



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2013/2014

**FIRST YEAR FIRST SEMESTER EXAMINATIONS FOR THE
DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION
WITH INFORMATION TECHNOLOGY
(MAIN CAMPUS)**

ABA 101: INTRODUCTION TO BUSINESS STUDIES

Date: 19th November, 2013

Time: 2.30 - 4.30 p.m.

INSTRUCTIONS:

- **Answer Question ONE (COMPULSORY) and any other TWO questions.**
- **Question one carries 30 marks and the rest 20 marks each.**

QUESTION ONE (COMPULSORY)

- a) Define the term business and discuss the features of a business. (6mks)
- b) Discuss the role of government in business. (6mks)
- c) Explain the macro-environmental forces in the business environment. (10mks)
- d) Describe the theories of business ethics. (4mks)
- e) Define the following:
- i) Delegation
 - ii) Departmentalization
 - iii) Job design
 - iv) Contingency planning (4mks)

QUESTION TWO

- (a) Define distribution channel. (2mks)
- (b) Highlight the key factors to consider when designing a distribution network. (10mks)
- (c) Explain with the help of a diagram, the major channel levels. (8mks)

QUESTION THREE

- (a) Citing examples, explain the concept of "Unlimited Liability" . (3mks)
- (b) Discuss the procedure involved in forming a Limited Company. (9mks)
- (c) Discuss the distinguishing features of a Public Limited Company and a Cooperative as forms of business ownership. (8mks)

QUESTION FOUR

- a) Failure to plan is planning to fail. Advance the various planning steps carried out by managers of an organization. (10mks)
- b) Explain common operative functions that staffing function is concerned with. (10mks)

QUESTION FIVE

- a) Discuss any five types of markets traded at Nairobi Stock Exchange. (10mks)
- b) Parents and guardians should introduce their children to decision making and responsibility at an early age to enhance entrepreneurship skills development in them. In this context explain how various backgrounds influence entrepreneurship in an individual. (10mks)