**FORM 1**

**BUSINESS STUDIES.**

**TIME: 1 HOUR.**

**NAME…………………………………………………………………………**

**ADM NUMBER: ……………………………**

***Attempt ALL the questions in the spaces provided ( 40 marks).***

1. Outline **four** elements that may comprise the external environment of a business. (4mks)

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2. Give **four** factors that may encourage entrepreneurship development in Kenya today. (4mks)

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3. Outline **four** main problems encountered towards the satisfaction of human –wants in the Kenyan economy. (4mks)

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4. Highlight **four** ways that a manager can adopt to improve the productivity of labor. (4mks)

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5. State whether each of the following activities would satisfy basic or secondary wants. (4marks)

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| --- | --- | --- | --- |
|  | Activities | Basic | Secondary |
| (a) | Buying clothes for the family. |  |  |
| (b) | Transporting milk. |  |  |
| (c) | Providing food for school children. |  |  |
| (d) | Entertaining the President. |  |  |

6. Identify **four** benefits that may accrue from political stability in a country.(4 marks)

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7. List **four** ways in which the government creates an enabling business environment. (4 marks)

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8. Outline **four** external factors that may influence the operations of a business negatively.

(4 marks)

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9. State **four** objectives of a business. (4mks)

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10. State **four** ways in which a country will benefit from increased business activities. (4mks)

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