

Fall 2007 LDC Exam Results –Business Law

This brief report describes how well fall 2007 BUS 302L students performed on their *first* take of the business law exam. These results offer some insight into which of the top ten concepts junior-level business students find most difficult.

Roughly 1,007 students enrolled in BUS 302L during the fall 2007 semester. Table 1 contains the top ten concepts for business law. Table 2 provides a breakdown of the LDC exam by topic number and level of question difficulty.

Table 1. Top Ten Concepts in Business Law

Topic Number	Business Law Concept
1	Understand the roles of offer and acceptance in the formation of a contract.
2	Understand the differences between (a) intentional tort liability; (b) negligence liability; and (c) strict liability.
3	Understand arbitration and the significance of agreeing to submit a dispute to arbitration.
4	Understand product liability law.
5	Understand the duty to mitigate damages.
6	Recognize misrepresentation and fraud as defenses to contract enforcement.
7	Understand the implications of statute of limitations.
8	Identify and understand the differences between civil and criminal liability.
9	Understand the differences between compensatory and punitive damages.
10	Understand the situations in which it is necessary for a contract to be in writing to be enforceable.

The third and fourth columns in Table 2 indicate the number of student responses and the percentage of responses that were correct. For example, row one shows that students answered 1,070 questions on topic 1 with a level one difficulty *and* that 74.6 percent of those answers were correct.¹

The level of question difficulty is determined by the business law faculty who developed the exam questions. There seems to be a disconnect between what faculty and what students consider to be difficult. Table 2 does not consistently show a lower percentage of correct responses for the more difficult questions. For example, questions with level

¹ Recall that each LDC exam has 16 questions and only 10 topics. Thus, it is possible for the number of student responses to be greater than the number of students who took an LDC exam.

two difficulty have more correct responses than questions with level one difficulty for four of the ten topics (i.e., topics 4, 5, 8, and 9).

Table 2. LDC Business Law Results by Topic and Question Difficulty

Topic Number	Question Difficulty	Number of Student Responses	Correct Answers (percent)
1	1	1,070	74.6
1	2	606	58.2
1	3	548	55.1
2	1	924	61.4
2	2	752	52.7
2	3	190	59.1
3	1	498	58.7
3	2	340	51.1
3	3	51	92.0
4	1	310	50.5
4	2	528	56.9
4	3	300	43.5
5	1	97	51.0
5	2	741	64.8
5	3	49	34.0
6	1	143	81.0
6	2	1,533	63.0
6	3	201	44.3
7	1	1,012	68.5
7	2	664	53.5
7	3	64	65.0
8	1	413	71.2
8	2	425	75.9
8	3	85	65.5
9	1	588	51.9
9	2	250	54.9
9	3	143	36.7
10	1	684	52.5
10	2	154	48.9
10	3	45	66.0

Given the odd relationship between question difficulty and percentage of correct answers, the LDC exam results are displayed by topic only in Table 3.

Overall student performance is fairly modest on the business law exam. For example, the percentage of correct answers by topic range from a high of 72.8 percent to a low of 50.5 percent.

Table 3 indicates that student performance is highest on topics 1 and 8 with more than 65 percent of the questions answered correctly. Students appear to have the greatest difficulty on topics 4, 9, and 10 where they answered less than 53 percent of the questions correctly.

Table 3. LDC Business Law Results by Topic Only

Topic Number	Number of Student Responses	Correct Answers (percent)
1	2,224	65.3
2	1,866	57.7
3	889	57.7
4	1,138	51.7
5	887	61.6
6	1,877	62.4
7	1,740	62.6
8	923	72.8
9	981	50.5
10	883	52.6

A p chart was used to investigate whether the percentage of correct answers differs significantly among the topics. The results are shown on the following page in Figure 1. The p chart reveals that 60.2 percent of all questions on the business law exam are answered correctly. However, topics 4, 9, and 10 are significantly below this overall percentage, while topics 1 and 8 are significantly above it. Topics 2, 3, 5, 6, and 7 vary from the overall percentage but the differences are not statistically significant.

If the LDC exam questions are a fair indicator of student knowledge, then lower-division business law instructors may need to devote more time to topics 4, 9, and 10.

Figure 1. P Chart of the Percentage of Correct Answers by Topic

