

FORM 1 MIDTERM 3 EXAM

BUSINESS

NAMEADM.....CLASS.....

1. State **four** disadvantages of division of labour. (4 marks)

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2. Outline four ways in which a good business structure is of benefit to a business organization.. (4 marks)

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3. Outline **four** difficulties faced in the satisfaction of human wants. (4marks)

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4. Apart from the use of computers in offices, outline other **four** current trends in office management. (4marks)

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5. Highlight four reasons for making choices between competing wants. (4mks)

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6. Identify weather the following factors form the external or internal environment(4mks)

Factors	External	Internal
a) Political climate		
b) Size of population		
c) Goals and objectives		
d) Employees		

7. Mention four advantages of departmental filing system. (4mks)

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8. Highlight four barriers to entrepreneurial development. (4mks)

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9. Define the following terms as used in Business Studies. (4 mks)

(i) Economics

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(ii) Entrepreneurship

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(iii) Opportunity cost

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(iv) Scale of preference

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10.Highlight four reasons why food is an important basic need. (4 mks)

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11.Highlight four ways in which entrepreneurs can observe ethics in the management of their business. (4 mks)

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12.Highlight four ways in which a legal-political environment can impact negatively on entrepreneurs. (4 mks)

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13.State four reasons why some traders prefer to operate supermarket business.(4 mks)

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14.State the term given to each of the following disciplines (4 marks)

a) Study of how man strives to satisfy his unlimited wants using the limited resources

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b) Study of the process of identifying a business opportunity and acquiring resources to start and operate a business

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c) Study of trade and aids to trade

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d) Refers to a systematic way of recording business activities which are used for decision making.

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15.Highlight four reasons for making choices between competing wants (4 marks)

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16. POA a serious entrepreneur has identified a business opportunity in one of the towns in Kenya and wants to borrow money from Faulu bank. State four factors he has to take into consideration before he borrows the money (4 marks)

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17. Classify the following resources as either renewable or non renewable wood, coal, soda ash, building stones, stove, wool, silk and iron. (4 marks)

Renewable	Non-renewable
i)	
ii)	
iii)	
iv)	

18. State four circumstances under which photocopying may be used to reproduce documents in a school (4 marks)

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