

FORM ONE END TERM 3 2019 BUSINES STUDIES MARKING SCHEME

1. Disadvantages of division of labour

- May lead to monotony and boredom
- Workers may lack motivation since they do not identify personally with the final product
- Workers may lose their craftsmanship due to increased use of machines
- One problem at one stage may affect the whole process
- May lead to unemployment when a worker is laid off.
- It hinders creativity and innovation.
- It encourages over – dependence of some people on others
- Involves use of machinery, imported, this may create unemployment domestically and employment in overseas market

1 x 4 = 4mks

2. a) facilitate easy control of workers

b) facilitate easy evaluation of workers

c) reduce confusion among workers

d) enhance team work

3 Difficulties faced in the satisfaction of human wants

- Human wants are too many to satisfy fully.
- Human wants keep recurring, hence need to look for resource to keep satisfying them.
- Resources to satisfy human wants are scarce resources available. **1 x 4 = 4mks**
- Human wants change with time age and gender among other factors which makes people continue looking for more resources in order to satisfy their new and different wants.
- Due to scarcity there is a problem in deciding which wants to satisfy first with the scarce resources available

4. Current trends in office management in Kenya.

- Adoption of glass partitioning in offices
- Location of offices away from the CBD
- Tendency to adopt landscape layout.
- Staff identification through uniforms and name tags.
- Centralized transport system for staff to avoid from work places. **1 x 4 = 4mk**

5.

- Some wants are essential for survival thus cannot be postponed.
 - Means of satisfying wants are limited due to scarcity of resources.
 - Wants vary in urgency and intensity.
 - Wants are unlimited in number
 - Wants are habitual.
 - Wants are recurring.
- 4x1=4mks

6..

Factor	Internal	External
Political climate		✓
Size of population		✓
Goals and objectives	✓	
Employees	✓	
Finances	✓	

5x1=5mk

7. -Faster access to files and documents.

- More staff have opportunity to learn filing procedures.
- Time is saved as files are located where they are required.
- Documents are filed as soon as they are received and therefore reduce delay.

8. Difficulties in accessing resources like capital.

- Difficulties in accessing markets.
- Opposition from existing competitors.
- Discouragement from peer groups and other members of the society with negative remarks.
- Lack of self-motivation and self-driven.
- Limited personal resources.
- High taxation rates

- Lack of entrepreneur culture.
4x1=4mks

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

(i) Economics

It refers to the study of how human beings strive to satisfy their unlimited wants using the limited / scarce resources.

(ii) Entrepreneurship

It refers to the process of identifying business opportunity and acquiring necessary resources to maximize the profit.

(iii) Opportunity cost

This is the value of the best next alternative forgone when acquiring or when a choice has been made.

(iv) Scale of preference

It is a list of wants showing the order in which they are satisfied from the most urgent to the least urgent.

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

- (i) It reduces the effects of hunger.
- (ii) It is a source of important minerals for body building
- (iii) Protects the body against diseases
- (iv) Provides the body with warmth.

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

- (i) By having zero tolerance to corruption in business dealings.
- (ii) By practicing fair business practices with competitors
- (iii) By providing quality goods and services
- (iv) By compliance with the country's laws and regulations.
- (v) By offering fair prices on goods and services to avoid consumer exploitation.
- (vi) By not discriminating of employees in terms of gender, religion, ethnicity and race.
- (vii) By eliminating use of unfair means of achieving business objectives such as boarding and selling of counterfeit goods.

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

- (i) Lack of political stability in the country scares away investors.
- (ii) Government policies like high taxation discourages investors.
- (iii) Requirements for one to start a given business may be costly.
- (iv) Procedures to be used to acquire relevant documents may be lengthy and tiresome.
- (v) Lack of political goodwill to support entrepreneurs in a country's government.

13. (4 mks)

- (i) Increase sales
 - (ii) Lower operational cost
 - (iii) Enjoy economies of scale
 - (iv) Time is saved
14. a) Economics
- b) Entrepreneurship

- c) Commerce
- d) Accounting **(4 x 1 = 4 marks)**

15. - Some wants are essential for survival thus cannot be postponed

- Means of satisfying wants are limited due to scarcity of resources
- Wants vary in urgency and intensity
- Wants are unlimited in number
- Wants are habitual
- Wants are recurring

(4 x 1 = 4 marks)

16. **Factors to consider when borrowing**

- Loan processing period
- Interest rates
- Repayment period
- Collateral required/security
- Periodical payment amount/installment amount

17.

Renewable	Non- renewable
– Wood	– Building stone
– Wool	– Gravel
– Silk	– Iron
– Soda ash	– Coal (8 x ½ = 4 marks)

18.. **Circumstances under which photocopying may be used**

- When limited number copies are required
- When an exact photographic reproduction is necessary
- When copies are urgently required because it is faster
- Where there is no need to re-type /rewrite the original copy
- Where there is no need for special training for operators
- In case it does not pollute the environment

(1 x 5 = 5 marks)