

JUNIOR LYCEUMS ANNUAL EXAMINATIONS 2002
Educational Assessment Unit – Education Division

FORM 3

BUSINESS STUDIES

TIME: 1hr 30 min

Name: _____

Class: _____

Answer ALL sections

SECTION A
(10 marks)

Tick the correct answer in the space provided.

1. Which one of the following is part of the *tertiary sector*?
 - (a) construction of houses
 - (b) repairs of machinery
 - (c) wood cutting

2. Which department in a firm is responsible of production?
 - (a) the factory
 - (b) the warehouse
 - (c) the marketing department

3. Which pricing method is most suitable when a firm operates on its own in the market?
 - (a) capturing the market
 - (b) creaming the market
 - (c) penetrating the market

4. A piece of information must contain
 - (a) words
 - (b) a picture
 - (c) a message

5. In which stage of the product life cycle will the firm reach maximum sales?
 - (a) the growth stage
 - (b) the maturity stage
 - (c) the decline stage

6. The function of the *marketing department* is
 - (a) to produce the final product
 - (b) to develop the final product
 - (c) to find what profitable goods the people want

7. The main aim of *subsidiary books* is
- (a) to record transactions on a credit basis
- (b) to control the work of accountants
- (c) to distribute accounting work among workers
8. The term *scarcity* refers to
- (a) a shortage of a good in a shop
- (b) the lack of enough resources to satisfy all wants
- (c) the ownership of expensive luxury goods
9. In good business communication messages and information pass
- (a) from producers to consumers only
- (b) from consumers to producers only
- (c) between producers and consumers
10. A *pie chart* does not show
- (a) percentage amounts
- (b) absolute amounts
- (c) relative size

SECTION B
(20 marks)

Answer all questions in this section

1. Name the four factors of production. (4 marks)
2. Define the term *profit*. (2 marks)
3. Mention the different types of unemployment. (4 × 1 mark)
4. What is the *product life-cycle*? (2 marks)
5. Define *demand*. (2 marks)
6. Why is *packaging* important? (2 marks)
7. What is the role of the accountant? (2 marks)
8. Why is stock control important in a firm? (2 marks)

SECTION C
(40 marks)

Answer all questions in this section

1. A firm needs to employ some new workers. A job description and a job specification have been prepared and adverts have been published in the newspapers.
- (a) What do you understand by
 (i) *job description*
 (ii) *job specification* (2 × 2 marks)
- (b) Which department is responsible for the recruitment of workers? (2 marks)
- (c) When applying for a job, applicants are usually asked to produce a *curriculum vitae (CV)*. What is a *curriculum vitae*? (2 marks)
- (d) What characteristics should the advert for a job have? (2 marks)
- (e) In what other way, besides advertising in the media, can a firm recruit workers? (2 marks)
- (f) Usually many more applicants than required will respond to the firm's advert. The firm will accept only some applications for final selection and reject the others.
 (i) What is this process called? (2 marks)
 (ii) What criteria are usually used during this process? (4 marks)
- (g) How are workers usually selected from all the accepted applications? (2 marks)

2. A firm which produces shirts faces the following market situation:

<i>Price</i> <i>(Lm)</i>	<i>Demand</i> <i>(000s)</i>	<i>Quantity</i>	<i>Supply</i> <i>(000s)</i>
1	20		2
2	18		4
3	16		6
4	14		8
5	12		10
6	10		12
7	8		14
8	6		16
9	4		18
10	2		20

- (a) On the graph paper supplied draw the demand curve and label it **D**, and the supply curve and label it **S**. (4 marks)
- (b) At what price does quantity demanded be the same as the quantity supplied? What is this situation called? (2 × 2 marks)
- (c) What happens to the quantity demanded and the quantity supplied if the price rises to Lm8? What is this situation called? (2 × 2 marks)
- (d) What happens to the quantity demanded and the quantity supplied if the price falls to Lm3? What is this situation called? (2 × 2 marks)
- (e) At what price do you think the firm will sell shirts? Explain your answer. (4 marks)

SECTION D
(10 marks)

Study the following data and answer all questions below it.

A take-away shop sells hamburgers. The following is the number of burgers sold daily during a particular week.

<i>Day</i>	<i>Number of Burgers</i>
<i>Sunday</i>	<i>300</i>
<i>Monday</i>	<i>200</i>
<i>Tuesday</i>	<i>300</i>
<i>Wednesday</i>	<i>325</i>
<i>Thursday</i>	<i>300</i>
<i>Friday</i>	<i>400</i>
<i>Saturday</i>	<i>800</i>

1. Use the above information to draw a bar chart. (5 marks)
2. From the table:
- (a) Which is the highest number of burgers bought in one day? (1 mark)
- (b) Which is the lowest number of burgers bought in one day? (1 marks)
- (c) What is the average sale of burgers in one day? (3 marks)

SECTION E
(20 marks)

Write about 120 words about **one** of the following:

1. The Economic Systems
2. The Location of Industry
3. The Importance of Research and Development in business