

First name:

Management

Family name:

Accountancy

2nd EXAM

THE CONCEPT OF PRODUCTION

The aim of any economic activity is to produce goods and to provide services. Production is therefore the transformation of the input into the output, by means of different productive processes.

To produce any article or to provide any service depends upon some factors or agents of production, also called factor resources. There are two broad types of factors of production : human factors and non-human factors. The human factors consist of labour and enterprise, and the non-human factors refer to land and capital.

Labour describes the productive services, that is to say, the human physical efforts, skills and intellectual abilities. Enterprise refers to the way in which the structural organization of production is made. Land denotes the natural resources of the universe, such as the earth, the sun, lakes, rivers, animals, etc. capital consists mainly of finance and other resources, such as factories, means of production, roads, etc.

As far as production is concerned, we distinguish two kinds : direct production and indirect production. The former implies that the worker produces for his own needs, whereas the latter refers to a chain of productive processes. This chain can be divided into three major processes : Primary process deals with the extraction of raw materials, e.g ; mining. Secondary process, in this process, the raw materials are transformed into manufactured goods, e.g. car manufacturing. Tertiary process in which we finished article is made available and displayed to the consumer.

SECTION 1 :

I- According to the text , answer the following questions : (6Pts)

1- What is the main aim of any economic activity ?.....

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2- What are the factors of production ?.....

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3- What is meant by indirect production ?.....

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4- What is meant by direct production ?.....

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II- According to the text ,give the synonym :(2Pts)

- a- Factors :
- b- Objective :
- c- The word:
- d- To perceive a difference :

III- Give the noun of each verb :(2Pts)

- a- To provide :
- b- To consume :
- c- To produce :
- d- To extract :

SECTION 2 :

I- Ask questions about the underline words :(3Pts)

A- I'm Fiona and I'm an accountant.

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B- Fiona works in Edinburgh for one of the big accountancy firms.

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C- Fiona likes her profession : accountancy

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II- Give sentences using the following words :(2Pts)

A- Economy :

B- Finance :

III- Written expression :(5Pts) Write a short paragraph in which you give a job description for the job you would like and say why you feel you are suitable for it.

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