**MALIET JOINT EVALUATION EXAM 2019**

**MARKING SCHEME**

**BUSINESS STUDIES**

**1.Four importance of business studies to a learner.**

(a) Learner will be able to relate knowledge and skills for day to day business activities.

(b) Learner gains knowledge to start and run a business.

(c) Learner appreciates role of business in provision of goods and services.

(d) Leaner appreciates need for good business management practices.

(e) Learner develops positive attitude towards work.

(f) Leaner is equipped with the ability to co-operate in society through trade.

(g) Learner will inderstand role of government in business.

(h) Learner will understand role of ICT in modern business management.

(i) Learner develops positive attitude towards environment.

(j) Learner achieves skills to evaluate business performance.

(k) Career subject.

**2. Four essentials of warehouse.**

(a) Suitable location.

(b) Proper buildings design.

(c) Appropriate equipment.

(d) Safety facilities.

(e) Good transport system.

(f) Good communication.

(g) Adequate space.

(h) Appropriate staff.

(i) Appropriate special facilities.

(j) Proper recording system.

(k) Compliance with law.

**3. Four sources of business ideas that one can use.**

(a) Observation.

(b) Surveying.

(c) Brainstorming.

(d) Thro' leading newspaper/ periodicells/newspaper.

(e) Through hobbies.

(f) Through networking /personal contacts.

(g) Copying others idea.

**4. Four sources of co-opretive societies.**

(a) Contribution from members.

(b) Retained profits.

(c) Credir facilities /loans.

(d) Entrance fees.

(e) Surplus and reserves.

**5. Distinguish between the following**

(i) Producer goods are goods used to prodece other goods while consumer goods are goods ready for consumption.

(ii) Free goods are goods provided by nature in abundance while economic goods are scarce/ have monetain value.

**6. Four characteristics of Itinerant traders**.

(a) Are found mainly in densely population areas.

(b) Move from one area to another search for customers.

(c) Very persuasive.

(d) Prices are not controllable.

**7. Four element of internal business environment that may positively influence the perfomance of a business.**

(a) Good business stucture /well organise/business structure.

(b) Adequate finances /capital.

(c) Well trained human resource.

(d) Positive business culture.

(e) Supportive owners.

(f) Adequate physical resources.

(g) Availability of modern technology.

**8. The rewards of the following factors of production.**

(a) Rent.

(b) Wages/ Salaries.

(c) Interest

(d) Profit

**9. Four situation when oral communication may be used in an office.**

(a) When a person wishes to convince /persuade.

(b) When a message is urgent and retailer quick communication.

(c)When immediate feedback is received.

(d) When message is private and confidential.

**10. Four features of a good filling system.**

(a) Cost effective.

(b) Safety.

(c) Compathness.

(d) Simplicity.

(e) Accessibity.

(f) Elasticity.

(g) Confidentiality.

**11. Four reasons why the government find it necessary to protect consumers from traders.**

(a) Ensure commodities are of good quality.

(b) Ensure commodities are of right qualities.

(c) Ensure health standards are maintained.

(d) Ensure building construction and safety standards are maintained.

(e) Ensure fair prices are charged.

(f) Ensure commodities are readily available to consumers.

(g) Protect consumers from false advertising.

(h) Ensure consumers are procted from sale of harmful products.

(i) Protect consumer against break of contract.

**12. Four disadvantage of advertising through the television.**

(a) It is expensive.

(b) Limited.

(c) Tv sets require electricity.

(d) Tv advertisiment are not long lasting.

(e) Advert can be screened when target audience is not viewing.

**13. Outline four visks against which a shopkeeper may insured.**

(a) Burglary.

(b) Cash in transit.

(c) Goods in transit policy.

(d) Workmens compesation.

(e) Fidelity guarantee.

(f) Bad debts.

(g) Fire polocy.

**14. Four circumstances in which the nature of goods would influence the choice of transport means.**

(a) If goods are fragile smooth means is received.

(b) If good are preishable fast means is received.

(c) If goods are of high value , safe means is received.

(d) If goods are bulky /heavy an appropriate means is received.

(e ) If goods are liquid /gases, pipes/tankers would be received.

**15. Four difference between a good an a service.**

|  |  |
| --- | --- |
| Goods | Service |
| TangilibleQuality can be standardized.Can be stored.Some are perishable.Can be separated from product. | IntangibleQuality cannot be standardized.Cannot be stored.Highly perishable.Cannot be separated form the produce. |

**16.(a) Five trend that may have led to the trend above.**

 (i) Increase in consumer's income.

(ii) Increase in population.

(iii) Increase in price of substitute.

(iv) Decrease in price of complimentary product .

(v) Taste , fashion and preference (towards to commmodity).

(vi) Future expectation of increase in price of the product in questions.

(vii) Future expectation of shortage of supply the commodity.

(viii) Favourable government policy.

(ix) Equitable distribution of the wealth.

 **(b) Five factors to consider when selecting a photocopier for office.**

(i) Cost

(ii) Adaptability.

(iii) Possibility of hiring rather than buying.

(iv) Durability.

(v) Effects on staff morale.

(vi) Availability of manpower.

(vii) Availability of room.

(viii) Availability of complementary.

(ix) Security of the equipment.

**17. (a) Five circumstances underwhich a limited liability companies may be dissolved.**

(i) Insolvency.

(ii) Ultra vires.

(ii) Amalgamation.

(iv) Court order.

(v) Decision by shareholders.

**(b) Five roles of insurance to the economic development of Kenya.**

(i) Government revenue- The government collects revenue by taxing the insurance industry / uses the revenue to provide public services.

(ii) Creation of employment – as many people are employed in the industry.

(iii) Creating confidence – The companies encourage people to undertake risky business since they are assured of compesation.

(iv) Investable funds – Money collected by insurers is made available to investors as loans for development.

(v) Compesation offers by insurers enable the economy to continue developing.

(vi) Encouraging a saving. Insurers mobilize long term funds from the members in public in form of life policies.

(vii) Direct investment – Insurance companies invest directly into the economy e.g in real estate.

(viii) Policies provided in life assurance can be used as security to acquire loans for development / investment.