b>Summary</b>	68.7			23.3	8.0			100.0%

Over the past 3 years the numbers taking Higher Level Business have declined by 2621 candidates, a reduction of 16.4%. Over the same period the overall numbers taking the Leaving Certificate Mathematics examinations dropped by 2078 candidates, a decline of 3.8%. This gives an indication of the extent of the reduction in overall numbers taking the Leaving Certificate examination.

### 3. ANALYSIS OF CANDIDATE PERFORMANCE

An examination of a sample of the 2005 candidates' scripts shows the following pattern:

#### 2005 Popularity of questions and percentage marks earned per Section/Question

Question	Topic	*Taking question	Popularity	*Mark earned	Rank
<b>Section 1 (80 marks)</b>	Short Questions (8)	100%	1st	75%	1st
<b>Section 2 (80 marks)</b>	Applied Business Question (ABQ)	100%	1	65%	3rd
<b>Section 3 (240 marks)</b>					
<b>Part 1</b>					
<b>1 (60 marks)</b>	Producers/consumers/legal contract	76%	3	64%	2
<b>2 (60 marks)</b>	Organise/community/social responsibility	48%	6	53%	6
<b>3 (60 marks)</b>	Single market/ E.U. policies/global mkting.	27%	7	56%	3
<b>Part 2</b>					
<b>4 (60 marks)</b>	AGM/communication/motivational theories	80%	1	67%	1
<b>5 (60 marks)</b>	Business plan/finance/expansion	78%	2	52%	7
<b>6 (60 marks)</b>	Ideas/financial analysis	51%	5	55%	4
<b>7 (60 marks)</b>	Price/promotion/Segmentation	52%	4	55%	5

\*Based on sample 20 returns (7% of total).

Almost everybody attempted the compulsory Section 1 (Short answer questions) and Section 2 (ABQ). Section 1 again yielded the highest average percentage of marks of all the areas on the paper at 75%. Section 2 (ABQ question) marks have shown an improvement over the past few years. It is now third in the overall percentage of marks at 65%.

In Section 3, candidates are required to answer one question from Part 1, two questions from Part 2 plus one other question from either Part 1 or 2. The two most popular questions were taken from Part 2, Questions 4 and 5. Question 1 was by far the most popular question in Part 1 and the fourth most popular question overall was Question 7 in Part 2. For the optional fourth question, therefore, most candidates

picked a question from Part 2. This pattern is similar to that reported in the 2002 Chief Examiner's report.

The most popular pattern of answering, in order of choice, in Section 3 was Part 2 Questions 4, 5, Part 1 Question 1 and Part 2 Question 7. A candidate who took this combination of questions, together with the compulsory Sections 1 and 2, and who achieved the average mark per section/question, would have gained a total mark of 254 (63.5%) out of 400, a grade of C2. This compares favourably with the 248 marks (at 62.0% also a Grade C2) reported in the last Chief Examiner's report in 2002.

### **Section 1. Short Answer Questions (Eight questions out of ten)**

This section was compulsory and candidates scored consistently well in it: it generally ranks highest in terms of percentage of marks gained. This year it was again the most rewarding at 75%. The majority attempted more than the required eight questions from the section.

**Question 1** (Legal issues): Candidates often failed to provide an accurate definition of 'capacity to contract'. Examples given for the second part of this question were good.

**Question 2** (Risk management): Generally only one point was offered.

**Question 3** (Managing household/business): This was well answered, achieving average to high marks.

**Question 4** (Draw organisation structure): Candidates who chose this question generally achieved good marks.

**Question 5** (E-mail): There were few full mark answers. Candidates struggled to find 'e-mail' problems.

**Question 6** (Limited liability): A large minority could not provide two points for 'Limited liability'.

**Question 7** (Insurance principles): Good to excellent scores were gained here.

**Question 8** (Acid test): Calculations were usually correct but ratios not given in the correct manner. Reasons for change were often lacking or incorrect.

**Question 9** (Three types of production): This was well answered, yielding good to excellent marks.

**Question 10** (Prepare a bar chart): Most candidates achieved high marks in this question. The labelling of the chart was the only challenge.

## **Section 2 (ABQ) Obligatory Question.**

This consists of a single compulsory 80 mark question, attempted by the full range of candidates taking the subject at Higher level. It is based on the ‘case study’ approach and requires candidates to exercise and show sophisticated skills, particularly in relating theory to the facts of the given ‘case’.

The standard of answering in this question has improved over the past few years as candidates develop their techniques in analysing the issues and presenting their answers. Linking of points made in the answer with the text has become the norm.

**(A).** (Enterprising characteristics/skills): This part was well answered with most candidates earning high marks here. Candidates related specific responses to the text of the ABQ resulting in good to excellent scores.

**(B).** (Human resource manager): Candidates who demonstrated a good understanding of HRM were well rewarded.

**(C).** (Management activities): This was the least well answered section of the question. Candidates failed to give sufficient points and sometimes skills and activities were mixed up.

**Section 3, Part 1. People in Business/Business Environment. (At least one question out of three)**

**Question 1.** (Producers/consumers/legal contract):

This question was the first choice of candidates in Part 1 and ranked 3<sup>rd</sup> in overall popularity (76%) within Section 3. It produced the 2<sup>nd</sup> highest percentage marks earned in this section of 64%.

**1.(A):** Good to excellent answers were common here.

**1.(B):** Reasonable to good answers in general. Some students confused conflict and competition in their responses.

**1.(C):** Only average marks were gained here. The lack of clear knowledge was evident with some candidates. The evaluation requirement proved a challenge for a number of candidates and this difficulty reflected in their overall marks.

**Question 2.** (Organisation/community/social responsibility):

This question was the second last in popularity and also in percentage of marks earned.

**2.(A):** Good to excellent answers in general. Invalid examples of partnership were sometimes offered.

**2.(B):** The answers to this part were disappointing and many candidates had difficulty in describing 4 distinct services for a community development organisation.

**2.(C):** Candidates who understood 'evaluation' performed well in this part. Marks were lost where candidates concentrated only on environmental responsibilities.

**Question 3.** (Single market/European union/global marketing):

This question was by far the least popular question at 27% yielding a return of marks equal to the average return of all the 7 questions in Section 3.

**3.(A):** While this question was attempted by small number of candidates, those who answered it scored quite well in this section.

**3.(B):** The policy area was well covered but the institution part was less well answered. Some candidates displayed confusion regarding the role of the institution.

**3.(C):** A considerable number of candidates' answers tended to focus on international trade rather than global marketing, giving rise to low marks here.

**Section 3, Part 2: Enterprise (At least two questions out of four)**

**Question 4.** (AGM/communication/motivational theories):

This question was 1<sup>st</sup> in popularity in Section 3, giving rise to the highest average percentage marks.

**4.(A):** The agenda part of this question was not well answered and few candidates achieved the full 10 marks for this part.

**4.(B):** Candidates tended to repeat points and some limited themselves to explaining the barriers to communication.

**4.(C):** Again, evaluation caused some problems though excellent knowledge was displayed by most. Candidates scored heavily by presenting clear and accurate information on the respective motivational theories.

**Question 5.** (Business plan/finance/expansion):

This question was the 2<sup>nd</sup> most popular one in Section 3 but ranked lowest in average marks earned. Candidates may have believed that they could make a decent attempt at it but foundered somewhat on the details.

**5.(A):** This part was reasonably well answered with good marks being earned all round. Many answers displayed incomplete knowledge of a business plan.

**5.(B):** Candidates were often confused in their answers to this part. Short, medium and long term sources were regularly mixed up.

**5.(C):** This part rewarded most candidates with a fair proportion of the marks.

**Question 6.** (Ideas/financial analysis)

This question was 5<sup>th</sup> in popularity and 4<sup>th</sup> in terms of % of marks gained in Section 3.

**6.(A):** A minority of candidates mixed up internal and external sources of new product or service ideas.

**6.(B):** Candidates who understood break-even charts achieved good returns but many lost marks in part (ii) through not showing the effect of the variable costs increase on their own break-even chart.

**Question 7.** (Price/promotion/segmentation)

This question was 4<sup>th</sup> in popularity in Section 3, way behind the first three choices, and 5<sup>th</sup> in terms of average percentage in marks earned.

Some candidates may have been forced to attempt it by considering it as the best of the remaining optional questions after answering their first three choices.

**7.(A):** This question posed some difficulties for some candidates but yielded good marks to those who displayed a commercial approach.

**7.(B):** This part carried 30 marks and a good answer here resulted in a positive return overall. Responses to the areas of Public Relations and Personal Selling were weakest. Candidates frequently failed to give sufficient information.

**7.(C):** This was a standard question and the majority of candidates who answered it achieved good marks.

#### 4. CONCLUSIONS

- The overall results were slightly down on 2004 with ABC grades reduced by 2.6%, grade Ds up by 1.4%, and E, F and NG grades up by 1.2%. This general reduction was accompanied by a slight increase in the percentage of A grades of 0.3% to 11.1%.
- The reduction in numbers of candidates in 2005 taking the Business examination at both levels by 1729 (-7.8%) is an unwelcome trend. The greater proportion of this reduction (-11.2%) was at Higher Level. Over the past 3 years the numbers taking Higher Level Business have declined by 2621 candidates, a reduction of 16.4%.
- The performance of candidates in Section 1 (Short answer questions) continued the established pattern of providing the best overall average return at 75%.
- The marks gained by candidates in Section 2 (ABQ) continued to improve and this year (and in 2004) yielded an average return of 65%, 3<sup>rd</sup> in the overall ranking. This compares favourably with the performance in 2002 when the marks earned here were 53%, ranking 8<sup>th</sup> out of 9 in the whole examination in that year.
- Section 3 facilitates, through optional questions, the candidates choosing areas which most suit their strengths. The average percentage of marks earned in this Section per question was 57% (highest-67%: lowest-52%).
- The most popular optional areas of the paper in 2005 with candidates were Motivational Theories, Communication, Business Plan, Finance, Business Expansion, Producers, Consumers and Marketing.

- The least popular question by far, dealt with the Single Market, EU policy/institution and global marketing.
- Most candidates took their 4<sup>th</sup> optional question from Part 2 of Section 3.
- The usual weaknesses in answering were identified by the examiners. These include: not reading/answering the question properly; failing to respond appropriately to the verbs used in the question/part, especially *evaluate* and *explain*; failure to appreciate and consider the wider picture in their answers; a lack of neatness in, and unclear layout of, answerbooks; and failure to expand on points made.

## 5. RECOMMENDATIONS TO TEACHERS AND CANDIDATES

- The subject deals with aspects of social, commercial and economic life and lends itself to the use of everyday illustrations of the principles and topics involved. Teachers should incorporate such examples to help make the subject relevant and aid candidates to contextualise information and remember salient issues. For example, court reports and Employment Tribunal reports on unfair dismissal cases could prompt a useful discussion on the requirements of the law in such circumstances. Study of Business reports on leading brand companies should lead to stimulating examination of the commercial and social influence of global business. Any linking of real world events and issues can help trigger the motivation and interest of candidates.
  
- In Section 3 candidates continue to prefer a question from the Enterprise part as their 4<sup>th</sup> choice. This established pattern is understandable as candidates tend to shy away from the broad economic arena and are more comfortable with questions based on the business area. However, the extent of Economics in the syllabus is fairly limited and if further study were to be undertaken candidates with a grasp of the principles, and an interest in current affairs, could perform well in the limited number of questions that are posed.
  
- Teachers and candidates should address, and redress, common examination shortcomings by practising the reading and interpretation of examination type questions:
  - Rather than fully answering these questions in writing candidates should be asked to jot down, or describe verbally, how they would attempt the questions.
  - Rephrasing the questions using a different verb could assist candidates to discriminate between the differing requirements.
  - Copies of well presented answers, prepared by candidates in the class, could be presented in class as models of good practice.
  - Candidates could be encouraged to devise a marking scheme for an answer and use this to correct and grade their own or a colleague's attempt.

- Candidates could be encouraged to see a wider dimension to questions and trained to adopt a more comprehensive approach to their answers. Class, or group, discussion on examination questions, and variations, could facilitate this.
- The particular weaknesses described in this examiner's report for the different topics and types of questions should help highlight specific issues that regularly lose candidates marks. Using these, in conjunction with the marking scheme (distributed last autumn to schools and available on the State Examinations Commission website [www.examinations.ie](http://www.examinations.ie) under Examination Material Archive) should help candidates maximise their performance in the test.