



KIBABII UNIVERSITY COLLEGE (KIBUCO)

MAIN CAMPUS

**UNIVERSITY EXAMINATIONS
2014 /2015 ACADEMIC YEAR**

FIRST YEAR FIRST SEMESTER EXAMINATIONS

MAIN EXAMINATION

FOR THE DEGREE

OF

BACHELOR OF COMMERCE

COURSE CODE: BBM 101

COURSE TITLE: INTRODUCTION TO BUSINESS STUDIES

DATE: 15TH JANUARY 2015

TIME: 11.00-1.30 P.M

INSTRUCTIONS TO CANDIDATES:

Answer Question ONE and any other Two Questions

TIME: 2 Hours

SECTION ONE COMPULSORY (25 MARKS)

QUESTION ONE

- a) Enumerate and briefly explain five Roles of Government in Business (5 marks)
- b) Explain the main reasons that will lead to partnership dissolution (5 marks)
- c) Write notes on the following terms
 - 1. Acquisition (5 marks)
 - 2. Licensing (5 marks)
 - 3. Joint ventures
- d) Enumerate five advantages of the sole proprietorship (5 marks)
- e) Discuss the main functions of channels of distribution (5 marks)

SECTION TWO ANSWER THREE QUESTIONS 45 MKS

QUESTION TWO

- a) You want to start a hotel business in town, what are the factors in the environment that you would have to scan and why? (10 marks)
- b) Define business stakeholder and identify how each of them are likely to influence business operations (5 marks)

QUESTION THREE

- a) Explain the meaning of Business Studies (2 marks)
- b) Write notes on the following terms in relation to business
 - 1. Foreign Corporation (5 marks)
 - 2. Horizontal merger (8 marks)

QUESTION FOUR

- a) Discuss the different objectives a business could be pursuing at any given time (6 marks)
- b) Explain Key differences between private limited and public limited companies (4 marks)
- c) Socially responsible firms are expected to be responsible to the consumers and the society in various ways. Discuss (5 marks)

QUESTION FIVE

- a) “A franchise is a legal contract that binds the two parties and hence each has to meet his/her side of bargain’. Describe its advantages and disadvantages. (9 marks)
- b) Describe the various classifications of Debt Finance. (6 marks)

QUESTION SIX

- a) “The person venturing into business need to first consider several factors” Discuss (5 marks)
- b) “Businesses must balance the interest of employees against the needs of the overall business objective. In most cases managers are the ones likely to confront ethical dilemmas in the course of their duties.” Discuss how managers can improve ethical behaviour in their organizations. (10 marks)