

NATIONAL BUSINESS AND TECHNICAL EXAMINATIONS BOARD (NABTEB)
MAY/JUNE 2006
OFFICE PRACTICE (413)

Question 1:

(a) Explain FIVE advantages of a Sole Proprietorship.

- (i) It is easy to start and operate.
- (ii) Business belongs to the owners who use his/her expertise to manage the business alone.
- (iii) All profits made belong to him alone.
- (iv) The Business open and close at the wish of the owner i.e. there is freedom to run the business.
- (v) It serves as a basic training for managerial expertise.
- (vi) The capital requirement at the initial stage could be mega and sourced conveniently.
- (vii) The owner can diversify to other areas of business without further operational cost/demand by the state.

(b) What are the contents of a deed of partnership?

- (i) The modalities (how) profits and losses are to be shared.
- (ii) Duration of the business span.
- (iii) The type, name and location of business.
- (iv) The names of the partners.
- (v) The amount of capital each partner is to contribute.
- (vi) Whether or not salaries will be paid to partners who involved in the management of the business.
- (vii) Whether or not there will be drawings by partners.
- (viii) How new partners will be admitted.
- (ix) The method of arriving at the amount of goodwill and amount payable on the death or retirement of a partner.
- (x) Whether or not interest is to be allowed on capital of partner charged on drawings and at what rate.
- (xi) How to dissolve the partnership business.

Question 2:

Discuss the uses of the following machines:

- (a) Computer
- (b) Photocopying Machine.
- (c) Spirit Offset lithography.
- (d) Duplicating Machine.

(a) Computer is used for:

- (i) Processing and updating official office documents.
- (ii) For storing records.
- (iii) For transfer of processed records to another system.
- (iv) For preparation of wages and salaries.
- (v) For monitoring the flight of aircrafts and ships on board.
- (vi) It aids in operations in the theatre when surgeons operate patients or when diagnosis takes place.
- (vii) It monitors traffic in city centre and urban highways as used by police and military personnel.

(b) Photocopying Machine:

- i. Reduction of copies of documents into appropriate size.
- ii. Reproduction of extra copies of documents according to need.
- iii. Capability to produce copies in colours.
- iv. It saves time and there is no limit to the number of copies obtainable from the original.

(c) Spirit Offset Lithography

- (i) Reproduce documents in different colours.
- (ii) It can reduce documents or enlarge it according to need.

(d) Duplicating Machine

Reproduce documents in black and white copies as set by the operator.
It can reproduce up to thousand/hundreds as needed.

Question 3:

(a) What is centralization of authority?

Answer:

Centralization of authority is when the direction in performing the work of an organization (business) comes from the upper echelon i.e. (management) as laid down and utilized in running and controlling the operational system of the Company.

(b) State and explain FIVE advantages of centralization of authority in an office.

- i. It stabilizes the uniformity of operation of office work at large.
- ii. Coordination of the entire work system is uniform and systematic.
- iii. Work output is standardized.
- iv. Time utilization is minimized on every scheduled duties and assignment.

- v. It enhanced training of subordinates for high responsibility.
- vi. It minimized cost of operation.

Question 4:

Write short notes on the following mail handling procedures.

- i. Sorting
- ii. Stamping.
- iii. Extraction of content.
- iv. Preparing circulation slip.
- v. Distributing the trays of mail.

Sorting:

When mails are brought from the post office, it is separated according to departments, section or units within the organization by the mail department or section for ease of distribution to individuals or sectional heads.

To ease the distribution pneumatic tube is used for delivery of the mails from floor to floor. It is finally distributed by sectional heads to the owners or addressees.

Stamping:

Upon receipts of mails, it is dated, stamped whereby indicating the time and date when the letter was received in the office. OR

Mails meant for posting are affixed with the appropriate postage stamps before arranging to convey them to the post office for posting.

Extraction of Content:

This is the removal of documents as well as the letter from an envelope. Apart from the letter any relevant document to the letter is usually attached e.g. money, postal/money order, etc.

The attached documents is now extracted and recorded for official purpose. It is removed and the next action follows. E.g. recording in appropriate register record book.

Preparing Circulation Slip:

When an official letter has been opened, sorted for the appropriate unit, it is placed in the relevant file. Therefore, a circulation slip is attached to the file indicating the name(s) of officer(s) to treat the document/letter and the department(s) that should be involved. Whoever treats/take action on the letter will append his/her signature before passing it for the next person who is also involved to take action upon completion, the file is returned to the registry/file room.

Distributing the trays of mail:

Trays containing the mails/letters are forwarded to the appropriate unit/officers for use and action. It is to enable the appropriate letters get to the unit with correct messages and or correspondence.

Question 5:

(a) Identify FIVE importance of communication to an organization.

- i. It enables one organization to seek for a request from another company that is vital to improving the business.
- ii. It serves as a follow up of previous issues or matter not yet concluded.
- iii. It serves as an instruction to forward cum deliver goods and or materials to another company.
- iv. It serves as an expression for action concluded.
- v. As general briefing on an action to be taken on related arrangement.
- vi. It serves as exchange of vital matters to be ironed out or unresolved.
- vii. Explicit direction on issue at stake.
- viii. Exchange on ideas expressed on job at hand.

(b) What factors determine the choice of communication system in an organization?

- i. The nature of business.
- ii. The size of the business.
- iii. Population of business partners and spread.
- iv. Speed/location/distance of business associate.
- v. Technological equipment available with the company and others.
- vi. Cost involved in establishing mode of communication.
- vii. The population of customers and their locations.
- viii. Urgency of messages and frequency.
- ix. Availability of trained experts managing the equipment/servicing.

Question 6:

What are the factors to be considered before purchasing office equipment?

- i. Cost of the machine.
- ii. The nature of the services provided.
- iii. Availability of capital.
- iv. Manpower needs that are capable of operating the equipment.
- v. Space available for placing the machine.
- vi. Urgency of the need of the equipment.
- vii. Results/quality of the services provided.

Cost of the Machine:

It is required that the company should be aware of the cost of the machine and they can afford it.

Nature of the Services provided:

It is necessary to be aware of the type of services provided whether it is mono service or multiple services.

Availability of Capital:

The Company should know if it can afford to purchase the machine in cash of the fact that fund is probably not available at present. Fund available may not be swapped as at now.

Manpower needs:

Is the organization capable of utilizing the presently available manpower? Is there any need to source for other space to man the machines?

Space Available:

Is there any consideration for the need of extra space or how to allocate a particular area for the new equipment?

Urgency of the need for the equipment:

Will the purchase of the machine solve problems accruing before its purchase?

Quality of the Services provided:

This must be identified before embarking upon the purchase of the machine(s).

Question 7:

List and explain any FIVE functions of a commercial bank in your country.

The functions of the commercial banks are:

Acceptance of deposit: Customers who wish to make savings into their accounts are usually accepted by the banks for safe keeping.

Granting of loan to customers: Customers with reputable background are often assisted by granting them loan as required by them. There use to be a surety before giving such loans.

Making payments for and on behalf of customers:

Upon request customers do withdraw part of their saving which the bank do oblige.

Agent of foreign exchange: Commercial banks do assist customers in processing and issuing foreign exchange when requested by them. They are issued with travelers cheques etc.

Operating different accounts: Customers are assisted by banks in maintaining their savings and current accounts special charges are made by the bank for providing such services.

Standing as surety: As a reference source, banks do stand as surety for their customers at request when the need arises particularly in international and home trade transactions.

Other services are making payment for purchases made at request by customers.

Question 8:

(a) **Identify the characteristics of a good filing system.**

- i. It should be simple to understand.
- ii. It should be complete for reference purpose.
- iii. It should be accurate and easy to understand.
- iv. It should be located promptly without time wasting.
- v. It should be able to be referred to with ease.
- vi. It should be properly coded.
- vii. It should be concise and not ambiguous.

(b) List FOUR major filing system known to you.

- i. Alphabetical filing.
- ii. Chronological filing.
- iii. Numerical filing.
- iv. Alpha-numeric filing.
- v. Subject filing.
- vi. Chronological filing.

Question 9:

State FIVE good working conditions required by the employer to increase productivity at work.

There should be:

- a. Proper and good heating facilities.
- b. Provision of good lighting.
- c. Provision of proper forms of desks, tables and chairs.
- d. Appropriate temperature which is conducive to work condition should be maintained.

- e. Adequate supply of raw materials.
- f. Supply of good drinkable water.
- g. Building should face the East for good nature fresh air.
- h. Provision of refreshment and tea cum snacks which is stocked in vending machine.
- i. Provision of appropriate clothing/shoes for proper working atmosphere.
- j. Provision of rest room.
- k. Provision of dressing rooms.

Question 10:

Explain FIVE services provided by the post office.

- i. Sales of postage stamps and special envelopes i.e. POP – Post office preferred envelope.
- ii. Home delivery services to customers e.g. registered mail, etc.
- iii. Issuance of post office mail bags, post office boxes to both individuals and companies.
- iv. Provision of savings facilities in post office saving bank.
- v. Delivery of expedited mail services.
- vi. Assisting in conversion of postal/money orders to cash.
- vii. Provision of rail services.
- viii. Assist visitors/travelers with special postal delivery cum allocation of temporary box/bag.