MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF EDUCATION

BACHELOR OF COMMERCE

BBA100: BUSINESS STUDIES

DATE: 4/12/2019 **TIME: 11.00-1.00 PM**

INSTRUCTIONS:

Answer Question ONE and any other TWO Questions.

QUESTION ONE (30 MARKS)

A group of graduates started Tamu Foods investment a year ago with a loan advanced to them, after searching for a white color job for a while. It is located in an affluent suburb of Nairobi and deals with Foods and Beverages and hosts both a restaurant and a beverage outlet. It started by offering high-end foods and beverages and thought that was all that was required. To the owners dismay the once steady stream of customers has reduced to a trickle. The owners do not wish to sell the business but cannot manage to pay the bills to suppliers, service providers, and the salaries are in areas. On their initial general meeting after receipt of the certificate of registration, they had set some objectives, which they would, like to achieve.

They called a special general meeting to discuss their peril. During the meeting, a member realized that they never put some of the skills obtained from the university to use while starting the business. That they never considered the forces that shape the market competition within an environment as given by Michael porter and had to re-evaluate their objective as well as look into the stakeholder influence.

a) Highlight five business stakeholders of Tamu Foods and explain how each one of them is likely to influence business operations (10 marks)

b) Discuss five objectives Tamu Foods investment could pursue at any given time (10 marks)

c) Explain five forces that may have shaped degree of market competition within an environment as given by Michael porter (10 marks)

QUESTION TWO (20 MARKS)

a) Explain the functions of stock exchange markets to the economy. (10 marks)

b) Describe two forms of business ownership giving two advantages and two disadvantages of each. (10 marks)

QUESTION THREE (20 MARKS)

Co-operative society is a type of business organization which member's organization makes effort to achieve a common object. In the light of this the international co-operative alliance have encouraged co-operative to follow the laid down co-operative principles.

a) Discuss the co-operative principles as laid down by international co-operative alliance. (10 marks)

b) Explain five universal functions that are performed by Marketing function. (10 marks)

QUESTION FOUR (20 MARKS)

a) Explain five ways in which managers can be said to be socially responsible towards their employees. (10 marks)

b) Explain five benefits that accrue to an organization that trains its staff. (10 marks)

QUESTION FIVE (20 MARKS)

a) Product pricing is one of the production functions. Describe five strategies used by organizations in deciding the prices for their products. (10 marks)

b) Control as a management function completes the process of management. Its actions are as important as those of other management function. Clearly describe the steps involved in carrying out this crucial function (10 marks)