



**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY  
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA**



**STUDENTS' ITEM RESPONSE ANALYSIS REPORT  
ON THE FORM TWO NATIONAL ASSESSMENT  
(FTNA) 2021**

**COMMERCE**



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**(FTNA), 2021**

**061 COMMERCE**

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## TABLE OF CONTENTS

FOREWORD.....	iv
1.0 INTRODUCTION.....	1
2.0 ANALYSIS OF THE STUDENTS' PERFORMANCE IN EACH QUESTION.....	2
2.1 Question 1: Multiple Choice Items .....	2
2.2 Question 2: Matching Items .....	9
2.3 Question 3: True or False and Filling in the Blanks Items .....	12
2.4 Question 4: Descriptions of Commercial Terms.....	20
2.5 Question 5: Production.....	24
2.6 Question: 6 Transportation.....	29
2.7 Question 7: Entrepreneurship.....	34
3.0 PERFORMANCE OF STUDENTS IN EACH TOPIC .....	39
4.0 CONCLUSION AND RECOMMENDATIONS.....	40
4.1 Conclusion .....	40
4.2 Recommendations .....	40
Appendix 1.....	42

## FOREWORD

The Students Items Response Analysis Report (SIRA) in Commerce subject is basically prepared for the aim of providing feedback to all education stakeholders about the students' responses to the questions assessed by the end of second year of Ordinary Level of Secondary Education.

The general performance of the students in the Commerce subject was average. The students' responses analysis report shows the factors for students to score high marks, average marks and low marks in the questions. The factors for the students to score high marks include: competency of the topics assessed, proper identification of what to do in the questions and English language proficiency. Further the report indicates the reasons for students to score average and low marks which include: inability to identify the demands of the questions, incompetency of subject matter of the assessed concepts, poor command of English language and poor essay writing skills.

The National Examinations Council of Tanzania (NECTA) hopes that, the analysis, suggestions and recommendations given in this report will enable different education stakeholders to take initiatives to improve the students' performance in the future.

The Council appreciates the contributions from all examination officers, examiners and all who participated in the preparation of this report.



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

## 1.0 INTRODUCTION

This report presents the analysis of students' performance in Commerce subject for the Form Two National Assessment (FTNA) which was conducted in November, 2021. The Commerce Assessment was set in accordance with the revised Commerce subject syllabus of 2016 and the subject Assessment format of 2019. The assessments intended to measure the students' competences achieved in the two ordinary early level academic years.

The paper consisted of seven (7) questions divided into three sections: A, B and C. Section A comprised of three (3) objective questions carried 30 marks. Section B consisted of two (2) short answer questions which carried 15 marks each, and section C consisted of two (2) essay questions which carried 20 marks each. The report shows what students were supposed to do in every question, the strengths and weaknesses in their responses which are supported by charts, graphs, tables and extracts.

A total number of students who sat for Commerce Form Two National Assessment (FTNA) in 2021 was 77,243 however, the result of 106 students withheld due to different reasons. A total of 35,786 (46.39%) students passed with grades A, B, C and D while 41,351 (53.61%) students failed by obtaining grade F. The overall students' performance in 2021 is decreased by 7.78 percent as compared to 2020. In 2020, a total of 78,859 students sat for the Assessment of which 42,715 (54.17%) students passed and 36,144 students (45.83%) failed. The results is summarised in Table 1.

Year	Grades	A	B	C	D	F
2020	Number of students	3,866	4,659	16,140	18,050	36,114
		4.9%	5.91%	20.46%	22.89%	45.79%
2021	Number of students	193	1,131	11,172	23,290	41,351
		0.25%	1.46%	14.46%	30.15%	53.53%

**Table 1:** Students' performance in Commerce FTNA 2020 and 2021

The students' performance per question and performance per topic has been categorised as good, average and weak. The performance ranges from 65 to 100 per cent is categorised as good, 30 to 64 per cent average and from 0 to 29 per cent weak. Green, yellow and red colours were used in categorisation of the performance whereby green present good, yellow

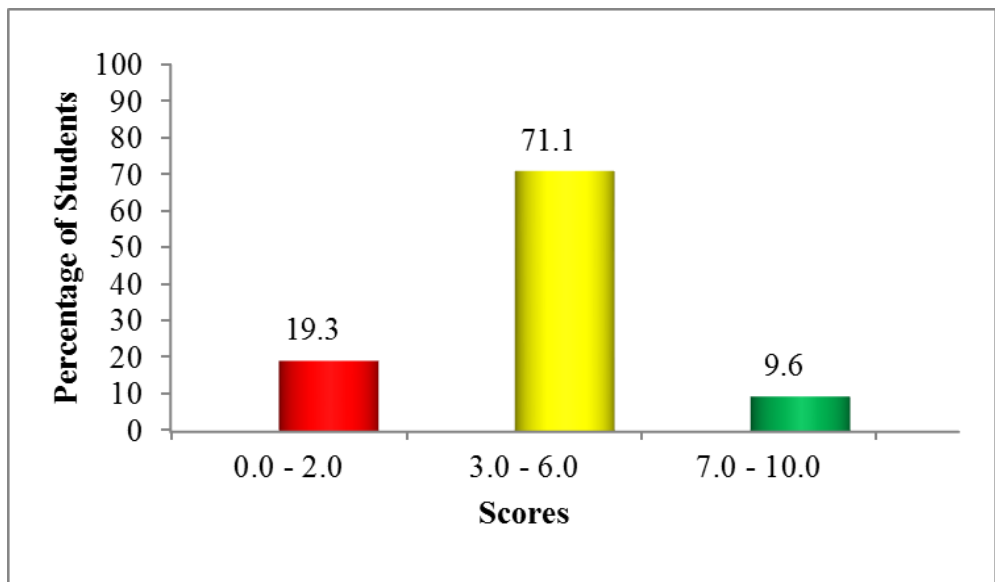
average and red weak performance. The students' performance in each topic is summarised at the end of the report. See Appendix 1.

## 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 carried 1 mark each, making a total of 10 marks. The items were composed from seven topics which are *Warehousing Management, Economics Basis, Production, Domestic trade, Entrepreneurship, Commerce Basics* and *Transportation*.

The question was attempted by 77,243 (100%) candidates. The data analysis shows that 14,920 (19.3 %) students scored from 0 to 2 marks, 54,945 (71.1%) students scored from 3 to 6 marks and 7,378 (9.6%) students scored from 7 to 10 marks. The students' scores in this question is summarised in Figure 1.



**Figure 1:** Percentages of Students' Performance in Question 1

Figure 1 shows that, the students' performance in this question was good, because the majority (80.7%) of the students performed average and above. These students managed to choose the correct responses in most of the items. Despite the good performance in this question, the analysis shows that, 913 (1.2%) students scored zero as they chose an incorrect responses

from all items. The following is the analysis of students' response in each item (i) – (x).

In item (i), students were re to identify the type of warehouses used by both manufacturers and wholesalers to store their goods. The alternatives given were:

- A Bonded warehouses*                      *B Private warehouses*  
*C Public warehouses*                      *D Customers warehouses*

This item was set to test students' understanding on the types of warehouses. The correct response was *B: Private warehouses*. The students who chose the correct response were aware that, private warehouses can be owned and used by manufacturers, wholesalers, retailers, agents or farmers to store their goods while waiting for customers or for further production. The warehouses of this nature are built for the owners' use and not for rent but also not owned by the government. The students who opted for the alternative *A: Bonded warehouses* were wrong because bonded warehouses specially are built to store dutiable goods and managed by government officials through customs and exercise department. Further, the students who chose incorrect response *C: Public warehouses* were attracted by the word public used in alternative. These students incorrectly linked the option with the word *both* manufacturers and wholesalers to generalise that, the combination of manufacturers and wholesalers forms public hence opted for C. Other students chose *D Customers warehouses* failed to realise that, *Customers warehouses* are owned by individuals to keep their own goods or properties and not for rent.

Item (ii) stated as: What does the area below the point where demand and supply curves intersects present?

- A Excess price*                      *B Excess supply*  
*C Excess demand*                      *D Excess market*

The question aimed to test students' ability to interpret the intersection of the demand and supply curves and the effect on demand and supply above and below equilibrium point. The students who understood what happened to the market when the goods are sold below the equilibrium price were able to choose the correct response which was *C: Excess demand*. It is because at any area below the demand and supply curves intersection implies that, the price of the commodity shift down wards from the original



price discourages suppliers to supply the goods in the market hence excess demand. The opposite of excess demand is *B: Excess supply*, which shows that, the goods are supplied at the price above equilibrium point. This implies that, when the price of the commodity increases, it encourages the suppliers to supply more in the market but as the price increases, the purchasing power decreases hence more goods in the market with less buyers resulted into excess supply. Therefore, the students who opted for *B: Excess supply* failed to interpret the effect of supply of goods above the equilibrium which means the excess supply. Those who opted for *A: Excess price* failed to understand that, excess price occurs when there is shortage of supply or increases in demand for a particular product (s) in the market. This is because, the shortage of supply or increase of demand for a particular product forces the price to increase until the supply increases. On the other hand, the students who opted for *D excess market* were not aware that, excess market occurs when quantity of goods or services supplied at price above equilibrium price is more than the quantity demanded. In other word, excess market is similar to excess supply.

Item (iii), was: Which one is categorised as capital goods?

- A *A crane to lift heavy goods in the bonded warehouse.*
- B *A refrigerator bought for preserving food at home.*
- C *A car bought to satisfy family needs.*
- D *A tractor bought for personal use.*

It tested students' ability in understanding examples of goods used in production as compared to consumer goods. The correct response was A, *A crane to lift heavy goods in the bonded warehouse*. Most of the students opted for the correct response as they understood the meaning of capital goods and identified capital good from consumer goods. The other alternatives were consumer goods. They also understood that all four mentioned items can be termed as capital or consumer goods depending on the nature of their use. If the goods are used for production purposes they are categorised as capital goods but once used for individual use, they are categorised as consumer goods. For example, *B: A refrigerator bought for preserving food at home* is used by individuals to satisfy their personal need because the food preserved is for home use not for the business. The same to apply to options C: *A car bought to satisfy family needs* and D: *A tractor bought for personal use*. The students who opted for the incorrect

responses confuse the use of a refrigerator, a car and a tractor for personal use and when the same items are used for business purpose. However, most of them opted for *D: A tractor bought for personal use*. Those students had an idea of capital goods as they related the use of hired tractor for cultivating farms for crops and paid which is completely wrong.

In item (iv), students were required to identify an example of large scale retailing business from the given alternatives.

- |          |                       |          |                      |
|----------|-----------------------|----------|----------------------|
| <i>A</i> | <i>Mobile shops</i>   | <i>B</i> | <i>Tied shops</i>    |
| <i>C</i> | <i>Multiple shops</i> | <i>D</i> | <i>Single shops.</i> |

The item intended to test students' ability to identify types of retailers according to their scales by examples. They were supposed to know the main factors to consider when differentiating large scale retailing business from small scale retailing business. The factors include the amount of capital invested, the nature of goods offered and the services the shops provided to customers. The correct response was *C: Multiple shops*. The shops are classified as large scale retailing business because they need large amount of initial capital to facilitate centralised buying and distribution of goods to the branches. Other options *A*, *B*, and *D* are the examples of small scale retailing business so they were incorrect. For example, most of the students with incorrect responses chose *A: Mobile shops* as they failed to realise that, mobile shop need less amount of capital to establish as compared to multiple shops. Owners of these shops use vans to transport their goods to different market places to find the customers.

Item (v) stated as: The following are the functions performed by an entrepreneur **except**:

- |          |                                    |          |  |
|----------|------------------------------------|----------|--|
| <i>A</i> | <i>raising finance for project</i> | <i>B</i> | <i>planning for the project</i>        |
| <i>C</i> | <i>managing the project</i>        | <i>D</i> | <i>competing with similar projects</i> |

The correct response was *D: competing with similar projects*. The analysis of the students' responses indicated that, the students who chose *D*, had sufficient knowledge on the functions of entrepreneur. They understood that in planning function an entrepreneur has to foresee about the competitors and how to compete with them in the market. Therefore, the element of competition is assessed in planning function. However, the students who opted for incorrect responses *A: raising finance for project*,

*B: planning for the project*, and *C: managing the project* failed to understand that, an entrepreneur as an initiator of the business project is the one to provide capital for the establishment of the project. An entrepreneur can raise fund for capital using different methods like borrowing from friends, family members, financial institutions or saving from personal sources. Likewise option *B* is considered as a function of an entrepreneur because, before establishing the project it is necessary to think of what to do, when, where, how to do and at what cost the project will initiated and operated thereafter. The students, who chose *C*, were incorrect because it is the task of an entrepreneur to manager to control the project by using the internal and external mechanism to make sure that whatever planed is implemented.

Item (vi) stated that,

A retailer bought 2,000 kilogram of rice at Tsh. 2,000 @ from a wholesaler at a discount of 15% for bulk buying. The discount given to a retailer is referred to as:

*A cash discount*

*B trade discount*

*C discount allowed*

*D discount received*

The item tested the students' ability to distinguish the two main types of discounts used in trade. The correct response was *B: trade discount*. The students who chose the correct response were aware that wholesaler provide discount to the retailers who buy in bulk. The discount offered for bulk buying is called trade discount/quantity discount. The students who opted for other options lacked knowledge on the types of discounts. For example those students who opted for *A cash discount* did not understand that a cash discount is provided by the seller to the buyer to encourage them to pay their debts immediately. For example, a customer buying on credit goods worth Tsh. 100,000/= on 1/1/2022, the seller can encourage the buyer to pay for the debt by providing a discount of 5% if paid before 15/1/2022. The cash discount is divided into discount allowed and discount received. Therefore, the students who opted for incorrect response *C* or *D* failed to understand that, the two options are parts of cash discount.

Item (vii) was: How trade can be identified from other business activities?

- A *It involves exchange and distribution of goods and services.*
- B *It involves buying of goods and services.*
- C *It involves selling of goods and services.*
- D *It involves buying and selling of goods and services.*

The correct response was *D: It involves buying and selling of goods and services.* The students who opted for other options A, B and C had inadequate knowledge of concept of commerce. Trade does not involve the distribution of goods or services it only involves exchange of goods and services. The students who opted for the distractor *A: the exchange and distribution of goods and services* failed to understand that once the word *distribution* is added to the meaning of trade, it changes into commerce. Some students who chose B and C failed to realise that, the two options are the activities that forms trade and they cannot stand alone to mean trade.

Item (viii), intended to test students understanding on different documents used in transport. It states: The document which evidences the contract of carriage between the shipper and the ship owner is known as:

- A *dock warrant*                      B *freight note*
- C *charter party*                      D *bill of lading*

The correct response was *D: bill of lading.* The students who chose the correct response had knowledge on the documents used in water transport. It is the contract of carriage between the shipper and the owner of ship. It is prepared by the shipping company to provide the details of the ship and the items shipped. Majority of the students opted for the correct response. However, some students opted for incorrect response *A: dock warrant* as they did not know that, this is used as evidence that the goods exported/imported has been received in the dock warehouse. Moreover, other students chose *B: freight note*, these were wrong also as they failed to understand the meaning of the freight note. Freight note is not a document of carriage but it is a bill for transport services which shows the transport charges due on the shipment of goods. Likewise, some students opted for *C: charter party*, these were not aware that, this is the document prepared to show the agreement between the shipping company and the sender of the goods to carry the goods to the port of destination.

In item (ix), the students were required to identify the activity which is classified as labour in production.

- A *A woman cooking food for her kids.*
- B *A farther repairing a bicycle for his kids.*
- C *A teacher teaching kids at Mwenge Primary School*
- D *A teacher teaching his kids at home every evening.*

The correct response was *C: A teacher teaching kids at Mwenge Primary School*. It is correct because the teacher is paid wage/salary for the service rendered in the production process. The students were supposed to realise that, any activity which use human mental and physical efforts and the person paid for in production is termed as labour. The students who opted for incorrect responses *A: A woman cooking food for her kids*, *B: A farther repairing a bicycle for his kids* or *D: A teacher teaching his kids at home every evening* failed to consider the point that a labour must be paid. In the incorrect options the activities done should not be paid. The key point for this item was to let the students know that any activity performed by a person in production will be considered for as labour if it is paid for otherwise it cannot be termed as labour.

Item (x) required the students to show their understanding on the benefit of self-employment to an entrepreneur. The item was stated as:

*Why job security is considered as a benefit to self-employment to an entrepreneur?*

- A *It describes a person's social rank or position in the community*
- B *It can force an entrepreneur to retire at a certain age*
- C *It cannot force an entrepreneur to retire at a certain age*
- D *It ensures an entrepreneur to earn profits from the business.*

The correct response was *C: It cannot force an entrepreneur to retire at a certain age*. This was the correct response because in self-employment an entrepreneur has job security in the sense that, the chance of being fired or asked to retire from work by the boss does not exist because he/she is the boss by him/herself. Options *A: It describes a person's social rank or position in the community* failed to recall that, rank goes with the benefit named *status*. In alternative *D: It ensures an entrepreneur to earn profits*

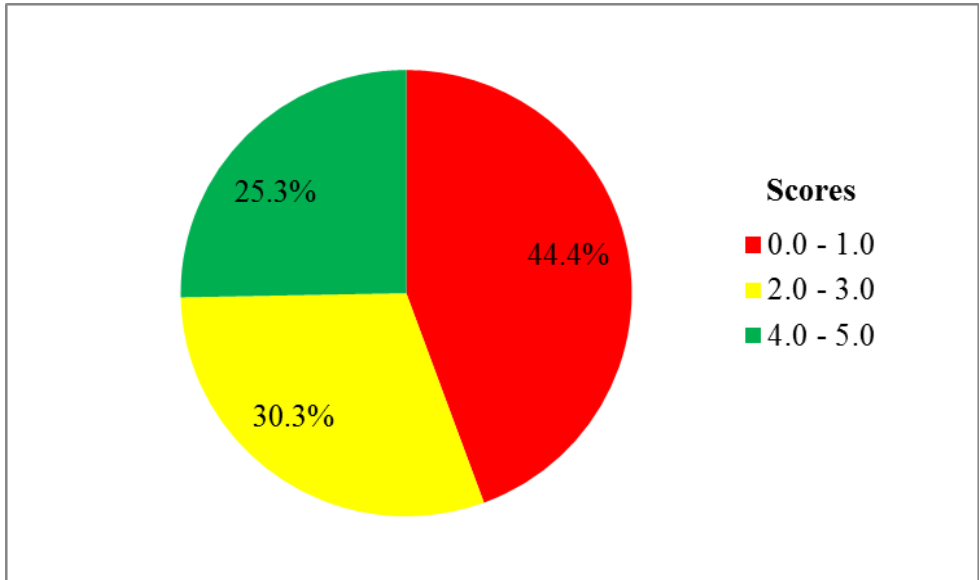
from the business, the explanation is for the advantage of profit and income which enable the entrepreneur to control business income and the profit so as to get the reward of profit as an entrepreneur. It encourages an entrepreneur to work hard so as to earn more profit. The question about the benefit of job security also required students to be specific to the demand of the question.

## 2.2 Question 2: Domestic Trade

The question was composed from the *Domestic Trade* topic and had five (i) – (v) items. The students were required to match the descriptions of the types of retail business in **List A** with the type of retail outlets in **List B** by writing the letter of the correct responses below the corresponding item number in the table provided.

<b>List A</b>	<b>List B</b>
(i) <i>The shops selling products from a particular manufacturer.</i>	A <i>Chain store</i> B <i>Supermarket</i>
(ii) <i>The shop selling their goods through post office.</i>	C <i>Mobile shops</i> D <i>Tied shops</i>
(iii) <i>The shop selling variety of goods and provide self-service to their customers.</i>	E <i>Department stores</i> F <i>Mail order shops</i>
(iv) <i>The shops operating under single roof and one management each selling particular line of goods.</i>	G <i>Multiple shops</i>
(v) <i>The shops selling the same class of merchandise but situated in different locations.</i>	

A total of 77243 students corresponding to 100 per cent attempted this question. The data analysis shows that 34,278 (44.4%) students scored from 0 to 1 mark, 23,438 (30.3%) scored from 2 to 3 marks and 19,527 (25.3%) scored from 4 to 5 marks. Technically, the question intended to assess the students' understanding on the features of some of the retail business. The performance of the students in this question is summarised in figure 2.



**Figure 2:** Percentages of Students' Performance in Question 2

Figure 2 show that, the general performance of this question was average as 55.6 percent of the students scored from average and above marks. These students had knowledge on the types of retail trade however, some of them could not answer all the items correctly. The analysis of students' response in each item is as follows:

Item (i); the students were required to identify the feature of retail shops selling products from a particular manufacturer. The correct response was *D: Tied shops*. The students who chose the correct response understood the main feature which distinguishes tied shops from other retail shops. Some students chose incorrect response *G Multiple shops* failed to understand that, in multiple shops the goods sold are from different manufacturers but they should be of the same class. Furthermore, a few students opted for *B: Supermarket*, were guessing because features of supermarket and tied shops are different especially in terms of the items sold.

Item (ii) required the students to identify the shops selling their goods through the post office. The correct response was *F: Mail order shops*. Most of the students understood that, the customers can place an order to buy goods from the supplier through telephone, email, post or fax and the goods delivered through post office. Conversely, some students incorrectly

opted for *C: Mobile shops*. These students were attracted by the word mobile from the responses and linked it with the ways used in ordering the goods the mail order business hence opt for incorrect response. Some students who opted for *E: Department stores* failed to understand that department stores have fixed premises and customers can buy direct from the shops.

Item (iii), the students required to match the shops selling a wide variety of goods and provide self-service to their customers with the appropriate response from List B. The correct response was *B: Supermarket*. The item was correctly answered by the majority of the students. These students were aware that, in supermarket, the customers are free to choose and pick the goods from the shelves according to their demand without being served by the shopkeeper and pay at the counter. Few students who provided incorrect response matched it with *E: Department stores*. They had misinterpreted the meaning of department store in a sense that, in department stores different shops are located in the same place under one roof it is easily for customers to buy the goods by selecting the one of their choice from different shops but failed to realise that, buying goods from different shops does not imply self-service. Others who matched it with *G: Multiple shops* related the words “variety of goods” with *multiple* from the responses due to lack of knowledge on the types of retail trade.

Item (iv), required the students to identify the shops operating under single roof and one management but each shop selling particular line of products. The correct response was *E: Departmental stores*. The students who matched the item with incorrect response failed to distinguish the features of departmental stores with that of other shops in retail trade. Most of the students matched the item with incorrect response *D: Tied shops*. The students who incorrectly responded to the item had inadequate knowledge of departmental stores hence chose response A or G (multiple shops/chain stores) which also are under one management like departmental stores. These students failed to understand the meaning of the concept, operating under single roof as it is concerned in departmental stores while multiple shops operate in different location.

Item (v), students were required to identify the shops selling the same class of merchandise but situated in different locations. The correct response was

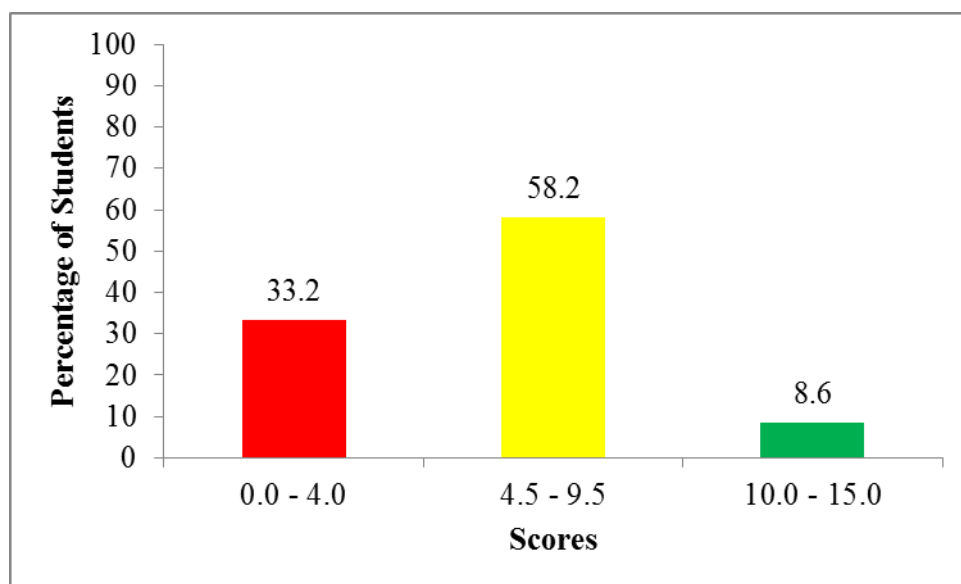


*G Multiple shops* or *A Chain stores*. The response *A Chain stores*, is the other name for multiple shops. The students who matched it with the correct response knew that multiple shops are located in different places though the products sold in each shop are similar. They also understood that, the number of items sold in those shops is limited as compared to the supermarket and department stores. The students who matched the item with incorrect responses *D: Tied shops* or *E: Department stores* had inadequate knowledge. They incorrectly interpreted the words *different locations* in multiple shops/chain stores with different shops from department stores.

### 2.3 Question 3: True or False and Filling in the Blanks Items

The question was composed from form the 7 topics namely: *Production, Entrepreneurship, Warehousing Management, Economics Basis, Transportation, Domestic trade, and Commerce Basics* as stipulated in form one and two syllabi. It consisted of (10) **True** or **False** items in part (a) and five (5) completion items in part (b), making a total of fifteen (15) items carrying 1 mark each.

The question was attempted by 77,243 (100%) students out of which 25,626 (33.2%) students scored from 0 to 4 marks, 44,997 (58.2%) students scored from 4.5 to 9.5 marks and 6,620 (8.6%) scored from 10 to 15 marks. The students' performance in the question is summarised in Figure 3.



**Figure 3:** Percentages of the Students' Performance in Question 3

Figure 3 indicates that, the students' performance in this question was good because 51,617 (66.9%) of the students who attempted the question performed average and above. This performance is analysed in each item as follows:

In part (a) the students were required to write **True** if the statement given was correct or **False**, if the statement was not correct in the space provided.

In item (i), the statement was; *Extraction of minerals from the earth is categorised under the secondary stage of production.* The correct response was *False*. The students who responded to the item correctly were aware of the stages of production and understood the activities done in each stage of production. The statement for example, presents primary production which deals with extraction of raw materials from natural resources (land). Some students who wrote *True*, failed to understand the meaning of secondary stage of production because at that stage, the products from primary stage are transformed into finished goods in manufacturing and constructive industry.

In item (ii), the statement was: *large amount of initial capital is an internal motivation to an entrepreneur.* The statement intended to assess students' ability to distinguish internal from external motivation factors to an entrepreneur. The correct response was *False* because capital does not come from within the entrepreneur. It is extrinsic motivation that comes from outside the entrepreneur. The students who wrote *True* lacked knowledge of entrepreneur motivation particularly the internal motivation. Internal motivation includes factor like the deed to be recognised by others, succession in business, desire to do something new in the business. Therefore, large amount of initial capital is considered external motivation because it can encourage the entrepreneur to work hard to get the expected returns.

Item (iv) stated that: *quantity demanded is inversely proportional to change in price.* The correct response was *True*. The students who understood the theory of demand opted for the correct response. They knew that, in this theory when price increases, the quantity demanded decreases and vice versa. The students who provided incorrect response *False* had inadequate knowledge of the theory of demand and also failed to interpret the words

*inversely proportional*. They were supposed to realise that, quantity demanded and price is in different direction as stated by the theory of demand. Some students also failed to differentiate the theory of demand from the theory of supply therefore, applied the theory of supply in which the quantity supplied is proportional to price of a commodity.

Item (v) stated that: In deferred payment, the product becomes the property of the buyer after final instalment being paid. The response was *False* because once the first instalment is paid the possession of the property moves from the seller to the buyer and the seller has no right to repossess it. The students who wrote *True* confused the term hire purchase with deferred payment. These students failed to realise that, it is in hire purchase where the seller will remain the owner of the property until the last instalment is paid.

Item (vi) was: the diversification of natural resources influences the growth of commerce. The correct response was *True*. The item required the students to recall the nature and the growth of commerce. The students who wrote *True* were aware that, commerce involves exchange and distribution of goods and services. However, exchange occurs when people from one area produce something which cannot be produced in other places due to diversification of natural resources. Therefore, exchange facilitates the growth of commerce. Those who wrote *False* failed to understand that, if all natural resources are not diversified the chance of commerce to grow will be minimal and difficult to exchange goods and services over a long time.

Item (vii) stated that: *consignment note is a document used in transporting goods which shows the freight charges for the goods to be transported*. The correct response was *False*. The students who provided the correct answer showed their understanding of different documents used in transportation of the goods. They were aware that, consignment note is used as a receipt for the goods shipped but freight charges are shown on the freight note. Conversely, the students who wrote *True* did not know the use of the consignment note.

Item (viii) states that: *All wants of human being cannot satisfy due to scarcity of resources*. The correct response was *True*. The students who

wrote correct response were aware that wants are many but the resources are limited, so it is difficult to satisfy all human wants. This indicated that, wants can only be satisfied based on the priority and the availability of resources. Some students who wrote *False* did not know meaning of wants in relation to available resources. In order to answer the item correctly, they were supposed to know that, human wants exceed the resources because always resources are scarce.

Item (ix) stated that: *Care of stocks involves receiving and recording of goods from suppliers.* The item was set to assess students understanding on the functions of stock administration. The correct response was *False* because care of stock function involves sorting of spoilt items from stock, dusting and arranging of goods in stock but not receiving and recording of goods. The students who wrote *True* had insufficient knowledge of the functions of stock administration. They failed to understand that, receiving and recording of goods from suppliers is done under the receiving function and not on stock care.

Item (x) stated that: *Barter trade simplifies trade because people can easily get what they want.* The correct response was *False*. The students who wrote *False* were familiar with the limitations of barter trade of which, the double coincidence of wants is among them. Double coincidence of wants occurs when the two people who are in barter trade each hold an item the other wants. This proves the statement wrong. On contrary, the students who wrote *True* were not aware of the meaning of double coincidence of wants. They also failed to remember that, double coincidence of wants is among the reasons of the introduction of money to reduce difficulties in exchanges.

In part (b) students were required to complete the sentences by writing the correct answer in the space provided. The analyses of the sentences were as:

Item (i) required the students to identify the element of transport, which facilitates the units of carriage to work. The correct response was the methods of *propulsion/unit of power*. The students who wrote correct answer understood well the elements of transport as they knew that, the unit of carriage cannot move without driving force such as diesel, electrical

power, power from coals, petroleum or solar. Some students wrote terminals while others wrote units of carriage. The students who wrote terminals were not aware that terminal is the point where loading and offloading of people and goods take place. Those who wrote the units of carriage or gave examples of the units of carriage like *bus*, *train* or *ships* deviated from the requirement of the item. Further analysis shows that, some students wrote about the modes of transport such as *water transport* and *railway transport* while the item was about elements of transport.

In item (ii), students were required to give the name of the new demand curve drawn as a result of change in other factors while price held constant. The correct response was *change/shift in demand*. The item aimed to assess students' understanding on the meaning of change in demand and their ability to differentiate change in demand from change in quantity demanded. The students were supposed to realise that, in change in demand a new curve must be formed while in change in quantity demanded changes occurred along the same demand curve due to change in price of a particular product. Most of the students failed to differentiate the factors for change in demand from that of change in quantity demanded. Examples on this include: *change in fashion*, *change in price* and *change in weather*.

In item (iii), students were required to identify the name given to an investigation made by an entrepreneur to assess the acceptability of his products in the market. The correct response was *market research/survey*. The students who responded to the item correctly understood the meaning of market search and linked it with the requirement of the question. Market research provides feedback to the entrepreneur which can enable him/her offer relevant products in the market. The following are some of the incorrect responses noticed during the analysis: *advertising*, *insurance*, *entrepreneurship*, *market*, *demand* and *feedback*. These responses portray students' inadequate knowledge and misunderstanding of the demands of the question. Some of their responses like *advertising*, *transportation* and *insurance* which are the aids to trade but do not support an entrepreneur to know the accessibility of his/her product in the market.

Item (iv) required students to provide the correct name for the exchange of goods and services between a seller in Tanzania and buyers in South Sudan. The correct response is international trade/export trade. The students were

supposed to know that if trade is done across the countries it is termed as international trade/foreign trade which is divided into import and export. The candidates who wrote trade were incorrect because the question involved two countries and trade is a general term. Some students wrote wholesale trade, retail trade and home trade. These students were incorrect because wholesale trade and retail trade are the branches of home trade.

Item (v) required the students to identify the reward that fits for machine used in production process. The correct response was *interest*. The item aimed to assess students understanding on the rewards of the factors of production. The students who supplied the correct response identified that machine is an example of capital factors of production whose reward is interest. Some students wrote *labour* because they thought about the one to operate the machine used in production instead of the reward for capital. Similarly, some students wrote other factors of production such as *land*, *capital*, and *entrepreneurship* instead of the reward for capital factor of production. Others wrote *wages or salary*, which is the reward for labor and not for machine. Furthermore, the analysis shows that, some copied some word(s) from the alternatives given in question 1 as a solution. All incorrect responses implied inadequate knowledge on the factors of production. Extracts 3:1 and 3:2 illustrate samples of good and poor responses respectively.

3. (a) For each of the statements (i) – (x), write **True** if the statement is correct or **False** if the statement is not correct in the space provided.
- (i) Extraction of minerals from the earth is categorised under the secondary stage of production. .... *false* .....
  - (ii) Large amount of initial capital is an internal motivation to an entrepreneur. .... *false* .....
  - (iii) A retailer can determine his business turnover by using gross profit margin. .... *false* .....
  - (iv) Quantity demanded is inversely proportional to change in price. .... *true* .....
  - (v) In deferred payment, the product becomes the property of the buyer after final instalment being paid. .... *false* .....
  - (vi) The diversification of natural resources influences the growth of commerce. .... *true* .....
  - (vii) Consignment note is a document used in transporting goods which shows the freight charges for the goods to be transported. .... *false* .....
  - (viii) All wants of the human being cannot be satisfied due to scarcity of resources. .... *true* .....
  - (ix) Care of stocks involves receiving and recording of goods from suppliers. .... *false* .....
  - (x) Barter trade simplifies trade because people can easily get what they want. .... *false* .....
- (b) Complete the following sentences by writing the correct answer in the space provided.
- (i) The element of transport which facilitates the unit of carriage to work is called ..... *method of propulsion* .....
  - (ii) The new demand curve drawn as a result of change in other factors while price held constant reflects .... *change in demand* .....
  - (iii) The investigation made by an entrepreneur to assess the acceptability of his products in the market is known as ..... *market research* .....
  - (iv) The exchange of goods and services between a seller in Tanzania and buyers in South Sudan is referred to as ..... *foreign trade (international)* .....
  - (v) The reward for the machine used in production is called ..... *a interest* .....

Extract 3.1: A sample of a correct responses in question 3

3. (a) For each of the statements (i) – (x), write **True** if the statement is correct or **False** if the statement is not correct in the space provided.
- (i) Extraction of minerals from the earth is categorised under the secondary stage of production. .... True.....
  - (ii) Large amount of initial capital is an internal motivation to an entrepreneur. .... True.....
  - (iii) A retailer can determine his business turnover by using gross profit margin. .... True.....
  - (iv) Quantity demanded is inversely proportional to change in price. .... false.....
  - (v) In deferred payment, the product becomes the property of the buyer after final instalment being paid. .... True.....
  - (vi) The diversification of natural resources influences the growth of commerce. .... False.....
  - (vii) Consignment note is a document used in transporting goods which shows the freight charges for the goods to be transported. .... True.....
  - (viii) All wants of the human being cannot be satisfied due to scarcity of resources. .... false.....
  - (ix) Care of stocks involves receiving and recording of goods from suppliers. .... True.....
  - (x) Barter trade simplifies trade because people can easily get what they want. .... True.....
- (b) Complete the following sentences by writing the correct answer in the space provided.
- (i) The element of transport which facilitates the unit of carriage to work is called .... Unit of carriage.....
  - (ii) The new demand curve drawn as a result of change in other factors while price held constant reflects .... Demand schedule.....
  - (iii) The investigation made by an entrepreneur to assess the acceptability of his products in the market is known as .... entrepreneur's warrant.....
  - (iv) The exchange of goods and services between a seller in Tanzania and buyers in South Sudan is referred to as .... international trade.....
  - (v) The reward for the machine used in production is called .... labour.....
  - (v) The reward for the machine used in production is called .... labour.....

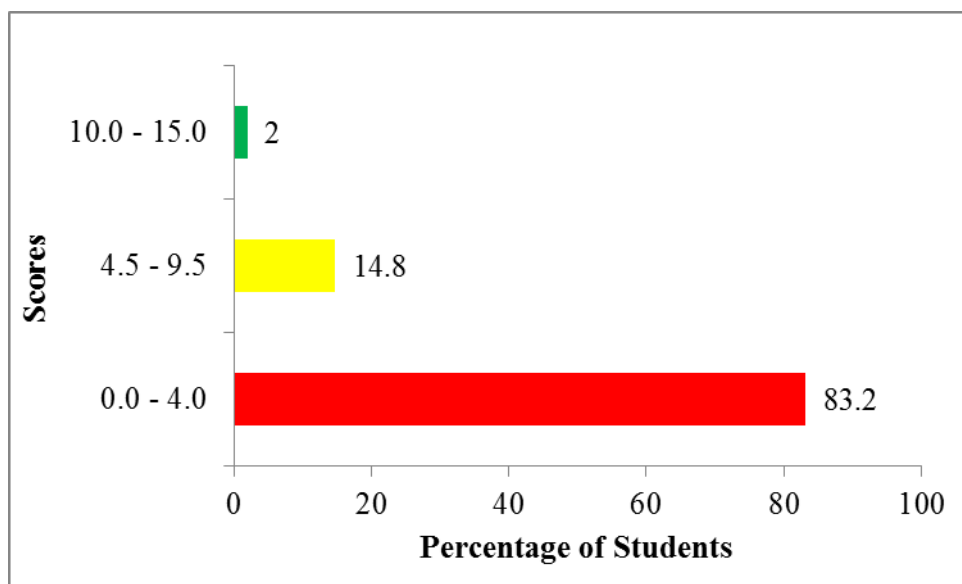
Extract 3.2: A sample of an incorrect responses in question 3



## 2.4 Question 4: Descriptions of Commercial Terms

In this question the students were required to provide brief explanations on the following commercial terms: (i) Custom duties (ii) Proforma invoice, (iii) Supply schedule, (iv) Middlemen and (v) Entrepreneurship.

The question was attempted by 77,243 (100%) students. The data analysis shows that, 64,274 (83.2%) students scored from 0 to 4 marks, of which 32,858 (42.5%) students scored zero mark. Further analysis shows that, 11,414 (14.8%) students scored from 4.5 to 9.5 marks while 1,555 (2.0%) students scored from 10 to 15 marks. General performance in this question was weak since only 12,969 (16.8%) students scored from average and above. The students' performance in this question is summarised in Figure 4.



**Figure 4:** Percentages of Students' Performance in Question 4

Figure 4 shows that, majority (83.2%) of the students in this question had weak performance as they scored below average marks. Their performance was less than an average of 30 percent of the allocated marks.

A total of 64,274 (83.2%) students who scored 0 to 4 marks provided incorrect explanations in almost all the items. The analysis shows that the students were incompetent in the assessed terms. Majority of them scored zero mark as they provided irrelevant explanations to the items due to

inadequate knowledge hence copied some words from other question. Also misconception of the concepts was also noted as the problem facing these students. Some of them attempted only 1 out of 5 given items while others attempted all the items with incorrect responses. For example, instead of explaining the term custom duties as *the duties charged to importers and exporters by custom authorities on both imports and exports basing on the terms and conditions of tax authority* some students misinterpreted the term custom duties differently. Many of them interpreted the word duties as *task or responsibility a person has to perform*. Therefore, among them responded to the item as the *responsibility of customers when buying goods*, other students in this category wrote custom duties as *a person who is responsible in transporting the goods to the customs*.

Item (ii) was *Proforma invoice*, some students' responses reflected the meaning of *invoice, receipts, and debit note*, which was incorrect. They failed to understand that proforma invoice is a *document sent by the seller to the buyer stating the items and conditions under which goods will be supplied. It is similar to normal invoice but it cannot bill the customer*. Therefore, those who explained it as invoice were wrong because it cannot bill a person as no goods or services is sold on credit. Similarly, as those who offered the definition of receipt were wrong because no cash transactions take place on issuing of proforma invoice, definition of *receipt* was invalid response.

In item (iii), *supply schedule*, some students copied the sentences which relate to demand or supply as a response. Some students' responses were about *demand curve, the theory of demand, supply curve, and shift in supply*. However, a few students were able to explain the term correctly as *the table show the relationship between the quantities supplied with the price of a given commodity at a particular period*.

The items (iv) middlemen and (v) entrepreneurship were partially answered by a few students. Majority of the students responded incorrectly to item (iv) middlemen by mentioning *retailer and wholesaler* which are the examples of middlemen instead of providing brief explanation on the term. Some students explained the functions performed by middlemen instead of explanations of middlemen. The examples of incorrect responses given include: *buying in large quantity and selling in small quantities, selling of*

goods to final buyer, keep the goods in the warehouse. In item (v), some students failed to score marks because they listed the qualities of an entrepreneur. Others mentioned land, labour and capital as other factors of production instead of providing brief explanation an entrepreneurship as the process of generating viable business ideas, evaluating and establishing business ventures that offer products or services to consumers. Furthermore, the analysis shows that, lack of English language proficiency was other reason for students' low scores. Extract 4.1 illustrate the sample of incorrect responses in question 4.

4. Briefly explain the following terminologies:

(i) Custom duties  
 Custom duties these are the block or fractions given to a specific people according to their skills and the ability of block.

(ii) Proforma invoice  
 Proforma invoice is the document issued by customer to a Supplier or Seller under overcharged.

(iii) Supply schedule  
 Supply Schedule is the representation or a data shown in a Tabular Method to show Price and the quantity supply supplied in the Price.

(iv) Middlemen  
 Middlemen - these are data in chain of distribution that producer and sell goods and services to the Final Consumers.

Extract 4.1: A sample of student's incorrect response to question 4

A total of 11,414 (14.8%) students who scored from 4.5 to 9.5 marks provided a few correct explanations to some of the assessed concepts. Most of these students attempted item (iii), (iv) and (v) and were able to score at least 2 marks in each item. Some students explained the meaning of custom duties in item (i) but their explanations missed the important key words like tax on both *imports and exports*. For example, one of the students wrote it

as the taxes on goods which to be to the government income by the buyer who buys from other countries through TRA. The student had an idea but failed to organise them due to poor English language. Few students in this category attempted item (ii) profoma invoice with unsatisfactory explanations as partly answered as an invoice. These are among the factors contributing to average scores.

Despite weak performance in this question, the analysis shows only 1,555 (2%) students scored high marks. The students in this category had sufficient knowledge of most of the assessed terms. Some of them were able to provide brief explanations to at least 3 items and above. Extract 4.2 is a sample of a correct response to question 4.

4. Briefly explain the following terminologies:

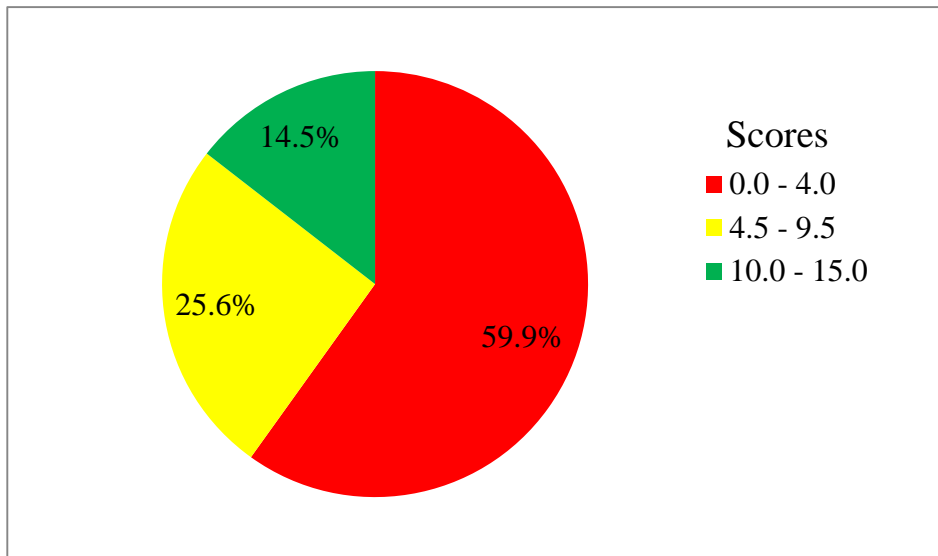
- (i) **Custom duties**  
- Custom duties are the charges imposed on Exported and imported goods to a country's port usually based by the value and weight of the goods. They are paid by the importer to the custom authorities while goods are in bonded warehouse.
- (ii) **Proforma invoice**  
- Proforma invoice is a document used in domestic trade that shows the value of goods ordered and the terms and conditions of the trade if the buyer would accept the trade. It shows how the invoice would look like.
- (iii) **Supply schedule**  
- Supply schedule is the table showing the quantities of goods supplied to the market and their corresponding prices for the goods. There are two types of supply schedules namely: individual and market supply schedule.
- (iv) **Middlemen**  
- Middlemen are traders who link the producers and the final consumers in the chain of distribution. Examples of middlemen are wholesalers, brokers, retailers, agents and auctioneers.
- (v) **Entrepreneurship**  
- Entrepreneurship is the process of initiating the business' idea, organizing it and managing the business along with any of its risks with the aim of making a profit. Example of enterprises is the IPP companies.

Extract 4.2: A sample of a correct responses in question 4

## 2.5 Question 5: Production

In this question the students were required to briefly explain the relationship between the given factors of production: (i) Land and labour (ii) Land and capital, (iii) Labour and capital, (iv) Land and entrepreneurship and (v) Entrepreneurship and capital.

A total of 77,243 (100%) students attempted this question out of which 46,260 (59.9%) students scored from 0 to 4 marks among them 30,017 (38.9%) scored zero. Further analysis shows that, 19,773 (25.6%) students scored from 4.5 to 9.5 marks and 11,210 (14.5%) scored from 10 to 15 marks. Figure 5 summarises this performance.



**Figure 5:** Percentages of Students' Performance in Question 5

Figure 5 shows that, students' performance in question 5 was average since 30,983 (40.1%) students scored average or above (4.5 to 15 marks). This shows that, the students had adequate knowledge of the factors of production though they could not score full marks to some of the items.

A total of 30,983 students who scored from 4.5 to 15 marks (40.1%) explained in brief how the factors of production relate to each other. These students were aware that, a single factor of production cannot work independently in the production process. Therefore, each factor of production depends on the other factors in order to make production

effective. For example, land cannot be effective if there is no labour to work, but labour need to be paid using cash which is part of capital. Land also needs capital to facilitate availability of equipment, plant and other fixed asset used in production. Likewise, land, labour and capital needs to be organised and supervised. This shows that, the factors of production are interdependent to one another. The students who scored average marks were able to provide explanations which reflect the relevant relationship of the factors of production to some of the items especially item (i) to (iii).

In item (iv) *Land and entrepreneurship* and (v) *Entrepreneurship and capital* only a few students gave correct explanations to justify the relationship of the terms. Those who failed to give the correct relationship between *land* and *entrepreneurship* were not aware that, for the land to be effective there must be organisation and coordination of the other factors like labour and capital to facilitate production. Coordination and organization is done under *entrepreneurship* by an entrepreneur. This is also applied to *capital* and *entrepreneurship*. Capital in production includes cash and goods/materials which need to be controlled by entrepreneur from entrepreneurship. The students who scored high marks explained how the factors of production given in item (i) – (v) relates to each other. Their scores varied basing on the individual ability to explain the relationship in each item. Extract 5.1 is a sample of correct response to question 5.

5. Briefly explain the relationship between the following factors in relation to production:

(i) Land and labour

Labour can be used to utilise the resources available on the land. That is to mean ~~to~~ land itself can be useful unless exploited by labour power to produce ~~to~~ useful resources. Example: Labour can be used to obtain minerals from the land, which will be used in production activities.

(ii) Land and capital

Capital is the wealth which is used to produce other wealth, therefore, capital is needed for the exploitation or use of land, because land can't re-use itself to produce resources needed in the production. That is to mean a person needs capital so as to perform several functions on the land such as constructing of buildings like industries or even infrastructures. Also capital cannot be useful if there is no land, where production can take place.

(iii) Labour and capital

Labour is the physical or mental strength used in the production process while capital is a wealth (assets) that are used to produce other wealth, hence labour depends on capital, because labour can't be utilised or used if there is no capital available. Capital can be used to acquire land where labour can work on. Also capital needs labour, who will work on the capital to produce various goods and services. Example if there is labour without capital no production can run smoothly and the vice versa.

(iv) Land and entrepreneurship

Entrepreneurship is the factor of production that organises other factors of production, while land is a nature's gift that provides area for activities such as construction of buildings. Therefore if entrepreneurship is absent no other factor of production will be able to organise land. Land won't be used for any productive activities. Also if there is no land, entrepreneurship won't lead to any production because land is also a very vital factor in the production process like in the obtaining of raw materials.

(v) Entrepreneurship and capital

Entrepreneurship as a factor of production which organises other factors of production including capital, since capital is used to produce wealth. Therefore if an entrepreneur lacks capital, the production process won't take place. And also if there is capital without entrepreneurship, no further production can be done. Example: If an entrepreneur lacks capital, then he/she won't be able to engage himself or herself in any productive activity like selling of household items.

Extract 5.1: A sample of a correct responses in question 5

Despite the average performance of students in this question, the students' responses analysis shows that, 59.9 per cent of students scored low marks. These students lacked knowledge of the factors of production particularly on the relationship between the factors. Some of the students who scored low marks explained partially some of the items especially (i) and (ii). Some of these students understood the factors but failed to describe their relationship to production. For example, one of the student's response was *land is environment where people cultivate and labour are people*. This student failed to show how land and labor relate. Other students mentioned the activities which are performed in/on the land such as lumbering, mining and agriculture but could not explain labour as the one who perform all the activities. Further, the analysis shows that, some students answered only one item out of given five. For example, one of the students responded



correctly in item (ii) *land* and *capital* as, *if you want to produce maize on land you need a tractor to cultivate the land*, but could not provide any relevant point to the rest of the item.

The students who scored zero marks had insufficient knowledge of the factors of production. This made some students skip the question while others copying some sentences from other question as a solution to this question. The analysis shows that, misinterpretation of the concepts and poor command of English language was also the reasons for the low scores to some students in this question. For example, some students perceived the term land factor of production as an *aid to trade* which is used to facilitated trade to take place instead the gift of nature where all natural resources used in production are obtained. Others explained land as a *mode of transport* instead of a factor of production. Similarly, some of these students interpreted capital as trade (*capital is the process of buying and selling goods and services to get profit*). Entrepreneurship was misinterpreted as *industry* where goods and services are produced. In addition, some students had ideas on the relationship on the factors of production but failed to make their sentences to present the key ideas. Extracts 5.2 is a sample of incorrect responses from one of the students.

5. Briefly explain the relationship between the following factors in relation to production:

(i) Land and labour

If you start a business you get a area and those area are land, then those area are people & it build and those people are called labour. So land and labour are their only one.

(ii) Land and capital

If you start a business you get land and those land are buying, so you used a money of capital. Land and capital it was used for one user people.

(iii) Labour and capital

Labour are the person who people used for  
business process, and labour for another

Extract 5.2: A sample of an incorrect responses in question 5

In extract 5.2, the responses show that the student has an idea on the relationship between the factors of productions but failed to present the message correctly due to lack of English language proficiency.

## 2.6 Question: 6 Transportation

In this question students were required to explain the indicators of good transport facilities in Tanzania.

This question was attempted by 77,243 (100%). The data analysis on students' performance shows that 68,840 (89.1%) students had weak performance as their scores ranged from 0 to 5.5 marks out of which 14,466 (18.7%) students scored zero. In addition 7,927 (10.3%) students scored from 6 to 12.5 marks and 476 (0.65%) students scored from 13 to 20 marks. The general performance of the students in this question was weak as 89.1 per cent of the students scored below average marks.

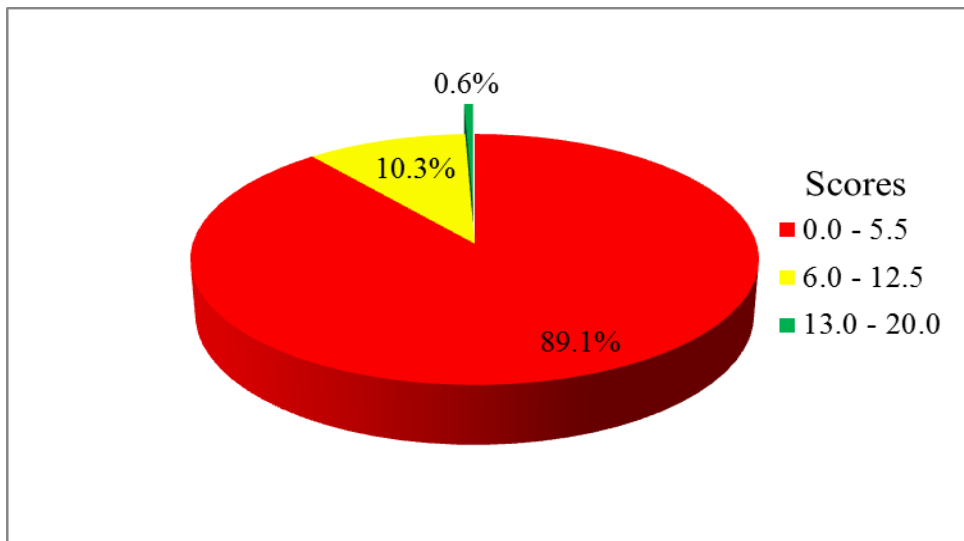


Figure 6: Percentages of Students' Performance in Question 6

Most of the students who scored below average failed to identify the indicators for good transport facilities in Tanzania. They failed to understand that, transport facilities are all structures necessary to support transportation of goods and services. These include harbours, airports, railways, roads, units of carriage, loading and offloading equipment, traffic lights and others. The indicators of good transport facilities mean an improvement in all the facilities. These students scored low marks because they misinterpreted the requirement and therefore provide incorrect response like *the nature of goods to be transported, value of the goods, availability of the modes and cost of the modes* which are the factors to consider when choosing the modes of transport and not the indicators.

Some students explained *road transport, water transport, air transport and railway transport* which are the modes of transport but they failed to link on how the modes of transport can be used as indicators of good transport facilities. The analysis of the students response further shows that, other students explained the problems facing transportation industry in Tanzania. For example, one of the students wrote *problem of traffic jam and road congestion, high transport cost and inaccessibility of the modes* which are the problems in transport industry. However, some students scored some marks from the introduction part and mentioning the correct points which had unrelated explanations. Only a few students managed to provide at least two correct points.

The correct points to this question were *mass production, availability of varieties of commodities in the market centre at the right time, Development of town and cities which is promoted by Construction of tarmac roads*. In addition, *increase of import and export trade: improvement of harbour, air ports, roads and railways increase the rate foreign trade. Improvement of infrastructure such as road construction/extension and railway construction* presents indicator of good transport facility. For example, all regions in Tanzania connected with tarmac roads so people use short time and low cost to travel as compared to some years back. This is also observed in some cities like Dar es Salaam where there are flyovers, rapid buses and others. Also *low rate of road accident and low transport costs* are used as indicators of good transport facilities in Tanzania. The students who understood the demand of the question responded it correctly on some points because all the indicators

can easily be assessed in most parts of Tanzania. Extract 6.1 shows a sample of students who scored low marks.

6. Explain six indicators of good transport facilities in Tanzania.

Transport: is the transfer of goods and services from one place to another. In transport there are the main elements which are ways, unit of carriage, method of propulsion and terminals, those four elements depending in order to make transportation. The following are indicators of a good transport facilities of Tanzania:

Speed and agency: In transportation speed and agency of a mean can make transportation to be good because can help a customer when wants some of goods and those goods can offloaded a customer for a short period of time.

Cost of production: in transportation cost of production is important because help a customer to know how many amount of money needed to pay in the production without that can ensure a customer to get in in his other transportation of goods.

Nature of goods: nature of goods helps customer to know which type of goods can be transported for a long period of time and which goods can be transported for a short period of time and which means of transport should be used. Those goods like perishable goods are goods which can not stay for a long time but durable goods are goods which can stay for a long time.

availability of means: In Tanzania most of means which are used is cars through the road and those means used to transport goods from one place to another. Availability of means help a customer or producer to simplify work.

Extract 6.1: A sample of an incorrect responses in question 6

In extract 6:1, the students explained the factors to consider when choosing the modes of transport instead of the indicators of good transport facilities in Tanzania.

Despite weak performance in this question, 8,403 (10.9%) students scored marks which ranged from 6 to 20. Most of these students identified correctly at least four correct indicators but gave partial explanations to some of the points. Further, the analysis from some of the students' responses shows that some students identified all the indicators correctly but provided unrelated explanations to some of the points. In addition some students managed to respond according to the demand of the question and demonstrated essay writing skills. Some students did not score some marks because they ignored the introduction and conclusion parts in their responses. Extract 6.2 illustrates a sample of a relatively correct response in question 6.

### Extract 6.2

6. Explain six indicators of good transport facilities in Tanzania.

#### INDICATORS OF GOOD TRANSPORT FACILITIES IN TANZANIA:

Transportation is the movement of people goods and services from one place to another, it has four elements which are the way, example the road, water, or air. The unit of carriage which involves vehicle, motor bicycles, bicycles. Method of propulsion which are the engines and petroleum and the terminal a place of loading or off loading of the goods. Tanzania is among the developing countries in Tanzania Africa, so it keeps on improving in terms of transportation sector, the following are the indicators of good transport facilities in Tanzania:

Reduced number of accidents rate. Due the improvement done on technology used and better means of transport, by following the rules and regulation set on transport sector, the number of accidents are reduced compared to the past where they were found at a high rate compared to now. so the reduced number of accidents is one of the indicators of transport facilities in Tanzania to be good.

Well improved infrastructures: Due to the well distribution of roads that is still continuing and improving the way that the roads are built has made sure that the transport facilities to be able to pass easily without complication like before so having well developed infrastructures is one of the indicators of good transport facilities in Tanzania.

Reduced congestion: Because of having many transport facilities like Train, Airplanes and water transport, there are reduced traffic jam on the roads like before also people get to work places on time without delaying like before which is good because people get more time to work rather than staying on the roads all time due to congestion so congestion is reduced and therefore it becomes a good indicator of transport facilities in Tanzania.

Interaction between people: People from different countries are able to interact with Tanzanian's through the use of transportation without transportation or with a bad transportation then there could be no interaction between the people since there is no way to reach to the country so the interaction between people is a good indication of transport facilities in Tanzania.

The promotion of Trade: Increased trade is one of the indications since without transport facilities which are good then the trade could not be possible since there could be no exploitation of goods to other countries that might need them so the promotion of trade is one of good indicators of Transport in Tanzania.

Development of other sectors: Some sectors like Agriculture and industrial sectors are developing in the country because of good transport facilities since there is distribution of the products to other places over the country and outside encouraging them to continue more production since it is profitable so development of other sectors is one of the indicators for good transport facilities in Tanzania.

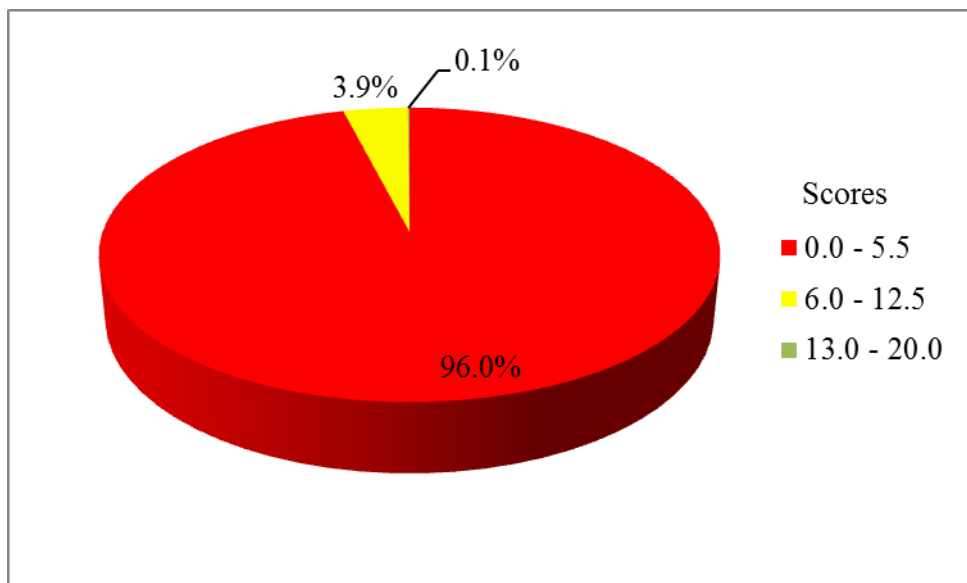
Transport facilities should continue to be improved because the Transportation is beneficial not only to the people but can also cause a great effect on the countries economy and development.

Extract 6.2: A sample of a correct responses in question 6

## 2.7 Question 7: Entrepreneurship

In this question the students were required to explain the ways an entrepreneur can use to identify business opportunities to invest in the market. Based on unemployment crises to many countries, this question needed students to think about different ways they can use to identify business opportunities to overcome the problem of unemployment.

This question was attempted by 77,243 (100%) students. Data analysis shows that 74,126 (37.5%) students scored from 0 to 5.5 marks of which 50,557 (65.5%) students scored zero mark. Moreover, 3,028 (3.9%) students scored from 6 to 12.5 marks and 89 (0.1%) scored from 13 to 20 marks. This performance is summarised in Figure 7.



**Figure 7:** Percentages of Students' Performance in Question 7

Figure 7 indicates that, the general performance on this question was poor as 74,126 (96%) students performed below average. This explains that the students had inadequate knowledge of business opportunity. Further, the analysis revealed that a few students, 4 per cent scored from average marks and above.

The analysis shows that 74,126 (96%) students who performed poorly due to some factors like insufficient knowledge of entrepreneurship especially on self-employment, misconception of the requirement of the question and

poor essay writing skill. The students (65.5%) who scored zero marks could not provide any correct point because some of them had poor understanding of the requirements of the question. For example, some students explained the *qualities/characteristics of entrepreneur*. In addition, others explained the *importance of entrepreneurship* and the functions of entrepreneur. The responses from one of the students' was: *in order to identify business opportunity the entrepreneur should work hard to know, entrepreneur should set goals on where to get the opportunity, should find capital which will help him to get opportunity, to organise how to get information and should be honest to customers*. The response contained some functions and quality of an entrepreneur.

In addition, the analysis shows that, some students explained the problem that entrepreneurs are facing in their day to day activities. For example, one of the students wrote *insufficient amount of capital, inadequate knowledge of business, poor transport, competition, and interest on loan, insecurity of the business and poor management of business*. Other students also explained about different business activities that an entrepreneur can engage instead of how to identify business opportunity. Their responses were: *agriculture, selling of soft drinks, opening butcher, milk centre, singing, teaching, and transport services*. The students failed to understand the requirement of the question.

On the contrary, some students who scored low marks but above zero marks were able to mention some ways but could not provide relevant explanation. For example, most of them mentioned the point of *market research* and *problems in the society* which were correct but failed to link their explanation with identification of business opportunity. They were supposed to know that, entrepreneur can identify business opportunity through *creativity and innovation* by being able to develop new business ideas and find the way forward to solve some problems. Again, through the use of *available resources, learning from successful entrepreneurs, market research or customer survey*, and taking care of some *government policy* entrepreneur can identify an opportunity to invest. The students also have to think about talents/interest and hobbies an entrepreneur has, can be he way to identify the opportunities. Extract 7.1 is a sample of incorrect responses.



7. How does an entrepreneur identify business opportunity to invest in the market? Explain by giving six ways.

Entrepreneur is the owner of the business and entrepreneurship is a capability and willingness of managing, organising and performing all business ventures along, on it, any risk with the aim of increasing production.

The following are the ways of identifying business opportunity to invest in the market:

Start the business. The entrepreneur identifies the investment that has been invested and began or start the business with the aim of recreating the production.

Bearing the risks. The entrepreneur always manages and organises all business ventures along its risks but the aim of all this is that to increase the production.

Employ other factors of production. Factors of production are necessary things for the production process to take place, e.g. land, labour, capital, organisation, etc. So, an entrepreneur employs the labour and the wealth to act upon the land with a right arrangement of ideas.

Give out the reward for other factors of production. An entrepreneur gives the reward to the factors of production, e.g. the reward of land is rent and reward of labour is salaries, the reward of capital is profit, etc.

Make the goods available in the market. The entrepreneur, after employing factors of production, will give out goods and will lead

provision of people in a certain area and this will lead to modern of production.  
Organise and manage all the business. Due to an entrepreneur, organise and manage all the business venture this will lead to increase of production and modern of production.  
Therefore the entrepreneur can identify the business opportunities by bearing the risk, planning of goods, organise and manage the business ventures, employ other factors of production and finally gives the reward to the factors of production.

Extract 7.1: A sample of an incorrect responses in question 7

The analysis of the students' responses shows that, 3,117 (4%) students scored from 6 to 19 marks. Majority of them had average performance. They were able to explain at least three correct points though their explanation given by individual students differs in terms of correctness. The students who scored high marks (13 to 19) showed their understanding of the subject matter assessed. Most of them managed to identify all correct indicators but the variation of scores was due to ability to clarify the mentioned correct points, Extract 7.2 is a sample of correct responses in question 7.

7. How does an entrepreneur identify business opportunity to invest in the market? Explain by giving six ways.

7. Entrepreneur is a person who oversees a business opportunity and takes the necessary measures to start that business. Business opportunity is an idea of a certain business that is generated by an entrepreneur. The following are the ways of identifying a business opportunity to invest in the market:

**Scarcity or Shortage of some goods:** Here an entrepreneur tries to see in the area he or she is living which product is scarce and is demanded by the people in that area. For example there is shortage of water ~~water~~ an entrepreneur will see the opportunity and start supplying water in that area hence generating profit.

**Situation occurring in an area:** Here the entrepreneur sees a particular problem occurring in a society and he or she generates profit by solving the problem. Example if most people in that area are suffering from malaria an entrepreneur will see the opportunity and start selling muggers mosquito net and mosquito repellent.

**Marketing research:** Here an entrepreneur tries to identify the demand of the people living in that certain area after he or she has known their demand the entrepreneur can take the opportunity by selling the products and services which are demanded by people living in that area.

**Forecasting demand:** An entrepreneur can identify a business opportunity by forecasting the demand of the customer. For example an entrepreneur can forecast that the customers will need warm drinks such as ~~teach~~ tea and coffee or heavy jacket during cold season. Hence he or she will sell those products and gain a profit out of it.

Improving already existing entrepreneurial activities. An entrepreneur can identify a business opportunity by adding creativity in his or her products or services due to the comments of customers about the former entrepreneurial activities hence attracting more customers.

Asking advice from successful entrepreneurs. An entrepreneur may ask advice to developed entrepreneurs who may help him/her choose the best business among the business opportunities he or she has thought for.

Conclusively, Determination of business opportunities done by entrepreneur provides vast employment opportunities to people and contribute in the rising of a country's economy since the entrepreneur provides revenue to the government.

Extract 7.1: A sample of a correct responses in question 7

### 3.0 PERFORMANCE OF STUDENTS IN EACH TOPIC

The general performance of the students in Commerce subject in the FTNA, 2021 was average since 46.39 per cent of the students passed. A total of 7 topics were assessed in Commerce paper. The topics were: *Commerce Basics, Production, Entrepreneurship, Domestic Trade, Warehousing Management, Economics Basics and Transportation.*

The analysis of students' performance in each topic shows that, the topics of *Commerce Basics, Production, Entrepreneurship, Domestic Trade, Warehousing Management, Economics Basics* from which *multiple Choice items, True or False and completion items* were constructed had good performance of 73.8 per cent. The good performance had been attributed to the students' ability in understanding the assessed concepts together with proper understanding of the demands of the question.

The topics of *Domestic Trade (55.6%) and Production (40.1%)* had average performance. This performance reflects the students' ability to analyse the types of retailer and the factors of production.

The topics with weak performance include: *Warehouse Management*, *Domestic trade*, *Economics Basics* and *Entrepreneurship* (16.8%) from which a short answer question was composed. Furthermore, the performance in the topics of *Transportation* (10.8%) and *Entrepreneurship* (4%) assessed on essay question had weak performance. Weak performance in these topics was due to students' inadequate knowledge of the assessed concepts, misinterpretation of the requirement of the questions or items and lack of English language proficiency. The performance per topics is summarised in appendix.

However, further analysis shows that, there is an improvement of 20.7 per cent in Domestic Trade topic which had average performance of 55.6 per cent in 2021 compared to 34.9 per cent in 2020. The performance in the Entrepreneurship topic in 2021 was 4 percent compared to 9.2 per cent of 2020. Therefore, there is a decrease 5.2 per cent.

## **4.0 CONCLUSION AND RECOMMENDATIONS**

### **4.1 Conclusion**

The general performance of the students in the Commerce subject was average as 46.39 per cent of the students passed. This performance was due to students' inadequate knowledge and skills of some of the concepts, misinterpretation of the question or concepts, and lack of English language proficiency. Despite average performance, some students performed well in this subject. These students had sufficient knowledge of the assessed topics, better understanding of the requirement of the questions and good mastery of English language.

### **4.2 Recommendations**

In order to improve students' performance in Commerce subject the following advice should be taken into consideration:

- (a) Teachers should use their surrounding environment to facilitate students in understanding the ways to identify business opportunities. For example, using the challenges that arise in their community and the resources available teachers should guide students to identify business opportunities. They should also use different business advertisement from different advertising media

and guide students to identify business opportunities from those advertisements.

- (b) Teachers should involve students in drawing of pictures of the modes of transport found in their surrounding and the units of carriage in the areas. Teachers should use recent pictures of the ways, unit of carriage, terminals and the loading and offloading equipment available in Tanzania to let the students to identify the indicators of good performance of transport facilities in Tanzania.
- (c) Teacher should also use presentation method in teaching some of the topics. This will encourage each individual student to work in order to be able to present before others. It will also help to facilitate the students in improving in English language not only that but also engaging in debate prepared by teachers or students so as to be competent in the use of English language.

**Summary of Students' Performance per Topic**

<b>S/N</b>	<b>Topic</b>	<b>Question Number</b>	<b>Percentage of Students who Scored an Average of 30% or Above</b>	<b>Remarks</b>
1	Warehousing Management, Economics Basis, Production, Domestic trade, Entrepreneurship, Commerce Basics and Transportation	1	73.8	Good
2	Production, Entrepreneurship, Warehousing Management, Economics Basis, Transportation, Domestic trade, and Commerce Basics	3		
3.	Domestic Trade	2	55.6	Average
4	Production	5	40.1	Average
5	Warehousing Management, Domestic trade, Production, Economics Basis, Entrepreneurship	4	16.8	Weak
6	Transportation	6	10.9	Weak
7	Entrepreneurship	7	4.	Weak

