



**MURANG'A UNIVERSITY COLLEGE**  
(A Constituent College of Jomo Kenyatta University of Science and Technology)  
**MAIN CAMPUS**

**ORDINARY UNIVERSITY EXAMINATION 2015/2016 ACADEMIC YEAR**  
**SECOND SEMESTER EXAMINATION FOR BACHELOR OF HUMAN RESOURCE**  
**MANAGEMENT**  
**(BESEM Y1)**

**COURSE CODE: UCU2103**

**COURSE TITLE: BUSINESS STUDIES**

**DATE: 25<sup>TH</sup> APRIL 2016**

**TIME: 2 HOURS**

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**INSTRUCTIONS TO CANDIDATE:**

Question **ONE (1)** is compulsory and carry **30 marks**.

And any other **TWO (2)** each **20 marks**

**Duration 2hours**

MRUC observes **ZERO** tolerance to examination irregularities

*This paper consists of 2 printed pages. Please turnover*

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**QUESTION ONE**

- a) Micro environment consist of the forces close to the company that affects its ability to serve its customers.

In line with this statement, discuss the components of a firm that are liable to affect its services to the customers. [10marks]

b) Outline the significance of internal environment of any given firm. [10marks]

c) Discuss the employee's motivation to work according to Maslow's hierarchy of human needs. [10marks]

## **QUESTION TWO**

a) Define the term business in relation to business studies. [2marks]

b) Explain the factors to be considered when establishing a new venture. [8marks]

c) Human resource management concerns the human side of the management of enterprises and employees. Discuss. [10marks]

## **QUESTION THREE**

.Discuss the forces that determine industry profitability as used in Michael Porter five model of competitive analysis. [10marks]

## **QUESTION FOUR**

a) Explain briefly the meaning of security markets. [2marks]

b) Stock exchange is a vital organ of the modern business world. Using this statement, explain important economic functions performed in the stock exchange. [18marks]