



GARISSA UNIVERSITY COLLEGE

(A Constituent College of Moi University)

**UNIVERSITY EXAMINATION 2016/2017 ACADEMIC YEAR ONE
SECOND SEMESTER EXAMINATION**

SUPPLEMENTARY/SPECIAL EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 100

COURSE TITLE: INTRODUCTION TO BUSINESS STUDIES

EXAMINATION DURATION: 3 HOURS

DATE: 29/09/17

TIME: 09.00-12.00 PM

INSTRUCTION TO CANDIDATES

- **The examination has SIX (6) questions**
- **Question ONE (1) is COMPULSORY**
- **Choose any other THREE (3) questions from the remaining FIVE (5) questions**
- **Use sketch diagrams to illustrate your answer whenever necessary**
- **Do not carry mobile phones or any other written materials in examination room**
- **Do not write on this paper**

This paper consists of THREE (3) printed pages

please turn over



QUESTION ONE (COMPULSORY)

- (a) Define the following terms
- i. Business [1 Mark]
 - ii. Commerce [1 Mark]
 - iii. Trade [1 Mark]
 - iv. licensing [1 Mark]
 - v. Stakeholder [1 Mark]
- (b) Explain the requirements of quotation in stock market [4 marks]
- (c) Outline four broad Objectives of a Business [6 marks]
- (d) Describe five internal factors that influence business decisions of firms operating in the competitive business environment. [10 marks]

QUESTION TWO

- (a) Briefly explain five benefits of analyzing the external environment by companies operating in Kenya. [5 marks]
- (b) Discuss the five managerial functions of a manager [10 marks]

QUESTION THREE

- (a) Distinguish the following terms
- i. Entrepreneurship and entrepreneur [2 Marks]
 - ii. Franchising and Licensing [2 Marks]
 - iii. Horizontal merger and vertical merger [2 marks]
 - iv. Congeneric and Conglomerate [2 marks]
- (b) Briefly explain the term Stock Exchange [2 Marks]
- (c) Discuss the characteristics of modern business. [5 marks]

QUESTION FOUR

- (a) Compare and contrast private limited and public limited companies [5 marks]
- (b) Explain four important documents that are required during the formation of a company [4 marks]
- (c) Evaluate the marketing mix Variables as used in business [6 marks]



QUESTION FIVE

- (a) Outline the functions of stock exchange. **[5 marks]**
- (b) Explain any five (5) functions of a distribution channel **[5 marks]**
- (c) Socially responsible firms are expected to be responsible to the consumers and the Society in various ways. Discuss **[5 marks]**

QUESTION SIX

- (a) write short notes on ;
- i. Job production **[2 marks]**
 - ii. Batch production **[2 Marks]**
- (b) Explain Government Role in business activities **[5 marks]**
- (c) Discuss the marketing process. **[6 marks]**

