IB Business Management – Command Terms

Command Terms for IB Business Management Examinations

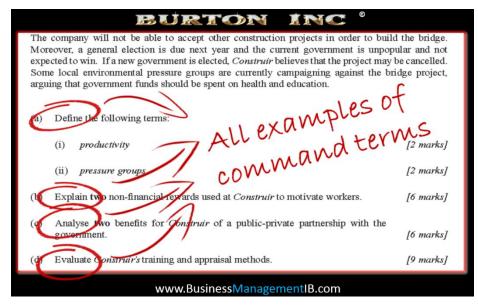


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COMMAND TERMS

Knowing the command terms enables the student to present their answers to examination questions in a way that meets the requirements of the question (for example, the answer to a 'Define' question is a little different to that of an 'Explain' question, which is very, very different to the answer required for a 'Discuss' question.

COMMAND TERMS - YOUR GUIDE HOW TO STRUCTURE YOUR ANSWERS IN EXAMINATIONS



What command terms look like in exam questions

Students should be familiar with the following key terms and phrases used in the syllabus content and in examination questions.

Command terms need to be understood by students and taught be teachers. There are specific areas in the mark schemes that require examiners to penalise students for not answering the question in the appropriate manner.

Although these terms will be used frequently in exam questions, other terms may be used to direct students to present an argument in a specific way. Thus, we have the first commandment of IB Business

Management: **Thou shalt know thy command terms**. The second commandment of IB Business Management is: **Evaluate**, **evaluate**. Do this for <u>all</u> of the Level 3 command terms. Establish and provide balanced evaluation of two sides of an argument, followed by a judgment. Always.

THE IB BUSINESS MANAGEMENT COMMAND TERMS

THE IB BUSINESS MANAGEMENT COMMAND TERMS:		
Level 1: Knowledge and understanding [1-2 marks]		
Term	Definition	
Define	Give the precise meaning of a word, phrase, concept or physical quantity. Define the term marketing mix.	
Describe	Give a detailed account. Describe the relationship between costs and profit.	
Outline	Give a brief account or summary. Outline one advantage and one disadvantage of Burton Inc.® using the Gantt chart to plan the development and release of Product X.	
State	Give a specific name, value or other brief answer without explanation or calculation. State one reason why Burton Inc.® has decided to structure the business as a private limited company.	
Level 2: Application and analysis [3-6 marks]		
Term	Definition	
Analyse	Breakdown in order to bring out the essential elements or structure. Analyse the impact of an internal opportunity and an internal threat to the business objectives of Burton Inc.®	
Apply	Use an idea, equation, principle, theory or law in relation to a given problem or	

Term	Definition
Analyse	Breakdown in order to bring out the essential elements or structure. Analyse the impact of an internal opportunity and an internal threat to the business objectives of Burton Inc.®
Apply	Use an idea, equation, principle, theory or law in relation to a given problem or issue. Apply the concept outsourcing to the Burton Inc.® objective of maximising shareholder returns.
Comment	Give a judgment based on a given statement or result of a calculation. Comment on the liquidity position of Burton Inc.® based on the acid test ratio calculated.
Demonstrate	Make clear by reasoning or evidence, illustrating with examples or practical application. Demonstrate how Burton Inc.® has benefited from economies of scale in pursuing its growth objective.
Distinguish	Make clear the differences between two or more concepts or items. Distinguish between autocratic and democratic leadership styles.

Command Terms for 18 Business Management Examinations	
Explain	Give a detailed account including reasons or causes.
	Explain why Burton Inc.® has changed its pricing strategy.
Interpret	Use knowledge and understanding to recognise trends and draw conclusions from given information.
	Interpret the difference between the gearing ratios calculated for Burton inc.® in 2014 and 2013.
Suggest	Propose a solution, hypothesis or other possible answer.
	Suggest a suitable method to improve the liquidity position of Burton Inc.®
Level 3: Synthesis and evaluation [8-20 marks]	
Term	Definition
Compare	Give an account of the similarities between two (or more) items or situations, referring to both (all) of them throughout.
	Compare the pricing strategies of Burton Inc.® and VIBE Education™ Ltd.
Compare and contrast	Give an account of similarities and differences between two (or more) items or situations, referring to both (all) of.
	Compare and contrast the pricing strategies of Burton Inc.® and VIBE Education™ Ltd.
Contrast	Give an account of the differences between two (or more) items or situations,

referring to both (all) of them throughout. Contrast the pricing strategies of Burton Inc.® and VIBE Education™ Ltd. **Discuss** Offer a considered and balanced review that includes a range of arguments, factors or hypotheses. Opinions or conclusions should be presented clearly and supported by appropriate evidence. Discuss the strategic decision by Burton Inc.® to expand into an overseas market. **Evaluate** Make an appraisal by weighing up the strengths and limitations. Evaluate the decision by the directors of Burton Inc.® to acquire VIBE Education™ Ltd. **Examine** Consider an argument or concept in a way that uncovers the assumptions and interrelationships of the issue. Examine Burton Inc.®'s decision to outsource production to the Philippines. Justify Give valid reasons or evidence to support an answer or conclusion. Justify Burton Inc.®'s decision to launch its new product X.

Recommend	Present an advisable course of action with appropriate supporting evidence/reason in relation to a given situation, problem or issue. Recommend a promotional strategy to Burton Inc.®
To what extent	Consider the merits or otherwise of an argument or concept. Opinions and conclusions should be presented clearly and supported with appropriate evidence and sound argument.
	To what extent is Burton Inc.®'s decision to adopt profit-related pay a successful way to improve staff motivation?

Level 4: Appropriate skills [1-6 marks]

Term	Definition
Annotate	Add brief notes to a diagram or graph. Copy and annotate the product life cycle of Product X for Burton Inc.®
Calculate	Obtain a numerical answer showing the relevant stages in the working. Calculate the gearing ratio for Burton Inc.® in 2014.
Complete	Add missing information/data. Copy and complete the profit and loss account for Burton Inc.® in 2014.
Construct	Display information in a diagrammatic or logical form. Construct a break-even chart showing the current margin of safety for Burton Inc.®
Determine	Obtain the only possible answer. Determine the break-even level of production for Burton Inc.®
Draw	Represent by means of a labelled, accurate diagram or graph, using a pencil. A ruler (straight edge) should be used for straight lines. Diagrams should be drawn to scale. Graphs should have points correctly plotted (if appropriate) and joined in a straight line or smooth curve. Draw a break-even chart for Burton Inc.®
Identify	Provide an answer from a number of possibilities. Identify two reasons why the Burton Inc.® has chosen a particular method of investment appraisal.
Label	Add labels to a diagram. Label the margin of safety on the break-even chart that you have constructed.
Plot	Mark the position of points on a diagram.

	Plot the position of Burton Inc.® on the position map drawn in your answer to part (a).
Prepare	Put given data or information from a stimulus/source into a suitable format.
	Prepare a cash flow forecast for Burton Inc.® for April, May and June 2016.

Source: <u>Business</u>**Management**|B.com