

CHUKA



UNIVERSITY

RESIT/ SPECIAL EXAMINATIONS

**EXAMINATION FOR THE AWARD OF
CERTIFICATE IN BUSINESS MANAGEMENT**

CIBM 0123: INTRODUCTION TO BUSINESS

STREAMS: CIBM

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 12/09/2018

8.30 AM – 10.30 AM

INSTRUCTIONS:

- **Answer Question One and other Two Questions**
- **Do not write anything on the question paper**

QUESTION ONE

- (a) Owners of a business are usually referred to as partners and there may be different types of partners in within the partnerships. Discuss any five types of partners. [10 marks]
- (b) Describe any four functional areas of management. [8 marks]
- (c) There are various types of financial markets. Describe any two types highlighting any three functions of each. [10 marks]
- (d) Define the term economic activity and highlight any two categories of economic activities. [2 marks]

QUESTION TWO

- (a) Describe any five clauses of memorandum of association. [10 marks]
- (b) A business operates in an open system which implies that it interacts with various elements within its surrounding. Explain any five internal elements of the environment giving practical examples of how they affect business. [10 marks]

QUESTION THREE

- (a) Describe the process adopted in formation of a company as provided in the company's Act Chapter 486. [10 marks]
- (b) Distinguish between capitalist economic system and socialism economic system. [10 marks]

QUESTION FOUR

- (a) Business has an obligation to be socially responsible to various parties in the society. Discuss this statement. [10 marks]
- (b) (i) Explain any three principles that govern societies in Kenya. [6 marks]
- (ii) Highlight any four cooperative societies that can be formed. [4 marks]
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