

KIT No.	1	Unit Tested:	1	Date:	
Name:				Institute:	

Year 2000

MCQ's

1. Approximate number of consumers of the world market is;
 - A. 10 billion
 - B. 8 billion
 - C. 7 billion
 - D. 4 billion
 - E. 2 billion

2. A business has to depend on other businesses because of;
 - A. Specialization
 - B. New technology
 - C. Development of communication
 - D. Auxiliary services
 - E. Open economy policy

3. Direct production means;
 - A. Production based on customer's order
 - B. Primary production
 - C. Production for market
 - D. Production for own consumption
 - E. Production for consumer needs & wants

4. The most important factor which contributes for the improvement in standards of living of people comes from;
 - A. Business activities
 - B. Computer technology
 - C. Money & banking
 - D. Globalization
 - E. Market competition

5. Which of the following is not aim of a business?
 - A. Maximize employee welfare
 - B. Survival in the market
 - C. Maximize sales
 - D. Owners' satisfaction
 - E. Maximize employee income

6. Select the group which contains only tertiary production;

- A. Mining & quarrying / fishing / farming / forestry
 - B. Automobile / garments / housing / jewelry
 - C. Transportation / banking / insurance / communication
 - D. Mining & quarrying / jewelry / garments / automobile
 - E. Transportation / banking / insurance / construction
7. The highest contribution from industrial sector production comes from;
- A. Food
 - B. Garments
 - C. Textiles
 - D. Rubber
 - E. Tobacco

Written

1. Define the term, "Business"
2. Name the main functions of business
3. Name & explain 3 major stages in the historical development of business
4. Name & explain 3 major new trends in business
5. Explain separately primary, secondary & tertiary industries.

Year 2001**MCQ's**

1. We all have our needs & wants. However;
 - A. Wants exceed needs
 - B. Wants are endless
 - C. Survival is possible only with basic needs
 - D. Wants arise from needs
 - E. All of the above are correct

2. Demand for a particular good or service depends on;
 - A. Government law
 - B. Salaries & wages
 - C. Wants & ability to pay
 - D. Aggregate supply
 - E. Distribution channels

3. Goods that are used to produce other goods are called;
 - A. Industrial goods
 - B. Consumer goods
 - C. Durable goods
 - D. Non-durable goods
 - E. Complementary goods

4. Select the group relevant to the tertiary industry;
 - A. Engineer / carpenter / fisherman
 - B. Engineer / journalist / fisherman
 - C. Journalist / stockbroker / teacher
 - D. Journalist / fisherman / musician
 - E. Farmer / teacher / musician

5. Trading one product with another is called;
 - A. Barter
 - B. Wholesale
 - C. Retail
 - D. Entrepot
 - E. Franchise

6. E-commerce means;
 - A. Business via internet
 - B. Business via modern technology
 - C. Using computers for commercial activities
 - D. Business via telephone
 - E. Business via TV

7. The group including major business activities are;
 - A. Production / marketing / finance / HR / R&D
 - B. Production / marketing / competition / consumption / enterprise
 - C. Enterprise / marketing / consumption / recruitment / investment
 - D. Competition / finance / public relations / budgeting / advertising
 - E. Product design / pricing / distribution / competition / enterprise

Written

1. Name six objectives of a business
2. Explain how specialization influences the expansion of a business
3. Business can be classified in many ways. Explain 3 basis of business classification.
4. A Japanese businessman wants to open a factory in Sri Lanka to produce vehicle spare parts. What factors will influence him on selecting the location for the business?
5. What are the advantages of E-commerce?

Year 2002**MCQ's**

1. Which of the following is considered a need?
 - A. Security
 - B. Life insurance policy
 - C. Mobile phone
 - D. Torch

- E. Shoes
2. Trade started as a result of;
- A. Usage of money
 - B. Industrial revolution
 - C. Specialization
 - D. Bartering
 - E. Supporting services
3. Indirect production is;
- A. Production for self-consumption
 - B. Production for the market
 - C. Primary production
 - D. Secondary production
 - E. Tertiary production

Following are extracted from the central bank report of year 2000 related to GNP / GNI;

Agriculture Rs. 171,878 million

Forestry Rs. 17,144 million

Fishing Rs. 29,386 million

Mining & quarrying Rs. 21,547 million

Manufacturing Rs. 189,331 million

Construction Rs. 82,684 million

Transport, storage & communication Rs. 131,669 million

4. The value of primary production is Rs. million;
- A. 218,408
 - B. 239,955
 - C. 189,331
 - D. 272,015
 - E. 131,669
5. The value of agricultural production is Rs. million;
- A. 171,878
 - B. 189,022
 - C. 218,408
 - D. 239,955
 - E. 193,425
6. The value of industrial production is;
- A. 189,331
 - B. 272,015
 - C. 210,878

- D. 293,562
 - E. 403,684
7. Which of the following is not considered a product?
- A. Capital
 - B. Services
 - C. Ideas
 - D. Places
 - E. Activities
8. Industrial or consumer goods are identified by the;
- A. Price
 - B. Brand
 - C. Durability
 - D. Buyer
 - E. Seller

Written

1. What is meant by a Business?
2. In business studies, the term “product” can be given a broad idea. Explain.
3. Commerce is something beyond trade, but without trade, there can't be commerce. Explain.
4. Classify & explain consumer goods
5. What is meant by E-commerce? What are the reasons for its speedy expansion?

Year 2003

MCQ's

1. The production which includes forestry, fisheries, agriculture, mining & quarrying are known as;
 - A. Agricultural production
 - B. Industrial production
 - C. Primary production
 - D. Secondary production
 - E. Tertiary production

2. Select the group which includes only industrial production;
 - A. Tea / fisheries / mining / manufacturing
 - B. Food & beverage / textiles & garments / forestry / construction
 - C. Transport / storage / chemical products / paper products
 - D. Electricity & gas / fisheries / mining / construction
 - E. Food & beverage / textiles & garments / timber / rubber & plastic products

3. Which of the following is considered a want?
 - A. Food & beverage

- B. Clothing
 - C. Housing
 - D. Security
 - E. Rice
4. Which of the following is a product?
- A. Ideas
 - B. Places
 - C. Events
 - D. Goods
 - E. All of the above
5. A restaurateur bought a TV to use in his restaurant. The TV belongs to the category of;
- A. Convenience goods
 - B. Shopping goods
 - C. Industrial goods
 - D. Specialty goods
 - E. None of the above
6. A result of division of labour is;
- A. Personal specialization
 - B. Institutional specialization
 - C. Regional specialization
 - D. National specialization
 - E. All of the above

Written

1. Name 6 stakeholders interested in businesses
2. Industries can be classified as primary, secondary & tertiary. Explain each by giving examples
3. Briefly explain 3 major challenges faced by the businesses at present?
4. Distinguish between industrial goods & consumer goods

Year 2004

MCQ's

1. Select the group that includes only tertiary production;
 - A. Agriculture / transport / banking / tourism
 - B. Transport / warehousing / communication / insurance
 - C. Warehousing / transport / insurance / construction
 - D. Construction / fishing / communication / insurance
 - E. Agriculture / transport / construction / fishing

2. Globalization means the process of;
 - A. World becomes physically small

- B. Countries get together for trade
- C. Enterprises become inter-dependent & inter-linked globally
- D. Labour unions of countries getting together to fight world order
- E. Promote the use of a single currency by all nations globally

Fill in the blanks

1. When compared to a good, two characteristics of a service are
2. Trade arose from
3. & Can be considered as 2 objectives of a business
4. Resources - - Product
5. Materials & parts, capital items & industrial services are known as goods

Writing

1. Name & explain briefly the important milestones in the evolution of business
2. Explain the following;
 - A. Direct production
 - B. Indirect production
 - C. Job specialization
3. There was a drawback in the industrial sector of Sri Lanka during the last few years. What are the reasons for this drawback?
4. Briefly explain the positive & negative effects of globalization of markets.

Year 2005**MCQ's**

1. Production for market is known as;
 - A. Direct production
 - B. Job production
 - C. Indirect production
 - D. Batch production
 - E. Primary production
2. Which of the following cannot be considered an auxiliary service?
 - A. Wholesale
 - B. Transport
 - C. Insurance
 - D. Communication
 - E. Banking
3. The most essential things for human beings to survive are known as;
 - A. Wants
 - B. Needs
 - C. Rice & curry
 - D. Furniture

- E. Shoes

- 4. Which one of the following is not a characteristic of a service?
 - A. Intangibility
 - B. Inseparability
 - C. Durability
 - D. Variability
 - E. Perishability

- 5. Construction of homes for tsunami victims belongs to the sector of;
 - A. Primary industries
 - B. Secondary industries
 - C. Tertiary industries
 - D. Public industries
 - E. Private industries

- 6. According to the central bank report, the contribution of industrial sector to GNP / GNI is within the range of;
 - A. 10%-19%
 - B. 20%-19%
 - C. 30%-39%
 - D. 40%-49%
 - E. 50%-59%

Fill in the blanks

- 1. Doing business electronically through the internet is known as
- 2. The aim of the Sri Lankan government is to achieve industrial development through the participation of sector
- 3. The basic requirements such as electricity, transport, communication etc needed for industrial development are known as

Written

- 1. Compare & contrast needs & wants giving suitable examples
- 2. Draw up a flow chart classifying goods on the basis of usage
- 3. Name six major functions of a business
- 4. Explain primary, secondary & tertiary productions giving examples

Year 2006

MCQ's

- 1. Select the most suitable statement;
 - A. Trade originated from direct production
 - B. Trade originated from barter system
 - C. Trade originated from the use of money

- D. Trade originated from supporting services
 - E. Trade originated from primary industries
2. Select the group which includes only primary production;
- A. Agriculture / mining & quarrying / manufacturing / construction
 - B. Manufacturing / forestry / fishing / construction
 - C. Mining & quarrying / manufacturing / construction / transport
 - D. Construction / manufacturing / forestry / fishing
 - E. Mining & quarrying / agriculture / fishing / forestry
3. Select the statement which expresses the most correct meaning of “Market”;
- A. A place where goods & services are being sold
 - B. A group of sellers who sell certain goods & services
 - C. Any situation which connects buyers & sellers
 - D. A group of buyers for a certain good or service
 - E. A demand & supply condition for consumer goods & services
4. Which of the following belongs to the demographic environment?
- A. Beliefs
 - B. Religion
 - C. Customs
 - D. Age mix
 - E. Norms
5. A finite non-renewable natural resource can be;
- A. Petroleum
 - B. Forests
 - C. Water
 - D. Food
 - E. Air
6. A few environmental factors can be;
- a. Managers
 - b. Technology
 - c. Economy
 - d. Employees
 - e. Demography

Which of the above are considered as uncontrollable factors?

- A. abc
- B. ade
- C. bcd
- D. bce
- E. cde

Fill in the blanks

1. The process of enterprises inter-dependent & inter-linked internationally is known as
2. The competency a particular country has to produce a particular product is known as

Written

1. Compared to the past, present businesses have to face a variety of challenges. Explain them
2. With examples, explain the unique characteristics of services when compared with goods.
3. Name the major forces & their sub forces in the macro environment of a business.
4. Business organizations may have many aims. Name & briefly explain some of them
5. Explain why business organizations should study their environments.

Year 2007**MCQ's**

1. Mining & quarrying belongs to;
 - A. Primary industry
 - B. Secondary industry
 - C. Tertiary industry
 - D. Conversion industry
 - E. Assembly industry
2. Which of the following is a human need?
 - A. Bread
 - B. Medicines
 - C. Shoes
 - D. Cars
 - E. Food
3. Which of the following is an input of the input-processing-output system?
 - A. Goods & services
 - B. Finance
 - C. Marketing
 - D. Research & development
 - E. Entrepreneurship
4. Population is an important element of the demographic environment. The approximate population range in Sri Lanka is;
 - A. 15-16 million
 - B. 17-18 million
 - C. 19-20 million
 - D. 21-22 million
 - E. 23-24 million

5. Under which business environment, personal beliefs, values & norms are considered?
- A. Economic
 - B. Technological
 - C. Political & legal
 - D. Socio-cultural
 - E. Natural

Fill in the blanks

- 1. Any situation which connect buyers & sellers is known as
- 2. Owners, employees, customers & community of a business organization are known as

Written

- 1. Explain the following concepts
 - A. Needs & wants
 - B. Goods & services
 - C. Trade & commerce
- 2. Following are some information about the GNP / GNI extracted from the central bank report; Primary production 19.1%, Secondary production 25.2% & tertiary production 55.7%.
 - A. Explain separately primary, secondary & tertiary productions
 - B. As per above the highest contribution comes from tertiary production. What are the reasons for such?
- 3. Shortage of waste disposal sites is a major problem relevant to environmental pollution in urban areas in Sri Lanka. As a BS student, propose possible alternatives & practical solutions to overcome this problem.
- 4. Technological environment has influenced business organizations tremendously during the past few decades. Explain.
- 5. Write down separately the advantages of e-commerce to both customers & businesses
- 6. Name the elements of the demographic environment & explain the impact of each element on business activities
- 7. Explain separately the advantages & disadvantages of job specialization
- 8. Explain the significance of SWOT analysis in the study of business environment

Year 2008

MCQ's

- 1. Select the term which provides goods & services while making profits to fulfill needs & wants of the society;
 - A. Primary industries
 - B. Secondary industries
 - C. Tertiary industries
 - D. Business
 - E. Trade

2. What aroused with the barter system?
 - A. Usage of money
 - B. Banking
 - C. Production
 - D. Trade
 - E. Commerce

3. Commerce can be equal to;
 - A. Primary production
 - B. Secondary production
 - C. Tertiary production
 - D. Trade
 - E. Auxiliary services

4. The result a business seeks to achieve in the long run is known as;
 - A. Goal
 - B. Objective
 - C. Policy
 - D. Strategy
 - E. Profit

5. Which of the following is a force in the micro environment of a business?
 - A. Economic
 - B. Sociological
 - C. Political & legal
 - D. Competitive
 - E. Technological

Fill in the blanks

1. Any business process that is conducted using internet technology is known as
2. Among agricultural & industrial sectors, which sector has made the highest contribution to the GDP in Sri Lanka
3. Name unique 4 characteristics of a service compared to goods.

Written

1. Production can be broadly classified as either agriculture sector, industries sector & service sector or primary industries, secondary industries & tertiary industries. You are required to present separately 2 complete flow charts to represent all sub-sections of the above classifications.
2. (a) Name major forces in the macro environment of a business.
(b) Explain the significance of studying the macro environment for a business person.
3. Today a number of new trends can be seen in the field of business. Name 3 such important new trends & explain them.

4. Name micro environmental forces of a business & explain them separately

Year 2009

MCQ's

1. Wants are;
 - A. Limited
 - B. Varied
 - C. Essential
 - D. Primary
 - E. Common

2. A limited but renewable resource is;
 - A. Air
 - B. Water
 - C. Coal
 - D. Petroleum
 - E. Timber

3. The major factor that influences gradual change of market place into market space can be;
 - A. E-money
 - B. ICT
 - C. Globalization
 - D. Indirect production
 - E. Free economic system

Fill in the blanks

1. The goods used in production process are called goods
2. Tangible & intangible products are known as & respectively
3. & Can be identified by studying the external environment.
4. The percentage of service sector contribution to GDP in Sri Lanka can be

Written

1. A friend of yours has recently successfully completed the G.C.E. O/L examinations & is considering to select Business Studies as a subject for A/L's. As a BS student, how would you explain to your friend the importance of this subject?
2. Generally land, labour, capital & entrepreneurship are discussed as 4 factors of production. But additional factors of production are considered in business studies. Name & explain them.
3. Name & explain 3 major threats faced by businessmen in today's global environment.
4. Explain the inter-relationship between vision, mission, goals / aims & objectives of a business.
5. Name the major functions of a business & briefly explain them.

Year 2010**MCQ's**

1. An organization that seeks to earn profits by providing goods & services. What is the most suitable term for this statement?
 - A. Private company
 - B. Partnership
 - C. Business
 - D. Corporation
 - E. Public company
2. Human needs & wants can be identified separately. What is the group that includes only the human needs?
 - A. Food, shelter, clothing, motor vehicles
 - B. Food, air, water, entertainment
 - C. Education, clothing, water, rice
 - D. Transport, education, electricity, entertainment
 - E. Shelter, communication, electricity, clothing
3. Select the group from the following arranged in sequential order;
 - A. Mission, vision, goals, objectives, policies
 - B. Mission, vision, objectives, goals, policies
 - C. Vision, mission, policies, goals, objectives
 - D. Goals, objectives, policies, vision, mission
 - E. Vision, mission, goals, objectives, policies
4. The factor that could not be accepted as a macro environmental force of a business is;
 - A. Demographic
 - B. Competitive
 - C. Technological
 - D. Economic
 - E. Political & legal

Fill in the blanks

1. The willingness of a person for a particular good or service to satisfy a need is known as
2. Businesses that provide intangible products are known as
3. What is the term given to tendency of the world's economies to act as a single inter-dependent economy?

Written

1. Define the basic concepts such as "business", "product" & "profit".
2. (a) Explain the purpose of a mission statement
(b) Explain the benefits of setting goals & objectives
3. List 6 ways you can contribute to protect the environment.

4. List 6 stakeholders of your college & briefly explain why these parties are interested in the college.
5. Name & explain the key characteristics of a service compared to goods.

Year 2011

MCQ's

1. The following table shows the basis of business clarification & types of business.

Basis of classification	Types of business
1 Nature or levels of production	A agriculture, industries, services
2 Sectors of production	B small, medium, large
3 Ownership	C primary, secondary, tertiary
4 Aim	D profit, non-profit
5 Size	E private, public

Select the matching combination of basis & types

- A. 1A, 2B, 3C, 4D, 5E
 - B. 1A, 2C, 3E, 4D, 5B
 - C. 1C, 2A, 3D, 4E, 5B
 - D. 1C, 2A, 3E, 4D, 5B
 - E. 1B, 2A, 3E, 4C, 5D
2. What is the basic factor for the existence of businesses?
 - A. Fair return on investment
 - B. Good management
 - C. Demand for products
 - D. Human needs & wants
 - E. Exchange & transaction

3. Match column X with column Y;

X	Y
A Internal environment	1 Employees
B Task environment	2 Customers
C Macro environment	3 Organization structure
	4 Technology
	5 Social & cultural
	6 Potential businessmen

- A. A12, B34, C56
- B. A12, B35, C46
- C. A14, B26, C35
- D. A13, B25, C46
- E. A13, B26, C45

Fill in the blanks

1. According to the usage, goods are classified as consumer & industrial goods. Further consumer goods are classified as,, &

..... while industrial goods are classified as,
 &

2. Complete the blanks in the following chart correct terms relating to business environment.

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Written

1. "A business is any profit or non-profit seeking economic activity". According to the definition, it is implied that there are non-profit businesses too. How can a business survive without earning profits? Explain.
2. The evolution of business did not occur within a year or two. It was a long process developed in parallel with human civilization. Comment on the above statement focusing on the expansion of business.
3. Traditionally land, labour, capital & entrepreneurship were considered as factors of production. But today knowledge, information & time are also accepted as factors. Explain why.
4. Write a brief introduction on organizational culture & explain how it influences the activities of an organization with examples.

Year 2012

MCQ's

1. Which one of the following is considered a want?
 - A. Communication
 - B. Transportation
 - C. Education
 - D. Insurance
 - E. Health

2. Goods can be classified as; convenience, shopping, specialty & unsought goods. This classification is known as;
 - A. Durable goods
 - B. Non-durable goods
 - C. Consumer goods
 - D. Industrial goods
 - E. Intermediary goods

3. Some of the environmental forces are given below;

A – Managers D – Customers G – Suppliers	B – Competitors E - Owners	C – Employees F – Potential Businessmen
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Select the group which includes only task environment forces;

- A. ACEG
- B. BDFG
- C. ABDF
- D. BDEG
- E. BCFG

Fill in the blanks

1. By studying the internal environment & can be identified while & Can be identified by studying the external environment.
2. Production can be classified into 3 major categories according to nature & sector, what are they:

Nature	Sector
1	1
2	2
3	3

Written

Business is any profit seeking activity which involves in production, distribution, trading of goods & services & all other related services that satisfy human needs & wants;

1. Explain the benefits that the other stakeholders could gain from business in addition to giving profits to investors.
2. Describe the following concepts found in the above definition;
 - a. Needs & wants
 - b. Goods & services
3. (a) Define trade
(b) Name the auxiliary services
(c) Compare primary & secondary production
(d) Name 2 middlemen who participate in distribution
4. (a) Name the internal environmental forces of a business
(b) Select 2 forces that you named & explain separately how they influence the performance of a business.

Year 2013

MCQ's

1. The foundation of a business is;
 - A. Money
 - B. Goods & services
 - C. Profit
 - D. Customers

- E. Inputs & outputs
2. Deep sea fishing which utilizes boats equipped with modern fishing equipment is a;
- Primary production
 - Secondary production
 - Tertiary production
 - Flow production
 - Job production
3. Out of the following, which are finite & non-renewable resources?

A – Forest	B – Diamonds	C – Fish
D - Coal	E - Food	F – Petroleum

- ABCDE
- ABDE
- ACD
- BCF
- BDF

Fill in the blanks

- Beliefs, values & norms of individuals are considered factors of Environment
- Consumer goods can be classified into 4 as
- In addition to customers, what are the other task environmental forces?

Written

- Woodmaster is a business that manufactures & sells a wide range of furniture. They make household furniture, office furniture & accessories.
 - State an example each for land, labour, capital & entrepreneurship that woodmaster uses
 - Can woodmaster products be classified as consumer goods & capital goods? Explain your answer
- Name & briefly describe 6 functions involved in business activity
- Explain why some businesses switch from a shareholder concept to a stakeholder concept.
- One common feature of modern businesses is specialization. State 2 advantages & 2 disadvantages of it.

Year 2014

MCQ's

- Which one of the following cannot be considered as the main aim of a business?
 - Maximize profits
 - Increase market share
 - Maximize employment opportunities
 - Retaining in the market
 - Maximizing sales

2. Different stakeholder are interested in business due to the following reasons;

A – profit	B – growth of business
C – market share	D – success of decisions
E – Salary	F – job permanency
G – promotions	H – development of position

Out of the above, select the group which includes only what managers are keen on;

- A. ABDH
- B. ACDH
- C. ADEH
- D. BDFH
- E. DEFG

3. Following are some environmental forces that influence business;

A – customers	B – social & cultural factors
C – competitors	D – suppliers
E – producers of substitutes	F – technological factors

Out of these select the group of only task environment forces;

- A. ABCD
- B. ACDE
- C. ACDF
- D. BCDE
- E. BCDF

Fill in the blanks

- 1. Any form of meeting or interaction between & is known as market
- 2. Fill in the following table with the points filling fruit juice into bottles, fruits, employee training, advertising, investing in a new machine;

Input	Business Process	Output
.....	Production	Bottled fruit juice
	Marketing	
	HR	
	Finance – investing in a new machine	

- 3. The value of a country’s overall output of products & services in a given year is called
- 4. Write whether the following are strengths, weaknesses, opportunities or threats;
 - a. Opening north & east areas for business activities
 - b. Planning by many businesses to open outlets in your business area
 - c. Lack of employees with appropriate skills to expand
 - d. Well established brand name of the business

Written

- 1. Business plays several important roles in the society;

- a. Briefly explain the main changes that took place in business as a result of industrial revolution.
- b. What are the different types of human needs that businesses fulfill?
2. Although agriculture was the main economic activity of ancient Sri Lanka, today there is a tendency of moving towards some other sectors;
 - a. Give 4 reasons for this trend
 - b. Briefly explain the relationship between commerce & business.
3. Compare & contrast the following concepts;
 - a. Market place & market space
 - b. Durable goods & convenience goods
4. Fast food business is growing very fast in urban areas of Sri Lanka.
 - a. What are the macro environmental forces that determine this growth in fast food industry?
 - b. Briefly explain the internal environmental forces that helps attracting & retaining customers within the fast food business.

Year 2015

MCQ's

1. Which of the following answer contains only the characteristics of wants?
 - A. Unlimited, varied & common
 - B. Can be created, common & limited
 - C. Subjective, limited & varied
 - D. Unlimited, varied & subjective
 - E. Common, can be created & varied
2. Following are some of the business activities that are related to different economic sectors. Out of them which are related to the services sector?
 - A. Cottage industry & import trade
 - B. Cinnamon based product processing & transport
 - C. Construction & gas
 - D. Transport & fishing
 - E. Communication & transport
3. Out of the following pairs, select the correct answer for unsought goods;
 - A. Life insurance & personal accident insurance
 - B. Motor vehicle & motor vehicle insurance
 - C. Personal accident insurance & house
 - D. Newspaper & motor vehicle
 - E. House & fire insurance

4. Match the correct internal forces with strengths;

Internal forces	Strengths
A – Organization structure	1 – Experience
B – Owner	2 – Up to date

C – Employees D – Resources in use	3 – Goodwill 4 – Easy decision making
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- A. A1, B2, C4, D3
- B. A4, B2, C3, D1
- C. A4, B3, C1, D2
- D. A3, B4, C2, D1
- E. A2, B1, C3, D4

5. Match the task environmental forces with opportunities & threats;

X	Y
A – Producers of substitute products	1 – Increased demand for the products in the industry
B – Competition in the industry	2 – Consumers focusing on brand name mostly
	3 – Mitigation in law of intellectual property rights
	4 – Presence of market exit barriers

- A. A24, B13
- B. A23, B14
- C. A14, B23
- D. A12, B34
- E. A34, B12

Fill in the blanks

1. Out of different stakeholders, businesses are interested in to ensure their existence while showing interest in To obtain infrastructure facilities.
2. Core value system of a business is an environmental factor while technology is an Environmental factor.

Written

1. Business organizations are a part of the social organization system.
 - a. All organizations have common characteristics. Briefly describe the common characteristics of formal business organizations.
 - b. Businesses are essential for the existence of the society. While defining business, explain this idea.
2. Internal & external environments affect the success or failure of business.
 - a. Name 2 internal environmental factors of a business & explain how those factors influence the success of the business.
 - b. Name 2 macro environmental factors of a business & explain how those factors influence the failure of the business
3. There are many service providing organizations exist in Sri Lankan business sector.
 - a. Mention 4 business supportive services
 - b. Briefly describe 2 services that are exported from Sri Lanka.

Year 2016**MCQ's**

1. Factors should be primarily considered by a consumer in purchasing goods & services to fulfill their needs & wants are;
 - A. Expenditure & package
 - B. Package & quality
 - C. Satisfaction & trade name
 - D. Expenditure & trade name
 - E. Expenditure & satisfaction

2. A business that is focused on international markets since its inception is;
 - A. Motor vehicles
 - B. Electrical equipment
 - C. Apparel
 - D. Construction
 - E. Social network sites

3. Which of the following is not a modern business trend?
 - A. Globalization
 - B. E-transaction
 - C. Mass production
 - D. Green production
 - E. Business outsourcing

Fill in the blanks

1. Market can be created as well as methods
2. Goods purchased after comparing price, quality & style are called Goods & goods purchased without making a special effort are called goods
3. Organizational is formed based on beliefs, values, attitudes etc of its owners, managers & employees of the organization.
4. Name 4 ways that suppliers can be a threat to a business

Written

1. (a) State 4 basic functions / activities of a business
(b) Write an example for each to show separately how customers & competitors become an opportunity & a threat to a business
2. Explain a strength & a weakness in the organizational culture by giving examples for each.
3. Briefly explain the relationship that exists between the following macro environmental factors by giving an example for each
 - a. Natural environment – social & cultural environment
 - b. Political environment – economic environment

Year 2017

MCQ's

1. Following are some of the characteristics of human needs & wants;

A – Unlimited	C – Varied	E – Limited
B – Ability to create	D – Essential for survival	F - Common

Out of the above, select the group that contains only the characteristics pertaining to human wants;

- A. ABD
- B. ABC
- C. ACE
- D. BDE
- E. BDF

2. Select the group that matches interested parties & reasons for their interests correctly;

X	Y
A – Reporters	1 – To ensure rights of media professionals
B – General Public	2 – To collect information
C – Government	3 – To manage information
D – Trade unions of media professionals	4 – To become aware through information
E – Administrators of media institutions	5 – To formulate policies on information

- A. A1, B2, C5, D3, E4
- B. A1, B3, C4, D5, E2
- C. A2, B4, C5, D1, E3
- D. A3, B1, C2, D4, E5
- E. A5, B2, C3, D4, E1

3. Following are some trends of environmental factors relating to a business;

- a. Increase in price level of the economy
- b. Increase in employer-employee conflicts
- c. Increase in competition
- d. Decrease in employee turnover
- e. Decrease in retained earnings
- f. Increase in the power of consumer societies
- g. Decrease in raw material wastage
- h. Increase in elderly population

Out of the above, which group contains only the trends in internal environmental factors?

- A. a, b, c, d
- B. a, d, e, g
- C. b, c, e, h
- D. b, d, e, g
- E. c, f, g, h

Fill in the blanks

1. Demand for goods & services is created based on the & it will be converted into effective demand through
2. Businesses contribute for & of a country

Written

1. (a) List 4 objectives of a business
(b) Products are not only limited to goods & services. Name 4 types of products that could not be considered as goods & services.
2. (a) According to the classification of consumer goods, state the classification separately furniture & glossary are fitting into.
(b) Explain the reasons for the above classification
3. (a) Mention 2 reasons for gradual increase of contribution from tourism to GDP in Sri Lanka over the past few years.
(b) Briefly explain 2 facts that motivates people to fulfill their needs through public sector over private sector although both sectors are competitively engaged in certain fields of business.
4. Name an industry each for increasing aging population in Sri Lanka to become an opportunity and a threat. Give reasons.
5. Explain 2 ways each for how the increase of competition in a certain industry having an impact product & price decisions of a business firm operating in the same industry.

Year 2018

MCQ's

1. What is the correct statement regarding human needs & wants?
 - A. A human's wants are limited but needs are unlimited
 - B. A business can create a need but not a want
 - C. Needs are common but wants change from person to person
 - D. Love, food, protection, technical education are example for needs
 - E. A person selecting a product to fulfill a want, is called needs.

2. A non-common feature of any organization can be;
 - A. Using resources
 - B. Fulfilling human needs & wants
 - C. Providing goods & services
 - D. Profit motive
 - E. In line with government rules & policies

3. What is the answer which has the correct product classification & suitable example?
 - A. Tangible – goods – non durable = Motor vehicles
 - B. Tangible – goods – consumer services = Transportation
 - C. Intangible – services – direct services = Banking
 - D. Intangible – goods – usage = Furniture

- E. Tangible – goods – usage – Insurance
4. Which statement correctly describes environmental forces, factors & its impact?
- A. Computer operators of a business are an internal factor & their lack of skills is a threat
 - B. Increase in competition is a threat & competition is a task environmental force
 - C. Drop in exchange rates is an opportunity for exporters & it's a task environmental force
 - D. Finance institutions are a macro environmental force & competition between them is an opportunity for businesses
 - E. Proper communication along the hierarchy is a strength to the business & it's a task environmental force

Fill in the blanks

1. Personal is a result of division of labour & through the exchange of excess products, Is created
2. Organizational is built through the owners values & beliefs & its mismatch is a To the organization
3. Write 4 features of convenience goods
4. As a stakeholder why government is interested in schools in the country?

Written

1. Define needs, wants & products & explain its inter-relationship
2. Write down 4 factors which converted direct production into indirect production
3. New generation is reluctant to get into agriculture. What are the reasons for such?
4. Write down special features found in the macro environment.
5. Define globalization & write down 2 positive & 2 negative impacts of it towards local businesses
6. Define organization culture
7. Write down a strengths & weaknesses that could be found within the organizational culture.

Year 2019

MCQ's

1. Four stages in the evolution of business can be;
 - a. Industrial revolution
 - b. Usage of money
 - c. Exchange of goods
 - d. ICT economy

Select the answer which indicates the correct arrangement of business evolution;

 - A. a, c, d, b
 - B. b, a, c, d
 - C. b, d, a, c
 - D. c, a, b, d
 - E. c, b, a, d

2. select the answer that includes sub factors of the social & cultural environment;
 - A. beliefs, values, technology & norms
 - B. values, organizations, age groups, traditions
 - C. customs, values, organization structure, traditions
 - D. beliefs, values, customs, rules & regulations
 - E. beliefs, values, customs, traditions

3. Match the macro environmental elements with relevant incidents in the following table;

Elements	Incidents
1 – Economic	A – Changes in climate
2 – Natural	B – Implementing new labour laws & legislations
3 – Technological	C – Invention of a new production method
4 – Legal	D – Changes in exchange rates

- A. ACBD
- B. BDCA
- C. CABD
- D. CDBA
- E. DACB

Written

Anusha designs latest mobile phone covers in addition to selling mobile phones. She has a good knowledge & experience in designing. To increase her sales & profits, she sells those covers at a price below market prices. During mid-2019, she managed to sell 50,000 covers where 20,000 were sold online. She is in the process of doing a SWOT analysis in order to identify strategies to expand her business.

1. (a) State 2 main business activities found in the above case.
(b) What are the 2 main objectives of Anusha’s business?
2. Write down 4 factors that may affect an increase in sales for phone covers.
3. Write down 2 advantages & 2 disadvantages of online trading to Anusha.
4. (a) Write 4 benefits of conducting a SWOT analysis for businesses
(b) Write down 2 opportunities & 2 threats in the phone cover industry
5. State 2 strengths of Anusha & write down how they can be used for the business’ further development.

STUDENT'S NOTES

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Dilon Anthony's