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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FIRST YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 12th August, 2024
Time: 11.30am – 1.30pm

KBA 2103 INTRODUCTION TO BUSINESS

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

ABC HANDICRAFTS PVT .LTD

Sana is the branch manager of ABC Handicrafts Pvt. Ltd. The company's objective is to promote the sales of handloom and handicraft products. It sells fabrics, furnishings, ready-mades and household items made out of traditional fabrics. Sana decides quantities, variety, colour and texture of all the above items and then allocates resources for their purchase from different suppliers. She appoints a team of designers and crafts people in the company, who developed some prints for bed covers in bright colour on silk. Although the products looked very attractive and impressive, they were relatively expensive on the front of affordability for an average customer. Sana suggested that they should keep the silk bed covers for special festive occasions and offer the cotton bed covers on a regular basis to keep costs under control. Majority of the loyal customers who specifically preferred the silk bed covers have sustained their complaints and are of the view that ABC Handicrafts Pvt Ltd is discriminating against them. Internally, employees are very demotivated and they accuse Sana of micromanaging the business and making all the decisions without consulting other members. Employees that used to earn extra commission from production and sale of silk bed covers feel let down and have since vowed to lower their productivity.

Required:

- Discuss the role of SANA in the ABC handicrafts Pvt .ltd (6 marks)
- Identify the environmental factors that the company should consider before settling on promotion of handloom and handicraft products (6 marks)
- Explain the marketing benefits that the company will enjoy from efficient promotion of handloom and handicraft products. (6 marks)
- State and explain three stakeholders that the ABC handicrafts Pvt .ltd company can be socially responsible to. (6 marks)
- Describe three leadership styles that Sana can employ to steer her branch into profitability (6 marks)

QUESTION TWO (20 MARKS)

- a) Discuss the role of business to society in general. (6 marks)
- b) Discuss the various disadvantages of forming a partnership form of business. (6 marks)
- c) Lucy is contemplating to establish a spare store in Mwihoko market. Explain to her the economic factors that she needs to consider before establishing her business. (8 marks)

QUESTION THREE (20 MARKS)

- a) Stella has recently been employed as the human resource manager for Dama chain of Stores. She is expected to establish the human resource department. Explain to her the functions that the department is expected to discharge. (6 marks)
- b) Identify and explain at least four elements of the marketing mix. (8 marks)
- c) Highlight the benefits of Production Management in manufacturing. (6marks)

QUESTION FOUR (20 MARKS)

- a) Discuss the strategic stages of the development of a purchasing function. (8 marks)
- b) As an expert in business management, you have been invited to make a presentation on the possible sources of funds for a newly established business. Discuss. (7 marks)
- c) Highlight five types of E-commerce. (5 marks)

QUESTION FIVE(20 MARKS)

- a) Investing in the stock market has historically been one of the most important pathways to financial success. Explain the various types of stocks that companies can invest in. (6 marks)
- b) State and explain the sections of the society that a business should be responsible to and clearly indicate how it should exercise that responsibility. (8 marks)
- c) Discuss the various users of financial statements. (6 marks)