



PAN AFRICA CHRISTIAN UNIVERSITY
SCHOOL OF LEADERSHIP, BUSINESS & TECHNOLOGY
END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF BUSINESS LEADERSHIP
BACHELOR OF COMMERCE
SEPTEMBER-DECEMBER 2019

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS

COURSE CODE: BUS1213 | BIT101 | BCM100 | CENT0111 | DENT0111

COURSE TITLE: BUSINESS STUDIES

EXAM DATE: FRIDAY 6th DECEMBER 2019

DURATION: 2 HOURS

TIME: 9:00AM-11:00AM

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Write your **STUDENT NUMBER** in the Answer Booklet given
- *Write clearly and legibly.*
- This exam script consists of **Six (6)** questions.
- Answer **ALL questions in SECTION A (compulsory)** and **Any other three (3)** questions from **SECTION B**
- *ALL PAC University's examination rules and regulations apply*

SECTION A: COMPULSORY QUESTION {30 MARKS}
QUESTION 1

- (a) Define the following terms (4 Marks)
- i. Business
 - ii. Limited Liability
 - iii. Perpetual Succession
 - iv. Legal Personality
- (b) Using examples, explain the role of each of the following industries within the Business sector (6 Marks)
- i. Primary Industry
 - ii. Secondary Industry
 - iii. Tertiary Industry
- (c) State FOUR factors to consider when starting a business enterprise (4 Marks)
- (d) Describe THREE functions of consumer cooperatives societies. (3 Marks)
- (e) Distribution is about placing the product in a convenient place, where consumers can purchase it. Describe the THREE primary distribution channels. (3 Marks)
- (f) List the FOUR -4ps of marketing. (4 Marks)
- (g) Explain THREE circumstances under which a partnership business can be dissolved. (6 Marks)

SECTION B: ANSWER ANY THREE QUESTIONS {10 MARKS EACH}
QUESTION 2

- a) Describe the factors of production in the manufacture of goods and services. (4 Marks)
- b) Production is the process of transforming raw materials (inputs) into finished products and services (outputs). Citing examples, illustrate how the quality of finished products or services can be achieved and sustained. (6 Marks)

QUESTION 3

- (a) Describe FOUR factors that constitute the business Micro environment. (4 Marks)
- (b) Explain THREE major challenges faced by Business Organizations in Kenya today. (6 Marks)

QUESTION 4

- a) Define the term competitive advantage. (1 Marks)
- b) Explain THREE disadvantages of each of the following type of business
- i. Sole proprietor (3 Marks)
 - ii. Partnership (3 Marks)
 - iii. Joint stock company (3 Marks)

QUESTION 5

- (a) Mutua thinks that after successively being introduced to Business Studies, he knows who a savvy entrepreneur is. Explain to him four qualities that he must possess so as to fit this qualification. **(4 Marks)**
- (b) Describe two main functions of the following departments in a business
- i. Human Resource Management department **(2 Marks)**
 - ii. Marketing department **(2 Marks)**
 - iii. Customer Service department **(2 Marks)**

QUESTION 6

- (a) Explain **TWO** ways in which businesses are socially responsible to the following stakeholders:-
- i). Consumer **(2 Marks)**
 - ii). Government **(2 Marks)**
 - iii). Suppliers **(2 Marks)**
- (b) Discuss **FOUR** physical security measures an organization can implement to protect its data. **(4 Marks)**

End of Exam