

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR THE AWARD OF CERTIFICATE IN PROCUREMENT AND LOGISTICS MANAGEMENT AND CERTIFICATE IN BUSINESS MANAGEMENT

CIBM 00111: INTRODUCTION TO BUSINESS

STREAMS: CIBM, CPLM Y1

TIME: 2 HOURS

DAY/DATE: TUESDAY 17/04/2018

2.30 P.M – 4.30 P.M

INSTRUCTION:

- **Answer question one and any other two**
1. (a) A business does not operate in isolation but it interacts with very many factors within its surrounding. State and explain five external factors that affect the operations of a business. [10marks]
 - (b) State any five ways in which a partnership may be terminated. [5marks]
 - (c) Briefly explain the economic objectives of a business. [6marks]
 - (d) Explain four reasons for planning. [4marks]
 - (e) Explain the characteristic features of commerce. [5marks]
 2. (a) Explain any four activities that facilitates the smooth exchange of goods and services. [8marks]
 - (b) Explain any five functions of money markets. [5marks]
 - (c) State three advantages of socialism. [3marks]
 - (d) A business is an economic activity and not a non economic activity. Justify this statement. [4marks]

3. (a) The business should be socially responsible to the environment or societies surrounding them. Discuss the arguments for and against corporate social responsibility. [12marks]
- (b) Explain the meaning of the following functions of management;
- (i) Organizing [2marks]
- (ii) Planning [2marks]
- (c) Explain nature of capitalist economic system. [4marks]
4. (a) State any four demerits of a sole proprietorship form of a business. [4marks]
- (b) Explain the characteristics of joint stock companies. [6marks]
- (c) With suitable examples differentiate between wants and needs. [4marks]
- (d) Explain any three types of leadership styles. [6marks]
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