



Kasarani Campus  
Off Thika Road  
Tel. 2042692 / 3  
P. O. Box 49274, 00100  
NAIROBI  
Westlands Campus  
Pamstech House  
Woodvale Grove  
Tel. 4442212  
Fax: 4444175

**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2019/2020 ACADEMIC YEAR**  
**FIRST YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 9<sup>th</sup> December, 2019  
Time: 8.30am – 10.30am

**KBA 101 - INTRODUCTION TO BUSINESS**

**INSTRUCTIONS TO CANDIDATES**

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**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

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**QUESTION ONE ( 30 MARKS)**

- a) Explain the objectives of a business. (6 marks)
- b) You are a finance manager in a company. The management is looking for way to raise capital and they are depending on you for guidance. Explain to them difference between shares and debentures. (5 marks)
- c) Discuss the disadvantages of decentralization of authority. (6 Marks)
- d) Discuss the advantages of delegation of authority. (5 Marks)
- e) Define the following terms:
- i) Minor partner (4 Marks)
- ii) Dissolution (4 Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss the advantages of public enterprises. (10 Marks)
- b) Discuss the functions of Stock Exchange. (10 Marks)

### **QUESTION THREE (20 MARKS)**

- a) Discuss the micro environmental factors of a business. (10 Marks)
- b) Explain the features of partnership. (10 Marks)

### **QUESTION FOUR (20 MARKS)**

- a) Discuss the characteristics of land. (6 Marks)
- b) Discuss the arguments in support of business involvement in social responsibility. (14 Marks)

### **QUESTION FIVE ( 20 MARKS)**

- a) Discuss why businesses observe ethical issues. (6 Marks)
- b) Discuss the advantages and disadvantages of sole proprietorship. (14 Marks)