

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

**EMBU CAMPUS**

**EXAMINATION FOR THE AWARD OF DEGREE OF  
BACHELOR OF COMMERCE**

**BCOM 101: INTRODUCTION TO BUSINESS**

**STREAMS: BCOM**

**TIME: 2 HOURS**

**DAY/DATE: MONDAY 05/08/2019**

**11.30 AM – 1.30 PM**

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**INSTRUCTIONS:**

- **Answer Question One and any other Two Questions**
  - **Marks will be awarded for clarity and originality of ideas**
  - **Do not write on the question paper**
1. Mark is an upcoming businessman in Avocado farming in Kitui. He has been farming avocado in his farm and selling them in the nearby shopping centres. His business for avocado has expanded following the great demand for avocados in China. The business has been a source of his livelihood and his family. Ben, who is a friend from Europe has advised him that he can gain more from E-Commerce. However, mark believes that his business is a small business to cater for his family needs. He doesn't really understand what E-commerce is.
    - (a) Explain to Mark what is E-commerce and the benefits he may gain from E-commerce. [10 marks]
    - (b) How can marks' venture benefit from the aids to trade? [10 marks]
    - (c) As a business manager, mark needs to ensure his business is socially responsible. Discuss corporate social responsibility and the dimensions which business managers can adopt in regard to social responsibility. [10 marks]
  2. (a) Your former school mates wants to form a company. They have approached you to advise them on how to go about it. Explain to them what a company is, and the process of forming a company. [10 marks]

- (b) Describe the process of planning and challenges managers may face while planning. [10 marks]
3. (a) A partnership may be dissolved under various circumstances. Expound on any five reasons why a partnership may be dissolved. [10 marks]
- (b) Explain any five benefits of companies quoted in the NSE. [10 marks]
4. (a) A business operates within an environment and must interact with the environment to survive. Explain the elements that make up the internal environment giving practical examples of how they affect businesses from the Kenyan scenario. [10 marks]
- (b) Distinguish capitalism economic system and socialism economic system. [10 marks]
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