MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF EDUCATION

BACHELOR OF COMMERCE

BBA 100 BUSINESS STUDIES

DATE: 22/7/2019 **TIME: 2:00 – 4:00 PM**

INSTRUCTIONS

Answer Question One and Any Other Two Questions

QUESTION ONE (COMPULSORY) (30 MARKS)

Uchumi Supermarkets Limited, referred to simply as uchumi is one of the Kenya's oldest and strongest brands. The name means economy in Swahili. In 1990's it spearheaded hypermarkets concept in Kenya by accommodating ordinary customers with products like fresh vegetables retailing at the same price like open markets. There were Christmas sales and the objective was to create marketing outlets for equitable distribution of commodities provided using a high-level production methods.

Uchumi entered into a management contract with Standa in Italy. Standa a leading supermarket group with presence in Europe and vast retail experience was given the task of staffing the organization and keeping it manned to provide personnel to take over running of uchumi. However, in the early 2000 uchumi stated to experience financial and operational difficulties occasioned by unwise decisions by the old board. It was forced to look for small business financing option to offset some deficits.

a) Explain five marketing orientations used by uchumi in satisfying its customer demand. (10 marks)

b) In operating uchumi, Standa was tasked with staffing the organization and keeping it manned. Explain the steps involved by Standa in staffing. (10 marks)

c) Discuss Five Traditional small business-financing options available for uchumi. (10 marks)

QUESTION TWO (20 MARKS)

A graduate in your school want to start a manufacturing business. He is struggling to raise the capital and request for your assistance.

a) Discuss with him the sources of business finance. (10 marks)

b) Identify the role of stock exchange markets to the economy. (8 marks)

QUESTION THREE (20 marks)

The government has encouraged graduates to start business instead of relying on white color jobs. A group of youth wants to start a multi – national company.

a) Discuss the main characteristics of foreign companies operating in Kenya (10 marks)

b) Identity what the multi – national companies are involved. (10 marks)

QUESTION FOUR (20 MARKS)

Your classmate came to class late and missed the lesson on social responsibility. She has consulted you for help.

a) Explain some areas a business can involve in corporate social responsibility. (10 marks)

b) Explain the advantages that accrue to a organization because of involving in corporate social responsibility (10marks)

QUESTION FIVE (20 MARKS)

The scholars argue that, for theoretical purposes, it may be convenient to separate the function of management but practically these functions are overlapping in nature. To understand this point,

a) Identify the functions of management. (10 marks)

b) After graduating your friends want to start a business but cannot agree on the form of business ownership to adopt. They consult you for help.

Explain the factors to consider when deciding on the form of business ownership to start. (10 marks)