INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

HIGHER EDUCATION CERTIFICATE

END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: HEC
YEAR/SEM: YEAR 1/SEMESTER 2
COURSE CODE: FDN 1206
NAME: INTRODUCTION TO BUSINESS STUDIES

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

SECTION A IS COMPULSORY

Question 1:

How can SWOT be used to analyse and improve his business operations? (4 Marks)

Question 2:

What are the advantages and disadvantages of running business as a sole propriatorship?

(4 marks)

Question 3:

Explain any advantages of choosing cooperative form of business. (4 Marks)

Question 4:

What factors should any one consider when choosing the right business? **(4 Marks)**

Question 5:

Discuss the importance of budgeting in business financial planning *(4 marks)*

Question 6:

Define marketing and explain its importance in business success (4 Marks)

Question 7:

Explain the significance of employee motivation in business performance. (4 marks)

Question 8:

Define business and expalin the challenges of starting one. (4 Marks)

Question 9:

Explain the advantanges of internal recruitment for nay organisation? (4 Marks)

Question 10:

Exlapm the advantages of external recruitment for any bunsiness entreprise (4 marks)

Question 11:

What are the key responsibilities of an operations manager? (4 marks)

Question 12:

How do technological advancements influence business operations? (4 marks)

Question 13:

What is a cooperative society, and how does it function? (4 Marks)

Question 14:

How does human resource management contribute to business success? (4 marks)

Question 15:

How does government regulation affect businesses? (4 Marks)

Question 16:

What are the main challenges faced by small businesses? (4marks)

Question 17:

What are the main elements of the business environment? (4 Marks)

Question 18:

Identify four reasons for starting a business. **(4 Marks)**

Question 19:

IDENTIFY AND EXPLAIN THE TYPES OF BUSINESS YOU KNOW ABOUT (4 MARKS)

Question 20:

1. What marketing strategies can a business use to attract more customers? ***(4 marks)***

SECTION B

SELECT ANY THREE QUESTIONS IN ALL

Question 1:

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

Question 2:

a) Compare and contrast a **sole proprietorship** and a **partnership** as forms of business ownership. *(10 marks)*
b) Explain three advantages and two disadvantages of running a cooperative business. *(10 marks)*

Question 3:

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 4:

a) Differentiate between the **internal** and **external** business environment. *(10 marks)*
b) Using **PESTEL analysis**, explain the external factors that influence business operations. *(10 marks)*

Question 5:

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 6:

a) Define SWOT analysis and explain its importance in business planning. *(10 marks)*
b) Identify and describe two strengths and two weaknesses that a startup business might have. *(10 marks)*

Question 7:

a) Outline the four key functions of management. *(10 marks)*
b) Explain how controlling and leading contribute to effective business management. *(10 marks)*

Question 8:

a) Explain the role of human resource planning in an organization. *(10 marks)*
b) Describe two recruitment methods and two employee retention strategies. *(10 marks)*

Question 9:

a) Explain the significance of employee motivation in business performance.*(10 marks)*
b) Discuss two motivational theories and how they apply in business management. *(10 marks)*

Question 10:

a) Define marketing and explain its importance in business success. *(10 marks)*
b) Identify and describe two marketing strategies that a business can use to attract customers. *(10 marks)*