



# **GRETSA UNIVERSITY - THIKA**

## **UNIVERSITY EXAMINATIONS MAY - AUGUST 2018 SEMESTER**

### **DIPLOMA IN BUSINESS MANAGEMENT**

**COURSE CODE: DBCC 010**

**COURSE TITLE: INTRODUCTION TO BUSINESS STUDIES**

**DATE: 9<sup>TH</sup> AUGUST 2018**

**TIME: 3.00 PM – 6.00 PM**

---

#### **INSTRUCTIONS TO CANDIDATES**

1. SECTION A IS **COMPULSORY**.
2. SECTION B: ANSWER ANY OTHER **THREE** QUESTIONS.
3. **DO NOT** WRITE ANYTHING ON THIS QUESTION PAPER AS IT WILL BE AN EXAM IRREGULARITY.
4. ALL ROUGH WORK SHOULD BE AT THE BACK OF YOUR ANSWER BOOKLET AND CROSSED OUT.

**CAUTION:** *All exam rooms are under CCTV surveillance during the examination period.*

## **SECTION A: COMPULSORY**

### **Question One**

- a) Although all types of cooperative societies work on the same principle, they differ with regard to the nature of activities they perform, explain the types of co-operative societies  
[5 marks]
- b) Discuss the different types of entrepreneurs  
[5 marks]
- c) For entrepreneurs, one of the most difficult task is to make the successful transition from a creative entrepreneur to a business skill-applying manager, explain the differences between a manager and entrepreneur  
[5 marks]
- d) A company is a voluntary association of persons to carry on business, elaborate the disadvantages of a company  
[5 marks]
- e) A business interacts with the society through stakeholders, outline the key stakeholders in a business  
[5 marks]
- f) Budgeting is the formation of plans for a given future period in numerical terms, discuss the advantages of budgeting  
[5 marks]
- g) A sole proprietorship is by far the simplest way for an entrepreneur to do business, explain the advantages of sole proprietorship  
[5 marks]
- h) Elaborate the advantages of M-commerce  
[5 marks]

## **SECTION B: ANSWER ANY THREE QUESTIONS**

### **Question Two**

- a) Mr. Mwaniki has joined Tuwe Pamoja housing cooperative society, discuss the benefits he may get from joining the cooperative society  
[10 marks]
- b) As an entrepreneur, you are concerned with every aspect of your business and need to have clear goals in mind for your company, discuss the business objectives that create a foundation of business planning  
[10 marks]

### **Question three**

- a) Partnership is an association of two or more individuals who agree to share profits of a lawful business, elaborate the advantages of partnership  
[5 marks]

- b)** Accounting is the function of business that gathers data and information from all the different aspects of the business, discuss the accounting functions **[5 marks]**
- c)** Discuss the advantages of franchising to both franchiser and franchisee **[10 marks]**

#### **Question Four**

- a)** Explain micro-environment factors that can influence business survival **[5 marks]**
- b)** Elaborate the characteristics of an ideal form of business organization **[5 marks]**
- c)** E-commerce are the business transactions which are carried out through electronic processing and transmission of data, discuss the advantages of E-commerce **[10 marks]**

#### **Question five**

- a)** Entrepreneurship is the ability to organize other factors of production in appropriate proportions for effective production, explain the advantages of entrepreneurship **[10 marks]**
- b)** There are a number of factors to be considered while selecting an appropriate form of business organization, elaborate these factors **[10 marks]**