SUBJECT: BUSINESS STUDIES

CLASS: JSS 1

FIRST TERM

INTRODUCTION TO BUSINESS STUDIES

Business can be defined as any activity performed or service rendered which provides goods and services to satisfy human needs and desire. Every business activity must be legal and must bring a reward or profit. Goods can either be tangible or intangible. A tangible good are goods that can be seen or touched e.g. Pencil, book etc while intangible goods are goods or services that cannot be seen or touched. E.g Services of a teacher, lawyer, doctor etc.

Business Studies can be defined as the study of all human efforts and activity directed towards the development or satisfaction of human needs and development of a nation through production of goods and services.

Importance of business studies

1. It teaches how to start and operate a business.
2. It teaches how an office function
3. It provide opportunity for self employment
4. It provide opportunity for making better investment decisions
5. It teaches different forms of business ownership
6. It teaches how to keep proper record of business transaction.
7. It helps in appropriate career selection

Components of business studies

The various parts that form the subject of study in business studies are;

1. Book keeping
2. Commerce
3. Keyboarding
4. Office practice
5. Shorthand

Career opportunities in business studies

Career can be defined as occupation or profession that one can do to earn a living. The study of business opens door for any of the following;

* Entrepreneur
* Secretary
* Accountant
* Banker
* Administrator
* Economist
* Marketer etc

OFFICE

An office can be defined as a place in an organization where all sorts of clerical activities are carried out. The following are examples of clerical works;

* Sorting of mails
* Sorting and retrieval of documents
* Report writing
* Preparing correspondence
* Typing
* Dictating
* Recording information
* Telephoning

Types of office

1. Small Office: also known as closed office is the type of office that has limited volume of clerical works. It consists of one to ten persons. It can be seen in small business outfits. In a small office, it is possible to have only one clerical worker since the volume of work is small. examples of small office; principal’s office, vice principal’s office, manager’s office, directors office cobblers shop etc

Advantages of small office

1. The worker do wide variety of duties
2. The learn more about the functions of the organization
3. The owner shares close relationship with the workers and customers because he/she is involved in the day to day running of the business

Disadvantages of small office

1. The employer may not be able to provide social/ welfare amenities eg canteen
2. Payment of salaries and wages sometimes depend on the volume of work performed.
3. Large office: this can be found in big organizations with ten workers and above. The volume of work is usually high and clerical activities are shared among many clerical workers. A large office contains many officers doing specialized work. Examples of large office; bank, NNPC, NAFDAC etc

Advantages of large office

1. Workers enjoy team work
2. It can develop the ability and skill of the worker by sending them to training and workshops
3. It can provide welfare and social services

Disadvantages of large office

1. Workers have limited experience of other jobs than the once they regularly do
2. There could be risk of fraud which may affect the revenue of the organization

Different offices in an organization

There are different offices in an organization depending on the work done there are

1. Administrative office
2. Principals office
3. Bursars office
4. Head teachers office
5. Staff office
6. Guidance and counseling office
7. General office

All offices whether large or small perform the same type of function

Functions of an office

1. Giving information
2. Receiving information
3. Recording information
4. Arranging information
5. Processing information
6. Storing information
7. Safeguarding

THE OFFICE STAFF

A clerical staff is one who performs the functions of an office, i.e receiving information, recording information, arranging information, giving out information and safeguarding information in an organization.

 Functions of a clerical staff

A clerical staff should do more serious job like writing office letters to other organization, private or public as directed by a superior officer, treatment of mail on staff matters e.t.c.

 Some of the functions of a clerical staff are as follows;

1. Dispatching mails within and outside the organization.
2. Receiving of incoming mails.
3. Receiving and making phone calls.
4. Recording file movements.
5. Distributes internal document.
6. Keeping file in view and bringing them up when necessary.

 Qualities of a clerical staff

The qualities of a clerical staff can be divided into two;

1. Personal qualities:

1. He/she must possess the basic required educational qualification.
2. Must be intelligent.
3. Must be honest and reliable.
4. Must be polite and cheerful.
5. Must be smart.
6. Job qualities:
7. Must be punctual
8. Ability to communicate with others
9. Must be hardworking
10. Ability to respond to requires
11. Must be time conscious
12. Must be neat
13. Must have self control.

COFIDENTIALITY OF OFFICE INFORMATION.

Confidentiality can be defined as a situation in which important office information are kept secret. It is the act of not leaking important information to someone who has no business with the organization. It is therefore important that office staff must not leak the secret of his/her organization to another organization or even to a friend who is not working in that organization. He/ she must keep official information secret

Difference between public office information and confidential office information.

Public office information can be given with or without a request for it, while confidential office information cannot be given without the approval of the head of the institution or organization. Confidential information includes;

* Food recipe
* Account statement
* Medical history
* Personal goal
* Bank information
* Contact details
* Family record
* Contract document

Reasons for confidentiality

1. To protect the office from fraud
2. To protect the office from being robbed
3. To safeguard the document from unauthorized persons
4. To prevent competitors of the organization from knowing the secret of the organization.

Right Attitude to Work

Work is defined as any activity that a person is engaged in to earn a living.

Attitude means the feeling and thought an individual has towards someone or something.

A right attitude to work therefore means a positive state of mind that an individual develops towards his work in an organization. A worker who develop the right attitude to work can easily be identified through his/her punctuality and regularity at work.

Punctuality is the act of being at one’s place of duty or work at the time required by the employer.

Regularity refers to being at one’s duty post every working day.

Attributes of punctuality and regularity

1. Commitment: this is the ability and willingness to give one’s energy and time to a job.
2. Interest: this refers to a kind of feeling that is developed towards what one likes
3. Promptness: refers to executing a task or duty without delay
4. Consistency: maintaining a standard of behavior, opinion for a long time.
5. Self motivation: this is a form of in-built attitude that does not depend on any external factor.
6. Reward: refers to anything given in recognition of service, effort or achievement.
7. Sanction: means a threatened penalty for disobeying a law or rule.

Importance of punctuality and regularity

1. Promotion
2. Respect
3. Organization
4. Productivity
5. Reduction of stress

Consequences of lateness and irregularity

1. Neglect
2. Fine
3. Stress at work
4. Ineffectiveness
5. Sack

DEVOTION TO DUTY

Devotion to duty means having strong commitment of time and resources towards work or duty in an organization. It is one of the major factors that determine the growth and development of an organization.

Attributes of devotion to duty

1. Punctuality
2. Promptness
3. Hardworking
4. Commitment.

Effects of devotion to duty

1. It improves the productivity of an individual
2. It improves the overall productivity of the organization
3. It leads to the growth and development of the organization
4. It helps an organization to achieve its aims and objectives

DEPARTMENTS IN AN ORGANISATION

A department is one of the divisions in an organization.

Various departments in an organization

1. Administrative department
2. Account department
3. Sales department
4. Personnel department
5. Planning department
6. Transportation/ or transport department
7. Purchasing department

Function of the various department

1. Administration department: this dept is responsible for the general running of the organization’s affair. It is the live-wire of every organization. The head of this department is called and administrator or administration manager.
2. Account department: the account department keeps records of all financial transactions in the organization. It is responsible for preparing and paying salaries and wages for workers, receives all payment made to an organization. The head of the account department is called the chief accountant or the bursar.
3. Sales department: this department is responsible for selling the product of the organization. The head of sales department is called the sales manager.
4. Personnel department: this department is responsible for staff recruitment, training, promotion, discipline and other matters relating to staff welfare. The head of this department is called the personnel manager.
5. Planning department: the department is responsible for planning the activities of the organization. This department also conducts research into areas that will improve the business activities of an organization. This department is also called the research and development department. The head of this department is called the planning manager.
6. Transport department: the transport department is responsible for the movement of goods and people in and out of the organization. The head of this department is called the transport manager.
7. Production department: this department is responsible for the manufacturing of goods. It turns raw materials into finished goods. The head of this department is called production manager
8. Purchasing department: the purchasing department is responsible for the buying of the material and equipment needed in the organization. The head of this department is called purchasing manager

INTRODUCTION TO COMMERCE

Commerce can be defined as all activities involved in buying and selling and distribution of goods and services through the assistance of the activities that aid trade. These activities include: advertising, communication, banking, insurance, warehousing, transport, tourism

Importance of commerce

1. Provision of employment
2. It brings about exchange of goods and services
3. It increases the standard of living
4. It benefits underdeveloped countries
5. It links producers and consumers
6. Commerce helps a country to grow faster

Activities that aid trade

1. Advertising: this is a process of creating awareness about the availability of a product to the public
2. Communication: this is a means by which information is passed from one person to another for easy interaction.
3. Banking: banks deals with financing of trade activities. banks keep money and other valuables and also make funds available for business transaction
4. Insurance: can be defined as the provision made for the protection of person or property against risk
5. Tourism: tourism encourages investment and boost commercial activities, thereby providing economic growth and development internationally
6. Transport: this helps in the movement of people and goods from one place to another
7. Warehousing: this is the process of storing goods until they are needed. A warehouse is a place where goods are kept for future use.

DIVISION OF COMMERCE

Commercial activities are the life blood of a country economic system. It includes all the process which makes it possible for the distribution and exchange of goods and services for the satisfaction of the people.

The diagram below shows the divisions of commerce

Commerce

 Trade aids to trade

Home trade Foreign trade banking

 Manufacturer import export entrepot Transportation

 Wholesaler Communication

 Retailer Advertising

 Consumer Warehousing

 Insurance

 Tourism

Trade is the act of buying and selling of goods and services.

1. Home trade.
2. Foreign trade

 Home trade: home trade is the buying and selling of goods and services within a particular country. For example: trade between firms in Enugu state and Lagos state. Home trade is also called domestic or internal trade.

There are many channels which facilitate home trade. They are:

1. Manufacturer.
2. Wholesaler.
3. Retailer.
4. Consumer.

Manufacturer: this manufacturer converts raw goods to finished goods.

Wholesaler: the wholesaler is a trader that buys goods in large quantity from the manufacturer and sells in small quantity to the retailer.

Retailer: a retailer is a trader who buys goods from the wholesaler in small quantity for resale to the consumers. The retailer breaks the bulk.

Consumer: the consumer is the final link in the distribution chain. The product produce is often consumed by the consumer.

 FOREIGN TRADE

Foreign trade involves the exchange, buying and selling of goods and services between two or more countries. It is also referred to as international trade or external trade. e. g of this type of foreign trade is a trade between Nigeria and china, America or South Africa.

There are three types of trade

1. Export trade: This involves the sales of goods and services of one country to another country; for examples; Nigeria exports cocoa ,crude oil, rubber, palm oil and groundnut to China, America e .t .c .
2. Import trade: This is the process of purchasing goods and services from other countries. Eg; Nigeria import rice, electronics, cars, computers from other countries.
3. Entre pot trade: is the re-exporting of goods imported from one country to another country without adding any value to it. Eg; Nigeria importing cars from Germany and exporting to Ghana to sell.

 PRODUCTION

Production can be defined as the process by which raw materials are converted into semi-finished or finished goods to satisfy human wants.

Production does not only involve making goods available; it also include provision of services. For example, the teachers, cobblers, drivers, nurses, bankers do not produce goods but they are called producers because they render services to satisfy human wants.

Types of production

1. Primary production: primary production involves the digging or extraction of raw materials from the ground. Examples of industries or activities under primary production are mining, agriculture, quarrying, farming etc
2. Secondary production: this involves making or processing of raw material into semi-finished or finished goods. Example: crude oil is processed into finished goods like kerosene; fuel etc. rubber is processed into tyre and tubes.
3. Tertiary production: this deals with the provision of services to people. Example are barbing, teaching, medical services etc

Factors of production

There are four factors of production. They are:

1. Land
2. Labour
3. Capital
4. entrepreneur

HONESTY IN BUSINESS

Honesty in business is referred to as the ability of the parties involved in a business transaction to always do things right at the stipulated time, such as making goods available at the appropriate time and producing according to specification so that the end users (consumers) can derive the expected satisfaction and have value for their money.

Truthfulness is a quality exhibited by a person who tells the truth all the time even if it will put him or her into trouble.

Attributes of truthfulness

1. transparency
2. steadfastness
3. straightforwardness

Factors that make people to lie

1. to avoid shame and cover up bad behavior
2. lack of discipline
3. to survive in business where there is competition
4. to deceive people and cover up one’s weakness

Reward of truthfulness

1. Promotion
2. Peace of mind
3. A truthful person has a good reputation
4. A truthful person is always respected

Consequences of not being truthful

1. Shame
2. Business failure
3. Marital failure
4. Arrest by security agent
5. Unemployment
6. Leadership failure
7. Separation from good friends
8. Bankruptcy

Fair play

Fair play in business is regarded as a situation whereby things are done according to the rules of the organization without cheating and exploitation. In this situation, every employee is given equal treatment and nobody is given an undue advantage over others. For example, jobs and opportunities are not given to people because of friendship but according to their abilities and skills.

Attributes of fair play

1. Equity
2. Impartiality
3. Openness
4. Truthfulness
5. Straightforwardness.