



## GARISSA UNIVERSITY

UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **ONE**  
**FIRST** SEMESTER EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 100

COURSE TITLE: INTRODUCTION TO BUSINESS

EXAMINATION DURATION: 3 HOURS

**DATE: 06/12/17**

**TIME: 09.00-12.00 PM**

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### 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 **TWO (2)** printed pages

*please turn over*



### QUESTION ONE (COMPULSORY)

- (a) 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]**
- (b) Managers' decisions vary with their level in the organization. Each level requires different skills to perform different functions. Explain different levels of management. **[6 marks]**
- (c) Who is stockjobber? State and explain the three types of jobbers. **[7 marks]**

### QUESTION TWO

- (a) Differentiate between licensing and joint ventures **[2 marks]**
- (b) Explain the stakeholders in a business **[8 marks]**
- (c) Explain the following terms as used in stock exchange **[5 marks]**
- i. Ex- rights
  - ii. Per value
  - iii. Blue chips
  - iv. Ex- dividends
  - v. Cum-dividends

### QUESTION THREE

- (a) Explain and give examples of any three ways of classifying sources of finance by firms. **[6 marks]**
- (b) What is the business of business **[5 marks]**
- (c) Describe any four functions of a distribution channel **[4 marks]**

### QUESTION FOUR

Discuss the controllable and uncontrollable variables that determine the performance of a business organization **[15 marks]**

### QUESTION FIVE

- (a) Discuss the difference between sole proprietorship and partnership **[10 marks]**
- (b) Citing examples, discuss the concept of social responsibility of a business **[5 marks]**

### QUESTION SIX

- (a) As a manager, how can you improve ethical behavior in an organization **[5 marks]**
- (b) Any individual venturing into business needs to first consider some factors. Explain any five factors **[5 marks]**
- (c) Describe the functions of managers **[5 marks]**

