



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2017/2018

**FIRST YEAR SECOND SEMESTER EXAMINATION FOR
THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION WITH INFORMATION
TECHNOLOGY**

CITY CAMPUS

ABA 105: BUSINESS ENVIRONMENT

Date: 7th May 2018

Time 5.30 - 7.30pm

INSTRUCTIONS:

- Answer Question ONE and any other THREE questions.
- Question ONE carries 25 Marks and the rest 15 Marks each.

- Q1. (a) Describe how Michael Porters' framework can be used to understand the industry context in which the firm operates. (10marks).
- (b) Discuss the generally more uncontrollable forces in the environment in relation to the success of a company. (10marks).
- (c) Explain the solutions to Agency problems. (5marks).
- Q2. (a) Discuss the types of claimants and their claims to the business. (7marks).
- (b) The idea behind CSR is that companies have multiple responsibilities to maintain. Discuss. (8marks)
- Q3. (a) Discuss how the approaches in judging ethics stem from defining and implementing principles. (10marks)
- (b) Explain any five types of corporate power highlighting how they operate at either surface or deep level. (5marks)
- Q4. (a) Describe the various boundaries on managerial power. (6marks)
- (b) Using practical examples, explain the types of business power (9marks)
- Q5. (a) Describe the main areas of business criticism (7 ½ marks)
- (b) Discuss the various approaches progressive critics use to regulate business power so that economic systems work to advance human welfare. (7 ½ marks)
- Q6. (a) Today governments are involved with businesses in various ways. Explain the reasons the Government of Kenya would have for regulating businesses. (7 ½ marks)
- (b) "Consumers have legal recourse to compensation for injury of person, property and reputation by corporations" Discuss (7 ½ marks)