



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, 2024/2025 ACADEMIC YEAR
FIRST YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 15th April, 2024
Time: 11.30am – 1.30pm

KBA 101 - INTRODUCTION TO BUSINESS

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

ENTRY OF UNGA BORA MANUFACTURERS INTO THE PET FOOD MARKET

Unga Bora manufacturers is a public Kenya-based holding Company incorporated under the Companies Act, 2015. It is a company involved with the manufacture and marketing of a broad range of grain based human nutrition. It was established in 1980 with the aim of serving the milling needs of the fledgling wheat growing industry in the Rift Valley region. Subsequent expansion resulted in additional investments in Kenya. Today, Unga Bora manufacturers has production facilities in Nairobi Eldoret and Nakuru. During last year's annual shareholders meeting, the shareholders passed a resolution to expand the operations of the company into the pet food market in Kenya. This is a growing market which appears to be underserved in relations to the increased ownership of pets in the country due to formation of pet clubs, increased animal welfare campaigns in the country and legislation on animal rights. This expansion agenda was left to management for planning and implementation.

- a) Describe the macro environmental factors management is required to take into consideration in its decision to enter the new market. (6 marks)
- b) Explain the marketing research process that the company will follow before it makes the final decision to introduce the new product into the market. (6 Marks)
- c) Unga Bora manufacturers need to invest a huge amount of money to meet its business expansion into the pet food market. Describe to the management the major sources of funds for its expansion into the pet food market. (6 Marks)
- d) Discuss the different functional areas of an organisation that may contributed to growth of Unga Bora manufacturers. (4 Marks)
- e) In order to be able to enter into the new market and succeed Unga Bora manufacturers needs to carefully plan for its business activities. Explain the importance of Planning in an organization. (8 Marks)

QUESTION TWO (20 MARKS)

- a) As a leader in an organization one is required to have certain skills so that they can be able to inspire and motivate their team members to work towards achieving the organisation's objectives and goals. Describe the key leadership skills required of a leader. (5 marks)
- b) In an organization ethical behavior is key to its success as it influences the reputation of the organization. Suggest ways of preventing unethical behavior in organizations. (7 Marks)
- c) Distinguish between personnel management and human resource management. (8 marks)

QUESTION THREE (20 MARKS)

- a) Marketing is viewed by some organizations as a waste of resources since these organisations assume they know their customers more than their customers understand themselves. Discuss the benefits of marketing to an organization. (7 marks)
- b) Stock markets play a key role in the economy of a nation especially in facilitating trade and dissemination of information relating to different companies. Discuss the functions of stock exchange. (7 marks)
- c) Discuss the three types of production systems that an organisations can use in the production of goods so as to meet customer needs and its own goals and mission. (6 marks)

QUESTION FOUR (20 MARKS)

- a) In the current age of increased internet connectivity and exponential growth in the development of smart communication devices, engaging in E-Commerce is key for the growth and sustainability of an organization. Discuss the advantages and disadvantages of E-Commerce to a business organization. (8 marks)
- b) The selection of suppliers for an organization is key especially for the procurement of raw materials for the production of its products. Explain the factors to consider in choosing a supplier. (6 marks)
- c) In designing an organizational structure the consideration of centralisation and decentralisation is important as the two concepts contribute towards the achievement of organizational objectives. Differentiate between centralization and decentralization. (6 marks)

QUESTION FIVE (20 MARKS)

- a) When starting a business one needs to have an understanding of the various forms of business organizations so that they can be able to provide goods and services profitably. Explain the four forms of business organizations available to an entrepreneur when starting a business. (8 marks)
- b) To ensure the attainment of organizational goals managers engage in several functions. Discuss the four management functions. (8 marks)
- c) In any society business is of importance as it helps in uplifting the living standards among other key functions. Discuss the role of business in the society. (4 Marks)