

FORM 3

BUSINESS STUDIES

TIME: 1h 30min

Name: \_\_\_\_\_

Class: \_\_\_\_\_

**SECTION A**

[20 marks]

**ANSWER ALL QUESTIONS IN THIS SECTION**

**Tick the correct answer in the space provided.**

1. A **good** is essentially
  - (a) durable ☐
  - (b) tangible ☐
  - (c) expensive ☐
2. All of the following are examples of labour **except**:
  - (a) clerks, teachers, head teachers ☐
  - (b) nurses, family doctors, lawyers ☐
  - (c) plumbers, electricians, shop owners ☐
3. The following form part of the **extractive sector**:
  - (a) farming, agriculture, fishing ☐
  - (b) wood cutting, carpentry, teaching ☐
  - (c) mining, quarrying, tailoring ☐
4. An economy which is completely **controlled by the state** is called
  - (a) a free market economy ☐
  - (b) a capitalist economy ☐
  - (c) a planned economy ☐
5. The **minimum** number of partners in a partnership is usually
  - (a) two (2) ☐
  - (b) seven (7) ☐
  - (c) twenty (20) ☐
6. The **number of personnel** under the responsibility of an official is called
  - (a) span of control ☐
  - (b) chain of command ☐
  - (c) line management ☐

7. The aim of **branding** is  
 (a) to be able to avoid paying heavy taxes  
 (b) to differentiate between the products of other firms  
 (c) to be able to calculate the profit made from sales ☐
8. **Feedback** in communication occurs when there is  
 (a) two-way communication ☐  
 (b) one-way communication ☐  
 (c) top-down communication ☐
9. The **best method of transporting** vehicles from Japan to Malta is by means of  
 (a) aeroplanes ☐  
 (b) trailers ☐  
 (c) ships ☐
10. A **pie chart** shows  
 (a) absolute numbers ☐  
 (b) percentage values ☐  
 (c) exact amounts ☐

## **SECTION B**

[20 marks]

**ANSWER ALL QUESTIONS IN THIS SECTION.**

**Each question carries 2 marks. Answer in the space provided under each question.**

1. Why do luxuries tend to become needs?

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2. What document does an applicant for a job usually send together with the application for the job?

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3. What is a **partnership deed**?

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4. What do you understand by the term **public-private partnership**?

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5. Define the term **supply**.

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6. Explain the term **hygiene factors** in Frederick Herzberg's theory.

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7. Which are the seven (7) elements of the **marketing mix**?

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8. Mention **two (2)** factors which are to be kept in mind when **choosing suppliers**.

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9. What do you understand by the term **flow production**?

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10. Mention **two (2)** functions/activities of a **wholesaler**.

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**SECTION C****ANSWER BOTH QUESTIONS IN THIS SECTION.****Answer these questions on the foolscaps provided. Each question carries 20 marks.****Question 1 – Read the following passage and then answer the questions that follow:**

*Glanden Ltd is a firm which imports stationery goods. It imports office materials, such as photocopy paper, biros, pencils, glue and tape. It also imports office equipment, such as printers, cds, cutters, shredders, binders and laminating machines. It distributes these goods to other shops as well as selling directly to final customers.*

- (a) What type of business is Glanden Ltd? (2 marks)
- (b) Mention one advantage and one disadvantage of such a business as Glanden Ltd. (2 marks)
- (c) What are the owners of such a business called? (2 marks)
- (d) Which are the two documents that a business like Glanden Ltd has to prepare when it is forming itself? (4 marks)
- (e) In which stage of production does Glanden Ltd operate? (2 marks)
- (f) Define a **durable good**. (2 marks)
- (g) From the passage mention two (2) **durable goods** that Glanden Ltd imports. (2 marks)
- (h) Define a **non-durable good**. (2 marks)
- (i) From the passage mention two (2) **non-durable goods** that Glanden Ltd imports. (2 marks)

**Question 2 – Read the following passage and then answer the questions that follow:**

*Mario Borg is the General Manager of a manufacturing firm. He held a meeting with the other managers of the firm and the discussion turned on to the **Product-Life-Cycle** of one of their products.*

- (a) What is the **product-life-cycle**? (2 marks)
- (b) Draw a product-life-cycle, clearly labelling the diagram and showing each stage. On the diagram show also a typical sales curve. (6 marks)
- (c) Describe each stage of the product-life-cycle. (12 marks)

**SECTION D**

[20]

**ANSWER ONE QUESTION FROM THIS SECTION.****Write your answer on the foolscaps provided. Each question carries 20 marks.****1. Research is an important function in business.**

- (a) What do you understand by market research? *(2 marks)*
- (b) Why is research an important function of business? *(4 marks)*
- (c) What do you understand by **field research**? *(2 marks)*
- (d) What do you understand by **desk research**? *(2 marks)*
- (e) Explain **one** limitation of desk research. *(2 marks)*
- (f) Mention four sources of information in desk research. *(4 marks)*
- (g) Mention two methods of carrying out field research. *(2 marks)*
- (h) Give other terms for (i) **field research** and (ii) **desk research**. *(2 marks)*

**2. Banking is an important activity in any economy.**

- (a) What do you understand by the term **commercial banks**? *(2 marks)*
- (b) How does a central bank differ from a commercial bank? *(2 marks)*
- (c) Mention and briefly explain **four (4)** functions of a **commercial bank**. *(12 marks)*
- (d) What is the difference between a **loan** and a **bank overdraft**? *(4 marks)*