W1-2-60-1-6

**JOMO KENYATTA UNIVERSITY**

**OF AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATION 2017/2018**

**STAGE 1 EXAMINATION FOR THE DIPLOMA IN BUSINESS ADMINISTRATION AND DIPLOMA IN BUSINESS INFORMATION TECHNOLOGY**

**HCB 0103: INTRODUCTION TO BUSINESS**

**DATE: JANUARY 2018 TIME: 1 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE**

1. Define business stakeholders and identify hoe each of them are likely to influence business operations. [10 marks]
2. You are an investor who trades in securities in form of shares in the stock market. A friend asks you because of his/her interest in investing in Safaricom Ltd. Shares to explain to him/her the process of trading in shares. [10 marks]
3. Differentiate between limited liability partnership and partnership business. [5 marks]
4. List and explain the FIVE principles of co-operative societies. [5 marks]

**SECTION B**

**QUESTION TWO**

1. Detail the basic steps that must be taken to start a company in Kenya. [8 marks]
2. Explain various classifications of mergers. [6 marks]
3. Explain the function of management. [6 marks]

**QUESTION THREE**

1. Death and bankruptcy of any partners is one of the reasons for dissolution of partners. In light of this explain other factors that lead to partnership dissolution. [5 marks]
2. Describe the characteristics, advantages, disadvantages of sole proprietorship. [10 marks]
3. Where the registered office is located, physical address and the building is one of the contents of memorandum of Association. In light of this explain FIVE other contents of Memorandum of Association. [5 marks]

**QUESTION FOUR**

1. Trace the historical development of a business to the current era we are in. [10 marks]
2. Explain FOUR key business objectives. [8 marks]

**QUESTION FIVE**

1. Explain FOUR factors affecting organization decisions. [8 marks]
2. Discuss the staffing process. [12 marks]