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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR THREE**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 371**

**COURSE TITLE: BUSINESS ENVIRONMENT**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 25/08/2021 TIME: 3.00-5.00 PM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

Qitko is a newly formed electronic and software dealer company that wants to establish its base in Garissa town. The products they deal with include all types of electronic gadgets, phone and computer software’s and all their accessories. Suppose you’re the lead marketing strategist and you’re required to carry out an environmental analysis for the company.

1. Explain the basic concept of the business activity. (5 marks)
2. Discuss six features of business environment. (6 marks)
3. Describe the changes Kenya social environment has undergone for the last two decades. (9 marks)
4. Describe factors that affects general environment of business. (10 marks)

**QUESTION TWO**

1. Differentiate between unemployment from underemployment. (2 marks)
2. Discuss various causes of unemployment. (9 marks)
3. Describe different types of economic system that exists. (9 marks)

**QUESTION THREE**

1. Explain three objectives of economic policies. (3 marks)
2. Explain various causes of inflation. (8 marks)
3. Discuss various importance of business environment. (9 marks)

**QUESTION FOUR**

1. Highlight six functions of labour unions. (6 marks)
2. Describe five disadvantages of deregulation. (5 marks)
3. Discuss key ethical bedrock for a manager in an organization. (9 marks)

**QUESTION FIVE**

1. State basic elements that form organization ethics. (4 marks)
2. Discuss various elements of a strategic plan. ( 8 marks )
3. Describe different types of corporate social responsibilities of any organization. ( 8 marks )