

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAMINATION

2021/2022 ACADEMIC YEAR

FIRST YEAR FIRST SEMESTER

FOR THE DEGREE OF BACHELOR OF EDUCATION ARTS

COURSE CODE: BBM 101

COURSE TITLE: INTRODUCTION TO BUSINESS STUDIES

DATE: 04/02/2022

TIME: 9.00AM – 11.00AM

INSTRUCTIONS TO CANDIDATES

Answer All questions in **Section A** and Any other **TWO (2)** Questions from **section B**

SECTION A

Question One

Read the passage below and use the information to attempt question one.

One very important law of nature called the law of giving suggests that “the more we want of something the more we must give away of it”, meaning that the more knowledge you want for yourself the more you should give it to others. The more love you want for yourself the more you must give. The more money you want the more you must give away. The more respect you want the more you give away, the more and more you will have, because it comes back manifold. Isn't it interesting?

In his whole life as a business man, Charles Ngamia the CEO of Salama Bank has lived with this mantra the whole of his life. While growing up in a family of 8 being taken care of by a widowed mother, he lived and experienced poverty. His widowed mother struggled in both putting feeding and taking them to school. She however still in her situation would still take care of other less fortunate relatives with her meagre earnings. Though she passed on many years ago, Ngamia says that her mother lived a happy and satisfied life knowing that her children would grow up with good human virtues.

This tradition of services is not new. It is as old as civilization itself. All those people who made tremendous success have made tremendous success have been doing in in their times. The only thing that has changed is that now we have become aware of its benefits. There was a time when it was only a personal act. Even different organizations including business companies have realized its benefits.

Business organizations are going further to develop strategies for improving employee relations. This is because the more satisfied an employee the more happy the customer and community at large.

Successful organizations have realized this unique way of promotions by serving the communities they operate in. That is the best way of showing the community that they really care. The more you give the more the return.

- a) In the passage above, many organizations including business are embracing social responsibility. Why do you think there is growing need for this concept? (5 marks)
- b) Businesses are supposed to meet standards of responsible business and embrace stakeholder needs. In view of this statement, elaborate the responsibilities of businesses towards the different stakeholders. (9 marks)
- c) The environment surrounding Salama Bank is important for its survival. Discuss the factors which constitute a conducive environment for its business. (10 marks)
- d) Elaborate on the documents that are submitted when registering a company at the registrar of companies in Kenya. (6 marks)

SECTION B

Question Two

- a) Compare and contrast scientific management thought and the administrative theory of management. (10 marks)

b) At some point TQM was considered a fad by many business leaders. But while the use of the term TQM may have faded somewhat, its practices continue. Briefly explain any five benefits that would accrue to an organization that practices total quality. (10 marks)

Question Three

a) Elaborate on the following

- i) Functional structure (5 marks)
- ii) Product line structure (5 marks)
- iii) Geographical based structure (5 marks)

b) One of the tasks performed by the Human resource manager is employee retention. Explain the activities performed by human resources manager to achieve employee retention

(5 marks)

Question Four

a) Planning is the most fundamental function of management. It precedes other functions. Explain the planning process. (10 marks)

b) Describe the following sources of finance

- i) Retained earnings
- ii) Bonds
- iii) Sale and lease back (10 marks)

Question Five

a) The result of HR workforce analysis, HRDF and HRSF are used in formulating HR actions and plans. Describe the actions taken by the HR manager in terms of a;

- i) Projected shortage
- ii) Projected surplus (10 marks)

b) Briefly discuss the following leadership styles (10 marks)

- i) Autocratic
- ii) Democratic
- iii) Free reign