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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 TO STRUCTURING IB BUSINESS MANAGEMENT EXAM ANSWERS



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

in response to cheap, foreign imports. In fast fashion, new design concepts are quickly manufactured once they have been tested at fashion shows. Unfortunately, fast fashion worked against JS's brand identity. Surveys indicated that JS's brand has value and inspires loyalty, though focus groups of young consumers did not perceive JS as cool.

JS has been a leader in corporate social responsibility (CSR). Since the 1890s, it has pursued profits through values. More recently, JS introduced Strutz's chemical-free jeans. Because many of JS's suppliers operate in areas with few pollution regulations, to remain consistent with its image of CSR, JS is insisting that suppliers follow innovative but expensive chemical-free processes.

- All examples of command terms*
- (a) Define the term *multinational company (MNC)*. [2]
 - (b) Explain the importance to JS of:
 - (i) brand value; [2]
 - (ii) brand loyalty. [2]
 - (c) Draw and label a product life cycle for Strutz's No.5 jeans. [2]
 - (ii) Explain the position of Strutz's No.5 jeans on the product life cycle. [2]
 - (d) Discuss the role and impact of globalization on the growth and evolution of JS. [10]

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Command terms need to be understood by students and taught by 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, evaluate.** Do this for all 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

Evaluation **not** required

Level 1: Knowledge and understanding

Term	Definition
Define	Provide the exact meaning of a word, concept, phrase, or physical quantity. Define the term <i>marketing mix</i> .
Describe	Provide a detailed account. Describe the relationship between costs and profit.
List	Provide a brief sequence of answers without explanation. List the seven components of the marketing mix for services.
Outline	Provide a brief summary or account. Outline one advantage and one disadvantage of Burton Inc. [®] using the Gantt chart to plan the development and release of Product X.
State	Provide an exact name, value or brief answer without explanation or calculation. State one reason why Burton Inc. [®] has decided to structure the business as a private limited company.

Evaluation **not** required

Level 2: Application and analysis

Term	Definition
Analyse	Break down in detail to show meaning and identify elements and the relationship between them. Analyse the impact of an internal opportunity and an internal threat to the business objectives of Burton Inc. [®]

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Apply	Use a principle, idea, theory, law, or equation in relation to the issue or problem given. Apply the concept outsourcing to the Burton Inc. [®] objective of maximising shareholder returns.
Comment	Provide a judgment on the result of a calculation or a statement. 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	Provide clear differences between the stated concepts or items. Distinguish between monetary and fiscal policy.
Explain	Provide a comprehensive account that includes causes and/or reasons. Explain why quantity demanded decreases as price increases.
Suggest	Provide a solution, hypothesis, or some other possible answer. Suggest a suitable method to decrease aggregate demand.

Evaluation required

Level 3: Synthesis and evaluation

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	Provide an account of differences and similarities between items or situations, by referring to each of them throughout the response. Compare and contrast the pricing strategies of Burton Inc. [®] and VIBE Education [™] Ltd.

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Contrast	<p>Provide an account of differences between items or situations, by referring to each of them throughout the response.</p> <p>Contrast the pricing strategies of Burton Inc.[®] and VIBE Education[™] Ltd.</p>
Discuss	<p>Provide a balanced and considered review, including a selection of factors, arguments, and/or hypotheses. Conclusions should be clearly presented and supported with relevant and appropriate evidence.</p> <p>Discuss the strategic decision by Burton Inc.[®] to expand into an overseas market.</p>
Evaluate	<p>Provide an assessment that weighs the strengths and limitations of the issue.</p> <p>Evaluate the decision by the directors of Burton Inc.[®] to acquire VIBE Education[™] Ltd.</p>
Examine	<p>Consider a concept or argument in a manner that reveals interrelationships and assumptions of the given issue.</p> <p>Examine Burton Inc.'s[®] decision to outsource production to the Philippines.</p>
Justify	<p>Provide valid evidence and/or reasons supporting a conclusion or answer.</p> <p>Justify Burton Inc.'s[®] decision to launch its new product X.</p>
Recommend	<p>Provide a suitable course of action with applicable supporting reasons/evidence in relation to a given situation, problem, or issue.</p> <p>Recommend a promotional strategy to Burton Inc.[®]</p>
To what extent	<p>Take into consideration the merits or failings of a concept or argument. Conclusions and opinions are to be presented clearly, supported with relevant evidence and solid argument.</p> <p>To what extent is Burton Inc.'s[®] decision to adopt profit-related pay a successful way to improve staff motivation?</p>

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Evaluation **not** required

Level 4: Selection, use and application of a variety of appropriate skills and techniques

Term	Definition
Calculate	Acquire a numerical answer by showing the appropriate workings. Calculate the gearing ratio for Burton Inc. [®] in 2022.
Complete	Add missing information/data. Copy and complete the profit and loss account for Burton Inc. [®] in 2022.
Construct	Present information in a form that is logical or diagrammatic. Using the information provided, construct the demand schedule for product A.
Determine	Provide the only answer possible. Determine the break-even level of production for Burton Inc. [®]
Draw	Use a pencil to provide an accurate, labelled, graph or diagram to represent information. Use a ruler for straight lines. Diagrams need to be to scale. Points should be plotted correctly and then joined together in a line that is straight or forms a smooth curve. Draw a break-even chart for Burton Inc. [®]
Identify	Give the answer from one of a number of different possibilities. Identify two reasons why the Burton Inc. [®] has chosen a particular method of investment appraisal.
Label	Add a label or labels to the diagram in question. Label the above diagram.
Plot	On a diagram, mark points in the appropriate position. Plot the position of Burton Inc. [®] on the position map drawn in your answer to part (a).
Prepare	Put given information or data from a stimulus/source into a format that is suitable. Prepare Burton Inc.'s [®] balance sheet from the above financial information.

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