

**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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**University Examinations 2014/2015**

SECOND YEAR, FIRST SEMESTER EXAMINATION FOR DIPLOMA IN BUSINESS ADMINISTRATION

**BFD 2202 : BUSINESS STUDIES**

**DATE: APRIL 2015 TIME:** $1½ $**HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions*

**QUESTION ONE (30 MARKS)**

1. Explain five (5) benefits of small business. (10 Marks)
2. Discuss three (3) factors that would guide a manager in choosing production method.

(9 Marks)

1. Explain two(2) obligations of operations management. (4 Marks)
2. “Increased pay is not sole motivator for staff” Elaborate this statement. (3 Marks)
3. What are four (4) limitations faced by employers organizations in their undertakings.

(4 Marks)

**QUESTION TWO (20 MARKS**)

1. Discuss four (4) problems faced by small business. (8 Marks)
2. Explain four (4) factors influencing business location decision. (12 Marks)

**QUESTION THREE (20 MARKS)**

1. What is social responsibility in business? (2 Marks)
2. Discuss business social responsibility to six (6) segments of the society. (18 Marks)

**QUESTION FOUR (20 MARKS)**

1. Explain why you would rather use flow production than job production in a business. (5 Marks)
2. Josephine, an entrepreneur, is seeking to raise productivity levels for her firm. Explain to her five (5) ways of doing so. (10 Marks)
3. How would you measure labour productivity of an organization. (2 Marks)
4. Distinguish between production and productivity. (3 Marks)

**QUESTION FIVE (20 MARKS)**

Discuss what you expect to find in a code of business ethics. (20 Marks)