

CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN SECONDARY EDUCATION CERTIFICATE®
EXAMINATION

06 JANUARY 2025 (p.m.)



FILL IN ALL THE INFORMATION REQUESTED CLEARLY IN CAPITAL LETTERS.

TEST CODE

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SUBJECT PRINCIPLES OF BUSINESS – Paper 02

PROFICIENCY GENERAL

REGISTRATION NUMBER

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SCHOOL/CENTRE NUMBER

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NAME OF SCHOOL/CENTRE

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

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DATE OF BIRTH

D	D	M	M	Y	Y	Y	Y
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SIGNATURE _____



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FORM TP 02025032



TEST CODE 01240020

JANUARY 2025

CARIBBEAN EXAMINATIONS COUNCIL

CARIBBEAN SECONDARY EDUCATION CERTIFICATE®
EXAMINATION

PRINCIPLES OF BUSINESS

Paper 02 – General Proficiency

2 hours

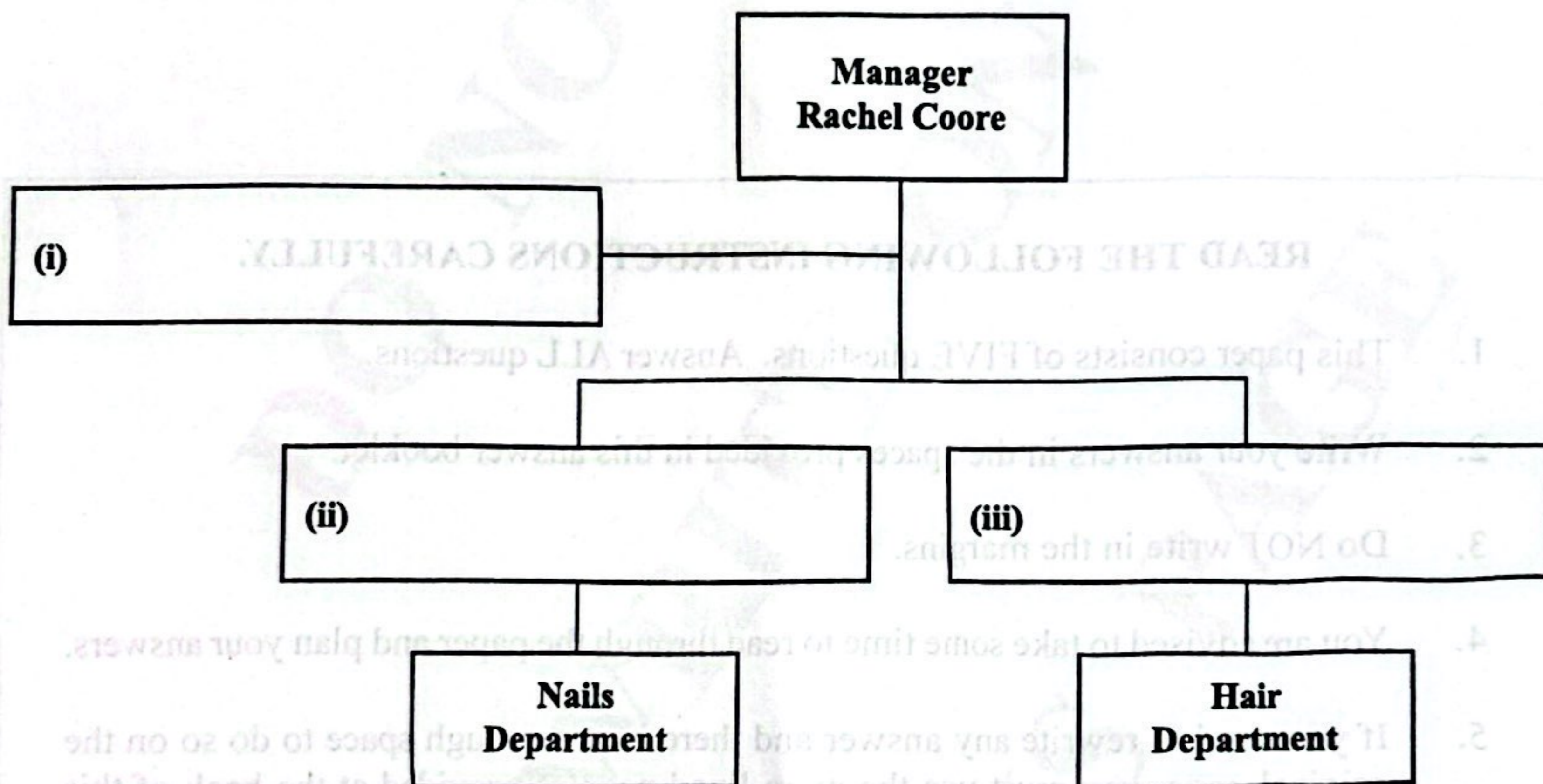
READ THE FOLLOWING INSTRUCTIONS CAREFULLY.

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.

Answer ALL questions.

1. Rachel Coore is the owner of Good Care Beauty Salon. The salon consists of two departments, nails and hair. The nails department comprises five technicians and is supervised by Julian Jones. The hair department comprises seven stylists and is supervised by Kayleigh Scott. Rachel Coore manages the business and is assisted by an accounting clerk, Maxine Stamp.

(a) Use the information in the scenario above to complete the following organizational chart for Good Care Beauty Salon. The title and name of employees must be stated in EACH case. An example has been provided for you.



(3 marks)

(b) (i) State the span of control of the manager of Good Care Beauty Salon.

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(1 mark)

(ii) Identify TWO potential sources of conflict that may occur between the manager and employees of Good Care Beauty Salon.

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(2 marks)

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(c) Describe EACH of the following strategies used in the resolution of conflict in an organization.

(i) Mediation

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(2 marks)

(ii) Arbitration

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(2 marks)

(d) List FOUR characteristics of a good leader.

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(4 marks)

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2. (a) (i) Define the term 'entrepreneur'.

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(2 marks)

(ii) State TWO characteristics of a typical entrepreneur.

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(2 marks)

(b) Describe EACH of the following functions of an entrepreneur in a business.

(i) Conceptualizing

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(2 marks)

(ii) Bearing of risks

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(2 marks)

(iii) Accessing resources

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(2 marks)

(c) Outline TWO roles of entrepreneurship in the development of Caribbean economies.

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(4 marks)

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(4 marks)

Total 20 marks

(d) Karim wants to open a restaurant to sell fried chicken in the capital city of San Leo.

Explain how Karim could comply with TWO government regulations or policies for the protection of the environment and/or public health when establishing and operating the business.

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(6 marks)

Total 20 marks

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3. Caribbean economies benefit significantly from the contribution of cottage industries.

(a) (i) State THREE characteristics of cottage industries.

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(3 marks)

(ii) List THREE types of goods or services that are often produced within cottage industries.

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(3 marks)

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QUESTION NO.	ANSWER	MARKS	TOTAL MARKS
1			
2			
3			
4			
5			
6			
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8			
9			
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13			
14			
15			
16			
17			
18			
19			
20			

(b) (i) State TWO advantages of small business operations.

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(2 marks)

(ii) State TWO disadvantages of small business operations.

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(2 marks)

A001

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018												
2019												
2020												
2021												

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018												
2019												
2020												
2021												

(c) Jerome operates a small fruit juice manufacturing business in Spice Town. Recently, he has seen opportunities for the growth of the business and has been considering expanding.

(i) State ONE way in which Jerome's business could grow internally.

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(1 mark)

(ii) State ONE way in which Jerome's business could grow externally.

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(1 mark)

(iii) Explain the likely effect that expansion could have on the organizational structure of Jerome's business.

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(3 marks)

(d) (i) Define the term 'linkage industries'.

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(2 marks)

(ii) Explain ONE backward or ONE forward linkage in which Jerome's business could engage.

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(3 marks)

Total 20 marks

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4. (a) List FOUR methods of retailing.

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(4 marks)

(b) Describe EACH of the following terms of sales.

(i) Hire purchase

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(2 marks)

(ii) Consignment

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(2 marks)

(iii) Layaway

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5. (a) Define the term 'business technology'.

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(2 marks)

(b) List FOUR factors that determine a country's standard of living and/or the quality of life of its citizens.

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(4 marks)

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The VARK Questionnaire - Learning Style

Name: _____ Class: _____

Write your answer in the space provided.

Q	A	Q	A
1		9	
2		10	
3		11	
4		12	
5		13	
6		14	
7		15	
8		16	

(c) Define EACH of the following terms.

(i) Gross domestic product (GDP)

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(2 marks)

(ii) Gross national product (GNP)

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(2 marks)

(d) Low levels of production is a major economic problem facing Caribbean countries.

Outline TWO possible solutions, other than education, to this economic problem.

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(4 marks)

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