

EXAMINER'S REPORT**LEVEL I EXAMINATION - JULY 2023****(104) BUSINESS ENVIRONMENT**

As the entire question paper has been covered almost all the areas of Business Environment specified to the Level - I, the aim was to check the candidates' overall knowledge and understanding of the subject area. As a whole, most of the candidates' performance were satisfactory while others had been failed to answer well. Observing how the candidates have been answered the question paper, it had been realized that important points to prevent issues when understanding the questions and answer to the point so as to obtain sufficient marks.

SECTION A**Question No. 01**

By this section, overall areas of the subject of Business Environment have been covered and 100% of the candidates have been attempted the question. 40 marks out of 100 have been allocated and majority of the candidates had obtained marks above average. Most of candidates had not answered successfully the question 1.6, 1.10, 1.17 and 1.18. The observations regarding the questions are as follows:

- 1.6** Majority of candidates had not aware of the 'Financial Market' properly and the majority had chosen the incorrect answers. But, average number of the candidates had obtained full marks.
- 1.10** Most of the candidates had not identified importance of entrepreneurship. They had selected the answer number 4 instead of the correct answer (2).
- 1.17** Most of the candidates did not aware of "Dual Insurance". So they had explained different terms such as "Re-Insurance" etc.
- 1.18** Most of candidates had not identified "Variables of Internal Environment of a Business". Majority had written 'owner, 'management', 'employees' and earned 1 mark out of 2. The correct answers should be Value system, Organizational Culture, Vision Statement, Management Structure, Human resources and other resources

However, except above questions, most of the candidates have answered this part well.

Overall performance was satisfactory.

SECTION B

This section consisted of 4 compulsory questions. Each question had been given 10 marks.

Question No. 02

The question was based on the subject of “The Sole Proprietorship”.

- Part (a)** Majority of candidates had not properly answered this part and they had not classified “Somasiri’s Vegetable Selling” as a business. Instead they had written characteristics of ‘Sole Proprietorship’.
- Part (b)** It was tested the characteristics of a Sole Proprietorship and majority have answered successfully and obtained full marks.
- Part (c)** Most of candidates had identified the advantages of a Sole Proprietorship and earned full marks.

Question No. 03

It was expected to test the candidates’ knowledge about “Foreign Trade”.

- Part (a)** Almost all the candidates had not properly answered this part and they had written prohibiting / limitations of the trade for specific goods within the country. Only very minimal number of the candidates had obtained full marks.
- Part (b)** Majority of candidates had written disadvantages of electronic trade by using their general knowledge and earned full marks.
- Part (c)** Most of candidates had answered to this question but not explained it properly. So they had earned the marks only relating to the given marks.

Question No. 04

- Part (a)** Majority of the candidates had not identified the types of logistic system and most of them had written types of transportation instead and few candidates got full marks.
- Part (b)** Most of the candidates had understood advantages of moving to international trade. Majority of them had answered with their general knowledge and earned full marks.

Question No. 05

It was expected to test the knowledge of the candidate regarding the Communication.

- Part (a)** Majority of the candidates had identified the qualities of communication method such as Low cost, Availability, Speed, Completeness, Brief, Consideration, Concreteness, Politeness, Correctness and Safety/Secret, but some had written advantages of communication instead of qualities.
- Part (b)** Majority have successfully answered this part and very low number of candidates had not explained the importance of continuous communication. They had earned only 2 marks out of 4.
- Part (c)** Majority of candidates had successfully answered the supportive services other than Communication and earned full marks.

SECTION C

Question No. 06

This was a case-study based question regarding “Shantha Enterprises”. Almost all the candidates have attempted this question and most of them had obtained marks above the average.

- Part (a)** Majority of candidates had identified the business environment using SWOT analysis linked to the given scenario on a practical ground but some of the candidates had explained the meaning of the SWOT.
- Part (b)** The question was expected to test the knowledge of entrepreneur and a business person. Majority of candidates had identified that Shanhta as a businessman and rest of them identified as an entrepreneur. However, most of them had earned full marks.
- Part (c)** The question tested types of partners. Majority of the candidates had answered properly and got full marks. A very few number of candidates had written finance sources as types of partners such as friends, banks, family members, etc.
- Part (d)** This part tested the risk that cannot insure. A very few candidates had not answered this question. Only 40% had answered correctly to the question. Some of them had provided answers from the given scenario ignoring concepts of insurance.
- Part (e)** This question tested the facilities that the government provides for the organization. Majority of the candidates had answered successfully and earned full marks.

It is necessary to read and understand the question well before answering.

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

- (1) Students should study the relevant study packs before sitting for examinations.
- (2) It is very much important to practice answering past question papers and Action Verb Checklist with definitions attached to respective papers.
- (3) Students must read the instructions and questions carefully before answering the questions.
- (4) Do not write answers in the question paper itself and forward with the answer script.
- (5) Never try to give up compulsory questions as this habit may lead to achieve low marks.
- (6) Make use of recently published magazines, handbooks, newspapers and text books to update the knowledge.
- (7) Use a separate sheet to answer new question.

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