

Mark Scheme for CXC CSEC Principles of Business SBA Research Projects

Students are to choose **ONE** aspect of the establishment of a business, namely

- 1) Production **OR**
- 2) Marketing **OR**
- 3) Finance.

Each aspect has its own criteria and mark scheme. Each is described below.

All SBA projects are marked out of 40 distributed as follows:

| | |
|--|------------|
| P1 - Organizational Principles | - 10 marks |
| P2 - Production, Marketing and Finance | - 20 marks |
| P3 - The Business Environment | - 10 marks |

Specific Guidelines

- 1) All proposed business activities must be legal activities and approved by the coordinating teacher.
- 2) Each report must be between 1000 and 1200 words (not including appendices).
- 3) Getting ideas for your proposed idea can be conducted through interviews, research and observation. Any findings and information gathering documents e.g. questionnaires should be included in your report.

POB SBA Project presentation

This mandatory report which comprises 20% of the student's CSEC mark is graded by the student's teacher who then submits final results to the Ministry.

Project should be presented in an ordinary and inexpensive soft folder bearing the students name, registration number, name of subject, school, center number and the date submitted.

For students doing the topic: Establishing a business: **Production**

| CRITERIA | P1 | P2 | P3 | TOTAL |
|--|----|----|----|-------|
| description of the business - Type of business - Nature of business - Objectives/mission statement (<i>any TWO, 1 mark; all THREE 2 marks</i>) | 2 | | | 2 |
| justification of the location - State location (<i>1 mark</i>) - Outline three reasons to justify the location (<i>3 marks</i>) | | 4 | | 4 |
| selection of appropriate labour - Type of labour necessary (<i>1mark</i>) - Number of persons to be employed and their duties or functions (<i>2 marks</i>) - Outline one reason why this type of labour is necessary (<i>1 mark</i>) | | 4 | | 4 |
| sources of fixed and working capital - Identify sources of fixed capital and give examples (<i>2 marks</i>) - Identify sources of working capital and give examples (<i>2 marks</i>) | | 4 | | 4 |
| role of the entrepreneur - Define the role of the entrepreneur (<i>1 mark</i>) - Outline three functions of the entrepreneur (<i>1 mark each</i>) | 4 | | | 4 |
| type of production - Identify the type of production (<i>1 mark</i>) - Describe the type of production (<i>1 mark</i>) | | 2 | | 2 |
| levels of production - Identify the level of production (<i>1 mark</i>) - Describe the level of production (<i>1 mark</i>) | | 2 | | 2 |
| quality control measures - Describe two quality control measures the business should adhere to (<i>1 mark each</i>) | | 2 | | 2 |
| | | | | |

| | | | | |
|---|----|----|----|----|
| <p>use of technology</p> <ul style="list-style-type: none"> - Identify two types of technology used (<i>1 mark</i>) - Outline how the technology used is used to enhance the efficiency of the business (<i>1 mark</i>) | 2 | | | 2 |
| <p>linkages</p> <ul style="list-style-type: none"> - State the type of linkage to be derived from the business (<i>1 mark</i>) - Outline one benefit of that type of linkage (<i>1 mark</i>) | | 2 | | 2 |
| <p>potential for growth</p> <ul style="list-style-type: none"> - Explain potential for growth internally and externally (<i>2 marks each</i>) - | 2 | | 2 | 4 |
| <p>government regulations</p> <ul style="list-style-type: none"> - identify government regulations that impact on the business (<i>1 mark</i>) - explaining how it impacts (<i>1 mark</i>) | | | 2 | 2 |
| <p>ethical issues</p> <ul style="list-style-type: none"> - Discuss one ethical issue relating to production, showing how it impacts on the business (<i>2 marks</i>) | | | 2 | 2 |
| <p>communication of information in a logical way using correct grammar</p> <ul style="list-style-type: none"> - Demonstrates Excellent command of the English Language (<i>3 marks</i>) Good command of the English Language (<i>2 marks</i>) Fair command of the English Language (<i>1 mark</i>) - Overall presentation: Title page, Table of contents Bibliography (Sources of information/data) (<i>1 mark</i>) | | | 4 | 4 |
| Total | 10 | 20 | 10 | 40 |

For students doing the topic: Establishing a business: **Marketing**

| CRITERIA | P1 | P2 | P3 | TOTAL |
|--|----|----|----|-------|
| description of the business <ul style="list-style-type: none"> - Type of business - Nature of business, that is industry type - Objectives/mission statement <i>(any TWO, 1 mark; all THREE 2 marks)</i> | 2 | | | 2 |
| organization of the marketing department <ul style="list-style-type: none"> - <u>Identify</u> and <u>describe</u> organizational structure of the marketing department with the aid of a diagram <i>(2 marks)</i> - Describe the roles/functions of personnel in the marketing department <i>(3 marks)</i> | 4 | | | 4 |
| market research <ul style="list-style-type: none"> - Target population (qualitative and quantitative) - Price - Competitors - Substitutes - Sales forecast (assess/describe) - Research method Discuss any three <i>(2 marks each)</i> | | 6 | | 6 |
| product (branding and packaging) <ul style="list-style-type: none"> - Describe branding and/or packaging relating to the product (use examples) | | 4 | | 4 |
| pricing <ul style="list-style-type: none"> - Describe and justify the pricing strategy used <i>(1 mark each)</i> | | 2 | | 2 |
| place (distribution channels) <ul style="list-style-type: none"> - Describe and justify the distribution channels used <i>(2 marks)</i> - Limitations of these channels <i>(1 mark)</i> - Other suitable alternatives <i>(1 mark)</i> | | 4 | | 4 |
| promotion mix <ul style="list-style-type: none"> - Describe and justify the various promotional strategies used by the business (advertising, sales promotion, after sales services, public relations, personal selling, promotional pricing Any two <i>(2 marks each)</i> | | 4 | | 4 |

| | | | | |
|---|----|----|----|----|
| <p>government regulations</p> <ul style="list-style-type: none"> - Identify government regulations that impact on the business (Health and Safety Act, trade license, copyright laws, patent, import and export license etc. (1 mark)) - Explain how it impacts (1 mark) | | | 2 | 2 |
| <p>use of technology</p> <ul style="list-style-type: none"> - Identify two types of technology used (1 mark each) - Explain how the technology used is used to enhance the efficiency of the business (2 marks each) | 4 | | | 4 |
| <p>consumer complaints</p> <ul style="list-style-type: none"> - Illustrate by way of an example how the business addresses consumer issues/complaints. (2 marks) | | | 2 | 2 |
| <p>ethical issues</p> <ul style="list-style-type: none"> - Discuss one ethical issue relating to marketing (copyright infringements, expiry dates, false advertising, pollution, product safety and labeling etc.) showing how it impacts on the business (2 marks) | | | 2 | 2 |
| <p>communication of information in a logical way using correct grammar</p> <ul style="list-style-type: none"> - Demonstrates Excellent command of the English Language (3 marks) Good command of the English Language (2 marks) Fair command of the English Language (1 mark) - Overall presentation: Title page, Table of contents Bibliography (1 mark) | | | 4 | 4 |
| Total | 10 | 20 | 10 | 40 |

For students doing the topic: Establishing a business: **Finance**

| CRITERIA | P1 | P2 | P3 | TOTAL |
|---|----|----|----|-------|
| description of the business | 2 | | | 2 |
| purpose for which finance is needed (operating expenses) | | 4 | | 4 |
| organizational chart (selection of appropriate labour) | 4 | | | 4 |
| cost of producing goods (prime and overhead expenses) | | 3 | | 3 |
| capital goods | | 3 | | 3 |
| sources of finance (including government subsidies and grants) | | | 2 | 2 |
| collateral (guarantor and cosignatory) | 2 | | | 2 |
| capital instruments (equity; shares; debt; loans) | | 4 | | 4 |
| implication of capital mix selected | | 2 | | 2 |
| *projected performance (revenue, costs) | | 4 | | 4 |
| use of technology (for payments, receipts, payroll) | 2 | | | 2 |
| government regulations | | | 2 | 2 |
| ethical issues | | | 2 | 2 |
| communication of information in a logical way using correct grammar | | | 4 | 4 |
| Total | 10 | 20 | 10 | 40 |

- Students should produce simple Balance Sheets comprising assets, liabilities and capital