

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

**2021/2022 ACADEMIC YEAR
FIRST YEAR FIRST SEMESTER
MAIN EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF COMMERCE
COURSE CODE: BCO 112
COURSE TITLE: BUSINESS ENVIRONMENT**

DATE: 02/02/2022

TIME: 2.00 – 4.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

- a)(i) State four reasons for ethical practices in business (4 MARKS)
- (ii) State five ways in which COVID 19 (Corona virus) prevalence has negatively affected business activities. (4 MARKS)
- b) Explain three examples of political environment affecting business (6 MARKS)
- c) State three reasons why the government should create an enabling environment for investors (3 MARKS)
- d) Explain four factors that contribute to business success in the society (8 MARKS)
- e) A manufacturing firm has been consistently releasing toxic waste into the neighborhood. Outline four measures you can take to stop the firm from such malpractice (4 MARKS)

QUESTION TWO

Explain five external business environment factors that would influence the business negatively (20MARKS)

QUESTION THREE

- a) Make short notes on:
- (i) International Monetary Fund (IMF) (5 MARKS)
- (ii) World Trade Organizations (WTO) (5 MARKS)
- b) What indicators can one use to demonstrate the increase in globalization? (10 MARKS)

QUESTION FOUR

- a) What is a trading bloc? Give two examples (4 MARKS)
- b) Why do you think trading blocs have come to dominate world trade over the last 50 years? (6 MARKS)
- c) What do you think are main advantages and disadvantages of trade blocs? (10 MARKS)

QUESTION FIVE

Discuss five ways in which the technological environment may improve business performance. (20 MARKS)