



FACULTY OF BUSINESS MANAGEMENT
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: BHRM

YEAR/SEM: YEAR 1/SEMESTER 2

COURSE CODE: GMT 1203

NAME: BUSINESS ENVIRONMENT

DATE: 2025-04-23

TIME: 2:00-5:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A SECTION A IS COMPULSORY

Question 1:

SWOT Analysis of Green Harvest Farms

Green Harvest Farms is a medium-sized agribusiness specializing in the production of organic fruits and vegetables. The company has been operating for five years and has built a loyal customer base in local supermarkets and restaurants. However, Green Harvest wants to expand its market reach and improve profitability. To achieve this, the company's management decides to conduct a SWOT analysis to evaluate its current position.

SWOT Analysis Findings:

Strengths: Green Harvest Farms has a strong brand reputation for producing high-quality, organic produce. The company has strong relationships with local suppliers and distributors. Customers are increasingly demanding healthy and organic food products.

Weaknesses: The business relies only on seasonal crops, making supply inconsistent. The company has limited marketing and digital presence, which affects sales growth. High production costs due to organic farming techniques.

Opportunities: Expansion into e-commerce and online grocery delivery services. Growing awareness and preference for organic and sustainable food. Potential for partnerships with large supermarket chains.

Threats: Increasing competition from both local and international organic food suppliers. Unpredictable weather conditions affecting crop production. Changes in government regulations on organic food certification. Now, Green Harvest Farms must decide how to leverage its strengths, address its weaknesses, take advantage of opportunities, and mitigate threats to grow its business.

Questions:

- a) Define SWOT analysis and explain why it is important for businesses like Green Harvest Farms. (10 marks)**
- b) Identify and explain two strengths and two weaknesses of Green Harvest Farms. (10 marks)**
- c) How can Green Harvest use its strengths to take advantage of new opportunities? (10 marks)**
- d) Discuss two ways Green Harvest Farms can reduce the threats it faces. (10 marks)**

Section B SELECT ANY THREE QUESTIONS IN ALL

Question 1:

- a) Discuss the economic and social objectives of a business. (10 marks)
- b) Explain the importance of profit maximization in business sustainability. (10 marks)

Question 2:

- a) Define the term business environment and explain its importance in business operations. (10 marks)
- b) Identify and describe the five main components of the business environment. (10 marks)

Question 3:

- a) Explain the meaning of business ethics and why it is important. (10 marks)
- b) Identify and explain ethical challenges businesses commonly face. (10 marks)

Question 4:

- a) Differentiate between the internal and external business environment. (10 marks)
- b) Explain how a company's internal factors (e.g., organizational culture and resources) influence its success. (10 marks)

Question 5:

- a) Define business and explain its key characteristics. *(10 marks)*
- b) Differentiate between economic and non-economic activities with relevant examples. *(10 marks)*

Question 6:

- a) Explain the difference between business risk and business uncertainty. *(10 marks)*
- b) Describe two risk management strategies businesses can use to minimize losses. *(10 marks)*