Discuss

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To examine critically from various points of view, considering pros and cons and relevant details

Discuss is a fairly common command word, having appeared 67 times since 1999 and 38 times since 2010, most recently in the 2018 exam. It's certainly a command word that I would expect you to encounter on your exam; it's one of the ***heavy seven***. The implications of **discuss** are twofold:

1. You need to know what is expected of you for an answer when a question *uses* the command word **discuss**

2. You need to know what is expected of you for an answer when a question ***does not use*** the command word **discuss** *but could have*

Let's start with the first one: the question uses the command word **discuss**. Historically such a question has been very specific about the nature of the discussion, such as:

- **Discuss** *two* factors that increase the investor's ability to take risk. (4 minutes)

- **Discuss** *three* improvements that the manager could make to the portfolio. (6 minutes)

- **Discuss** *two* reasons why investor 1's allocation to fixed income should be higher than investor 2's allocation to fixed income. (4 minutes)

You'll notice that each of these questions specifies the number of items that you are to **discuss**, and that you are allocated 2 minutes – 2 marks – for each discussion item. What you may not notice is that in these questions, the word **discuss** is equivalent to a combination of **identify** and **explain**:

- **Identify** *two* factors that increase the investor's ability to take risk and **explain** why *each one* increases the investor's ability to take risk.

- **Identify** *three* improvements that the manager could make to the portfolio and **explain** why *each one* is an improvement.

- **Identify** *two* reasons why investor 1's allocation to fixed income should be higher than investor 2's allocation to fixed income and **explain** how *each one* suggests a higher allocation to fixed income.

These questions can each be answered in one or two bullet points: one to **identify** the factor, improvement, reason, or whatever, and one to **explain** why it does what it does. Sometimes you can use only one bullet point to accomplish both goals. For example, to earn full marks for a question such as, "**Discuss** *two* factors that increase the investor's ability to take risk," you could write, in two bullet points each:

First factor

```
The investor has a long time horizon

This gives the investor more time to recover from poor
returns in the short term
```

Second factor

```
The investor has a large asset base

This means that a lower average annual return is needed to
achieve the investor's goals
```

Alternatively, you could combine each into a single bullet point:

First factor

```
The investor has a long time horizon, which gives the
investor more time to recover from poor returns in the short
term
```

Second factor

```
The investor has a large asset base, so a lower average
annual return is needed to achieve the investor's goals
```

I've also seen candidates write answers this way, which is perfectly fine:

First factor

```
The investor has a long time horizon

-> Gives the investor more time to recover from poor returns
in the short term
```

Second factor

```
The investor has a large asset base

-> Lower average annual return is needed to achieve the
investor's goals
```

To be honest, you could pare it down further and still get full marks:

First factor

```
Long time horizon

-> More time to recover from poor returns short term
```

Second factor

```
Large asset base

-> Lower annual return needed to achieve goals
```

In short, *you don't need to write a lot of words*.