****

**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR ONE**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 112**

**COURSE TITLE: INTRODUCTION TO BUSINESS**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 02/04/2021 TIME: 09.00-11.00 AM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) 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 TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

1. Any individual venturing into business needs to first consider some factors. Explain any four factors **(8 marks)**
2. Explain the following terms as used in stock exchange **(10 marks)**
3. Ex- rights
4. Per value
5. Blue chips
6. Ex- dividends
7. Cum-dividends
8. Government is the center of political authority having the power to govern the people it serves. It maintains and regulates orderly relationship among its citizens. In light of this statement, describe the role of Government in business. **(12 marks)**

**QUESTION TWO**

1. Describe five principles of management **(5 marks)**
2. Citing examples, discuss the concept of social responsibility of a business **(5 marks)**
3. Quotation is consent by the stock exchange for companies’ securities to be dealt with in the stock market. In reference to this statement, discuss the advantages and disadvantages of quotations **(10 marks)**

**QUESTION THREE**

1. Describe the objectives of business **(5 marks)**
2. Discuss the forces that shape the degree of market competition **(15 marks)**

**QUESTION FOUR**

1. Discuss the controllable and uncontrollable variables that determine the performance of a business organization **(10 marks)**
2. Discuss the advantages and disadvantages of sole proprietorship  **(10 marks)**

**QUESTION FIVE**

1. As a manager, explain the ways through which you can improve ethical behavior in an organization **(5 marks)**
2. Describe the functions of stock exchange **(5 marks)**
3. Describe the functions of a manager **(5 marks)**
4. Describe the key stakeholders in a business  **(5 marks)**