



PAN AFRICA CHRISTIAN UNIVERSITY

END OF SEMESTER EXAMINATION FOR THE DEGREE OF

BACHELOR OF BUSINESS LEADERSHIP

BACHELORS OF COMMERCE

JANUARY – APRIL 2018 SEMESTER

CAMPUS: VALLEY ROAD

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: BUS1213|BCM100

COURSE TITLE: BUSINESS STUDIES

EXAM DATE: TUESDAY 10TH APRIL 2018

TIME: 5:30PM-8:30PM

INSTRUCTIONS

- This examination script consists of **Six (6)** questions.
- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- Answer **five** questions. Question one is **compulsory** and carries **40 marks**

QUESTION ONE. (Compulsory)

- a) Identify **four** features that qualify an activity to be a business undertaking. (4 marks)
- b) Discuss **four** characteristics of a good business. (8 marks)
- c) Explain the function of each of the following types of business:
 - i) Extraction industry; (3 marks)
 - ii) Production industry. (3 marks)
- d) Discuss **two** techniques used by business entities in sales promotion. (6 marks)
- e)
 - i) Assume that you are the finance manager of EasyGo Ltd. Advise the management on **four** sources of long-term financing capital. (8 marks)
 - ii) Identify **two** projects that may require long-term capital financing in a business. (4 marks)
- f) Distinguish job production from flow production in production management process. (4 marks)

QUESTION TWO

- a) Explain each of the categories of:
 - i) Domestic trade. (4 marks)
 - ii) Foreign trade. (4 marks)
- b) Identify any **three** players in businesses who serve as aid to trade. (3 marks)
- c) Outline **four** advantages of foreign trade. (4 marks)

QUESTION THREE

- a) Discuss the characteristics of each of the following business organizations:
 - i) Sole proprietorship; (5 marks)
 - ii) Joint stock company. (5 marks)
- b) Peter and Jones would like to enter into a partnership to trade in purified drinking water. Advise them on the general features of a partnership business. (5 marks)

QUESTION FOUR

- a) Distinguish between a business and an entrepreneurship undertaking. (2 marks)
- b) Discuss **five** functions of an entrepreneur. (10 marks)
- c) State **three** factors that may have contributed to the slow rate of entrepreneurship growth in Kenya. (3 marks)

QUESTION FIVE

- a) State **five** functions of the planning section in production management. (5 marks)
- b) You are the Human Resource Manager of Daybreak Foods Ltd. Advise the management on **five** principal factors contained in the Human Resource Policy document with regard to human resource management. (10 marks)

QUESTION SIX

- a) Discuss with regards to business transactions the characteristics of an offer in law. (6 marks)
- b) Explain **three** torts in law that may be committed against a business entity. (9 marks)