

Name:.....Class:.....Adm No:.....

END TERM EXAM - 2021

FORM 1

BUSINESS STUDIES.

TIME:

Instructions.

Answer all questions in the spaces provided.

- 1. State four characteristics of basic wants. (4mks)
  - ✓ *One cannot do without them.*
  - ✓ *They are felt needs*
  - ✓ *They cannot be postponed.*
  - ✓ *They are satisfied before secondary wants.*

- 2. Classify each of the following production activities as either Primary, Secondary or Tertiary. (4mks)

Activity	Level of production
Constructing a bridge	<i>Secondary</i>
Transporting medicines	<i>Tertiary</i>
Growing vegetables	<i>Primary</i>
Making tea	<i>Primary</i>

- 3. Name four commercial services which are useful to a manufacturer. (4mks)
  - ✓ *Ware housing*
  - ✓ *Advertising*
  - ✓ *Insuarance*
  - ✓ *Communication*

- 4. State the type if utility created in each of the following cases.
  - i. There is exchange hence one is able to acquire what they do have.
    - ✓ *Possession utility*
  - ii. Goods are stored until when they are needed.
    - ✓ *Time utility*
  - iii. Goods are taken to where they are required.
    - ✓ *Place utility*
  - iv. Converting goods to the right shapes and sizes required.
    - ✓ *Form utility*

- 5. Highlight four characteristics of Direct production. (4mks)
  - ✓ *Goods and services are of low quality and quality.*
  - ✓ *Encourages individualism.*

- ✓ *Leads to how standards of living*
  - ✓ *Can be very tiring*
  - ✓ *Does not encourage invention and innovation.*
  - ✓ *A lot of time is wasted as one moves from one job to another.*
  - ✓ *No one has the ability to provide all that he/she requires.*
6. What are the payments for the following factors of production. (4mks)
- i. Labour – *Salaries/wages*
  - ii. Capital - *Interest*
  - iii. Enterprenuer – *Profit*
  - iv. Land – *royalty / rent / rate*
7. State four disadvantages of Division of labour and specialization. (4mks)
- ✓ *Leads to monotony of work resulting to boredom.*
  - ✓ *Hinders creativity since people work mechanically just like machines.*
  - ✓ *Makes a worker dependant one trade.*
  - ✓ *Encourage use of machines, which creates unemployment.*
  - ✓ *Makes a counting depend on other countries.*
  - ✓ *It brings many people together and this leads to social problems such as crime and prostitution.*
  - ✓ *Leads to lack of pride in the final product.*
  - ✓ *If a few people stop working due to a technical fault such as printer failure, the whole process of production stops.*
8. State four functions of an entrepreneur. (4mks)
- ✓ *Creation of employment.*
  - ✓ *Formation of capital*
  - ✓ *Reducing rural urban migration*
  - ✓ *Raising standards of living*
  - ✓ *Saving on imports.*
  - ✓ *Improving infrastructure.*
9. Apart from shows and exhibitions list four other sources of business ideas. (4mks)
- ✓ *Newspapers*
  - ✓ *Magazine articles*
  - ✓ *Hobbies*
  - ✓ *Vocational training and experience*
  - ✓ *Surveys*

- ✓ *Waste products*
  - ✓ *Sporting a market gap (niche)*
10. Highlight four reasons why a business needs a business plan. (4mks)
- ✓ *Avoiding mistakes*
  - ✓ *Identifying strengths and weaknesses*
  - ✓ *Requirements by financiers*
  - ✓ *Determination of the amount of finance required.*
  - ✓ *Allocation of resources*
  - ✓ *A motivating factor*
  - ✓ *Adaptability*
11. State four ways of classifying goods and services produced in an economy. (4mks)
- ✓ *Free goods and economic goods*
  - ✓ *Producer goods and consumer goods*
  - ✓ *Perishable goods and durable goods*
  - ✓ *Public goods and private goods*
  - ✓ *Intermediate goods and finished goods*
  - ✓ *Material goods and non-material goods.*
12. Name four duties carried out in an office. (4mks)
- ✓ *Receiving and recording information*
  - ✓ *Distribution of information*
  - ✓ *Mailing*
  - ✓ *Reproduction of documents*
  - ✓ *Safeguarding and controlling organization property.*
  - ✓ *Communication*
  - ✓ *Filing*
13. Highlight four characteristics of a good filing system. (4mks)
- ✓ *Simplicity*
  - ✓ *Compactness*
  - ✓ *Suitability*
  - ✓ *Elasticity*
  - ✓ *Safety*
  - ✓ *Accessibility*
  - ✓ *Economical*
14. List four roles of filing in an office. (4mks)
- ✓ *Documents are protected from loss and landing into unauthorized hands.*
  - ✓ *It aids in office tidiness and efficiency.*
  - ✓ *It an important aid to memory.*

- ✓ *Ensures that information is stored systematically and can be retrieved easily when needed.*
- ✓ *Documents are kept neat and tidy.*

15. List three types of office layouts. (3mks)

- ✓ *Open office layout*
- ✓ *Enclosed office layout*
- ✓ *Landscape office layout*

16. Name the office equipment used to perform each of the following tasks. (4mks)

- a. Printing stamp impression on envelopes.
  - ✓ *Franking machine*
- b. Cutting paper into required sizes
  - ✓ *Paper shredder*
- c. Pinning papers together
  - ✓ *Stapler*
- d. Recording, processing, sorting and retrieving information.
  - ✓ *Computer*

17. State four factors to be considered when selecting office equipment. (4mks)

- ✓ *Cost*
- ✓ *Adaptability*
- ✓ *Possibility of hiring than buying*
- ✓ *Durability*
- ✓ *Effect on staff morale*
- ✓ *Availability of complimentary resources*
- ✓ *Availability of manpower*
- ✓ *Security of an equipment.*

18. State essential qualities of an office staff. (3mks)

- ✓ *Personal attributes*
- ✓ *Office etiquette*
- ✓ *Knowledge and skills.*