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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2014/2015 ACADEMIC YEAR
FIRST YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 15th April, 2014
Time: 8.30am – 10.30am

KBA 101 – INTRODUCTION TO BUSINESS

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Differentiate between the following terms;
- i) Unlimited liability and Limited liability.
 - ii) Micro-environment and macro-environment.
 - iii) Business ethics and Values.
 - iv) Share and Bond.
- (12 Marks)
- b) The stock market is split into two sections, list and explain them. (4 Marks)
- c) Give five advantages of foreign firms to Kenya. (5 Marks)
- d) List and briefly explain any four key business decisions. (4 Marks)
- e) List the five factors of Michael porter's industry analysis. (5 Marks)

QUESTION TWO (20 MARKS)

- a) List three reasons that will make a firm change its business objectives. (3 Marks)
- b) Explain five characteristic features of multinational firms. (10Marks)

- c) List and explain any seven core values in business ethics. (7 Marks)

QUESTION THREE (20 MARKS)

- a) List and explain briefly five functions of management. (10Marks)
- b) Explain five factors of the external general business environment. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) What is a franchise? (2 Marks)
- b) List two features, two advantages and two disadvantages of each of the following business ownerships;
- i) Partnerships
 - ii) Sole-proprietorship
 - iii) Private limited company.
- (18 Marks)

QUESTION FIVE (20 MARKS)

- a) What is an IPO? (2 Marks)
- b) State and briefly explain three methods of listing stocks in the Nairobi stock exchange. (3 Marks)
- c) Briefly explain five features of an effective business objective (5 Marks)
- c) Justify the importance of business to the modern society with five well explained points. (10 Marks)