



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2014/2015

**FIRST YEAR FIRST SEMESTER EXAMINATIONS FOR THE
DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION
WITH INFORMATION TECHNOLOGY**

(CITY CAMPUS – EVENING)

ABA 101: INTRODUCTION TO BUSINESS STUDIES

Date: 8th April, 2014

Time: 5.30 – 7.30 p.m.

INSTRUCTIONS:

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



Q1.a). Define the term business studies? (3 marks)

b). The profit maximization goal of a firm has been criticized because of the many reasons. Explain the criticism labeled against profit maximization goal of a firm. (8 marks)

c). Explain the concept of utility and highlight four types of utility that a business can provide to their customers. (10 marks)

d). Explain ways in which business can be socially responsible to the following stakeholders:

i). Government (3 marks)

ii). Community (3 marks)

iii). Supplier (3 marks)

Q2.a). Advance arguments against social responsibility of business. (11 marks)

b). Explain the factors that business executives will need to take into account in each of the following business environments highlighting how each factor is likely to affect the functions of business management.

(a) Political legal environment (3 marks)

(b) Socio-cultural environment (3 marks)

(c) Economic environment (3 marks)

Q3. "The government has constant interest in the continued performance and survival of business". In this regards, explain the roles of a government as a promoter and protector of business interest in Kenya. (20 marks)

Q4.a). "A partnership is a relationship that exists between two or more persons jointly carrying out a business with the objective of making a profit". In this regard, identify and explain major types of partners under partnership form of business. (10 marks)

b). "Article of Association lays down the rules and regulations for the internal organization of the company". In view of this statement, describe the content of Article of Association. (10 marks)

Q5.a). Entrepreneurs are motivated by a number of factors to engage in entrepreneurial activities. Identify at least five forces that motivate the entrepreneurs. (5 marks)

b). Explain the roles played by small scale business in economic development of a country. (7 marks)

c). Explain problems facing small businesses and small-scale enterprises Sector development in Kenya (8 marks)