**BUSINESS STUDIES**

**FORM ONE TERM ONE 2024**

**MARKING SCHEME**

1. Fill in the table with the correct term as used in business studies. (5 marks)

|  |  |  |
| --- | --- | --- |
|  | Definition | Term |
| a) | Study of all activities that are carried out in an office | Office practice |
| b) | Study of how people struggle to meet their endless needs using limited resources | Economics |
| c) | Study of systematic ways of recording and reporting business information for decision making | Accounting |
| d) | Study of the process of identifying a business opportunity and acquiring the necessary resources to start and run it. | Entrepreneurship |
| e) | Study of trade and aids to trade | Commerce  |

2. Highlight five ways in which the study of business studies is important to the community you live in. (5 marks)

* Enables the people in the community to acquire knowledge to start and manage profitable businesses.
* Enable people in the community understand and appreciate the role of business activities in the community.
* Enable people understand and appreciate the importance of business activities in the country.
* People are able to appreciate the basic economic issues in the community.
* It imparts skills of wise buying and selling in the community.
* People of the community acquire skills to evaluate performance of business.
* Develop positive environmental and health practices.

3. By using a tick (√), show in the table below whether the activity listed are business activities or non-business activities. (5 marks)

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Activity | Business | Non business |
| a) | Selling tomatoes by the roadside | √ |  |
| b) | Making chapatis for own breakfast |  | √ |
| c) | Growing onions behind the kitchen for home use |  | √ |
| d) | Teaching students in a classroom | √ |  |
| e) | Using a wheelbarrow to transport goods for a shopkeeper at a fee | √ |  |

4. Ways of performing social responsibilities by a business

* Selling products needed by customers
* Provide quality services and goods
* Charging reasonable prices
* Use promotional methods that are appropriate to the class of consumers
* Participate in community projects

5.

|  |  |
| --- | --- |
| Factor | Classification |
| a) Customers | External business environment |
| b) Objectives | Internal business environment |
| c) Suppliers | External business environment |
| d) Management | Internal business environment |
| e) Competitors | External business environment |

6. Features of human wants

|  |  |  |
| --- | --- | --- |
| No | Description | Feature |
| (a) | Wants are too many to be satisfied | They are insatiable |
| (b) | Once satisfied, they have a tendency of being felt again. | They are recurrent |
| (c) | Some wants are satisfied together. | They are complimentary |
| (d) | The same want can be satisfied using different resources. | They require resources |

7. Required items in order of priority

* + Uniforms
	+ Books
	+ Pens
	+ Sandals
	+ Pocket money
	+ Bread
	+ Juice
	+ Pair of socks
	+ Textbooks
	+ Shoe polish

8.

|  |  |
| --- | --- |
| A good | A service |
| Tangible | Intangible |
| Quality can be standardized | Quality varies |
| Can be stored | Cannot be stored |
| Can be separated from the owner/provider | Are inseparable from provider |
| You pay for ownership of goods | You pay for the experience of services |
| Not always perishable | Always/highly perishable |

9.

|  |  |
| --- | --- |
| Direct services | Commercial services |
| Teaching | Transport |
| Hairdressing | Insurance |
| Healthcare | Communication |
| Legal services | Banking |
| Entertainment | Warehousing |
| Security | Wholesaling |

10.

|  |  |
| --- | --- |
| Resource | Factor of production |
| Firm manager | Labour |
| Farm tractor | Capital |
| Water | Land |
| Cotton | Capital |
| The owner | Entrepreneur |
| Buildings | Capital |
| Office secretary | Labour  |
| The climate | land |

11. Types of utility created

* Possession utility
* Place utility
* Time utility
* Form utility

12. Features of economic resources

* Scarcity-Found in small quantities compared to the many uses into which they have to be put. Hence not sufficient to satisfy all human wants
* Have monetary value-They have a price which have to be paid for their use/transfer for recording.
* Unequal distribution-they are not distributed evenly in the society hence some regions have more resources than others.
* Complementarity-they can be used jointly
* They have utility-are used to satisfy human wants
* Transferability-They may be transferred from one person to another if terms of ownership/possession
* Have alternative use-are multipurpose
* Mobility-Some can be moved from one place to another geographically

13. Benefits of division of labour

* Less time is spent in completing a job
* Minimal changing from doing one work to another
* Increased production
* Standardized goods production
* Increased mechanization
* Enhanced management
* High quality goods/services Increased innovation
* Improved efficiency

14.

|  |  |
| --- | --- |
| Factor of production | Reward  |
| Land | Rent |
| Labour | Salaries and wages |
| Capital | Interest |
| Entrepreneurship  | Profit or loss |

15. Factors which may limit exploitation of natural resources

* Low population
* Inadequate capital
* Lack of security
* Poor technology
* Limited market
* Lack of skilled labour
* Government restrictions
* Poor infrastructures for exploitation

16. Why human wants are not easily satisfied

* They are unlimited
* Are recurrent
* Are complimentary
* They require resources to satisfy