

**THE NATIONAL EXAMINATIONS COUNCIL OF TANZANIA**



**STUDENTS' ITEMS RESPONSE ANALYSIS  
REPORT FOR THE FORM TWO NATIONAL  
ASSESSMENT (FTNA) 2017**

**061 COMMERCE**

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**061 COMMERCE**

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## FOREWORD

The Form Two National Assessment (FTNA) is a two years formative assessment in secondary education which, among other things, assesses the knowledge and skills acquired by the students in their two years of Ordinary Secondary Education. The report has been prepared to assist teachers, school quality assurers, policy makers and the public in general to get feedback that will guide successive teaching and learning process.

The analysis presented in this report is intended to contribute towards understanding of possible reasons behind the students' responses in Commerce subject. The report highlights the factors that made the students to score high marks in the questions. Such factors include ability to identify the demand of the question, ability to follow instructions and adequate knowledge and skills of the concepts related to the subject, and knowledge of mathematical skills. The report also highlights the factors that made some students fail to score high marks in the questions. These include inability to identify the demand of the questions, lack of mathematical skills, poor command in English language and inadequate knowledge and skills on the concepts tested. The feedback provided by this report will enable the education administrators, school managers, teachers, and students to identify proper measures to be taken in order to improve teaching and learning process, hence improvement of performance in future assessments administered by the Council.

The National Examinations Council of Tanzania will highly appreciate comments and suggestions from Regional Education Officers, teachers, students, school quality assurers and other education stake holders that can be used for improving future Students' Item Response Analysis Report.

Finally, the Council would like to thank the Examination Officers, Examiners and all those who participated in the preparation and analysis of the data used in this report.



Dr. Charles E. Msonde  
**EXECUTIVE SECRETARY**

## **1.0 INTRODUCTION**

This is the analysis of items response of the students who sat for the Form Two National Assessment (FTNA) in Commerce subject in November 2017. It shows students' performance question wise by identifying the students' strengths and weaknesses when attempting the questions. The report also analyses the questions which were well performed, moderately performed, and poorly performed with the possible reasons.

The Commerce paper consisted of seven (7) compulsory questions divided into three sections: A, B and C. Section A had three (3) questions of which question 1 carried (10) marks, question 2 carried (5) marks, and question 3 carried (15) marks. Section B consisted of two (2) questions which carried 15 marks each, and section C consisted of two (2) questions which carried 20 marks each.

The number of students who sat for the 2017 assessment in this subject was 101,127, of which, 33,808 students (33.43%) passed with the following grades: grade A - 843 (0.83%), grade B - 2,059 (2.04%), grade C - 11,233 (11.11%) and grade D - 19,673 (19.45%). However, 67,319 students (66.29%) failed by obtaining grade F. This shows an increase of 2.21 percent when compared to the 2016 performance whereby 96,848 students sat for the assessment, out of which 30,117 (31.22%) passed, and 66,363 (68.78%) failed.

This report provides the analysis of each question by giving an overview of what the students were required to do, the general performance and the reasons for their performance. Extract samples of good and poor students' responses are included in the question analysis. Through this report, it is expected that, necessary measures will be taken to improve teaching and learning of Commerce in Secondary Schools.

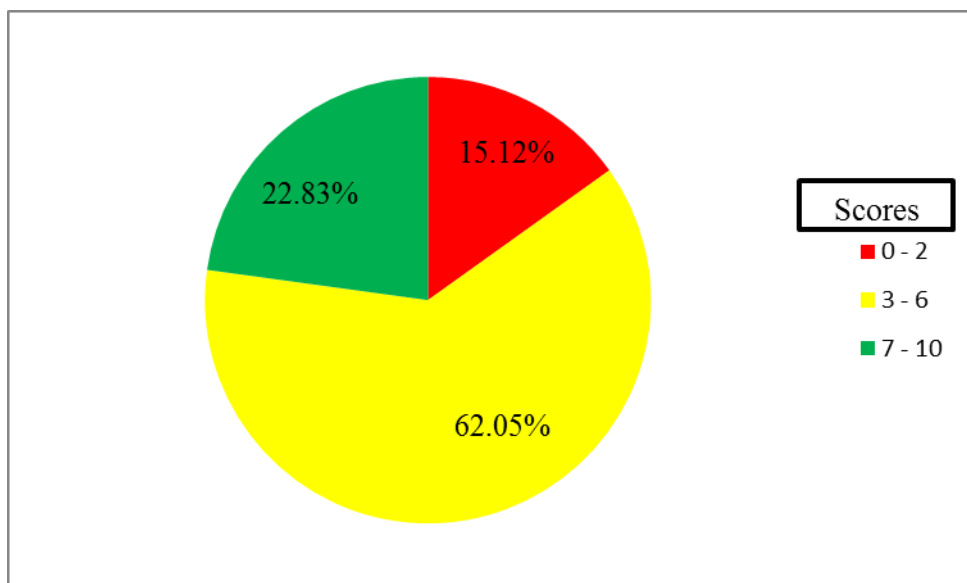
In this report, the performance of the students is regarded as good if the students scored from 65 to 100 percent; average if the students scored from 30 to 64 percent and weak if the students scored from 0 to 29 percent. These groups are denoted by using colours whereby Green, Yellow and Red denote good, average and weak performance respectively.

## 2.0 ANALYSIS OF THE STUDENTS' PERFORMANCE IN EACH QUESTION

### 2.1 Question 1: Multiple Choice Items

The question consisted of ten (10) multiple choice items, with 1 mark each making a total of 10 marks. The items were composed from different topics such as: *The Scope of Commerce*, *Wholesale Trade*, *Production*, *The Theory of Supply*, *Retail Trade*, *Stock Administration*, *Warehousing Management*, and *The Theory of Demand*. The question intended to measure student's knowledge on various commercial concepts and the application of such knowledge in their daily life.

The question was attempted by all students, out of which 22.83 percent scored from 7 to 10 marks, 62.05 percent scored from 3 to 6 marks and 15.12 percent of the students scored from 0 to 2 marks. The overall performance of the students in this question was good as 88.88 percent of the students scored an average of 30 percent and above, of all the marks allocated. This performance is summarised in Figure 1.



**Figure 1:** *The Percentage of Students' Performance in Question 1. Showing that, 88.88 percent of students scored an average of 30 percent and above.*

In item (i), the question required the students to identify the meaning of the term “Commerce” from the list of options given. The correct response was D “exchange and distribution of goods and services”. The students

who opted for correct response portrayed their understanding of the meaning of commerce. The students who opted for other options A, B or C failed to differentiate commerce from aids to trade, production, and trade. Those who opted for *A, distribution of goods and services* failed to understand that distribution of goods and services is only a part of commerce which facilitates exchange of goods and services. Likewise, option *B, production and consumption of goods and services* was not correct as commerce is the branch production through which goods and services produced reach to the final consumers. The students who opted for *C, buying and selling of goods and services*, failed to realize that commerce is a combination of trade and aids to trade of which option C means the trade only.

In items (ii), the question intended to measure the students' knowledge about the functions of a wholesaler.

The item given was: *Which of the following function is **not** done by a wholesaler?*

- |                            |  |
|----------------------------|--|
| <i>A Breaking the bulk</i> | <i>B Selling of goods to producers</i> |
| <i>C Storing of goods</i>  | <i>D Selling of goods to retailers</i> |

The students who had knowledge of the functions of a wholesaler were able to opt for the correct response *B, Selling of goods to producers*. The reason for their option was that a wholesaler buys goods from the producers and sells them to the retailers but do not sell goods to the producers. The students who opted for other alternatives; A, C or D lacked knowledge on the wholesaler's functions. Those who opted for *A, Breaking the bulk* failed to realise that, a wholesaler buys goods in bulk from the producer, breaking them into a reasonable quantity to be sold to retailers. A wholesaler needs a store to keep the goods bought in bulk while looking for customers or preparing the goods for sell, therefore the students who opted for *C, Storing of goods* were incorrect because the wholesaler performs storage function. Some students who chose option *D, Selling of goods to retailers* failed to understand that, after goods bought in bulk broken reasonable small quantity, the wholesaler sells them to the retailers who finally sells them to the final consumer.



Item (iii) required the students to identify the correct arrangement of the basic factors of production.

The item given was: *Which of the following statement represent the correct arrangement of the basic factors of production?*

- A Land, Labour, Capital and Entrepreneurship*
- B Land, Capital, entrepreneurship and Labour*
- C Labour, Land, Capital and entrepreneurship*
- D Labour, Capital, Land and entrepreneurship*

The item aimed to test the students' ability to internalise the factors of production in their order. The correct response was *A, Land, Labour, Capital, and Entrepreneurship*. The questions in which a producer has to ask before engaging in a production are “where” to invest/produce (land), “who” are the workers, (labour), “source” of funds (capital) and finally the organization of all factors of production (entrepreneurship/organization).

Other options were not correct alternative as they did not follow proper arrangement of the factors of production. They were not in series, though each option contained all factors of production but were incorrectly arranged.

Item (iv) aimed to assess the ability of the students to apply the theory of supply. It was given as follows: *Normally supply curve slopes from left to right upwards because''*

- A the quantity supplied increase as the price increase*
- B the quantity supplied increased as the price decreased*
- C the quantity supplied decreased as the price remain constant*
- D the quantity supplied remains constant as the price decreased*

The correct response was option *A, the quantity supplied increase as the price increase* because it obeys the theory of supply which states that the higher the price, the higher the quantity supplied. The students who opted for the correct response had knowledge of the application of the theory of supply.

However, the majority of the students who failed to opt for the correct alternative opted for alternative *B, the quantity supplied increased as the price decreased*. They lacked knowledge of the theory of supply. The aim of any supplier is to get profit, so if more goods are supplied at low price,

it is possible to get more customers though business ends into loss. Probably, the students who failed to opt for the correct response confused the theory of demand with that of supply, since in the theory of demand, the quantity demanded increases as the price decreases. Those who chose *C, the quantity supplied decreased as the price remain constant* failed to differentiate change in supply from shift in supply curves. If the price remains constant while other factors are not constant it results into shift in supply which shows inward or outward shift in supply curve. The students who opted for *D, the quantity supplied remains constant as the price decreased* were wrong because as per the theory of supply, as price decreases the supply will also decrease and do not remain constant.

In item (v), the item was set to test students' knowledge on the term retailing and it was as: *The art of selling goods to the final consumer is:*

*A retail trade*

*B wholesale trade*

*C retailing*

*D wholesaling*

The correct response was *C, retailing*. The students who opted for *A, retail trade* failed to differentiate retail trade from retailing as retail trade involves buying of goods from the wholesaler and selling them to the final users. Some students who opted for incorrect response *B, wholesale trade* or *D, wholesaling* failed to realise that wholesale trade and wholesaling deal with the producers and the retailers on their activities and not the final consumers.

Item (vi) was composed from the topic of *Stock Administration* and it aimed to measure students' understanding on various functions of stock administration. The item given was as follows: *Functions of stock administration which deals with checking and keeping of records of quantities and value of goods is known as:*

*A stock valuation*

*B stock taking*

*C stock administration*

*D stock control*

A few students were able to choose the correct alternative *D, stock control* as they were able to analyse the function of stock administration from the list of other terminologies used in stock administration. The majority of the students failed to understand the meaning of the listed terms as alternatives. Some of the students opted for *A, stock valuation* and others for *C, stock administration*. Those who opted for "A" failed to realise that,

stock valuation is only a part of stock control. Stock valuation deals with finding the value of stock held in store which could either be valued at cost or at selling price. Some students who chose alternative *C*, *stock administration* failed to understand the demands of the question as it needs the function of stock administration. Therefore, stock administration cannot be the function of itself rather it involves management stocks in the business so as to avoid over or under stocking of goods. A few candidates who opted for *B*, *stock taking* were attracted by the words keeping of records which appeared in the question. The option was wrong because it is concerned with listing of all stock held.

Item (vii) intended to test the students' knowledge of some the activities that facilitate trade to take place, specifically in the use of the terms "a warehouse and warehousing". The item was: *The process of sorting, examining, delivering and storing of goods is called*

- |                        |                      |
|------------------------|----------------------|
| <i>A Warehousing</i>   | <i>B Warehouse</i>   |
| <i>C Advertisement</i> | <i>D Advertising</i> |

The correct response was *A, Warehousing*. The item was correctly answered by the majority of the students as they were able to differentiate a warehouse from warehousing. Some students who opted for *B, warehouse* failed to understand that warehouse is a special building/place for storing the goods and keeping the goods until they are required but not the process of storing them. Furthermore, those who opted for *C, Advertisement* or *D, Advertising* lacked knowledge on the meaning of the terms because the terms are involved in making the goods or services being known to the customers and not keeping of goods.

Item (viii) was composed from the topic of *The Theory of Demand*. The aim was to assess the students' understanding on the various types of demand. The item gave the definition of one of the type of demand and asked the students to identify the correct type of demand.

The item was given as: *A type of demand for which a commodity serves the same purposes as served by other commodity is regarded as*

- |                             |                         |
|-----------------------------|-------------------------|
| <i>A composite demand</i>   | <i>B joint demand</i>   |
| <i>C competitive demand</i> | <i>D derived demand</i> |

Option *C, competitive demand*, was the correct response. However, the majority of the students opted for other incorrect options because they were not knowledgeable on the types of demand, therefore, failed to identify the type which possessing the features outlined in the question. For example, many students opted for *B, joint demand*, confused the words *a commodity which serves the same purpose* from the item with the words *used together* found in the meaning of joint demand. A joint demand is a demand for commodities that are used together to satisfy the human needs. For example, a telephone with a charger or a car and fuel, must be used together to satisfy the needs. Some students who chose alternative *A, composite demand*. They failed to differentiate composite demand from competitive demand. A composite demand a single commodity that may have more than one use and serves different purposes. Further the analysis shows that, students who opted for alternative *D, derived demand* did not know the meaning because in derived demand, the demand for certain goods/services is raised from the demand of other goods or services. For example, an increase in demand for maize flour may lead to an increase in demand for maize.

Item (ix) was composed from the topic of *The Scope of Commerce*, under commerce flow chart testing the students' knowledge on the meaning of the term home trade. It required the students to identify the basic activities involved in home trade. The item given was as: *The activities which are involved in home trade are:*

- A buying and selling goods and services from other countries*
- B selling goods and services within the country*
- C buying goods and services from within the country*
- D buying and selling and services from within the country*

The correct response was *D, buying and selling and services from within the country* because home trade involves trade that takes place within the national boundary. Most of the students responded correctly to the item. A few students who opted for *A, buying and selling goods and services from other countries* failed to differentiate home trade from foreign trade. The response opted by those students presents foreign trade. Others who opted for either *B, selling goods and services within the country* or *C, buying goods and services from within the country* failed to realise that the term trade must involve both buying and selling of goods and services. The two

options do not mean trade as based on either buying or selling of goods and services within the country.

Item (x) was composed from the topic of *Production* and it required the students to state when the production process is said to be complete. The item states that: *When the production process is said to be complete?*

- A Raw materials produced reached to the producer*
- B Goods produced reached to the final consumers*
- C Goods produced reached to the retailers*
- D Goods produced reached to the wholesalers*

The correct response was *B, Goods produced reached to the final consumer*. It was among the most correctly attempted items. This indicated that most of the students understood clearly the meaning of the term production. Besides, a few students who chose alternative *A, Raw materials produced reached to the producer* failed to realise that in the completion of production process, the expected output is goods and services and not raw materials. The raw materials are needed for production and not for consumption. Others who opted for the distractors *C, Goods produced reached to the retailers* or *D, Goods produced reached to the wholesalers*. These students failed to realise that retailers and wholesalers are middlemen in the channel of distribution who links the producer with the final consumers. When goods produced do not reach the final consumers, the production process does not reach to an end.

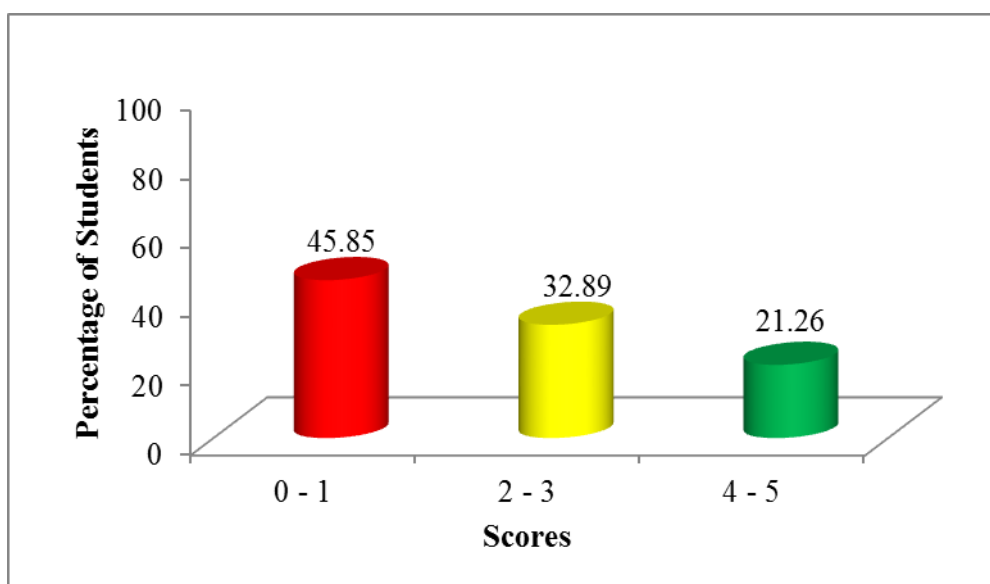
## **2.2 Question 2: Matching Items**

The question consisted of five (5) matching items each carrying 1 mark. The items were composed from the topic of *Retail Trade*. The question tested students' ability to identify the features and organisations of small and large scale retail businesses.

The students were required to match the items in **List A** with the responses in **List B** by writing the letter of the correct response in the space provided. The question is presented in the table.

List A	List B
(i) The small scale retail business unit owned by an individual selling variety of goods from different manufacturers.	A Mail order shop B Mobile shop C Single shop D Multiple shop E Departmental store F Cooperative store G Supermarket
(ii) The large scale retail business units whose commodities are sold at fixed price and have price tag.	
(iii) The large scale retail business unit which sell their commodities through post office.	
(iv) The large scale retail business unit carried out under one roof and one management.	
(v) The small scale retail business unit using lorries and vans to visit particular areas in selling different commodities.	

The question was attempted by all students out of which 21.26 percent scored from 4 to 5 marks, 32.89 percent scored from 2 to 3 marks and 45.85 percent scored from 0 to 1 mark. Figure 2 summarises the students' performance in question 2.



**Figure 2:** *The Percentage of Students' Performance in Question 2*

Figure 2 shows that 54.15 percent of the students scored an average of 30 percent or above of the marks allocated and hence average performance of the students' to this question.

The correct response in item (i) "business unit owned by an individual selling variety of goods from different manufacturers" was *C, single shop* of which most of the students were able to respond correctly. This indicated that they identified the features of a single shop from other types of retail business unit. Nevertheless, some students opted for incorrect alternatives due to inadequate knowledge of types of retail business. Most of those students who chose *B, mobile shop* failed to identify the features of single shop as compared to mobile shop. Some of them opted for *G, super market*. Probably, they were attracted by the words *variety of goods* from the question but failed to realise that super markets fall under large scale retail business. Other students who opted for other incorrect response sporadically were just guessing due to incompetency in retail trade.

In item (ii), the students were required to identify the name of a large scale retail business unit whose commodities are sold at fixed price and have price tag". The correct response was *G, super market*, but incorrectly some students matched it with *D, multiple shop* and others *B, mobile shop*. Multiple shop and super market are all categorized under large scale retail business but they have different features. Those who opted for such options did not know the meaning of the types of retail business units. Multiple shops sell the products of one manufacturer only, are similar in appearance but located in different areas. Those who opted for *D, mobile shop* were wrong because super market has fixed premise in nature and does not use vans/lorries in selling their goods as mobile shop.

In item (iii), the students were required to identify the name of the large scale retail business which sells its commodities through post office. The item was set to test students' understanding on mail order shops. The students with sufficient knowledge and skills of various types of large scale retail businesses were able to match the item with the correct response *A, mail order shop*. This is among the items which the majority of the students matched with the correct response. However, there were some students who matched with *G, super market*, *E, departmental store*, *F, cooperative shop* or *D, multiple shop* as they lacked knowledge of large scale retail business.

They failed to identify that selling goods through post office is a distinctive feature of the mail order shop which cannot be found in other types of retail business.

Item (iv) required the students to identify the name for a large scale retail business which is carried out under one roof and one management. The correct response was *E, departmental store*. The students who chose the correct response had adequate knowledge on the types of large scale retail business units. On contrary to that, some students matched the item with *G, super market* and others *C, single shop* which was incorrect. A Few students matched it with *B, mobile shops* due to the limited knowledge they had on retail trade, hence failed to identify the types and the significant features observed from the item.

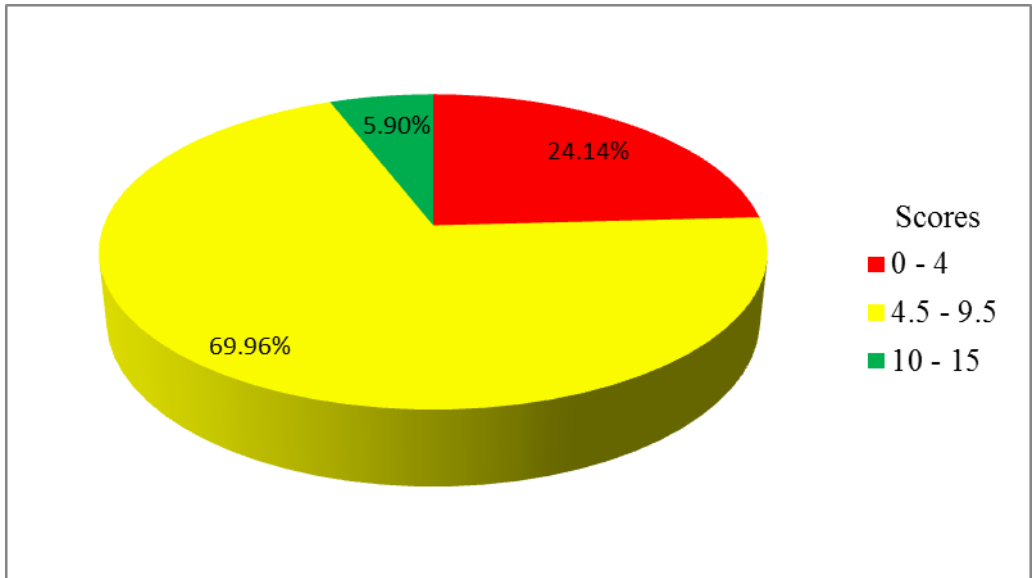
In item (v), which was given as “the small scale retail business unit using lorries and vans to visit particular areas in selling different commodities”, the correct response was *B, mobile shop*. The students who chose the correct response were able differentiate mobile shop from other responses given. However, some students matched it with *A, mail order shop*. They were attracted by the word *mail* from the response and related it with lorries and vans used in dispatching the goods. Their choice did not reflect the demand of the question. Furthermore, the analysis shows that some students who matched it with *C, single shop* had partial knowledge of small scale retail business but failed to relate the features with the correct response. Others who matched it with other incorrect responses had inadequate knowledge of the subject matter in general.

### **2.3 Question 3: True or False and Completion Items**

The question consisted of ten (10) True or False items in part (a) and five (5) filling in the blanks items in part (b) making a total of fifteen (15) items carrying 1 mark each. The items were set from various topics of the form one and two syllabus whereby part (a) required the students to write “True” if the statement given is correct or “False” if the statement is not correct, and part (b) required the students to complete the sentences by filling in the blanks with the correct word(s).



The analysis shows that students' performance in this question was good as 5.9 percent scored from 10 to 15 marks, 69.96 percent scored from 4.5 to 9.5 marks, and 24.14 percent scored from 0 to 4 marks. Figure 3 shows the students' performance in question 3.



**Figure 3:** *The Percentage of Students' Performance in Question 3*

Figure 3 shows that 75.86 percent of all students were able to score 4.5 marks or above of the marks allocated in question 3.

Most of these students were able to score more marks in part (a) than in part (b). The items which were not correctly answered by most of the students in part (a) include item (iii), (v) and (x). In part (b), only a few students were able to fill in the blanks with the correct responses to all items given. Items (i), (ii) and (iv) were incorrectly answered by many students. However, a few (0.63%) students scored all 15 marks allocated to this question. Extract 3.1 shows a sample of good responses.

### Extract 3.1

3. (a) For each of the following statements, write **True** if the statement is correct or **False** if the statement is not correct in the spaces provided.

- (i) Demand is a graphical presentation of demand schedule. .... **FALSE** .....
- (ii) Commerce is a branch of Economics. .... **TRUE** .....
- (iii) Export trade deals with only selling of goods to other countries. .... **FALSE** .....
- (iv) Multiple shops are characterized by centralized buying and decentralized selling. .... **TRUE** .....
- (v) Deferred payment is an installment selling where the product becomes the property of the buyer as soon as the first instalment is paid. .... **TRUE** .....
- (vi) A wholesaler is a trader who sells goods direct to the final consumers in small quantities. .... **FALSE** .....
- (vii) Foreign trade involves buying and selling of goods and services between the countries. .... **TRUE** .....
- (viii) Cigarettes and chocolates present the examples of basic needs. .... **FALSE** .....
- (ix) Supply is the amount of goods or money that remains after needs have been satisfied. .... **FALSE** .....
- (x) Elimination of wholesaler means removing the wholesaler's functions from the channel of distribution. .... **TRUE** .....

(b) Complete the following sentences by filling in the blanks with the correct word(s).

- (i) A wholesaler who offer a variety of goods in a number of fields is categorised as .... **General** wholesaler .....
- (ii) The degree of responsiveness of demand of a commodity due to change in price is called **Price elasticity of Demand** .....

- (iii) The percentage added to the cost of goods to arrive at selling price of a commodity is known as Markup.....
- (iv) The retailer's function which involves knowing the quantity and quality of goods consumers wants before making a decision to buy is known as Market research.....
- (v) The payment given to the del-credere agents as return of their services to the principal is called Del-credere commission.....

Extract 3.1: shows a sample of a good response from one of the students who was able to identify the True or False statements and fill in the blanks.

In part (a) students were required to write “True” if the statement given is correct or “False” if the statement is not correct.

Item (i) the statement was “demand is a graphical presentation of demand schedule”. It intended to test students’ ability on the terms “demand” and “demand curve”. The correct response was “False”. The students who understood the meaning of demand were able to provide the correct response. The response was false because demand is the quantity of goods or services that consumers are willing and able to buy at a given price in a particular period of time. The statement given presents demand curve. Therefore, for the students to respond correctly to the statement they were supposed to know the meaning of the two concepts: demand and demand curve. The students who wrote “True” either confused the two terms or did not understand the meaning of the terms due to insufficient knowledge of the concepts tested.

In item (ii), the statement given was “commerce is a branch of economics”. The correct answer was “True” because commerce is a part of economics. The students who wrote “False” assumed that economics is a branch of commerce and forgot that economics is wider than commerce.

In item (iii), the statement given was “export trade deals with only selling of goods to the other countries”. The correct response was “False”. The question intended to measure students’ knowledge of the branches of foreign trade; export trade in particular. The students who answered the

item with a correct answer realised that export trade must involve selling of both goods and services to other countries and not only selling of goods. Some students who wrote “True” did not read the question careful, hence failed to note that services are not included in the statement. They did not understand the demand of the question or ignored the subject of services in export trade.

In item (iv), the statement required the students to identify whether a multiple shop is characterised by centralized buying and decentralized selling or not. The item was set to test students’ knowledge on the characteristics of multiple shops. The correct answer was “True” because multiple shops are controlled by a single manager who purchase all the goods and supply to his/her other shops for sell indicating the selling price. For the students to agree with the statement they must have knowledge of the characteristics of multiple shops, especially about buying and selling of products.

Item (v) intended to test the students’ ability in identifying the necessary conditions to be observed in deferred payment under installment selling. The statement was “deferred payment is an installment selling whereby the product becomes the property of the buyer as soon as the first installment is paid”. The correct response was “True”. The students with adequate knowledge of installment selling were able to answer the item with a correct response because they were able to differentiate the features of the deferred payment from that of hire purchase. Those who wrote “False” confused the conditions of the deferred payment with that of hire purchase or did not have an idea of the term deferred payment. They failed to recall the conditions involved in hire purchase like the possession of the property bought and the payment of installments. In higher purchase, the buyer has the right to possess the property after the last installment being paid; which is contrary to the statement given.

In item (vi), the statement required the students to identify the category of a trader who sells goods direct to the final consumer. The statement was given as “a wholesaler is a trader who sells goods direct to the final consumer in small quantities”. The students with adequate knowledge of home trade were able to answer the question with a correct response which was “False”. They understood that it is a retailer who buys in bulk from the wholesaler and sells direct to the final consumers in small quantities

and not a wholesaler. Normally a wholesaler sells the goods to the retailers who then sell direct to the final users. A few students who wrote “True” failed to differentiate the task of the two traders; a wholesaler and a retailer. The item intended to test students’ knowledge of the difference between a wholesaler and a retailer.

In item (vii), the students were required to agree or disagree on the statement that “foreign trade involves buying and selling of goods and services between the countries”. The item tested students’ understanding of the term foreign trade and their ability to differentiate foreign trade from home trade. The correct response was “True”. The students who wrote “False” did not know the meaning of the term foreign trade. Some of them thought of the branches of foreign trade i.e import or export trade in which import trade deals buying of goods and services from other countries while export trade deals with selling of goods and services to other countries.

Item (viii) aimed to test students’ knowledge in identifying the different types of goods (basic or luxury goods). The statement given was “cigarettes and chocolates present examples of basic needs”. The correct answer was “False”. The students were supposed to know the meaning of basic needs and luxury needs and their examples. Basic needs are all essential things for human life like shelter, clothes and food. The answer was False because a person can survive without things like cigarette, chocolate, mobile phone, car, television, laptops and others of the same nature. The students who wrote “True” lacked knowledge of types of goods (luxury and basic needs), therefore, failed to differentiate the examples of the basic needs from that of luxurious needs.

Item (ix) tested the students’ knowledge on the term surplus. The meaning given from the statement presents surplus and not supply. The statement given was “supply is the amount of goods or money that remains after the needs have been satisfied”. The term “supply” implies the quantity of goods/services that a supplier is willing to offer at a particular price in a given period. This is different from surplus. Poor knowledge and language barrier could be the factors that led to a few students to write “True” for a wrong answer.

Item (x) intended to test students' understanding on the meaning of elimination of a wholesaler from the channel of distribution. The statement given was "elimination of wholesaler means removing the wholesalers' functions from the channel of distribution". The correct response was "False" because a wholesaler as a trader can be eliminated from the channel of distribution but his/her functions cannot be eliminated. Some students who wrote "True" failed to realize that a wholesaler's functions can be performed by other agents in the absence of a wholesaler in the channel of distribution. They failed to differentiate a wholesaler from wholesaler's functions.

In part (b), the students were required to complete the sentences by filling in the blanks with the correct word(s).

Item (i) required the students to identify the type of wholesaler who offers a variety of goods in a number of fields. The correct response was "General wholesaler". The students who were able to give the correct response were aware of the types of wholesalers and their features. However, the majority of the students failed to fill in the item with a correct response due to insufficient knowledge of the types of wholesalers. Many of them filled in the blank with other types of wholesalers like *rack jobber*, *specialized wholesaler*, and *cash-carry wholesaler*. They were guessing because the types mentioned do not carry any of the features of a general wholesaler. Moreover, other students wrote irrelevant responses which present different commercial terminologies like *product*, *agent*, *a trader*, *middleman* and *large scale retailers*. Other students copied some of the responses given as list B in question 2 as an answer to this item.

Item (ii) required the students to write the correct word(s) to a given sentence. The sentence was "the degree of responsiveness of demand of a commodity due to change in price". The correct response was "price elasticity of demand". The student with adequate knowledge of the subtopic of the elasticity of demand were able provide the correct response. However, the majority of the students failed to answer correctly the item due to inadequate knowledge and skills of the theory of demand, especially on the subtopic namely elasticity. Most of them wrote words like *change in demand* and others wrote *elasticity*, *demand schedule*, *demand* and *shift in demand*. Probably they were attracted by the words change in price from the question. In additional, those who wrote shift in

demand failed to realise that, shift in demand occurs when other factors changed but the price is held constant; then the demand curve moves inwards or outwards from the original curve. A few students left the item unanswered.

Item (iii) was composed to measure students' ability in identifying the correct name of the percentage added to the cost of goods to arrive at selling price. The correct response was "mark-up". The item was correctly answered by the majority of the students. This is an indicator that they understood the concept and its application. Some students who lacked knowledge on the application of such percentage wrote margin. They were wrong because the gross profit expressed as a percentage of sales is what presents margin. Other students who had wrong responses wrote words such as: *profit*, *selling price*, *selling*, *cost of goods sold*, *purchases*, and *cost price*. These students associated their responses with the question but failed to express how to change margin into markup.

Item (iv) asked the student about a retailer's function which involves knowing the quantity and quality of goods customers want before making a decision to buy. The function is called "market research". The majority of the students wrote advertising. They were attracted by the word knowing from the sentence and related it with the word known from the definition of advertising. The term advertising is an art of making goods/services known to the public. The students failed to differentiate market research from advertising. Other students wrote irrelevant responses like *production*, *market*, *marketing*, *required information*, *buying*, *function of a retailer*, *preparing goods for sell*, and *retailing*.

In item (v), the students were required to write the proper name for the payment given to the del-credere agents as return of their services to the principal. The answer was "del-credere commission". The students with sufficient knowledge of the types of agents and their rewards were able to fill in the blank with the correct answer. Further analysis made from the scripts of the students showed that, some students wrote incorrect answer such as *commission*, *wages*, *salary*, *interest*, *cash* and *profit* due to poor understanding of the rewards made to different types of agents. The students whose answer was commission failed to realise that there are several types of commission paid to different agents therefore they were supposed to specify the commission needed in the question.

A few students (24.14%), who scored low marks that ranged from 0 to 4 marks, had poor understanding of most of the items in this question. However, the majority of the students in this category who scored from (0.5 to 4 marks), obtained such marks from items tested in part (a). Poor understanding of the question and lack of knowledge could be the factors for failure of the students in this question. Extract 3.2 shows a sample of a poor response provided by one of the students.

### Extract 3.2

3. (a) For each of the following statements, write **True** if the statement is correct or **False** if the statement is not correct in the spaces provided.
- (i) Demand is a graphical presentation of demand schedule. .... **TRUE** .....
  - (ii) Commerce is a branch of Economics. .... **FALSE** .....
  - (iii) Export trade deals with only selling of goods to other countries. .... **TRUE** .....
  - (iv) Multiple shops are characterized by centralized buying and decentralized selling. .... **TRUE** .....
  - (v) Deferred payment is an installment selling where the product becomes the property of the buyer as soon as the first instalment is paid. .... **FALSE** .....
  - (vi) A wholesaler is a trader who sells goods direct to the final consumers in small quantities. .... **TRUE** .....
  - (vii) Foreign trade involves buying and selling of goods and services between the countries. .... **FALSE** .....
  - (viii) Cigarettes and chocolates present the examples of basic needs. .... **TRUE** .....
  - (ix) Supply is the amount of goods or money that remains after needs have been satisfied. .... **TRUE** .....
  - (x) Elimination of wholesaler means removing the wholesaler's functions from the channel of distribution. .... **TRUE** .....



(b) Complete the following sentences by filling in the blanks with the correct word(s).

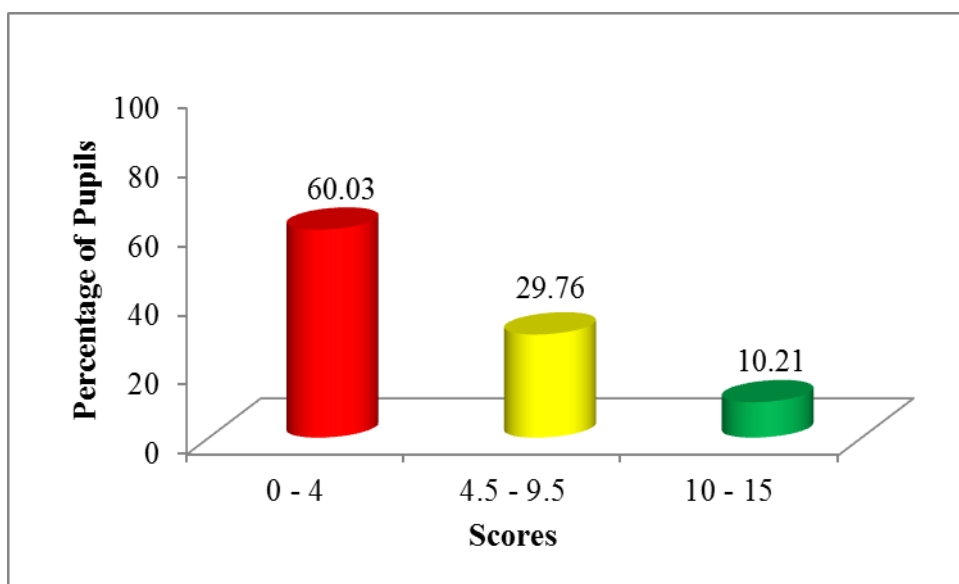
- (i) A wholesaler who offer a variety of goods in a number of fields is categorised as  
..... goods .....
- (ii) The degree of responsiveness of demand of a commodity due to change in price  
is called .... Equilibrium price .....
- (iii) The percentage added to the cost of goods to arrive at selling price of a  
commodity is known as .... Purchases .....
- (iv) The retailer's function which involves knowing the quantity and quality of goods  
consumers wants before making a decision to buy is known as  
..... buying of goods .....
- (v) The payment given to the del-credere agents as return of their services to the  
principal is called ..... price .....

Extract 3.2: shows a poor response from one of the students who was not able to identify True or False statements and also was not able to fill in the blanks correctly in question 3.

## 2.4 Question 4: Short Answer Question

This question consisted of five parts (a) to (e) set from seven topics which are *The Theory of Demand and Supply*, *Production*, *Stock Administration*, *Retail Trade*, *Wholesale Trade* and *Warehousing*. It required the students to differentiate the following terms: (a) Equilibrium price and Equilibrium point, (b) Manufacturing industries and Production, (c) Receiving of stock and Placing of items (d) Retail trade and Wholesale trade, and (e) Warehouse and Warehousing. The question tested students' ability on comprehension.

The question was attempted by all the students, out of which 10.21 percent scored from 10 to 15 marks, 29.76 percent scored from 4.5 to 9.5 marks and 60.03 percent scored from 0 to 4 marks. Further, analysis shows that out of 60.3 percent of the students scored from 0 to 4 marks, 27.81 percent scored 0. Generally, the students' performance in this question was average. This performance is summarised in Figure 4.



**Figure 4:** *The Percentage of Students' Performance in Question 4*

Figure 4 showing that 60.03 percent of all students who attempted the question scored below 4.5 marks out the 15 marks allocated to this question.

The students who scored high marks were able to differentiate most of the terms with correct explanations though the majority of them failed to score full marks. They did not manage to provide the correct differentiation of the terms in part (a) “equilibrium price and equilibrium point” and others in part (c) “Receiving of stock and Placing of items”. Some of these students were able to describe the term equilibrium point but failed to provide clear descriptions of the term equilibrium price. Equilibrium price is the price level at which the quantity demanded is equal to quantity supplied. Others were able to answer part (a) with correct response but partially responded to part (c). In item (c), many students gave correct descriptions on the term placing of items, but partially described the term *receiving of items*. Receiving involves comparing deliveries from carriers with order copy and keeping records of the items received. The variation of the students' scores in this question was depending on their ability of expressing the difference on the terms. A sample of good responses is presented by Extract 4.1

#### Extract 4.1

4. Differentiate the following terms:

(a) Equilibrium price and Equilibrium point.

...Equilibrium price is the price in which the quantity demanded is equal to the quantity supplied while the equilibrium point is where the demand curve and supply curve meet or intersect.

(b) Manufacturing industries and Production.

...Manufacturing industries are places where raw materials are turned or transformed into finished or semi-finished products while production is the process of making of goods and rendering of services to satisfy human needs.

(c) Receiving of stock and Placing of items.

...Receiving of stock involves unpacking and checking of goods by comparing the list of goods received and the order copy while placing of items involves arranging the items in a good and technical order so as to distinguish the old goods from the new items received.

(d) Retail trade and Wholesale trade.

*Retail trade is the trade which involves buying goods in large quantity from the wholesaler and selling in small quantities to the final consumers while wholesale trade involves buying goods in large quantity from the producers or manufacturers and selling in small quantity to the retailers.*

(e) Warehouse and Warehousing.

*A warehouse is a special building specifically for the purpose of storage of goods for future use or protection while warehousing is the process of storing goods in a warehouse for future use or protection.*

Extract 4.1 shows a sample of a good response from one of the students who was able to provide the correct differentiations of the terms.

The students (29.76%) whose scores ranged from 4.5 to 9.5 marks were able to give correct differences of some of the terms given, especially parts (d) Retail trade and wholesale trade and (e) Warehouse and warehousing. A few among them responded partially to parts (a) equilibrium price and equilibrium point and (b) Manufacturing industries and production. In part (a), many students defined correctly the term equilibrium point but failed to differentiate it from equilibrium price. For example, some of them defined it as *the price above equilibrium point where supplier sells at goods and services at profit while others defined it as the price whereby the supply is below equilibrium price*. Their definitions showed that they had misconceptions with the term equilibrium price with the price level at which the supplier sells at profit and price which he/she sells at a loss. The price above equilibrium price reflects profit due to excessive supply and the price below equilibrium reflects loss due to decrease in supply. Other students described it as equilibrium quantity, which was contrary to the demand of the question. In part (b), most of these students described correctly the term production but they failed to provide the correct

meaning of the term manufacturing industries as the majority defined it as constructive industries and others as extractive industries. This indicates that they failed to relate the demand of the question and the responses.

In part (c), very few students were able to differentiate the required terms correctly. Many students failed to differentiate the terms as required. Some students' responses showed their poor understanding of the terms "receiving of stock and placing of items". For example, one of the students, defined receiving of items as purchases of goods and placing of items as placing of orders to the suppliers while other students described the term placing of items incorrectly as warehousing.

Further analysis shows that 26.23 percent of the students scored low marks (0.5 to 4 marks). They failed to respond correctly as required to most of the parts due to lack of knowledge on the terminologies tested and poor proficiency in English Language. Some students who scored some marks tried to respond on few parts like part (d) "retail trade and wholesale trade" and part (e) "warehouse and warehousing" of which they did not score full marks due to the descriptions given. Nevertheless, some students differentiated the two parts incorrectly. For example in part (d), they failed to differentiate trader and trade, therefore differentiated retail trade *a person who buys goods in relatively large quantity from wholesalers and sells them to final consumers in small quantity while wholesale trade is a person who buys goods in large quantity from the producer and sells the small quantity to retailers*. In part (e), many of the students from this group interchanged the meaning of the two terms warehouse and warehousing. Therefore, defined warehouse as warehousing and the vice versa. Furthermore, some of the students responded correctly in only one part of the question and copied some sentences from question 3 as responses to the remaining parts. Some students avoided most of the parts.

The responses from the students (33.8%) who scored 0 mark to a large extent resembled the incorrect responses given by the students with average/low performance. Further observation from such incorrect responses as compared to the two groups shows that, the students in this group failed to differentiate all items, hence scored 0 mark. Their responses included reversing of the responses in some items like: retail trade and wholesale trade in part (d) and warehouse and warehousing in part (e). Furthermore, the analysis shows that some of the students were able to describe a warehouse correctly, but incorrectly described

warehousing as *placing of items on store*. Nevertheless, some students copied some statements from the alternatives given in question 1. For example, in part (a) they wrote *equilibrium price is the quantity supplied increased as the price increased while is the quantity supplied increases as the price decreased*. Some of the students also copied some sentences from question 2 and 3 and wrote them as answers to some of the parts; and left some parts unanswered. This justifies their poor understanding of the terms tested. Extract 4.2 shows a sample of a poor response provided by one of the students.

#### Extract 4.2

4. Differentiate the following terms:
- (a) Equilibrium price and Equilibrium point.  
Equilibrium price is the highest price which it does not change.  
Equilibrium point is the highest point in demand schedule.
- (b) Manufacturing industries and Production.  
Manufacturing industries - is a type of industry which help in manufacturing materials.  
Production is the process of making or manufacturing of goods.
- (c) Receiving of stock and Placing of items.  
Receiving of stock is the process is a person to receive stock.  
Placing of items is the process of keeping of goods in a safe place.

(d) Retail trade and Wholesale trade.

Retail trade is a trade that a retailer control after getting goods from the wholesale.

Wholesale trade is a trade that a wholesale control after getting good from the producer.

(e) Warehouse and Warehousing.

Warehouse is the place where good are kept for safety and future in order to satisfy human need.

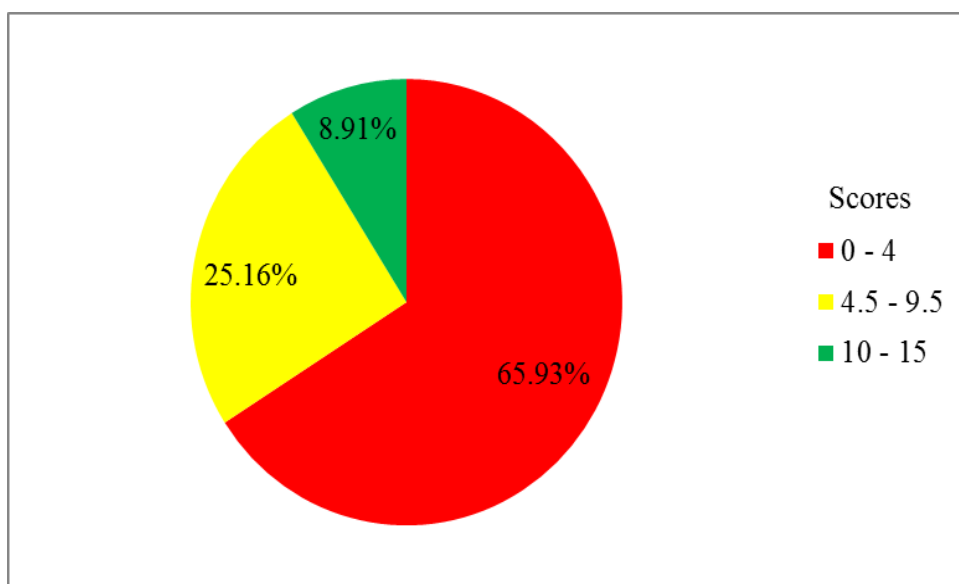
Warehousing is the process of storing goods for future use or before distribution to the consumer.

Extract 4.2 shows a sample of a poor response from a student who provided incorrect differentiation of the terms. The student wrote some sentences which did not match with the requirement of the question.

## 2.5 Question 5: Wholesale Trade

The students were required to describe the functions of a wholesaler to the manufacturers. The question tested the students' ability about wholesaler's functions and to whom he/she rendered such functions because the wholesaler performs different functions to manufacturers, retailers and consumers/public.

Data analysis showed that the question was attempted by all students. Further observations from the data showed that out of all students, 8.91 percent scored from 10 to 15 marks, 25.16 percent scored from 4.5 to 9.5 marks, and 65.93 percent scored from 0 to 4 marks, among them, 28.24 percent scored 0 mark. The general students' performance in this question was average. Figure 5 shows this performance.



**Figure 5:** *The Percentage of Students' Performance in Question 5*

Figure 5 shows the average performance in this question since 34.07 percent of all the students were able to score from 4.5 marks or above the allotted marks in this question.

The students whose marks ranged from 4.5 and 9.5 marks were able describe a few functions of a wholesaler to the manufacturers with a correct descriptions. Further analysis from the scripts of the students revealed that the majority of the students in this category were able to mention almost all correct functions but failed to give correct descriptions to most of the functions. Also some students gave less number of functions in their responses which contributed to the students' average performance in this question. Other students' responses combined the wholesaler's functions with both manufacturers and to retailers. This also ended up with insufficient number of correct points. These students also demonstrated a poor command of English Language while describing the functions of a wholesaler to the manufacturer.

A few students (8.91%) who scored high marks were able to answer the question as required. They demonstrated their understanding of the functions of a wholesaler to the manufacturers by presenting their points in an organized manner. Most of these students were able to describe the required number of functions though there were some slight discrepancies on their descriptions. Extract 5.1 is a sample of a good response by one of the students.



### Extract 5.1

5. Describe six functions of a wholesaler to the manufacturers.

- (i) A wholesaler protects the manufacturer from a number of risks. The wholesaler buys the goods from the manufacturer thus the manufacturer won't get any risk of loss if the goods wouldn't have high demand.
- (ii) A wholesaler eliminates the need for warehousing space. When the wholesaler buys goods from the producer he or she takes a large number and thus the producer wouldn't need to large store the goods for future use.
- (iii) A wholesaler prompts payment which provides the producer with working capital. By the wholesaler being able to buy goods in bulk the producer will get enough money for capital for the large number of goods bought.
- (iv) A wholesaler reduces the cost of advertising to the producer. By the wholesaler selling his goods to the final consumers, he or she merchandises the goods out to the public this reduces the cost of advertising to the producer.

- (v) A wholesaler provides a link between the producer and the retailer; A wholesaler buys goods in large quantities from the producer and sells them to the retailers in smaller quantities.
- (vi) A wholesaler reduces the cost of transporting of goods for the producer; A wholesaler transports the goods from the producers to the retailer's premises this makes the producer <sup>undergo</sup> not to ~~use~~ this cost.

Extract 5.1 shows a sample of a relatively response from a student who was able to describe the functions of a wholesaler to the manufacturers.

The students who performed poorly in this question, their scores ranged from 0 to 4 marks. Some of them understood the requirements of the question but lacked knowledge on the function of wholesaler to the manufacturers as they mentioned some of the points without descriptions. A few students described correctly at least one function out of required six. The point described correctly by these students was transportation. However, some students had ideas of the functions of wholesaler, but they failed to apply them according to the demand of the question. For example, they mentioned the bulk buying function, but they did not show the effect of bulk buying by the wholesaler to the manufacturer. This function has two effects to the manufacturer that is, it reduces a burden of storage to manufacturers and also financing when paid in cash. They also mentioned the points like transport facilities and advertising but they failed to link the points with the demand of the question. The other weakness noted from the scripts during the analysis was repetition of points.

However, the students who scored 0 mark failed to understand the demand of the question due to poor command of English Language and inadequate knowledge on the wholesale trade topic. Some of them attempted the question by describing the list of agents involved in the channel of distribution like *wholesalers, large scale retailers, small scale retailers, manufacturer's retail outlets*. Other poor responses from these students

include the functions of stock administration which are *placing of items, receiving of stock, stock care, issuing of stock, and stock control*. Other students mentioned incorrectly the types of wholesalers like *cash and carry, general wholesalers, regional wholesalers* and types of industries such as *extractive industries, manufacturing industries, and constructive industries*. Extract 5.2 shows a sample of a poor response provided by one of the students.

### Extract 5.2

5. Describe six functions of a wholesaler to the manufacturers.

- (i) A good buyer: When buying goods he/she should not spoil the goods but he/she should sell the goods to the retailers.
- (ii) Honest: He/she should be honest when buying goods to the manufacturer. If he/she is buying goods he/she should not increase the things bought.
- (iii) A good advertiser: He/she should be a good advertiser of the goods in order the manufacturer to get other buyers of the sold commodities.
- (iv) He/she should store goods with security.

(v) Holshe should be tactful.

.....

.....

.....

(vi) Holshe should be faithful.

.....

.....

.....

Extract 3.2 shows a sample of a poor response from a student who listed the qualities of a good retailer/wholesaler instead of describing the functions of a wholesaler to the manufacturers.

## 2.6 Question 6: Stock Administration

The question had five parts, part (a) to (e). The question intended to measure the students' ability in identifying the data given, and applying the data given in finding the items as required using the appropriate formulae. The question was:

The following information was available from the books of Mashanga traders at the end of the financial year 31<sup>st</sup> December, 2012.

Opening stock Tsh. 300,000/=

Purchases during the year Tsh. 240,000/=

Carriage inwards Tsh. 2,000/=

Closing stock Tsh. 31,000/=

Gross profit Tsh. 165,000/=

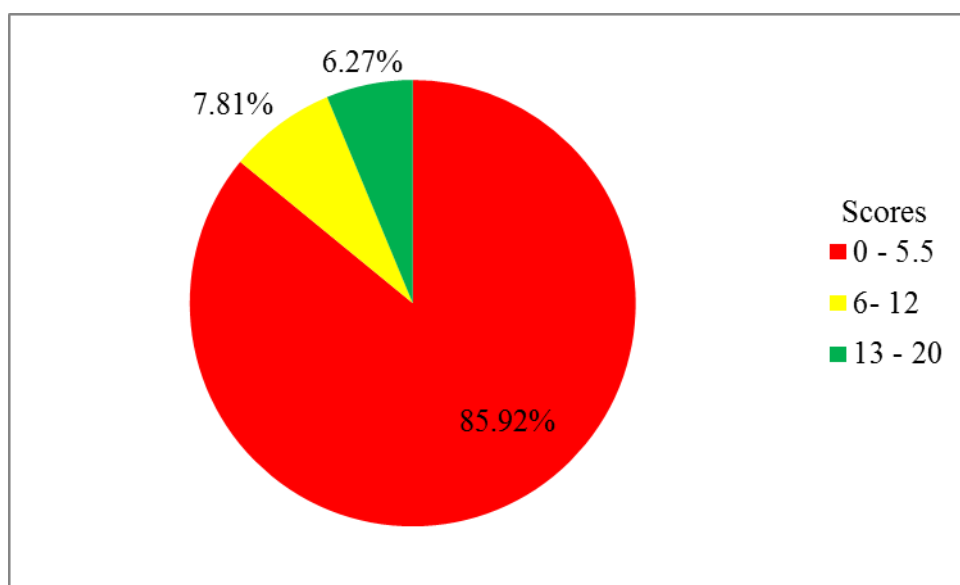
Transport cost Tsh. 2,500/=

Electricity charges Tsh. 5000/=

Find:

- (a) Average stock
- (b) Cost of goods available for sale
- (c) Cost of goods sold
- (d) sales
- (e) Rate of stock turn (in two decimal places).

This question was attempted by all the students and their performance was weak, as 85.92 percent scored from 0 to 5.5 marks, 7.81 percent scored from 6 to 12.5 marks, and 6.27 percent scored from 13 to 20 marks. This implies that only 14.08 percent of all students scored 6 marks or above out of 15 marks allotted. Further, the analysis revealed that 46.95 percent of all students scored 0 mark. Figure 6 summarised the students' performance in question 6.



**Figure 6:** *The Percentage of Students' Performance in Question 6*

Figure 6 showed that the question was poorly performed as 85.92 percent of the students were unable to identify the data given and apply them in finding the items required using the appropriate formulae.

The students with low performance (0.5 to 5.5 marks) lacked mathematical skills and knowledge of the computation of the required items. They also failed to memorise and apply the appropriate formulae to find the required items. The major problems observed from the analysis were: inability to analyse the data, improper use of data given in finding the items required and lack of mathematical skills. Most of the students in this category were able to find average stock in part (a) and wrote the correct formula to some of the items. Others wrote the final result without showing the procedures/calculations. They also failed to find the total purchases figure because they failed to realise that carriage inwards is to be added to purchases to obtain net/total purchases. Some students added transport charges to purchases instead of carriage inwards. This shows that they

failed to differentiate transport charges from carriage inwards and their effects in finding purchases figure. Therefore, they used unadjusted purchases figure to find out cost of goods available for sale, cost of goods sold, and finally rate of stock turn.

The students who scored 0 mark totally failed to find correctly any of the required items. Inability to apply some formulae, lack of mathematical skills and failure to use the data given from the question were the reasons for their failure. Many of them tried to write at least some formulae to some items but all were incorrect. Extract 6.1 justified the students' inability to compute the required figures.

### Extract 6.1

(a) Average stock.

$$\frac{(\text{Opening stock} + \text{closing stock})}{2}$$

$$\frac{300,000 + 31000}{2}$$

$$\text{Average stock} = \underline{331,000}$$

(b) Cost of goods available for sale.

~~cost of goods available for sale (opening stock + purchases)~~

~~- closing stock~~  $\text{COGAS} = \text{purchases} + \text{carriage inwards}$

$$240,000 + 2000$$

$$\text{COGAS} = \underline{242,000}$$

(c) Cost of goods sold.

$$\text{COGS} = (\text{opening stock} + \text{purchases}) - \text{closing stock}$$

$$(300,000 + 240,000) - \text{closing stock} = 31,000$$

$$540,000 - 31,000 \quad \text{ANS COGS} = \underline{244,500}$$

(d) Sales.

$$\text{sales} = \text{COGS} - \text{return inward}$$

$$244,500 - 2000$$

$$\text{sales} = \underline{224,500}$$

(e) Rate of stock turn (in two decimal places).

$$\text{RST} = \frac{\text{Average stock}}{\text{COGS}} = \frac{331,000}{244,500}$$

$$\underline{121.35}$$

Extract 6.1 shows a sample of a poor response of one of the students who was not able to recall and apply the required formulae in the computation of the items as demanded by the question.

The students with average scores were able to memorise most of the formulae and compute some of the items correctly. However, some of them failed to score some marks in the last item (rate of stock turn) i.e. the final result, because they failed to follow the instruction.

The students who scored high marks were able to compute most of the items as required. They demonstrated their knowledge by making proper use of the data given, applying the correct formula and proper computation of the required items. However, some students wrote the final answer to some of the items without showing the workings, thereby failed to score full marks. Extract 6.2 presents a sample of a good response.

### Extract 6.2

(a) Average stock.

$$= \frac{\text{Opening stock} + \text{Closing Stock}}{2}$$

$$\frac{300,000 + 31,000}{2} = \frac{331,000}{2} = 165,500 \text{ /-}$$

$\therefore$  The average stock is 165,500 /-

(b) Cost of goods available for sale.

$$= \text{Opening stock} + \text{Purchases} + \text{Carriage Inwards}$$

$$300,000 + 240,000 + 2,000$$

$$540,000 + 2,000 = 542,000 \text{ /-}$$

$\therefore$  The cost of goods available for sale is 542,000 /-

(c) Cost of goods sold.

$$= \text{Cost of Goods available for sale} - \text{Closing stock}$$

$$542,000 - 31,000 = 511,000 \text{ /-}$$

$\therefore$  Cost of goods sold is 511,000 /-

(d) Sales.

= Gross profit + Cost of goods sold.

$$165,000 + 511,000 = 676,000 \text{ /-}$$

∴ The sales are 676,000 /-

(e) Rate of stock turn (in two decimal places).

= Cost of Goods sold

Average stock

$$\frac{511,000}{165,500} \approx 3.09 \therefore \text{Rate of stock turn is } \underline{\underline{3.09 \text{ times}}}$$

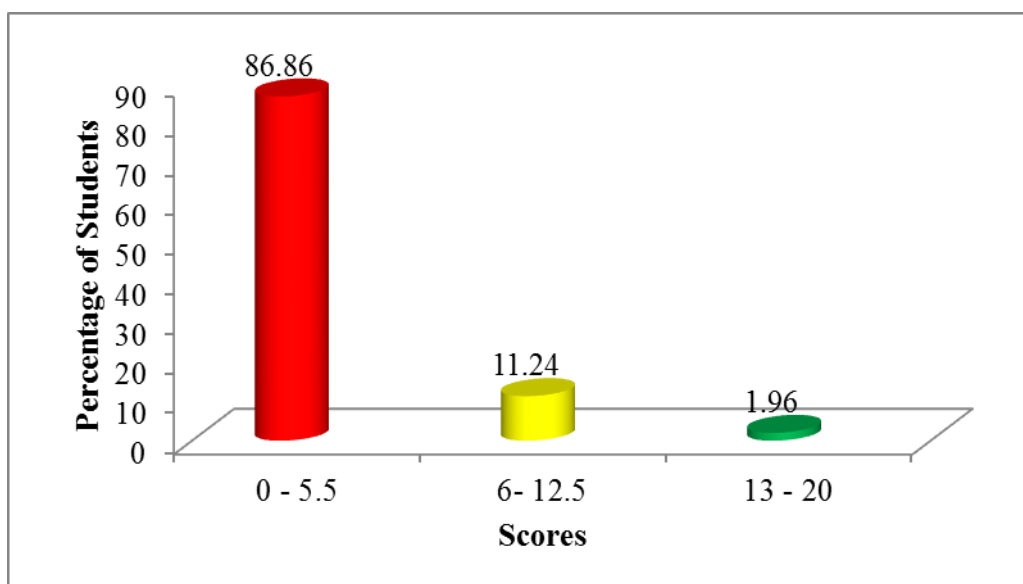
Extract 6.2, shows a sample of a good response of one of the students who was able to find average stock, cost of goods available for sale, sales and rate of stock turn as required in question 6.

## 2.7 Question7: The Scope of Commerce

This question required the students to elaborate six reasons for the rapid development of commerce in Tanzania. It was set to test the students' ability to make analysis.

The question was attempted by 99.95 percent of all students. The data analysis shows that the majority (86.8%) of the students scored from 0 to 5.5 marks of which 33.8 percent scored 0 mark, 11.24 percent scored from 6 to 12.5 marks, and only 1.96 percent scored from 13 to 20 marks. The general students' performance in this question was poor as only 13.2 percent of the students scored from 5.5 to 20 allotted marks. Figure 7 summarises this performance.





**Figure 7:** *The percentage of students' performance in Question 7*

Figure 7 shows that the overall performance of the students in this question was poor as 86.8 percent of the students scored below 6 marks out of 20 marks allotted.

The students who scored low marks (0.5 to 5.5) were able to provide the correct introduction and listed few reasons for rapid development of commerce with incorrect explanations. This was due to lack of skills and knowledge on the concept tested and poor mastery of English Language. However, the majority of these students scored 1mark only on the introductory part, but failed to answer according to the demand of the question. Some of their responses reflected their misinterpretations because they elaborated irrelevant points like: ways in which students can learn commerce, means to improve the performance of the students in commerce subject, the importance of commerce, the branches of commerce, and the factors that hinder rapid development of commerce in Tanzania. They did not include the reasons for the rapid development of commerce in Tanzania at all.

The students who scored 0 marks could neither write the introduction/conclusion parts nor any correct response to their responses. Some of them copied some sentences from other questions and wrote them as the answers to the question instead of the reasons for rapid development

in Tanzania. Most of their responses were similar as those discussed in the above category. Extract 7.1 is a sample of poor responses.

#### Extract 7.1

7. Elaborate six reasons for the rapid development of Commerce in Tanzania.

Commerce is the branch of production which use to buying and selling of goods and services from the point of production to the point of consumption. The following are the reasons for the rapid development of commerce in Tanzania:

Commerce help people to have different careers. This is where by a people get different work when they study commerce a person can be a teacher, an accountant, a cashier, a business woman or men and other.

Commerce help the consumer to know what good and services are available in the market. This is where by a person (consumer) know the goods which are sold in the market.

Commerce help people to know how to store goods. This is where by a person who has his/her work is able to store and control his/her good in a special place like warehouse.

Commerce help people to start a business. This is where by a person can know how to start a business by knowing commerce.

Commerce help a retailer to choose good quality of goods. This is when by a retailer is able to choose goods which are good quality and not to choose those goods which are not of good quality.

Commerce help people in Tanzania who are business people to know the profit and loss of his or her business. This is where by a person has to know he/she is gaining or losing when he/she sells and buying his/her goods. Lastly Commerce is rapid developing in Tanzania because of his good systematic order which make business and other people to fill proud.

Extract 7.1 shows a sample of a poor response from one of the students who elaborated some of the importance of commerce subject instead of the reasons for the rapid development of commerce in Tanzania.

The students who scored from 6 to 12.5 marks understood the requirement of the question and had partly understood the subject matters tested. The analyses from the students' scripts showed that some of the students were able to point out most of the reasons correctly, but failed to describe them in accordance with the demand of the question. For example, those who mentioned *improvement in the level of technology*, their explanations based much on the use of telephone for relative issues which did not add value in the development of commerce. However, most of these students obeyed the essay writing procedures.

Further analysis shows that, a few students (1.6%) who scored high marks had sufficient knowledge on the subject matter, adhered to the requirement of the question and obeyed the rules of essay writing. They managed to describe the reasons though not all of them were able to exhaust the required number of reasons. However, some of these students managed to provide sufficient number of points as required, but some points were not elaborated exhaustively. Among these students very few were able to elaborate correctly all the points as required. Extract 7.2 shows a sample of a good response provided by one of the students.

## Extract 7.2

7. Elaborate six reasons for the rapid development of Commerce in Tanzania.

Commerce is the branch of economic which deals with exchange and distribution of goods and services. Commerce is made up by main two branches namely:- Trade and Aids to trade. Trade involve buying and selling goods and services while Aids to trade are activities that makes trade to be possible.

In Tanzania, Commerce is develop fast because of some reasons. The following are some of them:-

**Development of Technology.** help many sector of production like Agriculture, mining, fishing and other to get high production of goods as the result cause the commerce to develop.

**Improvement of infrastructure.** Like transporting system help the goods to be transported in many parts of Tanzania and hence cause rapid development of trade in different regions of Tanzania.

**Good government support;** like provision of education to the traders in how to manage their trade activities.

**presence of enough skilled labour,** because skilled labour help to produce quality and large quantity of goods due to the use of high advanced tools.

**Enough capital;** because capital is importance for any economic activities, so when it is enough cause to be in high production of goods and hence development of commerce

presence of enough markets. For now, Tanzania has many markets in and abroad of the country because of quality goods that are produced due to the presence of many skilled labour and high technology.

Therefore, Commerce in Tanzania develop fast as the result cause the economic of Tanzania to be high and it is important for the government to support this sector.

Extract 7.2 shows a sample of a good response of one of the students who was able to elaborate most of the reasons for the rapid development of Commerce in Tanzania in question 7.

### 3.0 PERFORMANCE OF STUDENTS IN EACH TOPIC

The Form Two National Assessment (FTNA), 2017 had seven (7) questions tested from eight (8) topics. The analysis shows that the overall students' performance was average. The students performed well in multiple choice items, True/False and fill in blanks items. The percentage of the students who scored an average of 30 percent or above the marks allocated, as in Question 1 and 3 the average scores was 84.88 and 75.86 respectively. The two questions were set from the topics of *The Scope of Commerce, Wholesale Trade, Production, The Theory of Demand and supply, Retail Trade, Stock Administration, and Warehousing Management*. Good performance on the topics tested in these questions had been attributed by the fact that, most of the students had an ability to memorise the concepts, sufficient skills and knowledge and clear understanding of the demand of the questions.

However, the analysis reveals that the students performed averagely in three (3) questions (4, 5, and 3) out of seven tested whereby 39.97 percent, 34.07 percent, and 33.09 percent of the students scored an average of 30 percent and above of the marks allocated. The students had partial knowledge to some of the topics examined thus, leading to incomplete answers to some of the questions.

These questions were composed from the topics of *The Theory of Demand and Supply*, *Wholesale Trade and Retail Trade*, *Production, Stock Administration*, and *Warehousing Management*, and *The Scope of Commerce*.

Nevertheless, the students' performance in Question 6 and 7 which were composed from the topic of Stock Administration and The Scope of Commerce was poor as (85.92%) and (86.8 %) respectively scored below an average of 30 percent and above of the marks per question. The reasons for poor performance were lack of mathematical skills in question 6 and misconceptions of the concept and poor interpretation of the questions in question 7.

In the Appendix, the students' performance per topics are rated as good (green colour), averagely (yellow colour), and weak (red colour). The performance ranging from 0 to 29 percent is considered as weak performance, from 30 to 64 percent is considered as average performance, and from 65 to 100 percent considered good performance. The analysis based on the average percentage of the students who score from 30 percent or above of the marks allotted in each question.

## **4.0 CONCLUSION AND RECOMMENDATIONS**

### **4.1 Conclusion**

The analysis made from statistical data reveals that, the students' performance in the Form Two National Assessment (FTNA), 2017 in commerce subject has increased by 2.21 percent compared to 2016 results. Generally, the performance of the students in 061 Commerce subject is average. The analysis given in this report shows some of the weaknesses and the strengths that the students had in answering the questions. The findings shows that most of the students who had poor knowledge on the form 1 and 2 topics, failed to use simple concepts/vocabulary as used in commerce, problem of identifying the demand of the questions, poor command of English Language, and lack of mathematical skills. The students, teachers, parents, and other stakeholders should take these challenges as opportunity to improve the performance in future assessments.

## **4.2 Recommendations**

In order to improve students' performance in future the following are recommended:

- (a) Teachers should be encouraged to use the NECTA examination format in setting the students' terminal and annual examination to familiarise the students with the examination format.
- (b) School quality assurers should share the inspection results (challenges and strengths) with subject teachers/heads of the schools in order to improve the students' performance as a solution towards the problem of lack of knowledge found in the analysis.
- (c) Tanzania Institute of Education should prepare sufficient Commerce textbooks and distribute them to all schools with commerce subject to facilitate teaching and learning of Commerce subject.
- (d) Students should be encouraged to read the questions carefully in order to provide the correct responses as required by the questions.
- (e) Students should be advised and encouraged to revise all form 1 and 2 topics before they seat for the Form Two National Assessment.
- (f) Teachers should be encouraged to provide the students with many exercises and tests mark them, provide feedback, and guide students on how to answer the questions.

## Summary of Students' Performance per Topic

S/n	Topic	Question number	Percentage of students who scored an average of 30% and above	Remarks
1	The Scope of Commerce, Wholesale Trade, Production, The Theory of Supply, Retail Trade, Stock Administration, Warehousing Management, and The Theory of Demand.	1	84.88	Good
2	The Theory of Demand, The Scope of Commerce, Retail Trade, and Wholesale Trade	3	75.86	Good
3	Wholesale Trade.	5	54.15	Average
4	The Theory of Demand and supply, Production, Stock Administration, Retail Trade Wholesale Trade, and Warehousing Management.	4	39.97	Average
5	Retail Trade	2	33.09	Average
6	Stock Administration,	6	14.08	Weak
7	The Scope of Commerce	7	12.64	Weak



